

NOTE

- 1 A thorough study of poverty in London based on a questionnaire survey carried out in 1985–6 directed by Peter Townsend indicates that the figures quoted above may be substantial underestimates of the extent of human misery caused by inadequate incomes, because the official poverty level is itself too low (Townsend, 1989). This study produced an empirically based measure of deprivation which combined individual experience along the dimensions of diet, clothing, housing, home facilities, environment, location, working conditions, rights in employment, participation in the community, recreation, and education. This then related deprivation to household income. The analysis used statistical techniques to establish an income threshold below which the risk of multiple deprivation markedly increased for a given type of household, an approach analogous to that employed in Townsend's previous national study of poverty (1979). The research shows that the poverty threshold lies between one-and-a-half and one-and-two-thirds the government's level of means-tested assistance. Moreover, since access to housing, education, and other public services has deteriorated over the 1980s, as these services face financial stringency, the growth in deprivation is not fully revealed by data on cash income. Townsend's analysis, if applied to New York, would undoubtedly provide similar findings.

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Migrants, minorities, and the ethnic division of labor

Malcolm Cross and Roger Waldinger

Immigration has been a constant in London as in New York. But in the past several decades the flows of people converging on these world cities have changed in dramatic and important ways. Both cities have gained a substantial non-European-origin population base: New York, first through the internal migration of African-Americans and Puerto Ricans, and, subsequently, through foreign immigration from the Third World; London, through the influx of workers recruited from England's former colonies.

That both cities should be transformed by long-distance migration is testimony to their changing relationship to the world economy. As the cities' economies have become increasingly international in focus, movements of population have paralleled the movement of capital and goods. But while the demography of London and New York is characterized by growing minority populations, their prospects are unclear. In both cities goods-producing activities that provided a staging ground for earlier groups of immigrants are a sadly declining enterprise. And the new sources of economic dynamism found in symbolic manipulation and information processing appear to offer few opportunities to minority residents. Thus, the debate about minorities in New York and London turns around a single question: what is the fit between the postindustrial metropolis and its non-European population base?

This is the question we seek to answer in this chapter. The argument we develop is simple: the common understandings of this relationship mistake demographic descriptors for underlying sociological categories. The term "minority" may provide a convenient rubric for grouping Londoners or New Yorkers of non-European origin, but it obscures

important, and in some cases growing, differences within highly differentiated groups. These varied populations occupy different positions in the economy and the ecology of the postindustrial city. Those contrasting positions in turn expose groups to disparate opportunities and constraints, promoting possibly diverging interests.

Our emphasis on differentiation *within* the populations of non-European origin is linked to another theme: namely the consequences of broader population shifts. Both cities, we shall show, have seen a steady outflow of whites from job and housing markets; white exodus has produced vacancies into which non-European New Yorkers and Londoners have advanced – though, once again, along many different roads.

We explore these issues by first describing the evolving ethnic demography of the two cities, with a particular emphasis on immigration. We then discuss the new ethnic division of labor, the housing market, education, and politics.

POPULATION TRENDS AND CHANGING ETHNIC PATTERNS

New York

The demographic transformation of New York can be divided into two phases. The first, which began with the end of the Second World War and lasted to the end of the 1960s, involved the exodus of the city's white population and the massive immigration of displaced black agricultural workers from the South and of Puerto Ricans uprooted by that island's modernization. The second phase, beginning in the 1970s, marked by initial population decline, led to a shift in migration flows in and out of the city. While white New Yorkers accelerated their departure to greener pastures in the suburbs and beyond, native black and Puerto Rican migration to New York withered. Instead of moving to New York, native blacks and Puerto Ricans joined the outward flow.

While New York no longer retained its native population, it once again became a mecca for the new immigrants arriving after the liberalization of US immigration laws in 1965. The arrival of the new immigrants is the driving force of demographic and ethnic change in New York – today and for the foreseeable future. We first briefly describe the characteristics of the new immigration to the United States, then focus on those immigrants moving to New York.

The new immigration to the United States began with the passage of the Hart–Cellar Act in 1965, which abolished the old country-of-origins quotas, affirmed family connections as the principal basis for admission to permanent residence in the United States, and increased the total

numbers of immigrants to be admitted to the country (Reimers, 1985). Despite a number of changes, this system has essentially remained in place to this day. The major, entirely unanticipated consequence of the Hart–Cellar Act was a dramatic increase in immigration from Asia, which has become the largest regional source of legal immigrants. While arrivals from Europe have fallen off sharply over the past 20 years, immigration from the Caribbean and Latin America has also been on the upswing. The size of the legal immigration flow has also increased. Between 1966 and 1970 an average of about 374,000 newcomers entered the country each year; between 1982 and 1986, by contrast, annual inflows averaged approximately 574,000.¹

In addition to the legal immigrant flow have come substantial numbers of undocumented immigrants – people who either cross the borders illegally, or enter the US legally but extend their residence beyond their

Table 6.1 Immigration, United States and New York City, 1966–1987 (thousands)

	<i>United States</i>	<i>New York City</i>	<i>NYC as percentage of US</i>
1966	323.0	61.2	18.9
1967	362.0	66.0	18.2
1968	454.4	75.4	16.6
1969	358.6	67.9	18.9
1970	373.3	74.6	20.0
1971	370.5	71.4	19.3
1972	384.7	76.0	19.8
1973	400.1	76.6	19.1
1974	394.9	73.2	18.5
1975	386.2	73.6	19.1
1976	500.5	90.7	18.1
1977	462.3	76.6	16.6
1978	601.4	88.0	14.6
1979	460.3	82.4	17.9
1980	560.6	NA	NA
1981	596.6	NA	NA
1982	594.1	85.0	14.3
1983	559.8	75.0	13.4
1984	543.9	87.4	16.1
1985	570.0	95.1	15.0
1986	601.7	89.8	14.9
1987	601.5	92.3	15.3

Sources: US Department of Commerce 1966–1979, 1982; Immigration and Naturalization Service, Public Use Tapes

legally permitted stay. Just how many undocumented immigrants have been living in the United States has been a matter of controversy for over two decades. However, there is now a consensus among experts that the number of illegal immigrants lies within the three to four million range.

