

numbers during a period when job opportunities were rapidly disappearing.

It would be wrong, therefore, to assume that the repercussions of labour market restructuring on the black workforce in London have been uniformly felt. On the contrary, the distinctive variety of employment positions occupied by blacks has meant that restructuring has worked its way unevenly through the black workforce, opening doors for some and closing them for others. And these repercussions have not all been negative, although it is quite clear that black workers in general have fared less well than whites. Whatever understanding we may reach concerning the processes which lie behind these tendencies described here must recognise the significance of this variation within the black workforce if the pitfalls of overgeneralisation are to be avoided.

Rather similar conclusions apply to the changing experience of blacks in the London housing market. The pattern of black housing tenure has changed dramatically in the space of ten years as blacks have moved out of the private rented sector into owner-occupation and council renting. The experiences of West Indians and Asians have, however, been very different. While Asians have become increasingly concentrated in owner-occupation, West Indian owner-occupation rates appear to have fallen slightly, and West Indians have become increasingly concentrated in the council sector. While these changes undoubtedly indicate an improvement in black housing conditions, other evidence indicates that many blacks may have simply swapped poor private rented accommodation for inferior owner-occupied and council rented housing. To this extent, the improvement in their housing conditions is likely to have been far less dramatic than the tenure evidence indicates. The growing number of Asian home-owners may have achieved a greater degree of personal control over their housing circumstances, but there is considerable evidence to show that much of the housing is in poor condition, requiring repairs.

Appendix

Derivation of occupational classification

Primary non-manual: Managerial, professional, intermediate non-manual workers and own account farmers (socio-economic groups 1–5, 13).

Secondary non-manual: Junior non-manual workers (socio-economic group 6).

Primary manual: Skilled manual workers and the self-employed (socio-economic groups 8, 9, 12 and 14).

Secondary manual: Service workers, semi-skilled and unskilled manual workers (socio-economic groups 7, 10, 11 and 15).

9

Native blacks, new immigrants and the post-industrial transformation of New York

If New York's brush with fiscal insolvency in the mid-1970s signalled the end for America's industrial economy its revival in the 1980s heralded the emergence of the nation's largest centre for world services. For the smokestack cities of the industrial heartland, with their specialised concentrations of industrial capital and labour, there is seemingly no replacement for the run-of-the-mill production activities that are steadily eroding under the twin impacts of technological change and international competition. But in the largest urban agglomerations in the US, Chicago, Los Angeles and, most importantly, New York, manufacturing is rapidly ceding place to a different set of activities centred around information processing and the transaction of business deals.

In the course of this transition from goods to services, the demographic base of America's largest urban places has simultaneously been transformed. The era of the post-industrial transformation has brought the city two distinctive, largely non-white inflows: first, a movement of displaced blacks from the technological backwaters of the agrarian south; and more recently, a wave of newcomers from the labour surplus areas of the developing world, in numbers that rival the great immigrations at the turn of the twentieth century.

Thus the city of services is also an increasingly non-white city; the central question in urban research is consequently the relationship of the city's new population base to its present economic functions. There are two stories of how the new, minority population groups fit into the new urban economy. One story is essentially that they do not. This is the tale of 'two cities', of the 'new urban reality' of elite and of largely minority poor, in which the city's advanced service base has rendered useless those low-skill residents who had earlier been recruited for the inner-city manufacturing jobs now irrevocably gone.¹ The second story is that, far from being useless, the minority populations are the new drawers of water and

hewers of wood. The large urban economy, as this story has it, has not only been transformed, it has been polarised. In this version, it is the rich who need the poor, since the latter prove most suitable for providing low-cost services, maintaining the city's underbelly and propping up what remains of the depressed manufacturing sector.²

This chapter offers an alternative to these two prevailing views of the urban post-industrial transformation. The prism is that of New York City, where the economic sea-change is most in evidence and the era of a 'majority minority' city, made up almost evenly of native and foreign non-whites, seems close at hand.³ The argument is twofold: first, that the succession of new for old populations has mediated the impact of the shift from goods to services; and second, that the driving force of change has been an upward shift in the social structure of the remaining white population, creating vacancies into which non-whites have stepped.

Economic and demographic transformations

New York shifted from goods to services earlier than did the rest of the United States. In 1950, proportionally fewer New Yorkers worked in manufacturing than was true for the nation as a whole and thereafter goods production employment swiftly began to decline. Though the 1950s and 1960s were boom times for the local economy, these two decades were a period of steady decline for New York's manufacturing sector, whose erosion slowed only in the late 1960s, when the nation's superheated economic environment kept New York's old and obsolescent plant in demand. However, the fall-off in goods production was more than compensated by two other developments. Most important was the continued build-up of New York's white-collar, corporate complex. Changes in technology brought new jobs in communications (television) and transport (air); a robust economy led to growth in advertising; the merger mania of the 1960s and the expansion of government regulation meant additional work for New York's corporate offices; and the burst of economic growth in the 1960s spurred a build-up of jobs on Wall Street. While expansion of the private white-collar sector took up part of the slack created by the decline of manufacturing in this way, public employment burgeoned in the 1960s, thus further offsetting any losses in the factory job sector.

