Latinos in Chicago:
Reflections of an American Landscape

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INTRODUCTION

In the middle and late nineteenth century, when this country faced the challenge and necessity of transforming its economy from an agricultural base to an industrial base, Chicago led the way. By the early twentieth century the United States was the greatest industrial country in the world, and Chicago its greatest industrial city. Our nation and this city along with it are now faced with an even greater challenge that will once more require a reshaping of the economy, this time from an industrial base to a high-technology information and service base. Hopefully Chicago will once again lead the way.

This volume focuses on Latinos in metropolitan Chicago with the goal of locating them within Chicago's economic, political, and educational context and understanding the critical role that they can play in enhancing the present and future well-being of the metropolitan area. Latinos are on the front line of a demographic revolution that in all likelihood will fundamentally transform the social and economic landscape of Chicago and the nation. By 2050 the US population is projected to be 55 percent Latino, African American, and Asian. In addition, the majority of K–12 students are expected to be Latino, African American, or Asian by 2020 and, as a result of a Latino baby boom, majority Latino by 2050. Therefore, the future of Latinos affects the future of us all as well as the social institutions that hold us together.

These statistics indicate that the Latino demographic revolution will have a significant impact on virtually every American institution. A complementary set of bullet points drawn from recent US Census Bureau and the Pew Hispanic Research Center work identifies some other significant numbers:

- If current trends continue, the population of the United States will rise to 438 million in 2050 from 296 million in 2005, and 82 percent of the increase will be

due to immigrants arriving between 2020 and 2050 and their US-born descendants.

- Of the 142 million people added, 76 million will be immigrants themselves and 50 million will be their children or grandchildren. The Latino population will triple in size between 2005 and 2050.
- Latinos will make up 29 percent of the US population in 2050, compared with 14 percent in 2005.
- After 2020 the Latino population is projected to add more people to the United States every year than would all other race/ethnic groups combined.
- From 2030 to 2050 the nation's non-Hispanic white population will experience an absolute numerical decline.

Latinos and African Americans have long been marginalized educationally, economically, and politically. As they become a numeric majority their educational, occupational, and political liabilities shift from important to critical for this country's future quality of life, prosperity, and global competitiveness.

To add to the complexity of this challenge, America's ongoing demographic revolution is taking place at the same time the country is reeling from the impacts of the current recession and longer term globalization processes; adjusting to employment stresses related to de-industrialization and a new information, high-technology, and service economy; reconfiguring the physical and social order of its urban and suburban spaces—all of which is accompanied by loud public rumbling and outbursts of civic unrest. The country, its political leaders, and its institutional decision-makers are scrambling to understand what is happening, what to do, and how to commit resources.

Amid the uncertainty one thing is clear: this and coming generations of K–12 minority students are destined to be a significant component of the city's and the country's future labor force, citizenry, and leadership. If these minorities will be as educationally, economically, and politically marginalized in 2050 as they are in 2010 the economic and cultural divide in this country will intensify. They will be in no position to help maintain the

present status quo, let alone steer this country into a leadership position in the competitive global world of tomorrow.

The future of our minority communities is critical to the future of all and, as such, must become a matter of prime importance for policy-makers. Clearly, Chicago and the nation cannot meet the challenges of a global world if the energy and creative potential of over half of its population and labor force continue to be stifled educationally, occupationally, economically, and socially. The problem belongs to all of us. The solution is our shared responsibility. A recent report from the Brookings Institution, *The State of Metropolitan America*, speaks clearly and bluntly to the importance of a shared response to the stress of demographic change and growth:

> Failure to maximize shared responses to the inevitable challenges of change, and common ownership of the solutions, will only serve to sow the seeds of intergenerational, interracial, and inter-ethnic conflict.[1]

For the sake of us all, Chicago and the nation need an aggressive program for minority educational and occupational advancement. The consequences of inaction are monumental, and time may be running out. Policy-makers, stakeholders, NGOs, and community organizations need to break down the barriers preventing minority mobility and unleash their energy, creativity, and ambition for the benefit of our entire society.

But how do we get there? Since there is no "silver bullet," the solution needs to be found the old-fashioned way: clearly identify a goal, determine the appropriate path to achieve that goal, marshal the necessary resources, and then go to work.

The Institute for Latino Studies, with support from the Chicago Community Trust and the Arthur Foundation, has embarked on a policy research project aimed at increasing the long-term educational, economic, and civic prospects of metropolitan Chicago Latinos. Capitalizing on its primary area of expertise, policy-based research, the Institute has chosen four research areas deemed especially instrumental in enhancing the well-being of Chicago Latinos: 1) urban change, 2) education, 3) work and the economy, and 4) civic participation.

The research project funded by this collaborative has established four interdisciplinary research teams with researchers from four partner institutions in

[1] http://www.brookings.edu/metro/stateofmetroamerica.aspx.

metropolitan Chicago: the University of Illinois at Chicago, DePaul University, Roosevelt University, and National-Louis University. The research teams provide specialized knowledge and research expertise in the four topic areas.

The white papers in this volume constitute a survey of the existing state of knowledge, theoretical and factual, about Latinos in metropolitan Chicago, each focusing on one of our four research topics. They are designed to be a starting point for decision-makers, stakeholders, CBOs, and other parties interested in digesting the information, understanding its implications, and using it to frame effective policies that incorporate the present reality and future prospects of Latinos within the American landscape.

John P. Koval, Editor
Chicago, June 2010

Chapter 3: Work and the Economy

Latino Engagement and Mobility in the Labor Force and Economy of Metropolitan Chicago

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INTRODUCTION

Over the past 30 years Latinos have played an increasingly important role in the economy of metropolitan Chicago. Their share of the population has increased, as has their presence in the labor force. However, they are still concentrated in only a handful of occupations. Many Latinos work in the low-wage labor market in both the city of Chicago and its surrounding suburbs.

Why do Latinos experience substantial occupational segregation? Why do Latino men earn less than white men and African American men? Why do Latino women earn less than white women and African American women? Is there evidence of systematic discrimination against Latinos in the labor market? If such discrimination exists, has the extent and nature of such discrimination changed over time?

There is not one agreed upon theoretical perspective for explaining the nature of Latino labor market experience in the Chicago metropolitan area. Not surprisingly, analysts disagree. One group of explanations emphasizes the structure of the labor market, including the number and nature of job opportunities and the role played by Latinos in the labor market. Over the past 30 years the Chicago economy has become less manufacturing-based and more service-oriented with an important construction sector. This restructuring of job opportunities together with employer human resource management strategies have led to the development of an "hourglass" economy and the "shrinking middle." Employers interested in lowering labor costs and having workers bear more of the costs of economic uncertainty have increasingly turned to contingent and non-standard employment relations. Labor markets are segmented and there is occupational segregation by race and ethnicity. Housing discrimination also plays a role in a spatial mismatch with Latinos living far from available high-paying jobs. These structural explanations focus more on the nature of the demand for labor and less on the nature of the supply of labor.

A second theoretical perspective emphasizes the nature of Latinos themselves, their "human capital," and tries to determine the role of education, language, skills, training, work experience, and immigrant status, for example, on Latino labor market success. While a focus on "human capital" does not negate the possibility of racial, ethnic and gender discrimination in the labor market nor the existence of pre-market discrimination against

Latinos, particularly in the educational system, the emphasis is less on discrimination and more on differences among Latinos in their skills and capabilities. The literature on Latinos in the Chicago labor market only occasionally investigates the roles of class, family, and peer group within the human capital framework to account for their effects on decision-making in such matters as schooling and training. Years of schooling or amount of training are taken as given prior to determining the impact of differential "human capital" on Latino labor market success.

There is a third perspective that is not as well developed. This framework investigates the importance of "place," not in terms of spatial mismatch between jobs and Latinos, but rather in terms of the role of "ethnic enclaves." Given that many Latinos live in "ethnic enclaves," the primary issue is whether living in such enclaves fosters or hinders Latino economic progress.

There has been some work describing the Latino labor market experience in Chicago over the past 30 years relying primarily, though not exclusively, on data from the decennial Census and the American Community Survey. However, the literature is less strong in delineating explanations for the patterns of employment, unemployment, and earnings of Latinos in Chicago.

This report has three sections. The first analyzes the leading theoretical perspectives in the literature on the labor market experiences of Latinos in Chicago. The second discusses the leading empirical findings and links, to the extent possible, the empirical findings with the theoretical perspectives presented in the previous section. We also present data on labor force participation, unemployment, industry and occupational distributions, and commuting practices for Latinos and other racial and ethnic groups. The third section presents a series of research questions and accompanying research projects designed to provide more detailed explanations for the patterns of employment, unemployment, and earnings of Latinos, thereby advancing our understanding of Latino engagement and mobility in the labor force and economy of metropolitan Chicago.

PRESENT STATE OF KNOWLEDGE – THEORETICAL/CONCEPTUAL FRAMEWORKS

In broad terms, the labor market experiences of Latinos depend primarily on two factors: 1) the number, nature, and location of job opportunities, together with the functioning of the labor market, and 2) the treatment of Latinos in the labor market.

The Structure of Job Opportunities in the Chicago Metropolitan Area

Betancur, Cordova, and Torres (1993) and Toro-Morn (2001) place the process of economic restructuring of the Chicago economy at the center of their analysis of the incorporation of Latinos into the Chicago economy. For Betancur, Cordova and Torres (1993) the transformation of the Chicago economy from predominantly manufacturing-based to more service-oriented has been destructive for Latinos, while Toro-Morn (2001) has a more balanced view. Both take a historical perspective. Betancur, Cordova and Torres (1993) begin with the Mexican immigration to Chicago in the 1916–1929 period and continue with the later immigration of Puerto Ricans, Cubans, and South and Central Americans. Toro-Morn (2001) focuses on Puerto Rican women who began coming to Chicago in the 1950s. Both see Latinos as being explicitly recruited by Chicago employers to fill low-wage positions. The limited opportunities faced by these Latinos over their working lives were, to an important degree, determined by the nature of their recruitment to Chicago.

During the late 1940s manufacturing jobs began to leave the city of Chicago for the surrounding suburbs. Latinos living in Chicago often followed these jobs, experiencing long and expensive commutes. By the late 1960s the overall number of manufacturing jobs was declining in the Chicago metropolitan area. Latinos were tied to low-skilled manufacturing jobs, more so than whites or African Americans, thereby suffering more from the restructuring of the Chicago economy away from manufacturing and toward a more service-oriented economy. For example, in 1970 61.6 percent of Latino workers in the Chicago metropolitan area worked in manufacturing, in contrast to 31.1 percent of white workers and 31.3 percent of African American workers. With the decline of manufacturing, workers shifted to other industries. Nevertheless, the labor market remained racially and ethnically

segregated with Latinos still being concentrated in manufacturing. In 1980 48.3 percent of Latinos held jobs in manufacturing, as did 24.8 percent of whites and 24.1 percent of African Americans. Within manufacturing Latinos were concentrated in low-paying operative positions. With the disappearance of jobs in manufacturing, Latinos found work in low-paying jobs in the growing service sectors. Being weak politically and facing discrimination in the labor market, Latinos were unable to benefit from the opportunities for upward occupational mobility available in the growing service economy. Rather, the process of economic restructuring reinforced their role as a cheap labor pool (Betancur, Cordova, and Torres 1993).

Toro-Morn (2001) accepts the overall analysis of economic restructuring found in Betancur, Cordova, and Torres (1993) but has a different evaluation of its implications for Latinos, at least for Puerto Rican women, the subjects of her analysis. Puerto Rican women were also initially concentrated in manufacturing. In 1970 62.0 percent of Puerto Rican women employed in Chicago worked as operatives. By the 1990s, operatives accounted for a far smaller share of Puerto Rican women employees. Only 17 percent were holding such positions. Rather, Puerto Rican women workers were more likely to be holding white-collar positions. Approximately one-third of employed Puerto Rican women were clerical workers in 1990, in contrast to only 18.4 percent in 1970. For the most part, these were low-paying white collar jobs with little chances for advancement. Having low levels of education and facing discrimination in the labor market, many Puerto Rican women already living in Chicago were not able to move to higher paying positions with opportunities for upward mobility.

This appeared to change during the 1980s when many middle-class and educated women left Puerto Rico and moved to Chicago to find jobs in the growing fields of high-tech, education and health care. Toro-Morn (2001) implies, but does not convincingly demonstrate, that they were the ones holding better paying professional and managerial positions, and an increasing proportion of Puerto Rican women were found in these positions in Chicago. The share of employed Puerto Rican women working in professional and technical jobs rose from 3.2 percent in 1970 to 14.0 percent in 1990 and the share of employed Puerto Rican women in Chicago working as managers and administrators rose from 0.8 percent in 1970 to 7.8 percent in 1990. Though Toro-Morn does not systematically

address the growing presence of Puerto Rican women in professional and managerial positions, she does point to self-employment as a possible avenue for economic advancement.

Both Betancur, Cordova, and Torres (1993) and Toro-Morn (2001) use decennial Census data. They focus on the broad Census occupational and industrial categories and investigate Latino presence in these categories over time. They find a labor market segmented along gender, racial, and ethnic lines. Had they used the more finely defined Census occupational categories, the evidence of Latino occupational concentration would likely have been even stronger since the broad Census categories are very heterogeneous. The decennial Census data are very useful for describing racial, ethnic, and gender differences in the labor market at a moment in time. However, these authors do not exploit the data appropriately to draw conclusions about the operation of local labor markets over time and the careers of workers in those labor markets. They do not follow age cohorts over time. Furthermore, Toro-Morn (2001) does not separate out the newly arrived more educated Puerto Rican women from the Puerto Rican women living in Chicago for a more extended period of time. Thus, she can merely assert rather than demonstrate that the longer term Puerto Rican women residents of Chicago were not achieving upward occupational mobility and the better jobs were being held by the newly arrived more educated Puerto Rican women.

The more recent analyses of Latinos in the Chicago labor market better utilize the decennial Census data together with the American Community Survey to analyze the careers of Latinos. While not all Latinos in the Chicago area labor force are immigrants, many are foreign born. Koval (2004, 2006) analyzes the labor market experiences of Latinos by focusing primarily on Mexican immigrants. He, too, emphasizes the negative impact of economic restructuring on Latinos. His analysis is more developed, both theoretically and empirically, than the earlier studies.

