

# **Brazilian Entrepreneurs in Boston - Trust and solidarity<sup>1</sup>**

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When I started my research with Brazilian immigrants in Boston, what particularly called my attention was the fact that the members of this “community” did not have kind words about each other. In the interviews, Brazilians were seen by other Brazilians as “unpolished people”, “hillbillies”, “ignorant and rude”, who wanted to hold the upper hand in any situation and “even cheated you out of a job”. Moreover, they were people who “did not care for others (Brazilians)”, who showed no solidarity and did not want to waste time getting involved in community organizations. Obviously, not all interviewees felt this way, but I detected a very common grievance regarding the lack of solidarity and a certain belief that one could not trust another, since, in their opinion, Brazilians had a largely opportunistic behavior.

Especially in the “world of work”, what stood out was the competition for jobs. Access to the informal job market was extremely competitive, to the point where Brazilians introduced a practice unheard-of among other immigrant groups: the sale of jobs in house cleaning. Job opportunities in the area’s residences were not available through social networks, such as free information on available job openings based on ethnic solidarity. Such information and access to these opportunities were sold and bought among the Brazilians themselves<sup>2</sup>.

With these findings, I began to see the theme of solidarity (or lack thereof) as one of my principal areas of concentration in the course of research. This approach seemed especially suggestive as I began to compare my data with recent scholarship by U.S. researchers. Overwhelmingly this bibliography emphasizes relationships of solidarity within each immigrant group. The immigrant is represented as being “in solidarity” with his or her own

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<sup>2</sup> There is no fixed price for this transaction, but on average it is the equivalent to three-months work at each home. Therefore, the price depends on the number of houses placed “on sale”, and it is common practice that a cleaning person has two houses to clean per day. When a buyer shows up, the seller communicates the owner of the house that she is leaving the job, but she has a Brazilian friend who can substitute her. If the owner agrees to meet the friend, the cleaner promises to explain the job routine to the candidate. Thus, the owner can evaluate if the work performed by the candidate is satisfactory. This transition usually happens after a month, enough time for the owner and the candidate to get acquainted. If the owner hires the work of the candidate, the deal is closed, meaning that the home is “sold” and the transaction is paid on sight and in cash. Thereafter, the deal is consummated: even if the cleaner is fired soon after, there is no money back.

immigrant group. An example of this can be seen in a revealing passage written by sociologist Alejandro Portes, a prominent scholar of Latino immigrants:

“Since the 19<sup>th</sup> century, immigrant groups in the United States have been renowned for the solidarity displayed by members and for their success in promoting each other’s enterprises. This pattern continues today and is supported by similar forces. With their education and skills from the home country devalued in the host society’s labor market and facing persuasive discrimination by native-born, immigrants have little recourse but to band together in search of moral support and economic survival.” (Portes, 1995 : 256).

This statement is revealing because it clearly illustrates the way in which U.S. research tends to overemphasize solidarity within immigrant “communities”. Few studies have tried to take other approaches.<sup>3</sup> In fact because solidarity is assumed, to date there is little research on competitive or conflictive relations, or exploitation within groups, relations which take place within the same networks that promote solidarity in various forms.

The data that I obtained contrasted with this romantic vision of immigrants and their “communities”. Therefore, I began to devote more attention to manifestations of solidarity, which I felt was essential, in order to be able to describe its true nature and extent. In my work I treated solidarity not as an assumption, but rather as a subject of research.

Unlike the fierce competition found in the world of work, Brazilian churches in Boston (both catholic and protestant) were highly regarded as havens for social affairs. I concluded that the main reason behind Brazilians’ church attendance, whether catholic or protestant, was that they believed them to be places where solidarity, trust and mutual help could be found.

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<sup>3</sup> Only two studies question, and then only vaguely, this idealized view: Mahler (1995) and Pessar (1995). Both criticize the emphasis of most other scholars on solidarity within immigrant groups.

Being recent and illegal immigrants<sup>4</sup>, Brazilians have strong insecurity and transitoriness feelings. This condition forces them to live with a permanent and uncomfortable feeling of having been uprooted. Such condition compounded by the negative feelings they hold in regards to their “community” create an environment where religious preaching focuses on the need to reorder the “chaos” and provides meaning, whether on the emotional or cognitive level, to the negative perceptions and experiences. By incorporating these perceptions and experiences into the religious realm, churches redefine limits and parameters that reinterpret them and thus, through the priest or preacher, strengthen the father figure that imposes norms and plays the pontifical role.

