THE Hmong Resettlement Study

Volume II

Economic Development and Employment Projects

March, 1984

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Contract No. SSA 600-82-0251

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This project has been funded with federal funds from the U.S. Department of Health and Human Services under Contract No. SSA 600-82-0251. The contract, which was competitively awarded to Northwest Regional Educational Laboratory (NWREL) is for a total contract amount of $222,906. The Southeast Asian Refugee Studies Project, Center for Urban and Regional Affairs of the University of Minnesota, was subcontractor to NWREL. The contents of this publication do not necessarily reflect the views or policies of the Office of Refugee Resettlement, nor does mention of organizations imply endorsement by the U.S. government.
PREFACE

The Hmong Resettlement Study is a national project funded by the U.S. Office of Refugee Resettlement. The study is the joint undertaking of Northwest Regional Educational Laboratory (Portland, Oregon), the University of Minnesota and Lao Family Community (Santa Ana, California). The major purposes of the Study are to examine closely the resettlement of Hmong refugees in the United States, focusing on the following issues:

What has been the resettlement experience of the Hmong?
- How are the Hmong faring in terms of employment, dependence, and adjustment?
- Are there areas of employment in which the Hmong have been particularly successful?
- What do resettlement workers and the Hmong regard as the major impediments to effective Hmong resettlement and self-sufficiency?
- What role does secondary migration play in the resettlement of the Hmong? What are the reasons for secondary migration among this group? What are the implications for resettlement strategies?

What resettlement efforts and economic strategies have provided effective results for the Hmong?
- How are problems being handled? What kinds of solutions are being tried, by different resettlement communities and by the Hmong themselves?
- How many and what kinds of entrepreneurial economic development projects involving the Hmong are currently in operation, e.g., farming projects, Pa ndau cooperatives? How were they developed and how successful are they?
- What kinds of Hmong employment strategies have been particularly successful?

How might current strategies be changed to result in more effective resettlement and long-term adjustment of the Hmong?
- How might resettlement be conducted differently for the Hmong? What new projects and approaches are being considered by those involved in Hmong resettlement? How would the Hmong want resettlement to be done differently?
How can the Hmong be resettled in a way that better utilizes their strengths and unique characteristics?

What do the Hmong want for themselves? What do Hmong view as essential for effective resettlement? What are their goals for the future? For the next generation of Hmong?

Research conducted in the project included analysis of existing data about the Hmong, compilation of information gathered through numerous informal face-to-face and telephone conversations with Hmong informants across the country (in nearly every Hmong settlement which could be identified) and on-site observations, group meetings and personal interviews with Hmong individuals and families (as well as resettlement officials, service providers and members of the host communities). On-site case studies of Hmong resettlement were conducted in seven selected cities:

Orange County, California
Fresno, California
Portland, Oregon
Minneapolis-St. Paul, Minnesota
Dallas-Fort Worth, Texas
Fort Smith, Arkansas
Providence, Rhode Island

Staff from the participating institutions worked as a team to conduct the overall project and the seven case studies:

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Thongsay Vang

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The results of the project are available to the public as a series of reports published by the U.S. Government Printing Office (GPO). Copies may be ordered from:

Dr. Allan Gall
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Refugee Materials Center
U.S. Dept. of Education
324 E 11th Street, 9th floor
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Vol. 2: Economic Development
Vol. 3: Exemplary Projects
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Executive Summary (written in Lao)
Executive Summary (written in Hmong)

Site Reports:
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Fresno, California
Portland, Oregon
Minneapolis-St. Paul, Minnesota
Dallas-Fort Worth, Texas
Fort Smith, Arkansas
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ACKNOWLEDGEMENTS

This report would not have been possible without the help of a great many Hmong, other refugees and Americans who are involved in the economic development and employment projects described in the following pages. We wish to thank them for their generosity in sharing their experiences with us during our field visits and telephone conversations, and for the time they spent reviewing individual project descriptions and correcting our errors.

We would like to acknowledge our Project Officer in ORR, Ms. Toyo Biddle, who has taken a very active interest in all phases of the design and execution of this component of the Hmong Resettlement Study, and who has been an extraordinarily attentive reader and constructive critic of interim products.

The Refugee Women in Development Project of the Overseas Education Fund graciously shared with us their survey information on sewing projects.

Our thanks also extend to five of our colleagues in the Hmong Resettlement Study: Shur Vang Vangyi prepared an initial list of projects and enterprises, and arranged and participated in site visits in California; Marshall Hurlich did the same in Seattle; John Finck provided information on a gardening project in Providence and reviewed an earlier draft of this report; Glenn Hendricks carried out visits in Montana; and Doug Olney provided data on a Minnesota gardening venture.
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1. INTRODUCTION

1. Scope and Purposes of this Report

This report presents the results of an eight-month study (November 1982 through June 1983) of projects and enterprises that in one way or another serve to promote economic self-sufficiency of the Hmong. The specific purposes of the study were to identify all significant ventures in the country, to obtain general information about them, to describe general constraints and opportunities facing the ventures with respect to promoting self-sufficiency, to prepare in-depth descriptions of a selection of projects and enterprises that highlight, in detail, the key difficulties and successes that each encountered, and to draw from these experiences some basic lessons learned by participants—both Hmong and American. Comprehensive review of employment projects that focus on job development, training and placement was outside the scope of the study, as was identification and examination of small supplementary income schemes like vegetable gardening for family consumption. The study did, however, search out and report on a few employment projects that appeared to present innovative ways of securing jobs for Hmong, and does contain short case histories of two gardening projects that were provided by other members of the Hmong Resettlement Study team as by-products of their activities in preparing Community Case Studies.

The fundamental objective of this report is therefore to provide information about different ways and means by which Hmong and Americans are trying, with varying degrees of success, to integrate Hmong into the economic mainstream of U.S. society. We believe that the information will be of use to individuals
who may use it to assist in the execution of ongoing projects and enterprises, and in the design of new ones.

We have therefore prepared this report with two particular audiences in mind. The first consists of Hmong and Americans who are directly engaged in or who are about to engage in efforts similar to the ones described here. These are the people who make a difference in whether ventures succeed or fail, and so are the ones who can derive most from reviewing the experiences of their counterparts elsewhere. The second audience consists of federal, state and local program administrators, planners and decision-makers who are directly mandated to promote Hmong self-sufficiency. Detailed information about specific projects and enterprises may not be particularly interesting for these individuals, but the more general assessments of apparent advantages and disadvantages in different approaches may be. In general, however, this report treats issues that are likely to be of interest to anyone interested in the characteristics of economic development efforts.

2. General Characteristics of Projects and Enterprises

In mid-1983, seventy-eight economic development projects and enterprises were in whole or in part attempting to promote Hmong self-sufficiency. These included twenty-eight sewing projects, eleven farming projects, twenty-eight grocery stores and eleven other types of enterprise (Table 1).

Corresponding to the distribution of the Hmong population, over one-half of the ventures were concentrated in California (21) and Minnesota (17). With the exception of Wisconsin (6) and Oregon (4), the remaining projects and enterprises were scattered thinly across another eighteen states.

Sewing projects were the earliest type of venture. Starting with two in 1978-79, their number has since increased to 28 (Table 2). Grocery stores and
other enterprises both started in 1980. The number of stores has grown to 28, and the number of other businesses to eleven. Farming projects larger than seasonal vegetable gardening are the most recent type of venture. Nine began in 1982, and two more started in 1983.

The total number of projects and enterprises in mid-1983, 78, was not large. The rate of growth of the number of ventures has, however, been very rapid. In effect, only two of the schemes in operation in 1983 existed five years earlier.

Scales of operation varied considerably in terms of initial capital investment, recurrent expenditures, numbers of beneficiaries and income generated for the beneficiaries. In sewing projects, for example, annual expenses ranged from a low of $300/year for a voluntary effort to $90,000/year for a project with paid staff supported with public or private grants. The number of refugee participants ranged from five to over 400 women per project, and each of these individuals earned anywhere from $20 to over $5,000 a year; with the average being about $240/year for the total of 2,300 refugees involved.

Farming projects, which involved 230 families, or about 1,200 people, were also quite varied. Size varied from seven families to over 60, acreage ranged from five acres to 1,400, and initial capital requirements ran from a low of $6,700 in one project to a high of almost half a million dollars in another. Income-generation goals also varied across this spectrum, from $1,000/year in projects aiming for supplementary income to $10-25,000/year in those aiming for complete self-sufficiency in agriculture.

Among the 28 grocery stores, sixteen were essentially food-buying cooperatives designed to lower the costs to Hmong families of buying basic staples like rice or fish sauce. Established by groups of families with capital investments from $6,000 to $35,000, these cooperatives had monthly sales
Table 1. Distribution of Economic Development Projects and Enterprises, By State, 1983

<table>
<thead>
<tr>
<th>State</th>
<th>Saving Projects</th>
<th>Farming Projects</th>
<th>Grocery Stores</th>
<th>Other Enterprises</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Arkansas</td>
<td>--</td>
<td>2</td>
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<td>--</td>
<td>3</td>
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<tr>
<td>2. California</td>
<td>5</td>
<td>3</td>
<td>9</td>
<td>4</td>
<td>21</td>
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<td>3. Colorado</td>
<td>1</td>
<td>--</td>
<td>2</td>
<td>--</td>
<td>3</td>
</tr>
<tr>
<td>4. Illinois</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>1</td>
</tr>
<tr>
<td>5. Iowa</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>--</td>
<td>3</td>
</tr>
<tr>
<td>6. Kentucky</td>
<td>1</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>1</td>
</tr>
<tr>
<td>7. Massachusetts</td>
<td>1</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>1</td>
</tr>
<tr>
<td>8. Michigan</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>9. Minnesota</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>17</td>
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<td>1</td>
<td>3</td>
</tr>
<tr>
<td>11. New York</td>
<td>1</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>1</td>
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<tr>
<td>12. Ohio</td>
<td>1</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>13. Oklahoma</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>1</td>
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<tr>
<td>14. Oregon</td>
<td>3</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>4</td>
</tr>
<tr>
<td>15. Pennsylvania</td>
<td>1</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>2</td>
</tr>
<tr>
<td>16. Rhode Island</td>
<td>2</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>3</td>
</tr>
<tr>
<td>17. Tennessee</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>1</td>
</tr>
<tr>
<td>18. Washington</td>
<td>2</td>
<td>1</td>
<td>--</td>
<td>--</td>
<td>3</td>
</tr>
<tr>
<td>19. Wisconsin</td>
<td>2</td>
<td>--</td>
<td>4</td>
<td>--</td>
<td>6</td>
</tr>
<tr>
<td>20. Utah</td>
<td>1</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>1</td>
</tr>
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</table>

Total       28    11    28    11   78
Table 2. Growth in Number of Economic Development Projects and Enterprises, 1979-1983

<table>
<thead>
<tr>
<th>Year</th>
<th>Sewing</th>
<th>Farming</th>
<th>Grocery Stores</th>
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</thead>
<tbody>
<tr>
<td>1979</td>
<td>2</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>2</td>
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<tr>
<td>1980</td>
<td>8</td>
<td>--</td>
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<td>1</td>
<td>10</td>
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<td>1981</td>
<td>14</td>
<td>--</td>
<td>12</td>
<td>3</td>
<td>29</td>
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<tr>
<td>1982</td>
<td>23</td>
<td>9</td>
<td>27</td>
<td>.9</td>
<td>68</td>
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<tr>
<td>1983</td>
<td>28</td>
<td>11</td>
<td>28</td>
<td>11</td>
<td>78</td>
</tr>
</tbody>
</table>
anywhere from $1,500 to $12,500. By contrast, the twelve stores set up as profit-oriented ventures required investments of between $12,000 and $80,000 and had sales between $6,500 and $40,000/month.

Characteristics vary even more across the range of other enterprises, from a wood crafts firm started with $3,000 that employed two individuals, to a security guard service launched with $350,000 and employing 55 people. Together the 11 businesses provided sources of livelihood for over 100 workers and owners.

The 78 projects and enterprises were small in number, and most had only modest impact in terms of assisting Hmong in the process of achieving self-sufficiency. Nevertheless, and leaving aside grocery stores, the various ventures touched the lives of between 8% and 12% of the Hmong population in the U.S.\textsuperscript{1} They are important.

3. The Case Studies

In order to learn more about the characteristics of these projects and enterprises, the study team talked with key participants in eighteen of the ventures. Fourteen of the discussions were conducted during site visits, and four were carried out by telephone. In addition, the team visited four employment projects that seemed to offer innovative solutions to the problem of Hmong unemployment. The twenty-two projects and enterprises were:

Sewing Projects:

Southeast Asian Design (Washington)
Irvine Design-Marketing Project (California)
World Wide Folk Art (Minnesota)

Farming Projects:

Indochinese Gardening Project (Rhode Island)
Hmong Community Gardens Cooperative (Minnesota)
Asia Farm Project (Iowa)

Indoche nese Farm Project (Washington)
Hiawatha Valley Farm Cooperative (Minnesota)
Minnesota Agricultural Enterprise for New Americans (Minnesota)

Grocery Stores:

Oriental Food and Craft Corporation (Illinois)

Other Enterprises:*
Company A
Company B
Hmong American Craft Company (Minnesota)
Magic Croissant (California)
Lao-Hmong Family Credit Union (California)
United Lao Development Corporation (California)
Chee Peng Chinese Restaurants (Michigan, Ohio)
Lao-Hmong Security Agency (California)

Employment Projects:
Business Cares (Wisconsin)
Seeking Help to Achieve Refugee Employment (Minnesota)
Plymouth Refugee Opportunities (Washington)
Montana Migration Program (Montana)

The 22 cases present a broad range of project and enterprise types, and reveal a variety of ways through which Hmong and Americans are presently attempting to promote self-sufficiency within a particular type of economic activity. Among sewing projects, for example (Chapter II), Southeast Asian Design is typical of efforts to generate income through craft sales. By contrast, World Wide Folk Art attempts to achieve the same goal by marketing Hmong sewing skills as well as craft products.

In farming (Chapter III), the Indochinese Gardening Project aims at generating supplementary income for large numbers of Hmong. At the opposite end of the spectrum, Minnesota Agricultural Enterprise for New Americans seeks

*Company A and Company B are fictitious enterprise names that we have adopted to protect the identities of two business owners that we had discussions with.
complete self-sufficiency for a small number. The other agricultural ventures are efforts that fall somewhere in between the two extremes.

Among grocery stores (Chapter IV), Oriental Food and Craft Corporation is an example of a typical, successful enterprise. With regard to other enterprises (Chapter V), Company A illustrates a small self-employment venture that at least covered costs and paid the rent. Lao-Hmong Security Agency, at the opposite end of the scale, not only pays the rent and other costs, it employs fifty-five Hmong. The employment projects (Chapter VI) do not present a range of types so much as they do a variety of mechanisms that may make job placement more effective and orderly.

Together, the twenty-two project and enterprise descriptions provide a great deal of information about the numerous opportunities that exist for promoting Hmong self-sufficiency, and about the difficulties involved in exploiting those opportunities. The length and detail of each presentation varies considerably, depending on the amount of information provided during interviews, but in every case we have attempted to highlight important factors which have contributed to a venture's successes, and to its shortcomings.

Finally, the reader should note that the authors of this report did not attempt to corroborate the facts and figures provided by project participants during site visits and telephone conversations. While we did edit and clarify numbers that sometimes appeared confusing, we accepted the data provided to us and carried them forward into the case descriptions. Responsibility for data interpretation, however, is ours alone.
4. Organization of the Report

Each of the next five chapters begins with an overview that presents the general characteristics of each type of project or enterprise, summarizes the case descriptions contained in the chapters, and suggests how the cases relate to each other with respect to achieving Hmong self-sufficiency. The overviews are followed by individual case descriptions. To greater or lesser extents, each description contains information about a venture's origins, goals, organization, operational features, financial characteristics, social factors that may have affected implementation, and outcomes through mid-1983. A concluding segment in each chapter highlights some of the key lessons learned by project participants, and which seem worthy of note by others contemplating similar undertakings.

General conclusions presented in Chapter VII are followed by notes to the text, and annexes that complement the report by describing research methods used, by listing contact names and addresses for many of the ventures identified in the report, and by providing additional information that some readers may find helpful.
II. SEWING PROJECTS

1. Overview

Hmong women, as in the case of many ethnic groups before them, have brought considerable skill and experience at sewing to the U.S., particularly with regard to intricate needlework. Appreciation for the quality of the work that many of them produce has given impetus to the creation of a number of ventures which directly or indirectly try to promote self-sufficiency by selling traditional and/or non-traditional goods and services.

Efforts to provide Hmong women with supplementary income by means of marketing their textile crafts began in 1978 with two projects. This number has increased markedly, to eight in 1980, fourteen in 1981 and twenty-three in 1982. There are, at present, twenty-eight ventures in operation that sell the work and skills of over 2,300 refugee women, the bulk of which are Hmong (Table 3). There are also several smaller-scale operations run on an informal basis which may expand into full-fledged enterprises at some point in the near future, and several women sell their wares independently at fairs and bazaars, and to galleries and small shops.

Many ventures began as voluntary efforts by American women to assist their Hmong counterparts to adjust to living in the U.S., by helping them feel that their craft-making skills had intrinsic artistic value that Americans would appreciate, and would be willing to pay for. Others viewed the ventures as a way to preserve a unique cultural heritage that would soon be lost. Still others organized projects because they saw them as opportunities to quickly pro-
<table>
<thead>
<tr>
<th>TYPE</th>
<th>YEAR CREATED</th>
<th>PARTICIPANTS (‡)</th>
<th>ANNUAL EXPENSES ($)</th>
<th>ANNUAL SALES ($)</th>
<th>RETURN TO PARTICIPANT ($)</th>
<th>ANNUAL AVERAGE NET INCOME PER PARTICIPANT ($)</th>
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<tbody>
<tr>
<td>A.  PROJECTS WITH PAID STAFF</td>
<td>1982</td>
<td>10</td>
<td>42,000</td>
<td>42,000</td>
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<td></td>
<td>1982</td>
<td>200</td>
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<td>34,000</td>
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<td>135</td>
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<tr>
<td></td>
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<td>—</td>
<td>36,000</td>
<td>75</td>
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<td></td>
<td>1982</td>
<td>14</td>
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<td>170</td>
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<tr>
<td></td>
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<td>70,000</td>
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<tr>
<td></td>
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<td>25,000</td>
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<td>140</td>
</tr>
<tr>
<td></td>
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<td>500</td>
</tr>
<tr>
<td></td>
<td>1982</td>
<td>415</td>
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<td></td>
<td>1980</td>
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<tr>
<td></td>
<td>1983</td>
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<td>—</td>
<td>24,000</td>
<td>80</td>
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<tr>
<td>Average</td>
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<td>29,900</td>
<td>51,100</td>
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<td>B. ALL VOLUNTEER PROJECTS</td>
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<td>3.</td>
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</tr>
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<tr>
<td>16.</td>
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<td>6,500</td>
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<td>10,600</td>
<td>75</td>
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<td>17</td>
<td>7</td>
<td>13</td>
<td>14</td>
<td>13</td>
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1 Material in this table is based primarily on information contained in: Artists, Artisans and Entrepreneurs, Diversification in Refugee Women's Textile Enterprises in the U.S., Overseas Education Fund, July 1983.
vide supplementary incomes for Hmong families. To a greater or lesser extent, these and other agendas were present at the outset of each venture.

Some projects have increased their focus on income generation, in part as a response to expressed refugee preferences for this goal, but most retain a multiplicity of agendas. The majority of enterprises still generate the larger proportion of sales from marketing of homemade or imported traditional textile crafts. Some have been placing increasing attention on design and marketing of novelty items such as belts, aprons, pin cushions, purses, eyeglass cases, skirts, tote bags, pillow covers, napkins, tablecloths, potholders, children's clothing, placemats, caftans, Christmas ornaments, baby carriers, coasters, etc. A few have broadened their activities to include sale of dressmaking and contract alteration services.

Although several projects have shifted toward business orientations, most retain their original characteristics as voluntary service ventures. Seventeen projects are still staffed entirely by American and refugee volunteers. Only three projects have been able to provide paid staff without public and/or private grant support. In most cases paid Americans provide project management and training services. Paid refugees are typically hired as trainees to learn about management, marketing, bookkeeping, etc., in the expectation that this training will serve as a basis for gradually shifting the burden of daily management to the refugee.

Salaries are the largest expense items. Projects with salaried personnel have annual expenditures averaging almost $40,000, while all-volunteer projects cost about $3,000/year. Among projects for which sufficient data is available, only two with paid staff were able to cover more than expenses from sales margins. Five of the volunteer projects were able to do the same. Most projects are not more than marginally self-sustaining.
Only four of the projects for which data are available have been able to achieve an average rate of sales exceeding $500 per producer per year. A possible indicator of the importance of qualified assistance in making a difference in sales is the variation in overall performance between projects with and without paid staff. Out of a total of $700,000 in estimated annual sales, for example, almost 80 percent was produced by projects with paid help. Similarly, projects with salaried personnel had an average of $51,000 each in sales, while the others generated about $10,600. Participants in projects with paid staff earned an average of $303 per year, while those in all-volunteer projects earned $117 per year. By and large, however, factors affecting sales are specific to each scheme. Small projects with a handful of gifted women could do extraordinarily well selling traditional works (e.g. project B.5 in Table 3), or combinations of traditional and applied novelty items (e.g. project A.10). Larger projects could also do nicely (e.g. projects A.5 and A.8). Projects that added sale of sewing services (e.g. project A.7) also showed good performance.

In general, sewing ventures have been able to provide an average income of about $240 per year per woman. Some women can make more, up to $5,000 on occasion, but the vast majority receive less than $240. These small amounts are not insignificant to those who receive them. Taking into consideration that most have cost little but time to set up and, excepting salaries, cost little to operate, sewing projects have shown themselves to be effective ways of creating markets from which Hmong can derive supplementary income.

Initiation and implementation of sewing ventures are not, however, without their difficulties, and the three case studies presented below highlight some of the constraints involved; as well as the opportunities.

Southeast Asian Design, which began in Seattle in 1980, is an example of an early sewing venture which had among its original purposes cultural preservation
through sale of traditional crafts, providing Hmong women with psychological benefits such as a sense of self-worth, i.e., with a sense that at least some of the things they were capable of doing were of value in American society as well as in their own, and generation of supplementary income.

The Irvine Design Marketing Project, initiated in San Diego in 1982, is also an example of an attempt to promote cultural preservation and income-generation at the same time. In this case, however, the original emphasis was on design and marketing of novelty items containing traditional ethnic patterns. This approach attempts to broaden the market for goods produced by Hmong women.

World-Wide Folk Art, begun in Minnesota in 1982, is an example of an enterprise that, like the Seattle project, sells traditional crafts and, like the San Diego project, that experiments with novelty items. In addition, this project focusses on development of marketable sewing "skills", and generates income for Hmong women by selling dressmaking and contract alteration services.

The three projects thus provide glimpses of a range of ways and means by which Hmong sewing talents have been adapted to the American economy in order to help refugee families attain self-sufficiency.3
2. Southeast Asian Design

Southeast Asian Design (SEAD) is a non-profit corporation that markets the handcraft art and needlework of 120 Hmong and Mien women through its store in downtown Seattle, and through other marketing methods such as craft fairs in the region. In operation since mid-1980, the purposes of the enterprise include cultural preservation, training in basic business skills, and generation of supplementary income for refugee families. Sales in February 1983 were approaching a level of $4200 per month. Sales have dropped since then as a result of the departure of a number of Hmong women who decided to form another, competing enterprise.

Origins

In May-June 1980, a volunteer with the East Madison YMCA's Indochinese Women's Project began to assist Hmong refugees in setting up street fairs for sale of textile crafts in Seattle. As a separate undertaking, a volunteer with the Bethany United Presbyterian Church began to do the same in September with members of the Mien community. The two met soon afterwards and decided to work together as a means to combine forces and resources more effectively. By May 1981, revenues from street fairs had become significant, ranging from $300 to $500 per fair, and the number of volunteers providing assistance to the effort had increased markedly. The scale of activity became such as to warrant establishment of a more permanent enterprise and the venture became a nonprofit corporation in December 1981. In April 1982 it moved to its present facility at Pike Place Market. The move was assisted by a $400 loan from an Episcopal church to cover initial rent expenses, and by the intervention of a market employee to give the venture priority on the waiting list for space at the market.
Goals

Early on, the main purpose of the project was to preserve the cultural heritage of Mien and Hmong refugees, with secondary goals seen as provision of supplementary income and helping women to develop confidence in the skills they brought with them to the United States. These priorities changed with time and experience. While preservation remains a significant purpose, the goal of generating supplementary income which can assist overall self-sufficiency of families has taken on greater importance.

Organization and Operating Characteristics

SEAD has a board of directors. Original membership included several husbands of the participating refugee women, and has since expanded to include a publicity writer, a lawyer, an anthropologist, representatives of the Hmong and Mien communities, and a teacher/trainer. Members of a Japanese church donate one day a week at the store to take care of bookkeeping matters. Additional volunteers who put time in at the store include friends of board members, interested individuals with sewing and art backgrounds, students, ESL teachers, refugee sponsors, etc. These volunteers also assist at street fairs.

Salaried staff in early 1983 included an American training coordinator and two part-time translators/organizers; one Hmong and one Mien. In addition, twelve refugee women received training stipends for working at the store eight hours a week. These women were also required to take two hours of mathematics classes each week. Salaries and stipends for these fifteen individuals were provided since October 1982 through a $19,200 Impact Aid Grant from October, 1982, until early 1983.

SEAD marketed the home-made crafts of approximately 140 refugee women until March-April, 1983. Eighty were Hmong, and the balance Mien. This number was
somewhat unstable. Since June 1982, for example, a substantial number of women left the project. Some went to California, some found other work, and others simply withdrew their participation. At the same time, however, new refugees have joined the project. The figure of 140 participants may also be misleading because the level of production across the group varied greatly. There were about twenty key producers in early 1983 whose crafts were of a quality to assure a high level of sales. The rest of the women produced considerably less, and the store, correspondingly, sold less on their behalf.

In March-April, 1983, and under the leadership of one of the translator/organizers, twenty-six Hmong left SEAD to form a competing enterprise, the Hmong Women's Needlecraft Association (HWNA). The separation was made easier by a federal grant, provided through the Overseas Education Fund, to help Hmong women develop a cooperative venture. Some of the most productive women in SEAD left to join HWNA. The latter organization also found space in Pike Place Market, and the two enterprises now compete with each other in the market for craft and related goods.

SEAD's sales and inventory have dropped to half of what they were in February. The enterprise nevertheless continues its efforts to expand sales through greater quality control, establishment of a pricing policy adapted to the market (as opposed to the price preferences of producers), experimentation with colors more suited to American consumer tastes, and development of new products like combs, coasters and designed clothing. To help in these endeavors SEAD applied to the United Presbyterian Church's Self-Development of People Program for a $12,800 grant to pay for a Mien cooperative manager, a technical advisor, and bookkeeping services. Other grant requests were also submitted to the National Endowment for the Arts, the Seattle Foundation, SAFECO, and to the
Office of Refugee Resettlement. The future of SEAD in the face of competition from HWNA is, however, uncertain.

Social Factors

During its three years of operation, SEAD has had to work through several different kinds of problems of a social nature. One of these has been the goals of the project. While some participants originally conceived of the venture as one that primarily focused on cultural preservation, others viewed it as a means of deriving income. Another example of conflict in perception of the project was that several Hmong women wanted SEAD to serve as an outlet for crafts sent by family and/or associates still living in camps in Thailand. This caused some tension between the Hmong, Americans, and Mien, who wanted to restrict imports, and raised questions about whose primary interests were being served by SEAD, and who should control the venture's direction. American volunteers did try to respond to and mediate differing refugee preferences, but found the process slow because of their lack of business experience in general, lack of knowledge of crafts production and marketing in particular, and of organizational politics. SEAD recruited Americans with appropriate technical skills in late 1982, but through March, 1983, was still unable to deal effectively with the matter of who should be in ultimate charge of giving direction to the project.

A related problem was the unpreparedness of refugees for U.S. business practices. Besides inability to speak English, recognize change and count, factors which could affect sales only if they had to market their work directly, many of the women were distrustful of the concept of recording transactions in books, of leaving crafts behind to be sold on their behalf over the course of time, and of inventory (i.e., not always displaying the goods they made). To
them, business up to that time had involved only immediate cash transactions. Many women also did not understand the relationship between price and marketability. They decided what they wanted for each piece independent of what consumers might be willing to pay. These kinds of problems were overcome gradually, and since October, 1982, resolution was accelerated by having the twelve refugee trainees in the store learn about business and look after the goods left behind by their counterparts.

A complicating matter was that of taxes. While the Americans recognized the need to submit income tax reports, refugees were and remain reticent about reporting income; in part because they do not fully grasp U.S. reporting obligations, and in part because of their fear of losing welfare benefits.

Another significant problem derived from sales differentials between Hmong and Mien producers. While the latter constituted 40% of producers, the lower volume and marketability of their work yielded a lower level of sales through the store. Mien put in equal staffing time to the store, but their output constituted only 20-25% of total sales value. The Hmong women thus believed that they supported a disproportionate share of the costs of running the store.

SEAD also had to learn how to work with categorical public assistance funds. Volunteers had hoped to be able to select the very best refugee women to receive training stipends for work at the store and evening classes, in order to maximize the value of the stipends and the probable impact that might occur from having the trainees educate other refugee women later. Impact aid funds, however, required that the trainees be only those women who had been cut off from refugee assistance (i.e., those caught in the reduction of assistance from 36 to 18 months). Although nine of the twelve women selected had characteristics that SEAD volunteers thought appropriate, three did not. As a result,
the training component of the project had to operate at a kind of 75% efficiency level. This slowed down the transition from American volunteer management of SEAD to refugee management.

As noted earlier, a project funded by the Office of Refugee Resettlement through the Overseas Education Fund, to assist refugee women in developing a craft cooperative, eventually led to the establishment of a separate venture in early 1983. Led by the Hmong translator/organizer in SEAD, the wife of a Hmong leader in Seattle, 26 of the most productive women established the HWNA as a mechanism to receive the Education fund's assistance, and to overcome the difficulties they had perceived in working with SEAD. The new organization rented space in Pike's Place, found a lawyer to provide legal assistance, established a related Hmong Women's Development Association in order to obtain non-profit cooperative status and secure the services of American volunteers to help them.

In the longer run, after the assistance project is complete, HWNA may abandon the cooperative model in favor of a manager-owned operation. Refugee women with some business experience report that they have had difficulty working within the context of a cooperative. Some Hmong may perceive the cooperative as an alien form of enterprise that they must accept in order to secure external support from public and private sources. Once independent of such sources they may convert to sole proprietorships and/or partnerships.

Financial Characteristics

Other than a $400 loan from the Episcopal Church in late 1981, and the $19,200 impact aid grant in October, 1982, SEAD has financed its operations from the proceeds of craft sales. These sales rose steadily until 1983. Between May 1981 and April 1982, for example, revenues totaled $13,000. In the period May
- December 1982, these climbed to $35,500. SEAD projections in early 1983 suggested a target level of $4,750/month. About 80% of the value of sales is returned directly to refugee producers, and the balance retained to pay the costs of operating the store.

Exclusive of wages and stipends, approximate monthly costs in 1982 and projections for 1983 were as follows:

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<tr>
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<td>--</td>
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</tr>
<tr>
<td>Annualized Total</td>
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</table>

The 20% of sales value retained by SEAD in 1982, estimated at $8,400, and the early SEAD projection for 1983, $11,400, were sufficient to cover the costs indicated above. They were, however, inadequate to pay wages and stipends. From October 1982, to early 1983 these have included $1,100/month for a training coordinator, $900/month for two part-time translators/organizers, and about $1,600/month in stipends to 12 refugee trainees. These were paid out of the impact aid grant. SEAD projected a need to pay approximately $20,000/year in wages in 1983, and anticipated receipt of $24,000 in grants and donations to cover this cost, and to help generate a surplus to the store of about $4,000. The grants would have represented an average subsidy of about $170/yr. per woman.

The net income received by participating women in the latter half of 1982 averaged about $29 per person per month. As noted earlier, however, there were
only about 20 women who produced regularly and who generated significant income. In May-December 1982, for example, when $28,400 were distributed as income to the refugees, (out of $35,500 in total sales), one Hmong woman earned $2,100, or 7% of the total income. Her own work was of high and marketable quality. Moreover, she had close connections in camps in Thailand. Women in those camps were willing to work for $0.15-$0.20/hour, which is close to the legal minimum wage for factory work in Thailand. The woman in Seattle could reimburse them and then take a commission from the sale of the import.

Similarly, another six Hmong women earned an average of $500 each, together representing another 10.5% of the total income from May-December. The other 73 Hmong women, including additional key producers, earned an average of $210, or $30/month. The 60 or so Mien earned an average $133 each, or $19/month.

Two months after its inception in early 1983, HWNA's revenues had approached $800/mo. in Pike Place Market sales and $4,000/mo. at street fairs. The gross sales of $4,800/mo. represented about $3,850/mo. in income to the Hmong women or about $148/mo. to each of the 26 individuals. The new venture competes with SEAD along many product lines, but has also introduced new novelty items like factory-made ties to which Hmong stitchery is attached. With the imminent purchase of a sewing machine, HWNA will be able to manufacture a broader range of specialty goods.

By contrast, and as a result of HWNA's creation, SEAD sales have dropped to around $2,400/mo. in the same period, providing the remaining Hmong and Mien women with a total net income of about $1,950, or an average of $17/mo. each, and forcing SEAD to change its financial plans and business strategy. An important aspect to note, however, is that the combined sales of both ventures in mid-1983 exceeded $7,000/mo. and provided the refugee women with a total income considerably higher than projected by SEAD in early 1983.
Outcomes

American volunteers have worked together with participating members of the Hmong and Mien communities to transform SEAD from an informal activity concentrated in craft fairs into a significant retail enterprise benefitting over 100 refugee women and their families. In the three-year process the venture has moved from being an entirely unknown entity to one having high visibility in the general community. It has established a network of marketing contacts through which to expand sales, and from which to derive new ideas for textile products that have greater sales potential. It also generated outside support to implement a direct training program for a dozen refugee women, and may soon receive further support to continue its operations.

Participants in the process have learned a number of important lessons. Many refugees have learned that there is a certain method to what they earlier might have believed was madness in American business practices. They have become more comfortable with the notion of placing goods on consignment, of having those goods kept in inventory, of paying a part of sales proceeds for upkeep of the store, and so on. Most women now believe the store is a good way of selling their wares. Many also see the utility of learning to count and speak passable English. Many still do not, however, understand the purposes and requirements of income taxes.

The American volunteers have learned that good intentions and effort cannot by themselves easily compensate for lack of prior knowledge about a particular economic activity. They have suggested, in retrospect, that progress might have been easier had they known more about business and textile crafts. They might then have been able to ask questions and seek answers about the characteristics of the market in which they were trying to promote sales. Had they been able to
anticipate the preference of refugees for cash transactions, the Americans might have been able to shorten the period of refugee adaptation to consignment sales, perhaps through an explicit educational component. Should the volunteers engage in similar undertakings in the future, the dubious benefit of hindsight will serve them well as useful foresight. In the interim, the price paid for initial ignorance has been frustration and exhaustion — also known as volunteer "burnout." One of the key volunteers, with the project since 1980, left SEAD in mid-1983.

On a more general level, a lesson that is becoming clearer is that the goal of cultural preservation, by itself, is largely incompatible with the goal of significant income generation for all but a handful of refugee women. SEAD's more recent experiments with new product lines, including fashion design, is a reflection of the project's realization that efforts must expand considerably beyond preservation.

The establishment of HWNA as a more aggressive spin-off of SEAD highlights the priority that many refugees place on earning income through whatever means possible, and underscores the limited contribution that overemphasis on cultural preservation can provide towards self-sufficiency. The creation of HWNA also suggests the importance of attempting to assure that the goals of Americans and different refugee groups are complementary to each other. Organizational and interpersonal dynamics are part and parcel of economic development processes.

Although SEAD sales in mid-1983 were suffering as a result of competition from HWNA, the success of the latter organization is to an important extent related to the advance work done by SEAD in establishing a market for products, and in training a number of refugees in business practices. If competition leads SEAD to become more aggressive in terms of developing new products and
larger markets, the result may be increasing income to participants in both projects.
3. Irvine Design-Marketing Project (IDMP)

The Irvine Design-Marketing Project (IDMP) is one of three projects initiated by Southeast Asian Alliance Inc. to promote public awareness of high quality art forms produced by Hmong, Lao, Cambodian and Vietnamese refugees in the San Diego region. Through development of such awareness, the Alliance is attempting to create a market for refugee artwork and related crafts. Within this framework, the particular purpose of the IDMP is to establish an artists' cooperative and cottage industry to manufacture and market craft-incorporated textile items adapted to American consumer preferences.

Origins

Two individuals, one from the San Diego State Graduate School of Social Work, worked with refugees in a social outreach project in 1980. They noted the self-sufficiency needs of refugee women they were working with, and focused on the latter's potentially marketable sewing skills. The Americans felt that in order to maintain and preserve the artist's heritage of skills and knowledge, they had to teach the refugees to adapt and learn about the U.S. enterprise system. The Americans at the same time believed that it would be advantageous to promote crafts to the public in an educational way that would generate respect for the quality involved, and thus establish the works as high value crafts worthy of high prices. They decided that in order to cultivate the necessary mystique, the crafts required educational marketing.

The two women approached the former owner of a chain of department stores, and the latter helped to arrange a grant through the San Diego Community Foundation (SDCF) to create a center for craft promotion. In late 1981 the Americans then established the Southeast Asian Alliance Inc. as a nonprofit cor-
portion through which to undertake various promotional projects. The first project was the Lotus Folk Art Center. This facility contains a permanent museum of traditional art forms produced by Hmong, Lao, Cambodian, and Vietnamese people, a gallery to exhibit craft work and highlight individual artists' products on a revolving basis, and a gift shop to sell the crafts.

In mid-1982, and with help from the SDCF, the Alliance applied for and received a grant from the James Irvine Foundation to launch a second effort, the Irvine Design-Marketing Project, to experiment with craft-based design of clothing and other consumer items that could expand the market for the work of refugee women. The Alliance recruited a half-time marketing-design consultant to take charge of this effort at the end of September. The IDMP is therefore not a free-standing project in the strict sense of the word, but rather one component of a three-pronged effort being pursued by the Alliance.6

Goals

The purpose of the IDMP is to design and market clothing and other products that incorporate the textile work of refugee women, and to eventually convert the operation into a cottage industry enterprise that can effectively compete in the marketplace. The overarching goal is thus one of promoting the self-sufficiency of participating refugees while at the same time serving to preserve their cultural heritage. In the immediate future, however, IDMP's efforts are confined to training of craftswomen, test-marketing, and limited production to serve the purposes of training. Success in these short-term endeavors will serve as the base from which to achieve the longer term goal.

Characteristics

The Alliance has an executive director, one of the two founders of the enterprise, whose salary is paid from the original San Diego Community
Foundation grant. The other founder sits as a volunteer on a board of directors. Board membership originally included one or two representatives from each of the participating refugee communities, a restaurant owner, a social worker, a doctor, two anthropologists, and an adult education program officer. A new board was in the process of being constituted in May-June 1983.

Under general guidance of the Board and the executive director, IDMP's consultant coordinated the work of 14 refugee women. There were eight Hmong who did embroidery, and three of them (one from each clan involved) served as intermediaries between the consultant and the other women. Two Cambodian and two Vietnamese seamstresses cut, assembled, sewed, and finished various products. Two Lao weavers produced cloth for the project.

The consultant assisted in developing product lines and (test) marketing with other volunteer designers. After inception of the project she contacted department store buyers, operators of children's clothing boutiques, small clothing manufacturers, art galleries, craft store owners, president of the national Museum Store Association and various local designers in order to assess new product ideas, to solicit additional ideas, and to establish a network of marketing outlets. San Diego Stitchers Guild also provided support. A business consultant to assist in analyzing demand for crafts and related products was also involved.

One of the early difficulties encountered in the project was the inability of refugee women to understand the need to distinguish between wholesale prices that maximize total sales volume and retail prices that maximize returns on each final sale. Also the participating women worked on the premise of "fair" returns to their efforts. What they have only begun to understand is that what they can actually receive for their effort is not based on what they want, but
rather on what consumers are willing to pay. They have also only begun to understand that the difference between the wholesale price at which goods are sold to a store and the retail price marked on the goods at the store is not necessarily "unfair". These misunderstandings at one time affected the enthusiasm with which refugees participated in the project, but are now gradually being eliminated through informal educational efforts.

Another problem was that some of the artisans wanted to keep making simple pa ndau or to incorporate them into other small items. Others were more interested in marketing squares from Thailand; in order to meet demand and to help relatives still in camps. These women did not focus on their own generic sewing skills, and were at one time reluctant to try novel approaches to the production of new designs and products.

Insufficient attention to market realities, perhaps due in part to the original emphasis on preservation of heritage and in part to limited exposure to the characteristics of the textile products industry, led project participants to some confusion about design and production strategies. The need for color adjustments to generate greater market appeal, for quality control in production, for methods to reduce labor requirements and offset import price advantages, and for appropriate pricing policies did not surface until several months after initiation of the project. During this period, for example, the project produced eight evening jackets containing extensive pa ndau and requiring considerable labor. At prices of $200-$400, they did not sell in the face of import competition. After accepting the suggestion of an outside consultant to focus on low-cost items, the refugees produced 40 children's dresses costing $10.50 each. For wholesale marketing, the retail price for the dress should have been about $30.00. Potential buyers assessed the retail price at $25.00,
and hence were willing to pay only $10-$12 per dress. This was almost the same as the production cost, and might have been a viable undertaking if volume was high enough. But project funds did not permit a marketing effort of sufficient scale to warrant further production. The same sort of fate befell efforts at making other items, like totebags. Placemats and napkins have sold well, however, and one particular success has been eyeglass cases priced at $12.50.

