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## **Assimilation, Multiculturalism and the Challenge of Marginalized Groups**

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**ASSIMILATION, MULTICULTURALISM AND THE CHALLENGE OF  
MARGINALIZED GROUPS**

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## **ASSIMILATION, MULTICULTURALISM AND THE CHALLENGE OF MARGINALIZED GROUPS**

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### **ABSTRACT**

Multiculturalism has been advanced as an alternative to normative assimilation theory. Multiculturalists argue that it provides a more nuanced solution to the incorporation of immigrants in immigrant driven societies such as the United States. However, rising nationalism and fears of separatism have raised questions about the efficacy of multiculturalism and reinvigorated assimilationists. But, debates between multiculturalists and assimilationists are largely stalemated discussions of how society might best incorporate new arrivals, because they ignore the fundamental issue of very large marginalized groups. This paper will argue that the debates might better be directed to issues of inequality and marginalization as the central issues of incorporation. While all immigrants are to some extent marginalized, the large and growing undocumented population (especially in the US) challenges the notion of how incorporation will proceed at all. Both assimilation and multiculturalism assume a legal basis to society and the recognition of shared political values and the respect for national consensus but the growing number of undocumented (unauthorized or illegal immigrants) are in effect outside of either the assimilationist or the multicultural model. They are often outside of the formal labor markets, residentially isolated, and have poor or non-existent skills. They are unlikely to be able to acquire the economic and cultural gains that will lead to assimilation, or enable them to participate in a multi-cultural society. They are more likely to live separate lives and thus increase the divisions within society. I use data on undocumented immigrants in Los Angeles to illustrate the vulnerability, marginality and the problems encountered by these immigrants and use this to extrapolate to issues of assimilation and multiculturalism.

## INTRODUCTION AND ARGUMENT

The debates over the veil and the burkha are the surface manifestation of the broader debate about how new immigrants should adapt to the societies that they have joined. Should we privilege assimilation and blending or some form of separate cultural identity? Should we change to recognize the new immigrants and their cultural differences or push for greater consistency with local customs and laws? These are hotly debated questions, but they ignore a growing reality – the growing impact of the flows of unauthorized immigrants. These marginalized populations are an issue for both assimilation and multiculturalism and redirecting attention to the problem of marginalization will raise important larger questions about just what sort of society will emerge under either multicultural or assimilationist perspectives.

Both assimilation and multiculturalism assume a legal basis to society and the recognition of shared political values and a respect for national consensus. Undocumented (unauthorized or illegal immigrants) are outside of the legal basis of society and the lack of legal status creates marginality within the society at large.<sup>1</sup> These marginal immigrants are even less likely (than legal immigrants) to be able to acquire the economic and social skills that will lead to assimilation or enable them to participate in a multi-cultural society --- they are more likely to live separate lives and thus increase the divisions within society. To the extent that a marginalized status leads to lower wages, when there is work, raises the question of how these immigrants will participate in either an assimilative or multi-cultural society. Academic concerns about assimilation or multiculturalism are a far cry from putting bread on the table and most immigrants do not think in these abstract terms, rather they think in terms of survival and “ getting on” a subject which will be central in this discussion of incorporation and marginalization..

How do vulnerability and the broader problems of marginalization encountered by these immigrants affect and change the paths of incorporation? What is the role of nearly a third of all immigrants in the United States in creating a newly blended society? The answers to these questions are at the heart of any discussion about future incorporation. I will argue that the growing numbers of illegal immigrants challenges multiculturalism and assimilation and may well marginalize the discussion itself. Whether it is high levels of unemployment of young African males in Paris (Hansen, 2006), or Turkish unemployment in Holland, or high but

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<sup>1</sup> A recent news note, NYT March 2, 2007, p.A6 estimated that 200 million urban migrants within China are marginalized because they are ineligible for residence permits.

marginal employment in Los Angeles, in every case it is clear that there is as much need for a debate about simple economic incorporation as there is about assimilation versus multi-culturalism. However, the paper situates the discussion within the larger issues of incorporation with brief contextual references to assimilation and multiculturalism. The empirical analysis is an attempt to provide some documentation for the arguments I outline in the theoretical conversation about economic incorporation and multiculturalism. Simply put, I will argue that without economic incorporation there can be no assimilation nor can there be a multicultural society.

## **THEORY AND CONTEXT**

The debates about assimilation and multi-culturalism are debates about how we might live together, but beyond that simple observation everything else is extremely conflicted. The rise of a multiculturalist perspectives was a response to the dissatisfaction with assimilation and the much rejected melting pot. Of course the melting pot did not work the way its mythic status suggested though it did encapsulate some realities about how immigrants adapted and were incorporated into American society. Baronne (2001) points out that many immigrants did voluntarily change their culture and behavior to blend into their new society. However, assimilation and its shorthand the melting pot became contested and the notion of a linear process of assimilation was rejected by sociologists and social commentators who saw, perhaps rightly, that the process was more complex than suggested in the linear progression to new Americans (Glazer, 1993). But, what concept, structure, framework should we use in its place?

After trying cultural pluralism, which rejected the notion of a common culture (Manning 1995) multiculturalism arose as a new way of thinking about incorporation. To its proponents its power is that it rejects the Euro-centric paradigm and provides a more inclusive umbrella that has room for alternate paradigms which have struggled with incorporation. In this guise, multi-culturalism is based on the emergence of individual group consciousness and the rejection of labels and categorization of groups by the dominant (Euro-centric) groups in society (Manning, 1995: 146).