Moreover, considering that immigration implies in spatial mobility, it facilitates cognitive and normative changes and helps increase sensibility regarding a set of issues for which churches make a religious appeal. In this particular aspect, the heartwarming atmosphere found in the churches juxtaposes the situation experienced outside that realm. Churchgoers are shielded from an environment perceived as competitive, harsh and with no community spirit. This situation clearly illustrates why still today, in spite of considerable secularization of churches, religion “teaches how to live”, just as observed by Durkheim (1989) in the early 20<sup>th</sup> century. At the threshold of a new century, churches display a robust ability to provide man with a way to classify and order the world, guide and code human conduct in the sphere of a moral pragmatics.

Whether to attract new members or retain existing ones, Brazilian churches in Massachusetts fiercely compete with each other, thus creating a “market” wherein different (at times even opposing) identities, values, incentives and constrains are reaffirmed (or repelled). It is for this reason also that churches clearly present themselves as institutions that try to create social-control mechanisms, essential to the establishment of a community ethos. If the primary role of religion is to “help live”, the church is a privileged locus where values are reaffirmed and meanings are not only institutionalized but also ritualized, in order to be experienced collectively and emotionally<sup>5</sup>. I believe that for this reason, both

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<sup>4</sup> Brazilians first arrived in Massachusetts in the 80s (Martes2000, Margolis1994, Sales1999)

catholic and protestant churches are able to transform negative experiences and perceptions, many times ambiguous, into “raw material” they can reshape. The fundamental issue is that in environments where social-control mechanisms are found, such as churches, trust and solidarity have a greater chance to survive and prosper, which in turn seems to be a great allurements for those who have become foreigners.

At any rate, the general situation of Brazilian immigration in Boston, which I studied during two years (1994-1996), showed a lack of solidarity and trust within the “community”, in stark contrast with American bibliography on immigrants and immigration. These authors emphasize that within each immigrant group, strong solidarity prevails.

In 2000 I returned to Boston to conduct research on Brazilian immigrants who have opened small businesses. In the last five years, the number of Brazilians-run firms, comprised of food stores, Brazilian-apparel shops, restaurants, hairdressers and snack shops, had increased considerably<sup>6</sup>. What particularly attracted my interest was to understand what solidarity and trust meant for this small part of the Brazilian immigrant population in Boston.

Below I present the results of this study, along with a discussion of American bibliography on the role of solidarity (ethnic) and trust among (recent) immigrants running small businesses in that country.

#### A NOTE ON THE METHODOLOGY

This article is based on a field research carried out in two stages, during the second half of 2000. In the first stage, a survey was made among the Brazilian businesses located in Somerville and Allston, cities in the Boston metropolitan region. This included 50 questionnaires to be filled out with socio-demographic information on the firms and their

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<sup>5</sup> In Brazil, churches face a similar picture. Prandi attributes the Pentecostal rise and the growth in charismatic renewal movements to the lack of sociability and social morality based on “the other person’s welfare”. Such absence defines that which the author calls a post-ethical society, “lacking in values capable of providing the world with universality” (Prandi, 1992).

owners. The second was comprised of in-depth interviews with these businesspeople and local leaders who aim to represent or support Brazilian businesspeople in Boston. The Brazilian consul in that city was also interviewed.

In order to make a survey of Brazilian businesses (stores, restaurants, hairdressers, travel agencies, wire-transfer agencies, etc.) different sources of information were crossed: lists of commercial addresses, a list provided by the Brazilian Consulate in Boston, lists provided by Brazilian newspapers in the area and the interviewed businesses themselves, which informed on the existence of other ones nearby. As a result, 48 Brazilian firms were found in Somerville and another 19 in Allston, a total of 67 Brazilian businesses in the two cities surveyed.

Out of this universe of 67 firms, 50 were selected for providing information in the questionnaires (35 in Somerville and 15 in Allston). In Allston all those owners willing to provide information were interviewed, while in Somerville interviewees were selected based on the type of establishment.

In the second stage of the study, 19 in-depth interviews, with a flexible outline, were conducted with business owners and business representatives. This part of the research emphasized the problems faced and possible solutions to overcome these difficulties.

For these businesses to be included in the research (both for the survey as well as for the questionnaires and interviews) they had to comply with the following criteria: to be formally incorporated as a business and to have an area open to the public. Consequently, this study did not cover, neither for the survey nor for the questionnaires, “home” businesses, such as cleaning or painting companies, recording studios, or “virtual companies”, a common practice for travel agencies.

### **Solidarity and trust in small businesses owned by immigrants**

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<sup>6</sup> These are small businesses, mom-and-pop stores, etc.