As in the past, the new immigrants have overwhelmingly settled in cities and no city has captured as large a share of the new immigrant population as New York. Between 1966 and 1979 New York absorbed over 1 million legal immigrants; the 1980 Census recorded 1.67 million foreign-born New Yorkers, of whom 928,000 had arrived after 1965. Data gaps, due to the virtual collapse of record-keeping procedures in the Immigration and Naturalization Service, afflict the record for 1980 and 1981, but the figures available for the years since 1982 indicate a steadily rising immigrant flow.

As in the country at large, an indeterminate number of undocumented or illegal immigrants can be added to the legal immigrant population base. In 1980 the Census counted 210,000 undocumented immigrants in the New York standard metropolitan statistical area (SMSA) (J. Passell, 1985). If the city's share of the New York SMSA's undocumented population is the same as its share of the new immigrant population overall, this would produce a total of 188,000 undocumented immigrants counted in the 1980 Census. Some undocumented immigrants were undoubtedly missed in the Census counts: but it seems implausible, given the immigrants' characteristics, and, in particular, their high level of employment, that the undercount for the undocumented could exceed the 20 percent undercount for black males – the group most severely missed in Census enumerations (J. Passell et al., 1982). Even if the undocumented were undercounted by half, the undocumented population would barely total 380,000.

New York differs from other principal immigrant-receiving areas in several important respects, as data for metropolitan areas from the 1980 Census shows. First, leading immigrant-receiving areas vary in the diversity of their new immigrant populations. Of the five main receiving areas, three are dominated by a single origin group: Mexicans in Los Angeles and Chicago and Cubans in Miami comprise, 47, 32, and 59 percent respectively of 1965–80 immigrants in those areas. By contrast, San Francisco is diverse, with the largest group, Filipinos, making up 19 percent of the new immigrant population. New York's new immigrants are even more heterogeneous, with no group accounting for more than 10 percent of the newcomers.²

Second, those groups that dominate the other major immigrant entrepôts have a greatly reduced profile in New York. There were barely 7,000 Mexican residents living in New York City as of 1980; Filipinos

and Cubans were more numerous but still comprised only 2 percent and 2.5 percent respectively of the 1965–80 newcomers residing in New York. In New York the most important source countries have been the Dominican Republic, followed by Colombia and Ecuador, with substantial numbers from the rest of the Caribbean. Less than 2 percent of the Asian immigrants resident in New York as of 1980 were from Vietnam; almost a third were from China; Indians, Koreans, and Filipinos accounted for 10 percent each.³

Immigration patterns since 1980 have been remarkably stable. Newcomers from the Caribbean are the largest single component, accounting for about 40 percent of the annual inflow, with Dominicans consistently the largest single national grouping. Close to 25 percent of the post-1980 immigrants have come from Asia, with China providing the most numerous, but by no means dominant, contingent of Asian newcomers.⁴

The consequence of immigration has been to both accelerate and transform the postwar pattern of demographic change. Although small samples make intercensal population estimates subject to error, consistent findings from different surveys using differing sample bases provide strong grounds for the following generalizations.

- First, New York's population decline decisively turned around during the 1980s. In 1987 the city had 245,000 more people than it did in 1980. Furthermore, almost all of the population gained by the New York region was concentrated in New York City, representing a dramatic reversal of a more than 50-year-old trend.
- Second, despite net population gains, the white, non-Hispanic share of the city's population continued to decline. Although it seems likely that the economic boom of the 1980s may have reduced the imbalance between out- and in-migration flows, this change was too modest to offset the impact of low birth rates and high mortality rates. Hence, the white share of the population appears to have fallen just below the 50 percent mark.
- Third, the immigrant presence has continued to be strongly felt, more so than at any time since the 1920s. Not only has the foreign-born proportion of adult New Yorkers increased since 1980, but the immigrant population has shifted decisively to newcomers who arrived after the liberalization of the immigration laws. Today's most common source area, the Caribbean, is itself extraordinarily variegated, culturally, linguistically, and ethnically. And the three most important Caribbean source countries, the Dominican Republic, Jamaica, and Haiti, each represent distinct cultural systems.

Consequently the "minority" population, now the numerical majority,

is far more diverse than before. High rates of immigration have made Hispanics, rather than blacks, the larger of New York's minority groups, while also diminishing the relative weight of Puerto Ricans among this expanding Hispanic population. And large foreign inflows from Asia have produced high rates of growth for this group as well, albeit on a relatively small population base.

The new immigrants have engaged in a type of "leapfrog migration," bypassing the previously established migrant or immigrant concentrations and moving instead into previously white areas of decent housing quality. The neighborhoods that had sheltered the previous wave of migrants – blacks and Puerto Ricans – have received little or no immigrant inflows. Instead the high immigrant-receiving neighborhoods have been those that had previously been homes to a mainly white population. This pattern of replacement has also had implications for the housing quality to which the immigrants have gained access. With one exception – Manhattan's Lower East Side, onto which its old Chinatown enclave spilled over – all of the immigrant-receiving areas possess housing that had been built for middle-class, not poor or even working-class, residents. Though this housing stock is obsolete by the standards of today, by historical standards it nonetheless provides decent accommodation, and much better than is to be found in the traditional areas.