But invoking multi-culturalism does not help us define a multicultural society. What is a multi-cultural society? Is it just the existence of lots of different groups or is it something legal and formalized, or it yet again deeper than that, something about cultural blending, but then that would be close to assimilation? Sandercock (2003) acknowledges the problem but in her book

"Mongrel Cities" (mixed up cities ethnically and racially) she makes a strong case for what she calls a multicultural perspective. In this conceptualization, multiculturalism is not a category or a program, or even a definition, - it is more of a recipe - a way of "publicly manifesting the significance of cultural diversity, and to ask which differences exist but should not, and which do not exist but should" . . . . It is a political and philosophical basis for thinking about how to deal with the challenge of difference" (Sandercock, 2003, 102). Thus, she recognizes the multiplicity of meanings in multiculturalism and their contestation but lays out a set of premises to guide our thinking about the value and importance of a multi-cultural perspective. At the heart of her perspectives is the notion that humans are culturally embedded, we grow up in a culturally structured world and that some form of cultural identity and belonging is unavoidable. She privileges the right to difference but she recognizes that the right to difference is necessarily tested against other rights (human rights) and is inextricably interwoven with the fabric of the city. Most critically, she argues "that a sense of belonging in a multicultural society cannot be based on race, religion, or ethnicity but needs to be based on a shared commitment to political community". But for this paper the most important observation in Sandercock's discussion, is the need to address the material as well as the cultural dimension. She argues that a multicultural (I would argue any) perspective must address inequality in political and economic power as well as issues of belonging. It is the issues of political and economic power that are at the heart of my empirical presentation which argues ask how marginalized groups will, if at all, be incorporated into a rapidly changing global society.

The issue of incorporation, in either the assimilation or multiculturalism guises has taken on new urgency as European countries, previously the origin of migration, now struggle to deal with the increased flows of immigrants from cultures and with religions that are very different from those of the host nations. The United Kingdom now requires a citizenship test and Germany's regional governments have introduced tests on top of the federally mandated language programs (Migration Information Source, 2006). Even in Canada, which has perhaps the strongest commitment to multiculturalism, there is a vigorous debate about the components, strategies and outcomes for multiculturalism (Duncan, 2005) and some even question the accepted dogma that Canada is a multi-cultural nation (Biles, et al, 2005). And, even citizenship is an issue in multi-cultural Canada (Modood, 2006). Clearly recent world events have changed the ideas about incorporation, which of course makes it is suitable time for the discussion of the future of incorporation in a global economy.

In the end the questions that are at the heart of our discussion of incorporation are questions about how we turn potentially fractured communities into cohesive communities. How in the end do we create a common sense of belonging, regardless of race and ethnicity, culture or religious orientation, yet preserve cultural differences? It is the question posed at the beginning of this theoretical discussion - how can we live together and merge yet maintain our cultural differences? What are the values of identity and nation that will form the core of a re-created society? I will argue in the substantive presentation which follows that it is changing the material, dealing with inequality, which will change society and create a context in which the assimilation versus multiculturalism debate will be less central.

### **Challenges and contexts of incorporation**

I believe that there are three challenges to incorporation- economic participation, residential separation and political access. At the core-- economic assimilation is the most central element of creating a basis for living together, equally important is the outcome of actually living together, the patterns of separation and segregation, and finally political participation provides the basis for shared decision making and so shared power. I examine the first two in detail and comment more generally on the last topic.

#### *Economic participation*

Economic access was always central for new immigrants whether it was in the growing factories and mills of 19<sup>th</sup> century American or opportunities on farms they provided a way of gaining a foothold in their new society. There is no question that increased economic participation is a central element of creating full incorporation whether it is blended or otherwise. If one argues that in a pluralistic society the goal of incorporation is not to remove ethnic distinctions, but rather to find ways in which economic opportunities can be shared by all groups then we need a model in which increased participation by an ethnic group would also have the effect of raising that groups "externality parameter". Any policy which encourages its members to invest in shared human capital, a policy which is genuinely inclusive, that is welcoming ethnic diversity without encouraging separation would have the effect of encouraging the investment in shared human capital. The aim then, is not to erode all ethnic distinctions, but rather to increase the common culture and economic opportunities shared by all groups (Chiswick, 2006:24). Marginalization and exclusion are the opposite of full economic participation, and are in fact challenges to any form of incorporation.

Studies of marginalization and informal labor participation have shown that some immigrant groups, Turkish immigrants in The Netherlands for example, have just the opposite outcomes discussed in the previous paragraph --high rates of continuing unemployment for more than a decade. A combination of limited education, lack of language fluency, spatial mismatches and discrimination produces unemployment or certainly exclusion from jobs in the formal economy. In Europe these immigrant groups have been driven to live more or less permanently on unemployment benefits (Kloosterman, et al 1998). The Dutch studies have shown how informal employment has arisen in response to the exclusions from the formal labor market and how some "service businesses" are dominated by immigrants and informal labor market practices (Kloosterman, et al 1998). The larger implications for the organization of the formal economy, tax receipts and the functioning of a classic legal state include reduced formal taxes, poorer or marginal working conditions and problems of occupational safety and health. Exclusion generates marginalization and problematic incorporation if it exists at all.

#### *Residential separation*

A second critical challenge to incorporation is residential fragmentation and separatism<sup>2</sup>. The discussions, in Britain in particular, of how to deal with separation are a window on the challenge of creating a reformulated and incorporated community. In a sense residential separation may be one all the strongest challenge to creating a newly incorporated society, multicultural or otherwise. To the extent that the immigrant groups create separatist lifestyles, enclave economies, and economic activities outside of the mainstream, and choose, or are relegated to, residentially separate locations, they may become the replacement underclass for African Americans. The geography of separatism may in the long run be the strongest challenge to any form of incorporation simply because separatism in residential location leads to separatism in ideas, in behavior and interaction more broadly in the wider society. It is in this context that questions of economic disadvantage and linguistic division in isolation become critical questions about the challenge of incorporation for Hispanic populations in the United States and particularly Southern California.