Starting in the 80s many studies on international migration and small business have been focusing the role of ethnicity and solidarity within the communities of immigrants, decisively influencing the setting up of small businesses. To study this issue, one group of authors uses the “ethnic enclave” or “enclave economy” approach, while the other prefers that of “ethnic economy”. The first derives from the dual labor market theory (Averitt, 1968). The second springs from a theory known in the literature as that of “middlemen minorities”. Below is a brief description of each of those models, focusing on the differences between their findings and the situation brought to light in the survey on Brazilian immigrants in Boston.

### **Ethnic enclave and economy**

The term ethnic enclave was employed by Portes (1981) to describe immigrant groups spatially concentrated and which set up a number of businesses aimed at serving their ethnic market and/or the population at large. Its basic characteristic is that it employs a large share of immigrant labor in the businesses.

According to Portes, downtown Miami houses the ethnic enclave that includes the Cuban immigrant community, an area known as *Little Havana*. In this region there are thousands of Cuban businesses concentrated in a five-mile area. Between 1967 and 1976 the number of companies grew from 919 to 8,000 and by the 90s, it had risen to 28,000. They are mostly small businesses employing an average of eight people, but large manufacturers engaging hundreds of workers and credit and financing institutions are also found there. In the author’s opinion, the emergence of an enclave depends on three simultaneous conditions: 1) the presence of a considerable number of immigrants with business expertise learned in their country of origin; 2) access to sources of capital within the enclave; and 3) opening and access to job positions. The fact that a significant number of businesspeople exists within a given enclave eases economic mobility of their fellow nationals. This means that economic ascent is not limited to employers, but is also extensible to their employees.

In the case of Brazilian immigrants, I believe that no enclave exists because the concentration of Brazilian businesses in the Boston area is much smaller than that found in Little Havana, Miami, or Chinatown, New York, analyzed by Portes. Size, however, is not the only factor. The shaping of an enclave also depends on territorial concentration of a large number of co-nationals, with both capital and business expertise, which are not found in the Brazilian case. In Boston, the population of Brazilians is limited to about 150 thousand. Similarly, Brazilian business amount to some 350 small enterprises spread around many cities. Moreover, there is not a single district or area where Brazilian presence is predominant<sup>7</sup>. Brazilian businesses are only partially concentrated in cities such as Somerville, Allston-Brighton, Cambridge, East Boston, Marlborough, Framingham, and more recently, Arlington and Everett.

Ethnic economy<sup>8</sup> and middlemen minorities are interchangeable terms. Both try to explain the economic forms and the social relations that immigrant owners of small business engender. Ethnic companies, on the other hand, are defined as those whose owners are immigrants, which employ co-national workers and offer products/services found or produced in their country of origin.

The context of these businesses is shaped by ethnicity<sup>9</sup> (Light, Sabagh, Bozorgmehr and Der-Martrosin, 1995; Bonacich & Modell, 1980). Ethnicity, according to Bonacich and Modell, is social affiliation through the community and depends on special ties among people of the same origin. It is important to point out that solidarity grounded on class

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<sup>7</sup> There is an important distinction between ethnic district and ethnic enclave. "Most immigrant groups initially only set up a small number of small businesses to cater to their most immediate products needs. Ethnic districts play an important functional support role but do not have, as enclaves do, a broad labor division; they are especially resentful of the presence of an upper business owning class. Ethnic districts have been the norm in the recent adjustment models for most immigrants; enclave formation has been the exception" (Portes, 1990: 204).

<sup>8</sup> The concept of ethnic economy was introduced by Modell (1977) based on research conducted on Japanese immigrants in the USA in the 70s. Later this concept was redefined by Bonacich and Modell (1980), to analyze relations between business owners and their co-ethnic employees. This did not include immigrant workers occupying jobs in the broader economy, nor firms whose employees were not co-ethnic. The ethnic economy remained circumscribed to the situation where employers and employees were necessarily co-ethnic, independently where such group was found or the level of ethnicity within the economic niche, or even between buyers and sellers. Additionally the concept did not presume the existence of an ethnic and cultural environment inside these businesses (Light et al, 1996).

<sup>9</sup> According to the specialized American bibliography, businesses have strong ethnicity characteristics when the predominant language used in the relationship between owners and employees is the language of origin.

interests and ethnicity cross each other in modern societies. Bonacich and Modell, analyzing the relation between class and ethnicity, conclude that while on the one hand the development of certain types of businesses in the USA was bolstered by strong ethnic relations, on the other the absence of this class concentration leads to the weakness of ethnic solidarity (Bonacich e Modell , 1980: 5).