The difficulties of the IDMP are part and parcel of the process of trial and error or, research and development, that almost invariably accompany efforts to identify and sell goods at prices and in sufficient volume to cover production costs. In these circumstances the difficulties are normal. The aspect that is most interesting in the project is that explicit attention is being paid to the nature of the market on one hand, and to the capacity for an enterprise to produce efficiently for that market on the other (i.e. market research).

Note should be taken of the manner by which funds were generated to support this effort. The Alliance received $5,000 from the James Irvine Foundation in the summer of 1982, and the latter promised another $5,000 if the Alliance found a means to match the first grant. At the end of October, a month after hiring the marketing-design consultant, the IDMP held a fund-raising reception that generated $2,000 in donations. In mid-November the project organized an exhibition of prototype products (designed expressly for the exhibit) at which further solicitations for support were made. The Alliance had invited a representative of the Parker Foundation to the showing, and as a consequence received $3,000 from that organization. The Irvine Foundation then added the $5,000 matching grant promised three months earlier.

The $15,000 in support will not carry the project over an extended period. About $10,000 was left in the grant at the end of February, 1983, and the rate
of disbursement was about $1,700/month. Without a significant breakthrough in discovering more marketable products to support the effort, the project would end unless parallel activities at fund-raising proved successful.

**Outcomes**

In efforts to date the IDMP has demonstrated that considerable amounts of time and money can be saved, and some frustrations avoided, by simultaneously looking at the demand and supply characteristics of a proposed enterprise. On the demand side the project has cultivated a network of supportive marketing contacts that provide useful information about what can or cannot sell, and what constitutes reasonable or unreasonable prices. This small network stands as an available system of sales points for whatever marketable products the IDMP may develop. On the supply side, IDMP participants, both Americans and refugees, have had to assess and reassess their expectations about earnings in the face of market realities. They continue to experiment with colors and product designs, and with alternative production means that can provide a reasonable income to the refugees. While extraordinary success has remained elusive, the process itself is a very necessary one if ever this or any other similar venture hopes to achieve financial viability.

An important lesson gleaned during the process, as in other enterprise experiences, is that refugees are ill-prepared to easily understand the complexities of U.S. business processes and the factors that determine prices and income. At the same time, however, the IDMP points out that one way of educating refugees in this regard is to provide them with concrete experience. The training dimension of the project did not envisage cultural adaptation as part of an explicit agenda, but such adaptation did take place in an informal way.
A parallel lesson is that many Americans, notwithstanding their good intentions, superior education, and extent of U.S. cultural exposure, may be unprepared for taking on business ventures. In the grand pecking order of things, while refugees may benefit from assistance by Americans in general, inexperienced Americans require assistance from others who are experienced and qualified in specific business skills. The essential point for the unqualified Americans is that they recognize their own limitations and seek out others to help overcome the constraints. The IDMP stands as a constructive example of the utility of this kind of self-awareness.

Participants, especially Americans, also seem to be learning that the complementarity between promotion of quality crafts and self-sufficiency of refugees may constitute something of an overoptimistic hope. Successful products like the eyeglass case, and anticipated products like Christmas ornaments, are only remotely related to the types of goods which Alliance founders and supporters may have had in mind in 1981. The venture has been expanding its scope to include items that are being produced in specialty shops/factories overseas and in the U.S. The IDMP, implicitly if not explicitly, is effectively becoming as concerned with ways to preserve handcrafts as it is with ways to put the sewing and needlework skills of the refugee women to remunerative use. If the project can succeed in this broadened scope of work, it will have done the refugees a major service whether or not heritage is actually preserved in the process.

The general lesson from this experience is that the goals and aspirations of project participants can only with difficulty be made to coincide in a venture where some individuals place inherent artistic value above market value, and where others seem more concerned about earning income to help support their
families. The expansion of IDMP's scope, noted above, is in many respects the outward manifestation of a conscious or unconscious process of reconciling the disparate goals of different project participants. This process seems good. The reconciliation has, however, taken several months to accomplish. The period could probably be cut down considerably in other projects if more attention were placed at their outset on clarifying and reconciling different project goals.
4. **World Wide Folk Art (WWFA)**

World Wide Folk Art (WWFA) is a cooperative enterprise organized by Church World Service. Since its official inception in June 1982, the project has been attempting to expand the market for crafts produced by 160 refugee women living in various parts of the state, and to upgrade the skills of 14 of these women in order that they may be able to produce additional goods and services for the purpose of generating increased supplementary income. Grant support to date is $32,600. Total sales revenues from November 1982 through February 1983 came to approximately $49,300.

**Origins**

Results of a Church World Service refugee employability assessment in 1981 indicated that many refugee women possessed considerable sewing talents, and that some of them were already generating income through informal sales at churches. A number of Church World Service staff and volunteers viewed this refugee talent as a resource to be at once preserved and adapted to the American market. Traditional crafts could be preserved by assuring producers of adequate remuneration for the work. Maximizing income from sewing talents could also be had by upgrading skills to produce new goods and services for which demand existed or could be created.

By June 1982, WWFA had become incorporated as a cooperative, and in October a $3,200 grant from Church World Service served to launch the enterprise. As the project took shape, volunteers also made efforts to secure additional funding. In late December the United Presbyterian Church provided a grant of $29,390. This would permit the venture to operate for at least a year, during which time efforts would be made to make it financially self-sustaining.
Goals

WWFA has the dual purpose of trying to preserve the cultural heritage of various refugee groups in southern Minnesota while at the same time attempting to promote refugee self-sufficiency. The project's objectives within this framework include: strengthening and formalizing a loose assemblage of home craft production units (i.e., families) scattered throughout the region; providing centralized outlets for the work of many refugee communities; developing a national network of marketing outlets; providing on-the-job training in management, marketing, design for American consumer tastes, and ESL; and finding a means of combining the traditional skill of sewing with new income generation possibilities in the American marketplace.

Characteristics

WWFA became incorporated as a cooperative in June, 1982, and presently has a board of directors with six individuals representing the refugee groups associated with the project. All project participants are members of the cooperative, and number approximately 160 women at present. Half of these are Hmong and the balance Cambodian, lowland Lao and Ethiopian.

Staffing consists of one salaried refugee who directs the project. This individual is assisted by four Church World Service employees who serve as advisors and who are each members of one of the project's four participating refugee committees. The project is also assisted directly by several American volunteers, including a business trainer, an ESL coordinator, an ESL teacher, a lawyer and an accountant. Another 60 volunteers assist in various aspects of training, marketing, transport, etc. when necessary.

WWFA has three principal thrusts at present. The first is to promote and sell traditional home-manufactured crafts such as weaving, sculpture, stitchery
and applique that refugee women leave for consignment sale at an outlet in Austin, and at a store in St. Paul that opened in May 1983. Growth of sales through these outlets has come about through word of mouth promotion by customers and Church World Service staff, volunteers and its nationwide congregational system. Craft promotion also takes place through traveling exhibits to galleries in other parts of the country.

The second thrust involves adaptation of craft designs to American fashion tastes and markets. For this purpose a San Francisco designer volunteered time to produce sketches of contemporary clothing that incorporate traditional artistic motifs. Under direction of the business trainer volunteer, noted earlier, refugee women put together the garment designs. The products are then promoted through the two outlets in Austin and St. Paul, and through fashion shows organized in various parts of the country. The first major showing took place at the Radisson Hotel (St. Paul) in November 1982 and was followed by others in San Antonio, Texas, Beloit, Wisconsin, and Lancaster, Pennsylvania, in March, April and May respectively. Volunteers in the Church World Service system have been instrumental in organizing the shows; several of which also serve to promote more traditional products.

The third thrust involves upgrading of traditional skills at sewing to meet contemporary market demands. The activity involves 14 refugee women who receive six months of training in ESL, dressmaking, alterations, and business practices. The training includes classroom work, but also involves production of the fashion clothing noted above, providing alteration sewing services to individual and group customers, and producing contract small items for special occasions such as county fairs, Valentines Day, Christmas, etc.

Funding for the project's activities is provided by Church World Service at a rate of about $2,500 per month, drawn from a Church World Service grant of
$3,200 and a $24,390 grant from the World Relief, Emergency and Resettlement Services Program of the United Presbyterian Church (New York). The latter grant took effect in January 1983 and was allocated to the project as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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<tr>
<td>Salaries</td>
<td>$ 9,000</td>
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<tr>
<td>Rent</td>
<td>3,150</td>
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<tr>
<td>Telephone</td>
<td>600</td>
</tr>
<tr>
<td>Supplies and Materials</td>
<td>9,850</td>
</tr>
<tr>
<td>Postage</td>
<td>600</td>
</tr>
<tr>
<td>Travel</td>
<td>1,190</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$24,390</strong></td>
</tr>
</tbody>
</table>

A basic strategy underlying the grant proposal was that the cooperative would become self-sufficient within a year, at some point in late 1983. Although sales have been encouraging, they fall short of the volume necessary to permit financial self-sufficiency. Between November 1982 and February 1983, for example, gross sales averaged about $7,500/month. WWFA's margin of 20% thus provided the cooperative with average income of $1,500/month. Alteration services during the same period generated an additional $4,825/month, but provided no income to the cooperative because these services were sold at cost. WWFA's net income was therefore $1,500/month while expenses remained at $2,500/month.

In order to improve the financial situation, WWFA restructured its crafts margins to capture a larger proportion of sales volume. It also raised service charges for alterations to reflect prices in the market. While these modifications increased the proportion of revenues that could accrue to the project, sales after February declined considerably. In May, for example, alterations provided only $400 in total income, and crafts about $1,000. The decline reflects seasonal variations in demand for services and products, and also the preoccupation of staff and volunteer with moving into the store in St. Paul.

WWFA staff and volunteers are generally confident that with sustained patience and effort the enterprise can reach a point of financial viability, if
not in late 1983, then in early 1984. Should the effort succeed, the cooperative will not only be self-sufficient, but will also provide a vehicle by which refugee women making marketable traditional crafts may each earn between $50 and $100/month on the average, and those engaged in dressmaking and alterations might earn between $100 and $200/month to supplement their family incomes.

Outcomes

WWFA presents itself as a reasoned attempt to blend within a single enterprise both traditional and contemporary uses of basic sewing skills. Recognizing that the income-generating potential of craft production can be more readily captured by refugee women through coordinated and extensive marketing efforts, the project has focused on using Church World Service volunteer contacts to promote the crafts over a large area. However, also recognizing that production of crafts has its income-generating limits, the project has begun the process of diversifying the products and services that some of the refugees provide in order that they can obtain maximum income from use of their basic skills in the market.

WWFA is a relatively simple and straightforward undertaking. Although its mission includes cultural preservation, the bulk of efforts to date has been directed towards creating a market for what refugees already produce, and upgrading skills to address the market with new services and products. Success in achieving both over the course of the next few months will prove instrumental in providing significant income increases to refugee families.
5. Lessons Learned

One of the main lessons suggested by the three project experiences would seem to be that the degree to which a venture serves the purpose of assisting Hmong in achieving self-sufficiency is directly related to the degree to which participants define the project's primary goal as maximizing income. Although ventures that put a high priority on preservation of cultural heritage can and do generate substantial income for some women, they usually cannot do so for many.

As suggested by the characteristics of Southeast Asian Design, the marketability of traditional Hmong craft tends to vary considerably from producer to producer, and most of the participating women earn only very small amounts. While some may be satisfied with, say, $50 per year, others are not. If, as in the case of the Irvine project, cultural preservation is defined to include the application of traditional designs to novelty and utilitarian items, possibilities expand for women to earn higher income because marketability of the item in question will depend on the nature of the item itself as well as on the design that may be attached to it. Eyeglass cases sell, in part, because people need to protect their glasses.

However, even with an expanded range of products, projects with preservation priorities will not often help women who want to earn commissions from selling items sent to them by friends or relatives in Thailand. Preservation priorities may also pre-empt development and marketing of general sewing services for tailoring and dressmaking, and will not likely develop related on-the-job training components to teach at least some Hmong women, particularly those who cannot earn a great deal from traditional needlework, the use of sewing
machines and other potentially marketable skills. For this last to occur, as in the case of World Wide Folk Art, income-maximization must have a significant place in the list of a project's goals.

While there is no compelling reason for projects to make income-maximization a top priority, the difficult financial circumstances of Hmong families may cause some project participants to become frustrated with a preservation-based approach that appears to constrain their income-generating capacities. In Southeast Asian Design this tension between goals may have contributed to the spin-out of the Hmong Women's Needlework Association. The establishment of two competing enterprises may prove beneficial to both projects, but a second lesson would nonetheless seem to be that project participants should try to achieve consensus on goals and means to achieve them, and should review the goals and methods from time to time.

A related lesson would seem to be that even if all participants agree to focus on income-maximization, the reorientation would not be without difficulties. Some refugees, as in the Irvine Project, for example, are reluctant to shift away from making traditional crafts even though their stated purpose is to earn money and their crafts do not sell well. Many American project organizers, while often well-qualified in matters of training, design, textile arts, social service, etc., have come to the enterprises with very limited experiences in business, and still fewer experiences in the arts of selling textile products, designing new marketable products, and conceiving of a variety of sewing services. To varying degrees, the three project experiences seem to underscore the point that conversion of the projects into business-like ventures require changes in participant attitudes and knowledge, and these changes may take some time to realize.
Whatever the apparent difficulties, however, the three projects reinforce the fact that sewing can and does provide remunerative opportunities for many refugees, and that the key to growth in income-generation is marketing. Southeast Asian Design has an ideally situated store in the heart of a well-established marketplace for crafts. Its parallel efforts to cultivate demand by participating at fairs and bazaars throughout the region have done much to create a niche for the works, and yielded steady growth in sales through early 1983. World Wide's similarly well-located store in St. Paul has been of help, though the more interesting feature is the project's attempt to market crafts in smaller cities and towns around the country where Hmong do not live, and hence where new market opportunities can be created.

The Irvine project's trial and error process of designing products with appropriate cost-price relationships and marketability, although difficult, highlights the additional utility of diversifying the range of products available for the purpose of expanding sales. Southeast Asian Design and World Wide have also broadened into novelty items, and the latter's addition of dressmaking and alterations completes its full portfolio of sewing goods and services.

Marketing, whether it includes development of additional goods and services or not, costs money. Unfortunately, even when based on the efforts of volunteers, the costs of an outlet, sewing materials and equipment, and transportation can be high. If initial funding is insufficient to permit large-scale promotion, then, as in the case of Southeast Asian Design and World Wide, marketing is largely done through word-of-mouth, volunteer organization networks, and attendance at street-fairs. In general, the less money available for marketing, the slower will be the rate of growth of sales, and the rate at which the projects can increase refugee income.
In essence, sewing projects that focus on income-maximization are small businesses and, like the grocery stores and other enterprises described in later chapters, their rates of income growth will depend to a large extent on participant abilities in project and financial management, promotion and marketing, diversification, etc. In this context the efforts of Southeast Asian Design to train women in basic business skills, of the Irvine project to sensitize participants to U.S. market realities, and of World Wide to teach business and sewing are among the most important potential benefits that Hmong women may have derived thus far with respect to self-sufficiency. What the women learn formally or informally about the complexity of making money in the U.S. may hold many of them in good stead over the long run as they continue in sewing ventures, or as they pursue other opportunities.
III. FARMING PROJECTS

1. Overview

There are three general types of farming projects being undertaken on behalf of Hmong communities. The first consists of seasonal family vegetable gardening on small plots within or near urban areas, and generally aims at helping families generate small supplements to their income. A second type aims at commercial production at a scale large enough to offer significant levels of supplementary income. The third type of project aims at complete self-sufficiency for Hmong farming families.

At present, eleven projects of the second and third types are in operation around the country (Table 4). Four are located in Minnesota, three in California, two in Arkansas, and one each in Iowa and Washington. Most began in 1982, and by mid-1983 they had grown to cover 230 families on 2,000 acres with an average investment per family of $3,500. Seventy per cent of the acreage is concentrated in one project in Homer, Minnesota. Excluding this venture the average project has provided about 2.8 acres per family of leased land.

Seasonal family vegetable gardening nevertheless remains the most common type of agricultural project, and two case descriptions are presented below: the Indochinese Gardening Project in Providence, Rhode Island, and the Hmong Community Gardens Cooperative in Minneapolis. Other examples in the country include the Ramsey County Community Gardens program in St. Paul, the refugee gardens in Seattle's International District, and the Shoots and Roots scheme in Milwaukee.

Projects of this type usually involve production of limited quantities of vegetables and fruit for family consumption, for exchange among families, and to
<table>
<thead>
<tr>
<th>LOCATION</th>
<th>START-UP DATE</th>
<th>FAMILIES</th>
<th>ACREAGE</th>
<th>LAND PURCHASE LEASE</th>
<th>FARM PURCHASE VALUE ($)</th>
<th>INITIAL CAPITAL ($)</th>
<th>INITIAL CAPITAL PER FAMILY ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arkansas</td>
<td>1982</td>
<td>7</td>
<td>240</td>
<td>x</td>
<td>43,200</td>
<td>24,000</td>
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</tr>
<tr>
<td>Arkansas 1</td>
<td>1982</td>
<td>10</td>
<td>20</td>
<td>x</td>
<td>--</td>
<td>6,700</td>
<td>670</td>
</tr>
<tr>
<td>California</td>
<td>1982</td>
<td>15</td>
<td>5</td>
<td>x</td>
<td>--</td>
<td>9,300</td>
<td>620</td>
</tr>
<tr>
<td>California 2</td>
<td>1983</td>
<td>28</td>
<td>32</td>
<td>x</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>California 2</td>
<td>1983</td>
<td>1</td>
<td>45</td>
<td>x</td>
<td>360,000</td>
<td>64,000</td>
<td>--</td>
</tr>
<tr>
<td>Iowa 3</td>
<td>1982</td>
<td>60</td>
<td>15</td>
<td>x</td>
<td>--</td>
<td>18,000</td>
<td>300</td>
</tr>
<tr>
<td>Minnesota 4</td>
<td>1982</td>
<td>15</td>
<td>1,280</td>
<td>x</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Minnesota 5</td>
<td>1982</td>
<td>3</td>
<td>10</td>
<td>x</td>
<td>--</td>
<td>18,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Minnesota 5</td>
<td>1982</td>
<td>44</td>
<td>75</td>
<td>x</td>
<td>--</td>
<td>16,000</td>
<td>360</td>
</tr>
<tr>
<td>Minnesota 6</td>
<td>1983</td>
<td>35</td>
<td>160</td>
<td>x</td>
<td>--</td>
<td>472,000</td>
<td>13,500</td>
</tr>
<tr>
<td>Washington 7</td>
<td>1982</td>
<td>12</td>
<td>22</td>
<td>x</td>
<td>--</td>
<td>74,400</td>
<td>6,400</td>
</tr>
</tbody>
</table>

TOTAL (avg.) 230 1,906 3 8 -- $702,500 ($3,500)

1 Cattle-raising venture only. Has 20 head.
2 Project is for one extended family that contains several nuclear families.
3 Expanding to 30 acres in 1983 with additional $22,000.
4 Uses 100 acres in 1983. Will expand to 40 families after 1983.
5 Project expanding from vegetable gardening venture.
6 Will expand over two years to 70 families and 300-350 acres.
7 Additional capital of $58,000 obtained in 1983. Total expenditure for 1982 and 1983 is projected to $225,000.
some extent, for sale in formal or informal marketplaces. Many cities and coun-
ties assist in finding and organizing dispersed parcels of land for gardening 
purposes, and to one degree or another also provide technical and material 
assistance to American and refugee participants. When successful, the basic 
financial benefit of these ventures takes the form of lower costs for food, thus 
increasing the purchasing power of a given amount of money income.

This first type of project may be important to refugees for other reasons 
as well. In many places small-scale gardening serves as the first opportunity 
for interested refugees to experiment with farming, and to adapt the knowledge 
they brought with them to U.S. conditions. In the process, some refugees may 
decide against pursuing agriculture as a vocation, while others may become more 
interested in such a pursuit. Americans working with the refugees may be able 
to learn about the relative strengths and weaknesses of the latter, and about 
their own strengths and weaknesses in helping them. With the experience of one 
or more growing seasons, refugees and Americans may find themselves in a good 
position to explore the possibility of trying out a larger-scale project.

Vegetable gardening thus often serves a useful purpose of providing a base of 
knowledge and confidence from which to launch efforts aimed at achieving greater 
financial self-sufficiency. These types of projects, for example, were instru-
mental in setting the stage for the Indochinese Farm Project in Seattle, the 
Hiawatha Valley Farm Project in Homer, MN, and the Minnesota Agricultural 
Enterprise for New Americans in Farmington which are described at length, below.

The second type of project aims at commercial production at a scale suf-
ficiently large to offer significant levels of supplementary money income, as 
opposed to primary income, to refugees in the form of wages, and/or in the form 
of distribution of profits if the project is organized as a cooperative. The
Asia Farm Project in Des Moines, described later, is an example of this kind of venture. One essential difference between this type of venture and vegetable gardening is that production is largely geared to selling produce, and hence the viability of the project is not only affected by the ability to raise crops, but also by the ability to choose crops with appropriate revenue-cost characteristics, and by the ability to actually market them. The investment required for such ventures, in terms of both funds and labor, is typically larger than for family gardening. Since revenues, to an important degree, depend on sophistication in selection and selling of crops, this type of project imposes greater risks of financial loss upon participants. Costs may be higher than revenues.

A successful venture of this type would be one in which seasonal revenues are sufficient to pay adequate seasonal/part-time wages to refugees and other workers (both field laborers and supervisory staff), and then generate enough surplus to initiate the project again the following season. In this way the project can become a permanent source of supplementary income, and can also serve as a base from which to launch a third type of project—one aimed at generating primary income for refugees.

The third type of project is essentially a more intense and more complex version of the preceding kind of venture. It involves establishment of a farm enterprise organized as a proprietorship, a corporation, or a cooperative, and in which refugees receive income from wages and/or distribution of surplus revenues.

The Indochinese Farm, Hiawatha Valley Farm, and Minnesota Agricultural Enterprise projects noted above are examples of attempts to create such enterprises. The investment required for such projects is higher again than for
previous types, and correspondingly presents higher financial risks to investors and greater implementation difficulty. A basic difference between this type and the earlier type of project is that the number of beneficiaries per unit of land is much less. A given size of farm can in the short run generate only a certain level of net revenues. If these revenues are distributed to a large number of people, the venture essentially generates supplementary income. If revenues are distributed to a smaller number of people, the farm provides primary income to those people.

The three types of farming projects thus serve different purposes with respect to promoting higher real income and eventual self-sufficiency. Although each is different than the others, they are related in the sense that the first can serve as a base of learning to launch the second, and the second can serve as a point of departure for venturing into the third. Each stage presents an opportunity to earn income while at the same time presenting opportunities to learn about farming practices, marketing and enterprise management in logical sequence before experimenting with the subsequent stage. Each stage can also serve the useful purpose of accumulating savings with which to cover all or part of the costs involved in moving to the next stages.

The six agricultural ventures examined during the course of this study are examples of a range of attempts to establish projects of the first, second, and third types. The projects are all in their early stages of development, and none have yet achieved financial viability. The experiences to date nevertheless highlight many of the complex factors that require attention in order to launch a project and to implement it effectively.
2. **Indochinese Gardening Project (IGP)**

The Indochinese Gardening Project (IGP) is a relatively large-scale summer vegetable gardening venture that began in 1982 under the auspices of the Hmong-Lao Unity Association in Providence. The 313 families who participated produced a total of $31,000 in crops during the first year. Plans for 1983 and beyond call for a doubling of the land available to the families, from seven to fourteen acres.

**Characteristics**

In 1982, a large number of Hmong families wanted to grow their own vegetables in Providence. Unfortunately, backyard space was inadequate for this purpose. Their mutual assistance association, Hmong-Lao Unity, therefore sought a land parcel appropriate for gardening within reasonable commuting distance of the city.

Working through the Office of Refugee Resettlement, the Association leased seven acres of an undeveloped state park about five miles from the Hmong neighborhood, at $1 a year for three years. The lease had the approval of the State Properties Committee.

The Association at the same time negotiated a $6,000 contract with the State Office of Refugee Resettlement for funds to operate the garden. With the contract in hand, the Association hired a local farmer to plow the land. All Indochinese ethnic groups were invited to participate. The land was measured and divided into equal family plots. The Hmong organized themselves by clan. Each clan leader drew lots to pick his portion of the garden. It was then the responsibility of the clan leader to subdivide the land assigned to him by the number of families who had previously registered for garden plots. Regardless
of size, each family received the same amount of land. Hmong preferred this method because clan members could take care of each others' gardens in the event that one of them could not travel to the farm on a particular weekend.

The city of Cranston, where the site was located, donated the services of a water truck once a week to haul water to the garden, and the Association purchased several 55 gallon drums to store the water once it arrived. Fortunately, the site also included a stream and a marsh which provided a constant source of water.

With funds from the contract, the Association hired a half-time coordinator who kept people informed about the rules for gardening, e.g., no hunting songbirds, take your trash home, lock the gate after you leave, use the metal outhouse, watch out for the poison ivy, etc.

In all, 313 families picked and consumed an average of $10 a week in produce for ten weeks; a saving of $100 per family for the season, or $31,000 for the community as a whole. This excluded their out-of-pocket costs for commuting to the garden site. Although the saving for each family was small, the project itself was quite productive. Not counting the in-kind provision of water and other essential inputs, the IGP invested an average of $715/acre, and produced an average of $4470 per acre (based on retail prices).

Side effects of the project were numerous. Ten families, for example, purchased freezers to preserve their vegetables. Several more attended a canning and food preservation course offered by the county extension service. The project also generated favorable publicity for the Hmong community. Articles appeared in the city's daily newspaper, and in August, 1982, the nationally broadcast NBC Nightly News opened with a short feature on the Hmong in Providence with scenes from the garden.
Through its successful administration of a large-scale gardening venture involving 300 families and a state contract, the Association has demonstrated to the Hmong community that it is a viable and helpful organization.

Outcomes

As a consequence of IGP's success in generating supplementary income and cultivating good public relations, the State Department of Environmental Management, owner of the garden site, decided to make 14 acres of land available to the Hmong in 1983 and subsequent years. Other individuals also promised free land, including a shipyard owner who offered to plow and harrow five acres, the City of Providence Parks Department, and the Narragansette Electric Company.

Each additional acre of land made available will serve to increase income of participating families (if the number of families remains the same as in 1982). At 21 acres, for example, each family would be able to generate $300 a season, or close to $95,000 for the Hmong community as a whole. If part of the produce is sold for cash, and if each family contributes, say, $40-$50 to an Association account that saves funds for expenditures the following season, the whole operation can soon become a self-sufficient mechanism for generating seasonal supplementary income.
3. Hmong Community Garden Cooperative (HCGC)

The Hmong Community Garden Cooperative (HCGC) is the third stage in the development of a gardening project for Hmong in Minneapolis by Pillsbury-Waite Neighborhood Services. The garden project began in 1981 when Pillsbury-Waite, through their Waite House office, became aware of the interest and need on the part of the Hmong living in the neighborhood for gardening space. Each year since, the project has expanded and transformed itself to meet changing needs and resources. One hundred Hmong families participate at present.

**Characteristics**

In May, 1981, through the encouragement of a Hmong, Pillsbury-Waite Neighborhood Services agreed to help organize a garden project for families living in the neighborhood. While any resident was eligible to join, the project was effectively a Hmong project from the start. In the first year the effort was organized as a demonstration project. Pillsbury-Waite agreed to allow some land at their summer camp to be used. Later, a private individual made over one hundred acres of land available in Eagan, a suburb of Minneapolis. Pillsbury-Waite contributed their staff time to pull the project together with the help of a Hmong volunteer, established a working relationship with the CETA Summer Youth Program, and arranged to have several Hmong teenagers hired to help with the gardening, make improvements on the land, and work on maintenance at the summer camp. CETA also provided bus transportation for the young people to commute to these sites, and for the Hmong families to travel to their gardens. Pillsbury-Waite paid for plowing of the land, but this was later recovered from the sale of a soybean crop grown on another section of the same land parcel. The site in Eagan was donated for use without charge, until the owner decides
that he wants to do something else with it. During the first year 40 families grew vegetables for their own consumption.

The project expanded in the summer of 1982. The Minneapolis Foundation provided a grant of $1900 to pay a stipend to a Hmong coordinator and to pay for fertilizer and transportation. Pillsbury-Waite continued to contribute staff time. They were able again to use the Eagan site. Four hundred families applied for plots and 250 were accepted. The refugees grew vegetables for their own use, and rented a stall at the Minneapolis Farmer's Market where families could sell some of their produce. The coordinator also arranged with a pickle company to grow cucumbers, and about 20 families grew and sold the crop for $5000. Seeds were made available through donations from Northrup King and the Self Reliance Center. Other seed was purchased by the Hmong families.

In the spring of 1983 a new Hmong coordinator, hired by Pillsbury-Waite with funds obtained from the Minneapolis Community Action Agency, began organizing the Hmong Community Garden Cooperative (HCGC). The purpose of HCGC is to provide a way for Hmong to continue their gardening without external help, because 1983 is the last year Pillsbury-Waite will be directly involved with the project. The same site in Eagan is being used, but since it could become unavailable at any time, a main function of the cooperative will be to find new land when such action becomes necessary.

The cooperative is non-profit, and incorporation papers were to be completed in mid-1983. Legal assistance is being provided by a lawyer employed by Pillsbury-Waite, with the fee paid from the Minneapolis Community Development Grant. The cooperative will be governed by an elected board of officers, the director, and the membership. The coordinator is planning to send the officers to a training workshop on how to run a co-op.
The goal of HCGC is to help Hmong grow food for their own consumption and possibly sell small amounts, and one of its functions will be to seek donations of seed. A donation was sought from Northrup King in the spring of 1983, for example, but the company replied that the request was too large. The firm's deadline passed before the coordinator could submit a new request.

One hundred families are members of the co-op at present. The decline from 250 in 1982 resulted from a decision to increase land available to each family. To become a member, a family head completes an intake form and a membership form and pays a $10 fee for plowing. Many more people wanted to join than could be accommodated, and there is a long waiting list. The coordinator is looking for more land and exploring, with Lao Family Community Inc., whether some of those on the waiting list could join the University of Minnesota's refugee farming project (discussed later in this chapter).

Sixty acres are presently under cultivation. Water for the gardens is obtained from a lake on the property, but families must carry it to their plots. The project hopes to find a pump to help irrigate the land. This year the families are buying their own seed and fertilizer and providing their own transportation to the site.

**Outcomes**

Participants in HCGC believe that the project has thus far proven successful, and the waiting list for membership seems to support their opinion. The project has provided an opportunity for a large number of Hmong families to earn significant levels of supplementary income through their own consumption and some sale of produce, and with relatively low amounts of external support to get started. If, for example, the project in Providence described earlier and the
Minnesota extension project described later, serve as guides, irrigation of the present site should present possibilities for producing somewhere between $2,000 and $4,000 per acre of vegetables (i.e. at retail value). Using the middle figure of $3,000, the site can yield $180,000 in production, or $1,800 per family. From a financial point of view, and assuming some success in selling a part of production, the project has a good chance of becoming, like the Providence project, a self-sustaining method of generating significant levels of supplementary income for the Hmong.
4. Asia Farm Project (AFP)

The Asia Farm Project (AFP) is an effort by Volunteers Outreach in Community Enrichment Services (VOICES) to provide supplementary income to Hmong refugees living in the Des Moines area through agricultural undertakings. During the first crop year, 1982, the project generated a gross revenue of $16,000 from sale of tomatoes to a Heinz processing plant, and distributed benefits to about 250 refugee workers. For 1983, the AFP plans to expand tomato production from 15 to 25 acres, and to cultivate an additional 5 acres in other crops.

Origins

A volunteer tutor affiliated with Volunteer Outreach in Community Enrichment Services (VOICES) of the Saints Church began to think about establishing income-generation activities for refugees in the summer of 1981. The initial ideas included handcraft production and woodwork, but after discussions with refugees and other Americans, attention eventually focused on farming. Agriculture seemed appropriate because fertile land was readily available, because refugees already possessed essential farming skills, and because the families, though worried about their abilities to master the complexity of U.S. farming practices, were willing to make a go at such an undertaking.

Participants then established an AFP Board, and began to seek answers to the basic questions of what to grow and where to sell. Contact was made with buyers at a Heinz Corporation tomato processing plant in Muscatine, Iowa (about 150 miles from Des Moines) in the fall. The corporation indicated a willingness to sign a contract if the project could deliver production of 15 acres of tomatoes. The Board found and leased land of sufficient size, and then signed the
contract with Heinz in early 1982. The AFP had only $3000 available at the
time, consisting of all funds in the VOICES bank account, but decided to proceed
on the assumption that more funds could be generated, and in the belief that if
the project did not start then, it would never start.\footnote{11} Planting then began in
the spring.

Goals

In 1982 the goal of the project was simply to provide work and supplementary
income at low cost to unemployed and underemployed refugees. By establishing a
project that could generate its own revenues, the cost of providing support for
low-income families would be substantially reduced. Increasingly, however, the
goal has expanded to include the establishment of a financially viable venture
that can offer a long-term source of supplementary income for many refugees, and
a source of primary income for a few. Other goals include providing people with
a sense of self-worth, and a hope of becoming more self-sufficient in the
future.

Characteristics

The AFP is managed by a Board of Directors that generates and administers
project funds, and that makes all essential farming decisions. Membership pre-
sently includes five Hmong and five Americans, all of whom were elected by 34
household heads in the refugee community. The president of the Board, a refu-
gee, served as project manager during 1982. Three other refugees served the
functions of Vice-President, Treasurer and Secretary. The fifth refugee, an
employee of the Iowa Refugee Service Center, and the Americans served as advi-
sors. The latter included three members of the VOICES Board, an attorney, and a
county extension agent.
Aside from the extension agent who provided substantial technical assistance to the farm, the Americans focused much of their attention on obtaining financial support for the project. They were successful in obtaining $14,750 during 1982, over and above the original VOICES grant of $3,000. Funding sources included Pioneer Hi-Bred International Inc. ($3000), the Hawley Foundation ($1000), Agri-Industry Inc. ($250), the Des Moines Chamber of Commerce-Community Foundation ($1000), the Hubbel Foundation ($1000), Preferred Risk, Inc. ($250), and Outreach International.

In addition to working with the Americans on funding, land acquisition and negotiations with Heinz, the refugee Board members focused on organizing transportation to the farm site, supervising farm operations, obtaining necessary inputs, etc. Salaried staff in 1982 included a retired American farmer, a site manager, and a truck driver. Depending on the work required at the farm, anywhere from 4 to 50 refugees would work on the site on any given day. In all, some 250 workers were involved during 1982.

Total expenditures of the project in 1982 were almost $30,000, distributed as follows:

<table>
<thead>
<tr>
<th>Wages and Salaries</th>
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</tr>
</thead>
<tbody>
<tr>
<td>field labor (planting, harvesting, etc.)</td>
<td>$11,922.00</td>
</tr>
<tr>
<td>site management (2 refugees)</td>
<td>834.00</td>
</tr>
<tr>
<td>farmer assistant (American)</td>
<td>1,278.00</td>
</tr>
<tr>
<td>truck (semi) driver</td>
<td>540.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equipment and Supplies</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>planter</td>
<td>1,770.00</td>
</tr>
<tr>
<td>truck</td>
<td>3,500.00</td>
</tr>
<tr>
<td>fertilizer and other additives</td>
<td>2,181.00</td>
</tr>
<tr>
<td>fuel</td>
<td>2,183.00</td>
</tr>
<tr>
<td>miscellaneous (sprayers, hoes, plastic, etc.)</td>
<td>365.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rentals and Services</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>truck rental</td>
<td>357.00</td>
</tr>
<tr>
<td>land rental (plowed)</td>
<td>2,475.00</td>
</tr>
</tbody>
</table>
- truck repairs and towing  1,413.00
- transport services (mileage payments to individuals)  631.00

Other  276.00

Total  $29,725.00

The 1982 expenditures of $1,980 per acre were somewhat higher than they might have been had the AFP been more fortunate with respect to the weather and to its truck purchase. Spring rains prevented use of the planter. The resulting requirement for hand planting (and weeding) may have added some $2,500 in otherwise unnecessary labor costs. The truck turned out to be a "lemon," requiring $1,413 for servicing and $357 in rental for another truck. Under better circumstances the actual cost in 1982 might have been $4,000 less.

Total output of the project was 283 tons, and this average yield of almost 19 tons per acre compared favorably with that of other tomato growers in the state. Unfortunately, premature closing of the Heinz plant and excessive spoilage prevented sale of 83 tons of output. Revenues from the sale of 200 tons of tomatoes to Heinz totalled $16,156 or about $1,075 per acre, and thus caused a loss of $13,570 to the project.

While a few individuals were paid minimum hourly wages for such operations as spraying, most received piecework rates. In harvesting, for example, workers obtained $0.40 per basket of tomatoes. As a result, individual incomes varied considerably around the average of $58.00 per person for the season. On the average, refugees picked 70 baskets and earned $28.00 per day of work, or about $2.50 per hour. In an exceptional case, one couple earned $100.00/day from picking 250 baskets. The determining factor in total earnings was the number of days refugees would work on the farm. The work was hard and the returns were low, and many refugees abandoned the project after their first day. While some
could earn several hundreds of dollars, others stopped at $10-$20. By and large, however, most participants were happy to have the opportunity to earn extra income, particularly those without marketable skills and essential knowledge of English. This population tended to be concentrated in the age group of 45 years and older.

With the benefit of experience, the AFP in 1983 increased its planted area to 30 acres, 25 in tomatoes and 5 in cabbage, beans, melons, cauliflower, etc. The additional crops are expected to yield higher returns to the project and to the workers. The project will also attempt direct marketing of some portion of the tomato crop since this can raise returns on production by a factor of two or three. If, for example, the AFP can sell 20 acres or 305 tons of tomatoes (i.e., 380 tons less 20 percent for spoilage) to Heinz at $85/ton, revenues may rise to $17,400. Direct marketing of another 75 tons from five acres at $200/ton could increase this amount by $15,000. Cabbage and beans might contribute another $2,400/acre or $12,000, thus raising total revenue to around $45,000. These estimates are perhaps optimistic, but they do suggest what is possible with improvements in crop selection and marketing approaches.

The AFP in early 1983 was attempting to secure $22,000 for this expanded effort, and had $4,000 available in residual funds from 1982. The 1983 budget estimate was as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmer/manager salary</td>
<td>$7,000.00</td>
</tr>
<tr>
<td>Land rental</td>
<td>3,750.00</td>
</tr>
<tr>
<td>Fertilizer and chemicals</td>
<td>3,250.00</td>
</tr>
<tr>
<td>Tractor rental</td>
<td>1,500.00</td>
</tr>
<tr>
<td>Truck</td>
<td>2,500.00</td>
</tr>
<tr>
<td>Other</td>
<td>3,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$22,000.00</strong></td>
</tr>
</tbody>
</table>

Exclusive of salary, these costs were comparable to those of 1982. They did, however, exclude fuel and transportation costs which might have added
another $3,000 to the total. The plan to hire a qualified farm manager stemmed from previous experience that indicated part-time farm management to be ill-advised.

If revenues in 1983 approach $45,000, the project would be able to pay refugee workers $20,000, or almost 40 percent more than in 1982, while still being in a position to cover the $25,000 in costs noted above. With the expanded acreage, however, labor payments required in addition to the farm manager may exceed $20,000. The AFP might still fall short of complete self-financing capability. It would, however, be a major improvement over 1982, and participating refugees would be able to earn much more than before.

Outcomes

With a total expenditure of about $30,000 in 1982 the AFP was able to generate $16,150 in revenues. The loss of almost $14,000 was relatively heavy, but not inconsistent with a first-time attempt at generating income from agriculture. Given the difficulties encountered, the inexperience of participants in farm organization and marketing, and the emphasis on labor-intensive practices (e.g. hand weeding), the effective loss of $55 per refugee was not excessive. In 1983 there may still be a loss, but with the benefit of experience it should be less than last year if crop prices remain stable and if direct marketing channels are established. A self-financing project aimed at generating supplementary income for refugees who have fewer opportunities for employment elsewhere is within reach in one or two more years.

The AFP experience highlights two important issues. One has to do with maximizing revenues. In the absence of good connections to a variety of market outlets, a project is restricted to a very few crop options, and to a narrow
range of prices for each crop. In 1982, for example, the AFP received technical assistance from an extension agent and a retired farmer, and was provided with one-day workshops by Heinz and Iowa State University. This support was helpful in yielding tomatoes, but did not assist in exploring alternative crop markets. The opportunities foregone can be large. "U-pick" raspberry operations in the midwest, for example, have in recent years yielded almost $3,000/acre in net returns. A 30 acre parcel could, in theory, provide $90,000 in net revenues.