Both Alibhai-Brown (2000) and Sabuni, quoted in Lyall (2007), argue that current policies exacerbate the tendency to residential separation. For Brown, too much power and money (in Britain) have been yielded to Black and Asian communities and this has in turn encouraged ethnic separation, ethnic enclaves and the ultimate effect of "imprisoning the young

and women in the name of culture" (Alibhai-Brown, 2000: 100). Much of the discussion is of course about that most sensitive subject, religion and religious practices, especially where there is a direct conflict between religious freedom and human rights. For many religious freedom seems to mean that anything in the name of religion is permissible and there have been what can only be described as strange legal and political decisions in the name of religion (Dawkins, 2006). These conflicts about religion are at the heart of the organisation of society and only now in the 21st Century are being tested in new forms of incorporation and their expression in geographic concentrations.

### *Political participation*

In the end a shared common political structure which is not based on ethnicity or culture, but rather especially in the United States context, is based on a shared commitment to a political community (Amin 2002 23) may be the most difficult to achieve. That commitment is a two-way street, both from the citizens who commit to the community and the political community which commits to them. Each must equally value and cherish the political structure as a way of conducting public affairs and as a method for resolving conflict in the long run. The greatest challenge to a restructuring a multicultural society may be in evolving the political equities which privilege no group, and this challenge in the long run, may be the most difficult to solve.

It is political power in the end that creates opportunities for disadvantaged new immigrants and for the children of the undocumented. Parekh (2000) and Amin (2002) recognize that sharing a political community, participation in a political community and recognition within the political community are essential in creating a sense of belonging. It cannot be based on shared cultural, ethnic, or other characteristics. Nor, they suggest, can it be based on a shared common history or even shared substantive goals, unless perhaps in a homogeneous society but there are few, if any, of those left. The importance of this view is that it emphasizes reciprocity - citizens are (should be) committed to their political community but the political community must also make them feel they belong (Parekh, 2000). Politicians and political parties that play on the fears of political change and link immigration and criminality (Bodie-Gendrot, 2000) foster division and exclusion and make the task of creating a sense of belonging even more difficult. The past, and its focus on "giving up" distinctiveness as the passport to citizenship is being challenged by those who argue for a new notion of local or urban citizenship (Isin, 1999;

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<sup>2</sup> There is also a related question of how incorporation can deal with self segregating communities, and with the emergence of communities that lead (desire?) separate, but parallel lives (Uberoi, 2007). This

Sandercock, 2000). Again, how his is resolved will be an important dimension of the evolving form of incorporation.

Each of these challenges is a critical part of understanding how incorporation will proceed in the 21<sup>st</sup> century. The empirical analyses that I use to evaluate the progress to incorporation focus primarily on issues of economic and residential separation. These challenges are embedded in the changing global economy.<sup>3</sup> The growing interconnections between economies, including “off shore” production, inexpensive telephone connections, cheap international travel and email have re-arranged the world in a way which is quite different from the period before the growth of computers and information technology more broadly. Multinational corporations manufacture products in many countries and sell to consumers around the world. Money, technology and raw materials move with ease across national borders. It is perhaps not surprising then to find that there has been a concomitant increase in the movements of people across national borders. Even though many argue that globalization will have important positive effects on poverty reduction there are still large numbers who are living on the margins of the emerging global economy. It is many of those people who are the core of the increasing flows of undocumented populations who move for economic advantage, to escape poverty or simply to follow flows of family migrants to new opportunities. What we observe in the flows of migrants is merely one extension of the increasingly mobile and inter connected world.

The flows of people are a reasoned outcome to continuing and even increasing inequality. While a third of the world’s population live on less than two dollars a day rich nations have increased their share of global wealth from 10 percent to 25 percent in the past two decades. In addition, the continuing de-stabilization of African nations stimulates global population flows from that continent and even though poverty has declined dramatically in East Asia, particularly in China, there are still pressures that are likely to fuel greater population flows. Rising poverty in Africa, in South Asia, and even in Eastern Europe (where the transition from communism seems to have increased rather than decreased poverty) continues to stimulate populations seeking jobs to move. Given increasing global interconnections and continuing marginalized populations it is perfectly understandable that population flows are likely to increase. We should not be surprised that the total number of immigrants is increasing and that in many cases these flows do not

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discussion is beyond this presentation.

<sup>3</sup> This section draws on a discussion of global migration and its outcomes in Clark, Human Mobility in a globalizing world: urban development trends in Geyer M. (ed). Handbook of Urban Policy: Contentious Issues. London: Edgar.

proceed through formal channels. Whether we are discussing immigration from North Africa to the European Union, or the migration of Mexicans and Central Americans to Southern California we are speaking, increasingly, of marginalized populations who are making the best decisions for themselves and their families.

Nationally, the best estimates of the undocumented population in the United States suggest that it is about 11 to 12 million people. These estimates, based on the Current Population Series (CPS) also show that as much as two thirds of the unauthorized population has been in the country for 10 years or less (Passel, 2006). The undocumented population is slightly more male than female, but in fact nearly 35% of the undocumented population is female and about 16% of the undocumented population is children. Although it is difficult to be precise, the current estimates are that the unauthorized population is growing at about 500,000 persons per year. Nearly 7.2 million unauthorized migrants were employed in the US in March 2005, almost 5% of the civilian labor-force. Undocumented immigrants are a significant proportion all the population and workforce of Southern California and Los Angeles County in particular. A recent study estimated that “undocumented immigrants accounted for 25% of the foreign born population residing in the city and 23% of the foreign born population residing in the county (Flaming, Haydamack, Joassart, 2005). Clearly they are a factor in the community and in the labor force in Southern California and it is that issue and their status and progress which is central to a discussion of marginalization and incorporation.