Ivan Light (1998) aims to show that groups that organize their own business sector end up having two types of advantages in comparison with those that do not: “(1) ethnic businesses offer co-ethnics an alternative to the general job market, reducing the pressure these groups exert on job supply; (2) they offer safer and better paid jobs, speeding up social mobility of the group as a whole” (Light, 1998:275). The key element, states the author, “is the use of ethnic resources to support the competitive position of individual firms... Ethnic resources are social characteristics of a group that business owners use in their firms, deriving benefit therefrom” (Light, 1998:275). Thus described, ethnic resources include: values, knowledge, skills, information, attitudes towards money and work, and solidarity. The author’s conclusion is that since ethnic resources have no monetary cost, they form the basis on which immigrants strengthen and develop their businesses<sup>10</sup>. Revolving credit associations, set up to leverage funds to create small businesses, for instance, spring up as a consequence of this type of resource. In some groups, these associations play a fundamental role. This is the case, for example, of Koreans in Los Angeles: 80% of Koreans studied by Kim were members of the Korean Revolving Credit Association, being that a similar situation is also found among Korean residents in Chicago (Kim, 1982).

Middlemen minorities have the following social characteristics: (1) they are sojourner immigrants (birds of passage), i.e., they intend to return to their place of origin and therefore see their immigration as temporary; (2) they create a separate community and also

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<sup>10</sup> Based on research conducted among Toronto immigrants, Reitz, 1980) added new elements to the discussion this author called “ethnic work setting”, incorporating in this definition not only self-employment and co-ethnic workers (similarly to Bonacich and Modell) but also all the locations where the workers speak the same foreign language, without necessarily being employed by a company whose owner inevitably belong to the same ethnic group. One of Reitz’s conclusions is that workers in an ethnic economy have a greater return on human capital that that obtained by their co-nationals employed in the broader economy. This is because: “for low-skilled members of minority groups, work settings controlled by their own group are more attractive” (Reitz, 1980).

display “much solidarity within their own ethnic group, even when there are significant internal factions. Ethnic solidarity is especially marked by family ties strong enough to avoid, for instance, exogamy as a way to preserve the group and its identity; (3) they are ethnocentric, mainly because they believe in the superiority of their culture and place great effort in passing their traditions from generation to generation; (4) they tend to create a number of organizations in which they participate intensely and in which “the community can be organized from the base to the top, with a number of voluntary and semi-voluntary associations which allow a certain control over their internal cases, and associations whose objective ranges from promoting self-help to pursuing philanthropic aims”. They are without doubt hard workers and the businesses they set up are invariably family run.

The above characteristics that describe middlemen minorities conform, from the methodological standpoint, to the ideal Weberian type. This means that not all the characteristics presented will be found in concrete ethnic economies. Some features may be absent or found in varying degrees. In spite of this warning, the data provided by this research point out that these characteristics are not applicable to the Brazilian case.

The Brazilian small-business owners are not “birds of passage”, to use the term coined by Piore (1979). This means that they do not see their migration as a temporary affair. The vast majority (80%) of these people intend to settle down in the United States. This is one of the characteristics that separates this group from the remainder of the Brazilian immigrants, since only 15% of them do not intend to return to Brazil (Martes, 2000).

Solidarity within this group is quite fragile, illustrated by the difficulties in creating a Brazilian chamber of commerce, as this survey ascertained. Moreover, Brazilians do not express any type of ethnocentrism, as shown in the next item.

### **Hostility, solidarity and trust**

Both the ethnic economy concept and that of ethnic enclave are based on the notion that immigrant groups develop internally a high degree of solidarity and trust. Such traits

become resources that benefit the setting up and development of small businesses within this group. Literature specialized in economic sociology has been calling attention to the role performed by trust in economic relations. The basic hypothesis is that trust acts as a facilitating mechanism in production and sale transactions, since it reduces the economic cost of the operations. Recent studies on immigration have been incorporating this approach and contributing to this debate.

According to some authors, such as Portes (1995), the cultural identity of immigrant groups in the USA emphasizes the degree of solidarity and trust among them, since they belong to the same ethnic group. Solidarity and trust would therefore be two essential elements in forming social capital of immigrant groups. The concept of social capital refers to the capacity of individuals to hold scarce resources due to their belonging to broader networks or social structures. Such resources may include tangible economic assets, such as discounts in prices and loans, as well as intangible assets, like information on business conditions, job tips and general “good will” in market transactions.” (Portes,1995: 12).

Trust and solidarity are closely linked to the hostility with which immigrant groups are received in American society. Reacting to such welcome, immigrants prefer to keep themselves closed around their family relations, to use goods produced in their country of origin and to interact with their co-ethnic fellows. This condition leads naturally to the creation of an ethnic market, at the same time that it fosters the ethnic identity of this community. The community develops and imposes social sanctions against those who try to break the trust among the members of the group.