The apogee of New York's growth was reached in 1969; thereafter the decline was brutal and swift. Nixon's attempt to curb inflation sparked off a minor recession in 1969; for New York City, however, the downswing produced major job losses. While the rest of the nation soon pulled out of the doldrums, jobs continued to seep out of New York. The root prob-

lems were twofold. The 1970s marked the passage to a new stage of intensified interregional and international competition in which capital became increasingly footloose and a revolution in permissive technology speeded up the relocation of jobs from high- to lower-cost areas. Under the impact of this change, New York's manufacturing complex – with its antiquated and inefficient infrastructure, outdated plant, and high-cost labour – could no longer stand up. However, the 1970s were also bad times for the once vibrant white-collar sector. Wall Street went from bull market to bear market as falling stock-market prices registered the effects of the weakening US economy and the squeeze on large corporate profits. To cut costs, the securities firms sought to reduce their back office operations, filled mainly with low-level clerical functionaries; this marked the first phase of office automation and it speeded the winnowing-out process. Further job losses occurred when large corporations moved their headquarters to the suburbs – an event of increasing frequency in the 1970s. The weakening of the export sectors brought inevitable decline to the local economy industries: the city's very large wholesaling/retailing complex was particularly hard hit.⁴

Then in 1977 the erosion stopped, and since that time, the city's economy has marched steadily forward. The precise causes of the turnaround are still a matter of debate, but what appears to have happened is that New York's role as a purveyor of advanced services generated a new set of agglomeration economies that first halted and then reversed the city's economic decline. New York is now principally host to activities centred on the processing of information and the transaction of high-level business deals, all of which are increasingly international in scope. The city's pull on these activities is in part due to its size, which both permits extensive specialisation in legal, financial, consulting and other services, and attracts the massive corps of highly trained talent on which an international post-industrial business depends. For a variety of reasons – having to do with the volatility of financial markets, the importance of discretion, the absence of routinisation – many of these actors rely on face-to-face communication and hence are bound together. Gradually, the strength of the export-oriented advance services has spilled over into the local economy industries, which now show renewed vigour. Manufacturing remains the weak reed, however, though even in this sector the pace of decline has slowed a bit.⁵

The job shifts wrought by these changes in New York's economic function can be steadily grasped from Table 9.1. Manufacturing, the single largest employer in 1950 and the employer of one of every three working New Yorkers, had slipped behind finance to fifth place as of 1985. In its place, the service sector now provided the single largest block

Table 9.1 *Employment by sector, New York City, 1950–85 (in thousands)*

	1950	1969	1977	1985
Total	3,468.2	3,797.7	3,187.9	3,466.0
Construction	123	105.7	64.2	94.9
Manufacturing	1,038.9	825.8	538.6	425.6
TCU	331.5	323.0	258.2	235.2
Wholesale/Retail	754.8	749.1	620.1	626.9
Wholesale	n/a	309.2	248.0	245.8
Retail	n/a	439.9	372.1	381.1
FIRE	336.2	464.2	414.4	504.8
Services	507.7	779.8	783.2	1,031.4
Government	374.4	547.0	507.8	544.0

Note: TCU = Transportation, Communications, Utilities
 FIRE = Finance, Real Estate and Insurance

Source: United States, Bureau of Labor Statistics, *Employment, Hours, and Earnings, States and Areas, 1939–1982*, V II, Bulletin 1312–17; United States, Bureau of Labor Statistics, *Supplement to Employment, Hours, and Earnings, States and Areas, Data for 1980–1984*, Bulletin 1370–19; New York City, Office of Economic Development, *Quarterly Report*, November 1985

of jobs; in comparison to 1950, when only 15 per cent of working New Yorkers made their living in the services, they employed 33 per cent as of 1985.

Thus, New York City's economy has gone from boom to bust to better times. It would be churlish to quarrel with the city's recent success in generating new jobs. Yet, the worry is that New York has undergone demographic changes over the past three decades that have been just as transforming as the economic shifts, and it is not at all clear how the city's new population groups fit into its new economic base.

