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ACCURATE PORTRAYAL OR LAZY STEREOTYPE: THE CHANGING FACE OF THE ASIAN BUSINESS SECTOR IN THE UK

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Abstract

Asian enterprises are becoming an ever more prominent feature of the small business population and, thus, have attracted the attention of academics, policy makers and practitioners and are increasingly eulogised in the popular press keen to laud free enterprise heroes. Whilst recent studies highlight this growing importance, when charting the success of the Asian entrepreneur they tend to focus on the transformation from rags to riches and the majority of studies concentrate on the characteristics of the owner, start up and the barriers to accessing finance. This study analyses the higher echelons of the Asian business community and seeks to draw out trends within this increasingly important sector of the economy.

This study draws on data provided by the annual Asian wealth index which focuses on the 200 richest Asians in the UK. The paper analyses the wealth generating capacity of the top end of the Asian business community through a comparative economic and sectoral analysis. The analysis suggests that the Asian business community has delivered significantly higher than average growth and that this growth has been driven by a shift towards higher value industrial sectors. This questions the extent to which the traditional stereotypes of the Asian entrepreneur maintain their currency and value.

For policy makers and the business support community this paper offers new insights into the economic nature of this growing business sector to which they have paid increasing attention. The originality of the research process
and data raises new issues in research into Asian entrepreneurship and thus offers significant challenges to academics.
Introduction

In considering the nature of the Asian business sector (ABS) in the UK, most academic research offers a rich analysis of the entrepreneurial events, activities and personalities which underpin this thriving business sector. However, much of this analysis lacks a hard empirical economic foundation. The aims of this paper are to examine a number of much neglected issues within this important area of entrepreneurial research.

This paper is organised in a fairly straightforward manner. The first section considers some of the key interventions in the debate on Asian entrepreneurship and focuses on the economic contribution of the ABS and the issue of entrepreneurial stereotyping which dominates much of the literature. The second section considers the strengths and limitations of the Asian wealth index as a data source for tracking the performance of, and changes in, the ABS and concludes that this is a much undervalued and underutilised resource. Using this evidence, the third section analyses the comparative economic performance and changing nature of the ABS and highlights major shifts away from low to high value businesses. The concluding section of the paper discusses the implications of this new research evidence for practitioners, policy makers and academics.

The Economic Significance and Stereotyping of Asian Entrepreneurs

Evidence without context usually results in ambiguity. The purpose of this section of the paper is to resolve any issues of ambiguity with new the data that will be presented through a consideration of some of the key themes of the growing literature on Asian entrepreneurship. We, therefore, will consider two key contexts of the changing face of Asian wealth. First, Asian wealth, as generated by the upper echelons of the ABS will be considered through a discussion of the role and position of the ABS in the wider SME sector in the UK; in particular we consider the extent to which the ABS receives adequate business support from the mechanisms currently in place. Second, we will consider the role of entrepreneurial stereotyping in the literature on the ABS as
one of the key issues raised by the data concerns the value and relevance of current approaches in this area.

Over the past quarter of a century, a recurring theme in the commentary on the performance and characteristics of the UK economy has been its’ top heavy nature; national levels of output, turnover, profitability, research and development expenditure and so on are determined at the commanding heights of the economy (see, for example, Williams et al., 1983, Buxton et al., 1994, Hutton, 1996 and Froud et al. 1997). This problem definition has resulted in two streams of policy initiative and suggestion. The first stream suggests that improved economic performance can only be achieved by accepting the reality of this situation and so policy attention should be directed to the behaviour of these big economic beasts (see for example Williams et al. 1994 and Floyd et al. 1999). The second stream, and the more relevant stream for the purposes of this paper, suggests that long term economic prosperity can only be attained through the reversal of this trend and the development of a thriving SME sector.