He utilizes a segmented economy framework emphasizing a duality in the structure of the economy. The Chicago economy is segmented into “core” and “periphery” industries and firms, resulting in “core” and “periphery” jobs. There are core and periphery industrial jobs, core and periphery information and technology jobs, and a service sector that administers to the core and periphery of the economy. While Koval does not extensively

develop the characteristics of "core" and "periphery" jobs, positions in the "core" of the economy are typically characterized by relatively high wages, relatively good working conditions, relative employment stability and opportunities for advancement. Jobs in the "periphery" pay relatively low wages, have relatively poor working conditions and provide minimal job security and few opportunities for advancement.

With the economic segmentation and the labor market segmentation which flows from it, an individual's earnings at a moment in time and career prospects over time are strongly influenced by where a worker is located in the structure of the economy. As a result, an individual's "human capital" may be less important in determining pay and career prospects. Two individuals with the same skills and capabilities holding similar jobs have very different earnings and career prospects depending on whether they are working in a "core" or "periphery" industry or firm.

Not only is the economy segmented but the ongoing restructuring is leading to an "hourglass economy" in the Chicago area. The job structure is becoming more bifurcated with job growth at the top and bottom of the occupational structure. Jobs in the middle, often in manufacturing, are shrinking in relative importance. The "hourglass economy" with its two-tiered reward structure does not bode well for individuals with low levels of education, limited job training and job skills, and less then complete proficiency in English. They will be restricted to low paying, dead-end jobs in the periphery of the economy. Latinos, African Americans, and the white working poor dominate these positions while more affluent whites and Asian workers are more likely to be employed in the upper-tier of the "hourglass economy."

Koval points out that Mexicans are concentrated in a few industries and occupations. In 2000 more than half of foreign-born Mexican men and women worked in manufacturing and food service. Construction is another important source of jobs for Mexican immigrant men while many Mexican immigrant women work in education, health, and social services. Mexicans born in the United States find jobs in a wider range of industries. Men are less concentrated in manufacturing and food service and much more likely to be working in retail trade. US-born Mexican women are much less likely to be employed in manufacturing than Mexican immigrant women and much more likely to be working in education, health, and social services. Food service is not an important source of employment for US-born

Mexican women. Rather, finance, insurance, and real estate is an important job destination for them. The differences in employment patterns of immigrant and US-born Mexicans notwithstanding, Koval (2004, 17) concludes that "most Mexicans live in and work in a service and blue-collar occupational world."

Not only are there Mexican occupational and industrial niches in the Chicago labor market, over time Mexicans appear to be losing economic ground in Chicago. Lacking explicit longitudinal data, Koval (2004) performs a cohort analysis. Mexican immigrants aged 25 to 34 who came to Chicago between 1970 and 1979 represent the 1980 cohort. Given this cohort's age, the 1990 cohort includes Mexican immigrants aged 35 to 44 who had come to the United States more than 10 years before and the 2000 cohort includes Mexican immigrants who had come to the United States more than 20 years before. These cohorts of Mexican immigrants are compared to similar aged whites, African Americans, and foreign-born Asians. From 1980–2000, the total personal income differentials between Mexican immigrants and whites and foreign-born Asians widened substantially. Furthermore, the total personal income of African Americans increased somewhat more rapidly than the total personal income of Mexican immigrants.

Koval's (2004) analysis of personal income differentials by racial and ethnic groups over time, while provocative, is ultimately only suggestive and not conclusive. First, only one cohort of Mexican immigrants is analyzed, making it difficult to reach conclusions about Mexicans as a whole. A more extensive study of the entire Mexican population in Chicago would be required prior to concluding that Mexicans are losing ground in Chicago. Second, median total personal income in Illinois is used as the measure of relative economic standing. Given that the analysis is of Mexicans in Chicago, it would have been preferable to use personal income measures for Chicago, not Illinois. Third, total personal income includes both labor and non-labor income. Given that this is an analysis of the Mexican labor force, a measure of labor income alone would have been more consistent with the focus of the study. Fourth, explicit longitudinal data would be more useful for determining the extent to which Mexicans are reaching economic parity with individuals from other racial and ethnic groups as well as for determining the factors fostering or hindering the achievement of income parity.

Data from the decennial Census do not lend insight into employer human resource management policies. Yet the increased use of contingent and non-standard employment relations is one of the factors causing the development of an "hourglass economy," particularly the "shrinking middle" and the growing low-wage sector of the labor market. Large numbers of Latinos are said to find employment, albeit short-term, through temporary agencies, day-labor hiring halls, and by lining up on street corners waiting for potential employers to drive by.

Peck and Theodore (2001) and Theodore (2003) analyze the role of temporary agencies and day labor agencies in regulating and restructuring Chicago's contingent labor markets. By generating a suitable labor force, these labor market intermediaries enable employers to transform jobs that were once long-term and stable into positions that are more short-term and contingent. They allow firms to locate in the suburbs while still having access to underemployed individuals living in low-income urban areas willing to work for lower pay than people living in the suburbs. Given the extent of racial and ethnic segregation in housing, temporary and day labor agencies help to further rigidify the racial and ethnic balkanization of the Chicago labor market by locating in Latino neighborhoods and explicitly targeting Latino workers. They worsen conditions for workers in the low end of the labor market and transform jobs that were thought to be "dead end" into even worse positions. Since Latinos comprise a large share of contingent employment in general and temporary work in particular, the operation of temporary agencies and day labor hiring halls serves to worsen the long-term employment opportunities for Latinos.

These articles, while provocative, provide minimal empirical data to support their analyses of the role and impact of these labor market intermediaries. They do not provide convincing data on the share of the Latino labor force in Chicago working under such contingent arrangements. Nor do they investigate whether Latinos can use low-paid temporary work as stepping-stones to more long-term, better-paying jobs. Here, too, longitudinal data would be needed to determine the role of temporary work in the careers of Latino workers in Chicago.

Latino "Human Capital" and the Labor Market Experiences of Latinos in Chicago

A second approach focuses more on the "human capital" of Latinos, rather than labor market structure and the dynamics of economic restructuring, to analyze their employment and earnings. "Human capital" is a broad term encompassing education, training, work experience, skills (both "hard" and "soft"), and language proficiency among other factors postulated to influence labor market success. Latinos have less "human capital" than other racial and ethnic groups. Given that they have completed fewer years of schooling, have less US labor market experience, and weaker English language proficiency than whites, for example, they would be expected to earn lower wages, work in lower status occupations, and be less likely to experienced substantial upward occupational mobility than whites. While Latinos may face discrimination in the labor market, the fact that they earn lower wages and are more likely to be unemployed than whites is not necessarily evidence of discrimination.

Stier and Tienda (2001) is the most extensive treatment of Latino labor market experiences in Chicago using primarily the "human capital" approach. However, their findings are not fully consistent with the expectations of human capital theory. With data from the Urban Poverty and Family Structure Survey, a survey of people living in low-income neighborhoods in Chicago in 1987, they take a life-course perspective to human capital accumulation and its impact on labor market success. It is a cross-sectional survey taken at one moment in time and includes a series of retrospective questions used to generate information over the life course.

While Stier and Tienda place their study in the context of the economic and social transformations affecting the Chicago metropolitan area in the 1970 to 1990 time period, they argue that demand-side stories emphasizing economic restructuring are inadequate for explaining the large racial and ethnic differences in the Chicago labor market. Rather, they begin with a supply-side story, one focusing on human capital differences, which they supplement with a theory of employer discrimination.

Education is a primary component of "human capital." Latinos living in low-income neighborhoods were less likely to complete high school than were African Americans and whites. Family background has an influence on educational attainment. Even after

controlling for family structure, number of siblings, mother's education, and family poverty status, Latinos still had higher high school dropout rates.[2] Thus, Latinos enter the labor market with fewer years of education completed than whites or African Americans.

Once in the labor market Mexican men had higher labor force participation rates than whites, Puerto Ricans, and African American men (Stier and Tienda 2001). Labor force participation rates encompass those who are employed and those who are unemployed. Mexican men were most likely to be employed and they had the lowest unemployment rates. Given their higher high school dropout rates, this is contrary to what theories of human capital would predict. While the unemployment rate of Puerto Rican men exceeded that of whites, it was substantially less than the unemployment rate of African American men.

The labor force participation rate of Mexican women was slightly below that of white women and somewhat higher than that of African American women. Puerto Rican women were much less likely to participate in the labor force than women in the other racial and ethnic groups. Mexican women were almost as likely as white women to be employed and much more likely than African American women to be holding a job. Puerto Rican women were much less likely to be employed than the other women. Latinas had lower unemployment rates than white or African American women.

Family background, family status, and human capital may influence the likelihood of labor force participation. While there are differences in labor force participation along racial and ethnic lines, after controlling for family background, family status, and human capital, there are no significant differences in labor force participation among Mexican, Puerto Rican, white, and African American men and women. Thus, most of the differences in labor force participation reflect group differences in human capital, family background, and family status.

If employed, many people living in low-income neighborhoods in Chicago have relatively short job tenure. For example, after 5 years only 30 percent of African American, white, and Puerto Rican men and 40 of percent Mexican men remained in the same job. Women had shorter job tenure than men. After 5 years only 25 percent of African American,

[2] Many Mexicans immigrated to the United States after completing their formal schooling in Mexico. The analysis of high school dropout rates does not account for location of schooling. The factors influencing educational attainment in Mexico may differ from those in the United States in general, and Chicago in particular.

white, and Puerto Rican women and 35 percent of Mexican women remained in the same job. These findings imply that the day-labor hiring halls and temporary agencies said to be located primarily in Latino neighborhoods (Peck and Theodore, 2001; Theodore, 2003) only account for a small share of the Mexican labor force. If they represented a major element of employers of Latino labor, then the job tenure of Mexicans would likely not exceed the job tenure of whites, African Americans, and Puerto Ricans.

If unemployed after having held a job, there are racial, ethnic and gender differences in the likelihood of being reemployed. Women have much more difficulty finding a job than do men. African American men have longer jobless spells than their white and Latino counterparts. Puerto Rican women have the most difficulty being reemployed. If unemployed, residents of low-income neighborhoods in Chicago have difficulty finding work. This is not because they do not wish to work (Tienda and Stier 1991) or because their reservation wage is too high (Stier and Tienda 2001). It is due to a lack of job offers. For African Americans and, to a lesser extent Puerto Ricans, the primary issue is discrimination. Employers seem to prefer Mexican and white workers (Kirschenman and Neckerman 1991; Stier and Tienda 2001).

Since Stier and Tienda (2001) focus on low-income areas in Chicago, they cannot speak to the relative economic standing of Latinos in the Chicago metropolitan area. Given their higher relative incomes, whites are less likely to be living in these low-income areas than are African Americans or Latinos. Furthermore, even though they develop a life-course analysis from cross-section and retrospective data, they are not able to address in detail long-term trends in Latino labor market experiences. Nevertheless, it is unlikely that they would agree with Koval (2004) that Latinos as a whole are falling further behind in their relative economic standing. Instead, they seem to emphasize the difficulties facing African Americans and, to a lesser extent, Puerto Ricans living in low-income neighborhoods in the city of Chicago.

The "Ethnic Enclave"

A third perspective acknowledges that Latinos live in ethnically segregated neighborhoods in Chicago. Latino immigrant "barrios" have rich social and ethnic capital

and strong informal economies. Immigrant workers are very likely to use neighborhood contacts and networks to locate jobs. Within ethnic enclaves, there are likely to be many small businesses able to provide employment comparable to jobs in the more mainstream economy to recent immigrants and those who do not speak English. Furthermore, ethnic enclaves may provide opportunities for entrepreneurship for recent immigrants from the ethnic group's homeland. They may create businesses designed to meet the needs of the people living in the ethnic enclave. In short, ethnic enclaves can provide immigrants with alternative paths to economic success.

On the other hand, living in ethnic enclaves may hamper immigrants' abilities to assimilate into the mainstream economy where over the longer term there are better employment opportunities available than in the ethnic enclave. Furthermore, if the ethnic enclave is located far from the areas with dynamic economies and plentiful employment opportunities, living in the ethnic enclave may result in a spatial mismatch with a resulting geographic barrier to employment.

Tienda and Raijman (2000, 2004) and Raijman (2001) analyze Mexican immigrant entrepreneurship in Little Village, a Latino neighborhood in Chicago. Half of the Mexican population in Little Village reported wanting to start a business. Social ties linked to business foster the desire to be an entrepreneur. Household savings affect the desire to start a business since these economic resources can be a source of start-up capital. The lack of financial capital and inadequate social capital serve as barriers to starting a business. Many did not know of organizations that would be able to provide them with training, technical assistance and useful business contacts. Thus, many remained latent entrepreneurs rather than actual entrepreneurs.

Those who became entrepreneurs typically created very small businesses. During the 1980s and 1990s there was a rapid growth in the number of Latino-owned businesses. However, these businesses were typically very small and very economically precarious. In 1987 Latino-owned and operated firms accounted for 19 percent of the total sales generated by minority-owned enterprises in the Chicago PMSA. In 1997 there were three times as many Latino-owned businesses. However, these businesses accounted for only 21 percent of the total sales generated by minority owned businesses. Firms owned and operated by Asians increased their share of sales generated by minority-owned businesses from 46.1

percent in 1987 to 63.2 percent in 1997. The share of minority firm sales produced by African American owned businesses declined from 34.6 percent in 1987 to 15.7 percent in 1997 (Tienda and Raijman 2004, 6). Latino-owned businesses in Little Village were primarily self-started rather than bought or inherited. Approximately 25 percent of these businesses were begun in the informal economy. More than half of these were home-based businesses. The rest began in flea markets or on the street.

EMPIRICAL FINDINGS

The previous section presents three theoretical perspectives on Latino employment and earnings in Chicago. In this section we examine descriptive data taken largely from the decennial Census supplemented by the American Community Survey on the Latino employment experience in Chicago and its suburbs.

