

Empresarios Migrantes Michoacanos En Estados Unidos: El Caso Huandacareo Michoacán Migrant Entrepreneurs in the USA: The Case of Huandacareo

**Eduardo Fernández Guzmán
Perla Shiomara del Carpio Ovando¹**

Abstract

It may be assumed that, by definition, a migrant works in less profitable niches and has limited social mobility. However, a group of migrants originating from different economically developed countries have successfully started businesses of a diverse nature and size. For this reason, the entrepreneurial spirit of migrants is a subject that has deserved growing attention in recent years. Compared to other immigrant groups in the United States, Mexicans show low levels of entrepreneurial activity. However, as this case study in Michoacán shows, the trend of the migrant entrepreneur is stronger every day. The objective of this study is to understand, using different analysis frameworks, the life trajectory of these Michoacán entrepreneurs in diverse parts of the vast expanse of the United States of America.

Keywords: migrant entrepreneurial spirit, international migration, migrant investment

Introduction

Undeniably, complex contemporary migratory processes impose theoretical and methodical challenges like never before, and now, international migration is part of a trans-national revolution that is disrupting societies around the globe. Thus, long-term migratory frameworks out-live new trends that arise as a consequence of new accumulation patterns, the passing changes in the economy, transformative science and technology, new means of communication and transport, political battles, violent conflicts, religious and ethnic persecution, the war against drugs, meteorological events, climate change, and environmental deterioration²². The causes and consequences of this phenomenon, in the countries of origin as well as destination, make the phenomenon even more complicated. The case of entrepreneurial activity by migrants merits being studied as a whole, looking at the trans-national and its history.

It may be assumed that, by definition, a migrant works in less profitable niches and has limited social mobility. However, a group of migrants originating from different economically developed countries have successfully started businesses of a diverse nature and size. For this reason, the entrepreneurial spirit of migrants is a subject that has deserved growing attention in recent years (Tamer, Zamantili & Hellstern, 2011).

Since the 1930s to the present day, analysis of the migrant entrepreneurial spirit has left a considerable number of outstanding studies of theoretical and empirical nature (Yuengert, 1995; Portes & Zhou, 1996; Portes, Guarnizo & Hallen, 2002; Riddle, Hrivnak y Nielsen, 2010; Azmati, 2010; Riddle y Brinkerhoff, 2011; Ilhas-Nas, Sahin y Calingir, 2011; Ibrahim & Galt, 2011). Diverse social science disciplines have approached the subject qualitatively and quantitatively from the historical, sociological, anthropological, economic, and psychological viewpoints (Fernández, Del Carpio, Mosqueda 2013).

¹Research professors at the University of Guanajuato.

We appreciate the support given by the Department of Support for Research and Graduate of the University of Guanajuato (Departamento de Apoyo a la Investigación y al Posgrado DAIP) in the translation of this research.

²Although climate and environment variables across the history of migration have been fundamental factors in certain population displacements, there are authors that consider that the current situation brings cause for concern. They even claim that climate change has already broken important migratory movements as a consequence of extreme meteorological phenomena, sea level rise, and rapid degradation of the environment. Some suggest that said changes could lead to a displacement of 200 million mid-century, and others estimate that it could even be 1000 million. We are at a never before seen cross-roads (McLenan, 2011).

It is telling that studies have focused on the migrant entrepreneurial phenomenon in more economically developed countries. In Oceania, studies by Pio (2007) and Dai, Yuan & Teo (2011) are noted. In Europe, the countries that have observed this phenomenon the most are England, Germany, Holland, and Spain (Borenkerk & Ruland, 1992; Basu, 1998; Borooah & Hart, 1999; Constant, Shachmurove & Zimmermann, 2007; Nijamp, Sahin & Baycan, 2009; González, Bretones, Zarco & Rodríguez, 2011). The most active analysis of migrant entrepreneurs has been in Canada and the United States where the greatest diversity of ethnicities is represented by entrepreneurs (Chung & Moo, 1985; Li, 2001; Light, 2002; Bogan&Darit, 2008; Fairchild, 2010; Kesler y Hout, 2010; Yang, Colarelli, Han & Page, 2011; Chand & Ghorbani, 2011). Compared to other ethnic groups in the United States Mexican migrant entrepreneurs, although growing in number over recent years, are fewer than Koreans, Chinese, Greek, and Japanese entrepreneurs, immigrants from these countries have invested the greatest in the country (Raijan, 2001; Fairlie & Woodruff, 2007; Georgratos & Tatsiramos, 2009; Shinnar, *et al.*, 2009). This study attempts to contribute to our understanding of the entrepreneurial spirit of migrants from Michoacán in the United States.

Theoretical Framework

For Castles & Miller (2004, p. 39), migratory movements are generally generated by the existence of previous ties between countries of origin and reception, based on colonialism, political influence, exchange, investment, or cultural ties. Mexican migration to the United States originated in the expansion towards the south and east by the United States in the 19th Century, and the deliberate recruitment of Mexican workers by US employers in the 20th century. There is a trend of displacement towards ancient metropolises, which adds an interesting vein to the study of chain reaction flows and the idea of the existence of a migratory system with deeper roots than simple economic considerations.