What accounts for the newcomers' distinctive patterns? One factor leading to leapfrog migration is that the old ghetto areas no longer provide much shelter. These areas, Central and East Harlem, Williamsburgh, the South Bronx, have suffered a wave of abandonment that has robbed them of their supply of cheap rental space. In other cases, as on Manhattan's West Side, urban renewal and gentrification have turned the areas over to higher paying users. The precise characteristics of the housing stock have been a factor as well. Public or publicly assisted housing, which grew substantially up until the 1980s, houses almost 10 percent of New York's population. But the bureaucratic procedures by which entry into this stock are regulated combined, in the 1980s, with a housing shortage that has produced long waiting lists to virtually freeze immigrants out of the public sector. Native blacks, only 18 percent of the city's population, comprise 55 percent of the residents of public housing; Puerto Ricans, who make up about 14 percent of the city's population, account for another 29 percent. By contrast, immigrants make up less than 7 percent of the public housing population; instead, they have found access in areas where private owners hold the bulk of the housing stock.⁵

While homeowners have always been a minority in New York, with its dense stock of multi-family dwellings, there are important ethnic variations. In contrast to London, Caribbean immigrants in New York

show a strong propensity toward homeownership. Having settled in areas with ample stocks of modest homes in which owners could often rent out one or two apartments, a third of all black immigrants reported owning their own homes as of 1980, more than any other nonwhite group. By contrast only 12 percent of the native Hispanic population lived in their own homes. More recent data, from a large 1987 sample, show that this same pattern is still in place.⁶

Thus, New York is now a "majority minority" city, but one that is most unlike the other large, older cities of the United States. The impact of immigration is what makes the import of New York's transition to "majority minority" status different. In contrast to Chicago or Detroit, New York's minority population is extraordinarily heterogeneous. That diversity makes it unlikely that the dichotomy inherent in the "minority/majority" distinction will capture much of the variation in economic position, political orientation, and social integration that actually characterized "minority" New Yorkers.

London

Just as in New York, migrants from abroad have also converged on Greater London. Though the size of the London-bound migration stream has been considerable, the numbers have never approached the levels reached in New York. Consequently London's ethnic demography has changed more gradually than New York's and persons who could claim recent migrant origin account for a smaller proportion of its population.

Postwar migration to Great Britain is often considered a seamless process, but in fact it falls into two distinct phases. The first resembles the internal migration from the rural south of the United States to its manufacturing heartlands. This phase involved movement from the colonial "south" in the Caribbean to the "mother country" of Britain in response to demands for unskilled labor power that arose in the years after 1945. Approximately 1.1 million people from the West Indian territories made this journey to British cities in search of work. This process was all but complete by the Commonwealth Immigration Act of 1962.

A second phase, much more characteristic of migrant labor flows into the rest of northern Europe, started in the late 1950s and ran on until 1973. Whereas migrants to Germany or France mainly came from the European periphery (e.g. Turkey or Yugoslavia), these migrant workers to Britain came from the Indian subcontinent to work in the manufacturing industries of the South East, Midlands, and North of England. In 1974 this population was supplemented by a sizeable influx of Ugandan Asians who were fleeing the repression of Idi Amin.

The total size of the populations which result from these processes of migration is notoriously difficult to estimate. The British Census did not include an "ethnic" question until 1991, leaving researchers no recourse but to make estimates based on increasingly erroneous projections from birthplace data. Insofar as a consensus exists among analysts, most estimates suggest a population of visible minorities numbering approximately 3.5 million, most of whom come from Commonwealth (or former Commonwealth) countries (S. Smith, 1989). National surveys provide results that fall within reasonably close range of this estimate, but also point to the distinctive age structure of the minority population. Thus, it is estimated that 7.5 percent of the total population of Great Britain under 16 could be classified as "ethnic minority," 4.6 percent of those of working age, and only 0.8 percent of those of retirement age (UK Department of Employment, 1988a). These figures imply a steady increase in the proportion of the total population that is ethnic minority, even without future immigration.

Whatever the national origins of the migrants, economic considerations provided the main motivation for the move to Great Britain in the first place. As a result, these populations mainly live in the main industrial centers. Angus Stuart (1989) calculates, using the Longitudinal Sample from the 1971 and 1981 Censuses, that 60 percent of Asians and nearly three-quarters of Afro-Caribbeans are found in the four main conurbations. This concentration makes the geographic distribution of the minority population very different from that of whites. Of the "white" population who are of working age and economically active, 11.5 percent live in Greater London and 9.2 percent in the traditional industrial heartland of the West Midlands. By contrast 46 percent of ethnic minorities live in Greater London and 15 percent in the West Midlands. Workers of recent migrant origin are approximately six times as likely as others to live in these two industrial centers (UK Department of Employment, 1988a).

We have very little reliable evidence on whether this pattern has changed much in recent years but differential processes of out-migration and a differential age-structure, with its consequent effects on fertility, would suggest further concentration. Data from the Census, however, suggests that in 1981 the pattern of internal migration for Afro-Caribbeans was rather different from the two main Asian groups and the majority of the population. Afro-Caribbeans are less likely to migrate internally, whereas all Asian groups have an internal migration rate over the 1971–81 decade approximately the same as that of the majority population.

Within Greater London ethnic minorities constitute a higher proportion of the total population than in the country as a whole. According

to the official estimate, ethnic minorities make up 14 percent of Greater London's residents; this population is divided almost equally into those of Asian origin, those of African/Caribbean ancestry, and a mixed group composed of many others. At first sight the concentration of minorities in London is far less pronounced than in New York. But this disparity is partially an effect of differences in city demarcations. The ethnic minority population falls into two categories: an archetypal "inner city" sector and one that is located near zones of recent suburban growth. Estimates for 1996, for example, show that 14 boroughs in Greater London will by then have ethnic minority populations of approximately 20 percent or more. Generally Afro-Caribbeans dominate in the inner city boroughs (Hackney, Hammersmith, Haringey, Islington, Lambeth, Lewisham, Southwark, and Wandsworth) whereas South Asians cluster in the outer boroughs (Brent, Ealing, Hounslow, and Waltham Forest). Two boroughs, the adjacent inner boroughs of Tower Hamlets and Newham, which lie to the east of the City of London, do not conform to this pattern: here South Asians (mostly Bengalis) outnumber Afro-Caribbeans by two to one. In addition, substantial numbers of Afro-Caribbeans live in the northwestern borough of Brent, although in quite separate parts of the borough from the majority Asian population. Notwithstanding these exceptional cases, there is a striking degree of spatial separation between the major ethnic segments of London's minority populations, as shown in table 6.2.

A corollary of this pattern is that a far higher proportion of London's Afro-Caribbean population is physically located in the "inner city." Two-thirds of this group reside in the 14 boroughs that make up the inner area, compared with one-third of London's Asians.