Labor Force Participation

Generally, Latinos have shown since 1970 through 2006 a consistently strong attachment to the labor force in the Chicago metropolitan area at rates that are generally higher than those for whites and African Americans and, in 1990 and 2006, higher than those for Asians as well. This suggests that Latinos are not obviously excluded from participating in the labor market relative to other racial and ethnic groups. The only anomaly appears in the year 2000, when Latino labor force participation dropped below the rate for whites and by nearly 10 percentage points from the 1990 level. Although the rates for Latinos rebounded by slightly less than 8 percentage points by 2006 and did not reach the level in 1990, the overall participation rate for Latinos pushed them ahead of whites, African Americans and Asians.

These persistently high rates of labor force participation by Latinos are remarkable when one considers that:

1) The composition of Latinos shifted from being predominantly Puerto Rican in 1970 to one that is comprised of large numbers of Mexican-born workers in 2006, with many of the Mexican-born working age residents not

authorized to work in the United States. We could not find any study that could guide us as to whether the legal status of workers has a material effect on whether they are reported in either the count of people who are working age or in the count of people in the labor force. This is significant because, assuming that the true numbers of Mexican-born working residents (irrespective of status) and of labor force participants remain proportionate to the *official counts* (a very large assumption), Latino participation rates grew and remained relatively high in the face of legal barriers to entry in the labor force. But if no such assumption can be made, then, in the absence of credible estimation methodologies, the validity of the labor force participation rate calculation is somewhat suspect for groups with large immigrant populations.[3]

2) The rate of growth of the Latino population far exceeded the rates of growth of all other major racial and ethnic groups. This is significant because the overall rate of growth in the size of the Latino population might lead to a dilution in the take-up rate that would be seen in the participation numbers. Instead, the participation rate for Latinos generally trended up during the period 1970 to 2006. Here, again, the issue is whether the data capture the full picture of the Latino labor force. If it does, then the rates are relatively robust despite significant barriers for those who are not authorized to work. If the size of the labor force is understated and the raw participation number is not, then the participation rates are somewhat smaller.

These data also do not explain the causes of these phenomena. If the participation rates are accurate, the relatively high rates seen for Latinos may be due to a fundamental restructuring of the economy where job growth and opportunity is at the low end of an income and skills continuum where a large number of Latino immigrant workers tend to pool. Also, the growth of ethnic enclaves has created formal and informal economies separate from the mainstream. There are currently no estimates regarding the size of these

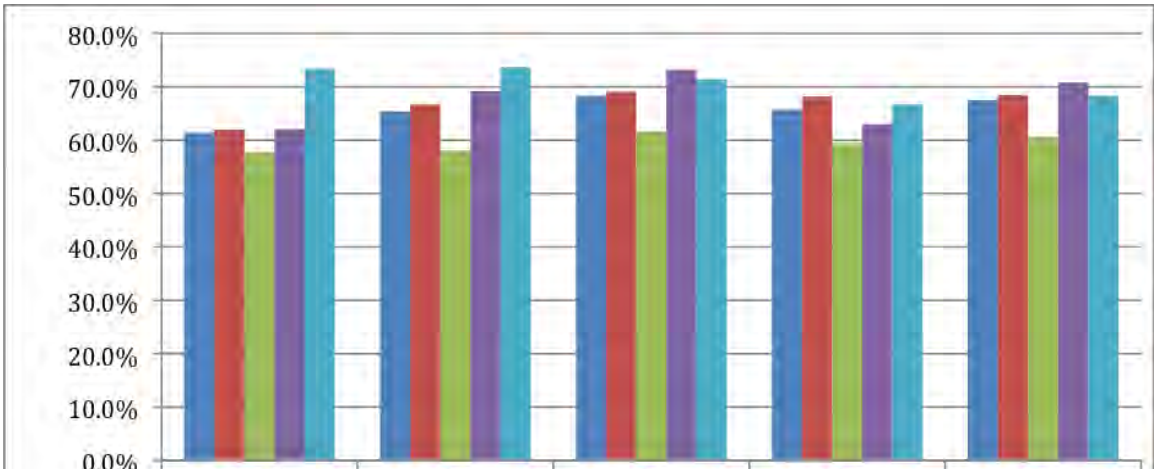
[3] The data on labor force participation and on unemployment are not adjusted to take full account of unauthorized immigrant working age adults, employed workers, or unemployed workers. Jeffrey Passel at the Pew Hispanic Center has developed methodologies for making these estimates, but, to our knowledge, they have not been independently validated, nor have these methodologies been applied to areas on the scale of the Chicago metropolitan area or smaller.

enclave economies in Chicago and their capacity to absorb new workers. Given the size of the Latino community in Chicago, it is reasonable to test the hypothesis that it is able to sustain a growth cycle that encourages high rates of labor force participation within the community.

Finally, while these data indicate that Latinos are actively engaged in the labor market, it is by no means clear that they do not face discrimination. For instance, Latinos may not be afforded a real means of advancement. Employers may take advantage of the unauthorized status of some immigrant workers by underpaying them or placing them in dangerous working conditions.

Figure 1.

Percent of Persons Participating in the Civilian Labor Force, Chicago Metropolitan Area, 1970–2006[4]



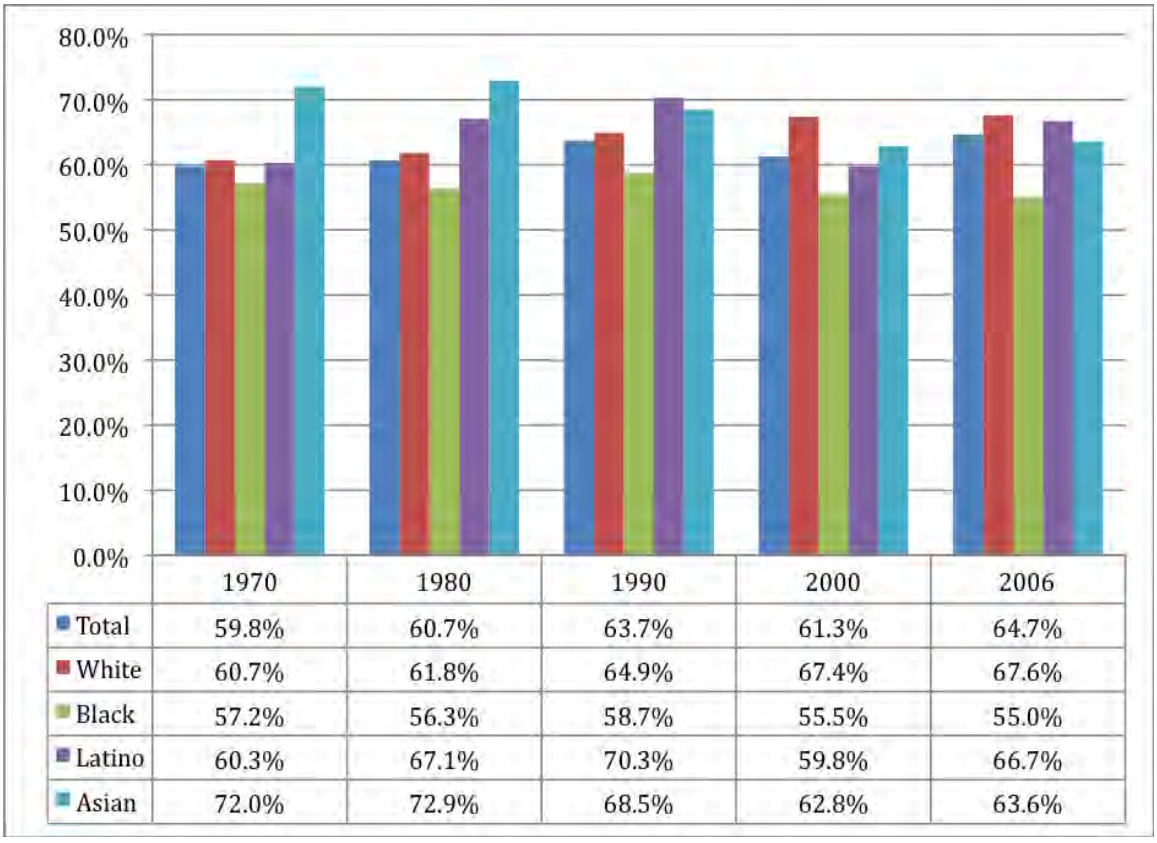
	1970	1980	1990	2000	2006
Total	61.4%	65.4%	68.3%	65.8%	67.5%
White	62.0%	66.7%	69.1%	68.2%	68.5%
Black	57.8%	58.1%	61.7%	59.5%	60.7%
Latino	62.1%	69.2%	73.2%	63.0%	70.8%
Asian	73.4%	73.7%	71.4%	66.7%	68.3%

[4] Sources: Chicago Urban League, Latino Institute, Northern Illinois University. 1994. "The Changing Economic Standing of Minorities and Women in the Chicago Metropolitan Area 1970–1990." Chicago, IL; US Census Bureau, Decennial Census, 2000; US Census Bureau, American Community Survey, 2006.

Labor force participation rates are lower in the City of Chicago than those outside of the City of Chicago (Figures 2 and 3), but the inter-racial and ethnic patterns generally remain the same. Except in 2000, Latinos in the suburbs have equivalent or higher rates of participation compared to other groups between 1970 and 2006. In Chicago Asians eclipse Latinos in 1970, 1980 and 200, but show lower labor force participation rates in 1990 and 2006. These city/suburban differences may be due to the relative differences in the overall rate of job growth or decline by industry or occupation. Another explanation is that more jobs are being created in the suburbs that attract a high proportion of workers who perceive themselves as having fewer employment options (e.g., immigrants who will work in low wage, low skills jobs). These differences, however, do little to favor the argument that the growing number of ethnic enclaves is creating a second labor market that has a large effect on participation rates. If this were the case, then city of Chicago labor force participation rates should be higher for Latinos since the highest population concentrations of Latinos exist in city of Chicago neighborhoods.

Figure 2.

Percent of Persons Participating in the Civilian Labor Force, City of Chicago, 1970–2006[5]

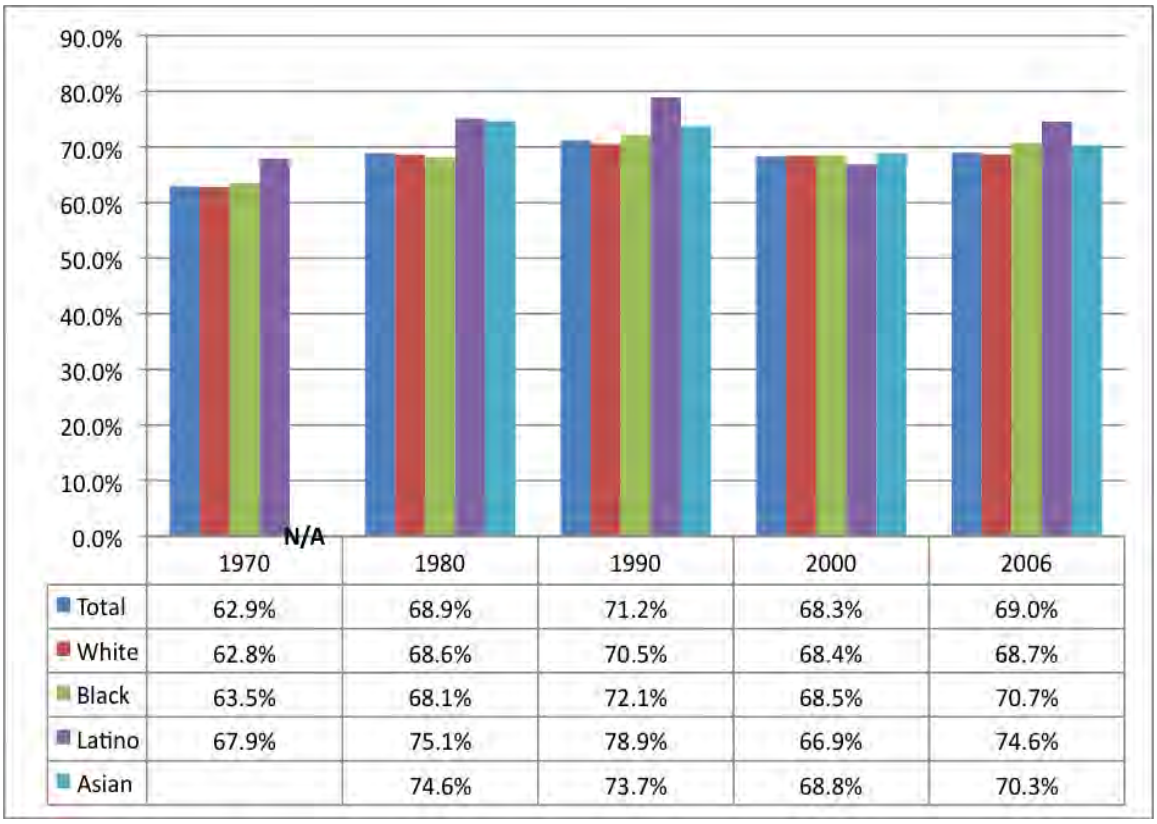


	1970	1980	1990	2000	2006
Total	59.8%	60.7%	63.7%	61.3%	64.7%
White	60.7%	61.8%	64.9%	67.4%	67.6%
Black	57.2%	56.3%	58.7%	55.5%	55.0%
Latino	60.3%	67.1%	70.3%	59.8%	66.7%
Asian	72.0%	72.9%	68.5%	62.8%	63.6%

[5] Ibid.

Figure 3.

Percent of persons participating in the civilian labor force, Chicago suburbs, 1970–2006[6]



	1970	1980	1990	2000	2006
Total	62.9%	68.9%	71.2%	68.3%	69.0%
White	62.8%	68.6%	70.5%	68.4%	68.7%
Black	63.5%	68.1%	72.1%	68.5%	70.7%
Latino	67.9%	75.1%	78.9%	66.9%	74.6%
Asian		74.6%	73.7%	68.8%	70.3%

Figure 4 shows that labor force participation rates for women in metropolitan Chicago in the same years were lower than those of men. Among all ethnic and racial groups, however, the gap was greatest between Latino males and females. Latino women are much less likely to participate in the labor force than Latino men.