This means that any migratory movement may be seen as a consequence of the interaction between macrostructures, mesostructures, and microstructures. The first are institutional factors at a large scale and are composed of economic policy of the world market, relations between states and laws, structures and established practices for countries of origin and destination to control human fluxes. Microstructures are informal social networks created by the same migrants to free themselves from the obstacles inherent in migration and becoming established. They include personal relationships, family and home organization patterns, friendship ties and community members, and solidarity in economic and social terms. Finally, mesostructures are institutions and individuals that conform to the “**migration industry**”, that consist of recruitment agencies, travel agents, bureaus de change, money sending services, smugglers that fulfil the roll of mediators between migrants and political and economic institutions.

The literature has used diverse theories to explain the migrant entrepreneur. Among these are; Cultural Theory, Disadvantage Theory, and Mixed Embeddedness. According to Cultural Theory (Azmat, 2010), cultural characteristics such as religious belief, family ties, savings, ethnic work, and fulfilling the expectations of society serve as ethnic resources which partially explain the orientation of immigrants towards entrepreneurial activity.

The theory of Mixed Embeddedness is concentrated on how entrepreneurs embed themselves in the socio-economic and policy-institution environment of the destination country, and how these efforts profile the entrepreneur’s opportunities. Followers of this theory stress the importance of the market, state politics, spatial configuration of migrant entrepreneurs, sector, location, job market, and institutional support. Finally, the Disadvantage theory proposes that the activities of entrepreneurial migrants are the result of a context of disadvantage.

A more comprehensive and holistic viewpoint, to understand the creation of businesses by migrant entrepreneurs, proposed by Ibrahim & Galt (2011) where economic and cultural factors are taken into consideration, that stress rational choice, dependence on the way, and dynamic evolution of actions and behavior. Ilham, Sahin & Calingir (2011) similarly propose a model to understand the migrant entrepreneur. The authors suggest analyzing the context of the country of origin and destination along four axes. First, background: *pull-push* factors, entrepreneurial experience, social networks, policy, gender, human capital, demographic factors, history; second, environmental context: socioeconomic and institutional context, cultural roots, financial factors, labor market, and geographical context; third, characteristics of the space for international entrepreneurs: scale, industrial reach and structural factors; and fourth, results: individual level (job opportunities and economic benefits), organizational level (small businesses), and at the national level (transnational immigrant entrepreneurs, labor market and ethnic enclave).

This analytical approach coincides with the migratory process theory and takes the interaction of different structural processes into consideration through the study of the migrant entrepreneur. We will use these comprehensive and holistic viewpoints as a reference and theoretical framework to understand the migrant entrepreneur from Huandacareo, Michoacán, Mexico in the United States.

Method

The sources of information for this research were both primary and secondary. Field research was fundamental. Observation and exploration were key, which is basically the direct contact with the object of the study (observation participant), the questionnaire and the interview consisted of the quantitative and qualitative aggregation of oral testimonies. The purpose of the tools for data collection was to capture the richness of experience of the interviewees, allowing for description of aspects, situations, vicissitudes, workplaces, and unravelling what they did not find, generally registered. Additionally it offered us the chance to have greater contact with the reality of ex-migrants, migrants, the returned population, their families, and locals, allowing us greater reflection on our object of study.

Secondary materials used were books, journals, and censuses. Together, they provided us with the theoretical-methodical elements, the historical and contextual panorama of international migration between Mexico and the United States, and migrant investment around the world; we also had access to national, state, and local data and statistics, which are not possible to obtain in the field.

This article is focused on the experience of migrant entrepreneurs in the United States, who are originally from Huandacareo, which is why data was principally obtained from interviews with migrant investors. We applied 20 semi-structured interviews between December 2012 and January 2013. The interview aimed to identify the principal factors that influence migrant entrepreneurs from Huandacareo to invest in their destination community. They were asked to describe at detail both (some three where they had migrated more than once) phases of their migratory experience, pre-migration and their stay in the United States, although the second was given greater emphasis.

In the next section we present some results obtained in our field work.

Results: Migrant Entrepreneurs in the United States

Socio-Demographic Data of Migrant Entrepreneurs from Huandacareo in the United States

The age range of migrant entrepreneurs from Huandacareo in the United States was from 38 to 15 years, with an average of 52.1. Of those, 40% were young adults in their forties, and the other 40% in their fifties. All were married.

In the last 20 years the average level of education of Mexican migrants has increased. A greater flux of migrants with high-school level education has been observed, and there has been a notable increase in the group with technical, bachelor, and postgraduate degrees. It may be inferred that Mexican migrants to the United States have more blue and white collar jobs. The number of migrants with 10-12 grades of schooling has increased by a factor of 3 between 1994 and 2009, and the numbers with technical, professional, and postgraduate all doubled. Therefore, the average years of schooling of migrants over 15 years of age is 9 years, while the average in Mexico is 8 years. Of almost 12 million Mexican migrants in the United States, 37% have a high-school diploma (Albo and Ordaz, 2011).

Migrant entrepreneurs from Huandacareo in the United States have educational levels that vary from 1 to 11 years of schooling (finished high-school). None of them had university experience. Average schooling of these migrant entrepreneurs is 7.4 years of academic education. This is lower than average schooling in Mexico and of the average Mexican migrant.

Despite having lower levels of education, migrant entrepreneurs from Huandacareo living in the United States, due to their higher incomes, have left their homeland so that their children may achieve accessing the onerous university education system, and therefore achieve locating themselves among the educational migrant elite. Within the family, the entrepreneur reproduces the two poles of the educational pyramid.

The average number of children of migrant entrepreneurs from Huandacareo in the United States is 4.3. Of these children, 4.65% have a master's degree, 25.58% have a bachelor's degree, 25.58% are attending university, 9.30% have finished high school, and 6.97% are adults that only finished elementary school.