The second issue, related to the first, involves the distribution of wage benefits to workers. In 1982 a core group within the 250 participating refugees worked harder and more frequently than the rest, and earned more as a result. Even most of these, however, earned less than the minimum wage. This was, in part, the result of low prices. It was also the result of relying exclusively on labor-intensive planting and harvesting practices. Adverse circumstances caused planting to be done in this way, but labor-intensive harvesting was a planned operation. Had small trailers been available, for example, each family might have been able to spend less time carrying baskets to a central depository and more time picking -- thus increasing the number of baskets filled each day, and perhaps raising their income. The increased productivity would, however, have reduced the number of field workers required. The question in this regard is whether it is better to have fewer workers and pay each one more, thus moving towards maximizing individual income, or whether it is better to have more workers, pay each one less and move towards maximizing the number of individuals who can earn at least some income. The problem is that 30 acres can yield only a fixed gross revenue from a particular combination of crops and crop prices, and that these revenues can be distributed in a variety of ways.

The foregoing issues notwithstanding, the AFP stands as a good example of
what can be accomplished over a short period of time to generate supplementary agricultural income for many refugees at reasonable cost.
5. **Indochinese Farm Project (IFP)**

The Indochinese Farm Project is an agricultural undertaking near Seattle which, since January 1982, has provided an opportunity for a dozen Hmong and Mien refugees to learn farming and marketing skills, and to earn income from use of these skills. The first phase of the project, through December 1982, demonstrated that although the process is difficult, it is possible for refugees to productively engage in agricultural pursuits and to derive satisfaction from such work. The second phase, now in progress, will attempt to raise refugee incomes to levels approaching self-sufficiency. Two subsequent phases will try to establish self-sufficiency through gradual removal of Americans involved in the project, and will try to expand the number of refugee beneficiaries by initiating additional farming ventures elsewhere within commuting distance of the city.

**Origins**

The Indochinese Farm Project (IFP) was established as a formal project in January, 1982, with a grant from the Washington State Department of Social and Health Services (DSHS). In a more informal sense, the project actually began as an idea two years earlier, and gradually gathered momentum as additional individuals and institutions became interested and involved in translating the idea into reality.

As early as 1980, representatives of the Hmong and Mien communities had approached private voluntary organizations and public agencies to explore possibilities for establishing farming activities. In response, four individuals, an employee of the County Cooperative Extension service, an employee of the Pike Place Market Preservation and Development Authority, a volunteer working with
the Mien through the Bethaney United Presbyterian Church, and another volunteer working in an independent capacity with the Hmong, came together as an informal working group. By 1981 participation in the group, by this time calling itself a task force, expanded to include, among others, a leader of the Hmong community and employees of the County Office of Agriculture.

In November-December 1981, a task force member experienced in the art of grantsmanship prepared and submitted a proposal to the DSHS. The latter responded with a grant of $44,500 for the period January-September 1982, and the project then began.

Goals

The purpose of the IFP is to provide refugees with the means and resources required for economic self-sufficiency. Within this context the long-term objective is creation of one or more independent farming ventures that are owned and operated by refugee families. Shorter-term objectives are to provide a small number of Hmong and Mien families with hands-on training in various technical and managerial aspects of small-scale vegetable farming, with a source of income, and with experiments in alternative farming and marketing techniques that they can use to design later phases of the project.

If the initial phases of the project prove successful, later phases will involve a complete transfer of ownership/management of one or more farming ventures to participating refugee families, and an increase in the number of such families.

Organization

The project established a non-profit corporate Board of Directors in March 1982. The initial role of this Board was to advise and monitor project
staff, establish technical policy, generate outside funding, ease the project over administrative hurdles, cultivate productive media and community relationships, and hold the lease for farming land. The original task force continued to function after creation of the Board, but differences in opinion between some task force members and staff concerning the respective roles and responsibilities of each caused a change in task force membership in mid-1982.

By November, Board membership consisted of nine individuals: a city councilwoman, a banker, a newspaper reporter, an assistant to the mayor, a leader of the Hmong community, the director of the International District Improvement Association, an anthropologist, an employment specialist, and an ESL instructor. A Mien community representative was added later. Plans at the time also called for the addition of one or more IFP farmers.

Day-to-day staffing was provided by a site manager. Through much of 1982 this individual was assisted by a full-time volunteer. In October, this volunteer was hired as part-time program administrator with funds provided through Impact Aid. Other paid positions included seconded staff who helped on matters of administration, transport, public relations and fund raising, and a translator.

The bulk of human resources for the project came from volunteers--some 3,000 person-hours during the course of 1982. These included neighboring farmers, young people involved in youth services programs who worked with farmers in the fields, some Board members, a lawyer to help with legal matters, an accountant to assist in financial matters, and a variety of ordinary citizens to assist with making marketing contacts, to provide physical labor, to generate donations, etc. A significant portion of IFP staff time was used to recruit, organize, and coordinate the volunteers.
The project thus has two organizational components: a formal Board that represents the project for fiscal, legal and public relations purposes, and a much looser and more flexible amalgam of paid and unpaid people who actually carry out the project on a daily basis.

Operational Characteristics

Initial grant funding in January, 1982, provided for personnel salaries, use of a truck and van, and some $3,000 for operational expenses. From January through April the site manager and volunteers engaged in a hectic period of meetings and visits to potential sites with refugee communities, selection of farming families, identification of the Samamish Valley site, negotiation of lease arrangements with King County for the site, establishment of the IFP Board to hold the lease and generate further funding, dissemination of publicity asking for cash and in-kind donations and volunteer support, and a number of other activities that had not been planned prior to receipt of the grant.

In April, staff, volunteers and the refugees began to prepare the land, and provided labor to a neighboring farmer who then helped to disc a part of the site in exchange. The site itself had remained fallow for some 20 years and proved difficult to work, so only 14 of the 22 acres was prepared before the farmer abandoned the task. Nevertheless, land was distributed to the refugees and seeding in a nearby donated greenhouse was begun.

In May, lettuce, bok choy and broccoli were transplanted to the fields. Direct seeding could not be done because of the presence of canary grass, and operational resources were too limited to permit large-scale removal of the weed. Of note in this process was that local farmers and a county soil management agent recommended that planting not begin until the spring of 1983 because
of the difficulty of preparing the land. What was taking place ran counter to conventional wisdom.

Land preparation continued through June. Volunteers and farmers also installed an irrigation line at this time, built storage sheds, and began to look for market outlets for the lettuce and bok choy soon to reach harvest stage. New planting demonstrations of donated beans, squash, cucumbers, tomatoes, potatoes, cabbage, and broccoli also took place, and farmers were encouraged to plant 200 feet of crop per week to assure a constant supply. By the end of the month the project was successfully marketing lettuce and bok choy to two wholesalers.

The bulk of effort in July-September at the site was given to harvesting, packing and transporting 25 different crops to ten wholesale buyers, four direct marketing outlets, and about 20 church Sunday markets which had been developed by staff and volunteers during the period. Training of farmers in how to find crops in the fields, how to select, count, present and then box them, how to plan logistics for transport and sale at 16-20 simultaneous Sunday markets (including how to get Asian vegetables to Japanese churches and American vegetables to others), how to lay out produce and count change at direct market outlets (e.g., Pike Place), and so on, dominated staff and volunteer time.

Most farmers did well earning between $20 and $40 per day at direct outlets. The process also helped many of them learn enough English to carry them through required commercial transactions. The site manager tried to convince refugees, local farmers and the IFP Board of the potential value of planting cool weather crops for winter harvest. This ran against conventional wisdom, so only a very small amount of planting took place. In the meantime, the DSHS grant was about to expire, and IFP staff and Board members began the
process of developing new grant proposals. This led to an award of an Impact Aid grant that enabled the project to continue.

Though of lesser volume than before, harvesting and sale of produce continued through November, with farmers selling 15 vegetable types at a time of year when most others thought such production impossible. The use of plastic greenhouses and tunnels as a protective measure demonstrated their worth, and hindsight suggested that earlier reticence about winter cropping was not warranted.

December was therefore spent planting more cold weather crops for spring harvest, and transplanting some crops inside the plastic for sale in January. Since transplants were now available, the project also experimented with selling these at Pike Place to home gardeners, and this proved successful in generating income that could supplement the stipends that farmers had been receiving since October from the Impact Aid grant.

By the end of 1982 the project had solidified the interest of most of the refugee farmers, had demonstrated to all involved that a viable project could be set up under difficult circumstances, and had become a demonstration to American farmers in the valley on how to generate income even in winter months.

The experience of the first phase of the project suggested that under ideal conditions the 22 acre site could generate up to $25,000/acre in gross revenues. Since creation of the necessary ideal conditions would be a long-term effort, the second phase of the project (i.e., for 1983) presently underway has a goal of raising total gross revenues from $12,700 in 1982 to over $100,000 in 1983. To achieve the goal the project will attempt to secure equipment and materials that the first phase could not afford, to increase the size of developed land to the full 22 acres, to focus on three to six major crops for four production
cycles, to build further on knowledge acquired by farmers, volunteers and staff, and to expand marketing capacity and outlets. During this phase, attempts will also be made to begin establishment of cooperative management techniques so that more of the project can become self-financing, and so that refugees can take over more of the responsibilities that Americans have undertaken to date, including such items as driving, bookkeeping, filling in tax forms, etc.

By the time a third phase is initiated, in 1984 or 1985, IFP staff hope that the farm will have come very close to complete self-sufficiency, that refugees will have taken over most if not all responsibilities associated with cooperative management of the farm, and that new ventures at other sites will have been initiated. The fourth phase, in 1985 or 1986, will essentially be defined as that point in the evolution of the project when the farmers are operating successfully without external assistance.

**Social Factors**

In the spring of 1981 the project's present administrator, then a volunteer working with the Mien community, attempted to arrange two farming-related schemes. One effort at securing positions for refugees as apprentice farm laborers did not succeed because of the low income they derived ($6-15/day). A second effort at placing families on a farm as resident laborers failed because the refugees did not want to receive income in-kind (e.g., housing), did not want to separate themselves from the rest of the community in Seattle, feared losing access to ESL, health and education services, and, as in the first attempt, were afraid that without presence of the (absentee) landowner, their production and marketing efforts would come to naught.

This early experience gave shape to the design of the IFP. Land on which
to work had to be within commuting distance of the city. The IFP would have to recruit a qualified individual in whom the refugees could put their trust and who could teach them all the things they believed they did not know. The project would also have to offer at least a promise of reasonable income as a result of labor efforts.

Involvement of Hmong and Mien refugees in the IFP began in earnest in February-March 1982. Separate Community meetings were attended by 65 Hmong and 70-90 Mien, and were then followed by tours of markets and visits to potential farming sites. Farmer selection for the project then took the form of expressed commitment. The first families to pay $25 each, six Hmong and eight Mien, were incorporated into the project. IFP staff and volunteers believed that these two groups would be able to work together at the same site.

By the end of 1982, four of the Hmong families and one Mien had left the project. Two left for California and two for jobs in the city. A fifth Hmong family joined in August, but left for California in December. One factor leading these families to drop out was that in the interest of working close together, the Hmong selected an area of the site which later turned out to contain poor soil characteristics. Their crops and earnings came in later than for the Mien, and so they suffered some disillusionment and loss of enthusiasm for the project. This also affected relationships between the two community groups, but by and large the fact of having the two at the same site did not present major difficulties.

One reason for good relations among farmers and between farmers and IFP staff and volunteers was institution of an approach to project implementation that emphasized fair treatment, cooperation, and mutual respect. From the earliest days of the project, for example, daily meetings and cooperative labor
efforts provided farmers with direct involvement in design, redesign, and development of field operations. The approach to teaching new methods and skills was one of building upon existing farmer capabilities. In the same framework, each family had its own plot on which to plant whatever it wanted with IFP staff assistance. Crop decisions were not always the most appropriate, but farmers could judge the merits of their choices by later comparing results with each other, and then drawing their own conclusions.

Each family sold its own produce at direct market outlets (e.g., Pike Place Market). Wholesale, restaurant and retail orders, however, were packed, filled, and sold collectively, thus emphasizing the benefits of cooperation. Further emphasis on cooperation took place when refugees exchanged their labor on a neighboring farm for assistance from the farmer on their own plots.

The IFP did run into a serious problem in the spring and summer of 1982 which pitted some members of the task force against some IFP staff and volunteers. The basis for the conflict seems to have been differences of interpretation by each group of the purpose of the project, and of the roles and relationships between the task force and IFP field staff. The former believed that more emphasis should be placed on planning a comprehensive agricultural support system which would form the basis for preparing and submitting a major grant proposal at some point in 1982. These individuals, notably from the County Cooperative Extension Service and Office of Agriculture, were also critical of the way in which the project was being managed, and the way in which leaders of the respective communities had been circumvented in the process of starting and executing the project.

IFP staff at the site, in their turn, believed that emphasis should be put on making the farm work and generating income for the farmers as quickly as
Trainers  
Bookkeeper  
Driver  

B. Farmer Stipends  

C. Operating Expenses  
- Equipment  
- Materials & Supplies  
- Transportation  
- Land Rental  
- Fees, Rentals, Taxes, Insurance  
- Miscellaneous  

TOTAL  

Although staff are optimistic about the project's abilities to generate the required funds, they have also come to the conclusion that fundraising is an activity to be pursued on a permanent basis. This is, in fact, the responsibility of the Program Administrator.

Looking further ahead, staff envisage that in a third phase (1984 or 1985) external funding needs would be less. Equipment purchases in 1983 should remain adequate for many years, farm produce sales should cover much if not most other operating expenses. Farmer stipends would no longer be necessary. Personnel costs, even though largely shifted from Americans to refugees, would nonetheless remain high. A third phase would thus still require about $70,000 in outside support. Similarly, a fourth phase (1985 or 1986), which envisages a farming cooperative operated entirely by refugees, may require some $40,000 in external funding. These rough estimates are all based on the assumption of continued project development at the Samamish Valley site with about 12 refugee families. If, however, the project expands to include another site, funding needs will be greater than those noted. IFP staff are presently exploring the possibility of leasing some 300 acres in Snohomish, about 45 minutes by road from Seattle.
Total revenue from farm sales in 1982 came to $12,700 for the 11 farm families that participated in the project through December; or an average of $144 per month per family during the eight-month period from May to December. The amount earned by each family varied considerably, from a low of $50 a month to a high of $230. These variations were caused by several factors. Besides the fact that some were better at farming and/or marketing than others, and that some plots on the farm were more productive than others, families varied the amount of time they put into the venture, varied the amount of land they planted, and varied the particular crops they grew.

Out of 19-20 available acres, farmers planted only 4.4 acres in 1982. The average yield was thus $2,900 per acre. Since land was not made available until the end of April, late planting resulted in foregone production and income that IFP staff estimated to be around $8,500. Adjusting for this late start, the production value of the project might have been the equivalent of $4,850 per acre, and might have provided refugees with an average gross income of about $1,900 per family for the year.

IFP staff believe that actual yields in 1982 were relatively good, given the circumstances under which the project started. Moreover, the difference between actual and potential yields is such that the future presents itself as promising. Under appropriate circumstances, by which is meant the availability of all necessary inputs, including competence at farming and careful selection of crops with regard to seasonal market prices, the Samamish site can in theory yield gross returns of up to $25,000/acre, or $550,000 in total each year.\textsuperscript{19} This is, however, a hypothetical objective. In the interim, and as a practical matter, the second phase of the project will attempt to cultivate the full 22 acre site by the end of 1983 or 1984, and to raise productivity to around $8,200
per acre per year. If realized, this will generate a gross revenue of $115,000 and an average of $9,600 for each of 12 farming families.

In the third and fourth stages, and using the full 22 acres, IFP staff hope to reach an average productivity level of $11,000/acre and thus generate $240,000 in gross income, or $20,000 per family. At this stage farm revenues would be used to pay as much of the personnel and operating expenses as possible, and so net farm family income would be closer to an average of between $11,000 and $13,000. If during the fourth stage and afterwards, refugee farmers are able to generate average net incomes in this range without assistance by Americans, then IFP staff would consider the project as having met its goals of establishing self-sufficiency.

Outcomes

Since inception in 1982 the IFP has transformed part of a small parcel of fallow land into a productive resource that has begun to generate income for a dozen refugee families. In the process the refugees have learned basic farming skills for 25 varieties of vegetables, maintenance skills for repair of farm equipment (e.g. irrigation line, pump, rototillers, small engines) and marketing skills (e.g. English, counting change, presenting produce). The project has also established a functioning cooperative production and marketing procedure that links the farmers to wholesale and retail buyers. Off the farm, the project has worked through earlier difficulties in establishing functional relationships between its task force, and farm-level staff and volunteers, has succeeded in generating widespread community support through the local media, has improved its grantsmanship capabilities, and has set in motion a permanent process of seeking external support. With the experience of what does and does
not work, the IFP has now reached a position where it can set achievable longer-
term goals for income generation at the present site with current farmers, and
at additional sites with more refugee families.

Those who worked with the IFP believe that the factors which caused the
project to achieve what it has include: community support through cash, in-kind
and volunteer labor contributions; skills and services donated by neighboring
valley farmers; integration of refugee farmers in all aspects of project imple-
mentation; cultivation of cooperative spirit and trust between all individuals
working at the farm; and an approach that builds on existing refugee farming
skills. To this list one can readily add the farming and farm-level organiza-
tional skills of the original site manager, particularly those based on
experiences with different cultures in vegetable farming.

At the same time, however, the experience has pinpointed a number of
weaknesses in design and implementation which the IFP has had to overcome. One
is maintenance of refugee interest in participation. Four Hmong families
dropped out, in part because of the delay in getting their crop out of the
ground, and in part because of competing income-generating alternatives.
The experience points to a need to design for harmony of outcomes and on a need
for stipends to support farmers until their own efforts can provide adequate
revenues.

Hmong farmers were also subject to some initial anxieties because of com-
munication problems between IFP staff and Hmong leadership in Seattle. The
latter believed that they should have been more regularly consulted about the
project. Through inadvertently overlooking traditional leadership patterns,
American volunteers and staff may have contributed to weakening the initial
enthusiasm of Hmong farmers. This seems to suggest the importance in project,
for working closely with the organizational structure of refugee communities.

Another problem was the difficulty of establishing unanimity of purpose between the task force and field staff. Valuable time which could have productively been used to generate additional support on the one hand and more field effort on the other was wasted in bickering through the summer of 1982. Relationships in early 1983 were much better, and underscore the need for such relationships to be established at the very outset.

A third weakness was the timing of resources required to sustain the project. The original DSHS grant provided almost nothing for farm operations. Most of the grant was for trainer salary. As a result, project staff and volunteers had to expend enormous energy in securing essential resources to keep the project going. While this demonstrates that a project can start with a low level of initial inputs when complemented with dedication and zeal, it also suggests that underfunding redirects whatever resources are available away from direct farm activities, and thus may yield income results that fall short of what otherwise could be possible. Another way of saying this is that agricultural projects of this type require a very large investment. In gross terms, the IFP invested something like $75,000 in 1982 and hopes to expend perhaps another $148,000 in 1983. Together this constitutes a rough cost of $225,000 to bring the project up to a point where the current income begins to approach costs. If such resources are not available beforehand, they must be generated in the process.

A related issue is the scale of the project in terms of numbers of beneficiary families and land per family. Through 1983 the IFP will have invested $18,750 per family and $10,230 per acre. In a strict economic sense such high costs can be justified only if family income over the longer run is substan-
tially larger than that which the alternatives like vocational training might generate. The present farm is too small to achieve this large result, and IFP staff are now searching for means to expand. This is all to say that a bit of front-end analysis and planning can be helpful when time and circumstance permit it.

Individuals involved in IFP have already noted these and other weaknesses, have resolved some, and are in the process of dealing with others. In this sense the overarching lesson to be learned from the project is the utility of explicit attention to "learning by doing" that permits new-found knowledge to be pressed into service on a continuous basis, not only by refugee farmers, but also by paid and unpaid Americans who are actively involved in such endeavors.
6. Hiawatha Valley Farm Cooperative (HVFC)

Set in motion in mid-1982, the Hiawatha Valley Farm Cooperative envisages eventual establishment of a Hmong rural community of 30-40 families located on a 1300 acre farm in Homer, Minnesota. The families would own and operate the farm on a cooperative basis, and would also control five-acre parcels within the farm to generate individual sources of income. The venture is expected to be able to guarantee minimum family income levels of about $10,000/yr. In mid-1983, ten refugee household heads completed a training phase and were living on the farm with five American families. Five other refugees from Wisconsin and Iowa were also working and learning on the farm during the growing season.

Origins

The Hiawatha Valley Farm Cooperative (HVFC) project traces its origins back to August, 1981. At that time the Sponsorship and Refugee Program (SRP) of the Church World Service, in cooperation with the Minnesota Council of Churches, initiated a state-wide survey of refugee cases to identify existing skills and longer-range goals of various refugee groups. The survey identified 123 households, covering about 600 individuals, that wished to work in agriculture. Relevant projects were already underway in the summer of 1981, such as a cucumber production effort, but these projects presented themselves as short-term, crisis-oriented activities that offered little potential for longer-term development. Participants from the Twin Cities metropolitan area, particularly the Hmong, were unable to obtain structured and systematic formal training in agricultural methods and practices. Returns to participants were not only relatively low in financial terms, but also in terms of skill acquisition. Working together, officers of the SRP and refugee organizations then embarked upon a
simultaneous process of designing a project that could respond to the demand for agricultural employment, both in the short-term and in the longer term, and of generating the financial resources required to implement the project. By early 1982 the project had succeeded in securing enough funds with which to start, and in June initiated the first phase of the project.

Goals

The goal of HVFC, responding to requests by Hmong refugees, is to establish a self-sufficient farming community. Within this general framework, sub-goals include: creation of a resource of trained refugees who will assist in the development and training of other refugees; establishment of a systematic method of technical and organizational skill development that will enable the refugee interested in agriculture as a career to "learn by doing"; creation of a labor intensive pilot demonstration farm that will enable other refugees from around the country to gain "hands-on" training at the farm; modernization of the farm, from labor to machine intensive, as the younger generation grows older and achieves higher skill levels essential for capital intensive farming, and as the demand for farm labor from family members declines; and integration of refugees into their surrounding community through ESL training, non-farm general and vocational education and cultivation of relationships with key regional institutions, families and individuals. The overall goal of the project is to provide refugees with an opportunity for self-determination, self-realization, and self-sufficiency at the same time.

Organization

The organizational plan for the project consists of a Management Council, a Planning Council, and co-managers. The Management Council is to govern the
operation of the farm and advises the co-managers on all facets of farm business. It determines policy for management operations, has the power to terminate the entire program or its various parts if operations are not satisfactory, can hire and fire co-managers, and has the right of approval of all cooperative members for the first two years after the farm is occupied (March 1983).

One-half of the Council is to be selected by cooperative members from among themselves. The rest are to be chosen by SRP from outside the cooperative. The Council is intended to be a temporary unit that attaches itself to the project until such time as all parties agree that the cooperative is self-sustaining and no longer in need of close external supervision or external support. Control of the farm by the Council is initially set for the period March 1983 - February 1985, but can be extended if all parties agree to do so. Alternatively, after the two year initial period, the cooperative may choose to establish an advisory board consisting of non-members who can provide support and offer guidance as circumstances warrant.

Non-cooperative Council members are to be volunteers with demonstrated competencies and experience in farming and food processing. Some, for example, may be drawn from local industries like Hormel, Green Giant, etc. In this way the cooperative should be able to access not only essential knowledge about farming, but also important contacts for the development of marketing channels.

As presently envisaged, the cooperative will eventually have 14 salaried co-managers. Seven Americans with qualifications and experience in one or more of several aspects of farm management and operations (e.g., bookkeeping, purchasing, marketing, crop production, animal husbandry, poultry, training/maintenance) will each be paired with a Hmong co-manager who is fluent
in English and Lao/Hmong, and who has a strong interest in agri-business. The intent of this pairing system is to provide a vehicle for the transfer of basic knowledge and skills from the American to the refugee co-managers while both are actively engaged in farm operations. The Americans are expected to withdraw within a period of 6 to 24 months after each starts working, depending on the rate of progress in training. The Hmong co-managers would then, as employees of the cooperative, take full responsibility for day-to-day management of the farm, including its ongoing demonstration/training activities.

The purpose of the Planning Council is essentially to coordinate the various activities of the project and, in so doing, to carry on the business of the farm. Composed of bookkeeping, purchasing, marketing and technical co-managers, the Council would meet regularly to organize schedules and responsibilities, to approve contracts, payments and financial obligations, to prepare and distribute monthly and annual financial reports, and to set yearly goals and priorities.

The family is the basic membership unit of the cooperative. Approximately 10 Hmong families (50 people) would live on the farm permanently in 1983-84. These may be joined by another 20 families in 1984-85. The project may eventually establish a permanent community of 30-40 families who are cooperative members. During planting and harvesting an additional 90 non-member families may live and work on the farm for short periods. Thus, if all goes well, the project may be able eventually to provide full or part-time employment and income to 120-130 families, benefitting around 600 individuals each season.

**Operational Characteristics**

The first phase of the project began in June 1982, and ended in March, 1983. This phase was an intensive training program for ten household heads selected by
the Hmong community in the Twin Cities, and was carried out at the Hennepin Technical Institute. The farm business component of the training program provided exposure to a variety of subjects associated with farm management, as outlined in the following table, and was intended as preparation for productive careers by students as employees and/or entrepreneurs in the production of fresh market fruit and vegetable crops. Refugees received instruction and practical experience in the basics of greenhouse management, transplant production, and the planting and cultivation of a variety of specialty crops. They were taught the use of machinery and equipment, and modern techniques of pest control and soil fertilization. They also learned methods of variety selection, harvesting, processing, storage, packaging, and produce marketing. These subjects were presented on a timely basis throughout the year, according to season, and took the form of classroom instruction and "hands-on" field work as appropriate.

The farming training was complemented by the introduction of students to simple bookkeeping, product pricing, cost accounting, business analysis, and income tax filing. The program also contained an ESL component for all students and their families -- of value in general, but also essential to assure maximization of teacher-student communication in the training process.

Although training focused on specialty crops, a decision related to the desire of the cooperative to maximize the number of families who can generate satisfactory income streams from a fixed farm acreage, the eight acres of land used by students at the Institute adjoined an additional 70 acres that were worked by American students pursuing the Institute's regular training program. This proximity permitted the refugees, in principle, to observe cultivation practices for approximately 1,000 varieties of shade and ornamental trees, shrubs, flowers, herbs, small fruit, tree fruit, vegetables, as well as
HVFC Crop Education Program

A. Vegetable culture
   1. Annuals
   2. Perennials

B. Small Fruit Culture
   1. Strawberries
   2. Raspberries
   3. Grapes & Currants

C. Soil Management
   1. Soil testing
   2. Fertilization
   3. Erosion
   4. Soil types and characteristics

D. Equipment Operation and Maintenance
   1. Tractors
   2. Cultivation equipment
   3. Seedbed preparation equipment
   4. Harvesting equipment
   5. Planting equipment
   6. Sprayers and spreaders
   7. Tillers

E. Cultural and Chemical Pest Control

F. Weed, Insect and Disease Identification

G. Marketing
   1. Processing
   2. Storage
   3. Packaging
   4. Pricing
   5. Identify market avenues
      a. Roadside
      b. Pick your own
      c. Farmer markets
      d. Institutional
      e. Retail stores
      f. Wholesale houses
      g. Brokers

H. Greenhouse Management

I. Farm Business Management
   1. Bookkeeping
   2. Cost Accounting
   3. Basic business analysis
   4. Basics of income taxes

J. Tours of farms, markets, etc.

K. Plant Propagation
basic cereal crops like oats, wheat, barley, sunflowers, etc. Students thus obtained a sense of the broad range of agricultural possibilities that exist beyond the limits of their direct training.

The cost for the training program, as indicated below, was about $31,000 in 1982-83, subdivided as $25,000 for instruction and $5,700 for crop production. Income from the sale of crops raised on the eight acres was retained by the refugee students. The $3,600 cost per student was regarded by SRP as an essential investment in a cadre of ten individuals who would constitute a core group around which to develop the farm.

**HVFC CROP EDUCATION PROGRAM**

**BUDGET**

| Consultant and Substitute Instructor | $1,000 |
| Travel                              | 400    |
| Salary                              | 16,000 |
| Fringes (20%)                       | 3,200  |
| Administration (5%)                | 800    |
| Building Rent                       | 3,600  |

**INSTRUCTIONAL COSTS**

Seed, Fertilizer, Chemical, Etc. $3,000
Machinery Expense 1,500
Supplies 800
Land Rent ($50/acre x 8) 400

**CROP PRODUCTION COSTS** $5,700

In March, 1983, the ten refugee-students moved to the farm. Four came together with their families, and the balance were to follow after completion of appropriate housing construction during the summer. The refugees were joined by five American co-managers, several of whom also moved to the farm with their respective families. In May another 20 household heads were selected and began training at the Hennepin Vocational Institute. Some or all of these last would join the cooperative in March 1984. Another five families or household heads from Wisconsin and Iowa were to stay and work on the farm during 1983 as well.
The first year (March 1983 - February 1984) is a transitional period. The 10 refugee household heads will continue their training through experience of working with their American counterparts. At the same time, the presence of the counterparts is expected to assure that the farm continues to produce revenue. The initial refugee families will also receive training in techniques of animal husbandry with hogs and poultry presently on the farm, but which were not dealt with during the previous year at the Institute.

Since a complete training phase will not have been completed by the end of the 1983 season, and since only a part of the eventual refugee population is present on the farm, the cooperative is not at full production capacity. Only 80-90 acres have been put into specialty crops and contract cucumbers, and only 50 hogs per week out of a capacity of 80 will be marketed. Cultivation of additional acres, expansion of hog sales, and production of milk, beef and poultry will be gradually added over time. If and when the cooperative members should decide to shift to machine- (or capital-) intensive farming, the transition would be made relatively easily because the present farm is already highly mechanized.

A management system training program was also to begin in 1983. This would consist of monthly classroom sessions extending over a period of three years, supplemented with monthly farm visits to each family. Instruction in the first year was to focus on establishment of farm and farming goals, and on recording information properly for tax and management purposes. The second year would introduce use of computer analysis, and would improve income tax management procedures. The third year will continue and expand on the training provided earlier. The rationale for this training is that improved family performance will not only contribute to more efficient functioning of the cooperative farm,
but will also serve the needs of families who wish to leave the farm and establish another on their own.

In a similar vein, the training co-managers of the farm will not only coordinate on-farm training, continuing ESL instruction, and off-farm education (e.g., public schooling, vocational education, etc.), but also bring families into contact with rural community resource people like food processing buyers, agricultural specialists, extension departments, 4-H leaders, county agents, USDA officers, conservation officers, etc. In this way, families can come to know the resources available to them should they decide to start their own farms.

In the second season, if all works well in the first, the Hmong co-managers will be in a position to take greater charge of farm operations, and some of the Americans may leave the project. Similarly, the ten initial families will be in a better position to assist additional cooperative members.

By the third year, the operations of the farm should be almost entirely managed by family members of the cooperative, with such technical support as they require being provided directly through an advisory council (or the Management Council if it still exists), or indirectly through the contacts that family members will have made with various individuals present in the surrounding rural community. The farm should also witness the beginnings of movement of families into and out of cooperative membership—as some families strike out on their own, and as new families replace them in the cooperative. There should also be a continuous seasonal flow of household heads coming to work on the farm, to learn farming, and to learn about establishing and organizing cooperatives as well as single-family agricultural enterprises. In sum, by the third year, the farm should no longer be a "project" but rather a per-
manent fixture of the southeastern Minnesota farming community that is at once a source of livelihood, a place for instruction, a demonstration to other refugee groups in the country of what is possible in agriculture, and a source of assistance in efforts to replicate this type of endeavor elsewhere.

**Financial Characteristics**

The farm is located in Homer, Minnesota, in the southeastern corner of the state. Seven hundred and seventy (770) of its 1300 acres are tillable, and it contains five residences, a dormitory, a dairy barn, a milk house, a calf barn, two harvesters, four cement stave silos, a farrowing barn, a nursery barn, a hog finishing barn, a machine shed and a granary with mill.

Expenditures during the first season were to have been approximately $440,000, exclusive of about $75,000 for training of 20 new refugees at the Vocational Institute, as follows.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>American co-manager salaries (5)</td>
<td>$70,000</td>
</tr>
<tr>
<td>Hmong co-manager salaries (5)</td>
<td>$70,000</td>
</tr>
<tr>
<td>Management expenses</td>
<td>26,000</td>
</tr>
<tr>
<td>Taxes, insurance &amp; utilities</td>
<td>28,000</td>
</tr>
<tr>
<td>Production costs</td>
<td>182,000</td>
</tr>
<tr>
<td>Debt service</td>
<td>60,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$439,000</strong></td>
</tr>
</tbody>
</table>

Anticipated cooperative revenues at the end of the 1983 season were expected to total about $518,000: $248,000 from the sale of specialty crops and contract pickling cucumbers, and $270,000 from the sale of hogs. This would leave a net balance of $80,000, some of which might be used to offset the training costs of the 20 new refugees, housing construction, etc. This excludes revenues that individual families would have been able to generate from their own land parcels.25

Families that do not have household heads as salaried co-managers were to receive about $1,600 for sale of their labor services to the cooperative. Each
family would also receive between $8,000 and $10,000 from sale of crops and hogs raised on their own 5-acre parcels. This total income of between $9,600 and $11,600 constitute planned minima. If they are productive farmers, they might be able to earn much more from the land, and also from roadside sales commissions, blacksmithing, housing construction wages, or temporary work in the off-season away from the farm. In principle, families can earn up to $25,000 a year.

Families from other parts of the country, and hence not members of the cooperative, would not be able to earn as much. They would, however, be able to generate supplementary income wages during planting and harvesting periods.

Social Factors

The original design for the HVFC, developed in 1982 and early 1983, called for a much larger undertaking than that described above. This design anticipated that the ten families whose household heads had received training would be joined on the farm by another 20 families during the 1983 season, that 30-40 more families would join the cooperative in 1984, and that in the same year approximately 90 additional family heads from other parts of the country would be present seasonally to work as laborers and to receive on-the-job training. The farm is in theory large enough to support 70 families permanently and to provide supplementary earnings to another 90 people. The end result would have been a rural Hmong community of about 350 permanent residents and 90-150 additional summer residents. Prior experience by SRP and expressed refugee needs required that a sizeable community be formed in order that families stay on with the project.

Unfortunately, in February, 1983, residents of Homer called a township meeting to protest the proposed arrival of the refugees. Although representing
only a small number of residents, the protesters were quite vocal in their opposition, and meetings with SRP volunteers and refugee representatives could not remove their hostility to the project. In April, HVFC organizers decided to scale down the project as a compromise move. This helped to alleviate some neighborhood fears. It also would allow for a more gradual introduction of refugees that might eventually permit Americans and the Hmong to get to know each other better, and thus pave the way for scaling up the project as originally planned, but over a longer period of time. If this strategy fails, the 20 refugees presently in training would be established at another location.

Another problem was the departure to California of three families whose heads had completed the Vocational Institute training program. As individuals they would not lose the benefits of training if they chose to engage in agriculture in California, but it did represent a loss to HVFC. With a waiting list of over 120 families, SRP was quickly able to replace them.

A fourth refugee began to have second thoughts about the project in March, 1983, when he estimated that his family's current welfare benefits exceeded the approximately $10,000/yr. (plus housing), that HVFC could guarantee. After being informed that the figure was a minimum, and that solid work could substantially raise the amount, the individual decided to stay on - at least for a while.

Once on the farm, the Americans and Hmong participants ran into problems of intercultural communication, a problem exacerbated by the co-management system that placed no one individual in charge of decision-making and consensus-building. The SRP Director in Austin then hired and dispatched to the farm a personal representative to deal with the matter, and also to deal with neighbors in Homer should the need arise.
Outcomes

Expressed goals of simultaneously creating an opportunity for financial self-sufficiency, self-determination and self-realization may in some cases constitute little more than decorative description for a project. In this instance such does not appear to be the case. The project's Management Council and American co-managers are established as temporary components of the project, and both have explicit mandates to transfer as many of their competencies as quickly as feasible to refugees, and then to withdraw from the project. At the same time, the fact that the project's organizational structure was planned with the refugee community, and that the families on the farm were selected by the community, suggests that the project design is in large measure a self-determined one. The Hmong refugee community thus has something of a participatory stake in working toward successful implementation of the project. These elements seem to represent positive foundations for building up the project over time.

Similarly, the notion of training a core of refugees who will in turn serve to assist others in the future is consistent with self-realization and self-determination philosophies; as is the goal of having the cooperative as a whole serve as a vehicle to assist refugees from around the country through employment and training. In principle, the project should come to constitute a resource for the national Hmong community, and perhaps for other refugee groups as well.

On the technical side, the approach that combines classroom and field training and, perhaps more importantly, that is directly related to family financial self-sufficiency (i.e. the relationship between training and income becomes quickly apparent) seems appropriate. Technical training is often divorced from opportunities to apply newfound skills for remunerative purposes,
and graduates find no place to work. The concept of establishing an income-
Generating opportunity first, and then working backwards to provide the
wherewithal for refugees to later take advantage of that opportunity is wise.
At the same time, the organizational framework which combines elements of
cooperative farming with elements of sole-proprietorship for family farming pro-
vides the project participants with medium and longer-term decision-making
flexibility regarding their interest in staying with the cooperative, starting
new cooperatives, or striking out in independent farming or agribusiness. The
Minnesota agricultural community presently contains various combinations of
cooperative, corporate and family farm business, and the project would allow
refugee families to decide for themselves which direction to pursue.

While the plan presents itself as essentially sound, actual performance
will depend on SRP's ability to generate sufficient funds to finance the many
activities outlined above. The organization has obtained enough support to get
started, but more funding will be required for it to continue and/or expand into
the future as planned. As in the case of the Indochinese Farm Project in
Seattle, fundraising has become a permanent component of SRP staff activities on
behalf of HVFC, and the future of the undertaking remains uncertain.

To a lesser extent, but important nonetheless, the eventual success of HVFC
will also depend on improved communication between Americans and refugees within
the project, and between project participants and neighbors surrounding the
farm. In the first case, the fact that three of the initial trainees would
apparently forego participation in the project, and that another would have
reservations about a program that guarantees $10,000 per year, suggests that
some Hmong may not readily understand the value of a ready opportunity for self-
sufficiency in a project of this type. This suggests a need for greater selec-
tivity and/or education of refugees during early stages of projects like HVFC. Later stages present fewer problems because earlier refugee participants can communicate the disadvantages and advantages directly to potential participants on the basis of experience.

 Refugees are not, however, alone in their fear or misunderstanding of the new. The hostile reaction of some Homer residents, the second case, highlights a parallel need for selectivity in choice of farm location (though large farms are not available anywhere one chooses), and especially the need for advance information/education efforts to reduce the probability of large-scale negative reactions.
7. **Minnesota Agricultural Enterprise for New Americans (MAENA)**

The Minnesota Agricultural Enterprise for New Americans (MAENA) is a collaborative effort by the Agricultural Extension Service of the University of Minnesota and Lao Family Community Inc. to promote self-sufficiency of 70 Hmong families residing in the Minneapolis-St. Paul area. Implemented in May-June 1983 on the basis of ideas developed in 1982, the project seeks over a four-year period to provide families with classroom and field training in agricultural and related practices on a site located near Farmington (Dakota County), and to gradually develop a Hmong Farmer's Cooperative which the families can join upon completion of training. The objective of MAENA is to create a situation in which refugees can, on their own, obtain equivalent or higher income than presently provided by welfare benefits. Present plans call for the expenditure of $4.17 million over four years.

**Origins**

In 1982 four Minnesota foundations provided the University/Ramsey County Agricultural Extension Service with $64,000 in grants to assist refugees in establishing a "Hmong Family Farming Project." Some $14,000 was earmarked for expansion of an existing small-lot gardening program open to all county residents. Sixty per cent of program participants were Hmong. The remaining $50,000 was devoted to the creation of an entirely new program in which 50 Hmong families, aided by another 30 from time to time, cultivated 30 acres in two locations. Notwithstanding one of the most serious droughts in the history of the region, the refugees earned $10,000 from sale of their produce and consumed another $25,000 of their crop.

The experience suggested that a small-scale approach to agriculture was unlikely to yield refugee self-sufficiency within a short period. At the same
time, heightened interest in agriculture by the Hmong, and widespread interest in the general community to help refugees, in no small measure created by favorable media reports during the summer of 1982, led a number of Twin City community leaders and the University Extension Service to begin efforts to develop a more substantial project aimed directly at self-sufficiency.

By October, 1982, the University Agricultural Extension Service had, with the assistance of an internal consultant, developed a concept paper for the proposed project, and a community-wide group of 30 individuals had come together as an informal committee to assist in the development of the proposal. The group included University staff, ORR and State Department officials, Hmong community leaders, the Dept. of Public Welfare, representatives of non-profit organizations and foundations, and several others. By June, 1983, this group had expanded to 70 participants, including 17 who served as members of a "steering committee" for development of the proposal.

Between October 1982 and June 1983, the extension service worked with the steering committee and other group members to elaborate and refine the project concept. An external consultant prepared a proposal for submission to private foundations in December. This was revised at the request of various potential funding sources; twice in February, again in May, and for a final time in June. By the end of May the project had secured $472,000 in government, foundation and University in-kind support. The remaining stumbling block was to work out an arrangement whereby refugees would not risk losing their welfare benefits by virtue of participating in the project. This problem was solved in June, and refugee families began to sign up for the project. By this time the planting period had all but disappeared. Fortunately, in the expectation of eventual agreement by all parties on the characteristics of the project, extension staff
had already initiated planting operations in May. The project could proceed without the serious handicap of late planting.