Throughout this period Latino men generally show higher labor force participation rates relative to the other ethnic and racial groups. Asian males have a higher rate in 1970 and white and Asian males have higher rates in 2000 (consistent with Figure 1). Throughout this series of years African American males exhibit consistently lower participation rates.

The data for Latino women, however, display a very different pattern. In addition to the sharp differences in rates between Latino males and females, Latino females often exhibit

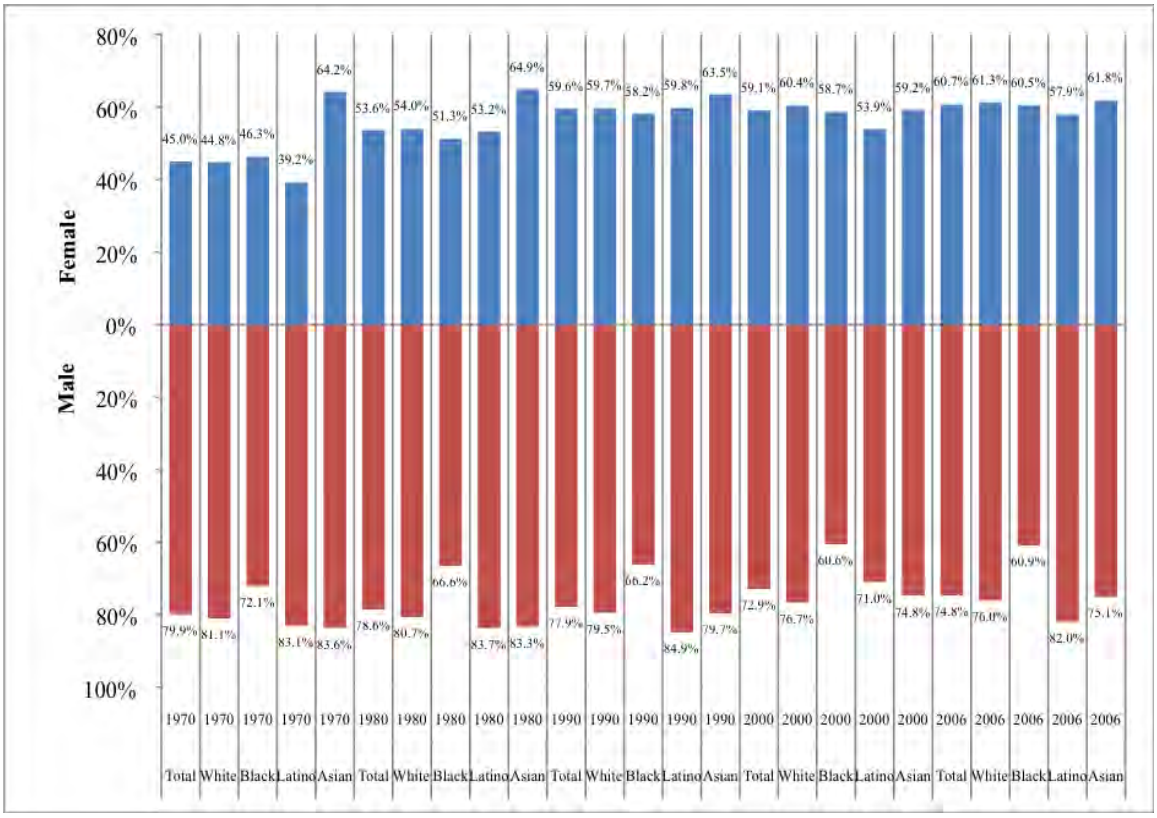
[6] Ibid.

lower participation rates than any other ethnic or racial group. In 1980 and 1990 Latino women show slightly higher participation rates than African American women, but the situation is reversed in 1970, 2000 and 2006.

While these data do not explain the underlying reasons, they are consistent with the view that Latino men may perceive more or different work opportunities than African American men and are therefore more likely to remain active in the labor force. By the same token, Latino women are much less inclined to be active in the labor force, although this is changing so that Latino women are becoming much more like women of other ethnicities. These data do not speak to the quality of work opportunities for each group, the compensation received by different groups, or the long-term career paths.

Figure 4.

Civilian Labor Force Participation Rates by Gender, Chicago Metropolitan Area, 1970–2006[7]



[7] Ibid.

Unemployment

Labor force participation quantifies those who are employed or unemployed and who remain engaged in the labor force (actively seeking work, engaged in re-training, etc.). The unemployment rate focuses on those who are out of work but remain in the labor force. Taking the Chicago metropolitan area as a whole (Figure 5), African Americans have experienced the highest unemployment rates throughout the decades. Latinos, too, have experienced unemployment rates persistently much higher than those for whites and for Asians, but they have fared much better than African Americans. Latino unemployment rates are consistently far lower than those of African Americans and the gap in unemployment rates between African Americans and Latinos has grown over time.

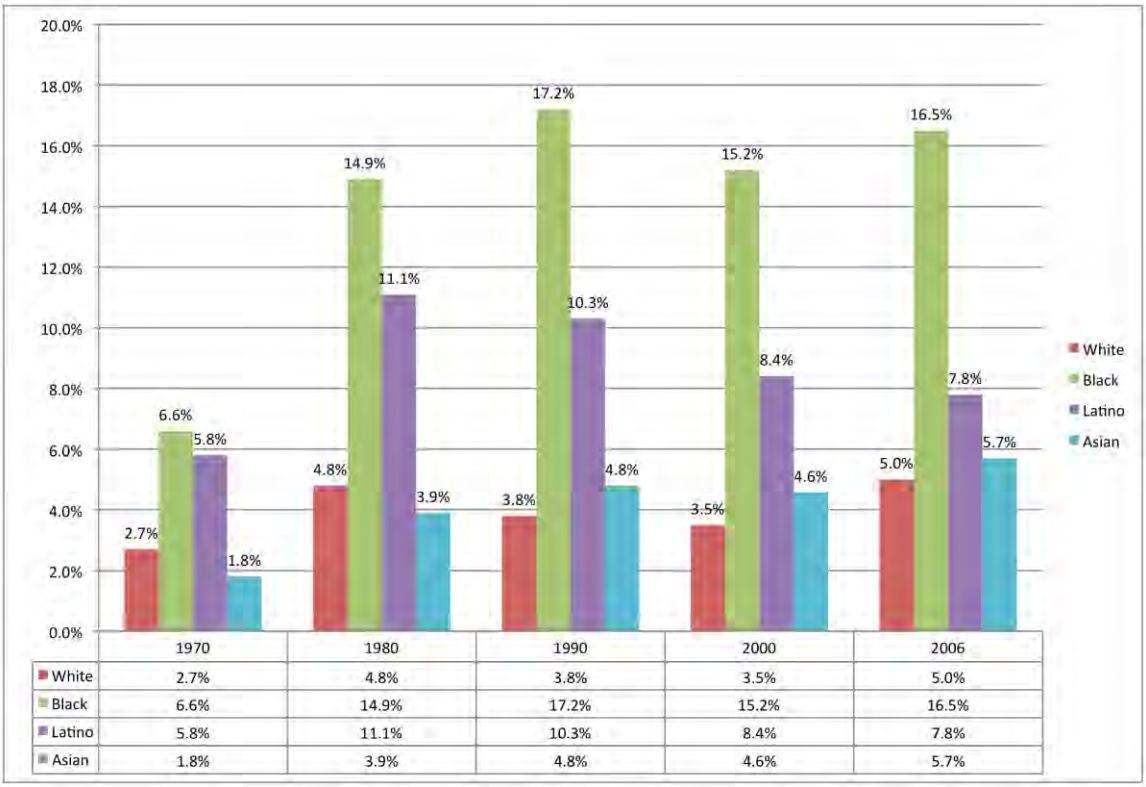
Figures 6 and 7 tell similar stories. The unemployment rates for Chicago, which are higher overall for the city when compared to the suburbs, show that Latinos have experienced unemployment levels higher than whites and Asians but lower than African Americans. The suburbs also show a similar pattern of relatively high unemployment for African Americans, somewhat better rates for Latinos, and still better rates for whites and Asians.

These data suggest that whites and Asians have an advantage over Latinos and African Americans in the labor market, but do not provide illumination as to the underlying causes. It would be a mistake to conclude that since Latinos and African Americans show persistently higher unemployment rates that the reasons for these relatively higher rates are the same. In addition, the reported unemployment rates for Latinos may not adequately account for Latino immigrants who are not authorized to work in the United States. Official statistics may not account for the portion of the unauthorized workforce that is employed as either day laborers, contingent workers or as informal workers, and the same is true for the unauthorized workforce that is seeking work. Furthermore, the data track relative differences by ethnicity and race, but as the literature show, it is not clear whether these differences in the Chicago metropolitan area are the result of racial or ethnic preferential advantage.

Figure 5.

Unemployment Rates by Race/Ethnicity

Chicago Metropolitan Area, 1970–2006[8]



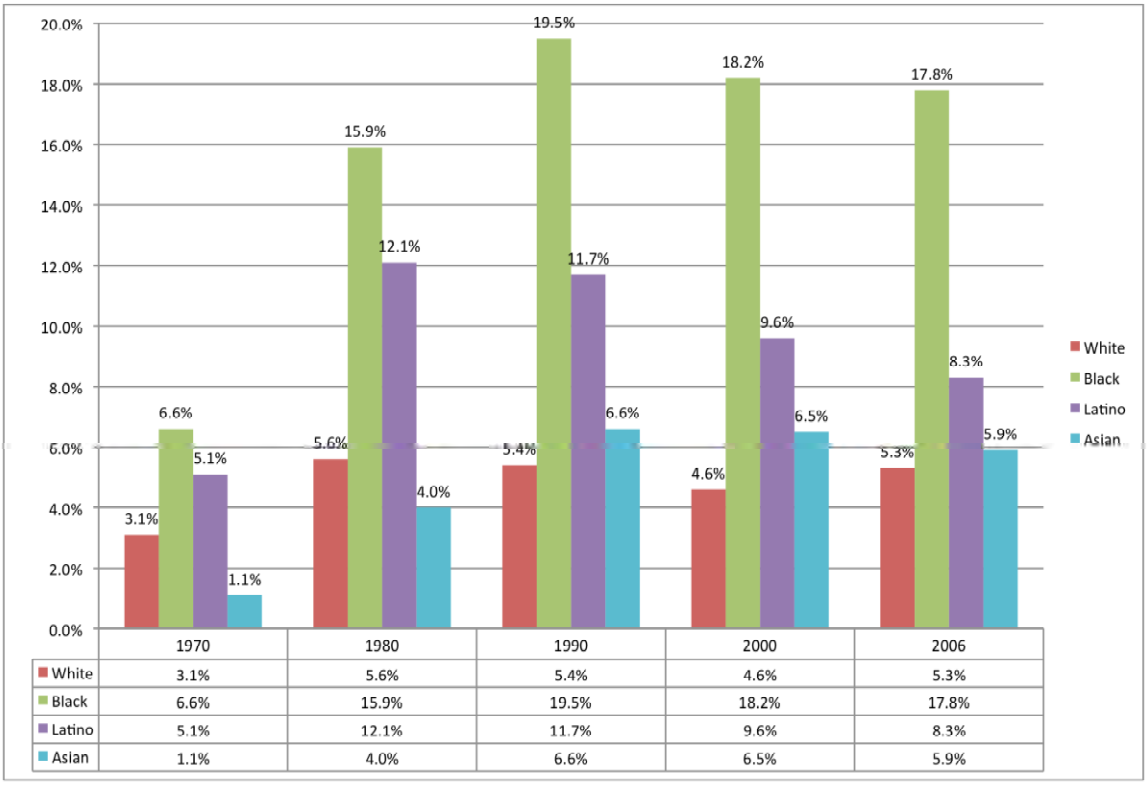
	1970	1980	1990	2000	2006
White	2.7%	4.8%	3.8%	3.5%	5.0%
Black	6.6%	14.9%	17.2%	15.2%	16.5%
Latino	5.8%	11.1%	10.3%	8.4%	7.8%
Asian	1.8%	3.9%	4.8%	4.6%	5.7%

[8] Ibid.

Figure 6.

Unemployment Rates by Race/Ethnicity,

City of Chicago, 1970–2006[9]

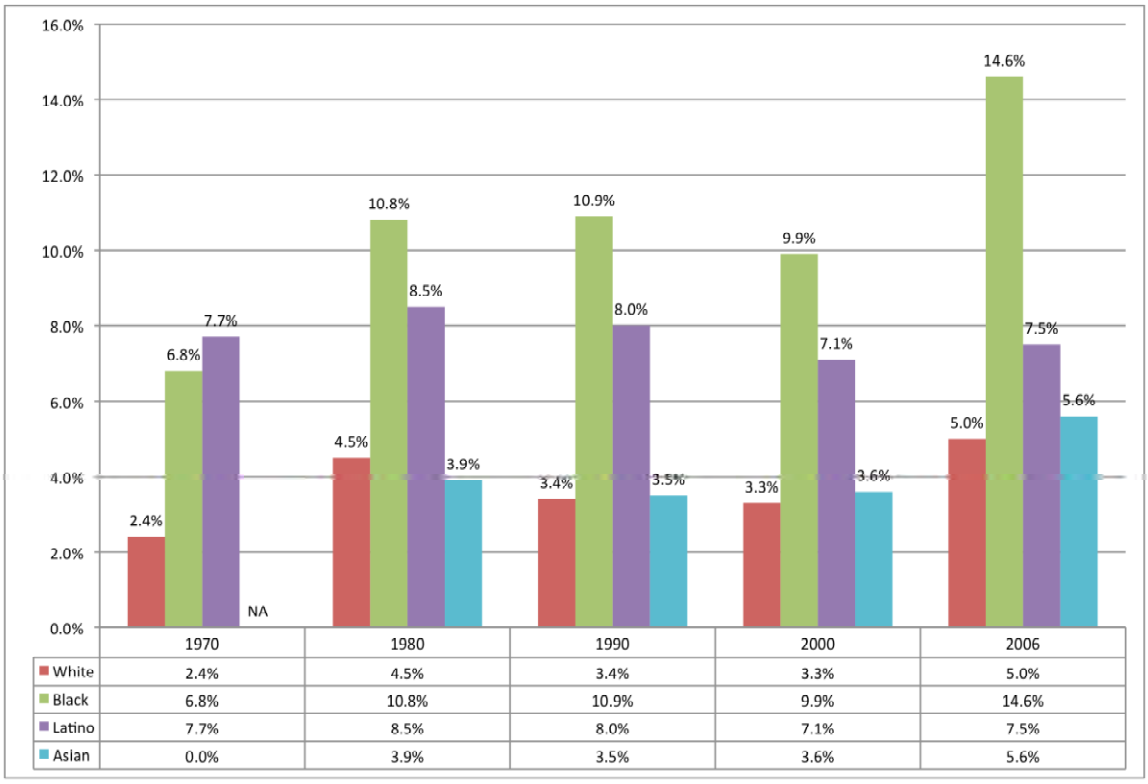


	1970	1980	1990	2000	2006
White	3.1%	5.6%	5.4%	4.6%	5.3%
Black	6.6%	15.9%	19.5%	18.2%	17.8%
Latino	5.1%	12.1%	11.7%	9.6%	8.3%
Asian	1.1%	4.0%	6.6%	6.5%	5.9%

[9] Ibid.