Despite two and a half decades of effort, from the Thatcherite promotion of an enterprise economy through to the multitude of development agencies, business links and so on, the attempts at generating a significant SME sector in the UK have been a little disappointing. For example, new start-ups have shown a generally flat trend over the past decade; in the early and mid 1990s there was some growth in the creation of new businesses but since the late 1990s numbers have fallen off significantly. In generating a thriving sector, the key issue is not just start-ups but how they measure up against closures and this is a far from balanced scorecard; since the early 1990s the stock of small businesses in the UK has fallen by upwards of 50,000 (Bank of England, 1999, 2002). However, whilst the overall results for the sector have been disappointing, this is not the case with the ABS. The general figures suggest that this sector is significantly punching above its’ weight and, for instance, from just 8% of the working population, this sector accounts for 10% of all new start-ups.
A significant body of research suggests that this performance of the ABS has occurred against a backdrop characterised by a lack of support; the growth in the sector would seemed to have happened despite, rather than because, of the support mechanisms in place. There is a lack of consistency and continuity in small business support for ethnic minority businesses (EMBs) even though their high presence has resulted in some recognition from government initiatives (Ram and Jones 1998). Even though the business support sector has evolved significantly, from Enterprise Agencies to TECs through to the establishment of Business Links, research suggests that these support structures have not proved popular with many EMBs (Curran and Blackburn, 1993). For example, African-Caribbean entrepreneurs were significantly more likely to use the support of an agency than either White or Asian owned businesses (Jones and McEvoy 1992; Ram and Deakins 1995).

Whilst equal opportunity agendas and quotas suggest that there is a wide scale recognition of this poor take-up by EMBs of support services, there is, as yet, no national co-ordinated policy to address this issue. Activity tends to occur at the local level through support organisations exploring different avenues as to how to increase the take-up of their services by EMBs or to customise their services to meet the specific needs of EMBs. However, Ram (1996), suggests that this approach tends to focus on myopic target setting, such as a focus on a specific ethnic minority group each year, rather than the development of a cohesive long-term strategy.

The macro picture reinforces this view as take-up rates for these support services are universally very low; typically only 4-5% of all new start-ups access the various support networks (Storey, 1994 and Barratt et al., 1996) and, within the EMB community, take rates are even lower (Bank of England, May 1999). Fadahunsi et al. (2000) suggest that the two main causes of this are problems of cultural reluctance and wider issues of trust. This conclusion is further supported by Dhaliwal (2003) who argues that the main sources of business advice and support for the ABS are professional accountants followed by family and friends. The most recent evidence (Bank of England, 2002) suggest that little has changed in the last few years and suggests that official support agencies are not
sufficiently tailored to the specific needs and demands of EMBs in general and the ABS in particular.

Despite all of these shortcomings in support structures and the resultant low take-up rates, Table 1 below shows that ethnic minorities in the UK have, nevertheless, generally higher self-employment rates than the rest of the population. Although there is some disparity between the different groups, this move towards setting up in business can be accounted for by both push and pull factors (Ram, 1996, Ram and Jones, 1998). The push factors which force individuals into entrepreneurship as a personal economic choice include prejudice found in employment and frustration at being overlooked for promotion. Pull factors include cohesive family structures and strategies, the desire for a greater degree of independence and keeping the rewards of your own efforts (Ram and Jones, 1998, Dhaliwal, 2002)

Table 1: Self Employment Rates for Selected Ethnic Groups in the UK

<table>
<thead>
<tr>
<th></th>
<th>White</th>
<th>Black/Caribbean</th>
<th>Asian</th>
<th>Chinese</th>
<th>All</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of self employed by ethnic group</td>
<td>2922917</td>
<td>13392</td>
<td>125042</td>
<td>17869</td>
<td>3078436</td>
</tr>
<tr>
<td>Self employed as a % of economically active members of ethnic groups</td>
<td>7.0</td>
<td>3.4</td>
<td>25.6</td>
<td>14.9</td>
<td>7.0</td>
</tr>
</tbody>
</table>

(Source: Barrett et al., 1996)

Having considered the growth in the EMB sector and the ABS in the context of a relatively unsupportive environment, we now turn to consider how this sector has been treated once it has been established. In dealing with the phenomena of EMBs and the ABS, we would argue that much of the literature makes use of stereotyping and the result of this is that, rather than deal with the sector on a case by case basis, it is treated as an homogenous group (for example, Soar, 1991, Janjuha and Dickson, 1998, Ram and Jones, 1998 and Basu and Goswani, 1999). These stereotypes take a number of different forms. For example, Asians tend to be risk averse relying, first, on personal savings and
then family money followed by community support before finally considering bank finance (Dhaliwal 2003). The ABS is characterised as being more easily frustrated with bureaucracy thus preferring informal relationships and minimum paperwork. A common problem faced by new entrants into the ABS is over ambitious and poorly written business plans which, given the banks reluctance to talk to potential business customers until they have produced viable business plans, serves to deter many serious business propositions.