Within the ethnic economy, middlemen minorities also perceive and experience the receptive society as an environment where hostility and exclusion prevail. They feel cast outside and victims of prejudice. As a form of reaction and self-defense, they look for their own group, establishing strong social bonds within the community they belong to. Therefore, a correlation exists between ethnic solidarity, social hostility and concentration of small businesses. The basic thesis supported by Bonacich and Modell is that social solidarity within an ethnic group nurtures small businesses. And trust is the cornerstone of

social and contractual relations, which results, from the economic standpoint, in lower costs and easier credit.

In the case of the Brazilians, a characteristic of the group as a whole, not limited to the business owners, is that they highly esteem American society, but feel inferior to it. When Brazilians look to the USA, comparing this country with Brazil, they tend to converge to a common ground: they perceive and value the respect and the citizenship found in American society. In this aspect, the cultural memory brought from their country of origin positively reinforces their perceptions regarding the host society, unlike what is emphasized in American literature. Boston Brazilians have a positive image of “America”, especially regarding the civic culture of that country. In this particular aspect, it is important to point out to the concepts of respect and citizenship that arise from these perceptions and the broader institutional picture that surrounds such experiences, establishing rights (access to public and collective goods and services) and rules for civic life. In this framework, citizenship does not concern its formal political scope (formal rights to participate in the electoral political process), but its civic scope, especially regarding the respect that must mediate social relations. Citizenship, within this broader definition, also refers to institutional participation (Brazilian representation in schools and healthcare) and to access to basic public services (in particular schooling, healthcare and housing).

Brazilian small business owners in the Boston area were asked their opinion regarding this citizenship issue. More specifically, when they were asked if they had ever had a problem arising from the fact that their firm was of Brazilian origin, only two stories were presented. The first is that of a variety shop, whose American neighbor called and asked if the storeowners did not know that they were in the USA and that the local language was English. This because the store sign was written in Portuguese. The second story came from a business which, according to its owner, had to follow to the letter all health and hygiene city regulations, which were not followed by neighboring firms whose Jewish owners had been there for a long time. “This is a sort of discrimination”, the Brazilian owner emphasized. “The Department of Public Health in this city inspects everything,

installations, restrooms, fridges, health conditions, everything... But apparently some businesses are more inspected than others”.

Nonetheless, these were the only two cases found. As a rule, most situations found in the interviews showed little hostility. When asked about the biggest hurdle they had had to overcome in order to open their business, most answers praised the conveniences provided by American society.

In fact, most interviewees stressed how easy it had been to open a firm in the USA: “Everything here is structured, the city tells you everything, without red tape”. Particularly noteworthy is the statement given by an exporter: “Here in American, there is no problem. It beats Brazil hands down. There are even credit facilities. Look, I’m illegal and I have credit. Banco do Brasil (the Brazilian government-owned bank) denied credit to me, a Brazilian citizen, but the American bank gave it to me, an illegal alien... In Brazil, generally small business owners do not export. Here there is no such discrimination. Here, as long as you pay taxes, it’s all the same. Look at customs problems. The importer, who is I, has to handle that, not the exporter. The company is six years old and is based in Belo Horizonte. I don’t want to go back because here I have a peaceful life. In Brazil people have got no respect; here we have learned to be citizens”.

Predominantly, the interviewees said they faced no difficulties in their businesses. There is a widespread spirit of “self-sufficiency” among them, with emphasis on shrewdness and personal effort when recalling how the company was set up. This also seems to be a good way to value their entrepreneurship, which they all feel they have.

### **Business school**

Both authors who work with the ethnic economy concept and those who adopt the ethnic enclave concept show that immigrant workers employed in co-ethnic firms drift towards becoming self-employed in the near future (Light, 1972, Portes and Bach, 1985), meaning that these businesses act as a sort of business school. According to Portes and Bach not

only does the ethnic economy function as a type of business school for future business owners, it also increases the volume of wealth accumulated among the members of the community, thus expanding the opportunities for the group as a whole.

According to these authors, employees of a small business owned by a co-ethnic are willing to work for smaller wages and labor harder since they believe that in the future the employer will help them set up their own operation. Trust (at least partially) is generated by multiple affiliations e superimposed to ethnic organizations, and “honor” becomes an essential issue for middlemen minorities. Moreover, the high degree of community organization allows them to generate and distribute resources such as capital, information, training and employment, in an easier and more convenient manner than that found within the members of the society that surrounds them.