Figure 7.

Unemployment Rates by Race/Ethnicity, Chicago Suburbs, 1970–2006[10]



	1970	1980	1990	2000	2006
White	2.4%	4.5%	3.4%	3.3%	5.0%
Black	6.8%	10.8%	10.9%	9.9%	14.6%
Latino	7.7%	8.5%	8.0%	7.1%	7.5%
Asian	0.0%	3.9%	3.5%	3.6%	5.6%

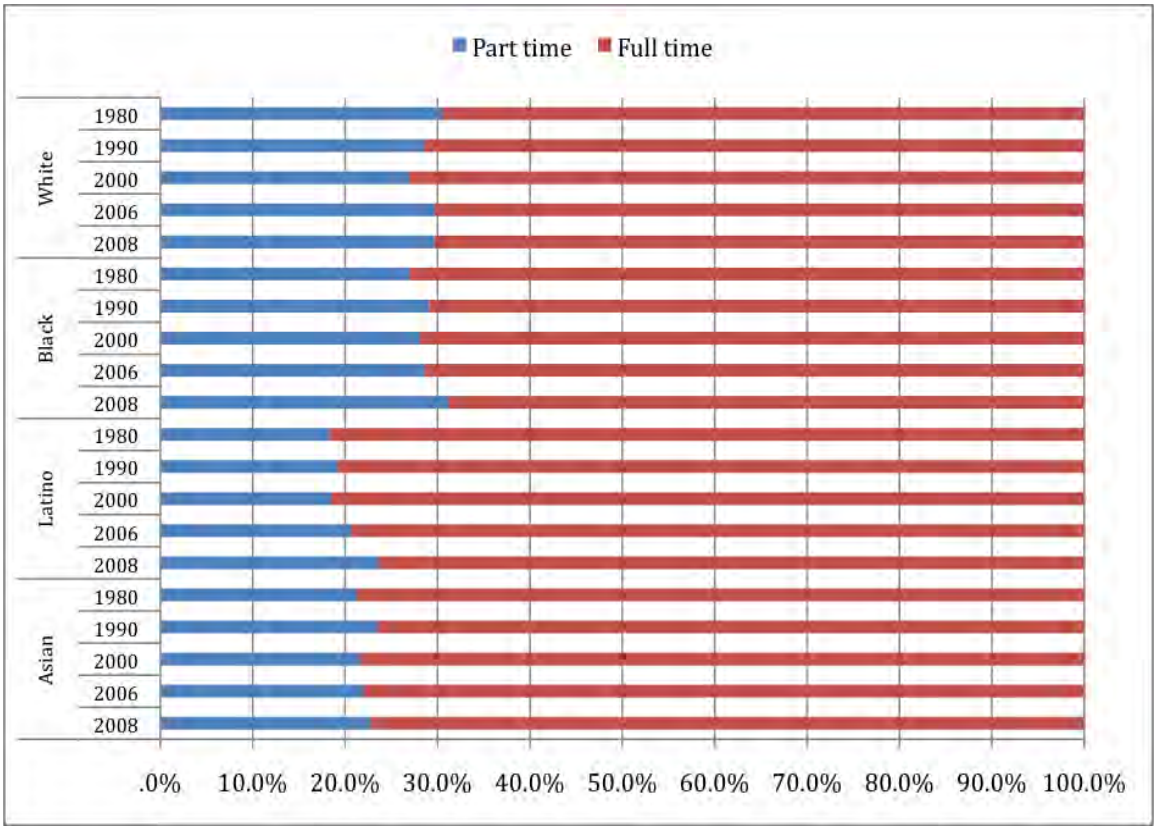
One possible way of understanding the extent to which contingent or day labor employment may play a role in the overall employment experience is to examine the splits between part-time and full-time employment by race over time. Figure 8 displays employment status in five periods from 1980 to 2008 subdivided by full-time/part-time and by race/ethnicity. In each of the five periods, a higher percentage of employed Latinos worked full-time than African Americans, Asians or whites. However, the proportion of part-time workers increased over time for all groups. Assuming that there is no significant undercount in the sample of unauthorized workers within the Latino community and that the undercounted portion of the Latino workforce exhibits the same proportional splits between part-time and full-time employment, these data suggest that Latinos exhibit a

[10] Ibid.

strong attachment to full-time work and are consistent with the data showing strong labor-force participation rates.

Figure 8.

Employment Status by Race/Ethnicity, Chicago MSA, 1980 – 2008[11]



Industry Concentrations

Table 1 shows the percentage distributions by gender for whites, African Americans, and Latinos in each of four industries in which whites are most concentrated. Table 2 shows the actual counts. In both cases, the four industries with the highest concentration of white males or females in 2008, respectively, were selected.

[11] Steven Ruggles, Matthew Sobek, Trent Alexander, Catherine A. Fitch, Ronald Goeken, Patricia Kelly Hall, Miriam King, and Chad Ronnander. Integrated Public Use Microdata Series: Version 4.0 [Machine-readable database]. Minneapolis, MN: Minnesota Population Center, 2009: 5 percent 1980–2000 Census samples, 2006 and 2008 ACS samples.

Overall, the pattern that emerges is that foreign-born Latinos are much more concentrated in manufacturing than in any of the other three industries. For example, in 2008 26 percent of all foreign-born Latino males were employed by manufacturing businesses. In 2008 US-born Latino males were also somewhat concentrated in manufacturing (16.8 percent), but in recent years they were more concentrated in retail (20.3 percent). In addition, foreign-born Latino males are more heavily concentrated in construction than the other groups. Both male Latino groups were more heavily concentrated than whites or African Americans in retail, and US-born Latino males had a growing concentration in professional and related services, which include waste management services such as janitorial services.

Table 1.
Industry Presence by Race, Ethnicity, and Place of Birth
for Males and Females (percentages)[12]

Males	Whites						Blacks						FB Latinos						USB Latinos					
	1970	1980	1990	2000	2006	2008	1970	1980	1990	2000	2006	2008	1970	1980	1990	2000	2006	2008	1970	1980	1990	2000	2006	2008
Professional and Related Services	10.1%	12.4%	14.1%	17.0%	18.5%	18.6%	8.9%	12.3%	14.0%	16.5%	19.3%	19.0%	5.1%	6.3%	5.9%	5.0%	4.8%	4.2%	4.3%	7.2%	8.9%	10.3%	12.0%	12.2%
Manufacturing	33.9%	29.5%	22.3%	18.5%	14.5%	15.1%	36.6%	30.5%	19.5%	14.8%	11.8%	10.3%	60.8%	53.2%	38.4%	32.4%	26.8%	25.9%	55.5%	44.2%	28.6%	22.5%	19.4%	16.8%
Retail Trade	15.1%	14.4%	14.3%	13.8%	13.9%	14.2%	14.5%	13.4%	16.5%	15.8%	14.4%	17.6%	10.3%	13.2%	19.0%	20.0%	20.1%	20.3%	10.3%	14.0%	20.1%	19.8%	20.3%	20.3%
Construction	7.6%	8.6%	9.8%	10.8%	12.9%	11.8%	4.8%	5.1%	5.2%	5.4%	5.7%	6.7%	3.5%	5.3%	8.9%	12.1%	17.1%	15.1%	4.3%	5.7%	7.0%	8.0%	10.2%	10.9%

Females	Whites						Blacks						FB Latinas						USB Latinas					
	1970	1980	1990	2000	2006	2008	1970	1980	1990	2000	2006	2008	1970	1980	1990	2000	2006	2008	1970	1980	1990	2000	2006	2008
Professional and Related Services	23.3%	26.9%	30.6%	37.1%	39.6%	40.9%	25.2%	32.7%	33.0%	38.6%	43.3%	42.7%	14.2%	15.6%	15.9%	15.7%	15.7%	18.0%	13.1%	18.9%	23.9%	27.9%	33.6%	34.9%
Retail Trade	22.4%	22.5%	20.6%	17.6%	17.4%	17.9%	17.3%	15.4%	17.0%	15.3%	14.9%	15.6%	13.0%	12.2%	14.4%	18.2%	21.7%	22.3%	13.7%	17.3%	21.2%	22.6%	22.5%	24.0%
FIRE	7.9%	10.3%	11.5%	10.1%	10.1%	10.0%	4.6%	7.6%	9.4%	8.9%	9.0%	8.1%	3.0%	5.3%	4.1%	4.5%	5.4%	5.1%	4.8%	6.8%	10.5%	10.9%	11.4%	10.4%
Manufacturing	24.9%	19.0%	13.0%	10.2%	7.6%	7.5%	21.5%	17.7%	11.2%	7.2%	5.0%	5.2%	53.8%	50.5%	43.0%	35.4%	29.2%	25.1%	55.4%	36.9%	21.2%	14.5%	8.5%	8.1%

Note: In Tables 1 through 6 "FB" signifies "foreign-born" and "USB" signifies "US-born."

While the share of US-born Latinas working in manufacturing has dropped substantially between 1970 and 2008, the actual number of US-born Latinas working in this industry has remained relatively constant. US-born Latinas have become increasingly likely to work in professional and related services, retail, and FIRE (finance, insurance, and real estate). We cannot determine from these data the distributions across sub-industry sectors within the broad industry categories. For example, US-born Latinas have become more

[12] Steven Ruggles, Matthew Sobek, Trent Alexander, Catherine A. Fitch, Ronald Goeken, Patricia Kelly Hall, Miriam King, and Chad Ronnander. Integrated Public Use Microdata Series: Version 4.0 [Machine-readable database]. Minneapolis, MN: Minnesota Population Center [producer and distributor], 2009: 1970 1% Form 1 Metro sample, 5 percent 1980-2000 Census samples, 2006 and 2008 ACS samples.

heavily concentrated in professional and related services, but it is not clear from these data whether the much of this growth has been in waste management services or some other industry.

Table 2.

Industry Presence by Race, Ethnicity, and Place of Birth

for Males and Females (numbers)[13]

Males	Whites						Blacks						FB Latinos						USB Latinos					
	1970	1980	1990	2000	2006	2008	1970	1980	1990	2000	2006	2008	1970	1980	1990	2000	2006	2008	1970	1980	1990	2000	2006	2008
Professional and Related Services	159,400	204,420	229,203	266,221	289,446	292,958	20,900	38,920	47,409	58,098	67,178	66,618	1,900	6,120	9,792	15,391	17,441	15,687	1,800	5,160	8,382	14,437	22,883	23,860
Manufacturing	534,100	486,740	361,083	290,908	226,583	236,775	85,600	96,860	66,039	52,184	40,982	35,982	22,500	52,000	64,026	99,910	96,440	96,092	23,200	31,560	27,048	31,708	36,992	32,918
Retail Trade	237,400	238,060	231,639	216,241	218,155	223,227	33,900	42,500	55,848	55,712	50,104	61,629	3,800	12,880	31,653	61,818	72,197	75,377	4,300	10,000	19,026	27,842	38,704	39,781
Construction	119,400	141,200	159,402	169,062	202,545	185,822	11,300	16,120	17,703	19,028	19,656	23,561	1,300	5,140	14,883	37,434	61,524	56,094	1,800	4,100	6,642	11,311	19,467	21,430

Females	Whites						Blacks						FB Latinas						USB Latinas					
	1970	1980	1990	2000	2006	2008	1970	1980	1990	2000	2006	2008	1970	1980	1990	2000	2006	2008	1970	1980	1990	2000	2006	2008
Professional and Related Services	298,500	373,140	447,846	535,493	574,324	590,389	55,600	109,140	126,474	169,631	191,911	192,063	2,400	8,460	14,787	29,075	32,780	38,993	4,100	11,360	20,004	37,647	53,516	61,974
Retail Trade	288,000	311,660	301,281	254,691	251,766	258,284	38,200	51,360	65,214	67,500	65,821	70,231	2,200	6,640	13,392	33,582	45,166	48,391	4,300	10,420	17,757	30,557	35,809	42,741
FIRE	101,000	142,560	168,060	145,320	146,441	143,811	10,100	25,200	36,075	39,131	39,934	36,582	500	2,880	3,807	8,234	11,270	11,048	1,500	4,060	8,805	14,752	18,201	18,443
Manufacturing	319,000	263,620	190,782	147,974	109,948	108,494	47,300	59,140	42,756	31,576	22,203	23,540	9,100	27,360	39,912	65,357	60,866	54,591	17,400	22,220	17,808	19,572	13,527	14,486

The proportional distributions within a given group need to be seen within the broader context of the overall numbers. In each industry white men and women remain the majority groups even when one combines foreign-born and US-born Latinos. In the case of males, the primary distinction is that by 2008 no more than 18 percent of white men and 19 percent of African American men are concentrated within one industry. In the same year more than 20 percent of foreign-born Latino men were employed in manufacturing and retail, respectively, and more than 20 percent of US-born Latino men were employed in retail. This is especially troublesome given that Latinos are concentrated in two industries that are being hit especially hard by the current recession.

In the case of females, white, African American, and US-born Latino women are heavily concentrated in professional and related services. Foreign-born Latino women, however, are more concentrated in manufacturing and both foreign- and US-born Latino women are more concentrated than either their white or African American counterparts in retail trade and manufacturing—both industries that are harshly affected by the current downturn.