This means that in the coming years, 50% of the entrepreneur's children will hold a university degree. Many have passed and study in prestigious institutions such as the University of Houston and study careers such as Business Administration, Business, Special Education, Nursing, Medicine, Physical Therapy, or are in the navy where they may study Engineering, Mechanics or Medicine.

English

Authors such as Iham, Sahin & Cilingir, 2011, suggest that demographic factors such as gender, education, migratory status, and language affect immigrant entrepreneur's tendencies to open businesses. Some researchers argue that linguistic similarity between ethnic groups is an economic niche that offers a competitive advantage to immigrant entrepreneurs. However, command of the English language is important when it deals with other market niches.

In regards to this aspect, 70% of entrepreneurial migrants from Huandacareo interviewed expressed that they had command over the English language, and the other 30% only had the minimum to be able to communicate. They all agree that linguistic ability facilitates the opening and success of their businesses, as they have access to contacts, networks, clients, and paperwork beyond co-ethnic margins. The majority of contractor, gardening, cleaning, and house maintenance businesses' clients in big cities do not speak Spanish. For quality reasons some companies from Huandacareo have to deal with key sections of the County Chambers of Commerce, local businesses, and political leaders.

Reasons why they migrated to the United States

The vast majority (80%) migrated to the United States for the first time in the 1970s and 1980s, and the average age in this first venture was 16.9 years. They explained that the principal reasons for leaving were economic, cultural, and for their family were; for better living standards, the dream of buying a house, a truck for self-employment; poverty and unemployment were economic reasons; the cultural reasons are manifest in the curiosity to know the "north", emulating the migrants that seem to be doing well; the family reasons were to reunite with parents previously established on American soil.

Before leaving for the United States for the first time, 60% worked as laborers in the hat industry, or in family commerce businesses and pig farms; 30% studied and 10% were unemployed.

Destinations in the United States

According to the *Pew Hispanic Center*, the total population of people of Hispanic origin in the United States was 50 730 000 people in 2010. Of which, almost 33 million were Mexican by origin (64.9%). Of the population originating from Mexico, 36% were born in Mexico, 26% had High School diplomas, 9% had bachelor's degrees, 64% are competent in the English language, and 73% had American citizenship; the average domestic income is 38 700 dollars per year; 27% lived in poverty, a more elevated percentage than the general American population that was 15%, 34% had no health insurance, and 50% were homeowners. The cities where they were most concentrated was Los Angeles, California, with 3.5 million; Harris Co. Texas, 1.2 million, and Maricopa Co. Arizona, with 975 622. Of the 10 American cities that house the most inhabitants of Mexican origin, five were in California, and three were in Texas.

According to the statistics from the *Pew Hispanic Center*, the majority of Hispanics live in only nine states: Arizona, California, Colorado, Florida, Illinois, New Mexico, New Jersey, New York, and Texas. In 2010, 76% of Latinos were located in these states, compared to 81% in 2000, and 86% in 1990. In the year 2000, half lived in California and Texas, in 2010 this went down to 46.5%. There were 8 states that had more than one million Hispanics, California had the greatest number with 14 million.

In the same way as Hispanics, in the last few years a greater diversification of destinations has been observed with Mexican migrants to the United States (Díaz, 2008). In the 1930's the predetermined destination of Mexicans was Texas, in 1960 this was replaced by California. The southeastern region, which is comprised of Arizona, California, New Mexico, and Texas in 1990 held 83.2% of Mexican migrants, and this fell to 66% in 2010. The Great Lakes region includes the states of Illinois, Wisconsin, Minnesota, Indiana, and Michigan, Mexicans are principally found in Illinois, according to data from the beginning of the 20th century (Taylor, 1930), taking third place after California and Texas. Chicago has around 90% of all Mexicans in Illinois, and is the third most populated city with Mexicans after Los Angeles, California (CONAPO, 2012).

It has been found that 80% of migrant Mexican entrepreneurs in the United States have settled in two or more states (California, Illinois, Texas, Florida, Missouri, and North Carolina), and 20% have lived only in Chicago, Illinois. Currently, the entrepreneur from Huandacareo placed their assets in Texas (50%), Illinois (30%), California, Florida, and North Carolina (20%). It is interesting to point out that 20% of them are re-migrated entrepreneurs. That is to say, they were first entrepreneurs in the United States, they came back to start a business in Huandacareo, and by a twist of fate migrated to the United States a second time and continued their entrepreneurial activity.

Before becoming entrepreneurs, they all passed through the rigor of salaried work in the United States. Only a minority (10%) spent their salaried lives in agricultural work, they worked both in the field and in services; 20% of these entrepreneurial migrants had only prior industrial experience (construction, factories, meat packing); another 20% transitioned through industry and services, and 30% worked in the field, industry and services.

From Employees to Entrepreneurs

Contrary to popular belief, Mexico is one of the most entrepreneurial countries in the world. Indices on self-employment, in the year 2000 by the OCDE, qualify Mexico in the upper section of the list of 28 member countries. Through international sources and official Mexican statistical data, Fairlie and Woodruff (2007) indicate that approximately a quarter of the workforce in Mexico owned their own business at the beginning of the last decade. However, in the United States, Mexican Migrant entrepreneurs are few. Only 6% (under the national average of 11%). This is nothing compared to 31% of Greeks, 27% of Koreans, 21% of Italians, and 13% of Brazilians.