The demographic transformation of New York can be divided into two phases. Phase I, which began with the end of World War II and lasted up to the end of the 1960s, involved the exodus of the city's white population and the massive immigration of displaced black sharecroppers from the South and of Puerto Ricans uprooted by the island's modernisation. In Phase II, the white exodus continued. What changed was that the black and Puerto Rican inflows halted, to be replaced by a vast influx of newcomers from abroad. The starting point for this latter change was the liberalisation of US immigration laws in 1965: as Table 9.2 shows, New York has since been a mecca for the nation's immigrants, much as it had been in the early twentieth century. Between 1966 and 1979, the city absorbed over one million legal immigrants; the 1980 census recorded 1,670,000 foreign-born New Yorkers, of whom 928,000 had come to New

Table 9.2 *Immigration to the United States and New York City, 1966–79 (in thousands)*

Years	United States	New York City	New York City as percentage of US
1966–79	5834.0	1053.6	18.1
1966	323.0	61.2	18.9
1967	362.0	66.0	18.2
1968	454.4	75.4	16.6
1969	358.6	67.9	18.9
1970	373.3	74.6	20.0
1971	370.5	71.4	19.3
1972	384.7	76.0	19.8
1973	400.2	76.6	19.1
1974	394.9	73.2	18.5
1975	386.2	73.6	19.1
1976	500.5	90.7	18.1
1977	462.3	76.6	16.6
1978	601.4	88.0	14.6
1979	460.3	82.4	17.9

Source: US Department of Justice, Immigration and Naturalization Service, *Statistical Yearbook of the Immigration and Naturalization Service*, annual editions

York City after 1965. The new immigration, as can be seen from the data presented in Table 9.3, has mainly brought the Third World to the First World. Despite the city's large population of European immigrants, Latin Americans, Caribbeans and Asians have accounted for the lion's share of the new arrivals.

How well suited are these new New Yorkers to the city's evolving economy? The post-war migrants arrived with low levels of schooling and, in the case of Puerto Ricans, were further handicapped by lack of English-language facility. Yet, because they arrived at an opportune time, they found a place in New York's then thriving economy. But many of those initial entry-level jobs have since been lost. While the skill and educational levels of black and Puerto Rican New Yorkers have also been upgraded in the interim, it is not clear that they have caught up as quickly as employers have lifted their job requirements. The same questions apply to the immigrants. Though some component of the new immigration consists of a 'brain drain', the majority of newcomers arrive with skills of low to middling levels. The proportion of all immigrants to the US reporting prior professional or related experience has fallen steadily since 1971; the data available indicate that the share of professionals among the newcomers to New York is lower still.⁶

Table 9.3 *Immigrants arrived in the United States between 1965 and 1980 and living in New York City in 1980*

Dominican Republic	98,420
Jamaica	76,280
China	62,420
Haiti	43,780
Italy	42,000
Trinidad/Tobago	34,300
Colombia	33,200
Ecuador	32,960
USSR	32,640
Guyana	29,420
Greece	26,000
Cuba	23,520
India	20,680
Philippines	18,920
Korea	17,620
Barbados	14,520
Yugoslavia	14,260
Panama	12,120
Poland	10,760
England	10,520
Israel	10,260

Source: 1980 Census of Population (Public Use Microdata Sample)

Thus, the characteristics of New York's new demographic base seem compatible with either of the two stories of the urban post-industrial transformation reviewed in the introduction above. On the one hand, the low skill and educational levels of the minority populations should make them poorly matched with the rising job requirements of post-industrial employers. On the other hand, the very substantial and constant flow of recent immigrants suggests that the problem is not so much a paucity of entry-level jobs, as it is the absence of opportunities to move from bottom to top.

Ethnic succession and employment change: another look

There is, however, another possible interpretation of the fit between New York's economic functions and its demographic base; this interpretation begins with Table 9.4. This table presents data from the public use microdata samples of the 1970 and 1980 censuses of population (the former is a 1 per-cent sample; the latter a 5 per-cent sample). Though the decennial censuses are somewhat dated for my purpose, they are unique,

Table 9.4 *Changes in employment for ethnic groups, New York City, 1970-80^a*

	Employment			Job change		
	(1)	(2)	(3)	(4)	(5)	(6)
	1970	1980	Expected	Actual	Actual-expected	Actual-expected/ 1970 employment %
White native	1,785,200	1,382,980	-155,939	-402,220	-246,281	-13.8
White foreign-born	417,400	315,520	-36,460	-101,880	-65,420	-15.7
Black native	462,700	440,180	-40,417	-22,520	+17,897	+3.9
Black foreign-born	55,500	170,320	-4,848	+114,820	+119,668	+215.6
Asian native	8,000	10,460	-699	+2,460	+3,159	+39.5
Asian foreign-born	31,200	108,740	-2,725	+77,540	+80,265	+257.3
Hispanic native	242,000	232,640	-21,139	-9,360	+11,779	+4.9
Hispanic foreign-born	132,700	205,520	-11,591	+72,820	+84,411	+63.6

Note: ^a Data in this and all following tables for employed New York City residents, aged sixteen and over
Source: 1970 and 1980 Censuses of Population (Public Use Microdata Sample)

and hence indispensable, for the detailed data on ethnic and occupational characteristics that they provide.