Goals

The overall goal of the project is to assist 70 Hmong families in becoming self-sufficient, contributing members of the Twin Cities community through creation of a refugee-managed and controlled agricultural enterprise. Intermediate objectives to achieve this goal include: training in production, marketing, farm financial management, family budgeting, nutrition, family relations and cooperative operations; initiation of a marketing cooperative; and development of a packaging and distribution facility and retail outlets. The general orientation of the project is to develop a replicable model for economic development that can be adopted for additional refugee families or for other low-income groups.

Within this last context, an important sub-goal of the Extension Service is to demonstrate to its own county agents and to American small farmers that efforts to develop vegetable production tied to organized marketing channels can lead to significant increases in income through expansion of the market for all growers. This sub-goal is, in effect, more than simple integration of refugees into mainstream agricultural practices. If successful, refugee farmers will be models of productive activity that American farmers might be able to look to for new ideas.

Organization

The Director of the Agricultural Extension Service of the University of Minnesota is the overall responsible officer of the project. His responsibilities include maintenance of administrative relations with the University,
collaboration and coordination with a project advisory group presently composed of 72 individuals and its steering committee of 17 people, liaison with funding sources, cooperation with the Board and staff of Lao Family Community Inc., collaboration with the Hmong Farmer's Cooperative Board of Directors, and supervision of project staff.

Staffing includes a project director who will supervise a produce and marketing specialist, an agricultural director, a family and youth educator, a field coordinator, youth program aides and secretarial/bookkeeping personnel. All of these positions will be filled by qualified University/Extension Staff, and Hmong interns will work in tandem with each of them so that the latter may eventually take over the former's responsibilities as the project transforms itself into a cooperative. Staffing also includes two part-time liaison officers working with the project director. One of these individuals will coordinate project activities with faculty and staff of the University. The other will carry on the same functions with respect to Ramsey County extension personnel, state and county government agencies, and the St. Paul Grower's Association.

The Hmong Farmers Cooperative will gradually expand as refugee participants leave their training program to join the cooperative, and as Hmong interns take on greater responsibility for project management. The project has a six member advisory board composed of three members appointed by the Hmong Farmers Cooperative Board and three appointed by the Director of the Extension Service.

Operational Characteristics

The project envisages a four year development process beginning in May 1983 and ending in April 1987. Thirty families will participate during the
first year, and twenty additional families would be added in each of the second and third years. Each group of families will begin by entering a training program in the spring. The program will last for 18 months and will cover two growing seasons (May through October) for field training, and one dormant season (November through April) for classroom training. At the end of the second growing season the refugee group will leave the training program and become members of a cooperative. The tentative schedule for refugee participation in the training component of the project is:

- 30 families: May 1983 - October 1984
- 20 families: May 1984 - October 1985
- 20 families: May 1985 - October 1986

During the period October 1984 - October 1986 all 70 families will have become members of a functioning cooperative farming approximately 300-350 acres of land. After April, 1987, the fifth year of the project, the cooperative will function on its own and the University Agricultural Extension Service will provide it with similar levels of technical support as it does for other cooperatives in the state.

Each 18-month training program will consist of three distinct phases, and refugee participants will be treated as University students for the duration of the program. This is consistent with University Extension practices. During the first growing season, Phase I, families will receive field and classroom training in cropping, harvesting and marketing of a variety of vegetables. This will include education in crop varieties, soil preparation, machinery and equipment, timing and succession of planting, seeds and transplants, fertilizer, pest and weed management, disease control, irrigation, erosion control, record-keeping, harvesting, washing and handling, grading and size selection, packing, conditioning, market selection, product planning, pricing strategies, shipping
and receiving, advertising, merchandising, verbal and non-verbal communication skills for dealing with consumers, etc.

In the second phase (November - April), participants will shift to more intensive classroom training that emphasizes ESL, scientific aspects of vegetable production and animal husbandry, farm planning and financial management, family living, and farm cooperative management.

The third phase (May - October) will attempt to build on the knowledge acquired during the previous year and will emphasize strengthening of trainee abilities to make independent individual and group decisions, to anticipate problems, to seek resources, and to design and implement cropping and marketing plans. Upon completion of this last stage of training, participants will become members of a Hmong Farmers Cooperative.

In order to provide a framework within which to integrate refugee families after completion of training, the project will begin the process of establishing a marketing system and the foundations of a cooperative during the 1983 growing period. With respect to marketing, the 1983 cropping plan consists of 23 vegetables, of which several are being produced in small quantities to test their market potential. Potential buyers have already been identified by the project, and efforts will be made to develop productive relations with them by producing and processing quality products, and by maintaining continuity of supply. This effort will be assisted through use of a temporary processing facility located near the farm which provides refrigeration and storage space. Further efforts will be taken by operating two stalls at the Minneapolis farmer's market, participation in several community markets in the region and setting up a roadside stand at the farm. The overall purpose of this effort will be to broaden market exposure for the project and to build product identity for the Hmong Farmer's
Cooperative label. A wholesale contract has already been signed for corn and pickling cucumbers. While this will assure a minimum income for the project, the basic marketing strategy will be to maximize retail sales in the region. This will, if successful, generate the highest profit margins for the project.

The financial and human investment required to engage in direct retail marketing is large. In order to accumulate the necessary resources, the Cooperative is envisaged as a managing-marketing unit that permits its customers and vendors to gradually become its owners. The project budget, discussed below, has been designed in a way that provides adequate finances in the first growing season to permit the cooperative to leverage financing for the second season. Through funds received from second year produce sales and sales of shares, the cooperative should have sufficient funds to provide dividends to the first group of 30 families after they leave the training program, to pay for farm inputs, and to capitalize machinery for the 1985 growing season. Over the four year planning period the cooperative will gradually expand until, in the fifth year, it becomes a self-sufficient entity taking full responsibility for the project.

Through this period, the cooperative will seek major buyers within and outside the Twin Cities, focusing on restaurants, supermarkets, wholesalers, processors and canners, hospitals and government agencies. It will at the same time contract with Hmong farmers to grow produce for which major markets have been found, and the farmers will thus derive revenue from sales to the cooperative and from dividends paid out of cooperative profits. In the process the cooperative will provide training for Hmong participants in management and office skills, marketing and food handling operations.

If successful, the cooperative will eventually serve as a processing center for produce grown by Hmong and other farmers, and as a local and export (from
the local area) marketing facility. It will offer direct employment opportunities for truck drivers, forklift operators, food handlers, office workers, etc. It may also lead to the cooperative operating specialty produce shops in the region that market local produce in season and non-Minnesota produce in the off-season. The degree to which the cooperative becomes a financially self-sustaining venture will determine the degree to which the overall MAENA project has achieved its goal of promoting refugee self-sufficiency.

**Social Factors**

Efforts made to design the project between October, 1982, and June, 1983 encountered several difficulties. A concept paper put forward by the University in October, for example, established a somewhat antagonistic relationship between the University and an initial group of 30 interested individuals who served as informal advisors in the design process. The concept paper proposed a budget of $4.9 million to assist 800 refugee families. Although the paper was intended only as a basis for discussion, the allocation of $3.5 million for American faculty, staff, and student salaries suggested to some that the University was more interested in its own welfare than that of the refugees. To other individuals, especially those not acquainted with the large investment required to achieve self-sufficient farming, a $5 million project appeared staggering irrespective of how the funds were allocated.

Working more closely with the University and the group of interested individuals, an external consultant prepared what appeared to be a more reasonable one-year proposal for $460,000 in December. American and Hmong staff salaries nevertheless constituted over 75% of the total budget. The proposal answered many questions raised by the advisory group, but did not answer enough. Missing
from the proposal was an operational plan that included such information as the value of farm production, projected income for refugee participants, and other issues raised by members of the group.

In February, a third proposal covering a four year project and requiring $1.9 million in outside funding to assist 300 families became the rough outline for MAENA. Several advisory group members still thought the outline was lacking in several respects. The curriculum for training, for example, was not sketched out in sufficient detail. The essential problem at this stage was that the advantages of having a large advisory group that could provide useful ideas and later, through their institutional affiliations, assist the project in generating funding and other resources, was being offset by the disadvantages of having many "cooks" with their own individual interpretations of what the project was about, and what its priorities should be. The problem was compounded by the absence of designated decision-making authority.

A related problem was that many participants did not understand the complexity of agriculture, the size of investment necessary to obtain desired levels of income, or the inherent risks associated with agriculture as a business. On the opposite side, those who did understand the farming aspects did not understand the mandate of welfare agencies to protect their clients, or the complex rules, regulations and ambiguities associated with public assistance in general and refugee assistance in particular.

The February - June period was characterized by serious efforts of key participants to understand each other and to work towards a mutually acceptable project design. A proposal in May, largely the same as the final June design, required intensive negotiations between the University, the Dept. of Public Welfare, ORR-Chicago (the regional office), ORR-Washington, and Lao Family
Community Inc. One matter requiring clarification was whether $260,000 in ORR support was to be used in lieu of public welfare payments to support refugee families or whether it was to be used to finance other project components while public welfare continued to support the families. Similarly, it took some time for the state's Department of Economic Security to make a policy determination that conversion of the project from OJT to straight training would permit refugees to remain beneficiaries of the WIN program. Another matter was the size of stipend to be paid to families for their participation. If too low they would have little incentive to become involved, and if too high they might have little incentive to undertake extra efforts at learning and producing in the field. There was also an issue of how to assure refugees that their participation in a risk-laden project would not result in eventual loss of welfare benefits and correspondingly lower income. These deliberations took place under extreme pressures of time because the planting season was rapidly ending. Perhaps as a result of this constraint, and also the fact that fewer individuals were now engaged in the deliberations, a great deal of mutual learning and adaptation took place in a very short span of time. In the opinion of some individuals, more progress was made in May than had been made since October. Whatever the dubious benefits of hindsight might suggest about the lengthy process of designing the project, MAENA is presently well on its way into a first production season, the University, ORR and the Dept. of Public Welfare are satisfied that they have obtained a sensible project, and refugees need not fear that their involvement will prove counterproductive.

Financial Characteristics

The designers of MAENA have had to adapt to three important factors in setting up the project's financial plan. One is that Minnesota welfare benefits
are among the highest in the United States. The second is that the welfare system provides few incentives to beneficiaries to look for work that cannot guarantee equivalent or higher levels of income. The third is that agricultural ventures, by their very nature, cannot guarantee particular family income levels. Under these circumstances the designers had to aim for high revenue levels, and had to devise a scheme whereby individual participants could be assured that they would not sustain economic risks inherent in individual agricultural projects.

In pursuit of high revenues, the project has been designed on the basis of an average of five acres per family on which up to 23 varieties of vegetables will be grown intensively. The land is irrigated, and refugee families will receive extensive training to maximize their productivity in planting, growing, harvesting, and marketing. The development of a marketing cooperative that aims at retail sales, and hence maximum profits, is an integral part of the revenue strategy.

To deal with the issue of guarantees, the designers worked out a scheme in which each family will continue to receive welfare support during the 18-month training program. This required that the administrators of the WIN program suspend participants to the University. The refugees will, in addition, receive training reimbursements of $50/month per adult participant (up to two adults per family), and a child care allowance of $5/month per family. Other benefits to participants will include a $1.50/day gasoline coupon, and 4,000 square foot plots on which to grow vegetables for their own use. This last might provide the equivalent of $300 per family each season. The typical family will thus be able to generate additional support of about $2,000/year without compromising it's public assistance support. The project anticipates that this structure will remove refugee reticence about working on the farm.
During training project revenues will not be immediately available to families. This will assure their continued eligibility, and will provide cash reserves for second growing seasons. The value of refugee farm work will be treated as their contribution to the establishment of the cooperative. When they complete their 18 months of training in October and join the cooperative in November, a part of their contribution will be returned to them in the form of dividends at a projected rate of about $1,000/month per family, depending on their productivity. The projected average family income level of $12,000/year should equal or exceed the value of all current welfare benefits. To the extent that one or more family members find part-time work in the off-season, a typical undertaking by small farmers in Minnesota, family income may rise considerably higher than $12,000/year.

To achieve this goal, MAENA has developed a four-year schematic development budget that envisages a total expenditure of $4.17 million. Production revenues will cover about $2.13 million, or about half of total costs. The balance would derive from government support, foundation grants, and University contributions. The subsidy or, more positively, the investment in refugee participants, thus amounts to over $26,000 per family, exclusive of continuing welfare benefits paid to the families during the 18-month training program.

As indicated in the following table, the largest expenditure item, $930,500, will be for agricultural production and processing costs. At an estimated unit cost of $1,600/acre, this expenditure will include seed, fertilizer, pesticides, specialized labor, supplies, land rental, etc. The next largest item, $876,500, will be for cooperative dividends—essentially delayed payments to refugees for the crops they produced during training. An amount of $825,300 will be used to pay trainer salaries ranging from $12,000 to $40,000/year, and
<table>
<thead>
<tr>
<th>EXPENDITURES</th>
<th>YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>83-84</td>
</tr>
<tr>
<td>Planning Costs</td>
<td>$ 35,500</td>
</tr>
<tr>
<td>Participant Support: 1st 30 families</td>
<td>63,000</td>
</tr>
<tr>
<td>2nd 20 families</td>
<td></td>
</tr>
<tr>
<td>3rd 20 families</td>
<td></td>
</tr>
<tr>
<td>Trainee Salaries</td>
<td>78,375</td>
</tr>
<tr>
<td>Trainer Salaries</td>
<td>172,800</td>
</tr>
<tr>
<td>Training Materials</td>
<td>3,000</td>
</tr>
<tr>
<td>Administrative Costs</td>
<td>56,000</td>
</tr>
<tr>
<td>Production and Processing Costs</td>
<td>147,000</td>
</tr>
<tr>
<td>Cooperative Capital Account</td>
<td>31,000</td>
</tr>
<tr>
<td>Production Escrow Account</td>
<td>170,000</td>
</tr>
<tr>
<td>Cooperative Dividends</td>
<td></td>
</tr>
<tr>
<td>Contingencies</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$756,675</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REVENUES</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Government and Foundation Support</td>
<td>$446,000</td>
</tr>
<tr>
<td>University (including in-kind support)</td>
<td>76,675</td>
</tr>
<tr>
<td>Production Sales Value</td>
<td>234,000</td>
</tr>
<tr>
<td>Cooperative</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$756,675</td>
</tr>
</tbody>
</table>

Number of Participating Refugee Families

|               | 30 | 50 | 40 | 20 |      |

Approximate Acreage in Use

|               | 160 | 230 | 160 | 100 |      |
will include a project director, an agricultural director, a produce and marketing specialist, a field coordinator and a number of other full-time, part-time and consultant positions. $594,575 will be used to pay Hmong trainees in the project, and who will eventually take over operations of the cooperative. Salaries for the trainees will range from $16,500 to $20,000 initially, and over the life of the project they will gradually increase as the trainees take over the trainer positions noted above. A sum of $309,500 will be set aside during the first three years as a production escrow account to be used as savings from one production season to help finance cooperative activities during the next season. Similarly, a cooperative capital account of $93,500 will be accumulated to invest in machinery and equipment. The remaining large expenditure item is $195,000 to provide stipends, child allowances, and home consumption support for participating families.27

As of June 1983, the project had received assurances of external funding for $472,000 for the first year from the following sources:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and Human Services-ORR-Federal Discretionary</td>
<td>$260,000</td>
</tr>
<tr>
<td>Northwest Area Foundation</td>
<td>36,000</td>
</tr>
<tr>
<td>St. Paul Foundation</td>
<td>35,000</td>
</tr>
<tr>
<td>Lutheran Social Services</td>
<td>25,000</td>
</tr>
<tr>
<td>Hardag Foundation</td>
<td>20,000</td>
</tr>
<tr>
<td>Bigelow Foundation</td>
<td>10,000</td>
</tr>
<tr>
<td>University of Minnesota (in-kind)</td>
<td>76,700</td>
</tr>
<tr>
<td>Dakota County Board of Commissions (in-kind)</td>
<td>9,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$472,000</strong></td>
</tr>
</tbody>
</table>

The project also anticipated receipt of another $51,000 in foundation support during 1983, and an amount of $234,000 from produce sales at the end of the first season. The combined resource total of $757,000 will permit the project to proceed through at least the second season, thus providing a minimum project life of 18 months.

Although implementation of the four-year plan will depend on continued government and/or foundation support, more will depend on the project's ability
to achieve its production revenue goals. Revenue projections for 1983 are based on sales of contract sweet corn from 45 acres and pickling cucumbers from 30 acres; and non-contract marketing of tomatoes (15 acres), green peppers (10 acres), broccoli (10 acres), cauliflower (10 acres), and 17 other crops such as green beans, peas, cabbage, onions, leek, lettuce and spinach over another 40 acres. Although MAENA has assumed revenues of $234,000 from this cropping pattern, it has estimated that the pattern can produce revenues of over $260,000 in 1983, as follows:

<table>
<thead>
<tr>
<th>Crop</th>
<th>Acreage</th>
<th>Production Value</th>
<th>Prod. Value/Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweet Corn</td>
<td>45</td>
<td>$11,400</td>
<td>$253</td>
</tr>
<tr>
<td>Pickling Cucumbers</td>
<td>30</td>
<td>38,600</td>
<td>1,290</td>
</tr>
<tr>
<td>Tomatoes</td>
<td>15</td>
<td>65,000</td>
<td>4,330</td>
</tr>
<tr>
<td>Green Peppers</td>
<td>10</td>
<td>28,000</td>
<td>2,800</td>
</tr>
<tr>
<td>Broccoli</td>
<td>10</td>
<td>22,000</td>
<td>2,200</td>
</tr>
<tr>
<td>Cauliflower</td>
<td>10</td>
<td>28,000</td>
<td>2,800</td>
</tr>
<tr>
<td>17 Other Crops</td>
<td>40</td>
<td>70,000</td>
<td>1,750</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>160</strong></td>
<td><strong>$263,000</strong></td>
<td><strong>$1,650</strong></td>
</tr>
</tbody>
</table>

The foregoing average yield of $1,650/acre in 1983 is not sufficient to meet MAENA goals of $3,000/acre for the first seasons of the training program and $4,000/acre for second seasons. To achieve these goals the project will, for 1984 and thereafter, focus its effort on the most marketable high revenue per acre crops, will add irrigation and, as described earlier, will attempt to gain a 30-35% revenue increase from maximizing retail sales.

Should MAENA fail to reach its revenue objectives, or should it not obtain adequate external support, contingency plans call for slowing down the rate of capitalization of the cooperative, reduction of trainer staff size, and continuing welfare support to families for a longer period. Similarly, MAENA has a contingency plan for replacing families should some decide to abandon the project.
Outcomes

The end product of almost a year of deliberations by a great number of people is one of the largest and most complex Hmong refugee economic development projects yet attempted. It combines substantial resources from state and federal governments with private sector foundation contributions and University human and financial support. Endeavors of this type are outside the realm of prior experience of almost all past and present participants. The effect is to create a project with considerable risk that, if successful, will be hailed as a model for others to emulate, and if a failure, may be damned as yet another example of academic/bureaucratic ineptitude. Fortunately, at least for the first 18 months, refugee families will have nothing to lose in terms of income.

Positive aspects of the project thus far, besides the fact that it actually transformed itself from idea to reality, include a willingness on the part of welfare officials to become actively involved in project design and to work towards making rules and regulations supportive of the project rather than, as in some other projects, a hindrance. Similarly, the efforts of Extension Service staff to adapt the project to the rules and regulations rather than cast aspersions upon the welfare "system," a frequent type of reaction, is also a positive. The successful effort to combine different ways of looking at the world (i.e., business vs. welfare) and at refugees, constitutes a healthy basis for future collaboration and for more rapid processes of project design.

The project is, however, politically exposed. The exposure stems from the projected four-year subsidy of over $26,000/family, exclusive of continued welfare support. The subsidy is by itself unimportant. Most Minnesota families receive even larger subsidies, $30-35,000, over the 4-year period required to send one child through college. Moreover, if the project is successful in
establishing a cooperative that each year produces $1.4 million from 350 acres of presently underutilized land, the refugees will through taxes pay back their economic debt to the community within 5-10 years—a rate comparable to that of college graduates. The problem is that most Americans do not look at subsidies in this positive way, and more typically look upon them as "hand-outs," even if they receive similar amounts in another manner. Only time will tell what actually happens. The essential point is that a project design like MAENA's has major political ramifications.

MAENA, as presently structured, might conceivably serve as a model for other states, universities, or communities to follow. Most of these, however, do not have the resources or the political will to engage in major risks. Some may simply lack the necessary imagination. The implementation of MAENA, which may include major departures from the original design as it adapts to unforeseen events, will nevertheless constitute an effort worthy of close scrutiny to see what works and what doesn't. Lessons learned during execution will be more significant than lessons learned until now.
8. **Lessons Learned**

In each of the six projects, American and Hmong participants have learned a great deal about the complexity and difficulty of designing, organizing and implementing agricultural enterprises. In general, they have learned that projects of this type require skill in the art of "flying by the seat of one's pants" because farming is one of the most unpredictable of economic development efforts. What is most important in this circumstance is attention to day-to-day operations, to identifying problems, and then to assuring that the same problems do not recur. The experiences of the six projects suggest nine interrelated issues that require explicit attention in order to help projects achieve their objectives. The issues are: knowledge of farming, resources, marketing, human factors, financial planning, institutional relationships, organization, management, and community relations.

**Knowledge of Farming**

Effective projects require thorough understanding of farming techniques at the very outset. Plans normally change during execution in the light of experience, but the greater the effort made at the outset to plan ahead, the less likely that major changes would prove necessary later on. Important factors to assess in this context include:

- soil characteristics and their suitability for different crops;
- availability of water (i.e., irrigation or rainfall);
- types and quantities of seeds, herbicides, pesticides, fertilizer, etc. required;
- methods of planting, growing and harvesting different crops;
- types of equipment and machinery to be used;
- produce transport requirements;
- number of person-hours of labor required;
- timing of labor, etc.

Knowledge of these and other technical matters provides a basis for esti-
mating yields possible from a particular parcel of land, the costs that have to be incurred to produce the yield, the scale of marketing effort that would have to be launched at harvest, storage needs, and so on.

Technical analysis must also take into consideration the farming techniques that Hmong already know and that they might prefer to American practices. Every culture has a particular way of farming based on years of successful practice, and it may be inappropriate to demand that Hmong farmers adopt American practices immediately. Some combination of Hmong and American ways of farming seem necessary at early stages. The techniques adopted in the Indochinese Farm in Seattle not only illustrate the effectiveness of a combined approach, they suggest that the combination can yield results superior to that possible using current American techniques alone.

As noted above, it is usually not possible to predict beforehand all the technical choices that must be made to keep a project reasonable. This is particularly true in new projects where participants have little experience to build upon. Decisions about techniques must therefore be kept very flexible in order to permit adaptation to take place if necessary. Sometimes, as in the case of the Indochinese Farm, there is no time to draw up a formal plan of action, and the whole project becomes a flexible adaptation of American and refugee technical knowledge to immediate conditions. Although a plan for technical activities can be helpful when there is time to do one, it is not absolutely necessary. The fundamental requirement is having someone in the project who knows a great deal about various techniques of farming.

Individuals who know about U.S. and other types of farming from experience and who have worked with people from cultures other than their own are scarce. They are nevertheless absolutely essential for effective conduct of a project.
One of the first orders of business for any Hmong community or assisting organization that is considering an agricultural project is to find one or more competent individuals with the requisite knowledge and experience.

Qualified people are particularly scarce within the Hmong community, and it will take some time before the community can look for help among its own members.

Projects with built-in demonstration components, such as the Hiawatha Valley Farm, that plan to have refugee trainees visit from other areas and participate in farm operations where they can learn from resident refugee farmers, are potentially quite helpful in this regard.

Short-term help from interested Americans is more readily available. County extension agents, participants in 4-H Youth Development Programs, nearby farmers, instructors from agricultural schools, and so on, can often provide useful assistance. In initial seasons, however, a project requires a full-time technically qualified manager/trainer. Retired farmers, recent graduates from agricultural schools, former volunteers with VISTA, the Peace Corps or private voluntary organizations, and the like are groups that should be approached for help. Sometimes they may be able to help on a volunteer basis, but notwithstanding good intentions, reliance on volunteers presents risks that the volunteer might abandon the project. It is definitely better to pay. A typical salary might be in the range of $1,000-$2,000/month. If a Hmong community can hire an individual wisely, the investment is likely to be the most important that the community will make. Management salaries were among the most important components of the Indochinese Farm, Hiawatha Valley Farm and Minnesota Agricultural Enterprise projects, and became important during Asia Farm Project's second year after experience in the first showed that volunteer help was not satisfactory.
Resources

Satisfactory arrangements must be made for supplying goods and services needed to establish and operate a venture. On the input side, provisions are necessary to assure that farmers will receive seeds, fertilizers, pesticides, tools, equipment and other items essential to farm operations. In the case of commuting farms, inputs also include arrangements for the vehicles, drivers and fuel necessary to transport workers back and forth each day. If knowledge of the specific inputs required is not possible at the start of a project, then every effort should be made to assure that at least funds are available as needed. Besides the obvious fact that without appropriate inputs a project will fail to produce crops, insufficient funding at the outset may divert the attention of project staff away from production tasks and towards generation of funds, thus entailing risks of production shortfalls. The Indochinese Farm was seriously underfinanced at the outset, as was the Asia Farm. Both projects managed to overcome this constraint as a result of dedicated participant effort, but both might have also yielded better outcomes had the immediate needs for getting inputs not detracted from other important tasks like daily management, market development, etc.

Resources also include labor. While in some cases Hmong are able and willing to work for two or three months without pay in anticipation of a distribution of sales revenues, a project cannot depend on their faith to carry them through -- particularly if they have other opportunities for temporary or casual work at the same time. The Indochinese Farm managed to survive for several months without payment to refugees, but activity was greatly enhanced with the introduction of stipends paid out of impact aid funds in October 1982. An early proposal for the Minnesota Agricultural Enterprise project made no allowances
for labor payments, and this caused some anxiety among prospective Hmong participants as well as others.

Another side of this issue is the amount of labor that project start-up funds will permit. Even though it may seem advantageous to hire a larger number of workers and thus distribute the benefits of work more widely, this approach may in fact be more costly than leasing some machinery to do the work with fewer people (e.g., planting, weeding). This was an issue in the Asia Farm. If a project is cooperatively organized, participants could later share the benefits of this cost savings after revenues are received. Initial cost reductions do not therefore imply that income will be lower for participating refugees. The critical aspect here is that a given level of funds at the beginning be used in a manner that stretches every dollar as far as possible from land acquisition to final marketing. This is actually a dimension of financial planning, discussed below.

There is, finally, the question of procuring land. In most cases purchase of land is out of the question in the short run. More importantly, the risks of failure and bankruptcy impose high risks of substantial financial losses to refugees and supporting individuals. Purchase ought not to be contemplated until farmers have demonstrated their abilities to succeed in agriculture, and thereby minimize risks of inordinate financial loss. Leased land is, in any case, more easily available. This tenure arrangement does not permit substantial investment in farm improvements, but in the short term offers enough opportunities to learn and succeed in farming. The cost of leasing land, from $20 to $200/acre per year, generally constitutes only a very small proportion of the total expenditures required to launch a project. The more challenging problem with respect to land is finding a parcel with good characteristics and of suf-
icient size within a reasonable commuting distance from farmer homes. Real
estate agencies can usually be of considerable service in this regard, although
their commissions raise rents by a small amount. County extension service
employees can also be helpful in making contacts to find parcels available for
rent. Sometimes state land can be made available, but as in the case of the
Indochinese Farm Project, procuring such land is sometimes cumbersome and may
entail lengthy negotiations. Land rents are not usually so high as to warrant
special efforts to obtain public land for larger-sized projects. The more
salient point is that purchase of land diverts funds away from purchasing other
necessary inputs, or from expanding a project to include more (rental) land and
more families.

Marketing

In order to assure that at harvest project crops can be sold at remunera-
tive prices, it is essential to examine markets for different crops before
planting begins. Basic issues in this regard include locations where crops
would be sold, the size of the market at each location or in general, types of
buyers (e.g., roadside stalls, church bazaars, farmers markets, restaurants,
stores, wholesale distributors, processing plants, etc.), probable prices at
each location by type of consumer, quality and quantity standards required in
order to sell to different types of buyers, estimates of spoilage in transport
to different markets, seasonal demand variations (i.e., timing of marketing
efforts), packaging and crating requirements, promotion and marketing transport
costs, storage facilities, etc.

Development of market contacts is usually a slow affair. Much depends on
the ability of an enterprise to demonstrate its capacity to deliver specific
quantities and qualities of a crop at a pre-arranged period of time. This is particularly the case in direct marketing to restaurants, stores, processing plants and in some cases to wholesalers. A new project cannot make promises and, even if it did, buyers might be wary of committing themselves to suppliers that they do not know. Much of the effort at marketing must therefore take place while crops are growing during a first season, and then expand before and during a second season. The Indochinese Farm is one example where this approach has been used. The same approach is planned for the Hiawatha Valley and Minnesota Agricultural Enterprise projects. The Asia Farm has launched a market development effort in its second year.

While marketing networks usually require some time to evolve, assurance of minimal levels of revenue to a new project does require at the very least some knowledge of market price ranges for different crops, and some arrangements for the sale of the crops. The Asia Farm, for example, contracted a fixed price for tomatoes with a processing plant. Hiawatha Valley planned similar arrangements for the sale of cucumbers, and Minnesota Agricultural Enterprise for sweet corn and cucumbers. In both instances prices are lower than what retail sales might bring, but they do assure the respective projects with a minimum level of revenue after harvest. The Indochinese Farm Project, at its very outset, arranged for selling-space at Pike Place market, and so assured itself of a location for selling.

While contracts assure minimum revenue, they cannot by themselves assure income high enough to establish self-sufficiency. The Indochinese Farm, Hiawatha Valley, Minnesota Agricultural Enterprise, and Asia Farm project during its second year, all initiated what are essentially experiments to grow different types of vegetable crops and to devise different ways of getting highest
possible prices for them. With respect to crop selection, the fundamental issue is that in a particular area an acre of land can produce different levels of net income depending on the market price and the costs of production at a particular place and point in time. As illustrated in the following table containing recent information from Michigan, an acre of broccoli sold wholesale in 1980-82 provided $1,737, but after deducting costs yielded only $275 to the farmer. Red onions, by contrast, provided gross returns of $3,718 and net returns of $2,663. The most successful farmers are those who can predict prices accurately and who can modify their production each season in a way that maximizes the difference between gross income and costs.

Similarly, there is a significant difference between wholesale and retail prices. If a project can sell all or part of its output directly to consumers, a difficult task but still a possible one, gross revenues per acre can be two or three times higher. The Indochinese Farm, Hiawatha Valley, Asia Farm and Minnesota Agricultural Enterprise ventures are all trying to develop retail selling capabilities because it is the only way that sales from small parcels of land (e.g. 2-5 acres per family) can provide self-sufficient levels of income. The Indochinese Farm has been quite successful in this regard. The whole of the Minnesota Agricultural Enterprise project depends on creating a viable marketing operation.

Although careful crop selection is essential, actual success in marketing is entirely unpredictable. Combined with the possibilities of drought, pests, or other natural calamities, farming is a very risk-laden enterprise, and many refugees are wary of participating in ventures where they perceive great risks.
### Labor Returns Per Acre for Selected Crops

**Michigan, 1980-82**

<table>
<thead>
<tr>
<th>Crop</th>
<th>Sale&lt;sup&gt;1&lt;/sup&gt; Revenues</th>
<th>Recurrent Costs Excluding Labor</th>
<th>Returns to Labor&lt;sup&gt;2&lt;/sup&gt;</th>
<th>Labor Hours Required</th>
<th>Return Per Labor Hour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broccoli</td>
<td>$1737</td>
<td>$1407</td>
<td>$275</td>
<td>150 hrs.</td>
<td>$1.83</td>
</tr>
<tr>
<td>Cabbage - Red</td>
<td>2135</td>
<td>1630</td>
<td>505</td>
<td>120</td>
<td>4.20</td>
</tr>
<tr>
<td>Green</td>
<td>2824</td>
<td>1630</td>
<td>1194</td>
<td>120</td>
<td>9.95</td>
</tr>
<tr>
<td>Cucumber - Pickling</td>
<td>3644</td>
<td>1354</td>
<td>2290</td>
<td>282</td>
<td>8.12</td>
</tr>
<tr>
<td>Slicing</td>
<td>2805</td>
<td>1321</td>
<td>1484</td>
<td>165</td>
<td>9.00</td>
</tr>
<tr>
<td>Cauliflower</td>
<td>2674</td>
<td>1629</td>
<td>1115</td>
<td>120</td>
<td>9.30</td>
</tr>
<tr>
<td>Onion - Yellow</td>
<td>1712</td>
<td>1055</td>
<td>657</td>
<td>175</td>
<td>3.75</td>
</tr>
<tr>
<td>- Red</td>
<td>3718</td>
<td>1055</td>
<td>2663</td>
<td>175</td>
<td>15.22</td>
</tr>
<tr>
<td>Strawberry&lt;sup&gt;3&lt;/sup&gt;</td>
<td>2762</td>
<td>1963</td>
<td>799</td>
<td>125</td>
<td>6.40</td>
</tr>
<tr>
<td>Raspberry&lt;sup&gt;3&lt;/sup&gt;</td>
<td>4000</td>
<td>1078</td>
<td>2922</td>
<td>125</td>
<td>23.40</td>
</tr>
<tr>
<td>Zucchini</td>
<td>2346</td>
<td>977</td>
<td>1369</td>
<td>551</td>
<td>2.50</td>
</tr>
</tbody>
</table>


Notes: 1. Based on average 1980-82 Michigan FOB, Chicago Terminal and other wholesale market prices.
2. Sale revenues less non-labor costs.
3. Assumes a "pick-your-own" operation.
The experience of a first year of operations is therefore very important. Just as Hmong may gain confidence in their abilities to produce crops by seeing them grow for the first time, they may also gain confidence in their ability to market by witnessing and/or participating in sales. In this regard, reservation of some part of sales for roadside stands and farmers markets, even if financially not ideal, serves the very useful purpose of providing immediate experience in (hopefully) successful selling. This process has also served projects well in training refugees in "market" English with strangers and other useful skills such as counting money (e.g. Indochinese Farm).

As in the case of any business enterprise, marketing is one of the least predictable dimensions of farming. Though prior contracting can be helpful if it can be arranged, successful marketing takes one or two years or longer to establish. What is important is that attention be given to this factor as early as possible, at least with respect to crop choices, and that efforts be made to develop a range of buyers and selling points on a constant basis.

Human Factors

Most Hmong interested in farming seem to come well-prepared to pursue this vocation. They understand the relationship between man, land and plant life better than the vast majority of Americans (less than five percent of the U.S. population is directly engaged in agriculture). They also seem to come with the fear that their knowledge is inadequate in the U.S. context. Their inability to read, write or speak English, count money, decide upon crops that are marketable, determine appropriate inputs for new types of crops, use machinery, find places to sell, etc., all combine to generate wariness about farming. The Indochinese and Asia Farm projects, and the precursors to the
Hiawatha Valley and Minnesota Agricultural Enterprise projects demonstrate that these initial anxieties can be overcome when attention is given to formal or informal training in ESL, counting, crop selection, chemical use, selling, etc. during the course of a project. The first order of business would therefore be one of building Hmong confidence in their capacity to become successful farmers.

In initial stages such confidence seems to demand the full-time presence of talented and sensitive Americans and qualified Hmong to work closely with farmers until such time as they feel they can go it alone. The Hiawatha Valley allows up to ten years for complete self-sufficiency to take place. The Indochinese Farm estimates four years, as does the Minnesota Agricultural Enterprise project. No one contacted during this study seems to know what a reasonable period ought to be, and only experience will really tell. The general observation is that the more complex the project, the longer the time period required by Hmong to achieve self-sufficiency. The Asia Farm, a relatively simple project that uses only minimal non-refugee support at farm-level, has a high likelihood of becoming financially and administratively self-sufficient in a year or two - at least as far as generating supplementary income is concerned. Whatever the time periods may actually be, the longer Americans or salaried refugees stay with a project, the more costly the venture. Projects therefore face a trade-off between relative simplicity that yields some positive results sooner, and relative complexity that yields greater results later. The rule of thumb in most development projects is that it is better for a project to try to do a few key things well than many things badly. This rule derives from experience in the U.S. and overseas where project organizers run into the problem of the absorptive capacity of beneficiaries. Individuals, Hmong or Americans, have a limit on how much they can learn at one time.
Keeping a venture within the range of manageability is not always possible if many different individuals having different interests are involved in a project. Initial administrative difficulties in the Indochinese and Minnesota Agricultural Enterprise projects illustrate how this phenomenon can affect implementation in a negative way. Learning to work with large and heterogeneous task forces, boards, and advisory committees is therefore as essential to project effectiveness in certain situations as are farming and marketing skills. Learning to carefully select members of (preferably small) boards and committees is as important as learning to select refugee participants.

In regard to this last item, two factors seem important. One is the heterogeneous nature of the Hmong community. Although many will say they are interested in farming, a smaller number will actually work hard at making a career out of the occupation. In the projects surveyed, the tendency has been to witness a disproportionate number of younger and more educated individuals leave the projects. Those that remain seem to be disproportionately older and have less education -- suggesting that farming is preferred by individuals who perceive fewer opportunities elsewhere. This would imply that selection processes focus carefully on identifying candidates who have lower likelihoods of leaving a project. This might help to avoid wastage in training and management.

A related matter is the relationship between project participation and welfare benefits. Farming projects involve risks, and for the most part cannot guarantee minimum levels of income. Refugees facing this situation are not likely to risk losing assured welfare benefits in an untried agriculture venture. Except for the Asia Farm, where the number of work hours did not compromise the income position of participants, the other major projects encountered difficulties in this regard. In the shorter run this may suggest that new pro-
jects should start with participants who are not or who do not wish to remain on public assistance. If a project later becomes more successful, then expansion of the project may encourage the more reluctant refugees to participate. The complex negotiations surrounding the Minnesota Agricultural Enterprise project are illustrations of how project designers can make the longer run arrive earlier.

Financial Planning

The foregoing discussions of knowledge, resources, marketing and human factors all suggest that planning, even if done in a "quick and dirty" manner by someone with experience, like a neighboring farmer or an extension agent, can be very helpful in improving the effectiveness of a project. If nothing else, a plan can indicate whether a project will ever achieve self-sufficiency for Hmong refugees.

Accurate planning requires someone with considerable experience in the particular locality where a project is sited. Even then, a plan needs to be modified as a project proceeds because conditions specific to a farm and its participants can never be predicted with absolute accuracy. American farmers do not usually make up budgets, though county extension services can help them do so if they want. After years of experience these farmers have acquired intuitive methods of planning their seasons. This procedure works as long as the farmer does not envisage a shift into a completely new line of production. Projects involving Hmong are, however, very new, and the intuition of American farmers who wish to help may not necessarily be appropriate. Sometimes, as in the case of the Indochinese Farm, the intuitive knowledge is enough to get by on. At other times, as in the case of the Asia Farm, such assistance is not particularly effective.
However, whether or not a project really needs a formal, overall plan to help with making important decisions, a plan is almost mandatory if a project intends to make requests for substantial support from private foundations or public agencies. These last are usually not in a position to provide funds without evidence that project participants have done some homework, know how funds will be used and what outcomes the funds might generate. After developing a "track record," some farm enterprises may find themselves in the position of requesting commercial loans. Until a personal rapport develops between a borrower and a banker based on a lengthy period of mutually satisfactory interaction, an enterprise will invariably be requested to lay out some sort of sensible plan. Planning is therefore a useful habit to acquire, and the earlier started, the better.

Planning has helped the Indochinese Farm secure additional grant funding for 1983-84, is helping the Asia Farm revise its program for 1983-84, and has proved very important in assisting the Minnesota Agricultural Enterprise project to generate a very substantial level of support.

This last introduces the fundamental issue of generating initial support to start new ventures. In the longer run, successful projects will be self-financing, and as a result may qualify for commercial loans for expansion and/or seasonal working capital in much the same way as might any other enterprise. In the short run, external support in the form of grants is almost an absolute necessity for starting a larger-scale project intended to achieve partial or full self-sufficiency in a relatively short period of time.

The factors that have made for successful generation of external support vary from project to project. The Minnesota Agricultural Enterprise project has been quite successful. Apparently, grant-writing skills combined with a tradi-
tion of large-scale corporate giving in Minnesota to generate substantial private support and, later, public support.

The Asia Farm, with its connections through the VOICES sponsorship network to businesses and associations in Des Moines, also managed to generate enough funds to assure at least two full seasons of project implementation. Although Des Moines is only 250 miles from Minneapolis-St. Paul, the amounts generated were much smaller. One could posit that Iowa is a smaller state with lower average income than Minnesota, and that private contributions are not as extensive traditionally. But a clear reason why support was lower is not evident.

The Indochinese Farm was able to start operations as a result of the grant writing ability of one individual. As the project developed experience and a reputation, and as grant requests become more systematic and continuous, the project began to receive increased levels of funding.

A feature common to all the projects was that they made serious efforts to secure funds, and have maintained those efforts through the present time. As the organizer of one project suggested during discussions, all one has to do is ask for support. The question costs almost nothing. The answer can be very lucrative. There are, therefore, no clear-cut rules for generating support, except that it is wise to assume that support will not be forthcoming without considerable effort on the part of project organizers and sponsors.

