Microbusiness, household and class dynamics: the embedding of minority ethnic petty commerce

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Abstract

Microbusinesses are embedded in wider social processes, and it is the nature of this social embeddedness that is the principal focus of the article. In particular, ‘domestic embedding’ of petty commerce is crucial, and involves a mixture of competition, domination, negotiation, and custom (Wheelock and Mariussen, 1997). Furthermore, as a socio-economic group, petty traders and producers occupy an ambivalent position in the class structure, as they are vulnerable both to upward and downward social mobility. While the petty capital class has the advantage of possessing property assets, many members lack significant symbolic and cultural assets. Nonetheless, property assets offer the most robust bases for class formation (Savage et al., 1992). In addition, the embedding of petty commerce can be both ‘identity-sensitive’ and ‘identity-neutral’ (Sayer, 1995; 2000; Fraser, 1995). Extra-ethnic factors are significant in this process.

The research uses formal interviews and ‘quasi-ethnographic’ methodology to explore the different contexts in which restaurateurs and market traders operated in Birmingham, UK. The article draws critically on several literatures on industrial organisation, economic sociology, family businesses and minority ethnic businesses. One aim is to give the rather indifferent concept of ‘embedding’ substantive content, and in this way to make an empirically informed contribution to ‘new economic sociology’.

Introduction

This article examines how microbusinesses – in particular those involving household members – are embedded in social relations (Baines and Wheelock, 1998). The domestic context within which they are located is important for assessing whether they make enough to satisfy their family needs. Importantly, the nature of the petty capital’s transformation has implications for class analysis (Savage et al., 1992; Goldthorpe et al., 1980). The transformation of the ‘entrepreneurial’ middle-class must be regarded as integral to contemporary class dynamics, and the role of the household is significant in this process (Allen and Truman, 1993; Phizacklea, 1990; Ram, 1994a).
While previous studies make either the link between ‘household and microbusinesses’ (Wheelock, 1990; Phizacklea and Ram, 1996), or ‘microbusinesses and class’ (Scase and Goffee, 1982; Bechoffer and Elliot, 1981), only a few studies attempt to integrate all three dimensions (see Savage et al., 1992 for exception). In addition, even fewer studies attempt to investigate the minority ethnicity dimension (see Phizacklea, 1990 and Mulholland, 1997 for exceptions). This article examines the dynamics of microbusiness, household and class in a multi-ethnic context by exploring retail market-trading and the restaurant sector in Birmingham, UK.

The prevalence of the husband and wife microbusiness household has been documented in a number of studies (Adkins, 1995; Allen and Truman, 1993; Baines and Wheelock, 1998; Wheelock and Baines, 1998a; 1998b). In one study, Wheelock and Baines (1998a) found that out of a sample of 104 micro-businesses, a significant minority (40 per cent) were ‘family businesses’ in the sense that they formally involved family members as co-owners or employees, and by far the most common family relationship was that of husband and wife. Moreover, when the cases reporting some form of unpaid contribution to the business by an owner’s spouse were included, as many as three-quarters of the businesses in which the respondent lived with a spouse could be described in some way as husband/wife businesses. Studies of minority ethnic enterprise frequently allude to the importance of other family members, as well as husband and wife, to the business household (Werbner, 1993; Ram, 1994a). The often vital contribution of children to business survival has also been recognised within such debates (Baxter, 1988; Peace and Hulme, 1994; Song, 1997).

While some writers (such as Scase and Goffee, 1987; Curran et al., 1986) often depict social embedding as ‘softening’ (or lessening) the exploitative economic practices, such social relations can become dysfunctional and often they are instrumental to the business interests. By particularly looking at the ‘domestic embedding’ of retail market trading and restaurant business, this article will show how business is structured and involves a mixture of competition, domination, negotiation, and custom (Wheelock, 1992; Allen and Truman, 1993).