Some authors give preeminence to entrepreneurial genetics, the watered-down experience of the family entrepreneurial spirit. Along this vein, Fairlie & Robb (2007) examined their work because property owners, in sales, benefits, employment, and survival. The authors discovered that the lack of prior experience in a family business among business owners, perhaps due to limits on general and specific business human capital acquisition, negatively affected the results of African-American business owners.

Fairlie & Woodruff (2007) affirmed that individuals that have had an entrepreneur as a father has approximately double or triple the chance of themselves being entrepreneurs than those whose fathers had no business experiences. Fairlie & Robb (2007) also assert that children of self-employed people are significantly more likely to have their own business.

Of those studied in Huandacareo, 90% of the parents of the entrepreneur's parents had experience as migrants, 77% developed some kind of entrepreneurial activity in Huandacareo, most now retired. The parents worked in diverse areas such as plumbing, corner stores, ranchers, and pig rearing. And in relation to the migratory and entrepreneurial experience of the siblings of migrant entrepreneurs, the interviews show that 71.42% have siblings with entrepreneurial activity. This confirms the direct experience between the parent's vocation and the child's self-employment. This is evidence to the influence of parents of the training of migrants as entrepreneurs.

According to the *Kauffman Index* in 2009 the number of people that reported entrepreneurial activity in the United States reached its highest point in the last 14 years. The *Kauffman Index* established that the percentage of entrepreneurial activity of immigrants, although it declined from 0.53% in 2008 to 0.51% in 2009, maintained significantly higher than the native rate which was 0.30%. It is also interesting to note that the states with the highest rates of entrepreneurial activity for every 100,000 adults were Oklahoma (470), Montana (470), Arizona (460), and Texas (450). Regarding the largest metropolitan zones in the United States, the highest rates of entrepreneurial activity in 2009 were in Houston, Texas (0.63%), Miami (0.61%), Phoenix (0.51%), Atlanta (0.51%), San Francisco (0.48%), and Los Angeles (0.47%).

According to Azmat (2010), businesses of migrant entrepreneurs are normally small-scale and show many of the same characteristics, problems, and need for support of micro-businesses. Small business ownership has been an important strategy for adapting immigrants into developed societies. Immigrants have a greater participation in small businesses in developed countries, such as: Germany, England, and the United States (Ilham, Sahin & Cilinger, 2011). Yang, Colarelli, Han & Page (2011) affirm that small business owners are frequently considered vehicles for economic development and social mobility for immigrants due to their limited labor opportunities, language barriers, and discrimination in the destination country.

The following testimony of a migratory business who shares as a beginning and strength of his business:

The first time I came to California because my dad was here, I came to look around, I didn't think about working, I chose to go for six months, and I did work in the field, picking tomatoes in Tracy (...). Until by accident I ended up visiting Texas on vacation, I went to Houston and I decided to get to know and develop this new job. I lasted as an employee in construction for four months, I challenged myself. There were various factors, first the opportunity to be partner in another company came up, and I began an association that was a small construction branch that wasn't difficult to do. It developed for eight months, and the opportunity to keep going solo and do what I still do today in my own business. I took on those challenges because I was married, from then on I stretched myself to other activities - always in construction. Then there were no doubts and I developed as much as I could in construction. That was in 1990. I started working with three employees from Huandacareo and other Mexicans, it kept growing from there. From there everything increased, the services we could offer at my company *D García Painting and Remodeling* until this very day (...). During this period of 10 to 13 years from 1992 to 2004, the number of jobs increased to a maximum of 43 part-time and eventually a base of 25 and the rest in the form of subcontracts, depending on the requirements or work required. We work mainly on cosmetic changes (finishing, interior preparation, textures, sealants, paint, interior and exterior) a monthly production of 30 to 40 houses, plus what was eventually from other monthly homes (...). We have been here since 2004, I have opted to fulfill my services to a level where it is generalized in subcontracts. To date, and depending on the production management, I have 1 to 40 different branches, finally I have a worker, and I opted to subcontract personnel, but maintaining and offering the same services.²

Initial Capital

Undoubtedly, capital is one of the more crucial resources for business formation (Kwang & Won, 1985). While native entrepreneurs usually obtain bank loans, migrant entrepreneurs are less likely to receive funds from banks and frequently borrow money from family or other group members. Migrant entrepreneurs are less inclined to join formal native networks, minority groups, commerce associations, or franchise organizations. Geographical concentration is observed, especially in the biggest cities, because migrants start their businesses in places where there is already a large resident population with the same migrant backgrounds (Nijkamp, Sahin, & Tuzin, 2009). One entrepreneurial migrant from Huandacareo commented:

I'm in Houston, I have my painting business there. We maintain and remodel homes. As they are made of wood they have to be constantly maintained (...) I decided to invest in the United States because of what I learned at that time. When I was 29 years old, I set up my business and support from my siblings was important because I was broke. We were always talking to each other for technical support, I asked them and other friends. My siblings were real entrepreneurs. I still talk a lot to one brother, he does the carpentry and I do the painting, each to his own business, but we are always helping each other out.²

Integrating into American Society

There are many factors to consider in order to understand the difficulty of Mexican migrants to integrate into American society, as shown in analysis by CONAPO (2012). According to this institution, despite the phenomenon of mass and continuous migration lasting over a century, Mexican immigrants face multiple obstacles to integrate into said society compared with other migrant groups. This is reflected in the average low educational level, infrequent use of the English language, under naturalization indices, a high concentration in poorly remunerated work, and high levels of poverty in Mexican homes in this country. Poor results when compared to the average native population and other immigrant groups.

