

## 11.947 Race, Immigration and Planning

### Session 5 Lecture Notes:

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#### Immigrants in the Economy / Immigrant Entrepreneurship

- I. The Economy:
  - a. What was the role of slavery in the U.S. Economy?
    - i. Why weren't Native Americans enslaved?
      1. Knew territory much better than the colonists
      2. Very difficult to control
    - ii. Why didn't the U.S. bring in poor Europeans?
      1. If they brought Europeans, they were "entitled" to certain rights that African slaves were not entitled to based on English Common Law / other European laws.
      2. There was some work that nobody wanted to do at the price that settlers were willing or able to pay.
      3. Need a buffer class between wealthy and enslaved / Native American populations.
    - iii. Increased the wealth of the settlers
      1. Settlers could not do the work that needed to be done on their own.
      2. Economically:
        - a. A lot of land available
        - b. Good climate for sugar cane production
        - c. Not enough labor available to take advantage of it.
    - iv. The American economy was a global economy from the beginning.
  - b. What was the effect of slavery on the "free" workforce?
    - i. In the South:
      1. Really depressed wages and limited job opportunities for non-slaves.
        - a. Became a really depressed region generally.
        - b. White workers were poorer and less well-educated in the South than the North.
        - c. Most skilled jobs in the south: masonry, carpentry, blacksmith, etc. were held by slaves.
      2. Post-slavery, blacks were skilled and could start businesses.
        - a. Poor whites given voting rights after slavery instead of land and "black codes" that restricted black businesses to black communities and certain types of businesses.
      3. Created a wealthy landowner class.
      4. After slavery, laws were enacted to give poor whites an advantage in competing against better-skilled blacks.

- a. Over time, whites' economic status improved relative to blacks.
      - i. Average working class family could afford to hire a home-worker (e.g. as maids).
  - 5. It enabled accumulation at the top and a softening of the effects of class oppression of white workers.
    - a. Whites have a tie to the prevailing social order.
- ii. In the North:
  - 1. In the 1930s and 1940s, when industries opened up, blacks migrated out of the south in record numbers.
  - 2. Black men entered industrial jobs that were left open by soldiers leaving to fight the war; black women go into domestic work as a cheap source of labor.
  - 3. Unemployment:
    - a. South: low unemployment
    - b. North (30s and 40s): low unemployment
    - c. Post WWII:
      - i. Race strikes, race riots as white workers come back from war and want their jobs back.
      - ii. Unemployment goes up.
    - d. 1950s: Suburbs and Urban Renewal with segregated housing and construction trades.
      - i. Created jobs for white workers.
      - ii. Blacks cannot participate; unemployment remained very high.
      - iii. Whites in almost full-employment economy.
    - e. 1960s: Civil Rights movement was as much about the economic issues as about segregation / racial discrimination.
      - i. Blacks able get more opportunity in a wider variety of fields.
      - ii. African Americans are much more educated today than Mexican immigrants (8<sup>th</sup>-9<sup>th</sup> grade) – big change since 1960s.

## II. Globalization (1960s)

- a. Characteristics:
  - i. Increased competition from Japanese and European firms.
  - ii. Industries in the North leave to the U.S. South
  - iii. Industries leave U.S. South to South America, Philippines, India, etc.
    - 1. A lot like the early era of slavery.
    - 2. U.S. workers better educated, looking for better work.
    - 3. Industries move the work elsewhere to places where workers were more docile.
  - iv. American corporations became really wealthy.

1. Globalization has helped the wage differential to explode. It is great if you are at the top.
- b. What keeps the American worker (who has lost their job in the American workforce because it has gone overseas) from rebelling?
  - i. Immigrant Labor
    1. The current economy is bifurcated: it creates an increasing demand for highly skilled labor and really low-credential workers.
      - a. Highly skilled workers coming out of world-class education to
      - b. Expansion at the bottom:
        - i. Taking care of children
        - ii. Cooking / Serving food
        - iii. Cleaning
      - c. The middle, native-born American workers (black and white) are getting squeezed
        - i. Manufacturing
        - ii. Most things in this category are being replicated in developing countries.
          1. Even software design and technicians.
    2. People are deep in debt.
    3. Immigrants, particularly undocumented immigrants, (slaves) are material props for American worker docility.
      - a. Restaurant industry is propped up on undocumented workers.
      - b. Hotel industry is propped up on undocumented workers.
      - c. Without undocumented workers working like slaves keep these luxuries affordable to the American workers negatively affected by the impacts of globalization.
    4. There is a debate about whether immigration is good or bad for the economy. It has been very good for the American middle class because without poor, undocumented immigrants, the lower-tier in the service economy, it would feel like a depression in America right now. The economy has been stagnant for a long time without there being a painful, gut-wrenching experience like America experienced in the 1930s.
      - a. Immigration has allowed women to pursue all kinds of work and career opportunities that they otherwise would not be able to because of the absence of any type of childcare policy, etc.

III. What do we do about it?

- a. Samuel Bowles and Herbert Gintis (radical economics from Harvard – fired and filtered into the UMass system) article:
  - i. Communities perceive the benefit to their own group; exclusionary processes are about gaining a foothold.
  - ii. 2 Theories:
    - 1. There are tremendous benefits to ethnic and other types of close networks
      - a. Need an agreement around sharing wealth for everyone to benefit collectively.
      - b. Information flows
      - c. Shared resources
    - 2. The real opportunity for generating wealth come from the border areas between networks (structural holes)
      - a. Structural holes are gaps in information, communication, cultural understanding.
      - b. If you can bridge these gaps, you can make a lot of money from it.
        - i. E.g. Chinese immigrants opened grocery stores in Southern black areas
  - iii. If you want to grow a business, need to get beyond your own network and span into other networks.
  - iv. 90% of the time, immigrant relations are good, but sometimes there are riots.
    - 1. Critics of the riots say that immigrants are buffers between the larger corporations and political forces that structure inequalities among African Americans and Latinos; targeting them is thoughtless.
    - 2. Another framework is that oppressor/oppressed relationships form between different groups. Different immigrant groups are exploited and set up to deflect conflicts when they arise.
- b. Asian-Pacific Law Center in LA, post-riot hosted discussions on these issues:
  - i. Chose a bottom-up, micro-approach
  - ii. Went to various ethnic communities to educate them about each other.
- c. A macro-approach would include a common vision for a city/state/region, and the thrust needs to be economic and spatial.
  - i. Good schools
  - ii. Good jobs
  - iii. Safe streets
  - iv. Smart transportation
  - v. Health care
  - vi. Avoid issues that are divisive and take energy away from those issues.

- d. It's not just enough to have a plan; you need to have principles around how you are going to treat each other.
  - i. Issues of racial justice used to be only black-white, now it is about immigration.

IV. Deep Democracy

- a. Approaching the issue of immigration by saying that we need to talk about economic justice is Pluralism
- b. Entering a coalition across deep difference and bringing people to the table that you might want there.
  - i. This is deep pluralism, deep democracy.
- c. This is not a phenomenon in America right now.
- d. Martin Luther King's philosophy was Deep Pluralism, and his strategy was to develop a means to speak out against the mainstream thought. If you don't speak out, you do not get people to engage on the deepest level with their prejudices and the things they believe.
  - i. Political activism is not the easy stuff, it is the sticky stuff.
  - ii. Aristotle said: "Politics is about bringing together incommensurate views. If people's views are commensurate, you don't need politics."