Supported by research conducted in a Chinese garment factory in New York, Wong (1987) concluded that values push employees towards accepting certain cultural rules because of their ethnic origin, which is shared between employees and employers. Such values help minimize internal conflicts and create an identity between the workers and the companies for which they work. Ethnic economy is typified mainly by cultural specificity. That is why co-ethnic workers prefer employment in these companies, even if the salary offered is comparatively less.

Information found through this research shows that a considerable number of interviewees had some kind of previous learning experience and that it was important in opening the company. Most of them either brought this experience from Brazil or picked it up in American or non-Brazilian companies. The following excerpt from a interview illustrates this fact: “I worked for an American restaurant for four years. First I prepared food, then I became a cook and finally a manager. After that, it was easy for me to open this place here. I had no difficulty learning and here I only copied what I knew”.

Yet, few Brazilians state that the knowledge necessary to open a business was obtained at companies owned by other Brazilians – the single exception being a newspaper. Another

observation is that a social and cultural learning process occurs, i.e., the development of personal skills not related to making money, but to dealing with people. According to the interviewees, one of the main skills necessary in opening a business is to be adaptable and able to copy others: “Here you learn this because you have to live with other cultures. Here I learned to be humble and to know my place. In Brazil, people with some purchasing power do not respect others. Here, the truth is the truth. People are more sincere”. In this case, the experienced found in the USA, valuable to establish a business, did not happen within the Brazilian community, but outside it. It is obviously a cultural assimilation process.

There was a single interviewee who claimed that the “success formula” for his business was based on cooperation and solidarity. The help, however, did not come from a co-national, but from a native (an American). Would that be an exception? It is without question not the rule, but a case like this makes the description of an environment mostly hostile to immigrants (such as that typified by the bibliography – see next item) seem a bit overstated.

What stands out in this study is the absence of a “community spirit” among Brazilians and the presence of a kind of individualism. Statements such as “nobody helped me open my business”, “I need nobody’s help” or “it would be nice to have a Brazilian chamber of commerce, but I would not have the time to participate” were plentiful in the interviews, when the question was on the help they had received to open their business.

Of the 50 businesses surveyed, only five employ workers or nationalities other than Brazilians. And it is precisely these interviewees who state that they do not give preference to hiring Brazilians for their companies. Other ethnic groups they mentioned having hired are Hispanics, Asians and “natives”. The explanation behind this has to do with the type of service rendered and the target customers. This group includes an optician, a language school, a beauty parlor, a computer sales and appliance repair shop and a sales catalog company. If the answers provided by the owners of these businesses are crossed with the year of the firm’s founding, we see that two were opened in 1999 and only one more than

five years ago (in this case, 1994). This perhaps means that Brazilians are beginning to open businesses that cater to a broader clientele than that of their own community.

Among those interviewees that stated that they do not give preference to hiring Brazilians, and consequently value competence in the performance of a given task, the following statements came up: “since this is technical work, the worker has to be competent”, answered the owner of the company that renders technical assistance to home appliances. According to the optician, “I hire Brazilians only as counter clerks. Optometrists are admitted according to their degree of specialization.” However, such attitude is not restricted to the technical competence sphere. To be able to perform well a job, such as hairdressing, was also named in other cases. According to one interviewee, the owner of a language school, “I analyze the résumé and the professional skills. Brazilians compete on equal footing with other candidates”.

The number of employees per business is still low. In that group of small businesses, 74% employ at the most five people. Most of them are Brazilians, justified by the language spoken by both the owners and the clientele of these companies. The hiring of Brazilian workers is explained by the interviewees in the following manner: 45 of them (90%) said that they had hired Brazilians because the vast majority of their customers are Brazilians. Two stated that they had employed co-nationals because they were the only ones that had applied for the job, three declared that it is essential to have Brazilian workers due to the type of service offered – such as a cook in a restaurant serving Brazilian food or a writer in a newspaper written in Portuguese for the Brazilian community. It is important to point out that only one interviewee said that he insists on hiring Brazilians in order to provide more job opportunities for his co-nationals. These findings run against American bibliography on ethnic economy or ethnic enclave. Both try to relate precisely employability with solidarity relations within immigrant groups, through the creation of job opportunities for their co-nationals.

### **Low degree of trust**

In contrast with other immigrant groups in the USA studied by specialized American bibliography, Brazilians apparently do not have hold much trust in their fellow citizens. This lack of trust is shown in a number of ways: how customers are treated, services are hired, partners are found to open businesses, and the lack of payment facilities for Brazilians. Regarding their clientele, many interviewees emphasized that they do not accept checks because they fear such checks will bounce. They will also not sell on credit. “I accept credit cards from anyone. But not checks. I got shafted many times. Once I accepted a check from a gentleman who could have been my father and always had lunch here. One day he asked me to cash a \$700 check, which I did. Next thing, he went to Brazil, the check bounced and I got stuck with the loss”. This is not an uncommon fact.

