

Colonias and Chicano/a Entrepreneurs in Rural California

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ABSTRACT

This study examines the general conditions of colonias and Chicana/o entrepreneurs in rural California. It also attempts to ascertain how changing demographics and “structural conditions” affect entrepreneurial activity among residents, including Whites and Chicanos. Data are drawn from the U.S. Censuses of Population and Economic Businesses, covering 1970-1990. We created a special database of over 145 communities with populations of 2,000 to 20,000 in 1980, which served as the marker from which we compared business activity and socio-demographic changes over time. Census data are also supplemented by California data on factors like taxes, revenues, and school districts. Analysis of variance and multiple regression techniques give us answers to several hypotheses, based upon our review of literature and our “structuralist model” of entrepreneurship. Our results both confirm and contradict some of our hypotheses. First, we find striking differences between White and Chicano entrepreneurs, especially with regard to colonia conditions, relative employment options for residents, and levels of education. We also notice that self-employment among Chicana/os is closely correlated with structural conditions: the higher the proportion of Latina/os in a community, the more the self-employment of Chicana/os in relative terms. However, structural conditions also relate to fewer economic opportunities for residents, higher unemployment, higher concentrations of workers in agriculture, limited educational attainment among Latinos, and general economic deprivation within colonias. All combined, Chicana/o entrepreneurs are relatively more evident in colonias with high proportions of Latina/os, but their customers are generally poor.