As in New York, the effects of labor market change in Greater London interact with the extent of broader population change. Twenty-two percent of the whites living in Greater London in 1971 were living outside the area in 1981 – a rate of out-migration that was almost three times the rate of ethnic minorities. But out-migration rates varied

Table 6.2 Estimated ethnic minority population in Greater London, 1986 (as percent of the total population)

	<i>Afro-Caribbean</i>	<i>Asian</i>
Inner city	10.4	5.4
Outer city	3.2	6.6

Source: London Research Centre, 1989b

considerably among ethnic minority groups as well, with those of Indian origin twice as likely to migrate out of Greater London as Afro-Caribbeans.⁷

Ethnic differentiation in Greater London is not merely a spatial phenomenon; it is also reflected in patterns of collective consumption. Most importantly, the two major groups comprising the city's visible minorities occupy different structural positions in the housing market. Nearly 60 percent of Asian householders are in owner-occupation, a figure which puts their rate of owner-occupancy above that for the native white population; by contrast, only a third of Afro-Caribbeans are in a similar tenure state. Of course, ownership of private housing does not necessarily mean better housing; in particular, data on Asian households in private accommodation reveal a high proportion suffering from very severe overcrowding. Nonetheless, the dramatic rise in London housing values is creating new social divisions within the ethnic minority population. Homeownership generates wealth which is unrelated to earnings, and to the extent that it correlates with ethnic origin it will increasingly divide groups economically. In the long run it is probable that this will be reflected in patterns of political support.

Household *type* also differs markedly. All ethnic minority groups possess few pensioners, which is a reflection of their recent migrant origin, but a third of Afro-Caribbean households are either single individuals or single parents. For Asians, this is very rare, with only 7 percent falling into these categories (London Research Centre 1989a, p. 12).

Accommodation provided by local housing authorities has traditionally been an important source of housing for Londoners; even now, after a decade of public-sector housing sales to the private market, almost a third of households in the city are provided in this way (or by nonprofit housing associations). The type of households served by public housing, however, is strongly correlated with ethnic category. Thus, nearly 40 percent of white UK households in local authority housing are pensioners, while the most commonly occurring household in this tenure among Afro-Caribbeans is that with a single adult. By contrast, two-thirds of Asian households in the public sector are families with two or more adults.

This review suggests two major generalizations about the incorporation of postwar migrants from the "New Commonwealth" into Greater London. First, the populations are not proportionately as large as in New York, although they are certainly larger than the figures in the previous section suggest. Underestimation is partly the result of underenumeration and partly the consequence of an inadequate statistical base that precludes the possibility of estimating the smaller minority

communities (e.g. Chinese, Arabs, etc.). These other groups probably add another third to the proportion of visible minorities in the city as a whole.

Second, the two largest groups (those from the Caribbean and from South Asia) settled in different parts of the city, although the latter grouping is itself divided into an "inner city" (largely Bengali) population and a much larger "outer city" segment (mainly Hindu, Sikh, and Muslim). The differential distribution of ethnic minorities is not simply true in settlement terms but also dynamically; that is, over time the differences are widening as London comes to have two main areas of ethnic minority concentration.

Finally, the main ethnic minority groups in London occupy different "social space." The housing arena exemplifies these disparate social locations, with Asians concentrated in areas of owner-occupation and Afro-Caribbeans more likely to be in public housing. These variations result, in part, from other differences in the two populations, with family type being the most important. The variations in housing status also produce distinct patterns of social tensions. For Afro-Caribbean households, the key problems lie with their location in declining inner city housing estates, where they lack the equity needed to exchange this housing for anything better. Asian families, by contrast, experience pressure to find private housing of an adequate size and quality and tend to suffer from poor facilities and overcrowding. An added tension is the corrosive effects of racial harassment, which is more common on housing estates and may be part of the reason why Asian households are keen to enjoy the greater flexibility of the private sector.

THE NEW ETHNIC DIVISION OF LABOR

Thus, the ethnic make-up of London and New York is very different from what it was three or four decades ago. But, as we have seen in earlier chapters, this same period witnessed a major economic transformation. The goods-producing and transporting sectors went into irreversible decline, replaced by growth in service jobs, which often required higher levels of formal training.

How have ethnic minorities fared in this new economic environment? The conventional wisdom suggests that manufacturing to services transition has been a disaster, removing low-skill jobs that in the American context, at least, historically provided a staging ground for newcomers who entered the labor market at the bottom and gradually moved up. But the emphasis on the skills mismatch is incompatible with the immi-

grant phenomenon itself: if there are no jobs for the low-skilled, why do we find a growing immigrant presence in the labor market?

The key to understanding the labor market role of ethnic minorities, we argue, lies on the supply side. Compositional change, resulting from the disproportionate outflow of whites from both metropolises, has produced "replacement demand," offsetting the impact of manufacturing decline. Once vacancies emerged, however, groups responded in very different ways, yielding a new ethnic division of labor in which ethnic minorities have sorted themselves into very different economic niches.

New York

In New York, as table 6.3 shows, the demographic shifts of the 1970s created the conditions for replacement demand. Table 6.3 shows the number of jobs held by eight different ethnic groups in New York City in 1970 and 1980. The table also indicates how many jobs each group would have been expected to lose had it declined by the same percentage as total employment in New York City – this is given in column 3; how many jobs the group actually lost (column 4); and then what the difference was between expected and actual employment loss (columns 5 and 6). We observe that the biggest job losers over the course of the 1970s, both quantitatively and qualitatively, were whites. The total job loss of native and foreign-born whites together was almost twice as great as the total job loss for all New Yorkers. By contrast the employment picture among the non-European origin immigrant groups shows significant job growth, especially among Asians and blacks.

This disproportional white outflow had two consequences of note. First, because the net outflow of whites was disproportional to the decline of the total economy, ample vacancies were created for replacements who, under the conditions of population change, would inevitably be nonwhite. Second, white job loss meant not only more jobs, but also better jobs for nonwhites. If we assume that employers preferred whites, if only in part on the basis of prejudice, any decline in the size of the preferred group would allow all other groups to move up the hiring queue.

