

reviewed by Gregory DeFreitas

In the late 1960s, African-Americans in New York City had unemployment rates only slightly higher than those of whites and well below the national black average. But by 1990 the city’s black men were three times more likely than whites to be jobless. Over this same period, near-record numbers of immigrants arrived and managed to find work at close to the white employment rate. What can account for these sharply divergent trends?

Roger Waldinger offers an explanation based on analysis of 1940-1990 census data and interviews with employers, workers, and union officials in several industries. In an argument sustained through nine chapters, he describes how the postwar outflow of whites created large numbers of job openings at all skill levels. Vacancies appeared even in shrinking manufacturing industries as whites left at a faster rate than labor demand declined. Despite often weak English-language and educational skills, foreign-born newcomers have won a disproportionate share of these openings. But they have not done so by directly displacing native blacks out of their jobs. Contrary to the influential skills mismatch hypothesis, Waldinger shows that African-American New Yorkers never had much of a presence in manufacturing and were becoming even more underrepresented in that sector long before immigration accelerated in the 1970s. In fact, the industrial distributions of native blacks and nonwhite immigrants have seldom overlapped. He also finds little evidence to support claims that the availability of immigrant labor has indirectly displaced natives by enabling employers to keep wages and working conditions at unattractive levels. For example, real wages in apparel began their long stagnation in the low-immigration 1950s. Likewise, in hotels the fast job and real wage growth in recent years has not stopped the seepage of native blacks from an industry in which they were overrepresented from the 1940s through the seventies.

Instead of immigration, Waldinger assigns greatest importance to racial discrimination and African-Americans’ rising job aspirations. Even as the white exodus picked up speed in the fifties and sixties, many white employers, workers, and union officials persisted in blocking blacks’ access to training and promotional opportunities in key industries. Discriminatory treatment was most flagrant in the high-wage construction trades, but about equally effective in lower-paying garment firms and hotels. Nonwhite immigrants have also suffered discrimination, but they tend to be far more willing to accept job slots at the bottom of the ethnic queue in exchange for wages well above those in their homeland. Faced with scant prospects of upward mobility out of dead-end, low-skill positions, more and more U.S.-born blacks have spurned these industries in favor of the greater job security, wage equality, and training options of the public sector.

If immigration was not a cause of black employment problems in the past, Waldinger nonetheless worries that: “the immigrant incursion into New York’s economy makes it unlikely that African-Americans will reap the dividends of any future urban economic growth” (p. 316). This concern stems from the success that recent immigrants have had in carving out strong ethnic niches in a variety of industries. As these niches are consolidated and as employers increasingly rely on ethnic networks for recruitment, outsiders will be effectively excluded from most low-skill jobs. He argues that native blacks are particularly vulnerable because their growing concentration in municipal employment, where high educational thresholds already offer little hope to less-skilled jobseekers, has come at the cost of losing their earlier private sector job networks. However, the author makes no attempt to reconcile his claim that African-Americans’ rising expectations have led them to spurn most low-wage jobs with the prediction that future recessions will drive them into competition with immigrants now holding such jobs.

Unfortunately, this provocative book also has a number of more significant shortcomings. First, chapters 3 and 4 seek to trace postwar changes in native and immigrant shares of New York City jobs by calculating, for each census year, the fraction of employed city residents of each major race/nationality group. But this method fails to count the growing number of city jobs held by nonresidents. If one instead uses the information on each worker’s actual city of employment contained in these same PUMS files, it turns out that 23 percent of all New York City jobs (and 19 percent of those in manufacturing) were in the hands of suburban commuters by 1990. Since most of these were white, Waldinger’s figures systematically overestimate the extent to which the suburbanization of whites has opened up vacancies for native- and foreign-born minorities. The book makes no mention of this estimation problem.
The author also says far too little about gender differentials, despite the evidence (in figure 2.6) that native black women have had employment trajectories much closer to those of native whites and Hispanic immigrants. The book’s attempts to evaluate immigration’s labor market impacts would have been strengthened by examining the large economic and sociological empirical literature on inter-city differences in immigration and native job-holding. But this research is barely mentioned in passing in the final summary chapter. Equally neglected are the benefits of immigration for African-Americans: without it, New York’s population would have shrunk dramatically in recent decades and the smaller tax base would have supported far fewer municipal jobs for native blacks. Finally, in my view, any book with so many worrisome things to say about racial discrimination, unemployment, immigration, labor unions, and other controversial topics should also offer at least some discussion of the policy implications of its findings.

Nevertheless, this book is an ambitious exploration of key structural and demographic changes in postwar New York, written in clear, non-technical prose. Its detailed case studies of apparel, construction, hotel, and government employment will be of great interest to all those concerned about the city’s future.

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