Interestingly, as a particular sub-category of petite bourgeoisie, market traders and restaurateurs do not necessarily form a relatively stable collectivity that can weld significant power in urban politics (Bechoffer and Elliot, 1981; see Storey, 1994 and Curran et al., 1986 for general discussion). As a socio-economic group, market traders and restaurateurs are vulnerable both to internal social mobility, as their children aspire to respectable, salaried employment, and to external competition, as restaurant workers hope to establish their own business. While the petty business has the advantage of possessing property assets, it lacks significant symbolic and cultural assets for many. Nonetheless, property assets offer the most robust bases for class formation (see Savage et al. (1992) for the types of assets and their causal powers).
Several writers (such as Werbner, 1993; Ram, 1994b) have suggested that ethnicity makes a difference to how ethnic ties are bound to economic activities. Their work on minority ethnic commerce shows that ethnicity can be an important aspect of the embedding of economic processes. Markets and organisations require trust, and ethnicity can make a difference in deciding who to trust. Yet, paradoxically, sometimes such ‘embeddedness’ arguments take insufficient account of the many-sided aspects of the object of study, and ethnicity is offered as the key, effectively ignoring the nature of the concrete and complex social milieu (cf. Sayer, 2000). Surely, the embedding of markets and organisations can both be ‘identity-sensitive’ and ‘identity-neutral’ (Sayer, 1995; 2000; O’Neill, 1998), and can occur for extra-ethnic reasons. One of the effects of the ‘cultural turn’ in social sciences is not only a marginalisation of economic logic but also a reduction of it to cultural logic. It is always a matter of an empirical enquiry to ascertain the extent to which ethnicity is significant in shaping regulation and a contributing factor in facilitating trust and mistrust. Additionally, as Woodward (1997) and Bradley (1997) argue, an important consideration here is the avoidance of ‘new’ essentialist characterisations of ethnicity.

**Research design, techniques and stages**

This article on the minority ethnic petty commerce combines two distinctive studies on retail market traders and independent restaurateurs in Birmingham, UK. Interviewers were selected on the basis of the different types of role they played and according to differences of context. The restaurant research was based on detailed qualitative interviews with thirty-seven restaurants owned by migrants from five distinct ethnic origins – Bangladeshi, Pakistani and white (eight each), Indian (seven) and African-Caribbean (six). The inclusion of a variety of ethnic groups, including white, militated against the tendency of isolating one community from the rest of the small business population. A single group focus runs the risk of accentuating difference (Mulholland, 1997). The independent restaurant sector was chosen because it has been a popular activity for minority ethnic businesses in Britain, and further afield (Bailey, 1985; Kesteloot and Mistiaen, 1997).

The owner-mangers of all 37 restaurants were interviewed. In the overwhelming majority of cases, it was also possible to interview other family members who were directly involved in the family businesses. Typically, this would be the spouse and children of the usually male owner of the restaurant. In the case of the South Asian Muslims, the wives of the owners rarely had any direct and visible involvement in the restaurant (although they performed key tasks in the domestic sphere that helped to maintain the microbusiness household). Hence, it was not possible to interview these South Asian women. However, a number of male kinfolk – brothers, uncles and cousins – who were often involved in the South Asian restaurants were interviewed. During these
interviews, the role of family, the division of labour within the household, and aspirations of children were discussed. Each interview lasted around 90 minutes, and was fully transcribed.

In addition, eighty-six employees working in these restaurants were interviewed, focusing on the negotiated nature of employer-employee relationship. Each interview lasted approximately thirty minutes, and was fully transcribed. Subsequent analysis was based on the use of ‘Atlas Ti’ and SPSS software packages. Thirty-eight per cent of all interviews were with Bangladeshis (Pakistanis 23%, Indians 20%, African-Caribbeans 9.3%, and Anglo-Saxons and others 9.3%). Only eleven per cent of the sample was female, with two-thirds of this being African-Caribbeans. None of the female workers interviewed was South Asian in origin.