Researchers (Fairlie & Woodruff, 2007) have affirmed that immigrants are generally more likely to be entrepreneurs than Americans by birth. Many states and federal governments promote self-employment as a way for families to get out of poverty and the insecurity of unemployment to have greater wellbeing.

Migrant entrepreneurs create job opportunities, develop social capital, are more integrated with society, increase the range of goods and services available, expand consumer choice, and the growth of certain sectors (Azmat, 2010).

It is interesting to highlight what Vinogradov & Kovereid (2010) refer to when analyzing what they consider the intelligence of migrant entrepreneurs.

They think of intelligence as mental capacity, which among other things, implies the ability to reason, plan, resolve problems, think abstractly, understand complex ideas, learn quickly, and learn from experience. This ability can be essential so that migrants start a new business in the new environment of the destination country. Starting and managing a business in a new country requires cognitive adaptation and learning and the ability to recognize business opportunities.

All of the migrant entrepreneurs interviewed agreed that when they started their business the economic conditions in the United States were very favorable for the success of the company and that there was lots of work and the economy was not in crisis as it is today. Adding in institutional facilities, rules, permits, concessions, bureaucratic red tape, allowed for a climate that promoted the creation of new businesses.

Half of migrant employers from Huandacareo have their businesses in Texas (the majority in Houston); 30% are located in Chicago, Illinois; and the remaining 20% in states such as California, North Carolina, and Florida. In Texas, ultra-modern urban areas like Houston and Dallas have favored a thriving business of services where many migrants have found a niche for investment. Businesses built by migrants from Huandacareo on Texan soil are painting, maintenance, and remodeling houses; carpentry; construction; furniture and renting space, principally. In Chicago, Illinois, companies have invested in construction, meat packing, cleaning and maintenance, bars, restaurants, among others. In other states, they have opened construction companies, bars, restaurants, and garden service companies.

Yes, there are many entrepreneurs from Huandacareo in Houston, this is due to the ease of fulfilling state requirements. It is more difficult in California to run a construction company. There is no demand in Texas. Before me, there were 7 or 10 entrepreneurs from Huandacareo, now there are maybe 30, but 15 are those that have been consistent through time (...) I was a counselor, supervised some of them, and eventually they worked for me.²

The reasons they expressed for investing in the United States were to improve economically, because they had partners and experience in that field, and the greatest certainty and ability to invest in the country. Their business activity started at very productive ages. The majority of the migrants (80%) were between 19 and 32 years old, the remaining 20% were in their forties, with an average age of 29.5 years. Their businesses have been capable of resisting the doldrums of economic crisis that has afflicted American society in recent years. The youngest company is 8 years old, while the most long-lived now has 32 springs, with an average of 18.7 years on the market.

It is interesting to see that 90% of migrant entrepreneurs from Huandacareo in the United States had the support of a family member at the time of setting up their own business, this consisted of monetary resources, consulting, links with partners, contracts, facilitating methods and markets. Many of these entrepreneurs were employed at some point by family members or friends, and they facilitated social capital, they offered the human capital and opened the way for the business world.

Becoming an entrepreneur does not depend on the amount of financial resources, rather on personal abilities to interact, vocation, willingness to take risks, family business experience, economic need, social capital, technical expertise, linguistic ability, symbolic considerations of belonging to the migrant elite and gaining status, recognition, income, cyclical visits to their place of origin and the ability to exhibit the ability to purchase and invest in both countries. However, there are examples of initial investments of significant quantities with the savings of various siblings and a bank loan totaled 350 thousand dollars.

According to analysis from the *Pew Hispanic Center* of the root cause of this situation in the United States in recent years, the greatest wave of migration in the history from one country to the United States has slowed. After four decades, the growth that drove almost 12 million net immigrants in the migratory flow from Mexico to the United States has come to a halt. This is mainly due to building houses, ever stronger border restrictions, increase in deportation policies, wild and dangerous routes at illegal border crossings, long-term reduction in birth rates in Mexico and improvements in economic expectations in Mexico. For this institution, it is possible that the migration of Mexican workers in search of the American dream will come back to life when the American economy re-stabilizes.

It is obvious that monthly incomes have varied across their years as entrepreneurs. Migrant entrepreneurs speak of a "golden age" to refer to the period when the business was at its cusp of prosperity. Many of them actually transitioned through a period of greater austerity reflected in the adverse global economic situation.

Of those interviewed, the lowest range of income per month was three thousand dollars, and the highest profit margins were above 20 000 dollars per month. On average, the monthly dividends of these businesses was 9 562 dollars. This means that the minimum annual income was approximately 36 000 dollars, while the maximum was 240 000 dollars, giving an average of 114 750 dollars.

Entrepreneurs from Huandacareo in the United States have generated a significant number of jobs. Only 10% were sole traders, 60% employed between 1 and 10 workers, the other 30% gave work to between 11 and 130 employees. The last category of entrepreneur with greater financial resources typically runs construction companies, meat packing facilities, malls, restaurants, painting, and remodeling companies, on average these entrepreneurs from Huandacareo employ 22.9 people on American soil.

Transnational Ties of Migrant Entrepreneurs with their Community of Origin

There are multiple consequences of international migration for regions and communities of origin. They are manifest in the diverse intensity dependent on the amplitude and importance of migration, of local and regional conditions, and individual characteristics of migrants. The impacts do not only affect demographic structures but also the economic, political, and socio-cultural scaffolding that impose very significant changes on the family and personal plane (CONAPO, 2012).