[13] Ibid.

In addition, there have been large shifts in the mix of industries in which both foreign- and US-born Latino men and women are employed. In the case of men, there have been large proportional shifts into retail trade and construction and away from manufacturing. In the case of Latino females, there are increasing concentrations in retail trade and service industries, and for US-born Latinas, in FIRE. These data, therefore, suggest that the Latinos diversified into several industries in 2008 and that there is no single prototypical industry in which most Latinos are concentrated (unlike manufacturing in the 1970s, for example). These data do not, however, indicate whether there is greater diversification in the skill levels of the jobs in which Latinos are employed, whether there are differences in the quality of jobs in which US-born Latinos are employed compared to the foreign born, or whether some industries offer greater opportunities for economic advancement than others.

Racial/Ethnic Composition by Industry

Whites are the dominant group in the Chicago metro area overall, but Latinos comprise the largest group in key industries in the City of Chicago. Tables 3 and 4 display the racial and ethnic composition of males and females respectively in selected industries by geographic area for each of three periods: 2000, 2006 and 2008. In Chicago in 2000, Latino men were dominant in manufacturing. In 2006, foreign-born Latinos alone became dominant also in retail trade. By 2008, the combined Latino totals for men exceed those for whites and African Americans in wholesale trade, and eclipsed the totals for African Americans in business and repair services. In all three periods, they comprised a substantial proportion of the construction industry and their numbers nearly equal those of whites by 2008.

While Latino men comprised significant proportions of several industries in the suburbs including manufacturing, construction, and retail, they do not dominate any industry like they do manufacturing in the City of Chicago. This same pattern of dominance is not repeated in either suburban Cook or in the collar counties, although there are similarly relatively high numbers in manufacturing, construction, wholesale and retail trade, entertainment and recreation services, and business and repair services in which foreign

born Latinos alone exceed the numbers of African Americans in these industries by 2008, and for some industries, dating back as early as 2000.

Table 3.

Demographic Distributions across Industries (males)[14]

Males		Chicago				Suburban Cook				Collar			
		White	Black	FB Latino	USB Latino	White	Black	FB Latino	USB Latino	White	Black	FB Latino	USB Latino
2000	Construction	28,886	12,929	17,782	5,301	55,320	3,782	9,187	2,946	84,856	2,317	10,465	3,064
	Manufacturing	43,442	28,932	50,618	17,246	100,714	14,797	23,021	6,444	146,752	8,455	26,271	8,018
	Transportation, Communications, and other Public Utilities	29,100	38,917	8,801	8,606	50,970	17,332	4,760	3,620	69,461	4,984	3,481	3,262
	Wholesale Trade	12,253	7,781	8,312	3,530	31,093	2,905	4,165	1,555	43,834	1,564	3,353	1,379
	Retail Trade	38,405	36,882	31,556	15,160	76,000	12,907	15,229	6,735	101,836	5,923	15,033	5,947
	Finance, Insurance, and Real Estate	34,630	12,984	2,798	3,726	42,579	4,874	1,271	1,260	51,738	1,859	820	1,579
	Business and Repair Services	30,508	24,669	13,130	7,840	41,839	6,882	5,462	2,533	52,149	3,360	6,349	2,054
	Personal Services	7,305	7,812	5,094	2,399	8,101	1,949	2,047	361	8,111	441	1,263	366
	Entertainment and Recreation Services	5,669	3,377	1,177	1,447	9,470	1,291	756	436	13,846	852	1,590	806
	Professional and Related Services	73,718	38,221	7,454	8,370	87,954	13,799	4,101	3,113	104,549	6,078	3,836	2,954
	Public Administration	19,827	12,226	1,436	3,740	19,148	4,414	386	890	22,276	2,360	317	609
2006	Construction	34,236	12,950	25,160	6,783	62,282	4,986	13,098	5,101	106,027	1,720	23,266	7,583
	Manufacturing	30,506	18,809	40,438	16,359	70,351	13,068	27,061	8,454	125,726	9,105	28,941	12,179
	Transportation, Communications, and other Public Utilities	24,931	35,273	10,225	11,815	47,062	18,894	4,028	5,119	76,316	7,555	7,814	4,794
	Wholesale Trade	10,403	4,111	7,292	3,082	25,136	2,551	4,162	2,221	47,889	3,141	5,988	4,857
	Retail Trade	33,245	28,789	34,352	18,903	71,748	11,657	15,518	6,796	113,162	9,658	22,327	13,005
	Finance, Insurance, and Real Estate	34,549	10,062	2,844	5,446	44,780	4,768	1,656	2,882	59,906	3,016	1,679	3,659
	Business and Repair Services	26,141	23,300	15,894	7,067	38,368	10,659	7,695	1,515	59,197	4,913	8,964	3,757
	Personal Services	7,708	9,601	4,656	1,428	7,913	2,371	2,273	1,077	8,702	1,245	2,312	351
	Entertainment and Recreation Services	5,961	2,565	2,355	994	9,872	1,510	1,690	424	16,940	679	1,091	1,209
	Professional and Related Services	79,848	40,442	7,741	10,360	88,448	18,215	4,173	3,627	121,150	8,521	5,527	8,896
	Public Administration	16,665	14,234	510	4,666	16,187	2,871	472	1,734	23,817	2,236	475	1,095
2008	Construction	32,080	15,204	24,391	6,525	57,804	6,980	11,444	5,618	95,938	1,377	20,259	9,287
	Manufacturing	28,304	19,702	38,349	13,998	68,976	10,519	24,818	7,572	139,495	5,761	32,925	11,348
	Transportation, Communications, and other Public Utilities	22,290	38,367	11,390	10,541	51,723	19,151	7,665	6,464	73,363	9,034	5,194	5,976
	Wholesale Trade	6,484	2,849	7,720	3,837	26,385	3,109	3,742	1,463	42,898	1,793	5,599	2,221
	Retail Trade	42,372	33,067	30,846	19,548	63,942	15,207	20,435	10,652	116,913	13,355	24,096	9,581
	Finance, Insurance, and Real Estate	41,018	11,580	2,809	6,181	41,771	4,527	2,130	2,632	68,018	4,163	2,481	3,692
	Business and Repair Services	24,436	16,410	14,826	7,509	31,424	9,607	10,925	4,089	57,672	3,788	10,229	3,364
	Personal Services	9,439	8,275	4,703	2,030	9,496	3,520	2,141	1,776	10,491	531	1,729	754
	Entertainment and Recreation Services	5,947	3,369	1,496	159	10,250	1,008	1,494	903	16,260	984	2,475	1,926
	Professional and Related Services	77,938	43,563	7,256	12,403	93,379	14,223	5,180	4,800	121,641	8,832	3,251	6,657
	Public Administration	18,299	11,158	1,963	3,768	16,890	3,302	302	1,273	23,115	2,270	1,246	1,700

[14] Steven Ruggles, Matthew Sobek, Trent Alexander, Catherine A. Fitch, Ronald Goeken, Patricia Kelly Hall, Miriam King, and Chad Ronnander. Integrated Public Use Microdata Series: Version 4.0 [Machine-readable database]. Minneapolis, MN: Minnesota Population Center [producer and distributor], 2009: 5 percent 2000 Census sample, 2006 and 2008 ACS samples.

Latino women have become prominent in retail and professional services in the city of Chicago. In all three periods Latinas were dominant in manufacturing. Foreign-born Latino women alone outnumbered white women in 2000, but their margin and dominance dwindled by 2008 as manufacturing employment overall has declined. One possible explanation is that Latino women, especially the foreign-born, are concentrated in low-wage, low-skill manufacturing and assembly jobs that are vulnerable to being outsourced or off-shored to lower-cost operations. While the production work may remain in the Chicago area, and even on-site, it is often performed by workers employed by companies not classified as manufacturing businesses. Therefore, some of the job "losses" in manufacturing may actually be the result of how they are classified. Undoubtedly, however, the number of workers performing manufacturing production tasks has declined in the region and it appears that foreign-born Latino women have experienced the greatest losses as a result.

Suburban Latino women, unlike the men, do not dominate any particular industry in any of the three periods, although they outnumber African American women throughout in wholesale and retail trade, business and repair services, personal services and in finance, insurance and real estate in both suburban Cook and in the collar counties. In 2006 and 2008 Latino women also outnumbered African American women in professional and related services in the collar counties.

Table 4.

Demographic Distributions across Industries (females)[15]

Female		Chicago				Suburban Cook				Collar			
		White	Black	FB Latina	USB Latina	White	Black	FB Latina	USB Latina	White	Black	FB Latina	USB Latina
2000	Manufacturing	26,766	17,178	31,243	10,065	49,170	8,502	15,171	3,915	72,038	5,896	18,943	5,592
	Transportation, Communications, and other Public Utilities	13,707	27,023	2,579	3,258	26,383	12,468	1,564	1,888	33,839	3,193	1,048	1,615
	Wholesale Trade	7,241	3,431	3,744	2,316	16,933	1,486	1,638	923	22,544	1,189	1,981	792
	Retail Trade	43,869	45,672	15,813	16,199	89,944	15,186	9,591	7,538	120,878	6,642	8,178	6,820
	Finance, Insurance, and Real Estate	28,785	24,260	4,505	8,087	50,581	10,689	1,871	3,270	65,954	4,182	1,858	3,395
	Business and Repair Services	28,095	20,167	8,002	3,974	29,166	6,501	3,712	1,673	36,084	2,423	3,953	1,525
	Personal Services	13,105	12,787	7,190	3,155	18,024	3,688	3,907	1,326	22,137	1,222	3,423	1,369
	Professional and Related Services	117,530	113,220	16,074	22,072	185,520	42,193	7,026	7,798	232,443	14,218	5,975	7,777
	Public Administration	11,070	19,474	1,080	2,925	10,099	6,114	535	587	13,790	1,961	393	746
2006	Manufacturing	16,095	12,132	23,297	5,984	32,775	4,790	16,151	3,762	61,078	5,281	21,418	3,781
	Transportation, Communications, and other Public Utilities	13,688	22,907	2,496	2,351	20,333	9,849	1,899	1,375	32,172	5,751	1,995	1,727
	Wholesale Trade	8,778	2,718	3,759	1,169	15,778	1,608	1,322	1,021	28,072	1,570	3,305	2,491
	Retail Trade	38,173	42,273	20,510	17,520	72,005	14,674	9,632	8,477	141,588	8,874	15,024	9,812
	Finance, Insurance, and Real Estate	30,632	21,923	3,505	10,193	49,880	12,306	2,956	3,074	65,929	5,705	4,809	4,934
	Business and Repair Services	22,939	16,938	8,844	4,575	24,130	7,594	6,537	2,349	35,237	3,233	6,939	3,730
	Personal Services	13,704	9,987	7,376	4,286	20,967	2,720	2,977	1,390	33,666	1,525	5,444	918
	Professional and Related Services	119,865	112,451	14,352	24,372	183,803	55,980	9,220	14,951	270,656	23,480	9,208	14,193
	Public Administration	7,367	17,987	484	3,062	11,329	6,368	348	1,314	13,648	2,665	586	848
2008	Manufacturing	18,066	10,298	19,869	5,979	29,083	7,030	13,783	2,622	61,345	6,212	20,939	5,885
	Transportation, Communications, and other Public Utilities	9,184	26,343	1,720	4,467	19,962	10,294	1,528	2,158	28,196	5,127	1,749	1,981
	Wholesale Trade	6,011	2,165	2,784	1,642	10,450	1,380	1,945	1,713	19,644	1,245	2,746	1,560
	Retail Trade	42,296	40,320	17,083	19,710	81,204	20,367	13,673	10,776	134,784	9,544	17,635	12,255
	Finance, Insurance, and Real Estate	33,904	20,350	3,302	7,383	44,587	10,749	4,454	4,858	65,320	5,483	3,292	6,202
	Business and Repair Services	24,890	20,518	8,377	5,017	23,389	6,350	7,221	1,514	33,743	1,915	8,856	3,485
	Personal Services	15,840	11,830	9,982	3,703	16,687	2,750	3,913	1,699	32,861	3,279	7,059	1,481
	Professional and Related Services	122,690	115,889	16,867	29,491	190,561	54,975	12,744	15,528	277,138	21,199	9,382	16,955
	Public Administration	7,263	16,176	925	3,172	12,287	7,762	482	237	14,610	2,052	311	973

Occupational Distributions

Table 5 displays the ethnic and racial distribution of male workers across thirteen occupations and by region for each of three years 2000, 2006, and 2008. Table 6 accomplishes the same for female workers across eleven occupations.

Latino men have emerged as the dominant group in several occupations. In each of the three years, foreign-born Latinos alone outnumbered whites and African Americans, respectively, in precision production and machine operation. Latinos as a group also outnumbered whites and African Americans, respectively, in other services and as mechanics and repairers. In 2006 and 2008 Latinos eclipsed African Americans in

[15] Ibid.

transportation and material moving occupations, and were essentially even with African American in sales in both those years as well.

Whites are the unequivocal leaders as jobholders in both Suburban Cook and the collar counties. In these areas, the story is more focused on the comparisons between Latinos and African Americans, where foreign-born Latino men outnumber African Americans across a range of occupations. By 2008 more foreign-born Latinos in suburban Cook County were employed as technicians, other service providers, mechanics and repairers, construction workers, precision production workers, machine operators, and transportation and material movers than African Americans. In 2008 foreign-born Latinos in the collar counties also outnumber African Americans in executive, administrative and managerial occupations, administrative support, other services, mechanics and repairers, construction, precision production, machine operation, and in transportation and material moving. It is noteworthy that Latinos are not generally confined to the least skilled occupations, and in several occupations the foreign born are eclipsing African Americans. It is not clear whether the experience of Latino immigrants matches the experience of other immigrant groups.

Table 5.