Table 9.4 organises the population according to eight synthetic ethnic groups, classified by ethnicity and nativity: white native, white foreign-born, black native, black foreign-born and so on. It shows the number of jobs held by each of these different ethnic groups in New York City in 1970 and 1980. The table also tells us (in column 4) how many jobs each group would have been expected to lose had its losses been proportional to the decline suffered by the overall economy during this period, when employment fell by 8.56 per cent, from 3,191,370 jobs in 1970 to 2,918,183 in 1980. The table then shows how many jobs the group actually lost and what the difference was between expected and actual employment loss.⁷

Here is where we begin to glimpse a different set of dynamics affecting the process of job change in post-industrial New York. The reason is that the biggest job losers over the course of the 1970s, both quantitatively and proportionally, were ... whites! In fact, the job loss for native and foreign-born whites together was almost twice as great as the total job loss for all New Yorkers.

Why so many whites lost jobs during this period is difficult to say – some undoubtedly began to work in the suburbs after moving there (and we know that there was substantial white out-migration to the suburbs during this time); some joined the vast tide of migrants headed to the sunbelt; some simply left the labour force (looking at the job loss for white immigrants, it is worth remembering that the large cohort of European immigrants who arrived between 1900 and 1915 reached retirement age during this period). But the reasons for white job loss are not nearly half as interesting as their possible effects. What should happen after such a large outflow is that it sets in motion a chain of vacancies up and down the job hierarchy. Moreover, ethnic shifts of this magnitude should have greatly altered gatekeeping mechanisms. Keeping blacks or other minorities out of jobs is one thing when there are plenty of whites among whom to choose, but the costs of discrimination rise when there are fewer whites competing for the jobs available. Similarly, there is a high level of arbitrariness in entry-level requirements. It is well documented that most blue-collar employers do most of their skill training on the job floor and that their hiring criteria are mainly designed to screen out 'bad prospects', not unskilled workers. By contrast, office employers often prefer 'pink-collar' workers to obtain their clerical skills prior to employment. But there is ample evidence of considerable variation among otherwise similar office employers with respect to skill requirements and provision of on-the-job training; this suggests that hiring procedures can be altered if changes on the supply side require that new labour force groups be recruited.⁸

Just how recruitment practices changed in response to shifts in the labour supply is a question that, unfortunately, I cannot directly answer. To my knowledge, no one has done the type of fieldwork that would allow us to look inside the white-collar recruitment and training process. But the data available do allow us to trace the changes in employment position over the 1970–80 period for different groups and to account for the various components of their job change.

I have attempted to do this for four ethnic groups: native born whites, native blacks, foreign Hispanics and foreign Asians. The choice of the four was made partially for reasons of expediency, that is, to avoid a blizzard of tables and numbers, but more importantly, because each group's fate has an importance in itself. In both 1970 and 1980 native whites were the dominant and most numerous group in the labour market; hence, any change, not only in their number but in their position, would be of consequence to all others. The progress of native blacks is a question of obvious concern; it is this group, above all, that has been the main focus of affirmative action and equal opportunity programmes over the past two decades. Foreign-born Hispanics are of interest because they have apparently moved into the lower rungs of the city's economy and they exemplify, if any group does, the situation of newcomers that are confined to the bottom stratum of the labour force. Finally Asians have played a distinctive and more specialised economic role than the other groups and seem akin to the earlier European immigrants in their predisposition for small business and entrepreneurship.

Table 9.5 presents the data on job change for native whites. Column 3 shows that native white employment declined by almost one-fourth: that native whites lost employment in every industry but two, professional services and miscellaneous (the latter consisting mainly of entertainment); and that sizeable losses were sustained in the FIRE and business service industries, two key components of the advanced services complex. The following four columns provide an accounting of the components of the job changes of native whites over the 1970–80 period. Some job change should have taken place simply because certain industries grew while others declined; additional job loss can be expected to have ensued because whites withdrew from the local economy in such large numbers; and any white loss or gain in particular industries, discounting industry change or change in group size, would add still another component to overall job change. What the table tells us is that the principal contribution to job change was the decline in the size of the native white labour force (column 4). Whites also lost substantial numbers of jobs due to industry change, but less than would have been expected and less than would have been proportionate to the decline in the total economy