The stereotyping approach also occurs at a generational level. First generation businesses are usually seen as embodying a home and work environment where traditions and values are maintained in order to deliver comfort and security. This approach survived as the culture was heavily interwoven with religious beliefs and the view that there was no need to integrate with the wider host population. Long hours, mentally and physically demanding work often lead to the Asian entrepreneur developing emotional ties with the business where the entrepreneur spends more time at work than with the family (Janjuha and Dickson, 1998). Brought up in the west and exposed to influences from their schools, the media and peer groups, the next generation of Asian entrepreneurs are stereotyped with the characteristic of increasing independence. Faced with this challenge, the typical response was that the first generation closed ranks to outsiders and became increasingly reliant on advice from the community or co-ethnic professionals (Dhaliwal, 2002).

The push-pull factor explanation of the development of the ABS is also prevalent in the stereotyping literature. For example, Chavan and Agrawal (2000) argue that the first generation moved into business due to push factors whereas second and third generations place a greater significance on the pull factors. For first generation entrants into the ABS, many businesses were set up as a cohesive family strategy which kept the family members together and in employment (Dhaliwal and Amin, 1995, Ram, 1992, Ram and Jones, 1998 and Dhaliwal, 2000). Furthermore, the status of being business people was enjoyed as it carried weight in the local community (Dhaliwal, 1998 and 2000). This was particularly the case with East African Asians trying to recapture the
self-esteem they lost as they were forced to leave their businesses behind to become an unwelcome minority in the UK where the businesses compensated, to some degree, for the lack of respect from the wider community (Gidoomal 1997).

Cultural stereotypes of success for the first generation entrepreneur include thrift, hard work and reliance on family labour (Werbner, 1990 and Waldinger et al., 1990) which, according to Soar (1991) give Asian entrepreneurs a competitive edge on other businesses. However, the stereotype also suggests that cultural factors may restrict growth by creating excessive reliance on the local ethnic community market, informal sources of finance and family controlled businesses (Jones et al., 1992, Metcalf et al., 1996, Ram, 1994 and Basu, 1999). The result of this is the stereotypical Asian business which is concentrated in low entry threshold industries with low value-added activities and limited opportunities for market expansion through the development of non-local sales.

There is a paradox at the heart of much of the literature on Asian entrepreneurship. On the one hand are the quantitative studies that suggest a thriving and flourishing sector and, on the other, is the deeper evidence, often qualitative in nature, which suggests a largely unsupportive environment and a business sector characterised by uniformity, homogeneity and a whole series of different stereotypes. The purpose of this paper is not so much to question the wisdom of using stereotypes but rather to assess the extent to which the stereotype reflects the reality. We would make the fundamental point that, if academic researchers are going to persevere with stereotyping as an avenue of investigation, the least they can do is get the stereotype right.

Methodology and Data

Olin Miller suggested that “to be absolutely certain about something, one must know everything or nothing at all” and, given the tentative conclusions we will draw in this paper, we fit into neither category. In questioning the value of the dominant stereotypes of Asian entrepreneurs, the data on which much of this
The data collection and presentation process used in each of the six years for which figures are available is consistent and follows the same guidelines. For example, to appear in the wealth index, individuals must generate their wealth from primarily UK based activities. For this reason, the 2003 index (edited by the lead author of this paper) does not include the top 2 individuals from the 1998-2002 period as most of the wealth generated in these cases is from non-UK activities. We have taken the decision not to include these individuals in the years prior to 2003 for these reasons;

- Practically all of the wealth which appears in the index is generated from business activities; less than 1% of the total over the six year period is generated from non-business activities (which are mainly lottery wins and inheritance). Using, for example, the DTI definition of an SME, we draw the inference that most of the wealth is generated from this sector. This is clearly not the case at the top of the index; private companies valued at over £400 million could hardly be described as either small or medium. However, given the movement up and down the rankings we have noted over the time series, we conclude that the wealth index comprises a mixture of current and past
(successful) SMEs and thus our analysis goes much further than the numismatistical exercise for which the data is usually used;

- We do not intend to draw specific conclusions and recommendations from this data. In questioning the value of the dominant stereotype, for instance, our aim is not to emphatically close one debate but rather to open new debates and potential avenues of investigation. Thus, our intention is to examine broad trends and, in doing this, we would draw attention to the consistency within the results of our analysis both in terms of the data itself and in terms of other studies carried out in the general area.

