# A TALE OF TWO 'LITTLE SAIGONS'

# "A TALE OF TWO 'LITTLE SAIGONS': SOUTHEAST ASIAN ECONOMIC DEVELOPMENT IN CHICAGO AND PHILADELPHIA"

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ABSTRACT: Over the past decade-and-a-half, Southeast Asian business centers have emerged in neighborhoods of certain American cities with large Indochinese populations. These ethnic commercial districts are by no means identical from city to city. While exhibiting certain common characteristics and patterns of growth, the size and functional complexity of a given Southeast Asian business district depends upon the internal situation present in the city and region where it is located. An analysis of the comparative growth of Vietnamese commercial centers in Chicago and Philadelphia allows insight into the factors which impact the formation and expansion of these ethnic business enclaves.

#### INTRODUCTION

According to the 1990 U.S. Census, Chicago and Philadelphia have Vietnamese populations of roughly similar size. The 1990 Census found over 7,000 Vietnamese in the Chicago metropolitan area. Nearly 10,000 Vietnamese were enumerated in the Philadelphia region.<sup>1</sup> It should be noted that officials from many Southeast Asian service agencies contest the census figures. It is argued that for various reasons, the census takers missed large numbers of Indochinese refugees.<sup>2</sup>

Regardless of the actual numbers, there are significant and growing Vietnamese and Indochinese populations in both Chicago and Philadelphia. Since the first arrival of refugees in the mid- 1970's, these expanding populations have supported the emergence and growth of major Vietnamese shopping districts in each city.

# **CHICAGO - UPTOWN NEIGHBORHOOD**

The Uptown neighborhood is located on the northeast side of Chicago. By the early part of the 20th century, this community had developed into a preferred residential section with it's own flourishing commercial and entertainment districts. In the 1920's, Uptown was part of Chicago's socalled "Gold Coast". The elite of Chicago society, including Al Capone, danced in the ballrooms and lived in the large houses which were prominent in the neighborhood.<sup>3</sup>

After the second world war, Uptown was affected by the changes which impacted many urban communities. The housing in the neighborhood was subdivided to accommodate southern blacks and poor whites from Appalachia who migrated north in search of employment. In the 1960's and 1970's, many deinstitutionalized mental patients were housed in Uptown. Many of the neighborhood properties fell into the hands of absentee landlords and the maintenance required on the sizable old homes outpaced rental rates. By the late 1960's, Uptown was heavily deteriorated with many empty storefronts, houses in disrepair, and vacant lots.<sup>4</sup>

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After the fall of South Vietnam in 1975, Vietnamese refugees began moving to Uptown. From the earliest days of Indochinese resettlement in Chicago, Uptown has been the major residential locus for Vietnamese in the city. Uptown has the largest Vietnamese population of any Chicago neighborhood. Other neighborhoods in close proximity on the north side of Chicago also have substantial numbers of Vietnamese.<sup>5</sup>

Uptown and nearby communities offered Indochinese refugees a relatively affordable housing stock. Uptown, in particular, had traditionally served as a "port of entry" for earlier generations of migrants arriving in Chicago with limited resources.<sup>6</sup> Furthermore, Uptown was attractive to the agencies which sponsored the resettlement of the refugees because it had an established base of social service institutions which had long served the many needy residents of the neighborhood.<sup>7</sup> By the late 1970's, a couple thousand Vietnamese lived in Uptown. They were being joined by substantial numbers of Cambodians, Laotians, and ethnic Chinese from Vietnam.

At the end of the 1970's, Argyle Street, in the Uptown neighborhood, was described by observers as a "tired, commercial strip". At least half of the storefronts were empty. Many refugees were afraid to walk on Argyle after dark. The most notable business presence in the 6 block shopping strip was the group of a dozen or so raunchy taverns which attracted broken bottles, litter, and antisocial behavior to the street. 9

Despite the problems, Vietnamese entrepreneurs decided to open businesses on Argyle. Many of the storefronts on the street were vacant and available for cheap rental and sales prices. The first Vietnamese businesses which opened in 1978 and 1979 served as a base for a Southeast Asian business presence which began to grow significantly in the early 1980's. By 1983 there was a substantial and growing number of Indochinese businesses on Argyle Street. 11

Most of the new businesses starting up on Argyle were owned by Vietnamese and ethnic Chinese from Vietnam. While the number of Cambodians living in Uptown is nearly as large today as the Vietnamese population, Cambodian-owned businesses have never been prominent on Argyle. The reason for this lack of Cambodian business development is a matter of debate. In general, the background of the Cambodian refugees is not as urban-oriented as that of the Vietnamese. Many of the earliest Vietnamese who came to Chicago and eventually started businesses were members of the middle class and governmental elite in their home country compared to the relatively more impoverished Cambodians, who, as a group, arrived with fewer resources and capital to draw on in starting new businesses.<sup>12</sup> The presence of a large and expanding Indochinese population stimulated the development of businesses and institutions catering to the refugee community in Uptown.