Table 9.5 Components of job change: native whites in New York City, 1970-80

	Employment			Change due to			
	(1) 1970	(2) 1980	(3) Change	(4) Group size	(5) Industry change	(6) (5) Adjusted for (4)	(7) Share
Total	1,785,200	1,382,980	-402,220	-246,281	-135,140	-381,421	-20,799
Construction	57,400	34,620	-22,780	-7,918	-17,095	-25,014	2,233
Manufacturing	304,800	189,620	-115,180	-42,049	-58,976	-101,026	-14,154
Transport	156,400	104,800	-51,600	-21,576	-39,523	-61,100	9,499
Wholesale	99,100	74,200	-24,900	-13,672	-13,514	-27,185	2,285
Retail	245,900	173,480	-72,420	-33,924	-37,527	-71,450	-969
FIRE	209,900	181,200	-28,700	-28,957	997	-27,960	-739
Business services	108,200	98,660	-9,540	-14,927	8,585	-6,345	-3,198
Personal services	43,400	24,440	-18,960	-5,987	-13,100	-19,087	127
Professional services	222,700	236,680	13,980	-30,723	38,450	7,727	6,253
Miscellaneous	33,300	36,120	2,820	-4,594	2,606	-1,987	4,808
Public Sector	304,100	229,160	-74,940	-41,953	-6,043	-47,996	-26,944

Note 1970/80 Index of Dissimilarity: 7.8

Source: See Table 9.4

(column 5). Additional jobs were lost because native whites suffered a net loss in their share of particular industries: adding up column 6 (which measures the effect of industry change adjusted for change in group size) and column 7 produces the net loss of 402,220 jobs.

There is more to be learned from taking a closer look at column 7, which shows the change in native whites' share of particular industries. The greatest losses took place in the public sector and in manufacturing, and these two instances of loss in share highlight the consequences of natives whites' upward shift in social structure. In the first case, total employment in New York's public sector declined during the 1970s under the impact of the city's fiscal crisis. However, jobs were mainly shed through attrition, not lay-offs – which means that the bulk of withdrawals from the public sector were made by senior civil servants who were most likely to have been white. Thus, while municipal employment fell from 285,856 in 1975 to 236,586 in 1979, the white share of employment dropped from 67.5 per cent to 63.2 per cent. Moreover, a second consequence of the fiscal crisis was that the real earnings of municipal employees plummeted, reducing the pool of white labour who had access to better paying jobs. Since municipal hiring resumed in the late 1970s, the trend has been toward a steady increase in percentage non-white hired, with non-whites now comprising a majority of new hires. Similar conditions apply in the case of manufacturing. The severe erosion of New York's production base led to a sharp decline in real wages and a deterioration in working conditions and employment stability – provoking a further reduction in the availability of white labour. Whatever the sources of shift in share, the 1970/1980 index of dissimilarity – which measures the net 1970-80 change in native whites' distribution among the various industries – shows that this group ended the decade in a position very different from where it began.⁹

Table 9.6 presents the data on job change for native blacks. Overall, native black employment declined over the decade; the sharpest fall-offs were registered in personal services, retail, TCU and manufacturing; however, employment also increased in the public sector and in the three advanced services sectors – professional services, business services and FIRE. The main source of job loss was industry change: those industries in which blacks were concentrated in 1970 were also the industries that suffered the greatest erosion over the following ten years. Column 7 is also of interest. It shows that blacks suffered a net loss in share, but that considerable reshuffling in their employment among industries also transpired – most notably, a large increase in public sector jobs.

Table 9.7 shows the pattern for Hispanic foreign-born. This group experienced increases in every industry – including the advanced services.

Table 9.6 Components of job change: native blacks in New York City, 1970-80

	Employment			Change due to			
	(1) 1970	(2) 1980	(3) Change	(4) Group size	(5) Industry change	(6) (5) Adjusted for (4)	(7) Share
Total	462,700	440,180	-22,520	17,987	-37,443	-19,545	-2,975
Construction	12,900	8,100	-4,800	499	-3,842	-3,343	-1,457
Manufacturing	59,900	51,920	-7,980	2,316	-11,590	-9,273	1,293
Transport	45,800	32,580	-13,220	1,772	-11,574	-9,802	-3,417
Wholesale	13,500	13,120	-380	522	-1,840	-1,319	939
Retail	51,600	41,660	-9,940	1,996	-7,874	-5,879	-4,061
FIRE	34,100	36,580	2,480	1,319	162	1,480	999
Business services	22,900	25,840	2,940	886	1,817	2,703	237
Personal services	41,100	20,560	-20,540	1,590	-12,406	-10,816	-9,724
Professional services	46,700	56,440	9,740	1,806	-8,063	9,869	-129
Miscellaneous	6,400	4,300	-2,100	248	501	748	-2,848
Public sector	127,800	149,080	21,280	4,943	-2,540	2,403	18,876