For the study of retail marketplaces, a ‘quasi-ethnographic’ approach was used, comprising participant-observation and unstructured interviews. This provided detailed, concrete and critical pictures of how market traders ‘made out’ and of the contexts in which they did so. Prior to formally beginning the research project, I worked for a year for several black market traders, doing participant-observation as a pilot study for my research. This enabled me to get an insider’s view of market trading. The interviews were on site, in a ‘natural’ setting to maximise information flow to unearth the substantial and causal relationships and processes.

The people chosen to observe and interview were not randomly selected but were selected for likely theoretical interest; e.g. according to factors such as market traders’ ethnicity, gender and age, and product niche. However, I felt confident that I had interviewed sufficient traders in sufficient depth to have built up a representative picture of market trading. The ‘sample’ had 41 market traders, of which six were African-Caribbeans, one was West African, two were Indians, one was Pakistani, and one was East African Indian. Seven of the traders were women, of which one was African-Caribbean, one was West African and one was Indian. The overwhelming majority were white males.

**Domestic embedding: class and household transformations**

A process of fragmentation

As writers (such as Folbre, 1986, 1994; Anderson *et al.*, 1994) on household economics stress the social relations within households are asymmetrical or unequal. Inherent in such domestic units is a process of negotiation between the various members of the household concerning who has access to what and who consumes what. Insofar as microbusiness still requires some amount of capital and unpaid family labour to begin with and to survive, the family remains important (Baines and Wheelock, 1998; Wheelock and Baines, 1998a, 1998b). Although retail market trading occupies an economically marginal
sub-sector, and is a simple form of retailing requiring little capital and knowledge, this does not mean the option of becoming a market trader is available to all since there are still economic costs involved (cf. Pahl, 1984). For a new trader starting as a casual on a fruit stall at an outdoor marketplace the initial basic cost is typically £1,500–2,000. The capital required for initially starting up the stall business come from a wide range of sources; e.g. redundancy pay, past savings and loans from relatives and family. For example, Des Lock was set up by his nephew, a businessman, who lent some money after Des and his family had lived on his redundancy pay while looking for secure work. Another trader used the family holiday money, which she and her husband had saved up for two years.

Yet, there will be other competing bids for family time that makes the business fragile and prone to break-up. In other words, ‘domestic embedding’ is a double-edged sword since it can be dysfunctional to the business of making cash, and so threaten its survival and development (Phizacklea and Ram, 1996). For example, some restaurateurs suggested how their private family tensions made working relationships awkward and uneasy:

**Wife:** I think it is very hard, because... I don’t get enough time to spend on myself. It is just the restaurant really, ...so that is hard.

**Husband:** Well on the restaurant side, she is more keen than I am . . .

**Wife:** I am more involved. What do you mean ‘keen’! I have got to be keen because it is my business.

**Husband:** The restaurant is hard work . . . At this stage of my life, hard work is not really a priority.

**Wife:** If you have got that sort of an attitude, then you can see why it is harder on me . . . I mean, everything relies on the restaurant . . . It is our only income . . . He is not working . . . so I have got to put everything into it. I can’t put less than 100 per cent because you have got all your overheads . . . Most businesses are run by men, and at least the men have got their wives to back them up by being responsible for the home. I have got to do both, so it is twice as hard for me. . . . You never switch off, because even when you are not in the restaurant you are thinking about what is next. . . . I suppose it does put a lot of strain on our marriage. . . . I think it brings out the worst in me, because I am expecting more support.

[note: ellipses often indicate pauses]

How do microbusinesses manage to start up and survive in a highly competitive environment? In part, most businesses rely on family members to subsidise their business (Scase and Goffee, 1987). Often, in economic *marginal* businesses husbands and wives work together in the restaurants, but it is not uncommon for spouses to have full or part-time employment else-
where. Such non-restaurant employment is crucial to sustaining businesses and the household. For example, one restaurateur commented on the role of his wife:

Alice works here. She is a social worker and then she comes in on the night-time. She works a couple of shifts, evenings and Saturday lunch; so she works a lot of hours and she does a full-time job.