Support for this argument comes from an analysis of data from the 1970 and 1980 Censuses, in which we focus on five key categories of employment: three industry sectors – manufacturing, advanced services, and the government; and two occupational categories, high-status white collar (professional and managerial) and low-status white collar. These data show that native whites lost substantially in four of the five categories and gained only a small fraction of the new jobs generated in the white-collar category. Moreover, white losses in the

Table 6.3 Changes in employment for ethnic groups, New York City, 1970–1980

<i>Ethnic group</i>	<i>Employment</i>		<i>Job change</i>			<i>A-E as % 1970 emp.</i>
	<i>1970</i>	<i>1980</i>	<i>Expected^a</i>	<i>Actual</i>	<i>Actual – Expected</i>	
<i>White</i>						
Native	1,785,200	1,382,980	-155,939	-402,220	-246,281	-13.8
Foreign	417,400	315,520	-36,460	-101,880	-65,420	-15.7
<i>Black</i>						
Native	462,700	440,180	-40,417	-22,520	17,897	3.9
Foreign	55,500	170,320	-4,848	114,820	119,668	215.6
<i>Asian</i>						
Native	8,000	10,460	-699	2,460	3,159	39.5
Foreign	31,200	108,740	-2,725	77,540	80,265	257.3
<i>Hispanic</i>						
Native	242,000	232,640	-21,139	-9,360	11,799	4.9
Foreign	132,700	205,520	-11,591	72,820	84,411	63.6

^aThe expected change is equal to the change in employment for all New York City residents.

Source: 1970, 1980: Census of Population, Public Use Microdata Sample

low white-collar, manufacturing, and public sectors were disproportionately great relative to the net decline, thus creating substantial opportunities for nonwhite replacement. In contrast to whites, native blacks gained in advanced services overall (finance, insurance, real estate, professional and business services) and in both high white-collar (professional and managerial) occupations and in low white-collar (sales and clerical) occupations. Substantial losses, however, occurred in manufacturing. Although both foreign Asians and foreign Hispanics gained jobs in all five categories, their experience diverged in significant respects. Most importantly Asians increased their representation in both white-collar categories and in the advanced services, while Hispanic representation in low white-collar jobs and in advanced services declined.

While compositional changes in New York's labor force thus created ample opportunities for nonwhite workers, the process of ethnic succession was hardly uniform. As evidence, consider the public sector: in

1980 the employer of one-third of all native blacks, it employed only 8.5 percent of foreign Asians and 7.8 percent of foreign blacks. Or look at a stronghold of immigrant employment – manufacturing, with a third of foreign Hispanics, almost a quarter of foreign Asians, but a smaller proportion of native blacks than either of these.

These examples hint at the development of a new ethnic division of labor in which non-European origin groups have succeeded whites by establishing distinctive niches within the economy. Though on average New York's ethnic groups worked in less segregated industries in 1980 than in 1970, the succession of groups was not orderly and the pattern of industrial differentiation extends across white and non-European origin groups. Thus, by 1980, native blacks were more segregated from native whites than were foreign blacks; furthermore, segregation had increased in the first case but declined in the second. In both 1970 and 1980 native and foreign-born workers in every group were considerably segregated from one another. Finally, distance between particular non-European origin groups, for example between foreign Hispanics and native blacks, was often greater than the distance from whites.

London

At the start of the 1980s ethnic minorities in London found themselves concentrated in industrial sectors undergoing major decline. For example, males of Afro-Caribbean origin were mainly employed in mechanical engineering, vehicle repair, and transport, reflecting the maintenance of patterns laid down in the early years of migration and reproduced among the children of settlers (C. Brown, 1984). Asian men were also overrepresented in both nonmetal manufacturing industries, metal manufacture (Indian only), and in "distribution, hotels and catering, repairs." All of those of New Commonwealth (and Pakistan) origin and their descendants were underrepresented in the growing sector of banking, finance, and other services.

The first half of the 1980s brought some significant changes in these employment patterns, as the amalgamated rounds of the government's regular Labor Force Survey for 1985–7 show. First, ethnic minority employment has shifted out of metal manufacture into other forms of manufacturing while simultaneously moving into services. For white men services now account for 27 percent of the total, while for ethnic minorities it has risen to 21 percent (UK Department of Employment, 1988b). Among women the concentrations are equally clear. There is a dramatic overrepresentation of Afro-Caribbean women in service jobs. There is also a slight overrepresentation of Asian (Indian) and Afro-

Caribbean women in the transport sector. By 1985–7, there was a growing concentration in the service sector. For example, 52 percent of white women workers are in the service sector, compared with 47 percent of minority women.

Unfortunately it is not possible to measure with the precision available in New York the degree to which the flight or retirement of native whites has opened up job possibilities for relative newcomers in London. But longitudinal data for 1971–81 show that by the latter date only Asians were still overrepresented in manufacturing, as can be seen from table 6.4. For Afro-Caribbeans of either gender the secondary services sector provides the emerging employment concentration.

These data show that overall the major change in the employment of the 1971 sample over the following decade was the growth in business services, particularly for men (up 57 percent), and in the public sector, particularly for women (up 115 percent). Professional services also showed a modest gain for both genders but otherwise the picture was one of job loss. Manufacturing led this decline (by 42 percent overall) but the retail and personal services sectors also showed major falls. In terms of socio-economic category, the unskilled categories of operatives and laborers showed the greatest declines for men and women. They constituted 21 percent and 9.8 percent respectively in 1971 but fell to 11.3 percent and 2.5 percent a decade later.

As in New York, comparison among the groups reveals substantially different job trajectories. First, the total size of the white UK group fell by proportionately more than other groups but did not substantially alter its distribution across jobs or sectors. Second, the Afro-Caribbean population, when considered as a whole, moved out of declining manufacturing and into white-collar jobs in the public sector. Even by the end of the decade, however, it had achieved only three-quarters of the representation in higher white-collar jobs compared to the population as a whole. Finally, the Asian population, although clearly divided into a more "middle-class" Indian population and a more "working-class" Pakistani/Bangladeshi group, had shown very different forms of adaptation. Rather than exposure to manufacturing declining, the Asian population had sustained or even extended its overrepresentation in this sector, although from a very low level, but there were no signs of greater engagement with advanced services. These findings are consistent with a population of more recent migrant origin, sometimes lacking fluency in the dominant language.