## **TESTING THE CHALLENGES TO IMMIGRANT INCORPORATION**

The empirical analysis examines and tests two of the three challenges to immigrant incorporation that I outlined in the previous discussion. I examine the level of economic participation including the role of the informal economy and the nature of residential separation and linguistic isolation. These tests are designed to evaluate the nature of incorporation and to provide a basis for my argument that without attention to the material context, discussions of assimilation and multiculturalism are largely irrelevant. Political participation and involvement are clearly critical issues in the evolution of an incorporated society but the current focus on the undocumented population places this test outside of the current analysis.

Two data sources are used in the analysis, survey data from the Los Angeles Family and Neighborhood Survey (LAFANS) and tract and data from SF3 Census 2000. LAFANS is a

household survey of families in 65 randomly sampled census tracts in Los Angeles County. A first wave of interviews with approximately 6000 residents in 3000 households has been completed. In addition to the publicly accessible data there are several special data sets that incorporate detail on the neighborhoods in which the respondent live and the neighborhoods from which they came if they moved. Data collection for wave 1 was initiated in April 2000 and completed in mid-January 2002. Detail on LAFANS is available at [www.rand.org/labor/lafans](http://www.rand.org/labor/lafans).

The sampling strata in the LAFANS design correspond to tracts that are very poor (those in the top 10 percent of the poverty distribution), poor (tracts in the 60-89th percentiles), and non-poor (tracts in the bottom 60 percent of the distribution). There was over-sampling of poor and very poor tracts (Sastry, et al., 2003). The data used in this analysis is drawn primarily from two modules: the household questionnaire and the adult questionnaire. The household questionnaire collected information on income of family members, and the adult questionnaire collects detailed information on the family background, educational history social ties, residential history, employment welfare and health status, as well as neighborhood information. It is possible using the codes for citizenship status to identify documented and undocumented immigrants. I restrict the analysis to Hispanics and throughout the analysis I compare data on immigrants with data for native born Hispanics. The data are geo-coded and were matched to tracts and census block groups from the 2000 Census.

### **Economic participation and the informal labor market**

The Los Angeles FANS sample has data on approximately 2660 households and 3560 adult individuals. Of these adult respondents nearly 2100 are Hispanic.<sup>4</sup> For the Hispanic sample aged 16-64 the survey has employment data, citizenship, foreign-born status and documented status for approximately 1946 adults. There are 556 citizens and 1390 non-citizens including 605 with documented status and 770 without documented status. Because the survey was particularly concerned with family care-giving the sample has a disproportionate number of women.

Economic participation, as measured by current employment and employment in the past year for the primary earner high, but not at the same levels as the native born white population in Los Angeles (5.5 percent unemployed). Approximately 70% of the undocumented and documented and native born populations are employed full-time and another 10 to 17% are employed part-time. There is significant unemployment across all groups especially for the

Hispanic native-born population in the current employment status and for undocumented workers employed in the past year (Table 1). That a fifth all of the undocumented population have been unemployed at some point in the past year is our first indication of what we will wrestle with later -- the issue of marginalization and exclusion. Even for the native born Hispanic population, significant proportions are unemployed. The caveat that we must raise of course, is that the sample is weighted towards poor and very poor households who are less likely to be employed than the Hispanic population as a whole. To provide a context for the discussion of employment levels for native-born Hispanics from the public use micro-data sample are about 92 percent. These comparative figures truly emphasize that marginalized populations such as those without documentation and in poverty tracts are still employed but with much weaker labor market attachment than the citizen and documented populations.

When we examine current employment levels separately for men and women there are notable differences (Table 2). For full and part-time women, the level of employment ranges from a low of 21 percent to a high of nearly 50 percent for women depending on documentation status. If however, we remove the group of women that are designated as primary caregivers (that is likely to be out of the labor market) the employment levels rise considerably and vary in the low 50s for full-time employment, and in the low twenties for part-time employment. The expected differences between employment levels for women without documentation and the native born appear in both the total sample, and the sample without primary caregivers. Clearly, there are gender issues in the nature of incorporation and the fact that many women are the primary family care-givers even if they are undocumented suggests the power of familial structures and gender roles beyond the issues of documentation and incorporation. In fact, it suggests that the power of gender roles outweigh the issues of either incorporation or documentation status.

Family incomes, as expected, are different between the documented and undocumented population and by gender. Only a little more than 20% of the undocumented population earn in excess of \$20,000, while both documented and native born populations have significant earnings across the distributions (Figure 1). There is some likelihood that undocumented incomes are under reported though the survey concerned to gather the most accurate data on incomes as is possible in this complex situation.

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<sup>4</sup> I use the term approximate to recognize that not all cases have complete information.