By the mid-1980's several new Vietnamese businesses were opening each year on Argyle Street. The growth of Vietnamese businesses in Uptown has been very substantial in the past decade. The shopping strip on Argyle is now almost entirely occupied by active businesses. A street count found nearly 120 visibly Asian-oriented businesses on or adjacent to Argyle. 3/4 of these enterprises are directed to a Vietnamese market with Vietnamese language storefront signs.

Southeast Asian businesses are now expanding on less crowded streets adjacent to Argyle. An enclosed mall is being planned on the land vacated by an old car dealership. Asian community leaders worked with city officials to turn a vacant lot that was being used as a dumping ground into a large parking lot for customers of Argyle Street businesses.<sup>13</sup>

The service area for the businesses on Argyle has expanded. In their earliest years of existence, the businesses in Uptown served the concentration of Indochinese located in and nearby the neighborhood. Today, the Argyle Street businesses serve as a weekend shopping destination for Southeast Asians from all over the central United States.<sup>14</sup>

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#### PHILADELPHIA - BELLA VISTA NEIGHBORHOOD

The Bella Vista neighborhood has historically been identified as the center for Italian culture in Philadelphia. The Italian Market persists with its many peddlers of produce, meat, and an assortment of other goods. Numerous popular Italian restaurants continue to operate in this section of South Philadelphia. In recent years, an additional cultural ingredient has been added to Bella Vista's strong ethnic character. Since the late 1970's, a strip of Vietnamese businesses has been developing along South Eighth Street in the heart of the neighborhood.

Most of the earliest Vietnamese refugees to arrive in Philadelphia in the mid-1970's settled in the western and northern portions of the city. Today, there is a large concentration of Vietnamese in Southwest Philadelphia. Smaller, but significant numbers of Vietnamese have migrated into the city's southeastern section, where Bella Vista is located. Thus, the Vietnamese population in Philadelphia is quite scattered with major concentrations in several different neighborhoods of the city. <sup>16</sup>

The first few Vietnamese groceries and restaurants opened on South Eighth Street in Bella Vista in 1976 and 1977. After 1980, the number of Vietnamese businesses on or adjacent to a 5 block stretch on or adjacent to South Eighth began to expand at a brisk pace. Many of the older, mostly Italian, business owners were retiring and there was limited market demand for the old store fronts in the neighborhood. Vietnamese entrepreneurs found bargain rental and sales rates for properties in this still relatively desirable commercial area. The Italian Market also served to attract the Vietnamese to Bella Vista. This Philadelphia institution reminded many Vietnamese of open air markets in their homeland.<sup>17</sup>

The peak years of Vietnamese business growth on South Eighth Street were in the mid-to-late 1980's. Today there are more than 30 Vietnamese-owned businesses on the strip. However, very few new businesses have opened in recent years. Despite it's relatively small size, the Vietnamese shopping strip in Bella Vista is the largest single concentration of Vietnamese shops and institutions in the Philadelphia Metropolitan area. Vietnamese shoppers from throughout the region come to South Eighth Street and the adjacent Italian Market to shop, especially on weekends. The director of a Vietnamese social service agency decided to move his organization from West Philadelphia to Bella Vista because it is the one location where many Vietnamese from all over the city and suburbs visit on a regular basis.<sup>18</sup>

The fortunes of Vietnamese businesses on South Eighth Street have been affected by an Asian-oriented mall that opened in South Philadelphia, 8 blocks to the west, in 1990. All of the 13 businesses in the mall are operated by Vietnamese or ethnic Chinese from Vietnam. The mall is popular among Southeast Asians and Chinese from throughout the Philadelphia area. The largest Vietnamese grocery in the region is the anchor for a variety of smaller businesses in the complex. Probably the biggest attraction of the mall is its large, fenced parking lot which offers free, safe, and convenient parking to shoppers. The shopping center is owned by Chinese-American developers who have built other Asian-interest malls in cities with large Asian populations. The small family-run enterprises in Bella Vista have had some difficulty competing with the businesses in the attractive mall. The parking situation on South Eighth Street near the Italian Market is notoriously poor. The streets in the neighborhood are narrow and crowded. Not surprisingly, many of the Vietnamese storeowners believe the new mall has negatively impacted the profits of their businesses.<sup>20</sup>

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#### CONCLUSION

Very different levels of development exist on these Southeast Asian commercial districts in Chicago and Philadelphia. There are commonalities. Both serve as the largest concentration of Vietnamese institutions and businesses in their respective cities. Why then, does the the Chicago shopping area have nearly quadruple the number of Indochinese businesses as the Philadelphia strip? Why is the strong economic growth in Uptown continuing, while Vietnamese business establishment in Bella Vista has leveled off?