Table 6.4 Changes in job configuration, London 1971-1981 (thousands)^a

	Employment		Index of representation ^b	
	1971	1981	1971	1981
<i>All groups</i>				
High white collar	931	891		
Low white collar	1,249	968		
Manufacturing	1,157	669		
Advanced services	935	943		
Public sector	322	694		
<i>White UK</i> (<i>non-NCWP</i>) ^c				
High white collar	890	844	1.01	1.01
Low white collar	1,206	918	1.02	1.01
Manufacturing	1,055	607	0.97	0.97
Advanced services	885	836	1.00	1.01
Public sector	311	654	1.02	1.01
<i>Afro-Caribbean</i>				
High white collar	19	23	0.63	0.75
Low white collar	24	28	0.58	0.84
Manufacturing	51	28	1.34	1.08
Advanced services	33	41	1.09	1.13
Public sector	8	26	0.71	0.96
<i>Indian</i>				
High white collar	19	21	0.96	1.07
Low white collar	17	19	0.72	0.92
Manufacturing	39	26	1.75	1.72
Advanced services	14	14	0.80	0.66
Public sector	32	12	0.52	0.74
<i>Pakistani</i>				
High white collar	4	4	0.82	0.83
Low white collar	3	3	0.43	0.58
Manufacturing	13	9	2.07	2.21
Advanced services	2	2	0.37	0.36
Public sector	1	3	0.45	0.67

^aEmployment figures given are estimated from a 1 percent longitudinal sample. Although they correctly portray trends, they do not give accurate numbers for 1981 since they do not include individuals lost from the sample.

^bThe index of representation, which measures the extent to which the distribution of a subgroup mirrors the overall distribution (1.00 reflects identical representation in one category), will inevitably tend towards parity when one group predominates. Thus, the "white UK" category shows little difference from the population overall since it comprises more than 90 percent of this total.

^cEthnic origin as given in 1971.

^dNew Commonwealth with Pakistan.

Source: Census: Longitudinal Sample, 1971-81

MINORITIES IN THE POSTINDUSTRIAL CITY

New York

In both the housing and the labor markets various native minority and new immigrant groups occupy distinctive niches. In the educational system, in contrast, they share a common institutional system. Close to half New York's dwindling proportion of white youth is enrolled in private schools, with the great majority of this group in parochial schools. The public schools are the domain of minority and immigrant youth: no more than one-sixth of any major group is enrolled in the private/parochial sector (Berne and Tobier, 1987).

Unfortunately it is difficult to determine how this common experience affects group-specific outcomes. Performance measures for schools are notoriously unreliable and inconsistent, making comparisons over time difficult and often misleading. Moreover, the data produced by the schools disaggregate by broad ethnic categories (black, white, Hispanic) and do not provide the detail on nativity with which we are interested. Nonetheless, several generalizations can be made. First, the performance of the public school system as a whole is inadequate, though the current state of affairs is not new, but rather a problem that has persisted for two decades. Second, within this environment there are some significant differences among ethno-national groups. At the minimal level, that of maintenance of enrollment, immigrants appear to do better than their native-born counterparts. Indeed, from age 16 on, both black and Asian immigrants maintain higher enrollment levels than whites and substantially exceed the enrollment levels of native blacks and particularly of native Hispanics. Third, the educational attainment of all non-white groups, with the exception of Asians, lags far behind that of native whites. To be sure, there has been a substantial improvement in the school performance of blacks: between 1970 and 1980 the percentage of native blacks aged 25-30 with at least some college education more than doubled, while the proportion of similarly aged native Hispanics almost tripled. But schooling levels among comparably aged whites increased as well, with the result that, relative to whites, the black and Hispanic schooling lag barely declined, despite the sizable increases in black and Hispanic education attainment.

The differing economic and social fates of New York's diverse minority groups have their political ramifications as well. Though blacks and Hispanics have long made up a coalition in local politics, that coalition is uneasy at best, characterized by constant competition, and always subject to break-up and internal conflict. For most of the 1980s, fractiousness, not coalescence, appeared to characterize black-Hispanic

internal political relations. New York's dominant political figure of the period, Mayor Edward I. Koch, played successfully on these fissures, showing considerable skill in fomenting internal competition. Koch also benefited from genuine substantive differences: the issues of particular importance to Hispanics, for example immigration and bilingualism, rank considerably lower on the black political agenda. Since Hispanics are more conservatively inclined than blacks, they were also more likely to be in ideological convergence with Koch as well (Falcon, 1988). Thus, in the 1985 mayoralty election, 70 percent of the Hispanic vote, but only 37 percent of the black vote, appears to have gone to Koch. Part of this split reflects immigrant/native differences: immigrants were more positively inclined towards Koch, who in turn invested substantial campaign funds to mobilize immigrant voters (Mollenkopf, 1988a, 1988b).

Immigration also diminished the political impact of the city's demographic transition. Only citizens can vote in local elections, and since legal permanent residents must wait at least 5 years to apply for naturalization, entry into the political arena is automatically delayed. This assumes that immigrants naturalize as soon as they can, which is most certainly not the case. In fact black and Hispanic immigrants have naturalization rates that are a good deal below the national average. And the population of illegal immigrants further increases the numbers of new New Yorkers who are barred from electoral participation (Waldinger, 1989).

Nonetheless, in fall 1989 New Yorkers elected the city's first African-American mayor, David Dinkins. To some extent Dinkins's victory drew on factors external to the issues at hand, in particular the fallout from an unending series of scandals that weakened Mayor Koch from the early days of his third and final term. Dinkins also proved successful in building ties with Hispanic leaders, thus averting the in-fighting that doomed an earlier attempt at unseating Koch. And Dinkins could further appeal to a sizable population of white, mainly Jewish voters, although the great bulk of white votes were cast for Koch (see chapter 8).

Ultimately Dinkins built on a coalition that drew mainly from black and Hispanic voters. That base suggests that the city's minority population may indeed be more than a mere collection of demographic aggregates. Clearly a major factor transcending the cleavages we have emphasized is the influence of class. Blacks and Hispanics, whether immigrant or native, whether employed or not, have on average lower incomes than whites. That common economic condition produces sufficient policy alignment to make these groups viable political partners (Waldinger, 1989).