One source of initial funding has apparently been neglected by the projects. The source is the refugees who want to participate. Other than the Indochinese Farm, which collected $25.00 from each of 14 initial families, projects have not tried to collect a portion of start-up funds from the refugees who presumably want to start a venture. A $25.00/family "registration fee" in the Asia Farm might have generated $1500, enough to rent 15-20 acres for a year.
In the case of high-cost projects with relatively small numbers of participants, such as Indochinese Farm and Minnesota Agricultural Enterprise, $25.00/family contributions could only have generated $350.00 and $750.00 respectively. These figures are very small compared to the total costs involved. They can nevertheless be important. One reason is that an entry fee may help to separate more interested Hmong from less interested ones. Another is that it may provide incentive for refugees to work hard to recoup their investment in a project. The rationale is similar to banks demanding self-financing (e.g., down payments) before considering loans. Charging some in-kind or cash contribution is standard procedure in third world agricultural projects. A third reason is that many kinds of potential sources of support, particularly businesses or foundations deriving funds from businesses, tend to be more sympathetic to proposals when those proposals indicate that refugees have put their own resources at risk in a project. Taking risks and "investing" in the future is part of the American business ethic. To the extent that a project reflects this ethic, it will be able to present itself in a more favorable light.

**Institutional Relationships**

To have a chance of being implemented effectively, a project must try to incorporate key institutions. A project should attempt, for example, to involve extension services and agricultural schools so that they can be used to further the purposes of the project. Even though these institutions cannot always be relied upon to provide useful help, the value of the institution being determined by the characteristics of the particular individuals contacted by and/or assigned to assist a project, they presumably exist for the benefit of farmers. If a first contact does not prove useful, a project should nevertheless try
again and again with different employees of the institutions in question. The Indochinese Farm did not or could not take advantage of King County resources. The Asia Farm took full advantage of Polk County extension. The Hiawatha Valley relied on Wisconsin extension for feasibility analysis and on Hennepin County facilities for training. The Minnesota Agricultural Enterprise, even though organized by Minnesota extension, in general had difficulty until key extension agents from Ramsey and Dakota counties entered the picture. The fundamental rule is that locally available resources not be discounted too early. They are too important for that.

Institutions that normally have little to do with farming can also be important. Public assistance agencies are a prime example. To one extent or another, the four projects noted above encountered difficulty in selecting and/or retaining participants because insufficient attention was paid to the risk of loss of welfare benefits arising from employment. The Asia Farm, with a refugee employee of Iowa Jobs Service on its Board and a social service organization (VOICEs) as its sponsor, had less difficulty, as did the Hiawatha Valley. The Indochinese Farm had more problems. In all three cases selection procedures had to be organized around existing welfare constraints. The Minnesota Agricultural Enterprise project encountered substantial difficulty until project designers in University extension, ORR, and representatives of the State Department of Public Welfare sat down to work on the project collaboratively. In this case the project designers, with the benefit of understanding how the public support system can be modified to respond to new challenges (i.e. continue welfare payments during an 18-month training program), assisted the extension service in devising a scheme whereby refugees could benefit from the proposed project without risk.
Hmong mutual assistance associations, if they are not themselves the initiators of projects, should also be closely related to a venture whenever possible. Inexperienced Americans often encounter difficulty understanding the importance that these kinds of institutions can have for Hmong as vehicles for decision-making and community leadership. Their participation in a project not only enhances the probability that refugees will work in a project with greater confidence, but also expands the knowledge available to Americans about the characteristics and aspirations of the refugees. A key issue here is that many Hmong do not make decisions independently of their group. If the group is not represented in a project, the individual may not participate.

**Organization**

A useful method of integrating key institutions into a project is by inviting their representatives to become members of a board of directors. Although not involved in day to day farm activities, a properly constituted Board can prove very helpful to a project in practical ways. A lawyer can assist in legal matters and an accountant on records and tax matters. An independent farmer or agricultural business representative can provide useful liaison with neighboring farmers and businesses, as well as offer useful advice. A journalist or media representative can help with community relations, as can a local public official. During early years, a representative of a local social service organization with experience in grant-writing can help to secure financial support. Over time, as needs change and as farm participants gradually make their own contacts in an area, the composition of a Board may be altered. Eventually it may also be dispensed with. In early years, however, Boards are extremely important as intermediaries between a project and the social, economic and political environment in which it operates.
There is also the issue of whether a project should be organized as a cooperative or as a corporation, proprietorships not seeming to be a possibility in the short run. Each option has particular advantages and disadvantages in terms of taxation, income to refugees, and manageability. The preference of refugees for working together often suggests that a cooperative would be in order. Effective co-ownership, however, requires considerable knowledge and skill among members. Cooperatives are much more difficult to manage than corporations, and this seems to be particularly true in the early years. The Indochinese Farm and Asia Farm projects have adopted some degree of cooperative decision-making within a corporate structure. Even though the Hiawatha Valley and Minnesota Agricultural Enterprise are set up as cooperatives, effective decision-making in early years remains corporate in nature. The essential issue here is that the tax and income advantages of each type of organizational form should not be confused with the decision-making structure of a project. With respect to the latter, while refugee participation in decision-making should be encouraged whenever possible, the fact of the matter is that at present many refugees do not know enough about U.S. business and farming systems to make realistic decisions. Cooperative decision-making is therefore a longer-term goal tied to achievement of self-sufficiency in general. In the short term, corporate decision-making by qualified project staff seems more appropriate.

Management

The discussion of decision-making is essentially a discussion of project management. The success of a project largely depends on how well this is done. In this context, attention should be paid to the relationship between management resources available and the scale and complexity of a project. In the same way
that a project must be designed around the financial resources available to support it, the design should also be consistent with the human resources available to implement it. The Indochinese Farm was a complex undertaking limited to 22 acres and 14 families. It required a competent full-time site manager and a part-time coordinator. The Asia Farm had to organize the work of 250 refugees on 15 acres for a single crop. This somewhat simpler project also required a full-time manager. The Hiawatha Valley's original design for 1,300 acres and up to 70 families envisaged 14 full-time co-managers. The Minnesota Agricultural Enterprise, possibly the most complex of the four projects, will have the equivalent of five managers and three management trainees working with 30-35 families on 160 acres in 1983-84. To the extent that funds for projects are limited, important decisions must be made between high management costs for complex designs and lower costs for more simple designs. A project usually cannot afford to do everything that participants want it to do.

In this regard it may be very important to work towards lowering management costs by building upon existing managerial skills of refugee participants. Many individuals do have inherent administrative capabilities that can be enhanced if there is an interest in doing so. Hiawatha Valley, for example, envisages training in various aspects of management for all member families. In a national context, the managerial training of refugees in present projects can, in the longer-run, provide a human resource base for undertaking more complex projects, and for starting more new projects in communities that cannot do so for lack of individuals with necessary skills.

Community Relations

Community relations refers to efforts made by a project to cultivate a positive image among various members of its surrounding community. These
efforts can be oriented towards maintaining a low-profile in the belief that the less known about a project the less likely that community difficulties will arise. Alternatively, they can be oriented towards maintaining a high profile in the belief that the more known about a project, the less likely that members of the surrounding community will misunderstand it and react negatively as a result.

The Indochinese Farm has a journalist and a public official on its Board, has used the local news media to raise awareness of the project, has staged publicity-enhancing events such as visits by business and government leaders to the farm, and has worked with neighboring American farmers to exchange services and labor in productive ways. This effort has greatly assisted the project in securing financial, in-kind and volunteer support. An early misunderstanding between staff and the Task Force, however, caused a rift between King County extension and the project that has yet to be reconciled. The project continues to function without support from the extension service and continues to generate outside funding.

Hiawatha Valley elected to maintain a lower general profile, but worked hard at spreading information about the proposed project to individuals and groups that could offer potential financial and in-kind support. News of the project was spread through the regional business community and the church system by word of mouth and through newsletters. However, the project organizers overlooked the immediate neighbors of the farm, many of whom knew nothing about refugees, and nothing about the project. When the neighbors did find out in February, 1983, they tried to stop it. Only painstaking efforts and negotiations over a two-month period, and major modifications of the original project design, reduced the level of community misunderstanding.
The Asia Farm did not publicize the project, although one of its supporters, the Pioneer Hi-Bred Corporation, ran a story about it in an employee newsletter. The project did not encounter serious difficulties. Project organizers now plan to publicize more widely in the hope that such an effort will generate additional support.

The Minnesota Agricultural Enterprise project got off to a rough start in October, 1982, when presentation of a discussion paper to a large audience of individuals concerned with refugees caused considerable confusion. This led to widespread misunderstanding of the purposes of the paper and of the project. Though much improved in subsequent months, the situation remains unclear to several groups, including some Hmong, and additional efforts at information dissemination are presently underway. In addition, staffing for the project includes liason personnel who will try to maintain good relations between the project, community groups and such useful contacts as agribusinesses and growers associations in the region.

The experience of the six projects seems to suggest that, properly done (i.e., sensitive to the characteristics of intended audiences), publicity has definite benefits for a venture in terms of minimizing negative reactions and maximizing support.

In general, Hmong and Americans should recognize that while farming provides a relatively inexpensive way to generate greater or lesser levels of seasonal supplementary income, achieving complete self-sufficiency through agriculture is a fundamentally different matter. This last is one of the most costly ways to promote self-sufficiency, and it is not yet clear that the income generated will be higher than what is possible by other means. Many Hmong may have no real alternative but farming, and for them such projects can be very
worthwhile. The present danger with farming is that many Hmong and Americans
are overly optimistic about the resources available for such ventures, and about
the results which such ventures can hope to achieve.
IV. GROCERY STORES

1. Overview

Every major immigrant group to the U.S. has made significant investment in food distribution enterprises, particularly small grocery stores, and the Hmong are no exception. The reasons for such investment tend to vary from case to case. In the most limited sense, stores are created as a means by which associated groups of families can combine their resources to purchase basic staples like rice and fish sauce at wholesale prices to the extent that sales of these and other items to walk-in consumers offset the costs of operating the store (e.g. rent, utilities, etc.), the families can obtain foodstuffs at a net cost difficult to match in larger retail outlets. Even if a store appears to lose money on its books, the participating families may still pay less than they would without the store, and so stretch the purchasing power of their present incomes.

The number of Hmong owned and operated grocery stores has grown substantially from one in 1980 to 28 by mid-1983 (Table 5). The majority of these stores began as food-buying cooperatives of the type outlined above. Typically, the effort was led by a Hmong resettlement worker or younger community leader who, in collaboration with other employed leaders, pooled personal savings and smaller contributions from clan members to set up a store. Unemployed relatives then run the store, and the principal investors tend to management during evenings and weekends. For isolated communities, the cooperatives provide the only means for Hmong to obtain the particular varieties of rice and oriental foodstuffs that they want. In all communities the stores enable families to
### Table 5. Grocery Store Characteristics, 1983

<table>
<thead>
<tr>
<th>TYPE</th>
<th>START-UP DATE</th>
<th>INITIAL CAPITAL ($)</th>
<th>MONTHLY SALES ($)</th>
<th>PAID EMPLOYERS</th>
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purchase staples at close to wholesale prices. A few stores have been able to subsidize Hmong purchases by transferring profits generated from sales to other refugee groups and Americans, sometimes bringing the cost of food below wholesale price levels.

Sixteen of the stores still function almost exclusively as buying cooperatives. Gross monthly sales range from $1,500 to $12,500, and average $5,400, yielding margins that allow only six to offer full or part-time paid employment. While five manage to generate small profits, the rest either break even or lose money.

These stores are footloose, and have a tendency to close and open as clans move about the country. One of them, for example, lost its purpose and market when Hmong moved from one community to another in California, and the owner sold out to a group of Mien. In the same period a midwest store closed its doors to reopen in another city, and a store in the south was sold to Vietnamese interests as Hmong left for California. In the meantime, five new ventures were in the process of opening in California's central valley. While the cooperatives do not contribute to self-sufficiency directly in terms of employment or income to investors, they can provide income savings to participating families and, important in the longer-term, can provide Hmong with initial experience that can serve as a basis for converting the stores into profit-making ventures.

The dozen profit-oriented grocery stores were also capitalized initially from personal savings of individuals and their immediate relatives who devote full-time to daily management. These businesses typically began with levels of investment 50% higher than the food-buying cooperatives, have monthly sales almost four times higher, employ more people, and generally yield a profit. Stores that have substantial Hmong clientele still provide partial cooperative
food-buying services, but have located themselves in areas and have developed merchandising strategies that also permit them to generate enough sales to non-Hmong to break even. These five or six stores are presently in a state of transition from cooperative to profit orientations.

Grocery stores present themselves as attractive ways to enter the world of business because the capital investment required to begin is low, generally less than $30,000, day-to-day operations can be handled relatively easily by family members who have few other employment opportunities; tax advantages can accrue to owners and investors even if the store itself generates little or no profit; and risk of complete insolvency is much less than in other ventures. Owners can consume the inventory over an extended period. Successful small stores, such as the Oriental Food and Craft Corporation described in the following, also serve as a basis for expanding into a larger undertaking, or for shifting into a new venture. Risks of failure in the larger or new enterprises are reduced by the experience which store participants have obtained with the grocery store.

The ultimate scale of operation in food distribution is the supermarket chain coupled with an internal wholesale supply operation. Hmong have not yet reached such a scale of undertaking, but the United Lao Development Corporation's effort to establish Best supermarket and a wholesale distribution system in California, described in Chapter V, illustrates the difficulty in moving from a small to a large operation. Whether an enterprise is small or large, however, the internal logic of operating the venture is the same.
2. Oriental Food and Craft Corporation

Oriental Food and Craft Corporation is an owner-operated grocery/variety store. Opened in 1982 with a personal investment of $15,000, gross sales currently average about $6,500/mo. and provide the owner and his wife with a net profit of $450/mo.

Characteristics

Prior to coming to the U.S., the owner and his wife operated a grocery/noodle shop in Long Tieng, Laos. Upon arrival, the owner received training as an insurance salesman with New York Life, and began work as an agent. After moving to Chicago, the couple decided to open a small oriental grocery store. The venture would provide an opportunity to learn more about running a business in the U.S. The choice of a grocery store presented itself because there appeared to be a market for the goods, because this type of enterprise required relatively little investment to start, and because the owner and his wife had prior experience in the business.

With an initial investment of $15,000, $13,000 from personal savings and $2,000 borrowed from an American friend at 12% interest, the store opened in November, 1982. Although a formal market analysis was not conducted prior to opening the store, the owner had done research on the viability of similar ethnic grocery stores. As a result, the site was carefully selected to be readily accessible to potential customers in the area, consisting primarily of 2,000 Lao and several hundred Khmer and Vietnamese. Products consumed by this population were then purchased and pricing was made competitive with other stores in the area.

Sales of oriental staples, dried and canned foods, fresh produce and convenience items have been quite successful. Gross sales average $6,500/mo. and
yield a net profit of $450/mo. The profit rate of 7% on gross sales is quite
good, and compares very favorably with typical 2% average profit rates for the
grocery store business in general. The owner is also generating a 45% annual
return on his initial $12,000 investment, a figure much higher than would be
possible by investing in money-market funds, bonds, etc.

Outcomes

The profit provided by the store is not enough to live on, and the owner
and his wife, accordingly, also have jobs that support them while providing
flexibility to attend to the store -- which has no paid employees. The couple
is now exploring the possibility of adding a video game enterprise, and have
longer-term plans to start an oriental fast food outlet and chain.

The owners attribute their success thus far to previous experience, a good
sense of U.S. business practices, and understanding the prerequisites for
opening a new business. In the process of running the store they have also
established a base of concrete experience from which to explore expansion and/or
alternative investments in a reasoned manner.
3. Lessons Learned

Hmong grocery operators contacted during the course of the study provided an extensive series of remarks about various aspects of running food distribution outlets, and the remarks constitute the lessons they have learned from their own experience and from observing others. The lessons cover the basic range of issues associated with retailing: planning, management, assistance, finance, location, purchasing and merchandising, and profits.

Planning

Careful planning and adequate capital are important. Talk to Americans, especially in the same business. Do analysis before making an investment, especially if this is the first time. It's very risky. There are many complexities such as incorporation, taxes, lawyers' fees, registration, equipment loans, etc.

Be careful beforehand. Make a thorough study before jumping into business. There will be a lot of problems with paperwork, language, reports, taxes.

Initial research and study should be done. Get more people to participate (investors) because of the amount of capital needed. I want to see more efforts directed toward employment and industry. We need help with long term planning, management, and raising adequate capital.

Management

There is a general lack of good business management.

We have problems tracking our inventory and monitoring our cash flow. We're not sure how much goes in and comes out. We did this in Laos, but there was no paperwork there.

We need to learn how to run a good business and how to make a profit. We want to find out what other kinds of merchandise are profitable and how to expand our business. We need help with our business plan so we can get a loan.

We don't have enough time to organize and manage the store.

We have problems with paperwork and taxes.

I need to have personal control over the books.

People should work for a similar business first, before starting their own.
We want to change our ownership structure, so we can include the whole Hmong community, maybe a corporation.

It's better to use volunteers, not paid staff; otherwise there's no money to buy more food. For example, some stores used up all their capital on salaries.

Assistance

Building trust among friends is important. Ask questions of other businessmen. I learned a lot from the local corporate and business people.

I got help from my cousin, who is an accountant.

I don't think free information is common sense in the professional and business community, especially in this country.

We need training in business management and advertising.

I went to a lot of Small Business Administration workshops and they were useful, but I can't get a loan. Who can I contact?

Finance

We don't want to take out a loan; it's too risky.

Don't take out loans; community investment is better.

Start small; just go slowly, so you can keep the business going.

Families donate between $100 and $1,000. The larger contributions are considered a loan, if the business is successful.

Location

The location is important; it should be easily accessible, near the customers' residence.

We have problems with our location; people can't park.

Hmong stores do not attract a broad enough clientele; once the Hmong move, nobody will come to buy goods.

Purchasing and Merchandising

Next time, we would stock American foods, also soap, baby products, and convenience items.

Pricing and variety of goods is important. Be competitive. It helps to become a member of wholesale outlets, then you know about the opportunities.
We have problems getting things wholesale; we have to order at least $750 worth.

We can't find a source for baby diapers.

Buy the kinds of foods that people like.

We should have started with a larger store and more variety in goods.

It's good to have other things besides groceries, like the WIC program, money orders, cashing checks.

It's important to communicate with customers.

Hmong don't use dried and canned foods like the Vietnamese, Cambodians and Lao. Hmong buy only cheaper grades of rice and fish sauce. From May to October, Hmong plant gardens, so don't buy fresh produce.

Store managers are not familiar with their potential market.

The merchandise is not well displayed.

Stores are not competitive in pricing; the Vietnamese, Thai and Filipino stores sell goods for about 20¢ less per item.

Profits

We don't make much money doing this; it's not like in Laos. There are too many Hmong grocery stores.

Don't everybody do the same kind of business.

You can't make any money in a grocery store; the profit margin is too low.

We have other jobs, so we don't depend on income from the store.

We don't make any profit, but people have food.

We keep putting money back into the business; we use the savings on our food bills. Yes, we get our own food from the stock.

The basic thrust in all the foregoing is that however simple a grocery store might appear at first glance, successful operation requires considerable skill and experience in planning, management, finding others to assist, getting start-up funds, identifying a good location, understanding what customers want
and are willing to pay, and realizing that profits tend to be small. The very important dimension is that while some prior training can be helpful, the process of learning how to run a grocery is the best experience that aspiring Hmong entrepreneurs can hope to obtain. If individuals and families cannot succeed at this kind of venture, they should reconsider their interest in running a store, and perhaps seek out other kinds of employment if their purpose is to increase income. The remarks of store operators, above, are evidence that stores represent excellent learning experiences.

One additional aspect worth noting is that, unlike many other immigrant groups, a large number of Hmong are presently involved in small and large farming projects around the country. The stores located nearby, therefore, present opportunities to develop outlets for portions of the produce to Hmong and American customers. Most small stores in the U.S. do not have direct linkages to farms or gardens, and this may provide a way for the Hmong to develop a special corner of the urban market for fresh produce, and thus help to increase revenues of store-owners and farmers at the same time.
V. OTHER ENTERPRISES

1. Overview

Eleven other business establishments existed in mid-1983. Only seven of these, however, were more than embryonic in nature (Table 6). The other four, a community audio-visual service, a toy assembly subcontractor, a jeweler and a home cleaning service were still part-time preoccupations of individual entrepreneurs, and their chances of continuing to function were highly uncertain. There have been other attempts to establish enterprises, but these ceased operation before the study team could contact them. In general, one-third to one-half of all U.S. small businesses are discontinued within two years of starting, and Hmong efforts are not different.

Another factor limiting the number of Hmong businesses is that they involve considerable risk, and only a very small proportion of a population, Hmong or American, are willing to risk their savings and income in a new activity offering no guarantee of success. Whether the Hmong have a higher or lower proportion of "entrepreneurs" in comparison to other groups is unknown. What seems to be apparent is that lack of prior business management experience, employment experience in businesses, language and counting skills, general education, and savings severely restricts the number of Hmong who can, in the short-term, start a business. As more Hmong gradually acquire the wherewithal necessary to plunge into such activities, the number of businesses should gradually expand, but for the moment they remain few and far between.

Three of the enterprises identified in Table 6 are still quite small. The bakery began in early 1983. The credit union operates as a community service
Table 6. Other Enterprise Characteristics, 1983

<table>
<thead>
<tr>
<th>TYPE OF ENTERPRISE</th>
<th>START-UP DATE</th>
<th>INVESTORS</th>
<th>INITIAL CAPITAL ($)</th>
<th>MONTHLY SALES ($)</th>
<th>PAID EMPLOYEES</th>
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<td>1982</td>
<td>--</td>
<td>3,000</td>
<td>--</td>
<td>2</td>
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<td>100</td>
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</table>

|                   | Total         | 21        | $709,000            | $232,000          | 89             | --            | --              | 1 2 4           |

|                   | Average       |           |                     |                   | 18%            | 82%           |                 |                 |
|                   | N             | 5         | 6                   | 4                 | 7              | 7             | 7               | 7               | 7               |

Notes: 1. Credit Union has 200 Hmong depositors and functions as non-profit service.
2. Eleven major investors provided initial $140,000. The balance came from 200 small contributors.
3. Two of the investors, providing almost all of the initial capital, were American.
4. The two restaurants belong to the same group of six investors.
5. Three hundred members of two Rotary Clubs provided initial support.
6. Includes full-time and part-time employees.
organization. The woodcrafts enterprise is a joint venture between a Hmong mutual assistance association and two Rotary Clubs that thus far has created two employment positions.

Two of the more evolved enterprises were having difficulties in mid-1983. The supermarket, not ideally located, facing stiff competition and staffed by managers without prior business experience was losing $10,000 per month; and kept itself solvent by transferring profits generated by its wholesale foodstuff operation that distributed commodities to the small grocery stores. Only two businesses appeared solid. The security guard service had 55 employees and was planning expansion. The restaurant owners, with two establishments in the midwest, were beginning to add a third site to their chain.

Only one of the eleven businesses existed in 1980, and several that started one or two years ago have since closed. The eleven establishments, whether embryonic or successful, were survivors. Some may fail, but new additions will continue to increase the number of businesses in operation. The ventures have provided many members of the Hmong community with model "success stories" that serve to encourage entrepreneurship and to reinforce the notion that Hmong can be successful in the United States.

While the enterprises described below are all small by U.S. standards, they present a gradation from the most embryonic state to clearly successful businesses. Each highlights a particular way of launching an enterprise. Together they show the process by which small initial efforts, when successful, gradually give way to relatively substantial results.

Company A, for example, is a side-line for a couple who have found a way to earn enough profit to pay their rent while providing a service to the Hmong community. Company B illustrates the potential scale of employment bene-
fits that can be generated by focusing on marketing of Hmong sewing skills rather than, as in the case of sewing projects, Hmong crafts. The Hmong American Craft Company, though it has only two employees making wooden novelty items, demonstrates a way in which American businesspeople and Hmong can work together to initiate the beginnings of an enterprise.

Magic Croissant provides a prototype of what a qualified Hmong can achieve by combining previous experience as an employee of a business and management experience as a grocery store operator with learning from business acquaintances. Lao-Hmong Family Credit Union is not, strictly speaking, a business enterprise. It is more a community service operation. It can, however, serve as a basis for expanding the financial base for other businesses. The United Lao Development Corporation highlights some of the benefits that can be obtained by concentrating a large amount of Hmong community resources into a development corporation.

Chee Peng Chinese Restaurant and Lao-Hmong Security Agency, Inc. presently constitute two remarkably successful ventures that not only provide income to investors, but also provide employment to a total of about 75 Hmong at present, and possibly another 50-60 within a year.
2. **Company A**

After being laid off from employment as an interpreter in a refugee resettlement program, the proprietor of Company A looked for a self-employed opportunity. He noted a potential market for Hmong-language audio-visual materials, and then, with an initial capitalization of $10,000, opened the enterprise in April, 1982. Besides generating a source of personal income, the owner's goal was to provide a service that the Hmong community wanted, and to develop Hmong video presentations for educational purposes.

The company shows films to a paying audience, sells and rents out video cassettes and tapes, and produces films of community events. Receipts averaged about $1,500/month in mid-1983, and generated a net profit of $450/month. While not large, the profit did pay the rent for the owner's family. Operation of the company was a part-time activity and the proprietor earned income as a salesman while his wife held a full-time job.

The enterprise was holding its own in 1983, and served to supplement family income. The owner believed that his company was a good start. Businesses should be built up from a small base that permits gradual learning about management, marketing and other key issues.
3. **Company B**

Company B, established in March, 1982, is a subcontracting firm that provided sewing services to a U.S. toy manufacturing firm. Levels of activity in the firm varied seasonally with demand in the toy market, and employment varied accordingly from 2 to 60 employees during the 1982-83.

**Origins**

Since arriving in the United States, the Hmong owner of the company had thought about ways of starting a business that could provide a source of family livelihood and at the same time offer opportunities for refugee employment. While at school he became acquainted with his grandfather's landlord, the owner of a chemical products enterprise, and discussed alternative ideas for starting a business. Their twice-a-week deliberations eventually focused on three possibilities: chemical products like soaps and detergents (an activity the American was acquainted with), building maintenance services, and sewing.

In December, 1981, the American contacted a colleague who operated an industrial and commercial maintenance service firm (including contracts for public buildings like the airport), and the latter agreed to assist the Hmong entrepreneur by arranging for training of refugees in this kind of work. Following the training period, participants expected that the refugees would be retained as employees for a while, and then possibly reconstitute themselves as a subcontracting firm. The training began with six refugees in January, 1982. The program was abandoned the following month. Non-refugee workers and supervisors expressed concern about potential loss of jobs to the refugees, and the Hmong initiator decided that it would be wiser to withdraw than to risk a confrontation with American workers.
Immediately thereafter the American contacted another colleague who was owner of a firm that produced textile toys (e.g., dolls, clowns, stuffed animals). With help from the latter's lawyer, the two Americans and the refugee established Company B as a legal entity and, in March, worked out a sub-contracting arrangement whereby the company would provide sewing services on demand with materials provided by the manufacturer. Overall management would be provided by the refugee-owner. Operational supervision of work would be handled by his wife, paid by the company, and two Americans paid by the manufacturer. Workspace and equipment was provided by the manufacturing firm.

Goals

Company B had a dual agenda. In immediate personal terms it was an effort by a Hmong entrepreneur to establish a successful business venture to provide profits and income for himself and his family. An integral component of this effort was that the venture would also provide temporary and full-time employment for other Hmong refugees, using the sewing skills that many of them brought to the U.S.

Characteristics

At its peak (September-November), Company B employed 60 Hmong refugees who worked 40 hour weeks and earned $3.35/hour. Thirteen Americans, including members of the Native-American and Black communities, worked alongside them. These Americans were supervised by the company, but were paid directly by the manufacturer. Wage income for the refugees was supplemented in several cases through piecework payment for articles taken home for completion in the evenings and on weekends. Total wage payments in 1982-83 came to $75,000.

Company production levels depend entirely on the fortunes of the manufac-
turer, and on the circumstances of the economy in general and the market for
toys in particular. The sewing season is essentially six to nine months long, with a three month peak leading up to Christmas. Employment is therefore temporary. Only two individuals were working in May, 1983. The owner planned to increase operations again during the late summer. He also planned to renegotiate price arrangements with the manufacturer because he lost $2,000 during the year as a result of underestimating expenses.

In issuing a sub-contract to Company B, the manufacturer had hoped to find a cheaper supplier of sewing services. The subcontract, for example, eliminated the manufacturer's requirement to pay workman's compensation, which is higher in Minnesota than anywhere else in the U.S. By having Company B workers in its own facilities, the manufacturer also expected to save costs through higher quality control (i.e., a smaller proportion of badly made toys), through saving Company B's overhead costs for facilities and transport, and through having greater flexibility to respond to new orders and new designs.

As it turned out, initial expectations were overly optimistic. Although the refugees showed dexterity, accuracy and speed, the manufacturer eventually concluded that they were not as proficient as Chinese and Korean workers in Asia—particularly with regard to certain essential artistic abilities (e.g. glueing clown faces). Language difficulties also affected production quality, and costs were higher than anticipated. The manufacturer has apparently decided that a number of the items made by Company B employees in 1982-83 should be assembled in Asia, and that a more limited number of items and services (e.g. minor repairs) might be subcontracted to Company B.

Outcomes

With the market for its services inextricably tied to one buyer and to a limited set of products, Company B in the near-term may only be able to
offer refugees a source of temporary employment. For some refugees this temporary employment may constitute a source of primary family income. For the rest it will be a source of supplementary income. In the longer run, if the owner stays with the business, the company may be able to spin out as a free-standing enterprise with its own facilities and equipment, generating service contracts from a variety of sources and offering a larger number of relatively permanent positions. This kind of expansion will depend on Company B's developing a reputation in the industry, and on its ability to accumulate savings for later investment in plant and equipment.

The company is still very much at an embryonic stage of development. The owner may or may not continue in this particular line of business in the future. Nevertheless, in the space of one year, he capitalized on productive personal relationships with two interested American businessmen to turn Hmong sewing skills and diligence at work into a low-cost enterprise that provided employment to a relatively large group of refugees and some low-income Americans at the same time.

The Hmong-American Craft Company is a venture sponsored by Lao Family Community Inc. and the Rotary Clubs of White Bear Lake and St. Paul. Started in mid-1982 with a capitalization of $3300, the enterprise currently has two employees engaged in manufacturing specialty items from wood and plans to expand employment to 6-10 Hmong within a year.

Characteristics

Hmong American Craft Co., Inc. evolved out of an earlier, unsuccessful business venture. Several years ago, a VISTA Volunteer had helped set up a small factory to employ refugees by making foam furniture products for a local mattress company. Once the business began to experience problems, Lao Family Community Inc. sought help from the local Rotary Club to get the venture back on its feet. After looking into the situation, the Club concluded that it would be difficult to achieve a profit under the sub-contracting agreement, and advised the Hmong to abandon the venture.

A large community meeting of 1,000 Hmong was held at a local high school shortly afterwards. Community leaders asked the Rotary to help set up a corporation which could help establish profitable ventures. The Rotary was interested in a project to help the Hmong and accepted the request.

Two Rotary Clubs, White Bear Lake and St. Paul, then began working closely with Lao Family Community Inc. to establish a non-profit corporation, Hmong-American Development Corp., and to decide upon an initial profit-making business. A variety of possibilities were explored, and woodworking was selected as being the most promising.

A three person Board of Directors, all Hmong, was created, the Rotary secured no-charge services from three attorneys of a law firm in St. Paul to
train the new Board members and set up the corporation. The attorneys have contributed 100 hours to date. Start-up capital to cover the costs of necessary tools and machinery, liability insurance and workman's compensation was pledged by the two Rotary Clubs through a $10 assessment of 330 members, providing a total of $3,300. An experienced businessman, a Club member, was recruited to train and supervise the first worker. Management assistance was provided by another Club member, and a third Rotarian donated an abandoned factory for shop space. All told, the two Clubs have given over 700 hours to the project, as well as the financial contribution. Lao Family Community, Inc. has put in an equivalent amount of staff, volunteer and community effort, including bookkeeping/accountant services on a continuing basis. Hmong American Craft Co., Inc. was formally incorporated in January 1982, and began operations in July 1982.

Employees are initially trained in the woodworking shop of a St. Paul based craftsman. After instruction in the use of power tools and product design, trainees work in the shop until sufficiently skilled to work independently in the company's facility. The craftsman then supplies the raw materials and buys back the finished products. By mid-1983, he had just prepared a second trainee for unsupervised work in the facility, and planned to increase employment to 6-10 individuals within a year.

The two current employees are paid piecework rates, and earn the equivalent of between $6 and $11 per hour. Products are marketed through the craftsman's contacts, through sub-contracts, and by means of Rotarian connections.

**Outcomes**

For the Hmong, the immediate goal of the enterprise is to create opportunities for employment of refugees who have no other means of support due to
the eighteen month limit on refugee cash assistance which went into effect in April, 1982. This particular venture was a first step in developing a series of profit-making businesses that could eventually become self-sustaining and provide a livelihood for unemployed refugees. The long range goal, enthusiastically shared by Rotarians and the attorneys, is to change the popular stereotype of the Hmong as hill people without education and skills, into that of hard-working, enterprising members of society. Among the Rotarians and attorneys who have come to know the Hmong, the long range goal has already been achieved. In the words of one: "Three hundred thirty Rotarians have made friends with and grown to respect the Hmong."

Although the scale of operation remains quite small, constituting little more than the embryo of an enterprise at the moment, it is a noteworthy example of a collaborative venture between members of the American business community and the Hmong, and in which the former share what they know with the latter within the framework of a profit-oriented activity. The project was chosen for presentation at the 1983 Rotary International conference in Toronto, and has received a letter of commendation from President Ronald Reagan.
5. Magic Croissant

Prior to opening Magic Croissant, the proprietor had developed business and community connections through previous job experiences. Initially, he was a social worker in Orange County, and later served as community development/community relations consultant to the California Governor's office. Through personal observation, research and study, the owner gained knowledge of business practices in this country. Although he tried to get help from the Small Business Administration, he found it a long, frustrating process, yielding little concrete result. He also worked for a month at the Cheq Peng Restaurant in Petosky to gain experience. One of his colleagues in the Governor's office, a minority tribesman from Vietnam's Central Highlands, had begun opening a series of French bakeries in California; and Magic Croissant's owner was able to observe that operation and learn from its experience.

Magic Croissant is a French-style bakery/cafe located in Stockton. The bakery, a sole proprietorship, opened in April, 1983 with an initial capitalization of $15,000. The proprietor, who also owns a grocery store remodeled the facility and did the installation of equipment himself. Baking is done in the evenings and early morning with the assistance of several family members.

A part-time salesperson helps out during the day.

The bakery sells approximately 300 loaves of French bread, 500 croissant rolls and 120 French pastries daily. Coffee is available for customers at tables in the front room. There are currently about 100 steady customers.

The owner regards the business as a first step in developing a bakery franchise. He notes that this kind of business is much more profitable than a grocery store. It does not require much inventory, and therefore does not tie up capital or require large storage space.
He attributes success to prior experience as an employee of a similar business (the restaurant), to prior experience as operator of a grocery store, to an ability to build trust among friends and learn from their experiences, and to asking questions and seeking the advice of other businessmen.
6. Lao-Hmong Family Credit Union, Inc.

Lao-Hmong Family Credit Union, Inc. was created in November, 1980, to provide a reliable savings-credit mechanism for the Hmong refugee community. The Credit Union is reportedly the first Indochinese refugee financial institution in the U.S., and was assisted in its establishment by a consultant from the Credit Union League.

Characteristics

Established as a non-profit corporation, the Credit Union has a five-member Board of Directors consisting of prominent individuals elected by the union's membership. The Board has a supervisory committee that oversees day-to-day management, and a credit committee that approves loan applications. Staffing consists of volunteers who manage the $60,000 in deposits of 200 members.

Activities are presently limited to the confines of Orange County. The credit union pays 6% on deposits and charges 14% on loans. Credit, up to a maximum of $5,000, has typically been used to finance consumer purchases such as furniture, automobiles, vacation travel, etc.

In early 1983 the Credit Union affiliated with Lao-Family Community Inc. in order that a framework be prepared for credit union services to be eventually extended to other Hmong communities in the country. This expansion will require the sending of staff to a training program run by the Credit Union League because present volunteer staff, while capable of managing current levels of activity, are not yet qualified to run a full-fledged, large-scale institution. If and when the credit union expands in size and scope it may expand its lending portfolio to include investment credit for self-sufficiency projects like small businesses.
Outcomes

The Credit Union has been in operation for 2½ years and in that period has not suffered from arrears or bad debts, and has offered its depositors reasonably competitive terms on savings accounts and on loans. In general, these terms offer no particular advantages over those from regular banks and savings and loans institutions. Indeed, with the recent advent of money-market insured accounts paying 7%-9%, savings through the credit union may have become a financial disadvantage for larger depositors. The utility of a refugee community credit union, however, is not a function of small differences in savings rates. The Union's primary strength is that it provides experience-based training for refugees in the simplest forms of interaction with financial institutions. Depositors have trust in credit union management, and may thus be more willing to place their funds in the organization. Conversely, management has trust in the ability and willingness of borrowers to pay loans without recourse to complex calculations of credit-worthiness. On both the savings and borrowing sides some refugees may find advantage in credit union participation if for no other reason than that it is easier to open a small account and to establish a savings-credit history in the union than it is in larger established institutions. This is particularly true in the case of unemployed refugees, those without a long employment history, or those without previous bank accounts. In this sense, whether or not the Credit Union expands, it serves as a helpful transition for refugees into the U.S. financial system.
7. United Lao Development Corporation (ULDC)

The United Lao Development Corporation (ULDC) was created in December, 1980, by the leading members of Lao Family Community Inc. This profit-oriented enterprise seeks to initiate and expand different kinds of business ventures that simultaneously provide employment income, lower the costs of goods and services to refugees associated with the ventures, and generate dividends to shareholders. To date, ULDC has been involved in purchasing low-income housing on behalf of refugee families, has financed a supermarket, is engaged in wholesale distribution of foodstuffs, and is in the process of establishing an agricultural project. Plans for the future call for creation of a housing construction enterprise.

Origins

ULDC was established in December, 1980, with capitalization of $140,000 from 11 principal shareholders, plus loans/contributions of $500 or less from some 200 families; a figure that increased to 1,000 families by mid-1983. While efforts to create a development corporation were already in motion in 1980, the process was accelerated in order to assist 40 refugee families in purchasing 20 low-income houses in Riverside, California. ULDC stepped in to purchase the houses in early 1981, acting as guarantor for the families during a 30-day escrow period. The number of houses involved has now increased to over 50. The role of ULDC as a sponsor for housing purchases was not originally part of its agenda. ULDC took up the role as a response to refugee community needs, and in doing this speeded up the process leading to its formal creation as a profit-making corporation, and the process of beginning other business ventures.
Goals

The general purpose of ULDC is to raise funds within the national Hmong/Lao refugee community, to borrow from financial institutions against those funds, and to use the combined resources to establish new profit-making businesses. Business profits would be used to pay dividends to shareholders, to reimburse small loans provided by 1,000 small contributors to ULDC, to amortize commercial loans, and to expand the capital fund available for expanding current businesses and/or starting more new businesses. The process is intended to result in growth of a national investment fund aimed at financing refugee-oriented projects without depending on public and non-profit organization grants and personnel, at expanding refugee managerial and entrepreneurial capabilities, and at increasing employment and income in various parts of the country. The goal of ULDC is therefore establishment of a self-sufficient corporation that promotes self-sufficiency among affiliated refugee communities.

In the short-term, ULDC plans envisage the establishment of a network of branch grocery stores across the country, creation of a wholesale distribution system to supply the stores with domestic and imported commodities, and initiation of farming and animal-raising ventures whose objective, among others, is to provide some goods for marketing through the wholesale distribution system. Longer-term plans include establishment of a construction enterprise, an outgrowth of ULDC's early involvement in housing, and creation of a banking facility. This last may come about through expansion of the Lao-Hmong Credit Union, described elsewhere in this report.

Organization

The Board of ULDC consists of seven major shareholders and four community contributors. These last include two Laotians and two Lao-Hmong, and together
they represent the interests of the 1,000 small contributors to ULDC. A president, vice-president, treasurer and secretary complete the corporate organization of ULDC. Daily operations are administered by a business project director/managing director, who presently coordinates ULDC's three main enterprises: Best Supermarket, the wholesale food distribution venture, and the United Lao Agricultural Association in Fresno. Each of these enterprises has its own staff.

Financial Characteristics

ULDC initiated Best Supermarket in January, 1982, with a capital investment of $200,000, and a $300,000 line of credit from the Thai Farmer's Bank to finance the purchase of imported goods. Of the $200,000 invested, $50,000 was used for renovation of the store building, $120,000 for purchase of equipment and fixtures and $30,000 for working capital. The enterprise also had a $30,000 line of credit from Certified Grocers to finance purchase of domestic goods. The store received its first shipment in February, and opened for business in March.

During this period ULDC retained the services of an American consultant (paid $2,000) to provide guidance in organizing and opening the market and in subsequent merchandizing. On the basis of the consultant's recommendations, the store focused on selling domestic products. This decision turned out to be ill-advised. For the first six months of operation gross revenues averaged $60-70,000 per month while costs were $90,000 per month. The market obtained five to six small loans, each ranging from $15-$20,000, to cover losses during this initial period.