**Bucking the Trend: Asian wealth creation**

This section of the articles considers two key issues: First, how does this sector of the economy perform in terms of the creation of wealth and, second, what are the main drivers behind that wealth creation. The analysis of Asian wealth creation which follows rests on the *a priori* assumption that wealth must be created, it is not, for example, simply harvested. This is neither a new nor original idea. For example, as far back as the 1930s, Schumpeter (1934, 1939) argued for the central role of the entrepreneur in wealth creation and economic development and, more recently, Chaharbaghi and Newman (1997) have discussed a “crisis of wealth creation” which again places the entrepreneur in a central role. At the broader, macro-economic level, writers like Hutton (1996) discuss this issue of wealth creation in a wider economic context and draw attention to 2 central weaknesses in the UK economy. The first weakness is the inability of the economy to deliver sustained economic growth over the long term due to a lack of competitiveness. Whilst measures of international competitiveness are riddled with difficulty, when measured by simple comparative economic performance, the UK’s record against its cross-Channel and trans-Atlantic competitors is poor over the long term. The second structural weakness of the UK economy is its’ top heavy nature which means that when growth does occur, it tends to be concentrated in a few giant firms. We, therefore, make the general point that the performance of Asian
wealth creators must be analysed in the context of a top heavy and sluggish economy with an ever widening gap between top and bottom.

Table 2 offers some basic data on the top 200 Asian wealth creators in the UK along with some broader economic data for the purposes of comparison. Over the past 6 years, the UK economy has demonstrated sustained growth which can be characterised as more steady than spectacular. This is in marked contrast to the sector of economy on which this article focuses; Asian wealth creation has happened at almost 3 times the level of the economy as a whole.

**Table 2: Index of Real Asian Wealth Generation and GDP 1998-2003**

<table>
<thead>
<tr>
<th>Year</th>
<th>Nominal Asian Wealth Creation</th>
<th>Real Asian Wealth Creation</th>
<th>Real GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>1999</td>
<td>117.9</td>
<td>116.1</td>
<td>104.4</td>
</tr>
<tr>
<td>2000</td>
<td>145.4</td>
<td>139.1</td>
<td>106.4</td>
</tr>
<tr>
<td>2001</td>
<td>160.6</td>
<td>150.9</td>
<td>110.1</td>
</tr>
<tr>
<td>2002</td>
<td>165.7</td>
<td>153.2</td>
<td>113.2</td>
</tr>
<tr>
<td>2003</td>
<td>159.5</td>
<td>145.7</td>
<td>117.5</td>
</tr>
</tbody>
</table>

(Source: Eastern Eye 1998-2003, OECD)

This part of the Asian sector has grown, on average, at just over 8% per annum compared to just over 3% for the economy as a whole. Just as growth rates are significantly different, so too are the constituents of this growth. Table 3 suggests that, unlike the UK economy, the Asian wealth creating sector is not overly reliant on just a few starry performers. For example, since 1998, the top 10% of Asian wealth creators have accounted for a diminishing proportion of total wealth generated; whilst almost two-thirds of Asian wealth was generated by the top 20 performers in 1998, by 2003 this proportion had fallen to well under half. Despite the proportionate fall in the contribution of these elite wealth creators, the point should not be lost that in 2003 they were generating almost £500 million more wealth than 6 years previously. What this suggests is that the sector does not suffer from the structural imbalances of the economy as a whole and this conclusion is reinforced through further examination of key components of this wealth creation.
Table 3: Components of Asian Wealth Generation 1998-2003