Alice elaborated upon her role in keeping the business household afloat:

Of course the business is providing an income, but it has not done what we have expected it to do, so it requires my financial support as well as working here. Yes, we just making ends meet... The business requires me to put money in and to help out to reduce the staff costs. It has been a pressure... but we want the business to succeed; though it has been difficult emotionally for us.

Most microbusinesses are not a typical ‘family business’ unit since they do not absorb all the family members, who are usually involved in their own work – children are in education or ‘respectable’ employment, wives are in formal employment and/or unpaid domestic work (Mulholland, 1997). Indeed, many owners hope that their children will perform well educationally and aim for ‘professional’ careers (i.e. ‘break-out’). Many speak of the hard work, sacrifices and the pressures that they have to endure. For example, one restaurant owner commented:

My children’s education is more important... This business is very hard work and I don’t want them to go through what we do; all the anti-social hours, from 4.00 p.m. to 1.00 am, seven days, seven nights. That is very hard.

While many petty traders and producers do not highly rate their business, as something to achieve, they feel that it is an adequate fall-back position should the children fail to ‘break-out’ into other directions. For example, one respondent said:

My father thinks the restaurant is for when you can’t do anything else. So if you hadn’t studied, if you failed college, failed university, failed everything then you come to work in the restaurant because you don’t need any qualifications. But if you’ve got qualified, you can find a good job and get paid more.

Children’s involvement in the business is rarely the product of an ‘entrepreneurial’ motivation to participate, develop and grow the firm. Rather, it is usually a much more *ad hoc*, piecemeal and cumulative process reflecting a lack of educational and labour market choices and parental pressure to
contribute to the business when required. For example, Javed was ‘pulled into’ the restaurant by his father at a young age, working during peak hours:

Interviewer: So how did you come to want to work here?
Javed: I wouldn’t say I wanted to... I was just told by my dad to come round and give it a try; so as I got older I started learning what was happening, what the restaurant business was like.

Interviewer: So when did that start?
Javed: Since I was a child, I used to come in, do basic things. I used to help them out in the kitchen, cleaning up and whatever, making chutneys and things like that and then just.

For some children, the business thwarted their personal ambitions. When the trader or restaurateur is unable to provide for the family it is usually the eldest son who takes the responsibility to manage the family business. For example, Ahmed Malley had to withdraw from higher education when his father became ill and had to manage the business. What had been thought to be a temporary arrangement became permanent when his father failed to make a speedy recovery.

There are good economic reasons for children to consider the parent’s business as a possible choice of work, in that it is an easy way of earning money. However, in practice, most are put off by its low status and lack of respectability, and female children were actively discouraged, though actual reasons for entry depend on what other options are available to them. For example, having established her business, Celia Fraser didn’t want her children to go into market trading, and though none of them went to university they did do other things. Her eldest daughter was a hospital sister. Her other daughter occasionally ‘helped’ Celia on the stall, but was shortly going on a management trainee programme for ‘Kentucky Fried Chicken’. Her son was in and out of paid work and hadn’t worked for a long while. Celia wanted him to take over the stall to give him a sense of responsibility and settle him down to fixed work. At the moment he was only working on Fridays and Saturdays because he was hoping to find something better.

To sum up this sub-section, the presence of economic opportunities and, thus, competition for labour can be an agent of disintegration of mutual assistance in family practices and reduce members’ commitment to family business (see Song, 1997; Baxter, 1988). Social relations previously based on past struggles and resistance are re-evaluated and re-bargained as children aspire for a higher social class (see Goldthorpe et al., 1980). In effect, a process of ‘individualisation’ and fragmentation may emerge. Indeed, it is too simplistic to refer the household as a single unit of resources, income, responsibilities and interests (Morgan, 1997). Clearly, children’s involvement in the business is rarely the product of their own decision-making, but rather is negotiated and contested, and is a reflection of the power relations and different inter-
tests of family members within the household (cf. Song, 1997). As Roberts (1994) argues, often what appears to be a household strategy turns out to be little more than the strategy of one member of the household.