In October, 1982, in an effort to adapt its merchandizing strategy to the characteristics of its clientele, the market shifted its focus to sell 70%
oriental products and 30% domestic products. This change raised gross sales to $130,000/month. Costs also increased to $140,000/month. The store still operated at a loss of $10,000 per month through January, 1983.

At that time, basic costs in addition to goods purchasing totaled $30,000/month, distributed as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent</td>
<td>$ 5,000</td>
</tr>
<tr>
<td>Utilities</td>
<td>4,000</td>
</tr>
<tr>
<td>Telephone</td>
<td>500</td>
</tr>
<tr>
<td>Debt repayment</td>
<td>3,500</td>
</tr>
<tr>
<td>Salaries</td>
<td>17,000</td>
</tr>
</tbody>
</table>

Total $30,000

The store employed seven full-time and six part-time workers. These included five Hmong, two Laotians, four Vietnamese and two Americans. The store adopted this structure of employment in part to reduce costs, and in part to have a staff able to respond efficiently to customers who were roughly 30% Hmong and Laotians, 50% Vietnamese and 15% American. While this staffing pattern proved helpful, it did not offset the store's disadvantages. These last included poor location with respect to competing stores and with respect to the Asian community, poor initial choices for purchasing and merchandizing oriental products, and general inexperience of ULDC staff in managing a large and complex retail operation.

Plans in early 1983 called for a further shift towards 90%-95% concentration on oriental products, provision of greater variety, and efforts to reduce operating costs. In March the ULDC Board invited a Vietnamese entrepreneur, the owner of a number of similar stores in the region, to purchase a 50% share of the market. This would increase the Vietnamese clientele, and would provide needed additional management expertise as well as capital ($90,000). By July, however, the Vietnamese partner/investor had found himself overloaded with
management responsibilities for several stores, and was considering withdrawal from Best Supermarket.

One of the ways the market has been able to maintain operations while running at a loss has been the transfer of profits from ULDC's second venture, wholesale marketing of rice, imported groceries and domestic goods such as baby formula. The wholesale distributorship was initiated in June, 1982, and began in earnest in September after ULDC obtained a necessary business license. Staffed with three people, a manager and two sales representatives, operating costs for this venture amounted to $4,500/month in early 1983, distributed as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent (office and warehouse)</td>
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</tr>
<tr>
<td>Utilities</td>
<td>100</td>
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<tr>
<td>Telephone</td>
<td>1,000</td>
</tr>
<tr>
<td>Salaries</td>
<td>2,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$4,500</strong></td>
</tr>
</tbody>
</table>

In February, 1983, the venture sold domestic and imported rice to 22 Hmong and other refugee-owned stores and food-buying cooperatives across the country, and hoped to expand the number to 45. At the same time, it sold imported groceries to 25 customers and domestic goods to five customers. ULDC's target was to expand its grocery sales to 45 buyers as well. Even with the limited number of buyers, the wholesale operation was profitable. On sales of about $250,000/month, ULDC received a gross income averaging $12,500/month. After deducting costs, the monthly surplus came to about $8,000/month, and this has been used to offset the losses of Best Supermarket.

ULDC hopes to use the wholesale system, which includes the supermarket, as a means to distribute produce provided by the third venture: the United Lao Agricultural Association. This last is in the process of establishing a
farming project in Fresno. If it should prove successful, refugee farmers will have at their disposal an established marketing network for part of their produce, and may, as a result of reducing the number of intermediaries involved, be able to obtain higher prices than otherwise possible. Similarly, the wholesale venture may be able to purchase for less, and sell the produce to their customers for less. These possibilities are still theoretical, but ULDC's process of investing in the whole food chain, from farmer to final consumer, may be able to translate the possibilities into realities.

Social Factors

Although the Riverside housing venture was not an integral component of its operations, the ULDC's involvement in it caused some misunderstanding and consternation within a number of Hmong communities around the country. Rumor had it that ULDC funds had been used to purchase houses for family and friends of principal Board members, and many individuals, particularly among the 200 original contributors to the corporation, believed that such use of funds was inappropriate. The misunderstanding eventually cleared itself, and the number of contributors gradually increased to include 1,000 people.

A second problem had to do with understanding the meaning of a "contribution" to ULDC. These funds were not shares, and so would not generate dividends. They were also not formal loans of a type backed by promissory notes. They were in fact simply contributions provided with a vague understanding that they would eventually be reimbursed, and that in the interim the funds were solicited in order to assist in the endowment of a Hmong/Laotian investment fund. Educational efforts on the part of ULDC shareholders and staff, and election to the Board of four contributor representatives has served to lessen the confusion.
While ULDC efforts to clarify its mission and objectives have improved its relations with contributors and other members of the refugee community, much remains to be done before the corporation can gain the full respect and confidence it wants. Staff believe that the wholesale distribution venture, which provides clear financial advantages to customer groups, will help improve ULDC's image. A successful agricultural undertaking is intended to accomplish a similar result.

Outcomes

ULDC's experience over the past 2½ years has shown mixed results. Although Best Supermarket's cash flow position has improved markedly since it first opened, the enterprise nevertheless continues to operate at a loss, and sustains itself through profit transfers from the wholesale distributorship. The store's performance is not unusual. Enterprises of this type in metropolitan areas face stiff competition, and successful ones usually operate with a profit margin around 2%. Under ideal circumstances, sales of $140,000/month would generate a profit of $2,800/month, or $34,000/year. This is approximately equivalent to a 17% annual return on ULDC's original $200,000 investment.

Successful supermarket operations, however, especially in competitive areas like Orange County, require considerable prior experience and skill at merchandizing. Success also requires considerable financial backing. This is necessary in order to operate at a sustained loss caused by keeping prices below those of other stores during an initial period when the first priority is to draw customers away from other stores. ULDC staff and shareholders did not have sufficient prior experience or financial resources to enter into the competitive supermarket business, and the consultant services the corporation obtained did not provide appropriate guidance.
On the positive side, the enterprise did provide ULDC with enough experience in the marketing of foodstuffs to assist its wholesale venture in quickly becoming profitable, and may yet serve to improve the financial position of the supermarket. The wholesale venture may also increase its worth by providing a distribution channel for some produce from the ULDC farm project, and from other refugee farm projects as well. The supermarket, whether ultimately successful or not, will provide a concrete reference for other individuals and community groups interested in starting a supermarket, or in upgrading existing small grocery stores in different areas of the country.

The most promising aspect of ULDC operations to date remains the relationship between the wholesale venture and the 25 stores and food-buying cooperatives it serves nationwide. The latter are small and scattered, and many do not have ready access to wholesale suppliers who can provide specific types of goods (e.g., sticky rice, oriental groceries, etc.) demanded by Hmong and Laotian communities at reasonable prices. The stores and cooperatives may eventually find better and cheaper suppliers, but in the interim ULDC provides them with a significant cost saving that can translate into lower family food expenditures for the cooperatives, and higher profit margins for the stores.
8. Chee Peng Chinese Restaurant

Chee Peng Chinese Restaurants is an extended family partnership that opened its first establishment in 1981 in Petoskey, and a second in Middletown, Ohio, in 1983. Sales currently average $44,000/month, and the two restaurants employ 18 Hmong. A third restaurant is being planned for Traverse City, Michigan.

Characteristics

The first Chee Peng Restaurant opened in July, 1981 in Petoskey, Michigan. With the intention of starting a business that could provide employment for family members and serve as a model for other Hmong, the lead partner spent two years to seek out a good business opportunity and organize the partnership. Six partners put in approximately $10,000 each, and smaller contributions of $50-$100 were gathered from clan members to make up a total initial capitalization of $80,000.

The Petoskey restaurant currently averages gross monthly sales of $20,000. Seven Hmong are employed at salaries ranging from $450 to $1,500 per month. Three volunteers take turns working an average of ten hours per day and receive free meals. The restaurant has $56,000 worth of equipment and carries an average inventory of $6,000 in foodstuffs. The restaurant seats seventy and serves Mandarin, Cantonese and Szechwan food. Customers are almost all American. Advertising is done in local newspapers as well as on radio (two spots per day).

The second restaurant opened in April, 1983. The Middletown restaurant is larger, seating one hundred fifty persons, and employs eleven Hmong. This restaurant also differs from the first in that it required a smaller initial capitalization, $60,000, and the partnership was able to secure a bank loan of
$10,000 for two years at 18%. Some equipment like tables and chairs is rented rather than purchased. Monthly sales average $22,000 and provide a net profit of $1,500. Assets amount to $55,000, and inventory averages $8,000. Like the Petoskey restaurant, the clientele is primarily American. A site for a third restaurant is currently being sought in Traverse City, Michigan.

Prior to opening the first restaurant, the lead partner, as well as the two restaurant managers, held entry-level jobs in the hotel/restaurant business. In addition, the partner made friends with Chinese restaurant operators and learned from their experiences. For the first six months, two Chinese cooks were hired to supervise Hmong trainees and teach the preparation of Chinese style food. Subsequently, Chee Peng has continued training two or three new cooks every year. All trainees are required to sign a three year contract with Chee Peng. Upon completion of six months of training, new personnel shift into positions of greater responsibility, freeing up the more experienced staff to move and open the next restaurant.

**Outcomes**

The partnership's plan is to open a new restaurant every year. In order to accomplish this a number of problems must be resolved. First is the need for working capital. The partners are considering a corporate ownership structure to attract a greater number of investors. There is also interest in applying for a loan from the Small Business Administration (SBA). Second is the dilemma of how to pay the needed trainees while building the capital necessary for expansion. Management is currently looking at ways to partially subsidize trainee wages from government programs such as CETA, Job Training Partnership Act or Target Jobs Tax Credit. A third concern is the issue of health insurance for new employees as well as trainees.
Chee Peng partners received very limited assistance from Americans. A sponsor did make connections with the Chamber of Commerce in Petosky; and the partners did this themselves in Middletown. A year ago, the State Refugee Resettlement Office in Michigan contacted the SBA, but to no avail. In short, this business is succeeding on its own, building on the particular strengths of its Hmong owners.

The partners attribute their success to a productive combination of deriving initial investment from clan resources; active participation of clan members; prior experience in the restaurant business; careful market research and planning -- even though of an informal nature; adopting the practice of continually training new employees to serve as a basis for better management and expansion; a willingness to take calculated risks; and a desire to succeed coupled with hard-nosed business sense.

The Lao-Hmong Security Agency is a private corporation that provides industrial and commercial security guard services in the Los Angeles-Orange County region. Established in mid-1981 with financial and managerial help from interested Americans, the firm is now operated by refugees, employs 50 security guards, and has plans for expansion into other areas of the business services market.

Origins

At a party in February, 1981, a sales representative for a computer manufacturer with interests in the welfare of refugees suggested to a friend, a Hmong, that establishment of a labor-intensive service business would be a useful way to expand employment opportunities for refugees. The security business seemed appropriate because it was expanding rapidly, and because the refugees' experiences in Laos suggested that they had skills and proclivities for this kind of work.

Following through with this idea, the American and his family drew upon their personal savings and in March provided $350,000 with which to start the enterprise. The funds were used immediately to begin a training program for the unemployed. The project proponents soon found out, however, that although they could obtain a state business license, they did not qualify for a state operators license. The operator's license required that the applicant have spent 1-2 years working in guard service and/or military service, and have successfully passed a state examination prior to obtaining the license. To overcome this obstacle, the American approached his brother, an ex-colonel in the U.S. military, and asked him to study for and pass the test and then apply for the
license. The brother agreed, and in July received the permit. The Agency was then formed as a private corporation, with the brother as its operations manager.

Goals

The goal of the Agency, like that of any business, is to be a profitable venture that generates income for its shareholders. This goal is nonetheless tempered by an explicit and strong desire to combine financial viability with generation of employment opportunities for refugees.

Organization

Until November, 1983, the shareholders were the original investor, his wife and son, and the Hmong who was at the originating party. This last individual, after having spent over a year working for the firm as president, passed the state test in August, 1982, and became the state-licensed operations manager as well. In November, 1983 the president bought out the other shareholders and took sole control of the company.

Management in late 1983 consisted of four people: two field supervisors and two office administrators. At the same time, the firm employed 50 refugee security guards on a permanent basis.

When the original investors established the business they agreed that American participation would be as short-lived as possible. Daily management would pass to refugees as soon as feasible, and the American investors would gradually be bought out as the firm generated revenues in excess of cost. This took place as planned, in November, 1983.
Characteristics

The initiators of the venture started their business with high expectations of success in the short-term, and with ignorance about the characteristics of the market for security services. In March, 1981, they therefore recruited 25 refugees for training in martial arts, use of mace/tear gas, qualification in baton (a security guard requires a specific license for each object used), surveillance techniques, power of arrest procedures, first aid, fire-fighting, police coordination, etc. Each trainee was paid a stipend of $3.50/hour for the six-week training period, and $4.00/hour when working afterwards. On the assumption that the Agency would have little difficulty in securing contracts, the firm initiated a second phase of training for another 25 refugees in May, 1981. By this time as well, a management staff of five office administrators and one field supervisor had been hired, office space rented, and supplies purchased.

Marketing efforts on the part of office staff, unfortunately, failed to generate service contracts. Potential clients were reluctant to use an inexperienced contractor, and the firm had not given enough attention to selling itself. In June the firm hired an American salesman and two months later, in August, received its first contract. By January, 1982, however, only five of the 50 trainees were working, and all of the $350,000 in original funds had been used up. The Agency was at the brink of insolvency. A break came in the form of a contract from a cartage firm in Compton where pilferage had risen to the point where it could no longer obtain insurance. The cartage firm's manager was willing to give the Agency a trial, other alternatives having been largely exhausted.

Fifteen guards were at work by the end of January, and by the end of the year $400,000 in gross income had covered $400,000 in expenses to yield a break-
even situation 21 months after the project started. In December, 1983, some 50 guards were employed, and management estimates that at the end of the year income will have exceeded expenses by about $20,000. The business has been successful enough to warrant a visit by a Fortune magazine feature article writer.

The refugees at guard work presently earn about $160/week. Only three of them, however, are among the 50 trainees of 1981. This curious result stems from an early error in trainee selection. In addition to requiring that candidates have some spoken English, be able to write, be in good physical condition and have their own means of transport, the Agency managers gave priority to heads of households with large numbers of dependents and on public assistance. While this last seemed to make sense as a strategy for employment, it was inconsistent with prerequisites for security work and with efforts to maximize family income. With respect to the first matter, many individuals with large families to support were not comfortable with working in a high-risk occupation. They lacked the self-confidence necessary to challenge strangers and, although trained for the work, decided against employment as security guards. The second matter, perhaps more important, was that by taking full-time jobs many would lose their public assistance benefits. The latter provided higher family income than the former and the refugees were better-off unemployed. The Agency now recruits refugees without or with only a few dependents.

In addition to more care in selection, particularly higher English skill requirements, the firm now attempts to minimize the potential wastage of its resources by providing only basic training. Specialized courses in such items as tear gas use and baton training are done outside the firm and training expenses are shared with the trainees.

The Agency has established a niche in the security services market, in particular with respect to trucking yards. The characteristics of honesty and
reliability of Hmong have helped in this. As far as yards are concerned, the guards' good visual memories for such detailed items as long numbers on log sheets have been key ingredients in establishing a reputation in the market.

The firm's management believes that while Hmong and others do well in their present work, they are not in the short-term capable of sophisticated industrial security work. The firm will attempt to reach an employment level of 100 refugees as guards by the end of 1984 and an expansion to Northern California is contemplated. The firm will at the same time try to diversify its activities. Within the security business this may entail sale and service of related equipment like alarm systems.

As a means to diversify its market and also to create an enterprise that offers greater stability and income to employees while offering greater business growth potential, surplus funds generated from security contracts will eventually be used to plan a computer repair service. This type of activity, unlike security in 1981, is something that Agency investors already know a good deal about from having worked in the business for several years.

At present, five individuals related to the president are pursuing training programs in computer fields at a community college in Stockton and at a technical school in Santa Ana. Upon completion of their studies in mid-1983, they will find work with computer firms in order to gather 1-2 years of business experience. In the interim, the Agency will be doing a comprehensive market analysis so that the investors come better prepared for the new business. If this long-term planning comes to fruition, the firm will be reorganized as a holding company that controls two subsidiaries: a security service firm and a computer service firm.
Outcomes

A combination of hard work and good luck (i.e., a yard manager willing to purchase a high-risk service) have served to help the Agency beat the odds against success for a new small firm. In the process, about 65 refugees have secured productive sources of income from office and guard employment. Relative to the initial investment of $350,000, the current average investment of $8,750 per refugee, and the projected average of $3,500 (if employment reaches 100 people) compare favorably with the average income of $8,000-$10,000 per year received by the refugees for full-time work. The projected return of 10%-15%/year on shareholder equity within three years is also impressive, as is the effort at longer-range planning presently in progress.

The firm's participants, with the benefit of hindsight, suggest that they have learned a number of important lessons. One is that a business cannot be run without a qualified manager who has requisite background training and experience in business. Such a manager would at the very least be capable of projecting probable cost and revenue flows that outline ways to maximize the usefulness of a fixed amount of investment capital. A second lesson is the importance of understanding the particular industry in which a firm competes. A third is the crucial nature of doing serious market research, and then sparing no effort at marketing the goods or services in question -- especially in competitive markets where potential consumers must be nurtured into using the new good or service. A final lesson reported seems to be attitude. Business people must believe that they will ultimately achieve success. Without being driven by this faith they can too easily give up in the face of difficulty.

Agency investors are taking these lessons seriously as they work their way to more security contracts, and as they look ahead to a new field of business in
computer repair. Management is using what it has learned the hard way to improve future performance. At the same time, however, the lessons appear inconsistent with the facts. The enterprise has managed to succeed thus far without all the implied prerequisites set up at the very outset. What became necessary to understand and to do took place along the way. In this context a more salient lesson has to do with having capable people, investors and managers, who know enough about business, competition and marketing in general to realize what a problem is when it occurs, and to learn quickly how to overcome it.
10. **Lessons Learned**

A useful way of understanding the process of business development is to view it as a sequence of five stages. The first is the pre-startup stage. At this point an entrepreneur thinks about going into business, and generally tries to talk the idea out with family, friends, potential suppliers and customers, banks, etc. He or she analyzes strengths and weaknesses in the idea, and tries to take the time to study, research and test the market. Hmong American Craft Company, Magic Croissant, and Chee Peng Restaurant in one way or another proceeded through this stage carefully, and the first is still largely at this stage even though it has started operation. Lao-Hmong Security Agency and United Lao Development Corporation did not do enough homework at the outset, and ran into difficulty as a result.

A critical aspect in this initial stage is the qualification of the entrepreneur to do a good job in exploring the idea, and prior experience counts for a great deal. American businessmen are supplying the expertise to the Craft Company, and the Hmong operating Magic Croissant, Chee Peng, the security agency and the supermarket all had some prior exposure to business. If the background did not serve them well at the outset, as in the latter two ventures, it did help in getting through the next stage.

The second stage is the development phase, and it is here that most businesses fail. The entrepreneur is committed, and soon discovers that everything takes longer than predicted earlier, including the market response. Time is consumed in building a reputation and managing efficiently. This is a critical period in which it is essential to learn about mistakes quickly and then correct them if possible. The bakery and supermarket were at this stage in mid-1983.
The restaurant and security agency have already passed through it, successfully. Experience and training can be helpful in getting through this period, but the basic talents being tested are an intuitive sense of business and dedication toward achieving success. Here an entrepreneur must demonstrate that he or she knows how to sell the particular goods or service being offered, how to manage employees and available funds in the best way possible, how to purchase supplies at the lowest possible cost, and how to be flexible and modify all activities in the light of what is happening each day. These talents are scarce, and that is why most small businesses never get farther than this.

The third stage is a growth phase. The market has responded favorably, and expansion/diversification become real possibilities. Successful entrepreneurs, profiting from what they have learned earlier, usually avoid rapid growth for its own sake. They plan expansion carefully to increase profits in a way that reduces risk, and more often than not stay within areas where they already have accumulated experience and/or have found sources of reliable help. At this stage too the entrepreneurs begin to delegate responsibility to managers whom they have employed and/or trained earlier. The restaurant and security agency are at this stage.

Subsequent phases are referred to as the comfort stage, where growth has slowed but where profits are satisfactory, and the turnaround stage, where serious troubles begin, the enterprise loses money, and the entrepreneur must find a way to save the firm. Among enterprises have not yet reached these points.

The five phases described apply equally to the sewing projects, farming schemes, and grocery stores presented earlier. Many of the sewing and farming projects, however, are so heavily dependent on public and private support in
terms of volunteer time and funding that it is virtually impossible for them to fail in the same way as independent businesses. Without continuing support they would have long since ceased operations. Experience in such projects is therefore not often a realistic basis for assessing probabilities of success in independent business. Grocery store experience is better, but here too there is a problem in that many of the stores are oriented to lowering food costs rather than maximizing commercial profits from sales. They therefore may not always be the best basis for judging whether or not a Hmong should venture into another business. In such cases it is wiser to try to transform a store into a successful business enterprise, and then afterwards attempt another type of investment.

Independent enterprises, if one is to judge from the restaurant and the security agency, do offer opportunities for expanding Hmong employment opportunities. The cost, however, is high. The 75-odd positions created thus far by the two firms have resulted from a total initial capital investment of $490,000, or about $6,500/job; and most of the jobs are paid close to the minimum wage. In the longer run, as Hmong obtain more work experience and education, the possibilities for expanding employment through new Hmong-owned enterprises will likely increase.
VI. EMPLOYMENT PROJECTS

1. Overview

The most common method of promoting Hmong self-sufficiency in the country is through securing jobs for the refugees. This is often a complex process that involves assessment of refugee skills and employer needs, classroom and/or on-the-job training, workplace and family life counseling, and so on. A comprehensive identification and review of the many employment projects currently underway on behalf of the Hmong is outside the scope of this study. However, the study did search for projects that had characteristics different from typical employment services, and that had components worthy of consideration by public and private agencies concerned with refugee self-sufficiency.

Four such projects are described here (Table 7). The first is Business Cares, an effort by Wisconsin business leaders to raise consciousness within the business community about the need to employ refugees, both to help the refugees and to help their own enterprises through hiring of reliable workers. Working in collaboration with the state's job services agency, the project has generated 140 jobs during the past year, and at a cost to the businessmen involved of about $21 per job in out-of-pocket costs. The project highlights the advantages that can be obtained by integrating corporate leadership into the job development process.

The second project is Seeking Help to Achieve Refugee Employment (SHARE) in Minnesota. Covering the southern portion of the state, this project provides job development, placement and counseling services under contract to the Department of Public Welfare, and has secured work for refugees at a rate of
<table>
<thead>
<tr>
<th>NAME</th>
<th>YEAR INITIATED</th>
<th>ANNUAL COST ($)</th>
<th>RATE OF PLACEMENT (No. per year)</th>
<th>COST PER PLACEMENT ($)</th>
<th>COMPOSITION OF PROJECT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share (MN)</td>
<td>1981</td>
<td>$138,000</td>
<td>510/yr.</td>
<td>$270</td>
<td>Job development, placement and counseling.</td>
</tr>
<tr>
<td>Montana Migration Program (MT)</td>
<td>1981</td>
<td>40,000</td>
<td>70/yr.</td>
<td>570</td>
<td>Job development, migration and placement.</td>
</tr>
<tr>
<td>Plymouth Refugee Opportunities (WA)</td>
<td>1982</td>
<td>53,000</td>
<td>60/yr.</td>
<td>850</td>
<td>Training, job development and placement.</td>
</tr>
<tr>
<td>Business Cares (WI)</td>
<td>1982</td>
<td>3,000</td>
<td>140/yr.</td>
<td>21</td>
<td>Job development.</td>
</tr>
<tr>
<td><strong>TOTAL (average)</strong></td>
<td></td>
<td><strong>$234,000</strong></td>
<td><strong>780/yr.</strong></td>
<td><strong>($300)¹</strong></td>
<td></td>
</tr>
</tbody>
</table>

¹ Weighted average.
40-45 jobs per month and at an average cost of $270 per placement. 32

The third project, Plymouth Refugee Opportunities (PRO) in Seattle, Washington, is a much smaller undertaking focussing on training, job development and placement that has been securing 5-6 jobs a month on the average at a cost of around $850 per placement. This cost is considerably less than comparable efforts in the Seattle area, and is related to integration into the project of a revenue-producing housecleaning and lawn care service.33

The fourth project is the Montana Migration Program (MMP). It is essentially an attempt to provide an orderly move of unemployed refugees in one town to another 350 miles away where jobs have been secured for them. The effort has successfully moved 35 families and has provided some 70 new jobs for them, at a cost of about $570 per placement including subsidization of moving expenses. The project highlights some of the advantages that may be obtained from a regional approach to the unemployment problem.

Each of the four cases offer ideas and approaches that may be appropriate in other locations as well, and also highlight many of the difficulties encountered in initiating and implementing these ideas.
1. Business Cares (BC)

Business Cares (BC) is the informal name of a coordinated effort by several Wisconsin firms to expand employment opportunities for refugees. In operation since mid-1982, the project seeks to raise awareness about the plight of refugees among local business leaders, to emphasize the meaning of corporate social responsibility with respect to refugees, to provide information about the financial incentives involved in hiring them, and to receive commitments for specific numbers to be hired by each firm within a given period of time. Efforts have largely concentrated in the Milwaukee area, but are now spreading to other communities in the state.

Origins

A Milwaukee businessman with a history of involvement in community affairs, including resettlement of Russian refugees, was asked by an employee of Jewish Vocational Services if he could provide some assistance to start efforts in finding work for Indochinese refugees. The businessman, currently state chair of BC, attended a meeting in Madison, the state capital, organized by the Department of Health and Social Services in February 1982. At the meeting he noted that the well-intentioned efforts of social-work oriented individuals at job development were not highly successful because they were approaching firms through the latter's employment/personnel offices. The businessman suggested that a more productive approach should involve going to the "top" of the corporate ladder, and should emphasize the social responsibility dimension of enterprise hiring policies.

The businessman then took upon himself a leadership role in cultivating his contacts in the business world to set in motion a process of directing
employment opportunities to refugees, which state and voluntary job development personnel could then seek to fill. A first meeting of six businessmen took place in March 1982. This was the start of what was then informally called the "Private Employment Project." The name has recently changed to Business Cares, and its promotional phrase is: "Wisconsin Business and Government Cooperating for Indochinese Refugee Employment."

**Goals**

The central purpose of BC is to expand employment opportunities for refugees by making such employment appear worthwhile for private firms. It is a consciousness-raising effort aimed at senior corporate staff and business owners by their peers. Once convinced by experience of the usefulness of hiring refugees, the businesses are expected to make a practice of hiring more refugees as a matter of policy, and to convince additional firms to undertake similar policies. The overall orientation is towards establishment of a permanent interest in refugee employment.

**Characteristics**

The effort to involve businessmen in refugee employment focuses on humanitarian and practical considerations at the same time. With respect to the first, proponents of BC emphasize the importance of corporate social responsibility. Within this framework they emphasize that offering new employment opportunities involves a process of turning present welfare recipients into productive taxpayers and consumers, and that this result helps to promote productivity and the work ethic. In regard to practical matters, the proponents point out that refugees are hard-working and can, in short order, become conscientious employees who contribute to corporate well-being. To overcome some of the ini-
tial difficulties that may arise, the proponents also note that public funds are available to offset the costs of necessary on-the-job training, and that tax credits are available to effectively reduce the costs of hiring refugees for the first time.

This approach was used by the BC state chair in the initial address to six businessmen (out of 24 invited) who attended a first meeting in March, 1982. The message was effective enough to cause each of them to promise to bring three or four of their peers to a second meeting the next month. Sixteen individuals came to the April meeting and, in consequence, each made a commitment to hire at least five refugees during the coming year, and to attend quarterly meetings to report on their job development efforts.

Over the course of the next twelve months the businesses hired about 140 refugees, of which half were in Milwaukee. Examples of numbers and types of jobs include:

- First Wisconsin Bank, 2 clerks and 2 cleaners;
- Pfister Hotel, 5 cleaners;
- Lamplight Farms, 30 assembly workers;
- Marcus Corporation, 4 cleaners; and
- Junior House, 20 sewing workers.

These workers, about half of whom are Hmong, have been placed in jobs where earnings typically fall in the $3.50-$6.00/hr. range. The refugees have, by and large, been satisfied with both their full-time and part-time employment. Equally important, employers have found refugees to be solid workers. Among other things, although employed in high turnover occupations, the refugees stay with their jobs.34

The mechanism for placement works straightforwardly. Participating businesses with openings that appear appropriate for refugees contact specific individuals at the local office of Wisconsin Jobs Service. These latter then search
computerized records for candidates with requisite skills. The candidates are often graduates of training programs contracted by the state to such agencies as Jewish Vocational Services and Milwaukee Area Technical College. The Jobs Service employees then accompany candidates to their placements. If appropriate, the employees also prepare the paperwork that employers may want for tax credits and/or on-the-job training subsidies, thus removing the "bureaucratic" obstacle that sometimes prevents employers from taking advantage of these incentives.

At present, 25 firms participate in BC in the Milwaukee region. Twelve firms have come together recently to initiate a parallel program in Sheboygan. Similar efforts have begun in LaCrosse, Madison and Appleton. Plans are afoot to spread the effort to Green Bay and Racine in the very near future.

To complement this expansion effort, several businesses have donated personnel and funds to form BC's audio-visual committee. These include two news anchor-persons from a Milwaukee television station, Channel 6, and public relations staff from Johnson Control and Zigmans, Joseph and Skeen. This committee is in the process of preparing video and slide presentations, and supporting aural and written materials, to be used for generating support among such target audiences as social service clubs (e.g., Rotary, Kiwanis) and chambers of commerce. In the near term the promotional package will be market-tested in five communities. A presenters' manual will be finalized after this trial period, and the presentations will then be available for use by interested individuals anywhere in Wisconsin.35

Outcomes

Within the past year BC has succeeded in securing over one hundred job openings for refugees. The process of convincing businesses to do so began
modestly, but has since grown to the point of becoming a statewide operation in which businesses encourage each other to assist in refugee self-sufficiency efforts. These efforts have succeeded, in part, because the promotional "pitch" focuses somewhat less on humanitarian issues and somewhat more on demonstrating that refugee hiring is of clear self-interest to enterprises. While the process is self-standing at present, with several businessmen taking lead roles, arrival at this stage depended for the better part of a year on the singular effort of one well-placed and highly motivated individual. Such individuals are relatively scarce in the business world, but BC demonstrates what can be accomplished when they do involve themselves in the resettlement issue.

The direct cost of this type of undertaking is marginal. During the first year, for example, the state chair spent some 300 hours and about $1,200 on the project. Adding other participants, the total might be on the order of 500 hours and $3,000; or about $21 per placement in out-of-pocket costs.

Difficulties in terms of general community relations have been marginal, thanks in part to good publicity in the local media. The most serious reaction came from a Viet Nam veteran who complained of discriminatory treatment in favor of refugees. This reaction was largely put to rest when the veteran was informed that the jobs in question were almost all entry-level types that most Americans presently disdain. In a sense, the willingness of refugees to work hard at jobs that Americans dislike, a feature of most migration streams in the past, tends to mitigate some of the potential problems that may arise from other groups that consider themselves economically disadvantaged.36
2. Seeking Help to Achieve Refugee Employment (SHARE)

Seeking Help to Achieve Refugee Employment (SHARE) is an employment project of the Sponsorship and Refugee Program of Church World Service working in cooperation with the Minnesota Council of Churches. Initiated in August 1981, SHARE provides job placement and development services to various refugee groups residing in southern Minnesota, including the Minneapolis-St. Paul region. In the 18-month period from December 1, 1981, through June, 1983, the project placed over 750 individuals in full-time employment at an average cost of about $270 per placement.

Origins

In an effort to increase the effectiveness of its ongoing refugee sponsorship program, Church World Service in August, 1981 began to increase its level of involvement in promoting refugee self-sufficiency in southern Minnesota. Sponsoring refugees to come to the United States, arranging social and educational services, and job placement through informal means did not present themselves as sufficient means to integrate new Americans into U.S. society. More effort at developing sources of independent income was called for, in terms of employment as well as self-employment. Projects of the latter type, such as World Wide Folk Art and the Hiawatha Valley Farm Cooperative, discussed earlier, are components of SHARE.

With respect to employment, Church World Service staff and volunteers developed a comprehensive program of job development, placement and follow-through services that would, in the short-term, provide a source of income, and in the longer-term a path towards refugee career development. The program was dubbed "SHARE," and began full operation in October, 1981. Two months later, in
December, the project received a $94,500 contract from the State Refugee Program Office to provide employment services in southern Minnesota through September 1982, and nine months after that received a second contract to carry it through September 1983.

Goals

The basic goal of SHARE is to help refugees achieve self-sufficiency in as short a time as possible. Within this framework the project's objectives are to secure employment based on refugee skills and employer needs, to promote occupational mobility through training programs, and to help create on-the-job environments that prove beneficial to both refugee employees and their employers.

Characteristics

Project efforts cover southern Minnesota, and are coordinated by a regional office in Austin. Branch offices in Worthington and Rochester respectively serve southwestern and southeastern portions of the state, and two additional offices in St. Paul and Eagan provide coverage in the Minneapolis-St. Paul metropolitan area.

Eight bilingual individuals, including six from the different refugee groups served by the project, serve as SHARE's core staff. Each individual focuses on one or more of the project's key activities, i.e., employment assessment, job development and follow-up, work orientation and training, and job counseling; and work with 12 other Church World Service staff and volunteers who provide coordination, administration, and specialized support services.

Refugee referrals come from individual and congregational sponsors associated with Church World Service, and from county agencies that have contracted with the project through the State Refugee Program Office.
The sequence of services provided by SHARE after a refugee has entered the program begins with an employment assessment and plan development phase. Employability is evaluated in terms of training, language proficiency, paid or unpaid prior work experiences, etc. On the basis of this basic information, the refugee and a staff member develop a set of short- and long-term goals, and identify possible ways of achieving them.

A second phase consists of job placement and follow-up services. Here a match is made between the refugee and potential employers who have already been assessed in terms of their employee needs, their employee relations practices and wage offers. SHARE staff and Church World Service volunteers maintain a constant job development activity that includes mailings, phone calls and site visits. The process is assisted through the project's ability to network through congregations linked to Church World Service and to the Minnesota Council of Churches. In principle this presents the possibility of contacting 1,000 congregations and a population of some 250,000 church members in short order. In practice, the project has strong ties with 100 churches and some 25,000 interested individuals.

After initial placement, SHARE staff provide follow-up services at 10, 30, 60, and 90 day intervals, and at one-year intervals thereafter. Efforts at these times are devoted to helping the refugee through on-the-job difficulties and/or general orientation, and to assisting employers who encounter problems with the refugees. Revision of short- and long-term goals and plans are also undertaken if necessary.

Activities during the follow-up period incorporate a third phase that includes orientation into the world of work in general and with respect to a particular job; training in job-seeking skills; and on-the-job training if
appropriate. The last phase, an extension of the follow-up process, consists of job counseling in which matters such as health, housing, family difficulties or unfavorable work experiences are dealt with.

Between December 1, 1981 and September 24, 1982, a period during which SHARE provided employment services under contract to the State Refugee Program Office, the project placed 357 refugees in permanent full-time positions, and another 160 in temporary full-time positions. The cost per placement was $265 excluding temporary jobs, and $183 including them. In the subsequent nine-month period from October 1982 to June 1983, SHARE placed 417 refugees in permanent jobs at approximately the same cost per placement. Average refugee salaries after placement are about $3.85/hour.

The placement cost is quite low because it reflects only the salary and related costs charged to the State Refugee Program office contract. The costs exclude portions of salaries and other expenditures paid from other Church World Service funding sources, and the efforts of many volunteers who participate in the program. In an attempt to further reduce contract placement costs, SHARE is in the process of developing operational links with a number of mutual assistance associations in order for the latter to become more able to assist their own members, in collaboration with SHARE or on their own.

Outcomes

Some officers of the State Refugee Program Office regard SHARE as one of the more effective placement programs in the state in terms of the rate of placement (about 45 per month), in terms of the comprehensiveness of employment-related services, and in terms of the cost per placement. With respect to this last item, the State's goal for 1983 has been to obtain an average contract pla-
cement cost of $400. SHARE's considerably lower cost helps the state in achieving this goal.

The low costs highlight the potential advantages that a government can obtain by working with a voluntary organization that has a well-developed network of relationships through a regional congregational system. Inversely, the project also highlights how a private non-profit organization that has a well-founded refugee sponsorship project can expand its impact by offering its contractual services to a state government.

Although about one-third of SHARE's clientele are Hmong, the project also serves Vietnamese, Lao, Cambodian, Ethiopian, Afghani, Bulgarian, Czech, Polish and Cuban refugees. Information obtained from SHARE does not suggest whether the project's placement record for Hmong is better or worse than for other groups. Project staff nonetheless believe that their record with respect to Hmong is comparable to the record for other groups.
3. Plymouth Refugee Opportunities Corporation (PRO)

Plymouth Refugee Opportunities (PRO) is a non-profit corporation established in 1982 for the purpose of providing immediate income to refugees through training in essential workplace skills and job placement. By the end of January, 1983, PRO provided training to 26 individuals, and placed approximately 20 of these in full- and part-time work, and an additional six in OJT-supported positions. Support for this project has come from church funds, foundation grants, and impact aid funds.

Origins

In January, 1982, a senior employee of the Office of Refugee Resettlement's regional unit in Seattle delivered a five-minute impassioned statement about the prospects for refugees to fellow members of the Plymouth Congregational Church -- an institution which had sponsored 80 refugees up to that point in time. He invited volunteers to meet together for the purpose of exploring ways to help, and 40 people came. This group decided that it would be worthwhile to do "something," and invited experts on refugee resettlement to come and talk to the participants. At the conclusion of a second meeting, the group decided that finding jobs was the critical issue. A leader of the Hmong community was invited to join the group at a third meeting, in February, 1982, and together they formed a task force to focus on employment needs. Initial funding for the effort, $2,500, came from a 25% allocation of the church membership's annual Lenten offering.

At this time the group learned that one of the church members had earlier established a company, Magnolia Home Services, as a way for her daughter to earn money to go to school. The firm was dormant, and the task force decided that it
would be a useful framework to start the employment project. The group recruited a professional trainer to teach 12 American women about systematic, team-based, housecleaning work. Each of these women then volunteered one day each week for two weeks to serve as trainer/organizer with a team of three refugee women, and two teams operated simultaneously. A more informal arrangement involved lawn care services with refugee men. Contracts for these services derived from word of mouth advertisement through the church membership. The church also established a jobs telephone line and sent letters to 100 companies, resulting in five placements.

These efforts succeeded in generating revenue and in supporting 8-12 refugees in home and lawn care work. However, by April, voluntarism was reaching its limits with respect to the time-consuming tasks associated with running a business. The task force then put together a grant proposal to support salaries for people to run the project, and received $5,000 from a small foundation in June. Plymouth Refugee Opportunities (PRO) was established the following month.

Goals

The original objective of the project was to provide immediate income to refugees. While this remains the central focus, experience prior to July, 1982, suggested that equal emphasis be put on providing refugees with skills appropriate to the characteristics of the American work culture so that they might more readily be able to find and retain jobs in occupations other than house and garden maintenance. These skills include understanding paychecks and deductions, work schedules, how to interact with supervisors, workplace English, etc. PRO is therefore as much an on-the-job educational program as it is an income-generating one.
Characteristics

PRO is a non-profit corporation and has a 12-member Board of Trustees. Most of the Board consists of church members, and includes an attorney, an accountant and a coordinator of state ESL programs. Two leaders of the Hmong community (including one who worked for the project as a translator during initial months) also serve as trustees.

Soon after being constituted, the Board prepared a grant proposal, and in September received $26,000 in impact aid funds through the Church Council of Greater Seattle to support a training and placement program. With these funds PRO hired an executive director, a part-time lead trainer (at $5.00/hour) to continue teaching house cleaning and property maintenance and to supervise two team leader/trainers, and a job developer. The measurable goal set at that time was to place 24 refugees in full-time jobs by the end of January, 1983.

With impact aid funds PRO paid refugees $3.75/hour as a stipend for a 2-3 month on-site training program in which the practical work habits associated with cleaning and maintenance were complemented by ESL classes for two hours, three days a week. Acquisition of language skills through combined efforts in the classroom and on the job have proven successful. Education in language for the work place also focused on details of self-presentation like smiling, greeting people, answering simple questions, etc. After successful completion of this program, refugees are presented with certification forms. By the end of January, 1983, 26 refugees had enrolled in the training program, and 19 of them had received certificates indicating their preparation for entry to the world of work.

As the trainees approached "graduation" the (part-time) job developer in PRO would seek regular job placements for them, and 18 of the 19 certified refu-
gees were found full-time work. The job developer also sought out placements for other unemployed refugees, in some cases using OJT subsidy programs, as a way to open doors, and had found work for six by January 31st. PRO thus exceeded its placement goal for this last date, 24, by one refugee.