<table>
<thead>
<tr>
<th>Year</th>
<th>Asian Wealth Generated (£ mill)</th>
<th>High Value (£ mill)</th>
<th>Low Value (£ mill)</th>
<th>Share Taken by Top 10% of Wealth Generators (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>4437.4</td>
<td>500</td>
<td>2.0</td>
<td>60.5</td>
</tr>
<tr>
<td>1999</td>
<td>5232.3</td>
<td>450</td>
<td>5.0</td>
<td>54.9</td>
</tr>
<tr>
<td>2000</td>
<td>6453.6</td>
<td>325</td>
<td>6.0</td>
<td>48.9</td>
</tr>
<tr>
<td>2001</td>
<td>7124.9</td>
<td>300</td>
<td>6.0</td>
<td>45.6</td>
</tr>
<tr>
<td>2002</td>
<td>7354.7</td>
<td>450</td>
<td>8.8</td>
<td>43.4</td>
</tr>
<tr>
<td>2003</td>
<td>7078.4</td>
<td>460</td>
<td>4.0</td>
<td>44.8</td>
</tr>
</tbody>
</table>


At the top of the league table, over the period of analysis there have been some significant changes in composition. For example, there has been a shift in the activities which create the wealth away from traditional manufacturing companies towards newer, higher-tech, higher value companies in industries like pharmaceuticals. However, despite these changes in activity, there are relatively few changes in the value of individual wealth at the top end of the scale. Between 1998 and 2003, the average value of those at the top of the scale was usually between £400 and £500 million. Given the falling proportion of wealth accounted for by the top 10% of wealth creators, we would necessarily expect changes in the composition of wealth creation elsewhere. At the bottom of the scale, for example, the entry level criteria for joining the elite wealth creators has increased dramatically from an initial £2 million through to a high of almost £9 million in 2002. Stability at the top coupled with the changes towards the bottom of the league table have resulted in a dramatic growth in average wealth across the sample; in the period average wealth has grown by almost two-thirds.

We now turn away from the issue of wealth creation to the issue of what is driving that wealth creation and, again, the overall message is that the Asian sector under discussion has behaved in a significantly different manner to the UK economy as a whole. On a sector by sector basis, there are some
interesting shifts in the balance of wealth creation. Table 4, for example, shows that at the start of the time series, the sector was dominated by the traditional Asian businesses of manufacturing and retailing but by 2003, the focus of wealth creation had shifted towards pharmaceuticals and property and hotels.

Table 4: Ranking of Sectors by Contribution to Total Wealth Creation 1998 and 2003

<table>
<thead>
<tr>
<th>Ranking</th>
<th>1998</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Manufacturing</td>
<td>Pharmaceuticals</td>
</tr>
<tr>
<td>2</td>
<td>Retailing and Wholesaling</td>
<td>Hotels/Property</td>
</tr>
<tr>
<td>3</td>
<td>IT/Media/Internet</td>
<td>Retailing and Wholesaling</td>
</tr>
<tr>
<td>4</td>
<td>Food and Drink</td>
<td>Manufacturing</td>
</tr>
<tr>
<td>5</td>
<td>Textiles</td>
<td>IT/Media/Internet</td>
</tr>
<tr>
<td>6</td>
<td>Hotels/Property</td>
<td>Food and Drink</td>
</tr>
<tr>
<td>7</td>
<td>Fashion</td>
<td>Fashion</td>
</tr>
<tr>
<td>8</td>
<td>Pharmaceuticals</td>
<td>Textiles</td>
</tr>
</tbody>
</table>


One of the main causes of this shift in ranking is the variable growth rates across the different sectors under discussion. In real terms the big winner has been the pharmaceuticals sector which has grown almost 40 fold in the time period and the big loser has been the textiles sector which has contracted by just over one-tenth. Given that the time series is for just six years, it is probably too early to conclude that these represent structural shifts in wealth creation but the changes that have taken place are, we would argue, significant nonetheless. For example, one of the main criticisms of the UK economic performance over the past quarter of a century has been its apparent inability to make the shift from an industrial to a post-industrial base. This article has neither the scope, nor the intention, of entering into these well rehearsed arguments but, as Table 5 demonstrates, the Asian sector would seem capable of making that shift: Whilst the increase in wealth creation from the manufacturing sector has been nominal, between them, the pharmaceutical, fashion and new economy sectors have seen wealth creation increase by more than £1.5 billion.
These shifts in make-up are also influenced as much by the growth in some sectors as by the decline in others. The crowding out explanation of British de-industrialisation may be paralleled in the Asian sector as new entrants tend to come from growing rather than mature industries. For instance in the broad Asian rag trade sector (comprising Fashion and Textiles) there is a major shift from basic, low value activities such as sub-contracting towards more specialised high value fashion houses such as The Legendary Joe Bloggs. Whilst there is certainly a cyclical element to these changes, the overall message in Table 6 suggests something more structural.