**The gendered survival**

The domestic context within which the microbusinesses reside is important for assessing whether they make enough to satisfy their family needs (‘making-out’). The highly competitive market and the immediate and pressuring needs of the family militate against petty capitals’ aspirations for capital accumulation, but this does not stop them from fantasising about it! Indeed, while at the beginning of petty commerce family resources are required to ensure that the business manages to survive, *family needs is the bottom line*. For example, Jack Tall used his wife’s building society savings of £5,000 to prop up his business. His wife was tied to the home looking after their four young children. At weekends Jack worked as a labourer for a house builder who had several house contracts to do over the Summer. After 10 months and having used up part of his own £7,000 savings and his wife’s, Jack ceased trading because he wasn’t making enough to support his family. He decided to work full time as a labourer for the house builder. The bottom line was that he had to make enough for the family, which he wasn’t doing.

The preoccupation with business survival should not be taken to imply that the microbusiness household is static. Indeed, the household life-cycle and re-appraisal of personal values and goals have an impact upon the organisation of the microbusiness. Nonetheless, it is clear that survival, security and making enough for the family are an overriding concern for most of the participants. As a restaurateur said:

> It’s making ends meet . . . I have been going for ten years. I suppose, some people would see that as a success because we have been through some really hard times and we have still managed to keep open. But success as in making a comfortable living . . . I don’t see it as that yet!

While acknowledging that division of labour is influenced by non-economic considerations (such as family values and personal ambitions), it is nonetheless worth noting that economic marginality or success influences the nature of family involvement in the business (Baxter, 1988). For many *successful* businesses, the division of labour is socially constructed along traditional ideals of gendered roles of male ‘breadwinner’ and female ‘housekeeper’, and in economic *marginal* households on ‘flexible’ and ‘dual earner’ household structure (see Jarvis, 1999; Hardill *et al*., 1997; Skeggs, 1997). For female owners, the triple pressure of home, self-employment and paid work eased as their children grew up and were able to look after themselves and do more work around the house, however, the dull routine chores were usually left to

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248 © The Editorial Board of *The Sociological Review* 2002
the mothers. For example, Sarah Dawn had to continue to work on a part-time basis to subsidise the business. Sarah said, ‘The kids were smashing. They gave me more house rent money, and did more work around the house.’ However, Sarah still made the dinner every evening and spent the weekends doing the heavy washing and ironing. Luckily, her husband had a good job, and so they were able to live on that to make ends meet.

To be sure, male owners idealise their ‘breadwinner’ role and see their wives in terms of raising the family and keeping the house. Typically, the family division of labour in the successful black microbusiness is constructed along such gendered roles. When asked if his wife worked, a successful Pakistani owner answered:

No, she is at home looking after the children. I am out all the time, so she has to go out for the shopping or to see somebody or family relative; or to see somebody from school about the children, and to help the school do this and that. . . . I have no time, so she has to do all that.

Although many such women were economically ‘inactive’, they were responsible for the upkeep of the home and children (cf. Jarvis, 1999). In this respect, their work is crucial to the maintenance and survival of the household and the business (see also Papanek, 1979). So it is ironic that the literature on small businesses tends to herald the business owner as an ‘entrepreneur’, usually an isolated and male one. Yet, it clear from our study that this representation over-credits the owner for much of the survival and success of the business, and fails to embed the business in the domestic context. By moving the gaze away from the ‘entrepreneurial individual’ (Wheelock and Mariussen, 1997), and towards the microbusiness household, the findings of this section make clear that individual behaviour is an outcome of negotiated social relations, previously based on past struggles, norms and expectations, which can open up to fresh negotiation as household members come to have better access to state provisions and right to employment (Walby, 1986; Folbre, 1994; Agarwal, 1997; Wheelock and Baines, 1998a).