Note 1970/80 Index of Dissimilarity: 10.9

Source: See Table 9.4

Table 9.7 Components of job change: foreign Hispanics in New York City, 1970-80

	Employment			Change due to			
	(1) 1970	(2) 1980	(3) Change	(4) Group size	(5) Industry change	(6) (5) Adjusted for (4)	(7) Share
Total	132,700	205,520	72,820	84,412	-17,909	66,503	6,317
Construction	3,900	4,040	140	2,481	-341	2,140	-2,000
Manufacturing	44,200	70,720	26,520	28,116	-13,164	14,952	11,568
Transport	7,200	10,860	3,660	4,580	-1,393	3,187	473
Wholesale	5,700	8,480	2,780	3,626	-777	2,849	-69
Retail	19,500	29,880	10,380	12,404	-2,976	9,428	952
FIRE	12,300	18,680	6,380	7,824	58	7,883	-1,502
Business services	7,200	13,000	5,800	4,580	5,718	5,151	649
Personal services	8,500	13,340	4,840	5,407	-2,566	2,841	1,999
Professional services	16,000	17,860	1,860	10,178	2,763	12,940	-11,080
Miscellaneous	800	2,560	1,760	509	63	571	1,189
Public sector	7,400	16,100	8,700	4,707	-147	4,560	4,140

Note 1970/80 Index of Dissimilarity: 5.0

Source: See Table 9.4

The greatest gains, however, came in two industries where native black employment suffered considerable erosion over the same period: manufacturing and retail. Like native blacks, foreign Hispanics began this period in industries that were to perform poorly over the next ten years: hence the net job losses attributable to industry change. But in contrast to blacks, Hispanics replaced whites in the industries from which the latter withdrew: virtually all of the gain in foreign Hispanic employment was due to a change in the group's size. Column 7 is once again a source of considerable interest. Foreign Hispanics gained in their net share of individual industries – but to a very limited extent; only in manufacturing, an industry in which they were already concentrated, did foreign Hispanics make a sizeable increase in share. The end result was that foreign Hispanics ended the decade in much the same industries they began in – as the very low 1970/80 index of dissimilarity shows.

Table 9.8, which contains the data for the foreign-born Asians presents still another picture. As with the Hispanics, Asians gained jobs in every industry; similarly, change in group size was the motor engine of their increase in employment. Though little change transpired in foreign Asians' net share, a look at column 7 points to significant shifts in Asians' share of individual industries. On the one hand, those industries that contain a preponderance of low-level jobs show either a loss in share (retail and personal services) or a very slight gain (manufacturing). On the other hand, substantial gains in share were made in two advanced service sectors – FIRE and professional services. Thus, while change in group size accounted for the bulk of net job changes, Asians also repositioned themselves to a greater extent than any other group – as indicated by the high 1970/80 index of dissimilarity.

Occupational repositioning

Of course, it is one thing to gain access to the growth sectors of the economy; quite another to get employed in those same industries in higher-level jobs. The shift in economic function from goods to services altered the occupational profile of New York's economy, further swelling the white-collar component. The net white-collar gain, from 59 per cent employed in white-collar jobs in 1970 to 62.5 per cent in 1980, was relatively slight because quite sizeable gains in professional and managerial employment were offset by still heavier losses in clerical and sales jobs. Still, the overall increase in white-collar jobs means that some minority and immigrant gain in white-collar employment could be expected simply on the basis of their shift into service industries. Yet the industry shifts analysed above might also be compatible with the 'hewer of wood' story –

Table 9.8 Components of job change: foreign Asians in New York City, 1970–80

	Employment			Change due to			
	(1) 1970	(2) 1980	(3) Change	(4) Group size	(5) Industry change	(6) (5) Adjusted for (4)	(7) Share
Total	31,200	108,740	77,540	80,265	-3,260	77,005	435
Construction	100	1,160	1,060	257	-30	227	833
Manufacturing	7,200	25,920	18,720	18,522	-1,393	17,130	1,590
Transport	800	4,520	3,720	2,058	-202	1,856	1,864
Wholesale	1,400	6,160	4,760	3,602	-191	3,411	1,349
Retail	10,100	27,060	16,960	25,983	-1,541	24,442	-7,482
FIRE	1,200	9,000	7,800	3,087	6	3,093	4,707
Business services	1,400	3,920	2,520	3,602	111	3,713	-1,193
Personal services	2,100	4,340	2,240	5,402	-634	4,769	-2,529
Professional services	3,700	16,680	12,980	9,519	639	10,158	2,823
Miscellaneous	400	580	180	1,029	31	1,060	-880
Public sector	2,800	9,300	6,500	7,203	-56	7,148	-648

Note: 1970/80 Index of Dissimilarity: 12.2

Source: See Table 9.4

namely, that the gains registered by native blacks, foreign Hispanics, and foreign Asians in the advanced service sectors reflected nothing more than their hiring as cleaners, janitors and so on.

Table 9.9 shows the changes in white-collar employment for the total labour force and for the four ethnic groups at issue in this chapter. As column 3 shows, the number of white-collar jobs declined by almost 68,000, but far steeper declines were experienced by native whites. The white-collar job loss for this group was three times the decline for the total economy; it lost jobs in three of the four white-collar categories; only in the managerial category was there a net white gain, and in this instance, native whites obtained just over a third of the new managerial jobs created over the course of the decade. By contrast, native blacks, foreign Asians, and foreign Hispanics made very substantial inroads in every white-collar category, with the exception of sales jobs for native blacks.