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The final element of this sectoral analysis is comparative in nature and looks at the performance of the Asian sectors against performance in the UK sectors as a whole. In this case we will compare the performance of the two fastest growing Asian sectors, Pharmaceuticals and Hotels and Property, and the two worst performing sectors, Manufacturing and Textiles. Whilst the
individual cases have their own peculiarities, the general conclusion we draw is that the Asian sector has, by and large, outperformed the wider UK economy. The quadrupling of value in the pharmaceuticals sector has happened at the same time as relative stagnation in the UK sector as a whole and, given recent uncertainty in the tourism and property industries, the growth in the Asian sector has more than bucked the trend. In terms of the poor performing sectors, the Asian manufacturing sector has more than held its own against further hollowing out of the UK sector and it is only in textiles where the Asian sector shows significant underperformance.

Table 7: Comparative Sectoral Performance 1998-2003

<table>
<thead>
<tr>
<th></th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmaceuticals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>100</td>
<td>100</td>
<td>152</td>
<td>319</td>
<td>414</td>
<td>428</td>
</tr>
<tr>
<td>UK</td>
<td>100</td>
<td>124</td>
<td>108</td>
<td>77</td>
<td>83</td>
<td></td>
</tr>
<tr>
<td>Hotels/Property</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>100</td>
<td>100</td>
<td>159</td>
<td>198</td>
<td>227</td>
<td>378</td>
</tr>
<tr>
<td>UK</td>
<td>100</td>
<td>97</td>
<td>90</td>
<td>89</td>
<td>72</td>
<td>80</td>
</tr>
<tr>
<td>Manufacturing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>100</td>
<td>100</td>
<td>122</td>
<td>145</td>
<td>135</td>
<td>125</td>
</tr>
<tr>
<td>UK</td>
<td>100</td>
<td>122</td>
<td>100</td>
<td>91</td>
<td>62</td>
<td>67</td>
</tr>
<tr>
<td>Textiles</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>100</td>
<td>100</td>
<td>90</td>
<td>37</td>
<td>60</td>
<td>95</td>
</tr>
<tr>
<td>UK</td>
<td>100</td>
<td>140</td>
<td>130</td>
<td>123</td>
<td>120</td>
<td>155</td>
</tr>
</tbody>
</table>


Notwithstanding the shortcomings of the empirical evidence presented, we would suggest that the changes that are taking place in the generation and distribution of wealth from the ABS make an important contribution to the analysis and understanding of this growing business sector. In particular we would draw attention to the shifts in origin of this wealth and the fact that, usually despite of support structures, the ABS continues to punch above its’ weight and outperform the wider economy as a whole.

Conclusions and Implications

Any conclusions drawn from this empirical data must necessarily be tentative and equivocal. Given the possible empirical impurities highlighted earlier in the paper, we make no emphatic statements or dogmatic assertions. Instead, we would draw attention to four issues. First, the evidence suggests that the
capacity for wealth creation in the Asian sector is significantly higher than in the UK economy as a whole. Second, that there may be structural changes taking place in the nature of the Asian entrepreneur and small business and so the value of current stereotypes could be questioned. Third, the Asian sector may serve as an exemplar of what is possible in the creation of a thriving SME sector which redresses the top-heavy UK economic model. Finally, in promoting the growth of such a thriving SME sector, socio-cultural and ethnic considerations may be as important as activity and industry based promotion.

In taking this research forward, the aim of this paper has been to open up debates and discussion along new lines and thus contribute to extending the current research agenda in this area. The next challenge for ourselves and other social scientists, like-minded or otherwise, is to move the discussion forward through the addition of further depth and detail to the analysis in order that this crucial sector of the UK economy can be better understood by both practitioners and academics alike.

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