From this section, it is clear that the development of the business owes much to the dynamics of relations within the household. Many households are intent on ‘making out’ and ensuring the survival of the family business. Such an imperative militates against the substantive growth or change within the business; equally though, it does not preclude alterations in the manner in which the business is organised. The key factors appear to be the priorities of household members at a particular point in time. This highlights the temporal and contingent nature of domestic embedding: their timing, duration, and sequence within the family cycle and the life course of the individual. Furthermore, the nature of such household involvement highlights the persistence of patriarchal power (Folbre, 1986, 1994; Skeggs, 1997).
Property capital: trading with other capitals and with labour

Importantly for contemporary class analysis, some particular features emerge within this sub-category of petite bourgeoisie. Many of the petty traders and producers may accumulate non-property forms of capital, and transmit property assets and cultural tastes to the next generation (Mulholland, 1997; Ram et al., 2001). A few of them may become proletarianised. A small number may resort to other sources of income to remain in self-employment and to make up the family wage, as previously noted.

As a petty business class, market traders and restaurateurs do not necessarily reproduce themselves across time (see Bechoffer and Elliot, 1981 for general discussion). While this class has the advantage of possessing property assets, it lacks appropriate ‘cultural capital’ (see Savage et al., 1992 for a general discussion). The combination of small-scale retail property and low symbolic assets explains particular internal tensions and class ‘unease’. Some petite bourgeoisie engage in a strategy of ‘distancing’ themselves from their business. For instance, some successful businesspeople pursue conspicuous consumption and leisure by arranging local charity funding raising events, organising community welfare projects, pilgrimages to Mecca, and trips to India and Bangladesh. For example, one market trader had two cars – a yellow Rolls Royce and a Range Rover. A Bangladeshi restaurateur had received a MBE award for the recognition of his contribution to the local community and charity. Some owners engage in a strategy of reinterpreting their work. They seek cultural and symbolic recognition of their work from trade associations, reports and the wider society. In one instance, an Indian restaurateur was very proud of receiving ‘a star’ in the ‘Michelin Restaurant Guide’. However, for many these two strategies are not viable – usually for economic and cultural reasons.

While the members of the petty capital class undoubtedly pursue private and public forms of recognition (i.e. love of praise), they do undertake actions because they are seen as worthwhile (cf. Sayer, 2001). They nurture their personal and family life. Successful petty traders and producers uproot themselves from their working class origins, and move to the suburbs, into better homes and more pleasant surroundings. A few of them travel abroad with their families twice or three times a year. Interestingly, for many traders, it is a personal honour to become an elected representative for the local or national ‘National Federation of Market Traders’, the trade governing body. For them, it is a recognition by their fellow traders of their good practices and commitment to the marketplace.

Although petty traders and producers do not occupy a powerful position in the industrial sector, their property assets (e.g. rights to market stall or restaurant business, household assets) still remain a significant economic power (cf. Scase and Goffee, 1982). Indeed, property assets offer the most robust bases for class formation, since they allow own labour and other
people’s to be readily exploited, and also can be readily stored as capital. Importantly, as already noted in the previous section, property assets can be passed on to the next generation. On the one hand, property assets can act as a safety net for the children. On the other hand, they can be ‘traded in’ for cultural assets as the children pursue an education.

The self-employment and small employers constitute a significant proportion of small business owners (see Hakim, 1989). They regard their work as a way of ‘making ends meet’ rather than an opportunity to accumulate capital (cp. Ram, 1994b). Thus, they are ‘weak’ within the petite bourgeoisie class. On the one hand, self-employment offers an opportunity to escape the employment relationship (Phizacklea and Ram, 1996), and provides a better alternative to casual and low-pay work (Herman, 1979; Ram et al., 2001). In this respect, self-employment offers a measure of social prestige, income and lifestyle enjoyed by the salaried and professional middle-class. In our interviews with restaurant workers, a number of them had considered opening up their own business. Table 1 indicates that thirty-eight per cent had at some time contemplated starting their own restaurant, or had actually started one before returning to employee status.