Various factors are responsible for this differential growth. Most of the Vietnamese and Southeast Asian population in Chicago resides within relatively close proximity to the Argyle strip in the Uptown neighborhood. In contrast, the Philadelphia Vietnamese and Southeast Asian population is scattered into major pockets in different sections throughout the entire city and region. Unlike in Chicago, Cambodians in Philadelphia have their own central shopping area located away from the largest concentration of Vietnamese businesses.

The Vietnamese are very much a minority to Italians and other middle-class white ethnic residents who still live in Bella Vista. Though it has experienced some recent gentrification, Uptown lost most of its middle-class white ethnic residents years ago. When Asians began moving into Uptown in the 1970's, the extremely diverse and largely impoverished inner city neighborhood lacked one strong ethnic identity. Storefronts were vacant. The Vietnamese experienced few barriers as they opened up businesses on Argyle Street.

In Bella Vista, the business climate has stayed relatively healthy over the years. Italian restaurants and shops are still prevalent in the neighborhood. Most of the Vietnamese who started businesses on South Eighth bought or leased storefronts from retiring Italians. The general demographic and economic stability has not permitted comparatively large numbers of Vietnamese to set up businesses in the South Philadelphia neighborhood.

In the past few years, the South Eighth Street businesses have been forced to compete with a new Vietnamese-oriented mall several blocks away. The mall offers superior parking and a grocery with a larger selection of food items than may be found in Bella Vista. In Chicago, Vietnamese business leaders have dealt with the poor parking on city streets by opening a large parking lot on a vacant site for use by Argyle Street shoppers. Vietnamese neighborhood leaders in Uptown have persuaded businessmen to build a new Asian-oriented mall adjacent to the Argyle shopping strip.

Thus, several different factors have worked to favor the growth of Indochinese businesses on Argyle Street while limiting their expansion on South Eighth Street in Philadelphia. Despite their differences, both of these Indochinese shopping districts are examples of how recent immigrants are breathing new economic life into certain older inner city neighborhoods.

#### **NOTES**

- 1. U.S. Bureau of the Census, 1990 Census of Population and Housing (Washington D.C.: U.S. Government Printing Office).
- 2. Personal Interview with Mr. Cuong Pham, Director, Vietnamese United National Association of Philadelphia, September 15, 1993.

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- 3. "Immigrant Entrepreneurs Rejuvenate Uptown", Lisa M. Keefe, <u>Crain's Chicago Business</u>, March 2, 1992.
- 4. "Immigrant Entrepreneurs", Keefe, Crain's Chicago Business.
- 5. Personal Interview with Tam Van Nguyen, Director, Community Economic Development Program, Vietnamese Association of Illinois, June 21, 1993.
- 6. "Changing Chinatown: A Neighborhood Strives to Strike a Balance Between the Old and the New", Connie Lauerman, Chicago Tribune, July 15, 1990.
- 7. "Chicago's Vietnamese: Laughs Amid a Grim Life", Chicago Sunday Sun-Times, May 2, 1976.
- 8. "'Mayor' Brings Life to Argyle Street", John McCarron, Chicago Tribune, February 6, 1993.
- 9. Nguyen Interview.
- 10. Nguyen Interview.
- 11. Nguyen Interview.
- 12. Personal Interview with Samien Nol, Director, Southeast Asian Mutual Assistance Coalition, August 25, 1993.
- 13. Nguyen Interview.
- 14. Nguyen Interview.
- 15. "Where the Old World Meets New Urbanites", Alan J. Heavens, Philadelphia Inquirer, October 4, 1992.
- 16. Pham Interview.
- 17. Personal Interview with Hue Tran, proprietor, Vinh Hoa Restaurant, September 22, 1993.
- 18. Pham Interview.
- 19. "Asian Mini-Mall Bursts on South Philly Scene in an Old Warehouse on South 16th Street: Chinese-American Developers Have Created a 32,000 Square Foot Shopping Center", <u>Philadelphia Inquirer</u>, June 28, 1990.
- 20. Tran Interview.