

## African businesses grow jobs

Written by Lee Egerstrom, Economic Development Fellow, MN2020  
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With minority communities accounting for more than half of Minnesota's population growth over the last decade, the state's economic future rests in Building Cross-cultural Commerce.

Rapidly expanding populations of newcomers, and their Minnesota-born children, are responsible for nearly 40 percent of business start ups in some areas of the state, according to estimations by economic development officials in several cities. While most newcomers work on the agricultural, service, and retail sectors' front lines, new Minnesotans also prosper as entrepreneurs, middle- and senior-level business executives, and higher-value manufacturing workers.

As specific populations grow, more opportunities also arise for immigrant entrepreneurs to open shops, restaurants, even medical facilities that cater specifically to their communities' dietary, cultural, and health needs. As has been the case throughout Minnesota's immigration history, much of this financial success spills over to Minnesota's wider economy. Concordia University research estimates ethnic purchasing power at \$12 billion on the low end.

These folks buy houses, groceries, cars and other consumer goods from long-established Minnesota businesses. Today's Hispanics, Hmong, and East Africans follow a long line of hardworking newcomers dating back to the Scandinavians and Germans. Each group brought its traditions and unique skills to add value to Minnesota's economy. We're a stronger state because of their collective contributions.

Throughout the state, the number of Somali Minnesotans has risen to 50,000 from roughly 18,000 a decade ago, with Ethiopians now numbering 14,000, triple the 2000 census data. While mostly concentrated in Minneapolis and St. Paul, more of these newcomers are calling Dakota County and Greater Minnesota home, especially around Rochester and St. Cloud.

One example where old and new merge involves African-owned Minneapolis grocery and spice shops sourcing specially made grains from a long-time Minnesota farm family for resale in their communities. At least one shop owner sourcing from other upper Midwest millers has expanded into the mainstream market, and now supplies Cub Foods. That bakery operation employs 15 Twin Cities residents.

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