In the five-month period, September 1982 through January 1983, the project expended a total of $43,390 as follows:

<table>
<thead>
<tr>
<th></th>
<th>Housecleaning</th>
<th>Lawn Maintenance</th>
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<tbody>
<tr>
<td>Staff salaries</td>
<td>$ 5,740</td>
<td>$ 5,738</td>
</tr>
<tr>
<td>Trainer salaries</td>
<td>6,032</td>
<td>3,608</td>
</tr>
<tr>
<td>Trainee stipends/salaries</td>
<td>11,100</td>
<td>5,126</td>
</tr>
<tr>
<td>Supplies</td>
<td>455</td>
<td>440</td>
</tr>
<tr>
<td>Transportation</td>
<td>880</td>
<td>1,715</td>
</tr>
<tr>
<td>Other</td>
<td>1,037</td>
<td>1,519</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$25,244</strong></td>
<td><strong>$18,146</strong></td>
</tr>
</tbody>
</table>

In the same period, revenues from the sale of cleaning services came to $14,846, and from lawn care to $6,845. The net cost for the whole program was therefore $21,700, constituting a net training subsidy of about $840 per refugee for the five months. Average refugee stipend income was about $625 for the same period, or about $125/month. This part of PRO's operation has been successful enough that it is working at capacity without marketing efforts. PRO also has a waiting list of refugees wanting to participate in the program.

As noted above, the placement rate has been good. Of the 19 graduates, 18 had found full-time work, and one part-time. In addition, six were placed in OJT subsidized jobs. Wages received by the refugees in such occupations as clerk, nurses aide, dishwasher, food service, embroidery and landscaping supply generally range from $3.35 to $3.50/hour. One exception is seasonal tree planting/firewood cutting work that pays between $6.00 and $7.00/hour.

During the period December - February the job developer found 22 part-time and full-time jobs for refugees. His salary was $300/month and out-of-pocket
gasoline expenses came to $100/month. The effective cost of finding work for the refugees was therefore about $1,200, or $55 per placement. Making allowances for the fact that the developer actually spent more time looking for placements than what he was paid for, and that PRO carried certain overhead costs like telephone charges for his efforts, the actual figure may be closer to $100 per placement. This is relatively low.  

PRO's impact aid contract ended in March 1983. From that time until the end of June, when state funds permitted resumption of the training program for a total of 72 refugees, PRO focused on OJT efforts and in maintaining customer relations. ESL and job development were eliminated from the budget. Small foundation grants allowed PRO to continue some of its activities while it engaged in the slow process of negotiating for state funds. PRO is requesting Targeted Assistance Funds to enable it to continue its activities through March, 1985.

Outcomes

PRO has thus far demonstrated a low-cost way of teaching refugees how to become successful employees, and of following through and placing the refugees in positions of employment where they can practice what they have learned in order to generate income. The lower than average cost derives largely from an imaginative design in which training is integrated into a revenue-generating service venture. Revenues from cleaning and maintenance contracts offset program expenditures, and have cut net costs for each refugee to considerably less than what they might otherwise be.

Achieving the result has not been without its difficulties. Among American participants these included lack of experience by volunteers and their eventual
"burnout," poor initial understanding of the political structure of relationships within the Hmong community, inadequate communication with refugees after departure of a key translator, inability to replace the translator, difficulty in finding out what other assistance groups were doing for refugees, and a few angry telephone calls from individuals protesting apparent special favors granted to refugees. An early focus by PRO on cultivating good public relations, including lead stories in local newspapers, served to minimize the effect of this last problem.

Among the refugees, the major difficulties included poor communication with and understanding of Americans, overcoming fears of being laid off, being placed in positions with unsympathetic employers, misunderstandings about salary deductions, and related confusion about why net wages should vary among refugees ostensibly earning the same hourly rates. 39

Meeting government regulations concerning the use of impact aid funds sapped the energies of both Americans and refugees. Training stipends, and hence eligibility for the project had to be restricted to refugees cut off from assistance in June, 1982. This eliminated from selection a large number of individuals who might have been ideally suited to the project, and added to those selected some individuals for whom the project was not entirely appropriate.

American and refugee participants are nevertheless satisfied with PRO. In the struggle to overcome the difficulties mentioned they have reportedly learned that one key to success is to structure a project on a strong volunteer base. Little could have been done without the active support and participation of the Plymouth congregation. A second factor is to arrive at a good definition of what to do. Self-discipline and specific goals focused on doing one or two
things well very important. A third lesson learned has been the critical importance of skilled project staff who, among other characteristics, have varied technical abilities (e.g. bookkeeping, fixing a lawnmower, etc.), inexhaustible energy, and solid business sense. A final lesson seems to have been refugee participation from the outset in decisions about what would be done and how to go about doing it. While PRO may have originated as an American idea, very soon afterwards the transformation of the idea into action was accompanied by direct involvement of Hmong leadership. The project is as much a refugee-sponsored effort as it is an American one.

In the immediate future, plans call for continuation of the program as long as funds remain available to support it. In theory, the project could be shifted to a point of financial self-sufficiency by expanding the number of refugee teams, but project staff have their hands full with the present scale of operations, and may not be able to administer a larger operation for quite some time. PRO staff are, however, seeking out ways of affiliating the project and collaborating with other local self-sufficiency oriented organizations. They are looking for ways of merging efforts with others that may have functional complementarities with PRO. In the interim, PRO remains an informative example of how to combine a money-making venture with training in order to substantially lower the overall cost of securing refugee employment.
5. Montana Migration Program (MMP)

The Montana Migration Program (MMP) is an employment project that, since late 1980, has found job opportunities in Billings for unemployed refugees living in Missoula, some 350 miles away.* Organized by Lao Family Community Inc. in Missoula and Montana Association of Refugee Service (MARS) in Billings with funding of $40,000 from the State Department of Rehabilitation Services, the program has to date relocated 35 families at a cost of about $1,200/family. The project is presently receiving reduced funding, and its future is uncertain.

Origins

At the close of the Indochinese war in 1975 a steady stream of Hmong refugees began to arrive in Missoula. Their number in 1978 was approximately 300, and many were able to find work in the town (pop. 31,000), often in the forest product industries that constituted Missoula's economic base. By late 1980, the refugee population had reached 800. At the same time, however, the U.S. economy entered a decline. The housing industry was one of the most seriously affected, and with it the forest products industry and the Missoula economy. Unemployment for Americans and Hmong increased markedly. The situation of the Hmong was exacerbated by the federal government's decision to reduce refugee support from 36 to 18 months.

*"Montana Migration Program" is a name invented by the authors of this report. The program itself has no official title.
The city of Billings, some 350 miles from Missoula, was cushioned during this period from the economic decline because its economy was based on coal and oil extraction. Several Hmong leaders and American volunteers, noting that jobs were available in Billings and that few refugees lived there, proposed the idea of transferring Hmong families to the area of greater opportunities. The State Department of Rehabilitation Services (SRS) formalized the idea and proposed a planned migration program at a meeting with the Hmong in Missoula.

The proposal met with opposition from certain refugee leaders, but Lao Family Community Inc. nevertheless began to explore methods to move the Hmong, using a portion of SRS refugee service contract funding for this purpose. At the same time, Lutheran Social Services was in the process of providing resettlement services for refugees in Billings. An SRS grant to Lao Family and Lutheran Social Services in November, 1980, formalized the linkage between Missoula and Billings, and the planned migration program began. Subsequently, the Billings contract was taken over by MARS, a mutual assistance association supported by Lutheran Social Services.

**Goals**

The goal of MMP is to promote Hmong self-sufficiency in Montana by finding jobs for refugees. It is an employment program that is distinguished from others only in the sense that individuals without work in one town must move to another to secure jobs that have been found for them. The program constitutes a regional approach to refugee employment.

**Characteristics**

MMP's basic strategy is to have MARS locate job openings in Billings, and then have Lao Family match Missoula residents to them. Refugees expressing
interest in the jobs are taken to Billings to examine the employment prospect, and if committed to taking the job, are assisted by MARS and Lao Family in moving their belongings.

The program began in earnest in early 1981. An American social worker hired by Lutheran Social Services under the SRS grant found a number of job openings, and in April three Hmong toured Billings to examine them. The first to be accepted was employment on a farm east of Billings in which an elderly farmer wished to live in a nearby town and have a Hmong family live in his farmhouse. The arrangement was considered ideal by all. However, within two weeks the Hmong family left without notice, a case often recited as an example of the difficulty involved in placing families in isolated locations. Subsequently, a young single Hmong was sent to Billings from Missoula with the expressed purpose of providing a Hmong focal point for the program. He succeeded in recruiting other single individuals, but they seldom stayed long, either moving back to Missoula or going elsewhere.

The next strategy was to send an older and more knowledgeable Hmong from the Lao Family Board in Missoula to carry out resettlement activities through Lutheran Social Services in Billings, and this action proved to be more successful. In the period October, 1981, through March, 1983, the individual's diplomacy and understanding of both Hmong and American perspectives led to successful relocation of 25 families from Missoula and another 10 from other areas, constituting a total of 150 people. This excludes a number of families who, after moving to Billings, subsequently decided to relocate again to California or Minnesota.

Of the 69 job placements made for Hmong in Billings in 1982, 35% were in food service (e.g., dishwasher), 22% in public projects (e.g., CETA programs),
17% in hotel/motel service (e.g., maid and maintenance work), 6% in hospital custodial work, and the balance in industrial and other types of jobs. In March, 1983, the county welfare administration in Billings had a caseload of 18 Hmong clients, or about 20% of the adult population that had settled in the town.

MMP has been funded at $40,000 from SRS, 80% of which pays for salaries of two Hmong employees in Billings, and Lao Family in Missoula contributed another $3,200 of its own contract funding to the program to subsidize moving costs. SRS provides office space for MMP activities. Funding levels suggest an average net cost for relocation of about $1,230 per family, or about $600 per individual job placement. Allowing for the fact that moving expenses are subsidized by the program, the unit cost per placement is high but nevertheless compares favorably with other types of placement programs. The Minnesota state government's cost goal for 1983, for example, is $400 per placement without relocation.

Prospects for continuation of MMP as a formal project are uncertain. State funding of MARS has been cut back, and as a result the American social worker provided by Lutheran Social Services left in May, 1983. One of the Hmong workers is considering a move to another state. There is nevertheless now a core of Hmong families in Billings, and migration may continue to be organized by them. Only 200 Hmong remain in Missoula.

Outcomes

MMP, in a technical sense, is a job placement program that is about the same as others in the country. The only distinguishing features are that the distance between the job seeker and the job is large, 350 miles, that taking the job requires moving home and family from one town to another, and that the placement costs are correspondingly higher.
The program nevertheless highlights some of the issues associated with moving Hmong refugees to new locations. Early migrants had to be pioneers. They had to be willing to settle in an area without an established community to provide the socio-cultural support that Hmong refugees prefer. The incentive of having a job available tended to be discounted by the costs of isolation. Only with the introduction of a respected Hmong to inspire confidence could the project get off the ground and lead to formation of a core group of resettled families that could reduce the reluctance to move of other families in Missoula. The socio-cultural costs of relocation tend to be high, and constitute one of the major hurdles that programs of this type must overcome.

Another factor, very particular to MMP, has been the lineage basis of migration. The Hmong community in Missoula at the end of 1980 was largely composed of two main lineages and a smattering of other small ones. While one of the main lineage leaders actively promoted the migration plan, leaders of the other opposed it, and this led to dissension within the Hmong community that continues to this day. The effect has been that few of the migrants have come from either of the main lineages. Those who moved were from the smaller groups already marginal to the main community in Missoula, and who therefore had the least to lose in terms of community support by moving out. The older, respected Hmong who initially moved to Billings and got the program moving was not affiliated with either of the two main lineages.

MMP has therefore achieved success in helping members of smaller Hmong lineages directly, and in helping the general community indirectly by reducing overall dependency in Missoula. The bulk of the reduction, however, corresponding to the decline in Missoula's Hmong population from 800 in 1980 to 200 in 1983, has taken place as a result of migration of families to other states, and of moves of Hmong to Billings independently of MMP.40
Programs like MMP make considerable sense for refugee communities located in small towns where employment opportunities are relatively limited, and where knowledge of opportunities in other places can be obtained in a timely fashion. Lessons learned through the MMP experience, however, suggest that attention be put beforehand on the need to select early pioneers who can withstand isolation for a period, that the lineage basis of the pioneers be identified so as to make assessments of the types and numbers of migrants who might be willing to follow them, and that the internal politics of the Hmong community be attended to in order to broaden the base of support for such programs.
6. Lessons Learned

The four employment programs constitute a very small sample of the many efforts presently underway to help Hmong find and retain employment, and generalizations about such efforts are not possible. The four cases do, however, illustrate potential ways to render employment efforts more effective, and hence to permit public and private resources to assist a larger number of Hmong.

Common questions raised by the first three schemes, SHARE, PRO, and Business Cares are: What is a skill? and What is a job? SHARE, for example, takes the position that every adult has some kind of skill (e.g., sweeping, washing) that can be put to use almost immediately somewhere within its area of coverage. In SHARE it is inconceivable that a Hmong does not offer something worth paying a wage for. The main thrusts of SHARE are therefore to pinpoint the skills of each refugee on the one hand, and to use its extensive network of volunteers to identify full-time and part-time openings on the other. Having a large volunteer network helps to lower actual costs of finding each opening, but the more fundamental issue is that precise identification of Hmong skills permits identification of more opportunities that might otherwise be possible. There is almost always work available somewhere.

Unlike SHARE, which provides follow-through counseling and training after a Hmong is on a job, PRO works on the assumption that some training of Hmong for the work environment is required prior to specific job placement. Simple technical skills like housecleaning and lawn care need to be refined and adjusted to the demands of potential employers. This training-first approach is not uncommon, but it is often costly. PRO distinguishes itself by combining training with income-generation, implicitly agreeing with SHARE that at least some people
are willing to pay for the work of refugees immediately. The quasi-business
approach does not generate enough revenues to cover all costs, but it does
substantially reduce the net cost of the program. PRO and SHARE both emphasize
the need for adjusting Hmong to their work environments, and only differ with
regard to whether the effort takes place before or after a job is secured.

Business Cares works as a complement to ongoing employment efforts of
Wisconsin Jobs Service. It sells the idea of hiring Hmong to the most relevant
audience in the business community - corporate leaders and decision-makers.
Business Cares is essentially a flip-flop of PRO. Its proponents argue that the
issue is not so much the skills of the Hmong, but rather appreciation by
employers for the attributes of diligence, hard-work and honesty that the Hmong
will bring to their jobs. Most businessmen do not realize what they are getting
by hiring a Hmong, and a first priority is to sell them the "attributes" as
"skills".

The efforts of the business community can yield different kinds of results.
Rotary Club expenditures of $3300 for the Hmong American Craft Company,
described earlier in Chapter V (section 3), have yielded two jobs during the
past year. Business Cares has opened over 100 jobs for approximately the same
amount of money. Both Business Cares and SHARE distinguish themselves by
focusing much less on the Hmong and much more on making the openings available,
and their results suggest that this approach can be more fruitful than worrying
too much about whether a Hmong does or does not have a pre-defined type of
skill.

Since April 1982, large numbers of Hmong have migrated across the country,
particularly to California. The movement took place without concrete attention
to whether or not the Hmong would have work available for them once they reached
their destination, and some have since discovered that they were better-off financially before they moved. In this context MMP provides an example of an alternative method of changing location - one that is more orderly and that can promise work and income after migration. It shows that orderly movement is possible within a state, and that it can be obtained at a not unreasonable cost per placement. The basic contribution of the MMP experience, however, is to illustrate the utility of a regional approach to employment when jobs in one locality prove very difficult to obtain.
VII. CONCLUSION

In economic development what is important is material gain. Within limits set by culture, it does not much matter how the gain is achieved, so long as it is achieved. No particular approach is sacrosanct. Any effective combination of approaches will do. Nothing, for example, should constrain a Hmong family from earning $7500 a year by having one adult in full-time work at minimum wage, $1000 from elders and children working in a gardening venture, $500 from sale of home-produced crafts, $2000 from part-time factory employment, and perhaps $1000 from home dressmaking and alteration services. There are many ways to accumulate $12,000/year, and an essential strategy for promoting self-sufficiency demands simultaneous promotion and improvement of all these ways in order to maximize opportunities for families to take advantage of them. This strategy is particularly appropriate for Hmong because of large family size and low adult earning capacities (i.e. minimum wage level) to support large families.

Sewing projects, for example, serve the needs of women who are unable or unwilling to enter the regular job market, but who are willing to work at home making traditional crafts, novelty items or providing alteration services. Approximately 1800 Hmong women earn an average of around $240/year in the twenty-eight projects identified earlier and, with others who sell independently of the ventures, may be bringing approximately $500,000/year into the Hmong community nationwide.

While creation of a substantial market for sewn products in five years is significant, acceleration of growth will depend on the number of projects that decide to make income maximization their primary goal. Projects that choose to move in this direction appear to require strengthening in two broad areas.
The first of these areas is marketing capacity, including constant research and development for new products and services that can expand customer bases. Product diversification has thus far focused primarily on novelty items that contain Hmong design elements. It may become necessary to place more attention on the items themselves and less on whether a design is particularly Hmong or not. Consumer tastes vary and, if marketing is based only on a particular ethnic pattern, then, like all fashions, consumer interest will eventually dissolve. Designs change quickly with time. Americans and Hmong should become aware that, with certain exceptions, it is the sewing skill that has enduring value for income-generation, not a particular style of applying that skill.

In this context, a project might consider placing more emphasis on sewing services. Besides custom contract alterations, dressmaking or tailoring, opportunities may exist in some places for sub-contracting of assembly and finishing work. Competition from overseas usually prevents long-term contracts, but short, quick turnaround services are often what keep U.S. sub-contractors in business. Some Hmong are unwilling to work in this way, but others may be. Unfortunately, many of these last are not yet able to handle the simple machinery that such work demands and training in the use of sewing machines, perhaps in collaboration with vocational schools, would seem worthy of consideration. This skill is one that women can apply in work done at home, and can serve them well if they should eventually opt for factory work. Familiarity with machinery may, for example, open doors to employment in electronic component assembly.

The second area requiring strengthening in projects that wish to maximize income is financial structure. Marketing, research, equipment acquisition, etc. require investment, and most sewing projects at present earn only just enough to meet daily expenses. Searching for grants may help, but this is an unpredic-
table source of capital. Bank borrowing is currently almost impossible. The key to generating investment capital is to accumulate savings from sales, but many Hmong producers are unwilling to hand over greater margins than the present 15-25 percent, and many Americans are unwilling to ask for more.

Among Hmong women, however, there are entrepreneurs who are willing to lower their present income in favor of investing in a way that can generate higher income later. There are also Americans capable of convincing Hmong that taking such risks can be worthwhile. A prototypical project with, say, eighty participants who each agree to hand over 20 percent of their present net earnings, or about $50 on average for one year, can provide a venture with $4,000 that can be used productively in a number of ways, including materials, advertising, machinery, and qualified consultants.

For Hmong, particularly the women, sewing projects can provide multiple potential opportunities to earn money, to learn new sewing and business skills, and to develop their entrepreneurial capacities. The pace at which these potential opportunities become actual, however, will depend on the pace at which projects decide that creation of the opportunities is of primary importance, and the speed with which these projects find means to strengthen their marketing and financial characteristics.

Less can be said about farming projects. In several of the seasonal gardening ventures Hmong families have proven themselves quite adept at growing vegetables, saving themselves anywhere from $100 to $700 or more in retail food costs, with relatively limited need for American assistance. Hmong seem to come better prepared for this type of activity than most Americans, and good starts in one year often breed expanded efforts in the following year. Sometimes the projects form part of extension service programs already in place and available
to all residents of an area. Sometimes they are special projects.

Increasingly, they are becoming independent efforts by one or a group of families who find land parcels on their own. In most cases revenue exceeds the costs of producing it, though in at least one instance, in St. Paul, a combination of many paid staff and insufficient rainfall, caused an expenditure of $50,000 to yield $35,000 in produce.

These types of projects, especially when costs are kept reasonable, are nevertheless excellent ways for families to generate supplementary income. Harder-to-employ adults can find a way to contribute significantly to family income, and the presence of children in each family helps immensely when labor demands for weeding, planting and harvesting of vegetables are high. Properly done, a one-quarter acre lot can provide up to $1,000 in retail food cost savings during a season. Sale of some produce can also provide a bit of cash income.

Projects that aim at complete family self-sufficiency are much harder to assess because they are too new, and because current examples cannot be viewed as typical of what may be possible. The Minnesota Agricultural Enterprise, for example, with $260,000 of its $472,000 initial budget derived from federal funds, does not seem a likely candidate for replication when present beneficiaries number only thirty-five families. The Indochinese Farm in Seattle, which in two years has put together $130,000 in grant funds to assist a dozen families on twenty-two acres, is also atypical. Grants of $11,000/family are not easy to generate.

At the moment there would appear to be a gap between seasonal gardening projects and the large-scale investment approaches noted above. One reason for the absence of self-sufficiency farms of more moderate scale may be that Hmong
and Americans have not yet accumulated the capital, skill, and marketing networks necessary to assure high revenues from crop sales.

Vegetable and fruit production, for example, potentially provide the highest return per unit of land in the midwest, and require the least amount of investment to start if a family leases equipment. Without major equipment, a Hmong family may be able to work five to ten acres. With some form of irrigation on at least part of the land, the family will need to invest at least $1,000/acre, or $7,500 for 7½ acres. If the family has wholesale contacts and chooses crops wisely, it may be able to generate sales of, say, $2,500/acre; or a net income of $11,000. Assuming the first $7,500 took the form of a one-time loan or grant, $7,500 must be set aside for the next year. The family cannot live on the remaining $3,500 and must, like many small American farmers, look for other work in the off-season. Alternatively, with retail distribution contacts, the family might be able to sell $4,000/acre, net a total of $22,500, set aside $7,500, and still have $15,000 to live on.

Simple as this may appear, Hmong face the problem of finding the first $7,500 and developing retail market contacts. Moreover, farming is risky, and few families are presently entrepreneurial enough to risk all on weather and price fluctuations. Evolution of small, self-sufficient farms will therefore take time. Capital will, of necessity, have to come from savings, and hence the future of Hmong farming depends on their ability to find work. Agricultural and marketing skills will develop through training programs and through continued Hmong participation in vegetable gardening schemes that gradually expand over time. Speedier results may be obtained from the larger projects described above, but for fewer refugees. The suggestion here is that small vegetable gardening be viewed as the precursor of larger undertakings, and that whenever
there is an interest and a possibility, efforts might be made to gradually upgrade all or part of the gardens to full-fledged commercial ventures. Spread over time, this does not cost very much, does not involve great risk, and continues to provide benefits to Hmong in the form of in-kind and cash income.

The challenges faced by sewing and farming projects are not dissimilar to those facing grocery stores and other enterprises. Store owners and managers, recognizing their own limitations, have noted the need for strengthening of their abilities to plan, manage, choose appropriate sites, develop purchasing and merchandizing strategies, etc., and their desires for some forms of financial and technical assistance. Notwithstanding these self-perceived limitations, the 40-odd stores and other enterprises are currently providing sources of livelihood for perhaps 200 workers and owners, for the most part at income levels at or above the minimum wage. Only two of these ventures existed in 1980.

These establishments, whether embryonic or clearly successful, are survivors. Some current ones may fail, but new additions are likely to increase the number of Hmong businesses in operation. Besides income, the enterprises have provided many members of the Hmong community with model "success stories" that serve to encourage entrepreneurship and to reinforce the notion that Hmong can be successful in the United States.

Remarkably, only five of the businesses have received informal technical/managerial assistance from individual Americans. Most others have approached agencies like the Small Business Administration in search of help to overcome their managerial limitations, but have thus far failed to obtain concrete responses. This is unfortunate because the grocery stores, for example, are providing income savings to many families. The savings can increase by means of
assistance which speeds up the process of learning about how to run the business profitably, and which thereby increases the probability of more Hmong entrepreneurs generating savings and launching themselves into business pursuits, including more grocery stores to serve more families and other enterprises to generate employment.

While the various enterprises and projects described in this report have important roles to play in promoting Hmong self-sufficiency, for the present, and at least for the immediate future, the pace of self-sufficiency will most likely be determined by the speed with which Hmong are able to find work in the job market. This would seem to be the probable case not only because wage employment is the dominant source of household income in the U.S., but also because it is the primary source of savings required for investment in new or expanded sewing projects, farming ventures, grocery stores and other enterprises.

Information obtained on the four employment projects described in Chapter VI is insufficient for the purpose of measuring cost-effectiveness. Each project does, however, highlight one or more key aspects that seem to make a difference in the process of linking unemployed Hmong with jobs, and hence in the process of promoting self-sufficiency. Business Cares, for example, underscores the utility of bringing high-level corporate involvement to bear on the problem. Project SHARE highlights the potential advantage of working projects through a well-established and extensive regional network of congregations and volunteers. Plymouth Refugee Opportunities suggests that there may be advantages in training Hmong to function comfortably in a general work environment before placing them in regular jobs. The Montana project suggests that a regional approach to dealing with unemployment may sometimes be quite helpful. These aspects hardly
exhaust the possibilities that may exist in different locations for designing creative and innovative employment schemes. The projects do, however, highlight the importance of creativity and innovation in putting together such schemes.

A common theme that cuts across all the project and enterprise experiences is learning. Almost without exception Hmong and American project designers, managers, entrepreneurs, advisors and participants launched themselves into ventures that were new to them. Some may have come well prepared as a result of prior training and experience to deal with new circumstances, but the majority did not. The Hmong, obviously, had only minimal levels of exposure to the basics of income-generation within the confines of U.S. society. More pertinent was the extent of unpreparedness of Americans who have tried to help the Hmong; not so much with respect to working with refugees - American-Hmong collaboration is relatively new - but rather with respect to crucial aspects of making ventures financially viable. Whatever the good intentions of Americans may have been at the outset of each undertaking, a great number of them knew little about analyzing a market, creating a niche within the market, merchandising, minimizing costs, using appropriate techniques, setting clear goals, preparing plans and contingencies, and so on.

That many Americans were not in good positions to help the Hmong is not surprising. Only a very small proportion of Americans engage in enterprise, including farming. Most are employees, and therefore do not understand what it takes to sell textiles, farm, or run a grocery store. Moreover, the Americans who have involved themselves with Hmong are disproportionately represented by individuals with social service backgrounds of one kind or another rather than business backgrounds, and who came into contact with Hmong through resettlement service programs.
Recognition that experience and knowledge was in short supply at the start of most ventures, including those that are just beginning now, yields two very broad conclusions. The first is that the errors and misunderstandings that may have characterized design and execution of projects constitute reference points in a difficult process of self-learning. The mistakes are by themselves unimportant. What is important is that project participants learn from errors so that they do not repeat them, and learn from successes so that they press these last into service again. In this regard most of the projects and enterprises reviewed in the course of this study are good examples of learning by doing. Few of them justify a clear-cut ascription of success in promoting self-sufficiency, none have been around long enough to warrant a judgement of this kind, but most project participants believe that they are at least moving in the right direction. The ventures that exist at present provide a basis for optimism about eventual success.

The second conclusion is that while learning from experience is mandatory, it is not the only way to proceed. If project organizers recognize their own limitations with respect to launching an enterprise, then it should follow immediately that the first order of business is to locate and recruit assistance, paying if necessary, from people who have the experience and qualifications that project organizers do not. This should be obvious. What is not so obvious, and what is noticeable only by its absence in almost all the ventures looked at, is that the task of locating and recruiting the necessary people is in and of itself an activity that demands skill and experience. Many Hmong and Americans do not yet seem able to accurately pinpoint their own limitations, and are hence unable to describe the kinds of help they need. When they can specify the assistance required (e.g. grant writer, fund raiser, board developer, management
designer, vegetable expert, textile salesperson, etc.), many are at a loss regarding how to find it. If there exists a compelling need for particular kinds of training to help Hmong and Americans help themselves, then one of them is certainly on-the-job training in how to harness locally available human resources for the benefit of a project and its participants.

As a start, the best sources of information about starting and operating projects and enterprises, and about cultivating resources to help with them are the individuals whose names, addresses and telephone numbers appear in Annex B. To greater or lesser degrees, all of them can speak with voices of experience. Beyond these people and the contacts that they can suggest, there exist many kinds of documents available in public libraries that can assist in at least providing names of individuals and organizations to write, telephone or visit. The Foundation Directory, published annually by the Foundation Center, for example, provides a lengthy list of potential contacts. More locally, many states and cities produce local resource guides that also have names. Annex C, for example, contains an extract from a recently published guide to Minnesota small business assistance organizations. The list is not comprehensive, but it does provide a place to start. In many instances the individuals listed in such guides will not be helpful, but the key to success in these efforts, as in business, is constant pursuit of the task. As one of the people we talked to during site visits said: "It costs little or nothing to ask. Everything depends on the answer, not the question."
EPILOGUE

Many types of economic development and employment projects are intrin-
sically unstable over time. Their characteristics change significantly from
month to month, from week to week, and even from day to day. Much of what we
learned about projects between November, 1982, and June, 1983, became obsolete
by September. Our attempts to update in September then became superannuated by
December. As this report takes final form in March, 1984, some last-minute
information seems worth reporting.

The three sewing projects that we visited are, reportedly, to one extent or
another still functioning. While we have not been able to determine if any of
the other 25 projects closed down, several new ventures that earlier took the
form of ad hoc group sales at street-fairs and churches, or as training
programs, have now set up shop as formal establishments. The sewing/craft busi-
ness remains active.

The larger-scale farm projects have had mixed results. The Asia Farm in
Des Moines tripled its 1982 sales in 1983, and earned somewhere in the neigh-
borhood of $36,000-$37,000 for the season. The Indochinese Farm near Seattle
also improved markedly over 1982, generating over $42,000 in sales. Both the
Hiawatha Valley Farm and the Minnesota Agricultural Enterprise were dedicating
themselves to securing additional external financial support. In the latter
project participants actually did produce about $200,000 worth of vegetables,
close to original estimates of $234,000, but were unable to sell more than
$80,000. Shortages of funds and equipment, communication difficulties between
project staff and refugees, and the inexperience of both groups in this type of
venture caused 60% of the crop to remain unharvested. Participants are con-
fident that their learning from the first year's experience will help the project meet its targets in 1984 - if adequate funding becomes available in time.

Interest in agricultural undertakings has expanded greatly across Hmong communities, and the Federal government plans to help each of 12 additional communities in eight states launch supplementary-income oriented projects with funding amounts ranging from $5,000 to $60,000 in 1984. Independent farming has also taken hold, especially in California's central valley, where several hundred Hmong families are cultivating small parcels. Some are losing money in these undertakings while others are earning income. Unfortunately for many of the latter, proclivity for saving is not strong. A part of net earnings that might be usefully set aside for reinvestment in their leased parcels (e.g. seed, fertilizer, equipment), has had a tendency to become consumed in such purchases as automobiles, or to become lost through clan-organized investments in grocery stores where costs exceed revenues. Some Hmong leaders have not yet realized the full significance for self-sufficiency of a $1,500 investment in agriculture that can yield a net return of $1,500, compared to a $1,500 investment in a grocery store that, at best, might provide a net return of $150.

Grocery stores, as suggested above, continue to crop up whenever the Hmong settle in large numbers. We have received a report of 12 stores in the Stockton-Fresno area. If accurate, this would constitute a massive increase over the number, one, in existence in June, 1983.

Development of other types of enterprise has been slower. While the restaurants and the security agency are still moving ahead, with the latter hoping for a $40,000-$50,000 profit by the end of 1984, Company A, Company B and the jeweler are not much further along than in mid-1983. They may, in fact,
have ceased operations entirely. The United Lao Development Corporation has reportedly decided to get out of the supermarket business, and to focus its energies on the profitable wholesale distribution component of its activities. Indeed, the involvement of Hmong in agriculture seems to be developing forward linkages to marketing enterprises. One group of Hmong, for example, have invested in a vegetable marketing enterprise near Fresno. While sales have been inadequate to pay salaries thus far, the undertaking seems to be able to provide Hmong families with a ready outlet for their produce, to sell the produce, and to take a large enough commission to pay for recurrent, non-salary expenses.

Among the employment projects, the Montana Migration Program has wound down. Business Cares continues its activities, but, reportedly, with somewhat less energy than in the past. Plymouth Refugee Opportunities (PRO) ran into difficulties with the state's refugee office related to funding and to meeting the latter's service contract performance criteria. In January 1984, PRO terminated its yard maintenance program, and was in the process of deciding whether or not to continue with the housecleaning program.

While the records of some projects have fallen short of their participants' original expectations, the continuing dynamism of the whole Hmong self-sufficiency enterprise across this country remains encouraging. Shortfalls in achievement by individual ventures, though often unfortunate, do not constitute useful reference points for assessing overall movement towards the self-sufficiency objective. What is important is continuity and expansion of effort and, as the foregoing is meant to suggest, the effort is continuing and does seem to be expanding in novel directions. Hmong, and the Americans who are trying to help them, still have every reason to be optimistic and confident about eventual outcomes.
1The sewing ventures contain approximately 2300 refugees in total. These include about 1800 Hmong women in perhaps 1000 families. Farming projects contain 230 families, and other enterprises may touch another 100 families. Without duplication, the total may represent 1300 families, or twelve percent of the Hmong population. Assuming duplication and no more than 1000 families, the proportion might be of the order of eight percent. These estimates are essentially quite conservative.

2Some projects reported annual expenses, while others reported for only part of the year. For purposes of comparison, data from the latter were annualized in Table 3 to show an estimate of what the project might have spent and sold over a twelve month period.

3The Refugee Women in Development Project of the Overseas Education Fund has produced a report: Artists, Artisans, and Entrepreneurs: Diversification in Refugee Women’s Textile Enterprises in the U.S. (July, 1983), which provides a comprehensive general overview of major sewing enterprises in the country. Readers interested in this subject are encouraged to obtain a copy of that report.

4The math classes were open to all refugee women, and there were eight others who attended but who did not work in the store.

5Street fairs provide seasonal income that is not matched during the rest of the year. Sales of $4,800/mo. cannot be sustained throughout the year in the short run. A figure of $2,000/mo. on average may be a better approximation of future performance over the near term.

6The third prong is a Lao weaving project aimed at preserving traditional weaving skills. It involves the purchase of looms, salaries for refugee weavers, and sale of the textiles. Funds for this project are available, and the Alliance is looking for an individual to serve as its director.

7IDMP’s half-time consultant left the project in May, 1983. Her responsibilities were thereafter assumed by the director of the Lotus Folk Art Center.

8The IDMP is housed in the Lotus Folk Art Center and does not pay rent.

9The outlets presently apply mark-ups of 30% on items selling for less than $100, 20% for items between $100 and $200, and 10% for items selling at more than $200.

10VOICES is a non-profit community service organization of the Saints Church. In addition to the farm project, programs include an ESL program, job placement, and life needs services (e.g., training in sewing and cooking, in use of public services, in shopping, in accessing health services, etc.).

11Support for VOICES projects, such as the farm, largely comes from Outreach International, a Latter Day Saints-related organization based in Independence, Missouri. The primary focus of Outreach International has been the promotion of self-development projects in less developed countries.
These figures exclude transportation provided by VOICES for workers between the city and farm each day. The cost of the service may have been around $1,000 in fuel and depreciation.

In some respects the hand planting requirement was a double-edged issue. While it increased the cost of the project, it also provided additional hours of work for many refugees. In a cooperative venture, which the AFP is not, a part of total profits can be distributed to workers so that they can capture a part of the savings involved in using a planter. In the case of the AFP, the extra cost of the project was an extra short-term benefit to the workers.

The average is calculated by dividing $14,574 in wages and salaries by 250 workers.

Pike Place Market, in downtown Seattle, is a center of attraction of historical and touristic interest on the waterfront. It contains shops and restaurants, and also provides stalls for sale of crafts, and for sale of fresh produce by independent farmers.

The Board is a 501(c)5 organization. This type of organization provides advantages to a project by permitting it to receive tax-deductible donations, to apply for foundation/corporate grants, and to appeal to the voluntarism of Board members.

The title of site manager was a misleading indicator of the qualifications of the individual concerned. A trained anthropologist, she was of midwest farming origin and worked in the U.S. and overseas in community and small-scale agricultural development programs. Among other things, she was also a qualified farmer. The inability of IFP to assure her a salary except on a month to month basis, caused her to leave the project in March, 1983.

Staff was seconded from the Commission on Asian American Affairs.

This theoretical level of production is based on year-round intensive production of ten vegetable crops, some producing four harvests/yr., and a significant proportion of sales to direct outlets at retail prices. It is not a practical objective.

The distinction between capital-intensive and labor-intensive farming relates to the relative proportion of labor and machinery used on a farm. A 1,000 acre farm, for example, can be run by a single family using a lot of machinery and only a small amount of labor (their own plus some hired help from time to time). The farm thus supports only one family and a few seasonal workers. The same farm can also be run by as many as 200 families using very little machinery. This is labor-intensive farming. Resources that would have been used to buy machinery are used to pay for family and other labor. Each type of farming usually involves production of different types of crops in the U.S. Corn is, for example, most easily harvested with machines. Raspberries must be harvested with hand labor.

About 17 refugees who had expressed interest in agriculture were approached by SRP volunteers to see if they wanted to join the training program. After assurances of continued support by welfare agencies through WIN and CETA programs, 10 of them decided to pursue their interests and take part in HVFC.
These include sweet corn, onions, leeks, shallots, cabbage, broccoli, cauliflower, brussel sprouts, chinese cabbage, herbs, peas, beans, okra, cucumbers, carrots, tomatoes, peppers, zucchini, and beets. The term "specialty" is a local label used to define a group of vegetable crops that constitute only a small portion of agricultural production in Minnesota - a state dominated by production of cereals.

Different crops produce different levels of revenue per acre. Corn yields perhaps $250/acre, and tomatoes $4,000/acre. Thus a single acre can provide a family with $250 from corn, or can provide the same amount to each of 16 families with tomatoes. Specialty crops generally produce more revenue per acre than cereals, and hence can support more families.

Accommodations on the farm are restricted. The refugees are presently assisting in construction and reconstructing farm structures for residential purposes - and thus receive some practical training in construction, plumbing and electrical work as well.

A feasibility study that preceded purchase of the farm was carried out for SRP by the Wisconsin Extension Service.

The co-managers will provide assistance to each family in growing and selling crops and hogs produced on family parcels, and the cooperative will also provide necessary inputs to help each family get started. The farm itself thus has two components. The cooperative component generates basic cash flow to keep the farm going with family labor help. The individual parcels provide a basis for families to generate independently determined income.

The information in the table refers only to the training components of MAENA. It excludes activities of the cooperative, and of the revenues and expenditures of the refugees who join the cooperative. This is the reason for the apparent decline in production sales revenue, number of families, and acreages in use during 1984-87.

The wife worked for the manufacturer to learn the trade before taking on supervisory responsibilities for Company B.

The owner's experience as a social caseworker assisted him in selecting employees with a view to their public assistance status. Most workers hired were those not receiving public assistance (although some were collecting unemployment insurance benefits). Those on welfare were hired for periods not exceeding the allowable maximum. In some cases, the owner assisted a few refugees in coming off welfare when it was clear that this decision would benefit the family in question.

The distribution process involves direct and indirect sales. The former process requires ULDC to buy goods, store them in its own warehouse, and then redistribute them. In indirect sales, as in the case of rice, ULDC's purchase is sent by the supplier directly to ULDC's customers.

This individual graduated with a B.S. from the University of Montana prior to returning to Laos in 1974. He returned to Montana in 1975 and pursued
a graduate program in accounting. In 1977, he moved to California and worked for the Orange County Social Services Department until September 1979. From September 1979 through March 1981 he worked as an accountant in the computer industry. Upon establishing the Agency, he then worked as a security guard to gain the experience required for state licensing purposes, and to learn the business.

32 The study did not obtain data on job-retention rates for the employment programs. Therefore, the figures for placements and placement costs do not necessarily suggest comparative program effectiveness.

33 A Church Council of Greater Seattle report in May 1983 noted that average on-the-job training costs were $1,078 per placement, skill training costs were $1,825 per placement, and direct placement costs were $437 per job. PRO’s cost of approximately $850 for training and placement is less than these average figures.

34 An early exception involved housekeeping workers in a motel chain. Some refugees became frustrated at the speed required in room cleaning, and at the variability of working time. With respect to this last, for example, on some days no more than two hours of work would be required. These types of difficulties have since been resolved.

35 One catalyst for this marketing effort came through informal contact by BC participants with Northwest Educational Cooperative’s (NEC) “Project Pride.” With a grant from the Office of Refugee Resettlement, NEC had prepared prototype promotional materials to encourage businesses to hire refugees. The particular materials were not suitable for BC purposes, but the idea of marketing was.

36 Promoters of BC are not exclusively concerned with refugees. A project called “Senior Achievement” is presently being thought about. The idea is to put retired and elderly Americans with business, accounting, sewing and marketing skills back to work through establishment of a used/recycled clothing store catering to low-income demand. Some of these individuals may also find work in assisting new small-scale entrepreneurs, including refugees.

37 Stimulating demand from church members was done in order to avoid potential charges from other firms regarding unfair competition.

38 See note 33, above.

39 Some refugees, for example, could not grasp quickly the fact that individuals with larger families paid lower income tax rates.

40 In July, 1983, for example, a leader of one of the main lineages moved 40 Hmong to Billings. He plans to start a produce distribution enterprise employing members of his lineage.
ANNEX A: METHODS

Execution of this study followed a sequence of three steps. The first was identification of all economic development and selected innovative employment projects to be covered by the study. The second was selection of cases for in-depth on-site examination. The third was implementation of site visits and gathering information for the remaining projects and enterprises.