Occupational Distribution (males)[16]

Males		Chicago				Suburban Cook				Collar			
		White	Black	FB Latino	USB Latino	White	Black	FB Latino	USB Latino	White	Black	FB Latino	USB Latino
2000	Executive, Administrative, and Managerial	37,194	9,899	3,839	3,691	68,655	5,155	2,490	1,646	109,297	2,524	2,092	1,844
	Management Related	21,016	5,852	1,353	1,533	27,833	2,655	689	732	37,026	1,173	568	724
	Professional Specialty	64,745	18,307	3,941	4,870	81,708	7,827	2,327	2,006	99,633	4,271	2,163	2,604
	Technicians and Related Support	11,974	3,270	898	1,608	19,118	2,159	476	835	29,677	1,248	1,105	584
	Sales	38,088	18,090	7,351	7,278	73,001	7,350	3,837	3,456	101,592	3,768	2,623	2,717
	Administrative Support	29,638	31,563	9,089	10,331	47,210	11,470	4,199	4,273	54,623	4,522	4,513	4,029
	Protective Service	14,423	14,868	1,230	3,413	14,246	3,596	251	928	16,409	1,768	380	488
	Other Service	21,847	34,483	26,162	9,027	26,332	9,424	12,112	2,918	32,509	4,276	13,263	2,959
	Mechanics and Repairers	12,203	11,186	9,728	4,803	28,371	3,973	3,639	1,912	39,954	1,961	4,051	1,822
	Construction Trades	19,144	8,340	11,361	3,899	34,308	2,734	4,798	1,634	46,734	1,519	5,598	1,731
	Precision Production	5,940	3,559	6,641	2,094	12,413	1,716	2,404	655	14,556	636	2,055	686
	Machine Operators	14,051	14,585	30,721	9,163	24,840	6,596	14,202	2,799	30,387	3,082	15,602	3,619
	Transportation and Material Moving	27,744	44,281	29,288	13,208	49,811	17,227	15,088	5,234	65,386	6,506	15,111	5,149
2006	Executive, Administrative, and Managerial	39,838	9,705	5,342	2,944	65,224	3,774	3,476	1,925	120,000	3,730	3,628	3,480
	Management Related	21,848	4,620	1,276	2,560	28,183	2,466	1,161	969	36,083	1,447	1,196	1,953
	Professional Specialty	65,637	21,231	3,671	5,217	74,877	8,675	2,179	1,717	108,555	7,618	2,250	6,378
	Technicians and Related Support	9,813	3,059	1,378	1,945	13,001	2,616	1,472	782	26,556	1,569	1,564	1,768
	Sales	41,854	14,682	7,067	10,474	63,855	6,013	5,989	3,266	105,208	6,081	5,533	7,905
	Administrative Support	21,527	26,797	10,152	12,896	39,020	14,169	5,634	7,357	64,770	7,725	7,636	7,120
	Protective Service	14,131	13,424	864	6,720	12,704	4,783	358	1,969	20,754	1,768	90	1,190
	Other Service	21,622	31,447	31,140	7,694	28,164	11,032	13,886	3,641	44,103	5,717	19,086	6,011
	Mechanics and Repairers	6,514	5,693	5,645	3,855	24,719	4,914	4,099	1,125	41,112	1,252	3,920	2,679
	Construction Trades	20,959	8,387	14,577	3,672	35,457	3,378	7,718	2,583	60,282	1,680	12,902	4,464
	Precision Production	4,872	2,350	6,348	2,583	10,214	2,074	2,651	565	10,671	583	2,557	1,366
	Machine Operators	8,369	11,025	28,621	8,817	18,408	5,581	16,076	3,266	22,835	4,385	16,986	3,845
	Transportation and Material Moving	22,696	43,182	30,798	15,476	54,085	19,536	14,726	8,172	76,190	7,352	27,008	10,288
2008	Executive, Administrative, and Managerial	43,044	10,161	3,950	4,989	68,084	6,476	3,373	3,575	123,656	5,039	5,669	4,633
	Management Related	24,908	8,368	1,253	2,325	28,687	1,536	641	758	43,282	2,701	1,016	1,784
	Professional Specialty	66,054	20,185	5,153	9,237	74,527	7,783	2,831	3,344	110,265	4,614	3,815	5,019
	Technicians and Related Support	10,736	1,967	872	1,626	16,047	916	1,336	1,600	24,829	1,713	545	1,345
	Sales	38,469	19,793	9,068	9,126	64,997	10,540	4,527	5,213	119,374	7,818	3,253	4,733
	Administrative Support	22,027	24,553	8,100	11,178	38,821	10,494	5,273	5,347	59,804	6,810	7,310	6,311
	Protective Service	12,184	11,811	1,900	4,825	13,191	5,662	222	2,608	17,922	3,023	1,075	1,611
	Other Service	25,289	33,631	24,969	10,150	26,315	9,697	19,007	5,260	43,585	3,650	20,869	5,040
	Mechanics and Repairers	7,921	6,227	6,424	3,345	21,082	4,173	5,849	2,027	41,659	1,132	4,590	3,210
	Construction Trades	19,473	10,012	14,668	3,563	30,706	4,126	6,722	3,453	47,573	893	11,175	6,057
	Precision Production	2,958	4,474	4,796	1,291	9,142	1,384	2,461	1,139	14,252	1,018	3,636	890
	Machine Operators	6,524	8,701	23,707	6,687	15,416	5,623	14,592	4,294	25,523	3,051	19,505	4,358
	Transportation and Material Moving	22,758	39,867	36,060	16,882	53,872	20,598	21,261	8,518	76,121	9,273	24,164	10,139

Despite relatively low labor participation rates, Latino women, especially those who are foreign-born, have dominated as machine operators in Chicago compared to whites and African Americans. By 2008 the combination of foreign- and US-born Latinos also held the plurality of precision production, transportation and material moving, and private household jobs. In suburban Cook and the collar counties, foreign-born Latino women consistently outnumber whites and African Americans respectively as machine operators.

In the collar counties, Latino women outnumber African American women in several occupations, although both lag significantly behind white women. The occupations now filled by more Latino women than African American include executive, administrative and managerial occupations, specialty professions, management related jobs, technicians and

[16] Ibid.

related support jobs, sales, administrative support, private household, other services, precision production and transportation and material moving.

Table 6.

Occupation Distribution (females)[17]

Females		Chicago				Suburban Cook				Collar			
		White	Black	FB Latina	USB Latina	White	Black	FB Latina	USB Latina	White	Black	FB Latina	USB Latina
2000	Executive, Administrative, and Managerial	32,822	14,968	1,839	3,261	41,987	6,812	1,309	1,854	57,337	2,598	746	1,760
	Management Related	20,441	10,376	1,978	3,327	26,299	5,478	1,135	1,209	37,121	1,995	641	1,321
	Professional Specialty	72,636	41,224	6,537	8,777	107,787	17,554	2,843	3,093	137,231	5,705	1,918	3,486
	Technicians and Related Support	8,965	8,101	1,049	1,312	15,576	4,350	487	575	20,151	1,520	406	667
	Sales	37,151	34,119	8,241	11,749	65,257	11,793	4,062	5,125	87,914	5,257	4,119	4,865
	Administrative Support	67,971	85,860	13,817	24,240	147,671	33,514	6,514	9,464	191,180	11,571	6,368	9,958
	Private Household	5,418	6,314	4,672	1,317	3,445	1,222	2,830	360	3,795	737	2,818	276
	Other Service	33,664	52,492	15,105	8,788	54,294	16,057	7,773	4,205	71,175	6,828	7,653	3,993
	Precision Production	2,787	2,050	1,820	1,031	4,750	1,063	920	257	5,843	497	557	283
	Machine Operators	7,554	10,649	24,874	5,724	10,761	3,709	12,251	2,012	14,760	2,670	16,403	2,830
	Transportation and Material Moving	3,037	11,162	8,682	2,471	7,156	3,396	4,116	1,087	10,806	1,477	3,807	788
2006	Executive, Administrative, and Managerial	31,739	14,645	1,671	3,381	40,351	8,605	2,200	2,454	63,486	2,000	1,910	3,016
	Management Related	17,252	8,618	1,967	3,693	25,343	4,590	1,762	1,527	37,394	4,206	1,191	1,615
	Professional Specialty	76,176	43,258	4,433	11,017	105,544	21,415	3,042	5,419	160,938	9,785	3,786	6,336
	Technicians and Related Support	9,369	7,517	393	992	13,626	4,281	583	1,217	21,866	1,969	445	659
	Sales	33,247	34,111	11,696	11,547	57,906	12,586	4,392	7,065	100,222	5,645	7,093	7,070
	Administrative Support	55,722	66,599	12,526	21,161	125,154	31,584	6,759	12,541	184,187	13,658	11,002	14,378
	Private Household	6,177	3,599	4,885	1,051	3,727	942	3,392	362	4,574	615	5,607	562
	Other Service	37,577	50,973	18,673	12,914	54,037	21,597	11,640	4,451	97,991	13,286	11,486	6,319
	Precision Production	1,204	2,847	1,032	832	3,620	1,409	720	1,197	6,662	578	815	92
	Machine Operators	5,229	7,236	17,475	3,358	7,158	3,867	12,099	806	12,182	2,763	18,742	1,456
	Transportation and Material Moving	2,344	13,215	9,207	2,122	6,311	3,898	4,196	952	11,901	3,847	6,778	2,496
2008	Executive, Administrative, and Managerial	36,234	16,881	1,657	5,082	41,811	9,780	2,792	3,425	58,884	2,542	2,172	2,428
	Management Related	23,075	9,981	1,823	3,601	25,614	5,285	2,071	1,015	37,947	3,680	1,514	3,249
	Professional Specialty	79,064	38,989	5,887	10,194	103,916	19,611	4,455	4,653	172,543	7,743	3,743	5,972
	Technicians and Related Support	7,975	7,380	903	2,349	13,696	4,806	253	1,525	18,502	2,071	233	2,100
	Sales	33,222	31,113	7,256	14,598	52,969	16,754	5,778	6,461	93,269	5,484	8,331	7,677
	Administrative Support	53,493	65,557	10,553	23,278	116,509	35,800	9,812	12,095	172,997	16,433	9,594	16,954
	Private Household	5,508	7,157	6,464	976	4,443	277	3,706	175	5,032	769	5,868	365
	Other Service	37,818	63,074	19,711	14,402	62,061	19,969	12,972	8,949	99,751	13,514	12,608	8,873
	Precision Production	2,271	1,958	2,090	1,431	4,571	2,119	783	538	6,837	1,124	2,224	142
	Machine Operators	3,062	6,494	16,740	3,280	7,215	2,620	13,026	1,653	11,053	1,499	16,876	2,528
	Transportation and Material Moving	2,474	7,380	7,454	1,975	5,900	3,431	3,948	801	12,238	1,334	8,258	1,228

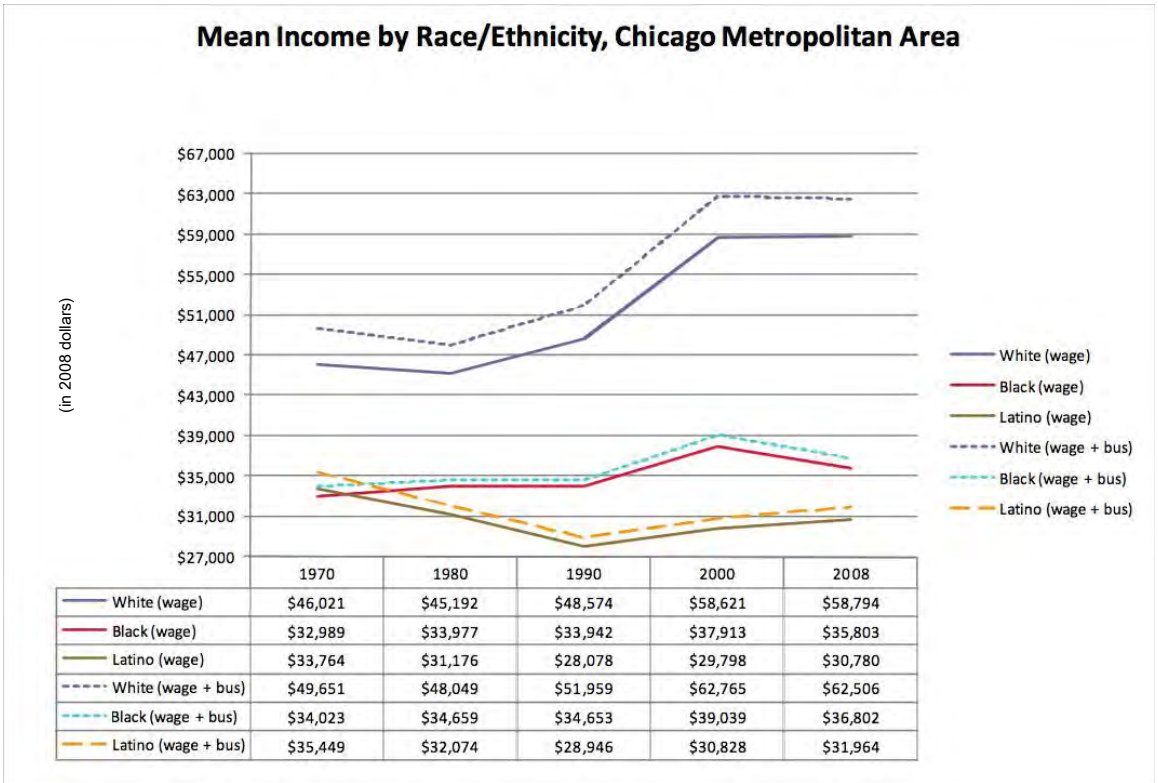
While these data show changes in the demographic composition of the workforce for each occupation, the underlying reasons remain unclear. Is one group displacing the other groups? Or is one group entering the labor market in larger numbers than others at times when new jobs are opening, especially in the suburbs? While we cast employment data in terms of race and ethnicity, other factors such as education, occupational skills, English-language proficiencies, housing and transportation also play important roles in determining who fills the available jobs. For example, Latinos are filling jobs across the social hierarchy, including high-precision, high-wage occupations and, in the case of collar-county women, to a small degree in executive and managerial positions. Is this because Latinos are gaining

[17] Ibid.

more preferential treatment in hiring? Or has the community engaged in more advanced training and education leading into these occupations? And has this engagement been the result of policy or simply encouraged through social networks? These data are inconclusive and the current state of the research in Chicago does not go deeply enough to provide an adequate set of explanations.