While return migration is receiving a lot of attention, there is still little information related to factors that determine the intentions and decisions of returning migrants. It is often assumed that integration in destination and concomitant countries weakens transnational links and decreases the likelihood of returning (Hass & Fokkema, 2011).

The initial plan of all the entrepreneur migrants interviewed was to go, save, and return to Huandacareo. At the present time, their expectations remain the same, except that they find it difficult now that their children have grown, and many were born in a very different culture; they have a fondness, networks, routines, and have built identities that are very distinct from the land of Juan Colorado. The dream of returning is ever present but the passing of time complicates the decision and it is no longer a mere individual determination. The children, but also comfort, work and investment opportunities, daily life, slow this longed-for return.

The plane, the phone, the internet are all technological conditions that elevate transnational activities of migrants whose reach and intensity that overcomes the past. This allows the majority of immigrants to, every now and then, participate in some kind of trans-border activity, being sending remissions, consumer articles, buying goods, etc.

That is to say, the entrepreneurial transnational diaspora has been described as a social field of immigrants operating in a complex transnational domain with dual cultural, institutional, and economic traits that facilitate various business strategies (Riddle, Hrivnak & Nielson, 2010). Or, as Riddle & Brinkerhoff (2011) state, diasporic transnational identities and the social structure together with the means allows for ever increasing movement of investment and trans-border capital, they have made way for a special case of international, ethnic, business behavior: diaspora entrepreneurial investment.

One of these is returning and investing in their country of origin, positively impacting on its economy. An example of this case is in China, where more than 100 712 500 scientists and students returned from abroad in 2006. Among those, 5 000 have established new high-tech companies in the Zhonggauncun Science Park, the *Silicon Valley* of China. Returning migrants from across the sea have played a very important role in the economic development of emerging economies, such as Taiwan, South Korea, China, and India (Dai, Ou, & Liu, 2009). In Huandacareo, returning migrant investors have played a very important role in developing the population. Yet some, despite positive experiences, have had to pack their backs and re-migrate to the United States.

Currently, there are various entrepreneurs that had returned and invested in Huandacareo, their businesses were sinking, and they returned to the United States to invest again. That is to say, they never stopped being entrepreneurs.

All migrant entrepreneurs from Huandacareo have invested in some form or another in their place of origin. All of these entrepreneurs have acquired land; 90% built their homes that stand out in terms of dimensions and aesthetics. It is important to note that 40% of migrant entrepreneurs spoken to have invested part of their savings in pig farms, swimming pools, and livestock ranches that have impact the generation and consolidation of businesses that create jobs in the municipality.

The remaining 60% were asked why they had not invested in businesses in Huandacareo, and their answers lean on the crisis in the pig farming industry, that it is no longer profitable, on the contrary, it is “pure trouble”; there are no facilities for investment, such as in the United States, instead there are many bureaucratic requirements. Economic and competitive adversity of a traditional sector such as pig farming that since the nineties, when the FTA was imposed, participate in an unequal market; and the institutional instruments do not provide certainty for investment, that is why migrant entrepreneurs do not bet their savings on the creation of new businesses.

That means that this 60% have no business relationship with local entrepreneurs. The other 40% have ties with local entrepreneurs, due to co-investment or close commercial relationships. Due to their resources, relationships, ties, and symbolic aspects, these migrants often frequent their town of origin, compared to other migrants. Thus the average entrepreneur makes 2.3 visits per year. The pretexts are many; national holidays, local civic holidays, family events such as baptisms, weddings, graduation ceremonies, funerals, medical appointments, among others. Few only visit their town once, and some visit up to 4 times a year.

Another form of transnational participation of some of the entrepreneurs is through compatriot clubs. As in the case of migrants in Chicago who have maintained a very active presence in Huandacareo.

Remittances

Remittances have become a very important income for the country, the economic impact is more noticeable at the regional, state, and local levels. According to official data in 2010, the Mexican states of Michoacán, Guanajuato, and Jalisco absorbed approximately 30% of the total remittances with quantities close to 2 billion dollars each (CONAPO, 2012).

We highlight here the fact that 90% of these businessmen do not frequently send remittances to Huandacareo, and affirm that it is not necessary as the entire family resides in the United States, or their parents are retired and receive a sufficient monthly quantity in dollars to sustain themselves. The other 10% of entrepreneurs do send money to maintain services in their homes, or those that have businesses to operate or liquidate what the company needs, but not family remittances.

Conclusions

There are new theoretical approaches being applied to the analysis of international migration. In the present day, human migration is highly appreciated, their departure and destination, causes and consequences, as a process and not a conglomerate of isolated factors. It is both historic and contemporary phenomenon that includes a complex ensemble of factors and interactions that are continuously life-changing and impactful. Our theoretical approach for observing a historical fact of the present day tries to remove itself from old reductionist models that attend to partial subjects of past and present phenomena.

We profile a more comprehensive theoretical vision to understand the migratory circuit, and especially, the migrant entrepreneur in the United States, as epistemological suppositions are oriented towards revealing not isolated parcels of these phenomena, but the complex and contradictory plot in constant evolution. The phenomenon of international, contemporary migration of Mexicans to the United States has resulted as a nourishing displacement like never before, with new patterns and characteristics. This whirlwind of coming and going, cyclical and permanent, of return and re-migration, of permanent stay, it is fair to say cannot be known if only macro-structural aspects are contemplated to understand this tidal wave. The analysis cannot stress enough the relevance of macro-economic policy, commercial opening, legalization and border control policies, new accumulation patterns, demographic cycles, and the vessels of the economy.