Nonetheless, differences among the new New Yorkers remain the source of continuing conflict. Ever since his electoral victory, Dinkins

received criticism for paying too little attention to Hispanic concerns and for providing too many of the spoils of office to blacks. Long-simmering frictions between Korean small storeowners located in black communities and neighborhood activists and shoppers erupted during 1990 in long-term boycotts of two Korean stores in Brooklyn, effectively denying them any patronage. While the Korean retail owners' association sustained the stores during the boycott, ultimately one closed and the other changed ownership. In the summer of 1991 decades-long conflict between African-American and Hasidic residents reached an incendiary level as riots broke out after a Hasidic driver accidentally ran over and killed a black child. Apparently in retaliation a Hasidic rabbinical student, visiting from Australia and unconnected with the earlier incident, was stabbed to death. Although Mayor Dinkins did little to settle the Korean grocery dispute, he exerted a significant influence in calming the Crown Heights situation. The volatile nature of relationships among low-income ethnic groups suggests how fragile is the coalition underpinning the electoral coalition of any minority mayor.

London

Beyond the labor market, the 1980s saw several changes of decisive importance for ethnic minorities in London. First of all the city continued to push relentlessly towards a postindustrial future (see chapter 8). Central government undertook a major effort to reassert the dynamics of the market over the evolution of planning and administration, leading to the abolition of the Greater London Council and the Inner London Education Authority and the dramatic curtailment of local authority budgets which now compete with private-sector resources in providing urban services. Before looking at the implications of these changes, however, another dynamic element must be assessed.

Ethnic minority populations are constantly in change, even if they are not replenished by new inflows from abroad. Like any other group, minorities respond to opportunities in the economic climate as a whole, and to local circumstances. Of the many adaptive responses possible, the most important is the degree to which visible minorities are able to utilize the educational and training system in order to get the skills required by a rapidly changing labor market.

Numerous studies of pupil performance in London schools, most of them conducted by the Inner London Education Authority, abolished in March 1990, provide data needed to assess this question. Although these studies vary enormously in the size of the samples, in design and method of analysis, they yield strikingly similar results concerning the performance levels of various ethnic groups. For example, when we

compare the proportions of each group in Inner London passing five or more "O" levels or their equivalents (the exam taken at the age of 16 which triggers entry to higher-level schooling and hence to postschool education), we find that Afro-Caribbeans lie in the range of 0–5 percent, whereas South Asians are in the very highest range of 17–18 percent. The total population (which is, of course, mainly white) falls well below this, in the range 3–10 percent.⁸

These results, which show that South Asian pupils are out on their own in performance terms in Inner London, have been confirmed by a 1990 Inner London Education Authority report which showed that only the poor Bangladeshi communities of East London were an exception to this pattern (Inner London Education Authority, 1990). If data existed for Outer London, it would probably reveal a closing of the gap between South Asians and whites since national data suggest that these two categories score about the same at this level of the educational process (Drew and Gray, 1991). These performance levels imply that South Asians are at least as well equipped as whites to respond to the growth of lower level white-collar work. In all likelihood this relative advantage will extend to managerial and professional positions.

These educational disparities add further weight to the evidence of ethnic economic differentiation that we have already uncovered. Consequently the policy agenda, and therefore the pattern of political preferences, is likely to reflect the heterogeneity of minority interest. In Greater London, for example, the results of capital-wide elections for local councillors in May 1990 tended to show a consolidation for the ruling Labour Parties in Inner London (for example, in Haringey, Lambeth, Lewisham, and Southwark) and a more complex pattern entailing pronounced shifts to the right in the outer boroughs (for example, in Ealing and Brent).⁹ We do not know yet whether this reflects a growing disenchantment by South Asian voters with the welfare orientation of traditional Labour policy, but it is not improbable that this is so. Certainly there is evidence that in the gradual emergence of ethnic politics the two main groups are stepping down divergent paths (Fitzgerald, 1988). For Afro-Caribbeans, whose inner urban political agenda focuses on public services, unemployment, and the police, the struggle is for recognition within the Labour Party. Asians, in contrast, are split more by social class and in other ways, too, have a spread of political concerns more characteristic of the majority. Inevitably, therefore, there is a greater tendency toward mirroring the spread of political support found nationally. This process is constrained, however, by the particularistic loyalties of ethnic politics which, in the case of Britons of Asian descent, would certainly include intervention to combat racial harassment and a concern about whether or not national political parties

support policies to sustain cultural traditions. In the wake of the so-called "Rushdie Affair," it is precisely the lack of such support that has prompted the faltering beginnings of ethnic minority-based political movements.

CONCLUSION

Ethnic differentiation is the theme of this chapter; this process, we argue, is bound up with the transformation of the New York and London economies. Research on this issue generally falls into one of two camps. One argument offers a "tale of two cities," according to which the city's advanced services have rendered useless those minority residents with low skills who earlier had been recruited for manufacturing jobs, now irrevocably gone. The second argument contends that the middle of the labor market is disappearing; what remains is a polarized arrangement in which growth is concentrated in either high-level jobs requiring higher education or in low-level positions in services, retailing, and the remnants of a depressed manufacturing sector. It is in the latter group that minorities are largely confined.

This chapter suggests another answer. Neither the metaphor of dislocation (or "mismatch") nor that of polarization captures the impact of the postindustrial urban transformation on ethnic minorities. Both these approaches concentrate on demand-side issues to the exclusion of a supply-side approach. They assume that the loss of white city residents is the source of urban disaster, when in fact the outflow of white people in the two global cities considered here is what gives some newcomers their chance. During economic downturns whites have left the city at rates that outpace the rate of decline. And when the economy has reheated, the outward flow of whites has slowed, without ever truly stopping. Proportionately whites have thus been in constant decline. This shift in ethnic proportions creates a "replacement demand" for other groups up and down the hierarchy of jobs, especially in those segments of the labor market where employer requirements are not too high.