“When I hire the services of Brazilians, I’m always a bit distrustful. Only after a time do I trust in them. But then again, I feel like that towards Americans, too”. While this does not seem to reflect the opinion of the majority, one interviewee in special complained much on the “dishonest way Brazilian lawyers and accountants work”. For this reason, he prefers American ones.

The family company<sup>11</sup>, as already mentioned, is one of the characteristics of the Brazilian businesses in Boston and the main reason behind it is to make up for this type of distrust. “I have partners, but all belong to the family. And I cannot say that I fully trust anybody. But there are safe ways to work. Today there are hidden TV cameras and employees do not have the slightest cue that they are under surveillance, or if the boss is watching or not. This is what I intend to do in the second shop I plan to open. Camera on the cash register.”

Of the 50 business owners interviewed, 40% have at least one partner and among these, 13 are associated to some member of the family, in particular a spouse (65% of those having partners). Justifications for this type of partnership also have to do with trust. Among other owners with partners, four answered that the association reduces risks.

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This widespread feeling of distrust is extended to associative life, as well as to obtaining any type of support from the Brazilian consulate in Boston. Questioned on the importance of creating an entity that could eventually promote the interests of Boston businesspeople, one interviewee said: “I would like to see it work to believe in it. I don’t think there is a chance”. In this particular item, eight of the 50 interviewees, during the first phase of the research, stated that they do not need any type of help, three of them saying that all the help they need they have from the local city administration. “The city takes care of anything I need. I don’t want the help of Brazilians and don’t want any type of community association. Brazilians are dishonest and only get together to gossip about each other.”

Just like in the above interview, the issue regarding the lack of trust came up more than once (and spontaneously) when talking about the problems owners face: “I’d like to have the help of a reliable chamber of commerce, since Brazilians who render services here are not honest”. Or else, “Brazilians should stick together and respect each other more. They do not comply with franchise regulations and this harms us all”.

Not by chance, the trust issue has been made object of marketing. During the field research, a billboard in Allston (shown below), put up by a non-Brazilian advertiser competing with Brazilian companies performing wire transfers to Brazil, showed a traditional “baiana”, a well-known and loved character in Brazil, saying: “I trust this one”.

### **Religion, associative life and small businesses**

Many sociologists have stressed the meaning and the role of an active community life, whether it be in the religious, sports, cultural or associative sphere, in order to acquire and promote social capital among the many social groups. This is especially true among immigrant groups (Putnam, 2000; Merton, 1996; Portes, 1996).

In the Brazilian case, most of the owners of small businesses have a very timid community participation, if the number of associations or entities they participate in are any measure. Of the 50 owners interviewed, only six are engaged in this type of activity. Associations

listed were: Associação de Pais e Alunos (PTA), CTG Clube Gaúcho (Somerville), Massachusetts Alliance of Portuguese Speakers (MAPS), Community Development and Allston - Brighton Borough Trade.

Regarding religious beliefs, only 38% of the owners interviewed are catholic, 28% are protestant, 18% did not state a religion, 14% preferred not to answer and 2% declared themselves ecumenical.<sup>12</sup> These data, compared to the remaining Brazilian population living in Massachusetts (60% of which are catholic – Martes 2000), demonstrate that the share of catholic among business owners has slipped. The difference is further highlighted when compared to the population in Brazil, where 65% of the population are catholic (Pierucci and Prandi, 1995).

To try to explain why the number of protestants is so large is not an easy task. There are in fact a number of reasons behind the growth of protestant churches, most of them related to the sociability standards they provide (see Martes, 2000). More specifically, among Brazilian business owners, protestant church attendance can be explained by three other factors. Protestant dogma favors and encourages social mobility. Since Brazilians do not immigrate as professionals, self-employment is a path that will help reach this goal. Another factor that encourages attendance is clientele forming.<sup>13</sup>

The part of the interview below illustrates well this matter. “To belong to the church has helped me in the spiritual sense, including how to maintain and handle clients. It is difficult to deal with people of all kinds. When one knows the word of God, it is easier to understand others and control oneself. I always pray before I enter the store. Part of what I earn I give to the Lord. God gives us strength to go on. The minister always comes here to pray with us. I ask God to teach me how to use well the money I earn here”.

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<sup>12</sup> Among protestant churches, the one that stands out is Assembléia de Deus (God’s Assembly), which gathers half of all those declaring themselves evangelical. Other groups include the Baptist Church (3), Presbyterian Church (3) and Maranata (1). Assembléia de Deus is considered the largest Brazilian protestant church in Boston, with about 4,500 members.