As a whole, migration, like a cycle, also involves meso and micro structural elements, such as the migration industry, regional and geographic conditions of the community, family decisions, volatile, psychological, symbolic, permanence, migratory tradition, social networks, vocations, and family trajectory conditions. The entrepreneurial spirit of migrants in the United States is reflected in what is the level of all tradition and culture in general.

That is to say, it is not possible to understand the migrant entrepreneur if their historic backgrounds, factors of attraction and expulsion, entrepreneurial experience, social networks, policy, gender, human capital, demographic factors, socioeconomic and institutional context, cultural roots, financial factors, labor market and geographical context, characteristics of the business space where they are immersed, results of their entrepreneurial activity and their transnational ties with their places of origin.

This study converges with the research that highlights the positive aspects of migrant entrepreneurial activity in destination countries and they see it as an important element in the social change of the community where they develop their business.

The literature on the experience of the migrant entrepreneur in the United States-Mexico and around the world is abundant in general terms, but it is limited, particularly with respect to the characteristics of businessmen, their vicissitudes in their pre-migration phase and abroad, the causes, and impacts of their investment activities on the community of destination and origin. In our research on life histories, the questionnaires and prolonged participant observation allows us to access this level of information. Through interviews, we were able to identify the principal influential factors that tell us why migrants from Huandacareo invest in the United States.

Huandacareo is a town whose migratory history to the United States started in the early 20th century. For more than 100 years the municipality has availed having a range of high migratory intensity, and is one of the municipalities with the highest indices of migration in the state. Their vocation and migratory history has decisively impacted on the most important factors of local development. The nation has also experienced important changes in recent decades, among them the growing number of migrant entrepreneurs that in different volumes and weights have mounted companies in our neighboring country to the north.

In sum, we are conscious of the great complexity of the migrant entrepreneur in the United States that covers many economic, cultural, social, political, family, individual, and psychological borders that are definitively not possible to document or explore in only one research effort with such modest reach as ours. The objective is to put into context the different levels of analysis and structures that have given life to this little considered aspect of international migration.

The causes and conditions for entrepreneurial investment in the United States go beyond macro level considerations, they are intertwined with other elements that are essential to discern to understand this phenomenon as a socio-historical process. Individual motivations to remain in the community in a new order of prestige and status through social climbing; symbolism of seeming vs being successful and a context where the social uplift an opening doors of higher local social networks through cronyism, parties and rituals of power, trans-national practices, remittances for self-interest or altruism, cyclical visits, family commitments, entrepreneurial genetics, have promoted the entrepreneurial spirit of those in Huandacareo that have positively impacted where they invest in the United States.

References

- Albo, Adolfo y Juan Luis Ordaz Díaz, “Migración mexicana altamente calificada a EEUU y transferencia de México a Estados Unidos a través del gasto en la educación de los migrantes”, México, BBVA/Research, Documento de Trabajo, agosto 2011.
- Azmat, Fara, “Exploring social responsibility of immigrant entrepreneurs: Do home country contextual factors play a role?”, *European Management Journal*, Vol. 28, 2010.
- Basu, A., “An exploration of entrepreneurial activity among Asian small businesses in Britain”, *Small Business Economics*, Vol.10, No.4, 1998.
- Bogan, Vicki y William Darity Jr. “Culture and entrepreneurship? African American and immigrant self-employment in the United States”, *The Journal of Socio-Economics*, Vol. 37, 2008.
- Borooah, V.K., y K. Hart, “Factors affecting self-employment among Indian and Black Caribbean men in Britain”, *Small Business Economics*, Vol.13, No.2, 1999.
- Bovenkerk, Frank y Loes Ruland, “Artisan Entrepreneurs: Two Centuries of Italian Immigration to the Netherlands”, *International Migration Review*, Vol. 22, No.3, 1992.
- Castles, Stepheny Mark J. Miller, *La era de la migración. Movimientos internacionales de población en el mundo moderno*, México, Universidad Autónoma de Zacatecas-Miguel Ángel Porrúa, 2004.
- Chand, Masud y Majid Ghorbani, “National culture, networks and ethnic entrepreneurship: A comparison of the Indian and Chinese immigrants in the US”, *International Business Review*, Vol. 20, 2011.
- Chung Kim, Kwang y Won Mo Hurt, “Ethnic Resource Utilization of Korean Immigrant Entrepreneurs in the Chicago Minority Area”, *International Migration Review*, Vol. 19, No. 1, 1985.
- CONAPO. (2012). Índices de Intensidad Migratoria México-Estados Unidos. Disponible en http://www.conapo.gob.mx/publicaciones/intensidad_migratoria/texto/Migracion_Mex_EU.pdf
- Current Population Survey. Disponible en <https://www.census.gov/cps/>
- Constant, Amelie, Yochanan Shachmurove y Klaus F. Zimmermann, “What Makes an Entrepreneur and Does it Pay? Native Men, Turks, and Other Migrants in Germany”, *International Migration*, Vol.45, No.4, 2007.