Figure 9 shows the mean income by race and ethnicity for the Chicago metropolitan area. While the occupational and industrial data point to Latinos working in a wider variety of jobs, on average their income from work (wage and business income) remains low. In fact, the real income of Latinos in 2008 was below that of African Americans and only 50 percent that of whites. Over the 1980 to 2008 time period Latino real income stagnated. Whites experienced a sharp growth in real income while African Americans experienced a small increase in real income. However, these data, being mere averages, are limited in that they cannot address the issue of income mobility over a working career. And given the sharp growth in the Latino population in the Chicago metropolitan area, the stagnation in real income may reflect more the entrance of newly arrived Latinos into low-wage jobs at the bottom of the labor market rather than the stagnation of Latino income over a working career.

Figure 9.



	1970	1980	1990	2000	2008
White (wage)	$46,021	$45,192	$48,574	$58,621	$58,794
Black (wage)	$32,989	$33,977	$33,942	$37,913	$35,803
Latino (wage)	$33,764	$31,176	$28,078	$29,798	$30,780
White (wage + bus)	$49,651	$48,049	$51,959	$62,765	$62,506
Black (wage + bus)	$34,023	$34,659	$34,653	$39,039	$36,802
Latino (wage + bus)	$35,449	$32,074	$28,946	$30,828	$31,964

Quality of Work, Work Opportunities, and Other Empirical Issues

While unemployment is certainly a problem facing Latinos, the nature of their employment is also problematic. While the share of Latinos earning high wages has increased significantly (Ready and Brown-Gort 2005), many other Latinos are numbered among the "working poor." Many Latinos are not able to find full-time employment throughout the year, and many who work full-time, full-year do not earn enough to support a family. Between 1990 and 2000 there was a sharp increase in the number of working poor families in the city of Chicago and in the Chicago metropolitan area as a whole. Latinos were more likely to be among the "working poor" than were whites, African Americans, or Asians and their probability of being among the "working poor" increased from 1990 to 2000. In 2000, 20.3 percent of all Latino working adults in metropolitan Chicago were working poor in contrast to 18.9 percent in 1990. The same held in the city of Chicago. In 2000 23.2 percent of all Latino working adults were working poor, compared to 21.2 percent in 1990. Adult

Latino workers were over-represented among the working poor in 2000. In metropolitan Chicago Latino adults comprised 16.4 percent of the employed but 37.0 percent of the working poor. In the city of Chicago Latino adults comprised 25.8 percent of the employed but 39.4 percent of the working poor (Chicago Urban League, Northern Illinois University, and Roosevelt University n.d., 14–17). Latino working poor adults were most likely to be working in manufacturing and accommodation and food service activities and in production occupations. Latino working poor adults were much more likely to be full-time, full-year workers than other working poor adults. More than 80 percent of working poor Latino adults worked 35 hours or more per week though they did not necessarily work full-year (Chicago Urban League, Northern Illinois University, and Roosevelt University n.d.). In short, Latinos predominate in jobs paying low wages.

Not only do many Latinos work in low-paying positions, Latinos may be more likely to face dangerous working conditions. Work-related deaths among Latinos in Illinois are high. Buchanan, Nickels, and Morello (2005) report on the results of a survey of day laborers at one street-corner hiring site in Chicago. While the sample size was very small, only 21 men, 90 percent were Latinos. Most worked construction jobs, and more than 50 percent of them had been injured in the previous year. Mehta, Theodore, Mora, and Wade's (2002) extensive survey of documented and undocumented immigrants living in the Chicago metropolitan area reported that Latinos were significantly more likely to experience a serious injury on the job than were other immigrant workers. Whether a worker was documented or undocumented did not seem to influence the likelihood of a serious injury on the job.

While educational attainment is not the only factor influencing labor market opportunities, it is likely that the low educational attainment of Latinos restricts their employment options. Latinos are the least well educated of the four major racial and ethnic groups in the Chicago metropolitan area. Over three-fourths of Asian adults, two-thirds of non-Latino whites and over half of African Americans aged 25 and over have some college level education or higher, but less than one-third of Latinos have attained the same level of post-secondary education. Over one-third of Asian adults, one-fourth of white adults, and one-ninth of African American adults have obtained a bachelor's degree. Only 8 percent of Latinos have graduated from college. Latinos with some post-secondary education were

very unlikely to be part of the working poor. Furthermore, 45 percent of working poor Latino adults in the Chicago metropolitan area had poor English language ability (Chicago Urban League, Northern Illinois University, and Roosevelt University n.d., 38–41).

Employer discrimination might also limit the job prospects of Latinos. Kenney and Wissoker (1994) report findings from an audit study of young Latinos in Chicago and San Diego. Matched pairs of white and Latino male job seekers between the ages of 20 and 24 were created. They responded to a random sample of newspaper advertisements for entry-level jobs. White job seekers were significantly more successful than Latino job seekers, obtaining 30 percent more interviews and 52 percent more job offers with the audited firms relative to their Latino counterparts. Even when they both received interviews, white job seekers were more likely to receive job offers than Latino job seekers. The evidence of discrimination against Latinos was strong.

Living in an ethnic enclave might also influence the job prospects of Latinos. Liu (2008) compares the employment accessibility of low-skilled immigrant and US-born Latinos (those with less than a high school degree) between the ages of 16 and 65 living in and out of ethnic enclaves in the central city, inner-ring suburbs, and outer-ring suburbs of Chicago, Los Angeles and Washington DC. The study uses data from the 2000 Census to determine the extent to which there is an ethnic enclave effect and a spatial mismatch effect. A majority of low-skilled Latino workers in Chicago reside in the central city with many living in ethnic enclaves. Latinos in the Chicago suburbs were less likely to live in ethnic enclaves. US-born Latinos are less likely to be employed than those who are foreign born in the city of Chicago and in the suburbs. This holds whether or not they are living in ethnic enclaves. Residents of Chicago have longer commutes than suburban residents. Ethnic enclave residents in the suburbs have longer commute times than non-enclave workers. There are no differences in commuting times between enclave and non-enclave workers in Chicago. Living in an ethnic enclave does not increase the probability of being employed. In fact, foreign-born Latinos are negatively affected by living in a central city ethnic enclave. Furthermore, living in ethnic enclaves in Chicago's central city and outer-ring suburbs actually decrease Latino women's employment probability. In addition, living in an inner-ring suburban enclave or an outer-ring suburban enclave increases commuting time for women. Overall, it appears that women are more disadvantaged by living in an enclave than men in the Chicago area. Finally, the

tendency cited above that Latinos living in the city tend to rely more heavily than others on car pooling suggests the possibility that the enclave extends to the place of work. That is, people from the same neighborhood also commute to the same geographic area.

Ethnic enclaves in Chicago do not seem to foster Latino entrepreneurship. Herring (2004) uses the Urban Poverty and Family Life survey to study the determinants of entrepreneurship in low-income neighborhoods in Chicago. He distinguishes between two types of entrepreneurship. "Entrepreneurship or self-employment" refers to whether a person was self-employed in their own business. "Nominally self-employed" refers to more informal self-employment activity. Six percent of Latinos were self-employed while 18 percent were nominal entrepreneurs. Controlling for a variety of factors likely to influence entrepreneurship such as sex, education, immigrant status, marital status, experience with job training programs, language skills and age, Latinos were significantly less likely than comparable whites to be either self-employed or nominal entrepreneurs. Contrary to ethnic enclave theory, working in an ethnic enclave significantly decreases the likelihood of being self-employed and of being a nominal entrepreneur. Entrepreneurship is unlikely to be able to reduce levels of poverty. For Mexican-Americans, self-employment results in a decrease in personal earnings greater than $4,000.

Tienda and Raijman (2000) disagree with Herring (2004). Using Little Village as a case study, they find that self-employment rates of Mexican immigrants are higher in neighborhoods where they are residentially concentrated ("ethnic enclaves"). In fact, self-employment might be thought of as a second job for some. Taking account of multiple job holding leads to the conclusion that self-employment is quite pervasive. Rather than resulting in lower incomes, for families involved in informal self-employment, the additional income generated often enables them to live above poverty.

CONCLUSION AND FUTURE RESEARCH

Since 1970 Latinos have played an increasingly important role in the economy of metropolitan Chicago. Their share of the labor force has grown both in the city of Chicago and in the surrounding suburbs. Initially, they found work primarily in manufacturing. Eventually, they became more likely to be employed in other sectors of the economy.

Nevertheless, even though Latino employment is no longer primarily associated with a single industry, Latinos are still concentrated in only a handful of occupations and industries. Many Latinos appear to work in the low-wage labor market of the Chicago metropolitan area, and, on average, the real income of Latinos has stagnated since 1980 while whites experienced sharp growth African-Americans a small increase in real income

The data on average real income of Latinos suggest that Latinos are not making any progress in the Chicago economy. In fact, they point to a relative deterioration in the position of Latinos relative to members of other racial or ethnic groups. However, the data, being mere averages and not longitudinal, are limited in that they cannot address the issue of income mobility over a working career. The stagnation in Latino real income may reflect more the entrance of newly arrive Latinos into low-wage jobs at the bottom of the labor market rather than the stagnation of Latino income over a working career.

Not surprisingly, the literature is inconclusive regarding Latino progress, with Paral and Ready (2005) being relatively optimistic and Koval (2004) providing a more pessimistic evaluation of Latino progress. Furthermore, the literature is not conclusive concerning the barriers to Latino labor market progress. The relative importance of "human capital" deficiencies" as opposed to labor market structure, employer policies, and labor market discrimination is still at issue. The labor market impact of immigration is also a particularly contentious issue, specifically whether Latino immigrants positively or negatively impact native workers (Rosenfeld and Tienda 1999).

Future research that more clearly delineates Latino income and occupational mobility and the factors impeding or fostering Latino economic progress is necessary, though not sufficient, for effective policymaking.

There are four primary questions for future research. First, are Latinos progressing in the Chicago area labor market and economy? Second, if they are progressing, what are the factors facilitating that progress? Third, if they are not progressing, what are the primary barriers they face? Fourth, do Latino immigrants positively or negatively impact native workers?

The literature is not conclusive regarding Latino progress. While Paral and Ready (2005) argue that the "evidence is mixed" (3), their overall perspective is one of optimism. They state the "gains in the status of Mexican immigrants during the 1990s are impressive"

(16). Koval (2004) provides a more pessimistic evaluation of Latino progress. From 1980 to 2000, the relative economic status of Mexican immigrants "has not improved over time; it has gotten worse" (24). These authors are using the same data, the decennial Censuses. However, their methodologies are different as are the questions they are asking. Nevertheless, the extent and nature of Latino progress in Chicago is still an open question.

Microdata from the 1980 to 2000 Censuses supplemented by data from the American Community Surveys for more recent years, the annual Current Population Surveys, the New Immigrant Survey covering authorized immigrants, the Mexican Migration Project database, and other data sets can be used to analyze Latino employment, earnings, work hours and unemployment. It is possible to compare the labor market experiences of immigrants and those born in the United States. While the data are not explicitly longitudinal, they do allow for approximations of career employment and earnings patterns. The economic status of first-generation, second-generation and third-generation Latinos can be studied as well as the role of education and English language proficiency in fostering Latino economic progress.

Analysts disagree on the role of ethnic enclaves in fostering or hindering Latino economic progress. Social networks evolving from ethnic enclaves may play the role of labor market intermediaries and help Latino immigrants find employment. On the other hand, ethnic enclaves may serve to "ghettoize" Latinos. The Longitudinal Employer-Household Dynamics Program at the US Census Bureau has created a database that provides information on demographic variables, employment, earnings, place of residence, and employer. This database can be used to analyze the labor markets for different Latino enclaves in Chicago and the metropolitan area. Transportation map overlays may be used to assess whether and to what extent each mode of transportation is associated with employment patterns.

Koval (2004) theorizes that the Chicago labor market is segmented along industrial and occupational lines, with many Mexicans trapped in low-paying, dead-end jobs in the periphery of the economy. He is unable to convincingly demonstrate that this is, in fact, the case. Occupational and industrial data can be used to determine the jobs in each segment of the labor market. Longitudinal data are needed to determine the extent to which Latinos have tended to spend their working lives in low-paying, dead-end jobs and the factors

causing this to occur. Current longitudinal data on Latinos in Chicago does not seem to exist. A survey should be taken of Latinos and other members of other racial and ethnic groups living in Chicago and the suburbs and differentiating low-income areas and wealthier communities. The questions should be structured to generate information about workers' careers, including positions held, pay levels, job tenure, spells of unemployment, unionization, training (both on-the-job and off-the-job), education, language proficiency, entrepreneurial activities, job search techniques, and time and patterns of travel to work. A survey of employers would complement a survey of individuals and would generate information about any changes in occupational structure, employer hiring, training, and promotion practices as well as possibilities for upward mobility within and across firms.

The labor-market impact of immigration is a particularly contentious issue. Within the Chicago area, the issue is the extent to which Latino immigrants compete with African Americans for similar jobs. Rosenfeld and Tienda (1999) investigate this issue for the 1970 to 90 time period and find support for two different views of the impact of immigration. The first is that immigrants take low-skilled jobs formerly held by native workers. The second is that immigrants help push native workers up the occupational hierarchy. Their work, while interesting, would have been strengthened by a more careful analysis of the nature of segmentation in the labor market. Occupational and industrial data can be utilized to determine the jobs in each segment of the labor market. Data from the 2000 Census together with the American Community Survey for more recent years can be used to determine the extent and nature of labor market competition between Latino immigrants and native workers more recently.

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Latinos in Chicago: Reflections of an American Landscape focuses on Latinos in metropolitan Chicago with the goal of locating them within Chicago's economic, political, and educational context and understanding the critical role that they can play in enhancing the present and future well-being of the metropolitan area. Latinos are on the frontline of a demographic revolution that in all likelihood will transform the social and economic landscape of Chicago and the nation. The white papers in this volume survey the existing state of knowledge, theoretical and factual, about metropolitan Chicago Latinos in four areas: education, work and the economy, civic participation, and urban change. The white papers are designed to be a starting point for decision-makers, stakeholders, CBOs, and other parties interested in digesting the information, understanding its implications, and using it to frame effective policies that incorporate the present reality and future prospects of Latinos within the American landscape.