To what extent changes in occupational position can be linked to shifts in group size can be grasped by examining columns 4 through 6. Column 4 tells us how many jobs a group would have lost or gained had its employment in an occupation changed proportionate to its total employment; column 5 shows the difference between actual and expected employment; and column 6 shows this difference as a percentage of 1970 employment. One conclusion is that in addition to the replacement demand arising from the disproportionate white decline, native whites created further vacancies by repositioning themselves within the white-collar hierarchy. A second conclusion, however, is that the non-white population became further differentiated in the process of moving into the white-collar jobs left vacant by whites. Foreign Asians were the greatest beneficiaries of succession, both in numbers and in proportion. Though gains in professional employment were less than expected on the basis of total employment growth, the disproportionately large gains in managerial and, especially, sales employment suggest that job growth for Asians was linked to the strength of the Asian-immigrant sub-economy. Although blacks' gains were not as great as Asians', the blacks' increase in the white-collar sector was substantially greater than expected, with the result that by 1980 more than half of all native blacks were employed in white-collar jobs. As noted above, only in sales was there any black loss in employment, suggesting continued aversion of whites to face-to-face contact with blacks in selling jobs and/or competition with immigrants, whose gains in retailing have already been observed. While native blacks and foreign Hispanics further penetrated the white-collar sector, foreign Hispanics lost ground. Net white-collar job gains for this group were slight: because total foreign Hispanic employment increased substantially

Table 9.9 Occupational shifts in New York City 1970-80

	Employment			Expected change	Actual-expected	Actual-expected/ 1970 employment
	1970	1980	Change			
<i>Total employment</i>						
Professional and technical	500,600	533,560	32,960	-43,728	76,688	15.3
Managers	250,100	314,960	64,860	-21,846	86,706	34.6
Sales	226,200	177,920	-48,280	-19,759	-28,521	12.6
Clerical	883,400	765,960	-117,500	-77,166	-40,334	-4.6
White Collar	1,860,300	1,792,340	-67,960	-162,499	94,539	5.1
<i>White native</i>						
Professional and technical	355,000	335,380	-19,620	-79,984	60,364	17.0
Managers	172,100	196,740	24,640	-38,776	63,416	36.8
Sales	159,400	112,880	-46,520	-35,914	-10,606	-6.7
Clerical	562,300	399,020	-163,280	-126,691	-36,598	-6.5
White Collar	1,248,800	1,044,020	-204,780	-281,364	76,585	6.1
<i>Black native</i>						
Professional and technical	43,100	56,460	13,360	-2,098	15,458	35.9
Managers	14,100	25,960	11,860	-689	12,546	89.0
Sales	14,900	13,840	-1,060	725	-335	-2.2
Clerical	134,300	146,060	11,760	-6,537	18,297	13.6
White Collar	206,400	242,320	35,920	-10,046	45,966	22.3

Table 9.9 (cont.)

	Employment				Expected change	Actual-expected	Actual-expected/ 1970 employment
	1970	1980	Change				
<i>Hispanic foreign-born</i>							
Professional and technical	11,900	15,780	3,800	6,530	-2,730	-22.9	-82.1
Managers	5,900	13,980	8,080	3,238	4,842	-4.3	-33.5
Sales	5,100	7,680	2,580	2,799	-219	-1.7	
Clerical	29,800	36,160	6,360	16,353	-9,993		
White Collar	52,700	72,520	19,820	29,819	-9,099		
<i>Asian foreign-born</i>							
Professional and technical	7,600	25,400	17,800	18,888	-1,088	-14.3	64.8
Managers	3,000	12,400	9,400	7,456	1,944	946.4	77.9
Sales	400	5,180	4,780	994	3,786	52.3	
Clerical	4,300	18,340	14,040	10,687	3,353		
White Collar	15,300	61,320	46,020	38,024	7,996		

Source: See Table 9.4

during this period (see Table 9.4), the proportion of this group working in white-collar jobs actually declined between 1970 and 1980.

Conclusion

What place is there for minorities in the post-industrial economies of the nation's cities? In New York, as this chapter has shown, the shift from goods to services has gone hand in glove with a decline in the availability of white workers, creating a replacement demand for non-white workers. Overall, the fall-off in white employment greatly exceeded the shrinkage in the local economy: the simple outflow of whites from the New York economy left vacancies into which non-white workers could step. While the size of the white labour force diminished, it also repositioned itself over the course of the 1970s: shifts in the distribution of whites, out of clerical and sales jobs, and out of public sector jobs, in particular, created further opportunities for non-white succession.