Identification

At the outset of the study, Lao Family Community, Inc. (LFC) in Santa Ana, one of the Hmong Resettlement study sub-contractors, contacted its affiliated mutual assistance organizations around the country to prepare an initial list of farming projects, grocery stores and other businesses. This base list proved to be quite comprehensive. Subsequent calls to ORR Regional Offices, State Refugee Coordinators, and Hmong leaders not contacted by LFC added only a very few projects to the list. The greatest difficulty encountered was keeping track, on the one hand, of new ventures that began between October 1982 and September 1983 and, on the other, of those that were discontinued in the same period. The Refugee Women in Development Project of the Overseas Education Fund was kind enough to share its relatively complete list of sewing ventures in mid-1983. While the list of projects and enterprises in this report may not be absolutely accurate, we believe that it is quite comprehensive as of September 1983.

Employment projects were not to be identified in their entirety, nor did the study's purpose include identification of all innovative ones. The ORR asked us to look at the Montana Migration Program, and then to seek out a few more exemplary projects elsewhere. For this we relied heavily on the recommendations of State Refugee Coordinators and members of the Hmong Resettlement Study team who were conducting community case studies in various parts of the country.
Selection

Technical and logistical criteria determined the particular ventures that we would examine on site. With respect to the first, we originally wanted to find ventures that were clearly successful, and this seemed to mean projects and enterprises that were still operational two to three years after starting. We quickly discovered that this would be impossible because only a handful were operational that long. We therefore used a list of basic questions (see below) to give us preliminary information about type of project, organization, number of beneficiaries, availability of information and assessments of success. The information that we obtained suggested that it would be appropriate to select projects in a way that would cover the full spectrum of project types (i.e. sewing, farming, grocery stores and other enterprises), that would cover a broad range within each type (e.g. in sewing, from traditional craft marketing to dressmaking), that would provide maximum useful information from each case, and that would reflect activities taking place under different conditions in various parts of the country. The list so derived was lengthy.

Logistical criteria pared the list down to manageable size. Funds could only support a limited number of site visits, and so each visit had to provide several case possibilities. A trip to Seattle yielded three cases, another to southern California provided four. Short trips to Wisconsin, Iowa and Montana each provided one case. Minnesota, home base for the economic development component of the study, generated five cases. More could have been selected in Minnesota, but that would have biased the selection overly much in one state. Two other studies were prepared on the basis of site visits by members of the Community Case Study teams for their own purposes. Their inclusion in this report seemed appropriate. The remaining five studies were the fortuitous result of excellent telephone conversations carried out by Ms. Diana D. Bui. Her objective was simply to obtain general information to be used for overview
purposes but, as it happened, in five cases of particularly interesting ventures she was able to obtain enough information to warrant inclusion as case study vignettes.

**Implementation**

For in-depth analysis purposes we adopted what in the field of evaluation research is sometimes referred to as "utilization-focused qualitative evaluation." The methods aim at assessing and understanding the formal and informal dynamics of project operations in a manner that is immediately useful to direct and indirect project participants, and also to interested outside observers.

The analytical process involved constructing case studies or histories for each project. The first step in this process required assembly of the raw case data, which consisted of all the information collected about each particular project. The second step was construction of a case record. This was a condensation of the raw data that organized, classified and edited basic information into a manageable and accessible package. The third step was preparation of a case study narrative. This was the descriptive portrayal of a project, enterprise or program that contained all the information necessary for a reader to understand the history, present status and planned directions of each project. The material was presented chronologically and thematically, in sections corresponding to the order of issues discussed during on-site and telephone conversations, (i.e., origins, goals, organization, operational and financial characteristics, social factors, outcomes, and lessons learned). For the purposes of protocol, participant consensus, and accuracy, the narratives were sent back to respondents for review and comment prior to preparation of the final case histories.

While the in-depth case study analysis was underway, Ms. Diana D. Bui contacted all other projects and enterprises to generate further information.
Using two similar lists of discussion issues, one for agricultural projects and the other for the remaining ventures, she compiled a basic data sheet for each undertaking. The information she was able to obtain by telephone was more often than not considerably less than we hoped for, but was nonetheless more than adequate for overview purposes. Tables 1-7 in the text are based on the information she obtained directly, or indirectly from the Refugee Women in Development Project of the Overseas Education Fund.
Basic Questions on Economic Development and Employment Projects

1. Name, address and phone number of the enterprise/program/project.

2. Type of project (e.g., retail sales, restaurant, import-export, repair services, business services, manufacturing, agriculture, livestock, etc.)

3. Year and month of initiation.

4. Organizational form of the project (e.g., individual or family enterprise, cooperative, group or collective project, etc.)

5. Participants/beneficiaries involved.

6. Availability of economic information about the project.

7. Address and phone number of key contact(s).

General Lines of Inquiry for Case Study Discussions

a. Origins

- Who had the idea for this project, and when?
- Was the idea a response to a particular problem?
- How did the idea progress from the time it came up until a decision was made to actually start the project?
- Were many different people or institutions involved?
- Was more an idea of the Hmong Community, or more the idea of somebody else who presented it to the community?

b. Goals

- What is the overall goal or objective of this project -- in the short and long term?
- Are there more specific subgoals as well?
- If so, what are the subgoals?
- Are these goals and subgoals realistic or practical?
- Can this project achieve these objectives?

c. Organization

- How is this project organized?
- Is it a family business, a corporation, a cooperative, etc.?
- Why this particular form of organization?
- How does this kind of organization help achieve the goals mentioned earlier?
- Is help from outside the project available and, if so, what kinds of help?
- Are these sources of help from Hmong people or from others?
- Is this volunteer help?
- Is the help really helpful?
- Does the organization work well?
- What kinds of problems have there been?
- What kinds of changes are planned in organizational structure?

d. Operational Characteristics

- How does this project work?
- Did it receive money to get started?
- Was it a loan, a gift, an investment venture, or own funds?
- How much was required to start the project -- and what was the money used for?
- What are the project's assets right now?
- How many people work in the project now, and last year?
- How many are paid full-time or part-time?
- How much do they get paid per day/week/month/hour?
- How many days/weeks/months do they work per?
- How many partners/coop members share in the net revenues of the project?
- On average, what did each obtain last week/month/year?
- Where are inputs obtained?
- Are there problems getting the inputs?
Operational Characteristics (continued)

- How much is bought per period?
- Where are outputs sold?
- How much is sold?
- What are net revenues per period?
- Are sales good or bad?
- Why are they good or bad?
- How can sales increase?
- Is help from outside available to improve products/sales?
- In general, what are the most important things that permitted the project to do as well as it is doing right now?
- Can other Hmong people in other places do the same?
- Is there anything else about the project for other Hmong people to know?
IDENTIFICATION AND DESCRIPTION OF AGRICULTURAL PROJECTS ACROSS THE U.S.

1. Name/address/contact person & title/telephone

2. BACKGROUND/HISTORY
   a. Whose idea?
   b. Start-up date/time in operation
   c. Response to what need?
   d. Community planning process?
   e. Market analysis/feasibility study?
   f. Sources of outside technical assistance?

3. GOALS
   a. Short term/long term
   b. Change over time

4. ORGANIZATIONAL STRUCTURE
   a. Sole or group proprietorship/# of participants
   b. Partnership/# of investors
   c. Corporation/chapter

5. MANAGEMENT STRUCTURE (note if not all Hmong)
   a. Board
      (1) Affiliations of Board Members
      (2) Roles & responsibilities
      (3) Committees of Board
   b. Staff
      (1) Paid technical manager/salary
      (2) Paid marketing specialist/salary
      (3) Paid trainer(s)/salary
   c. Farmers/trainees
      (1) Voluntary/#
      (2) Stipend/# & rate
      (3) Piecework/# & rate
   d. American volunteers (#/hours given)
      (1) Areas of expertise
      (2) Tasks performed
      (3) How recruited?

6. TRAINING AND TECHNICAL ASSISTANCE RESOURCES
   a. Cooperative Extension
   b. Soil Conservation Service
   c. FmHA
   d. Local Ag School/graduates
   e. 4H or FFA
   f. Local/retired farmers
   g. VISTAs, PCVs, other
   h. ORR network
   i. Volags/social service agency
   j. Public Assistance Agency (welfare)
   k. Lawyer, accountant, journalist, proposal writer, politician

7. PROCUREMENT
   a. Land
      (1) Donated acreage/source
      (2) Leased acreage/cost per acre
      (3) Purchased acreage/cost per acre
   b. Number of families participating
c. Production supplies
   (1) Seeds/seedlings/offspring
   (2) Fertilizer/pesticides/fodder
   (3) Tools and equipment

d. Soil characteristics

e. Availability of water

f. Transportation
   (1) Farmers/trainees
   (2) Produce to market

8. MARKETING
   a. Individual family consumption
   b. Roadside stands/farmers markets
   c. Restaurants/stores
   d. Wholesalers/processing plants

9. FINANCING
   a. Hmong family/clan contributions
   b. Grants/amount/source
   c. Loans/amount/source

10. OUTPUTS
    a. Vegetables
    b. Grains
    c. Animals
    d. Other

11. ANNUALIZED PROFIT (LOSS)
    a. Gross sales receipts
    b. Expenses
    c. Net profit (loss)
    d. Total investment ($ & vol. hrs.)
    e. Total assets

12. COST/BENEFIT ANALYSIS
    a. Total cost per family ($ & vol. hrs.)
    b. Total benefit per family ($, in-kind & experience gained)
IDENTIFICATION AND DESCRIPTION OF ENTERPRISES ACROSS THE U.S.

LINES OF INQUIRY

1. Name/Address/Contact person/Title/Telephone (b/h/w)

2. TYPE OF ENTERPRISE
   a. For profit or not for profit
   b. Products/services

3. OWNERSHIP STRUCTURE
   a. Sole proprietorship/group proprietorship (# of investors)
   b. Partnership/# of investors
   c. Corporation/chapter

4. MANAGEMENT STRUCTURE (note if not all Hmong)
   a. Owners Employees Community Board Professionals Customers
   b. Who does the following tasks?
      (1) Bookkeeping (2) Placing orders
      (3) Income taxes (4) Quality control
      (5) Legal advice (6) Insurance
      (7) Market research (8) Advertising

5. BACKGROUND/HISTORY
   a. Whose idea?
   b. How long from idea to implementation?
   c. Response to what need?
   d. Market analysis/feasibility study?
   e. Community planning process?
   f. Sources of outside technical assistance?

6. GOALS
   a. Short term/long term
   b. Change over time
   c. Why did you choose this type of business?

7. CAPITALIZATION (dates/payback schedule)
   a. Savings
   b. Loans/source
   c. Grants/contributions

8. EMPLOYEE STATS (note if not all Hmong)
   a. Full time/average wage
   b. Part time/average wage
   c. Volunteer/av. hrs. per week
   d. Skills required
   e. Employee satisfaction:
      (1) Opportunities for training/OJT
      (2) Upward mobility/advancement
      (3) Job retention rate/turnover

9. VIABILITY
   a. Start-up date/time in operation
   b. Net monthly profit (loss)
c. Customers/clientele
d. Profit/surplus (loss)
   (1) Distribution
   (2) Re-investment
   (3) Pay bills/repay loans
   (4) Support family
e. Outstanding debt
   (1) Amount of bank loans
   (2) Due dates
   (3) Other obligations

10. FUTURE PLANS
a. Expansion
b. Diversification
c. Other

11. EXPERIENCE
a. Previous experience
b. Community resources/strengths
c. Essential factors/keys to success
d. Major problems
e. Mistakes to avoid
f. How would you do it differently next time?
g. Advice for others

12. COMMUNITY CONNECTIONS
a. Hmong/other ethnic participation
b. Roles/positions of key organizers
c. Understanding US business system/practices
d. Membership in key business groups (Chamber of Commerce, Rotary Club, Trade Associations)
f. Contacts/access (financial institutions, universities, SBA, accountants, lawyers, economic development agencies, consultants -- paid/volunteer)
g. Relationships within refugee resettlement network (Volags, churches, schools, State Refugee Advisory Council, local coordinating bodies)
ANNEX B: PROJECT AND ENTERPRISE CONTACTS

1. Sewing Projects

Ms. Arlene Sneider
LAOTIAN HANDICRAFT CENTER
1740 Solano Avenue
Berkeley, CA 94707
415-526-1094

Ms. Marian Denson
ALL CULTURE FRIENDSHIP CENTER
4754 West 120th Street
Hawthorne, CA 90250
213-675-0391

Ms. Felicia Scwasz
ARTS AND CRAFTS COOPERATIVE
Merced Forum on Refugee Affairs
451 Collins Drive, #8
Merced, CA 95340
209-722-0443

Ms. Su-Mei Yu
IRVINE DESIGN/MARKETING PROJECT
c/o LOTUS FOLK ART CENTER
3701 India Street San Diego, CA 92103
619-574-6686

Ms. Ann Dykstra
DENVER ARTISANS, INC.
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303-499-2289

Ms. Georgie Klevar
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Ms. Corrine Pearson
H'MONG HANDWORK
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612-690-0747

Ms. Janis Obst
H'MONG NEEDLEWORK
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St. Paul, MN 55104
612-225-5095

Mr. Ross Graves, Director
WORLD WIDE FOLK ART
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Austin, MN 55912
507-433-8332

Ms. Lucy Hartwell/Ms. Gloria Congdon
H'MONG FOLK ART, INC.
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Minneapolis, MN 65405
612-374-9474/5600

Ms. Xia Moua/Ms. May Youa Vang
H'MONG WOMEN'S CRAFT CO-OP
3205 Russell
Missoula, MT 59801
406-721-5052

Ms. Keole/Mr. Bob Huss
Hmong Crafts Project
c/o THE FRANKLIN SCHOOL
428 South Alvord St.
Syracuse, N.Y. 13208
315-353-5182

Ms. Anne Stranahan
THE COMMON THREAD
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Ms. Nikki Flanagan
ASIAN ARTS
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Ms. Kathy Brady
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Ms. Carol Baughter
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Ms. Peggy Hart
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Ms. Martha Barrett
TSIN TSAI
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401-783-8938

Ms. Corrine Collins-Yager
H'MONG WOMEN'S NEEDLEWORK ASSOCIATION
5225 12th Avenue NE
Seattle, WA 98105
206-525-1723

Ms. Ann Thomas, Coordinator
SOUTHEAST ASIAN DESIGN, INC.
511 1/2 Level
Pike Place Market
Seattle, WA 98122
206-343-0022

Ms. Chong Thao/Ellen Fiscella/Charlotte Sigman
H'MONG ARTS
American Indochinese Friendship Association
YMCA
218 East Lawrence Street
Appleton, WI 54911
414-739-3192

Ms. Kathy Thompson
H'MONG MUTUAL ASSISTANCE
Rt. 1, Box 89 A
Galesville, WI 54630
608-785-9207
Ms. Carol Edison  
UTAH FRIENDS OF REFUGEES LEAGUE  
c/o Utah Arts Council  
617 E. South Temple  
Salt Lake City, UT  84102  
801-533-5760
2. Farming Projects

Mr. Thao Yang
HMONG FARM
7406 Redwood Drive
Little Rock, AK 72209
501-562-1738

Mr. Chang Xiong, General Manager
HMONG BEEF CATTLE PROJECT
c/o Asia Food Market
2201 Grand Avenue
Fort Smith, AK 72901

Mr. Lue Vang
LFC FARM PROJECT SACRAMENTO
2321-F Sierra Madre Court, Apt. F
Rancho Cordova, CA 95670
916-363-7950

Mr. Chue Yang/Mr. Teng Lo
SOUTHEAST ASIAN FARMING DEVELOPMENT CORP.
9026 Ledgewood
Stockton, CA 95210

Mr. Moua Dang
THE MOUA FAMILIES FARM
13196 West Bird Street
Livingston, CA 95334
209-394-3214

Mr. Lue Yang, President
ASIA FARM PROJECT
c/o The Reorganized Church of Jesus Christ
of Latter Day Saints
1645 Pennsylvania Avenue
Des Moines, IA 50316
515-262-2149/265-4244

Mr. Ross Graves, Director
HIAWATHA VALLEY FARM COOPERATIVE
400 B South Main St.
Austin, MN 55912
507-433-8332

Mr. Ron Bieber, Site Manager
GROWING FREE GARDEN
7030 Pioneer Creek Road
Maple Plain, MN 55359
612-955-1934

Mr. Jim Mason
WILDER FOREST AGRICULTURAL PROJECT
14189 Ostlund Trail North
Marine on St. Croix, MN 55047
612-433-5198
Mr. Thomas K. Reis, Jr., Project Director
A MINNESOTA AGRICULTURAL ENTERPRISE
FOR NEW AMERICANS
Agricultural Extension Service,
University of Minnesota
240 Coffey Hall
1420 Eckles Avenue
St. Paul, MN 55108
612-376-9829

Mr. Char Vang
HMONG COMMUNITY GARDEN COOPERATIVE
Waite House
2526 13th Ave. S.
Minneapolis, MN 55404
612-721-1681

Mr. Tia Kha
INDOCHINESE GARDENING PROJECT
Hmong-Lao Unity Association
155 Niagara St.
Providence, RI
401-461-7940

Mr. Cal Uomoto
INDOCHINESE FARM PROJECT
1843 S. Weller
Seattle, WA 98144
206-323-7035
3. GROCERY STORES

Mr. Chou Yang, Manager
ASIA FOOD MARKET
2201 Grand Avenue
Fort Smith, AK 72901
501-782-6470

Mr. Mouachou Mouanoutoua, Owner
HMONG ORIENTAL MARKET
3701 West McFadden, Units K & J
Santa Ana, CA 92704
714-775-0258

Mr. Pao TK Vang, Owner
M. E. ORIENTAL MARKET
P. O. Box 486
Sunnymead, CA 92388
714-556-9520

Mr. Tony TK Vang, Owner
FOOD KING
961 East Home Avenue
Fresno, CA 93728
209-237-0114

Mr. Geu Moua Mouanoutoua, Manager
LONG CHENG ORIENTAL MARKET
4440 East Kings Canyon Road
Fresno, CA 93720
209-252-2361

Ms. Mee Vang Her/Mr. Xeng Her, Owners
M & H ORIENTAL MARKET
4791 East McKinley Street
Fresno, CA 93703
209-255-1718

M & H ORIENTAL MARKET
1225 West Main Street
Merced, CA 95340
209-723-7285

Mr. Moua Dang, Owner
MOUA'S ORIENTAL FOOD MARKET
1730 J Street
Merced, CA 95340
209-722-4254

Mr. Tou Doua Kue, Owner
PACIFIC ORIENTAL FOOD
8024 North El Dorado Street
Stockton, CA 95210
209-477-5004
Mr. Vue Ker, Manager
HMONG PADAO MARKET
3904 Convoy Street, #106
San Diego, CA 92111
916-559-5274

Mr. Geu Lee, Manager
ASIAN AMERICAN MARKET
2932 West 38th Avenue
Denver, CO 80211
303-427-0209

Mr. and Mrs. Yang T. Koumarn, Owners
ORIENTAL FOOD AND CRAFT CORP.
2380 Walnut Avenue
Hanover Park, IL 60103
312-837-4747

Mr. Sou Thao, President
ASIA FOOD CORPORATION
1309 Stewart Street
Des Moines, IA 50316
515-281-4336

Mr. Leng Yang, President
L. H. ORIENTAL GROCERY STORES
2601 Twelfth Avenue South
Minneapolis, MN 55404
612-870-7818

L. H. ORIENTAL GROCERY STORES
119 Western Avenue
St. Paul, MN 55102
612-224-4623

Mr. Lu Yang, Manager
M. A. FOOD STORE
694 Rice Street
St. Paul, MN 55103
612-292-9157

Mr. Xi Thao, Manager
WAMENG GROCERY
375 University Avenue
St. Paul, MN 55103
612-292-8869

Ms. May Lee Moua/Mr. Moua Cha Cherpao, Owners
ORIENTAL MARKET
4419 South 29th Street
Billings, MT 59101
406-245-2896

Mr. Phen Vue, Owner
LAO HMONG MARKET
2615 East 11th Street
Tulsa, OK 74104
918-582-9847
Mr. Kuxeng Yongchu, Owner  
MACK'S MARKET  
5436 North Willamette Boulevard  
Portland, OR 97203  
503-289-6413

Mr. Chao Song, Owner  
HMONG LAO GROCERY STORE  
134 South 45th Street  
Philadelphia, PA 19139  
215-893-8410

Mr. Wang Seng Khang, Owner  
K'S ORIENTAL MARKET  
602 Elmwood Avenue  
Providence, RI 02907  
401-941-2653

Mr. Lo Yang Yeu, Owner  
AMERICAN ASIA GROCERY  
1324 Madison Avenue  
Memphis, TN 38104  
901-726-5517

Mr. Chou Yang, General Manager  
HMONG ASIAN FOOD STORE  
110 South Locust Street  
Appleton, WI 54914  
414-739-4837

Mr. Tou Yang, Owner  
HMONG ORIENTAL FOOD STORE  
609 Market Street  
La Crosse, WI 54601  
608-784-2405

Mr. Chu Yang, Manager  
MANITOWOC ORIENTAL FOOD  
1509 Washington Street  
Manitowoc, WI 54220  
414-682-3676

Mr. Yang Vu, Acting Manager  
HMONG ORIENTAL STORE  
1002 South 15th Street  
Sheboygan, WI 53081  
414-457-0779
4. Other Enterprises

Mr. Tou Doua Kue
MAGIC CROISSANT
425 East Weber Avenue
Stockton, CA 95202
209-465-1072

Mr. Lia Vang
LAO-HMONG FAMILY CREDIT UNION
c/o Lao Family Community, Inc.
1140 S. Bristol
Santa Ana, CA 92704
714-540-7042

Mr. Chao Vang, Vice-President
UNITED LAO DEVELOPMENT CORPORATION
c/o Lao Family Community, Inc.
1140 S. Bristol
Santa Ana, CA 92704
714-540-7042

Mr. Mouasou S. Bliaya, President
LAO-HMONG SECURITY AGENCY, INC.
10445 Los Alamitos Boulevard
Los Alamitos, CA 90720
213-493-3750

Mr. Hang Tru, Owner
CHEE PENG CHINESE RESTAURANT
Giantway Plaza
1129 North US 31
Petoskey, MI 49770
616-347-2542

CHEE PENG RESTAURANT
1811 Germantown Road
Middleton, OH 45042
513-420-9704

Mr. Vang Lo/Mr. Jim Malley
HMONG AMERICAN CRAFT CO., INC.
2000 St. Anthony Avenue
St. Paul, MN 55104
612-645-0439

Mr. Moua Cha Cherpao/Mr. Chaky
QUALITY CLEANING COMPANY
4419 South 29th St.
Billings, MT 59101
406-252-5601, ext. 48
5. Employment Projects

Mr. Ross Graves, Director
SHARE
400 B South Main Street
Austin, MN  55912
507-433-8332

Ms. Judy E. Pickens, President, Board of Trustees
PLYMOUTH REFUGEE OPPORTUNITIES
4539 S.W. Director Place
Seattle, WA  98136
206-938-4203

Mr. Marty Stein, State Chair
Business Cares
1800 E. Capitol
Milwaukee, WI  53211
414-332-3131

"Montana Migration Program" (study name only, not official)
Ms. Evelyn Carter
Lao Family Community Inc.
3205 S. Russel
Missoula, Montana  59801
406-721-5052

Mr. Cha Ki
Montana Assoc. of Refugee Service
100 North 24th St. W.
Billings, Montana  59102
406-652-1310
ANNEX C: SOURCES OF SMALL BUSINESS ASSISTANCE IN MINNESOTA

WHERE TO GET HELP

Small Business Administration

Small Business Administration
610-C Butler Square 100 North Sixth Street
Minneapolis, MN 55403
Contacts: Gene Holtmeyer (Northern Minnesota Team, Supervisor) (612) 349-3554
Mark Lautenschlager (Southern Minnesota Team, Supervisor) (612) 349-3537

Overall SBA loan information and management help.

Contacts: Dwayne Dahl (Management Assistance, North Team) (612) 349-3543
Andy Amoroso (Management Assistance, South Team) (612) 349-3564

They coordinate SCORE-ACE activities and do management consulting.

Small Business Administration
Pollution Control Financing Division
Office of Special Guarantees
1815 N. Lynn St.
Rosslyn, VA 22209
Contact: Vincent Fragnito
Joseph Glassman (703) 235-2902

Local Development Corporations

Small Business Administration
610-C Butler Square
100 N. 6th St.
Minneapolis, MN 55403
Contact: Bill Stamway (612) 349-3548

Venture Capital Companies in Minnesota

Consumer Growth Capital Inc.
430 Oak Grove
Minneapolis, MN 55403

Contact: John T. Gerlach (612) 874-4069
Preference for consumer product and service firms.

Control Data Capital Corporation
P.O. Box 0
HQN12V
Minneapolis, MN 55440
Contact: John Tracy (612) 853-5421
Focus on high-technology firms.

Control Data Community Ventures Fund Inc.
P.O. Box 0
HQN12V
Minneapolis, MN 55440
Contact: John Tracy (612) 853-5421
Invests in businesses owned by socially or economically disadvantaged persons.

Eagle Investment Corporation
700 Soo Line Building
Minneapolis, MN 55422
Contact: Tom Neitzke (612) 339-9693
Prefers high-technology firms.

First Midwest Capital Corp
15 South Fifth Street
Suite 700
Minneapolis, MN 55402
Contact: Saunders Miller (612) 339-9391
Prefers high-technology firms but has had arrangements with all types except construction.

Minnesota Seed Capital Fund, Inc.
Parkdale Plaza
Suite 146
1660 South Highway 100
P.O. Box 16129
Minneapolis, MN 55416
Contact: Richard Gottier (612) 545-5685
Focuses on start-up firms likely to create jobs and achieve long-term growth.
North Star Ventures, Incorporated
NFC Building
7900 Xerxes Avenue South Suite 2301
Bloomington, MN 55431
Contacts: Terry Glarner
David Stassen
(612) 830-45

Emphasis on manufacturers of high-technology medical and computer equipment.

Northland Capital Corporation
613 Missabe Building
Duluth, MN 55802
Contact: George Barnum, Jr.
(218) 722-0545

Charges $150.00 to review application.

Northwest Growth Fund Inc.
960 Northwestern Bank Building
Minneapolis, MN 55402
Contacts: Leonard Brandt
Douglas Johnson
(612) 372-8770

Mostly high-technology firms; will invest in others except real estate.

P. R. Peterson Venture Capital Corporation
7301 Washington Avenue South
Minneapolis, MN 55435
Contact: P.R. Peterson
(612) 941-8171

Emphasizes investments in the metropolitan area.

Retailers Growth Fund Inc.
380 Gamble Building
Minneapolis, MN 55416
Contact: Cornell Moore
(612) 546-8989

Retail firms only; many of their investments are in rural Minnesota.

Specialized Assistance With Venture Capital Sources

Minnesota Cooperation Office for Small Business and Job Creation (MCO)
985 Southgate Office Plaza
5001 West 80th Street
Bloomington, MN 55342
Contact: Brian Shiffman
Mike Grossman
(612) 830-1230

Other Public Sources

Farmer's Home Administration (FmHA)
Business and Industrial Loans
316 No. Robert St.
St. Paul, MN 55101
Contact: Russ Bjorhus
(612) 725-5842
Judy Nelson
(612) 725-5842

FmHA District Offices
Gary K. Pender
Marian Building
700 Cedar Street
Alexandria, MN 56308
(612) 762-8147

Bruce L. Bailey
101 21s. St. S.E.
Austin, MN 55912
(507) 437-8247

John P.W. Friederichs
107 E. 2nd St.
P.O. Box 25
Crookston, MN 56716
(218) 281-4815

Ralph R. Maki
Room 4, Soder's Mini-Mall
18 West 3rd Street
Grand Rapids, MN 55744
(218) 326-0561 or 326-0562

Lee Raske
Professional Office Building
104 W. Redwood
Marshall, MN 56258
(507) 532-9671

Gerald Hafner
412 SW 19th Avenue
Scandia Office Center
Suite 104
Willmar, MN 56201
(612) 235-8690 or 235-8692

FmHA Community Programs (including Indian tribes)
Contact: John Melbo
(612) 725-5842
Production Credit Association
375 Jackson St.
St. Paul, MN 55101
Contact: Harlan Stoehr, Public Relations
(612) 221-0791

For rural locations, see map on p. 35.

Federal Land Bank Associations
375 Jackson St.
St. Paul, MN 55101
Contact: Harlan Stoehr, Public Relations
(612) 221-0791

For rural locations see map on p. 34.

U.S. Department of Housing and Urban Development (UDAGs)
220 2nd St. South
Minneapolis, MN 55401
Contact: Doug Guthrie
(612) 348-3022

National Science Foundation
Small Business Innovation Research
1800 G Street, N.W.
Washington, D.C. 20550
Contact: Roland R. Tibbetts
(202) 357-7527

Department of Energy
Inventions Branch, Room 6GO26
100 Independence Ave., S.W.
Washington, D.C. 20585
Contact: David Mello
(202) 252-9104

Industrial Revenue Bonds, Tax-Exempt Mortgage and Tax-Increment Financing

Minnesota Small Business Finance Agency
Hanover Building
480 Cedar St.
St. Paul, MN 55101
Contact: M. Jean Laubach
(612) 296-1368
Danna Young
(612) 296-3976

Minnesota Department of Energy Planning, and Development
480 Cedar Street
St. Paul, MN 55101
Contact: James Lushine
(612) 296-5009
Alan Madsen
(612) 296-0622
Michael Mulrooney
(612) 296-5010

Minnesota State Sources

Minnesota Department of Energy, Planning, and Development
Hanover Building
480 Cedar Street
St. Paul, MN 55101

Program: Revolving loan fund; Area Redevelopment Administration Loan Program
Contact: Alan Madsen
(612) 296-0622

Program: Indian Business Loan Program
Contact: Charlotte M. White
(612) 297-2286

Program: Technical Assistance Program
Business and Community Contact Program
For information on all of the programs listed above
Contact: Michael Mulrooney
(612) 296-5010

Field Offices:
Del Redetzke
Box 699
Alexandria, MN 56308
14 Fifth Ave. So.
(612) 762-2131, ext. 220
St. Cloud, MN 56301
(612) 255-4161

Gene Groth
Box 727
303 E. 19th Street
Hibbing, MN 55746
(218) 262-3895

Small Business Institutes

* Bemidji State University
Small Business Institute
14th and Birchmont Drive
Bemidji, MN 56601
Milton M. Will, Director
(218) 755-2754

* Mankato State University
Small Business Institute
South 5th and Jackson
Mankato, MN 56001
Dr. Chloa Elmgren, Director
(507) 389-2933
*Moorhead State University
Small Business Institute
1104 7th Avenue South
Moorhead, MN 56560
Jana Vosika, Director
(218) 236-2889

*St. Cloud State University
Small Business Institute
1st Avenue South & 7th St.
St. Cloud, MN 56301
Dwaine Talient, Director
(612) 255-3215

St. Olaf College
Small Business Institute
Department of Economics
Northfield, MN 55057
Dr. Louis Jacoby, Director
(507) 663-3153

St. Scholastica College
Small Business Institute
1200 Kenwood Avenue
Duluth, MN 55811
Gary Gregoria, Director
(218) 723-6151

*University of Minnesota-Duluth
Small Business Institute
Business Administration Dept.
Duluth, MN 55812
Don Ireland, Director
(218) 726-7150

University of Minnesota-Morris
Small Business Institute
Business Administration Dept.
Morris, MN 56267
Jerry Wangness, Director
(612) 589-2211 ext. 403

Winona State University
Small Business Institute
Somsen Hall
8th and Johnson
Winona, MN 55987
Dr. Giles Schmid, Director
(507) 457-2184

Small Business Development Centers

The above schools marked with * also have Small Business Development Centers that provide workshops, business counseling and other assistance. SAME address, director and phone. Development centers are also located at:

Southwest State University
Small Business Development Center
Marshall, MN 56258
Dick O'Connell, Director
(507) 537-7366

Management and Technical Assistance Center
University of Minnesota
107 Armory, 15 Church St. S.E.
Minneapolis, MN 55455
James W. Faricy, Director
(612) 373-3281

Small Business Development Center
College of St. Thomas
2115 Summit Avenue
St. Paul, MN 55105
Tim Donohue
(612) 647-5840

Area Vo-Tech Institutes

Alexandria AVTI
1600 Jefferson Street
Alexandria, MN 56308
Donald Hauck, Instructor
(612) 762-2151

Austin AVTI
1900 NW 8th Avenue
Austin, MN 55912
Dale Kaderabek, Instructor
(507) 437-6681

Brainerd AVTI
300 Quince Street
Brainerd, MN 56401
Jim Maino, Instructor
(318) 829-0328

Duluth AVTI
2101 Trinity Road
Duluth, MN 55811
Wallace Baker, Instructor
Faribault AVTI
1401 Cannon Circle
Faribault, MN 55021
George Berg, Instructor
(507) 332-7444
Mankato AVTI
1920 Lee Boulevard
North Mankato, MN 56001
Gary Schmidt, Instructor
(507) 625-3411

Pine City AVTI
Pine City, MN 55063
John Sparling, Instructor
(612) 629-3415

Red Wing AVTI
525 East Avenue
Red Wing, MN 55066
Mary Bollom, Instructor
(612) 368-8271

Rochester AVTI
1926 Second Street SE
Rochester, MN 55901
Spence Larson, Instructor
(507) 282-9411

Thief River Falls AVTI
Highway 1 East
Thief River Falls, MN 56701
Don Johnson, Instructor
(218) 681-5424

Wadena AVTI
405 Colfax Southwest
Wadena, MN 56482
Paul Kinn, Instructor
(218) 631-3342

Willmar AVTI
Box 1097
Willmar, MN 56201
Dennis Wilde, Instructor
(612) 235-5114

Score-Ace Offices in Minnesota

(Service Corps of Retired Executives; Active
Corps of Executives)

Austin Score-Ace Office
Austin Chamber of Commerce
300 North Main Street
Austin, MN 55912
Contact: Harold Mattfeld
(507) 437-4561

Score-Ace Desk
Bemidji Chamber of Commerce
Box 806
Bemidji, MN 56601
Contact: Nancy Henninger
(218) 751-3540

Score-Ace Desk
Detroit Lakes Chamber of Commerce
Box 348
Detroit Lakes, MN 56501
Contact: Bill Merz
(218) 847-9202
847-9261

Northeastern MN Score-Ace
Chapter #286
Duluth Arena, North Pioneer Hall
Duluth, MN 55802
Contact: Bob Brownlee
(218) 722-5501

Score-Ace Office
Grand Rapids Chamber of Commerce
Welcome House
Grand Rapids, MN 55644
Contact: Claude E. Siths
(218) 326-6619

Score-Ace Office
Hibbing Chamber of Commerce
P.O. Box 727
Hibbing, MN 55746
Contact: Louis Bachnick
(218) 262-3995

Mankato Score-Ace Office
Mankato Chamber of Commerce
P.O. Box 999
Mankato, MN 56001
Contact: Cliff Zeyen
(507) 345-4518

Marshall Score-Ace Office
c/o Marshall Chamber of Commerce
Fifth at Main
Marshall, MN 56258
Contact: Donald Hudson
(507) 288-1122
Pollution Control Requirements

Minnesota Pollution Control Agency
1935 West County Road B-2
Roseville, MN 55113
Contact: Paul Hoff (Public Information)
(612) 296-7283

State Purchasing Contracts With Small Businesses

Minnesota Department of Administration
Procurement Division
50 Sherburne Avenue
St. Paul, MN 55155
Contact: Theodore Pegues, Small Business Coordinator
(612) 296-6949

Tax Information And Workshops

U.S. Internal Revenue Service
North Robert Street
St. Paul, MN 55101
Contact: JoAnn Bour, Taxpayer Education Coordinator
(612) 725-7320

Offer small-business tax workshops in communities that have 20 interested participants.

Management Assistance
Minorities And Disadvantaged

Minnesota Department of Energy, Planning, and Development
Equal Business Opportunity Program
480 Cedar Street
St. Paul, MN 55101
Contact: Sandra Vargas
(612) 296-1451

Help for economically and socially disadvantaged small business operators.

Minnesota Hispanic Chamber of Commerce
804 Pioneer Building
St. Paul, MN 55101
Contacts: Fermin Aragon
(612) 292-8353
Sandra L. Vargas
(612) 292-8353

For Hispanic persons with small businesses

Bureau of Indian Affairs (BIA)
15 South 5th Street
Minneapolis, MN 55402
Contacts: C.P. Maus
(612) 725-2917
Richard McLaughlin, Field Representative
(Works with the Sioux)
(612) 725-2917

BIA Field Offices
Raymond Mayotte P.O. 97
Cass Lake, MN 56633
(218) 335-6693
Barbara L. Brun Red Lake, MN 56671
(218) 679-3361

Minnesota Chippewa Tribe
General Business Service
(Area south of St. Cloud)
Barbara Raygor
2344 Nicollet Ave.
Suite 120
Minneapolis, MN 55404
(612) 871-5940
(North of St. Cloud)
Bill Long
P.O. 217
Cass Lake, MN 56633
(218) 335-2252

David Minotte
217 N. 4th Ave. W.
Duluth, MN 55811
(218) 727-7873

One-to-one assistance to any socially or economically disadvantaged person, whether a Chippewa or not.
Specialized Assistance

Information Clearinghouse
Minnesota Department of Energy, Planning, and Development
Small Business Assistance Center
480 Cedar Street
St. Paul, MN 55101
Contact: Dolores Kauth
(612) 296-5011

Exports
Minnesota Dept of Energy, Planning and Development International Division
480 Cedar Street St. Paul, MN 55101
Contacts: Mohamed Nouri
(612) 296-0619
Edward Holm
(612) 296-5012

Franchise Registration
Minnesota Department of Commerce
Franchise Registration
5th Floor, Metro Square Building
7th and Robert Street
St. Paul, MN 55101
Contact: Lorraine Rowe
(612) 296-4026

Going Public
Minnesota Department of Commerce Securities Registration
5th Floor Metro Square Building
7th and Robert Street
St. Paul, MN 55101
Contacts: Anthony A. Bibus, Jr.
(612) 296-4520
Brian Patterson
(612) 296-6332

Laws Affecting Small Business
Minnesota Association of Commerce and Industry
200 Hanover Building
480 Cedar Street
St. Paul, MN 55101
Contact: Reggi Fritzler
(612) 221-1990

Occupational Safety And Health Laws
Minnesota Department of Labor and Industry Training, Education and Consultation Unit
444 Lafayette Road
St. Paul, MN 55101
Contacts: B.R. Bracht
(612) 296-2973
Meryl Marlow
(612) 297-2397

They will visit small business sites to help you.
CETA Area Offices

(Your local CETA representative listed below is your primary contact for information concerning financial hiring incentives in training, retraining and upgrading workers.)

BALANCE OF STATE

Region 1
William McManus
P.O. Box 626
Hwy. 75 So. & Minnesota Ave.
Crookston, MN 56716
(218) 281-5135

Rod Kragness
P.O. Box 507
318 North Knight Avenue
Thief River Falls, MN 56701
(218) 681-7350

Region 6E
Tim Laffen
P.O. Box 550
2015 South First Street
Willmar, MN 56201
(612) 235-6766

Region 6W
Howard Nathe
P.O. Box 675
1319 Grove Avenue
Montevideo, MN 56265
(612) 269-5561

Region 7E
Vic Vanecek
P.O. Box 4
47 North Park
Mora, MN 55051
(612) 679-4511

Region 7W
Terry Gruber
P.O. Box 1433
2700 First Street North
St. Cloud, MN 56301
(612) 255-4262

Region 8
Bob Walker
P.O. Box 245
Woitalewicz Building
700 North 7th Street
Marshall, MN 56258
(507) 537-7166

Region 8
Emily Kleve
P.O. Box 353
511 10th Street
Worthington, MN 56178
(507) 376-3113

Region 9
Loren Clobes
P.O. Box 696
1200 South Broadway
New Ulm, MN 56073
(507) 359-2031

Connie Noble
P.O. Box 32
932 East 10th Street
Fairmont, MN 56031
(507) 238-4214

Region 10
Tim Morgan
401 North Main Street
Austin, MN 55912
(507) 433-0550

John Clemens
1200 South Broadway
Rochester, MN 55901
(507) 285-7286

Darrel Poffenberger
P.O. Box 803
58 East Fifth Street
Winona, MN 55987
(507) 457-2003

Other CETA Offices

Albert Lea (507) 373-5854
Alexandria (612) 763-3107
Bemidji (218) 751-8012
Brainerd (218) 829-2865
Buffalo (612) 682-3300
Detroit Lakes (218) 847-2101
Ely (218) 365-5854
Fergus Falls (612) 739-6963
Grand Rapids (218) 326-0356
Hibbing (218) 262-6821
Hutchinson (612) 587-4727
Little Falls (612) 632-2356
Long Prairie (612) 732-2101
Moorhead (612) 233-1541
Morris (612) 589-3900
Owatonna (507) 451-8906
Pipestone (507) 825-5831
Proctor (218) 624-9478
Red Wing (612) 388-2653
Staples (218) 681-7350
Two Harbors (218) 834-2386
Virginia (218) 749-2912
Wadena (218) 631-3240

If you still have questions contact:
Minnesota Department of Economic Security
Office of Statewide CETA Coordination
690 American Center Building
150 E. Kellogg Boulevard
St. Paul, MN 55101
(612) 296-6050
Metropolitan Economic Development Association
2021 East Hennepin Avenue
Suite 370 Hennepin Square
Minneapolis, MN 55413
Contact: Terrell Towers
(612) 378-0361
Works with minority persons who own over 50 percent of their small business.

Minority Business Development Agency
Minority Business Opportunity Committee
110 South Fourth St.
Minneapolis, MN 55401
Contact: Otto Murry, IV
(612) 725-2044
Information clearinghouse on minority small-business programs.