However, while the goal of owning a business is an idealised and respectable aspiration, it is fraught with difficulties. For many potential small business owners, the intensely competitive nature of the market environment is a major obstacle. The financial costs of opening a business were also prohibitive for many workers. However, a sufficient minority is lured into the entrepreneurial dream. In part, because they have little else going for them in terms of upward occupational mobility. Furthermore, they had witnessed friends and colleagues who ventured into self-employment. In short, they were spurred by the neo-liberal ideology of individual capitalism.

On the other hand, there are forces to push the self-employeds and small employers back to employee class (in our sample, 10.5% of restaurant workers had their own businesses in the past). For instance, they are vulnerable to the vagaries of the market, to family break-up, and to ageing and ill-health. As a result, their earnings and commitment to the business tend to decline.

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To sum up, petite bourgeoisie occupies an ambivalent position in the class structure. As they remain unsatisfied with their property assets, and are unable to really accumulate further economic assets, they seek to trade for other forms of capital, in particular of other cultural and symbolic assets, for reasons of love of praise and worthiness (see Sayer, 2001). They are always vulnerable to market pressures, in particular to new competition from within their own rank of workers. Consequently, they are a fractured sub-class, unable to weld significant political power on the scale and scope of the working class and large corporations (Bechoffer and Elliot, 1981).

**Market neutrality and ethnic embedding**

In an important way, my studies highlight how microbusinesses are structured such that the owner’s ethnic identity is insignificant in shaping competitive advantage. Microbusinesses are located in industrial sectors that are neutral to the actors’ reasons and moral conduct. In making the claim of a cultural and ethnic style of doing business, researchers and writers (such as Werbner, 1993; Rafiq, 1992) may unwittingly produce new forms of cultural essentialism and hence racism (Bradley, 1997; Waldinger, 1995).

In the case of microbusinesses, it is tempting to think of the object of study as being characterised by ‘marginality’. Yet this could refer to three different things:

- petty capital’s economic position is peripheral to the industrial sector, which is largely shaped and dominated by large capitalist organisations (see Guy, 1994; Wrigley and Lowe, 1996);
- owners’ income is low and insecure, and it depends on the competitiveness of their businesses and on other sources of income;
- owners are disadvantaged in a wider environment in relation to cultural and political powers. In shaping communities, identity and values are responsible for creating inclusions and exclusions.

Importantly, these sources of the inequalities and domination (i.e. competitive industrialism, market coordination, and ethnicity – see Sayer (1995) for a general discussion) are different. Their logics can be separated into two types: identity-sensitive and identity-insensitive (Sayer, 1995; see also Fraser, 1995). Whereas the first two sources of inequalities (competitive capitalism and market coordination) are indifferent to identity, only the third source requires the recognition of identity and ethnic differences. Yet, how do market and ethnicity interrelate?

For the first and second sources of inequalities, the social characteristics of actors are irrelevant since in advanced social division of labour, markets operate largely under conditions of ignorance of how products are produced.
and sold, and who works and trades for whom. Most importantly, money is abstract and neutral – one person’s money is as good as the next’s. Moreover, as Sayer (1995) notes, under competitive conditions actors have an incentive to be neutral for fear of losing sales and bargains to others. In the abstract, the market mechanism operates through unintended consequences of market choices, success may have nothing to do with merit or fairness and much to do with luck, and the logic of the market is that all that matters is what is offered for sale and its price (Steele, 1992).