Yet there is more at work than a simple process of succession. Non-whites have been incorporated in New York's post-industrial economy in a way that has yielded a new ethnic division of labour. As evidence, consider the public sector: in 1980, the employer of one-third of all native blacks, it employed only 8.5 per cent of foreign Asians and 7.8 per cent of foreign Hispanics. Or look at a stronghold of immigrant employment – manufacturing – with a third of foreign Hispanics and almost a quarter of foreign Asians, but less than an eighth of native blacks. Focussing on sector emphasises differences in economic role, but the new ethnic division of labour can also be characterised in terms of position. Roughly speaking, whites continue to monopolise the best rewarded positions: they dominate the growth industries and are increasingly concentrated at the top of the white-collar hierarchy. Native blacks and foreign Asians are taking up the middle grounds left by white outflows and repositioning, though for blacks this is mainly in the public sector, while for Asians it is mainly in the private economy. Foreign Hispanics continue to be relegated to low-level positions in the declining segments of the economy: despite large increases in group size, these newcomers have mainly piled up in the traditional menial immigrant concentrations.

The emergence of a new ethnic division of labour also implies competition for jobs; and though these conclusions are provisional, the big losers in this process appear to be native blacks. Compare, for example, Tables 9.5–7. Whereas immigrants gained jobs in every industry, blacks lost jobs in every instance, save advanced services and public employment. Or consider column 7 in Table 9.5. Substantial gains in share occurred only in the public sector – an industry of diminishing attrac-

tiveness for whites, but where blacks' political claims gave them significant advantages over the immigrants. By contrast, blacks lost share in construction, where both whites and immigrants gained share, the former in the large-scale, unionised commercial sector, the latter in the small-scale, non-union additions and alterations sector.

Why native blacks might be losing ground to immigrants is a complex process. The details of this question cannot be pursued here, but several possibilities are apparent. Job loss to immigrants might occur if employers were directly substituting immigrants for blacks – a development of some likelihood, but yet with little confirmation in the empirical literature. A more important source of job loss is a type of indirect competition that occurs when immigrant firms that recruit through the immigrant community expand at the expense of native (largely white-owned) firms that heretofore employed blacks. Developments of this type might explain the black losses in manufacturing, retail and construction as well as the fact that blacks lost jobs in sales, an occupation in which both Asian and Hispanic immigrants made very substantial gains. Still another factor working against blacks in competition with immigrants is a shift in the supply curve of black labour. On the one hand, expectations of reward among native blacks probably increased as the group moved into middle-level positions in the economy. On the other hand, real earnings in industries like manufacturing, retail and personal services declined while the simultaneous influx of immigrants lowered the status associated with these jobs.

These conclusions are tentative; hence this chapter can end on the familiar call for further research. But our findings do suggest that research on the post-industrial transformation be redirected. Rather than another study emphasising the mismatch between urban employers and the urban, non-white population, what is needed is a closer look at the interaction between population dynamics and labour demand and more attention to the complex processes by which America's increasingly variegated minority populations adapt to the post-industrial economies in which they live.

Notes

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1 See Sternlieb and Hughes 1983, and Kasarda 1983a and 1985.

2 See Harrison 1982 and Sassen-Koob 1984.

3 Calculations from Bureau of Labor Statistics data (1983) show that New York now ranks first among major American cities in its share of private-sector employment in services and next-to-last, after government-dominated Wash-

ington, DC in the share provided by goods production (see *Geographic Profile of Employment and Unemployment*), Table 27. 'Selected metropolitan areas and cities: employed civilians in nonagricultural industries by sex, race, Hispanic origin, and industry, 1983 annual averages'). The 1980 census of population found that 48 percent of New Yorkers were non-white.

4 For further discussion of New York City's economy, with reference to the problems of the industrial regions of the north-eastern USA, see the essays in Sternlieb and Hughes 1976.

5 Important accounts of New York's economic revival, within the context of the changing economic functions of American cities, are Cohen 1981, and Noyelle and Stanback 1984.

6 Details on these demographic changes can be found in Tobier 1984 and 1982.

7 Data from the censuses report employment for New York City residents only; this raises the possibility that the disproportionate decline in white employment represents a shift in residence from city to suburb and not a drop in white share. Commuting is not especially prevalent in the New York City area, especially in comparison to other major US cities, and the proportion of New York City residents who commute out to the suburbs is very low. However, commuters gained almost 50,000 jobs between 1970 and 1980, with the result that the commuter share of employment rose from 18 to 21 per cent. Since the great bulk of this increase was due to the rise in the number of non-white commuters, the job patterns of New York City residents should resemble the job patterns of all workers with jobs located in New York City.

8 See Doeringer and Piore 1971 and Osterman 1983.

9 Data on public employment from McCormick 1984 and Horton 1986.