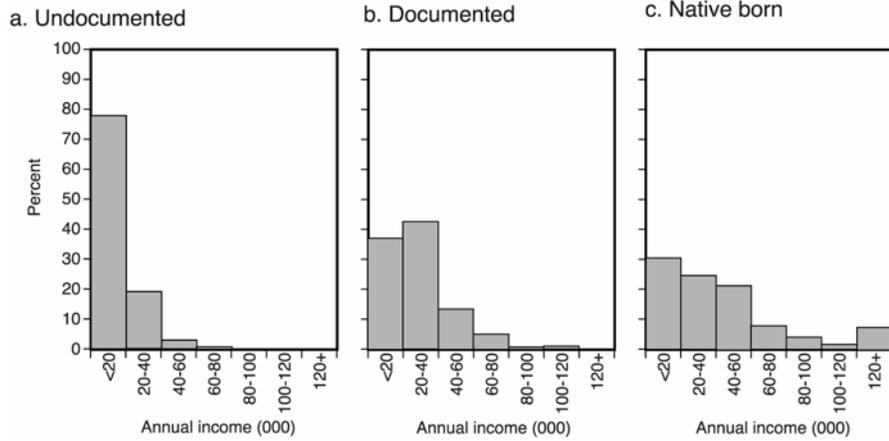


Figure 1: Family income by immigrants status. Source Los Angeles and Family Neighborhood Survey

This is some of the first data, which provides evidence of the magnitude of income outcomes by immigrant status. Similar results are provided for men and women using weekly wage data. The most significant difference is between undocumented workers on the one hand, and documented and native-born workers on the other. Still the differences between the earnings by men and women are significant across all categories. Across categories women do significantly less well than men in weekly wages (Figure 2). In other words the structural differences in society at large are repeated in the undocumented population.

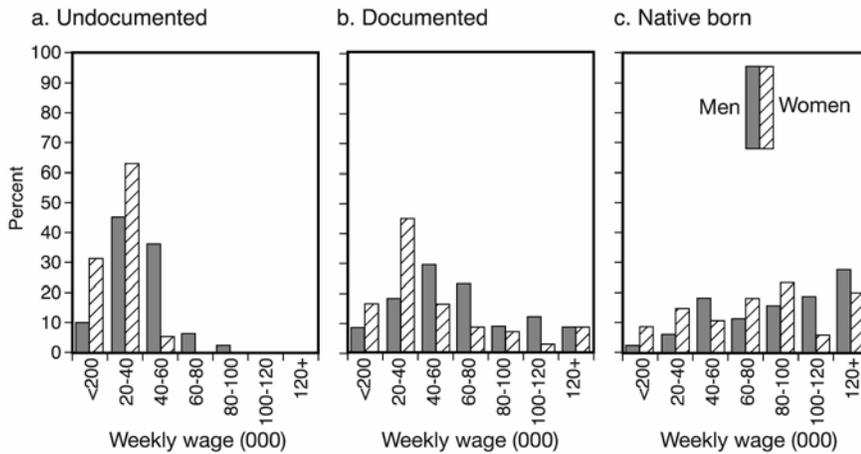


Figure 2: Weekly wages by immigrant status and gender. Source: Los Angeles Family and Neighborhood Survey.

Comparing the family income distributions for the undocumented and documented immigrant populations at the low end of the income distributions highlights the effect of documentation status and by extension marginalization (Figure 3). Two thirds of the

undocumented working population have family incomes of less than \$15,000, an average of about \$1,000 a month.

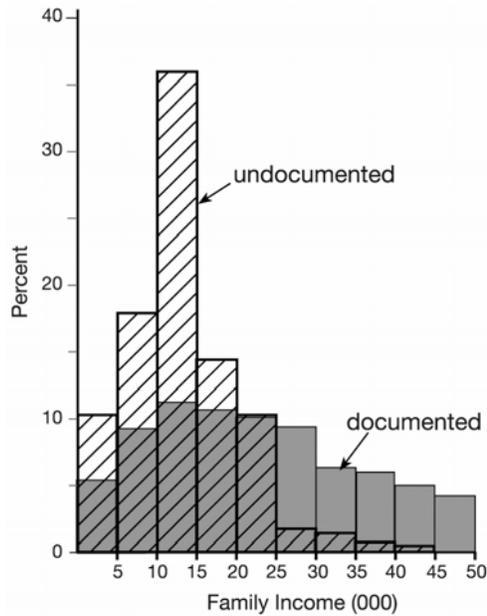


Figure 3: Comparing the incomes of documented and undocumented low income earners. Source: Los Angeles Family and Neighborhood Survey

In contrast for Hispanics with documentation nearly 75% have family incomes over \$15,000. The income distributions and the more detailed data by occupation show additional differences across the undocumented and documented populations (Table 3). In general, the undocumented population has incomes which vary from one half to one third of those for the documented family income population. Being documented matters in terms of vulnerability, and it is the undocumented population which bears the brunt of providing the very low income wage labor that (may?) currently supports the California economy. The differences in income and weekly earnings are a reflection of labor market position. The undocumented population like many new immigrants finds employment in low skilled, often temporary or transitory jobs. Nearly 100,000 workers are in construction, restaurant employment and apparel manufacturing jobs (Figure 4). In fact they make up more than a quarter of the various branches of the clothing fabrication jobs in Los Angeles County (Figure 5). They are also important contributors to landscaping, baby care and other service activities. They are in just those jobs that in a globalized economy are now rarely unionized, not well-paying, and no longer provide a step on the ladder of upward mobility.