While some black people may start up a business because of racism in the labour market and exploit racialised resources (cf. Ram, 1992), this does not mean that ethnicity makes a significant difference to how, as businesspeople, they behave. This only suggests that business is affected by inequalities and marginality produced elsewhere. Once people are employed in a competitive business and operate in a market, productivity and price become crucial. Clearly, how and in what ways actors and resources come into sub-markets do not tell us how they will be actually used, since the nature of the product and type of retail outlet make a difference.

To emphasise, it is contingent how the three different kinds of domination and inequalities interconnect. These three kinds of marginality need not go together. A marginal economic position may provide an income that is not marginal for an individual who is not culturally marginalised. In my studies, the nature of ethnic embedding was largely accidental and contingent, and insignificant.

Conclusion

This article has examined the microbusiness, household and class dynamics, and has explored the relevance of ethnicity. The market traders and restaurateurs do not necessarily form a relatively stable collectivity. While the households possess property assets, the household members seek social and cultural assets (cf. Bourdieu, 1993; Mulholland, 1997). However, their property assets are still a significant economic power (cf. Scase and Goffee, 1982). On the one hand, property assets act as a means of exploiting labour and as a safety-net for the children. On the other hand, they are exchanged for cultural and symbolic assets, in particular as children pursue professional work. Though, in many cases of social practices, a sense of worthiness also matters (Sayer, 2001).

The growth of self-employment has not created a new capital service class but a mass of microbusinesses, mostly in retailing and related personal services (see Basu, 1991; Hakim, 1989; Wheelock and Baines, 1998a, 1998b), which manage to survive and make ends meet as part of the household ‘making out’ (Jarvis, 1999; McCrone, 1994). Such businesses are anything but ‘entrepreneurial’ (though some writers persist to misuse the term – see Scase and Goffee, 1982; Ram, 1994b). As Jones et al. (1994) observe, such
microbusinesses yield low returns, are under-capitalised with poor growth prospects, and operate in marginal and volatile markets, in which self-employs have no realistic hopes or aspirations to become petty capitalists. Though a few do successfully manage to take-off to become ‘family businesses’ able to absorb and provide for all the family members, many will fail within a few years (cf. Mulholland, 1997).

The way the domestic economy is idealised and gendered influences how petty capital manages to survive in the market, in particular in negotiating and balancing family responsibilities and commitments (see Baines and Wheelock, 1998; Allen, 1996). The strength of the link to the domestic sphere is illustrated in the way in which personal life-course and household cycles and family problems can threaten the business (Phizacklea and Ram, 1996). In combining economy and patriarchy (Walby, 1986), it invariably emerges that women combine family business, domestic work and wage labour (Allen and Truman, 1993; Ehlers and Main, 1998; Papanek, 1979). For children, contributing to the ‘family business’ competes with education and training priorities (Song, 1997; Kay, 1990; Baxter, 1988, Peace and Hulme, 1994).

The nature of wider economic opportunity has a critical impact on family practices (see Finch and Mason, 1993; Anderson et al., 1994), and on petite bourgeoisie class formation (see Savage et al., 1992; Wheelock and Mariussen, 1997). The economic and social environment offers individuals a new and different kind of opportunity to earn a cash income. It also creates new pressures on existing enterprises (Ehlers and Main, 1998; Kay, 1990; Song, 1997). In this latter respect, as competition for labour becomes more transparent and obvious, ‘the market’ can liberate household individuals from oppressive and demanding economic and social ties of the business.

Embedding takes many different forms, and one, which has interested some researchers and writers, is ethnicity. Of course, economic practices are embedded with cultural meanings. As social scientists, we must be able to morally evaluate the nature of social embeddedness of economic practices. After all, to argue for stronger ties between economic actors on the grounds that they lead to greater productivity and competitiveness, is of little good if some of the actors have neither critical nor significant voice in how economic practices are to be coordinated. For sure, we can acknowledge that some aspects of the business may be influenced by shared ethnicity, but this is a context in which other processes always also operate. In this respect, some aspects of social ties are and must be insignificant to economic practices.

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