<sup>13</sup> However, the presence of priests and ministers, or even church fellows, in business openings is minor.

If these data are crossed with religious affiliation, it is seen that out of 19 interviewees who stated that most of their clientele comes from the church they attend, **only three are catholic**. The remainder are protestant (except two who did not state their religion). Religious communities become a sort of “captive market”, i.e., business owners affiliated to protestant churches have greater chances of attracting clientele from their respective religious communities. The same cannot be said of owners attending catholic churches. Among these, most of the clientele comes from residents of the same city of origin in Brazil and inhabitants of the same area where the business is located in Boston.

The third factor is linked to the fact that protestant ministers participate more actively in the Brazilian business life in Boston: they attend meetings, took part in creating the Brazilian Boston Network (BCN) and at present Assembléia de Deus is trying to set up a credit union. In summary, the results of this study show that protestants create a more auspicious ethos for entrepreneurship and their ministers spend time and effort to promote business. After a company is set up, church members tend to patronize the businesses whose owners are fellow members.

One of the important points underscored by authors developing the ethnic economy concept regards the bonds between religion and economic life. As it is known, the basic Weberian hypothesis is that Protestantism is more inclined towards capitalism, or entrepreunering activities, because of the religious doctrine it spouses. The percentage of protestants among the Brazilian business owners is above that of the overall Brazilian residents in Massachusetts. Could Weber be used to explain this fact?

According to Bonacich and Model (1980) each religion presents a system of social relations in which a particular economic form flourishes. The key issue, then, is not to relate theological doctrine with the degree of economic propensity, but to explain religions membership in view of the social relations churches develop and foster. People seek social relations more than doctrine. This means that those attending church more often find there more possibilities to strengthen their social ties, which the church itself encourages.

Regarding Brazilians, both catholic and protestant churches are perceived and valued by their members as institutions that house a haven for reciprocity and solidarity experiences among them. In other words, Brazilians come to churches because want to socialize, because there they can expand their social capital and because they recognize the social mechanisms therein as safe, and as facilitators for socialization (Martes, 2000).

The data presented in this study show that when business owners are protestant, they have greater chances (or at least better chances than the catholic ones) to attract fellow church members to their business. While ministers take a deep interest in the firms set up by their flock, priests and nuns remain apart.

### **Conclusion – the community ethos**

I believe that the Brazilian population living in Massachusetts does not behave as if they formed a great community. Yet, the community spirit is not totally lacking. It can be found in churches, for instance. But especially among owners of small businesses, an individualist attitude prevails, mainly regarding their self-sufficiency and distrust of the possibilities of benefiting from any organized work.

It can be said that Brazilian businesspeople show a small degree of solidarity of interests and of trust. I believe both things are interconnected, although conceptually they hold no relation. Solidarity involves a sense of community, shared by common ideas and a moral duty. Trust, on the other hand, does not require a community, since it regards mainly a sort of conviction, an expectation that somebody has in relation to the behavior of another one<sup>14</sup>. Therefore, one can cooperate without showing solidarity. This means that in order to have cooperation, all that is needed is trust, while solidarity is not essential. This distinction is quite important since, looking back at our case, we should notice among these Brazilians a very faint community ethos, inhibited solidarity displays and, at the same time, extreme distrust among them. Yet, this was not what we found. Evidently, community forms and

solidarity relations foster/favor trust, and vice-versa. In this case, solidarity and trust are in fact related.

It is interesting to see that, according to Bonacich and Modell (1980), it is precisely the economic interests that will promote the community organization within an immigrant group. The authors create a direct relation between the concentration of small businesses and the preservation of ethnic bonds, and ethnic solidarity, in especial, plays a crucial role in the business. Such relation has empirical grounds: the involvement in small businesses is related to relatively high levels of family attachment, as well as intra-community informal bonds. In the case of Japanese immigrants, for instance, the authors found a high degree of participation in community organizations and high degrees of Buddhist membership.

Therefore, one of the most important conclusions drawn by these two authors is that ethnicity responds to certain interests, and when economic interests are not present, ethnicity tends to lose importance. Could it be said that in the Brazilian case, the absence of a certain community spirit and the existence of “individualist” attitudes can be explained by the fragile organization of economic interests in the Brazilian community? One way to answer this question is to resume in the future the research among Brazilian business owners in Boston. Thus, we could compare the development of these companies in two different periods, relating them to the organization of support networks and other forms of social capital. This could be a future unfolding of the research presented here.

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<sup>14</sup> Trust is the result of a calculation on the possibility of the other person’s not having an opportunistic behavior, since such behavior will not benefit the other part either (Macedo, 1998).

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