Figure 4: Estimates of the number of undocumented workers by the top ten industries in Los Angeles County. Source: Source: Flaming, Haydamack, and Joassart, (2005)

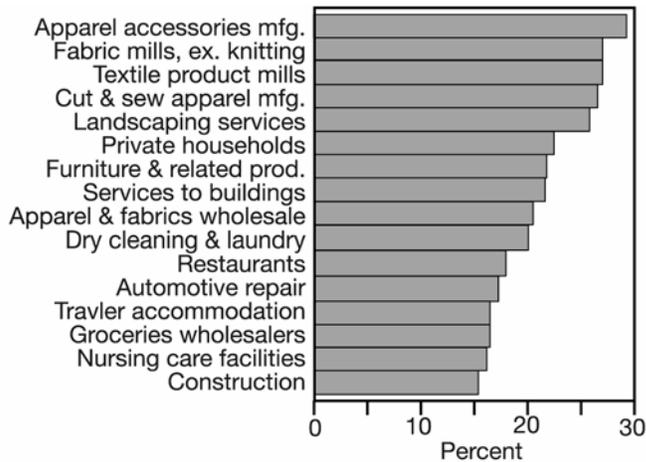


Figure 5: Estimates of the proportion of undocumented workers for selected industries in Los Angeles County. Source: Flaming, Haydamack, and Joassart, (2005)

These jobs are part of the growing California labor market but the growth is in fact not in the formal economy but in the informal economy and certainly a part of it overlaps with undocumented labor. The formal economy, with jobs that map provide payroll benefits, health care and other worker protections, is stagnant while the growing informal economy, which includes a wide range of apparel and food services, construction and private household care has increased. Monthly employment for the County of Los Angeles as reported by the Bureau of Labor Statistics grew from about 3.9 million jobs to 4.5 million jobs from the mid-1990s to 2001. Since that time employment growth has been virtually stagnant. Overall, estimates of total jobs suggest that the number in 2004 is not markedly different from the number in 1990. The informal economy may have added more than half a million jobs in the same period. The “black” economy or the invisible economy, is an economy in which employment operates outside established

regulations, and involves jobs that do not show up in formal data sources. It is possible that industries may be moving their jobs to contract services to avoid paying benefits and this can be viewed as a first step to informal hiring. Unregulated jobs of course can give rise to abuses by employers who fail to respect the basic rights of work – they are vulnerable and so are the employees. In addition, employers operating in the informal market short change the social safety net, and perhaps create an unfair dis-advantage for businesses that comply with the law.

How big is the informal economy in Southern California and how is it changing? We can gain some idea of the size of the informal economy by comparing reported employment from the Current Population Survey and reports of payroll tax data – that is jobs reported to the state economic services (Figure 6). As the graph demonstrates there is a growing gap between the number of residents reporting employment from survey data, and the number of residents who are enumerated from the payroll tax data. That gap has been widening since 1990. It is currently almost 500,000 workers. It is possible that some of the gap is due to reporting issues – for example Los Angeles has high rates of self-employment and these jobs may not be reported in the payroll reporting data. However, as other analysts have pointed out it is just such employment, that is often outside all the regular employment patterns. Flaming, Haydamack and Joassart (2005) conclude that the gap between the number of residents who report they are employed and

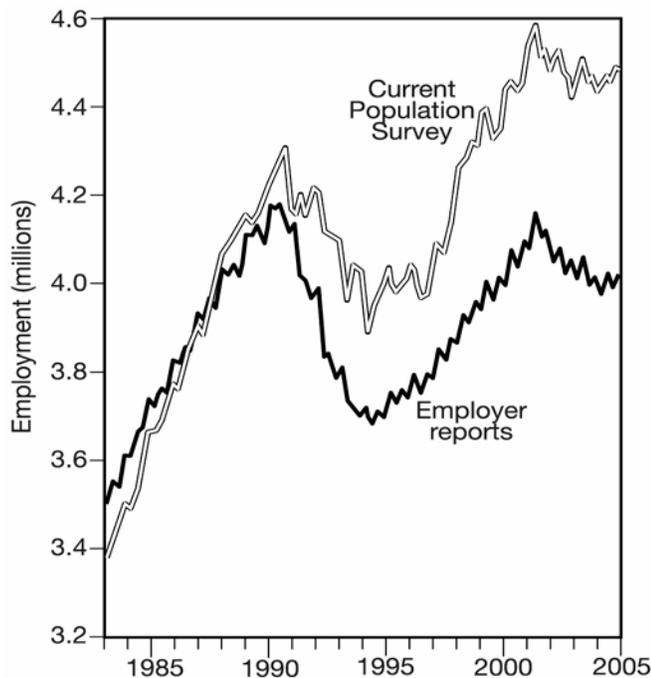


Figure 6: Comparing reports of employment from State and Census records. Source: Source: Flaming, Haydamack, and Joassart, (2005)

the number of jobs that employers report providing, is not explained by self-employment or by workers who hold multiple jobs. The unreported jobs in official employment statistics are simply because employers hire undocumented workers, fail to report employment whether it is to maintain their competitive advantage or simply to increase profits, the outcomes are reduced tax receipts and marginalized workers.

The best estimate of informal workers in Los Angeles County in 2000 was about 647,000 (Flaming et al, 2005). Now not all of the workers in the informal economy are undocumented and we cannot know the precise portion in the informal labor force that is undocumented. A diagram suggests the overlapping issues related to informal and undocumented employment (Figure 8). Even though we cannot know the precise numbers we can say that the undocumented immigrant population is a significant proportion of the informal economy. And in some industries, including the apparel industry, the food services industries, private households and the construction sector there are very high proportions of undocumented workers.

Perhaps one of the most contentious issues is whether (undocumented) immigrant workers affect the economy, although the consensus view is that the immigrants have a small impact on the labor market as a whole. Studies in the 1980s, of the Cuban inflow to Miami established that by and large wages did not decline as a result of the immigrant influx (Card, 1990). A recent study on the role of immigrants in the US labor market concluded that while the overall impact, of immigrants on wages is difficult to quantify, it appears that a flexible labor market will adjust over time to the presence of more foreign born workers and that the market will expand as a result of the new worker influx (CBO, 2005). However, not everyone agrees with these benign views of the impacts of immigration. Studies by Borjas (2004) and Cammarota (2006) use Census data to suggest that there are negative impacts of the large scale flux of recent immigration, and that the impacts extend to native-born workers generally, as well as to immigrant workers who arrived in previous decades.