- Dai, Ou y Xiaohui Liu, "Returnee entrepreneurs and firm performance in Chinese high-technology industries", *International Business Review*, Vol.18, 2009.
- Dai, Fu, Karen Yuan Wang y Stephen T.T. Teo, "Chinese immigrants in network marketing business in Western host country context", *International Business Review*, Vol.20, 2011.
- Diaz, Mc Connell Eileen, "The U.S. Destinations of Contemporary Mexican Immigrants", *International Migration Review*, Vol. 42, No.4, 2008.
- Fairchild, Gregory B. "Intergenerational ethnic enclave influences on the likelihood of being self-employed", *Journal of Business Venturing*, Vol.25, 2010.
- Fairlie, Robert W. y Alicia M. Robb, "Why Are Black-Owned Businesses Less Successful than White-Owned Businesses? The Role of Families, Inheritances, and Business Human Capital", *Journal of Labor Economics*, Vol. 25, No.2, 2007.
- Fairlie, Robert W., y Christopher Woodruff, "Mexican Entrepreneurship: A Comparison of Self-Employment in Mexico and the United States". 2007. <http://www.nber.org/chapters/c0100>
- Fernández, Guzmán Eduardo, Perla Shiomara del Carpio Ovando, Eloy Mosqueda Tapia "Empresarios migrantes mexicanos en Estados Unidos", en Ra Ximhai, Vol.9, Núm. 3, Edición Especial, septiembre 2013.
- Georgarakos, Dimitris y Konstantinos Tatsiramos, "Entrepreneurship and survival dynamics of immigrants to the U.S. and their descendants", *Labour Economics*, Vol.16, 2009.
- Gonzalez-Gonzalez, José María, Francisco D. Bretones, Victoria Zarco y Andrés Rodriguez, "Women, immigration and entrepreneurship in Spain: A confluence of debates in the face of a complex reality", *Women's Studies International Forum*, Vol.34, 2011.
- Hass, Hein de y Tineke Fokkema, "The effects of integration and transnational ties on international return migration intentions", *Demographic Research*, Vol.25, Article 24, 2011.
- Ibrahim, Gamal y Vaughan Galt, "Explaining ethnic entrepreneurship: An evolutionary economics approach", *International Business Review*, Vol.20, 2011.
- Ilhan-Nas, Tulay, Kader Sahin y Zuhul Cilingir, "International ethnic entrepreneurship: Antecedents, outcomes and environmental context", *International Business Review*, Vol.20, 2011.
- Kauffman Foundation (2009). Kauffman Index of entrepreneurial activity. http://www.kauffman.org/uploadedFiles/kiea_042709.pdf
- Kesler, Christel y Michael Hout, "Entrepreneurship and immigrant wages in US labor markets: A multi-level approach", *Social Science Research*, Vol.29, 2010.
- Li, P.S., "Immigrants propensity to self-employment: evidence from Canada", *International Migration Review*, Vol.35, No.4, 2001.
- Light, Ivan, "Immigrant Place Entrepreneurs in Los Angeles, 1970-99", *International Journal of Urban and Regional Research*, Vol.26, No.2, 2002.
- McLenan, Robert, *Climate change, migration and critical international security considerations*, Switzerland. International Organization for Migration/Migration Research Series, 2011.
- Nijkamp, Peter, Mediha Sahin y Tüzin Baycan-Levent, "Migrant Entrepreneurship and New Urban Economic Opportunities: Identification of Critical Success Factors by Means of Qualitative Pattern Recognition Analysis", *Tijdschrift voor Economische en Sociale Geografie*, Vol.00, No.0, 2009.
- Pew Hispanic Center. Available at <http://www.pewhispanic.org>
- Pio, Edwina, "Ethnic Entrepreneurship among Indian Women in New Zealand: A Bittersweet Process", *Gender, Work and Organization*, Vol.14, No.5, 2007.
- Portes, Alejandro, Luis Eduardo Guarnizo y William J. Haller, "Transnational Entrepreneurs: An Alternative Form of Immigrant Economic Adaptation", *American Sociological Review*, Vol.67, No.2, 2002.
- Portes, A., y M. Zhou, "Self-employment and the earnings of immigrants", *American Sociological Review*, Vol. 61, 1996.
- Rajman, Rebeca, "Determinants of entrepreneurial intentions: Mexican immigrants in Chicago", *Journal of Socio-Economics*, Vol.30, No.5, 2001.
- Riddle, Liesl y Jennifer Brinkerhoff, "Diaspora entrepreneurs as institutional change agents: The case of Thamel.com", *International Business Review*, Vol.20, 2011.
- Riddle, Liesl, George A.Hrivnak, Tjai M. Nielsen, "Transnational Diaspora entrepreneurship in emerging markets: Bridging institutional divides", *Journal of International Management*, Vol. 16, 2010.
- Shinnar, Rachel S., et-al, "Immigrant and US-Born Mexican-Owned Businesses: Motivations and Management", *Journal of Developmental Entrepreneurship*, Vol.14, No.3, 2009.
- Taylor, Paul S., "Some Aspects of Mexican Immigration", *The Journal of Political Economy*, Vol. 38, No. 5, 1930.
- Vinogradov, Evgueni y Lars Kolvereid, "Home country national intelligence and self-employment rates among immigrants in Norway", *Intelligence*, Vol.38, 2010.
- Yang, Chulguen, Stephen M. Colarelli, Kyunghye Han, Robert Page, "Start-up and hiring practices of immigrant entrepreneurs: An empirical study from an evolutionary psychological perspective", *International Business Review*, Vol.20, 2011.
- Yuengert, M.A., "Testing hypotheses of immigrant self-employment", *Journal of Human Recourses*, Vol 30, No.1, 1995.