But who benefits from replacement demand, and under what conditions, are not straightforward matters. Thus, our treatments of New York and London emphasize the emergence of distinctive ethnic niches. In general a complex of factors – skills, predispositions, informal networks, and group resources – interacts with the demand for replacement labor to disperse ethnic minorities into distinct concentrations. In New York, for example, the public sector has become a stronghold for native blacks, but an area of little immigrant employment, in part because

discrimination is less pervasive than in the private sector, but also because black political mobilization has gained institutional access to public-sector jobs. In contrast immigrants have moved heavily into manufacturing, a sector in which black representation, never high, has further declined. In this instance the circumstances of migration circumscribe newcomers' search for better opportunities, while the networks between settlers and new arrivals provide for rapid integration into the factory workplace.

Similar patterns appear to characterize London. As manufacturing decline hit the city, unemployment rates among ethnic minorities rose dramatically. As restructuring took over, Afro-Caribbean minorities relocated to the public sector, although at lower levels than remaining whites. South Asians, in contrast, have tended to remain in the private sector, both as employees and, increasingly, as self-employed. They have increased their concentration in manufacturing and also advanced in private-sector services. These differences are becoming increasingly reflected in spatial and social class terms. South Asians are moving into private properties left by the departing white middle class in areas of the city that have retained a manufacturing capability and where private-sector services provided by petty entrepreneurs have formed a newly available niche. The South Asian population of London reveals a social class pattern which is bimodal, even when compared with that of native whites. They are overrepresented in the professional and managerial sectors of the middle class *and* in the lower echelons of manual labor.

Despite these similarities, there are also important differences between London and New York. Most striking is the disparity in the flows of immigrants to the two cities. In New York, as we have noted, the trend has been continuously upward for a 25-year period. Immigration on this scale has linked New York-based ethnic communities, with their established niches in the housing and labor markets, to sending areas around the world. With such networks in place, immigration becomes a self-feeding and self-sustaining process. In the absence of new and unexpected legal barriers to immigration it is difficult to imagine the circumstances that would diminish the immigrant stream. London is also a magnet for immigrants, notwithstanding many attempts to restrict entrance, especially to newcomers from the Third World. Indeed, Great Britain, like most other European countries, has seen an increase in foreign immigration over the past few years. But the scale of immigration to London will remain much smaller than in New York. Consequently the ethnic issue agenda is shifting from matters associated with the arrival and settlement of foreign populations to those related to the concerns of a second generation of settlers.

Other demographic changes also distinguish the two cities. Most

notable is the extent of net white out-migration in New York and the occupational repositioning of those whites who remain. These patterns reflect the extraordinary improvement in the standards experienced by the white population in the United States over the past 40 years – not fully paralleled in the United Kingdom. In the labor market the consequences are that the impact of local economic decline is largely offset by the still greater decline in the size of the white population and a sustained demand for nonwhite replacement labour. The implications of greater white population loss emerge again in the discussions of housing and politics.

In the end, however, despite these differences, it is the commonalities in the experience of ethnic minorities in these two cities that most impress us, especially the emerging ethnic differentiation between groups. Though analysts often assume that “minorities” are influenced in uniform ways by processes of economic and social change, that presumption is clearly misplaced. Theories of urban change which deny the reality of ethnic differentiation fail to grasp a key component of the postindustrial urban form. Race and ethnic groupings are clearly becoming a more salient feature of the new urban landscape, but the resulting shapes and structures create a complex mosaic, the results of new demands and old ways being served in specialized ways. The ethnic division of labor is, in this sense, the central division of labor in the postindustrial city.

NOTES

- 1 Calculated from US Department of Commerce, 1988, table 1.
- 2 These population figures, for the Chicago, Los Angeles, Miami, New York, and San Francisco metropolitan areas, are based on calculations from the 1980 Census of Population, Public Use Microdata Sample.
- 3 Data for New York City calculated from US Bureau of the Census, 1985b, table 116.
- 4 Data calculated from Immigration and Naturalization Service, Public Use Tapes.
- 5 Data calculated from the 1987 Housing and Vacancy Survey, Public Use Sample.
- 6 1980 data calculated from 1980 Census of Population, Public Use Microdata Sample; 1987 data from the 1987 Housing and Vacancy Survey of New York City, conducted by the US Bureau of the Census, Public Use Tapes.
- 7 Calculated from the Census: Longitudinal Sample, 1971–81.

- 8 The studies from which these data are drawn are Maughan and Rutter, 1986, Mabey, 1986, and Kysel, 1988. They are all based on surveys conducted in Inner London boroughs. For an overview of these and other studies see Drew and Gray, 1991.
- 9 Voting in the major local election was also strongly affected by the community charge (or "poll tax" – the replacement for local property taxation introduced in 1990); variations in the level of this tax levied locally led to pronounced distortions to this pattern.

Housing for people, housing for profits

*Michael Harloe, Peter Marcuse, and
Neil Smith*

THE GLOBAL ECONOMY AND HOUSING

In 1987 land for luxury housing in Central London was being sold for up to £30 million per acre and the apartments built on it for £1.5 million (Brownhill et al., 1989, p. 21). At the same time around 30,000 households were *officially* accepted as homeless (many more were actually homeless) and an estimated 12,500 people were squatting. House prices soared by 170 percent between 1983 and 1988. Meanwhile, the stock of subsidized, council-owned housing – the main source of lower-income accommodation – shrank because of privatization and the virtual prohibition on new building.

The housing predicament in New York City was even more extreme. Even conservative critics bemoan the "third-world city living uneasily with the city of the twenty-first century" (Sternlieb, 1986, p. 83). While Fifth Avenue apartments in Trump Tower sell for over \$10 million, an estimated 60,000 to 70,000 live on the streets (Marcuse, 1989c). In public housing more than 35,000 households are illegally doubled and tripled up. Although it collects the statistics, the New York City Housing Authority refuses to evict the doubled-up households, knowing that most evictees would end up homeless.

Economic restructuring has not benefited most housing consumers in either city. The boom in residential property vastly enhanced the profits of landlords, developers, and housing financiers. It did not expand the supply of affordable housing. Instead, the middle and working classes