In the absence of documented status, workers accept jobs in the informal sector as a survival strategy. We noted earlier that undocumented workers have lower employment rates and are also likely to have part-time employment which in turn emphasizes their likelihood of being in marginal employment and hints at the likelihood of ending up in the informal sector. There is a clear progression of levels and hours work based on duration and citizenship status. Workers

with higher earnings and more hours were more likely to have arrived earlier and those who came later have lower earnings and greater likelihoods of being unemployed. One way of illustrating this outcome is to note that immigrants who came to the US since 1991 make up 17% of workers earning under \$10,000 a year, compared to being 11% of your overall labor force (Flaming, et al 2005:10). Clearly there are acute economic pressures on recent immigrants (especially undocumented workers) who have lower weekly wages, and are less likely to have the human capital which is so central in making progress (Table 4). Having a profession or college education significantly improves wages, being undocumented has a powerful opposite effect.

**Residential separation and exclusion**

It will not be news, nor surprising, to report that new immigrants, documented and undocumented are likely to be in central locations within Los Angeles County (Figure 7).

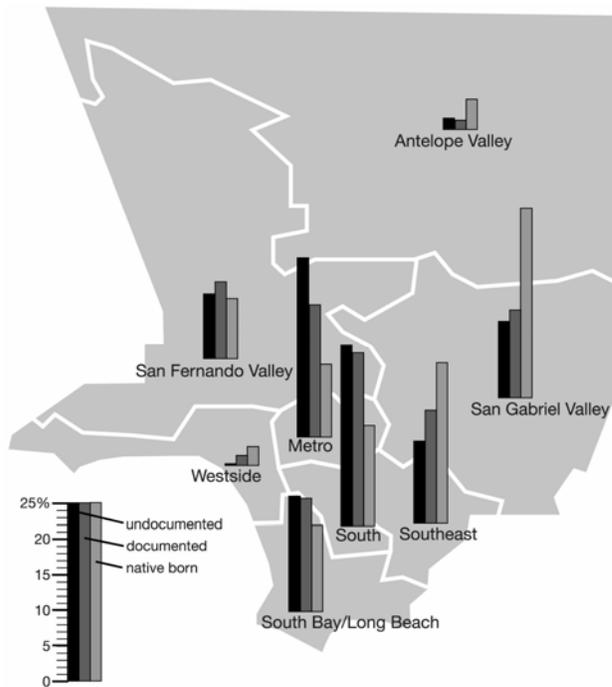


Figure 7: Residential locations of the foreign and native born in Los Angeles County; Source: Los Angeles Family and Neighborhood Survey.

than 50 percent of all undocumented immigrants are in the metro south Los Angeles communities and significant additional proportions are in communities nearby. Large numbers of immigrants with documentation are also in the central communities. Native born Hispanics are more dispersed. Using a slightly different measure of concentration, the proportion of the undocumented, documented, and native born population by levels of Hispanic concentration, we

find that more than 50 percent of the undocumented population live in tracts that are more than 80 percent Hispanic. For the native born this is 34 percent (Table 5). While a quarter of the native born population are in <40 percent Hispanic tracts this proportion is much lower for the undocumented population (Table 5). Clearly, as we postulated, the likelihood of being in a concentrated Hispanic community is much greater if you do not have legal status.

A more telling measure of potential separation and exclusion is the proportion of the undocumented population who live in tracts with high proportions of the linguistically isolated population. The census defines the linguistically isolated as individuals who either speak English poorly or not at all. Using the Census definition I examine the proportion of each of our three categories of immigrant status by their location in tracts with 25 percent or more individuals who are classified by the Census as linguistically isolated (Figure 8). Nearly two-thirds of the undocumented population are living in tracts that have high levels of linguistic isolation.

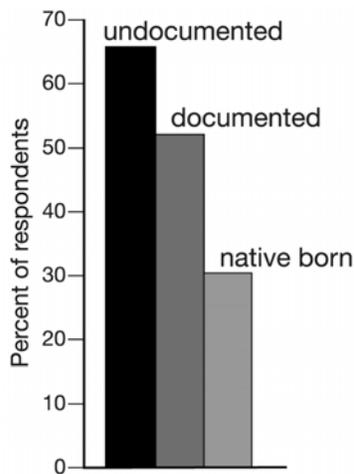


Figure 8: Percent of respondents in 25%+ linguistically isolated tracts in Los Angeles County. Source: Los Angeles Family and Neighborhood Survey.

The proportions decline for documented and native-born populations. Why does this matter? Whether we argue that linguistic assimilation is central in overall assimilation, or linguistic ability is central in operating any form of an incorporated society, the evidence from this analysis again suggests the problems of created by large scale undocumented immigration. Simply put, the evidence suggests a growing excluded and underclass population even though they may be far better off in highly segregated Los Angeles neighborhoods than in rural poverty in Mexico. Still,

their exclusion and marginalization is trouble down the road for any form of an incorporated society.

## **OBSERVATIONS ON MARGINALIZATION AND INCORPORATION**

If indeed, the folklore is representative of Mexican attitudes, that some 40% of Mexicans express a desire to come to the US if only to work and send money home, it raises a significant issue about what sort of society the US wants to be, and what sort of relationship it wants with its southern neighbor. Does it want to be a society with an ongoing guest worker program, a society with an open door immigration policy or some other undefined immigration policy? At the moment there is little discussion and no formal thinking about a future “multi-cultural” society, only strident presentations of pro and anti immigrant forces, neither of whom ask the hard questions whether or not an undocumented underclass will emerge in response to a lack of jobs and an uncaring society. In a globalized economy when manual labor is increasingly non-unionized, nor well paying nor provides a wrung in the latter on upward mobility, we may well be seeing the first signs of social discontent and a divergence in the paths of immigrant progress. We must pose the question of what will happen, if large number of immigrants cannot and do not move up and follow the process that immigrants followed a century ago.

The question which naturally emerges from the previous analysis is whether the US and perhaps to a lesser extent some European nations, with two tier labor systems which arise out of undocumented flows, are developing “quasi-slave” societies. Clearly, they are not slave societies in the sense that these populations are coerced, but at the same time, these populations are clearly paid much less than others in the labor market. Their vulnerable situation gives rise to a two-tier labor market in which the beneficiaries are individuals who have inexpensive garden care and child care, businesses which are able to benefit from lower labor costs, and the population in general from lower-cost food, vegetables and clothing. The issue of course, is whether or not, the system is supportable in the long run and whether there will be jobs at the margin for a continuing stream of migrants who arrive without documentation. Thus far the United States has done a good job of dealing with large numbers of new arrivals and one view suggests that the process will continue with minor hiccups. However, as I noted in the discussion of integrating immigrants into changing communities the issue is as much about numbers, as it is about the debates between assimilations and multiculturalists. When California becomes majority Hispanic, something

which will occur in the next decade or so, what does diversity mean and how will we measure incorporation?

The debate about incorporation is more than an academic debate about assimilation and multiculturalism, it is a debate about the organization of society itself. The analysis of the undocumented population in Southern California, raises issues that are not only salient for the United States, but for other advanced societies, which are currently receiving a stream of immigrants without documentation. Without a serious policy debate (and legislative action) the stream will continue and exacerbate the problems of marginalization that I have identified in the empirical sections of the paper. There is a critical need to deal with the current undocumented numbers already in the country and to open a policy discussion with real answers to managing future flows. To fail, is to eventually add to the problems of the unequal black and white societies, a problem still unsolved four decades after the Kerner report. Without this change we damage the opportunities for incorporation and we pander to unscrupulous business practices and poor working conditions. At the same time a human policy of recognizing the undocumented problem must be paralleled with a serious focus on a coherent immigration policy which deals with local costs and perhaps with the unknown and debated affects on local workers.

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Table 1: Employment distribution of primary earners (males) in Los Angeles County

| Currently Employed    | Full-time | Part-time | Not employed | N   |
|-----------------------|-----------|-----------|--------------|-----|
| Undocumented          | 75.1      | 12.2      | 12.7         | 181 |
| Documented            | 76.4      | 12.0      | 11.6         | 250 |
| Native Born           | 66.7      | 12.7      | 20.6         | 126 |
| Employed in past year |           |           |              |     |
| Undocumented          | 69.1      | 10.5      | 20.5         | 171 |
| Documented            | 70.1      | 10.1      | 19.8         | 237 |
| Native Born           | 73.1      | 12.6      | 14.3         | 119 |

Source: Los Angeles Family and Neighborhood Survey

Table 2: Current employment for women in Los Angeles County

| All-Employed Status        | Full-time | Part-time | Not employed | N   |
|----------------------------|-----------|-----------|--------------|-----|
| Undocumented               | 21.5      | 14.0      | 64.5         | 181 |
| Documented                 | 32.8      | 18.7      | 48.4         | 250 |
| Native Born                | 44.7      | 23.9      | 31.5         | 126 |
| Not-caregiver empl. status |           |           |              |     |
| Undocumented               | 52.8      | 34.4      | 12.7         | 157 |
| Documented                 | 55.7      | 31.8      | 12.5         | 359 |
| Native Born                | 58.9      | 31.5      | 9.5          | 241 |

Source: Los Angeles Family and Neighborhood Survey

Table 3: Mean incomes by immigrant status and occupation in Los Angeles County

| Occupation        | Undocumented | Documented | Native born |
|-------------------|--------------|------------|-------------|
| Professional      | 20,780       | 46,681     | 59,010      |
| Technical         | 17,309       | 35,190     | 42,610      |
| Operators         | 16,142       | 23,485     | 21,994      |
| Service workers   | 15,433       | 23,275     | 37,684      |
| Precision workers | 12,894       | 30,176     | 39,173      |
| Farming           | 13,433       | 28,836     | 29,000      |

Source: Los Angeles Family and Neighborhood Survey

Table 4: Residential concentration, percent of each group in varying percentages of Hispanic concentration by tract in Los Angeles County.

| Resident Status | Percent Hispanic in the Tract |       |       |       |        |
|-----------------|-------------------------------|-------|-------|-------|--------|
|                 | <20                           | 20-40 | 40-60 | 60-80 | 80-100 |
| Undocumented    | .9                            | 2.3   | 15.8  | 31.1  | 50.5   |
| Documented      | 3.8                           | 5.9   | 14.6  | 28.5  | 47.2   |
| Native born     | 9.2                           | 16.3  | 14.9  | 25.5  | 34.2   |

Source: Los Angeles Family and Neighborhood Survey

Table 5: Predicting wages for Hispanic workers in Los Angeles County

| Variable                        | Parameter Estimate |
|---------------------------------|--------------------|
| Age (years)                     | -.003              |
| Education (some college + =1)   | .249**             |
| Occupation (profession=1)       | .451**             |
| Undocumented (=1)               | -.380**            |
| Linguistic isolated tract (=1)  | -.166*             |
| Region (outside central core=1) | .189**             |
| Intercept                       | 5.864**            |

\* significant at .05 level

\* significant at the .01 level

Source: Los Angeles Family and Neighborhood Survey