not stand up empirically, as low skill jobs did not proliferate and immigrants did not concentrate in the growing, service sectors.

In this paper, we shift the focus of debate from an argument about which sectors are really growing, to a discussion of the interaction between changing ethnic proportions in a population and structural shifts. In this process, the key factor is compositional change—the relative decline in the white population—which creates replacement demand for non-white workers. Thus, in New York, the employment problems of blacks had little to do with confinement to declining industries but rather their difficulties in building an employment base in the growing sectors. By contrast, immigrants succeeded in increasing their employment despite concentration in declining industries both by dramatic increases in their shares of those industries as well as gains in industries where they had previously found little work.

ENDNOTES

1This argument is further developed in Waldinger (1986-87); Bailey (1989); and Bailey and Waldinger (1991).


REFERENCES


For many observers, the influx of immigrants into New York’s garment industry seemed to exemplify the deleterious impact of undocumented immigration: native displacement and a simultaneous deterioration of wages and working conditions. This article argues that this conventional view is incorrect. There is little evidence linking immigrant presence to the availability of undocumented workers. Rather, the immigrant presence is the consequence of the industry’s basic labor strategy; immigrants have moved into garments as an older labor force deriving from earlier waves of migration has cycled out.

From the late 1960s to the final passage of IRCA in 1986, the question of undocumented immigration dominated the immigration policy debate. While a variety of concerns moved undocumented immigration to the top of the policy agenda, there can be little question that policymakers were particularly attentive to the effects of undocumented immigration on the wages and employment of natives. Despite abundant evidence to the contrary, legislators generally concurred with the conventional view, fearing that the jobs of native-born workers were threatened by undocumented immigrants who were willing to work long and hard hours for low wages at substandard conditions. Thus, the Report of the Senate Judiciary Committee on the 1985 Immigration Reform and Control concluded that:

we believe that there have been adverse job impacts, especially on low-income, low-skilled Americans, who are the most likely to face direct competition, even though we also perceive a degree of short term economic advantage from the use of “cheap” labor. Such adverse impacts include both unemployment and less favorable wages and working conditions (quoted in Fix and Hill, 1990, p. 25).

To see just how this scenario of undocumented penetration and displacement was played out, many observers of the immigration scene turned to the New York garment industry. Immigrants flocked into the garment industry in the years following the Hart-Cellar Act. This change occurred just when economic restructuring appeared to have greatly reduced the number of entry-level jobs for native-born New Yorkers, suggesting that the influx of newcomers had aggravated the economic woes of native minorities. Not only did the immigrants penetrate deep into the industry, but their growing presence seemed to
coincide with a deterioration of wages and working conditions. Indeed, many observers have argued that the industry has been headed "back to the sweatshop," contending that the vulnerability of illegal immigrants to exploitation is a major permissive condition of this deplorable trend (U.S.G.A.O. 1989).

In this paper, we re-examine the garment industry case to suggest that the preoccupation with undocumented immigration and its supposed effects badly skews perceptions of immigration's labor market role. Although New York's garment industry certainly remains the city's classic immigrant trade, there is little evidence linking the immigrant presence to the availability of undocumented workers. Rather, we will argue that the immigrant influx is the consequence of the industry's basic labor strategy. Employers in this industry have historically depended on immigrants or their children, whose lack of skills, capital, and English-speaking ability restricted their opportunities in other industries. Given the industry's low-wage position, new sources of labor have always been required to replenish the industry's labor supply. As older white ethnic groups moved out of the industry in the 1960s and 1970s, replacement opportunities for immigrants arose. Thus, the immigrant influx is the product of a deep-seated process of ethnic succession, a process that has quite different implications for policy than does undocumented immigration.

While this paper builds on previous research (Waldinger, 1986), it draws more specifically on interviews, conducted during the summer of 1988, with representatives of all garment employer associations; with representatives of all New York City locals of the two major apparel unions; 1 with 11 non-immigrant employers and 14 immigrant employers.

UNDOCUMENTED IMMIGRANTS IN THE GARMENT INDUSTRY: A SKEPTICAL LOOK

As a sub rosa activity, undocumented immigration always eluded statistical precision. But if precise measurement was impossible, estimation was feasible and indeed crucial: how one came out on the numbers game carried clear implications for one's assessment of the gravity of the problem and one's conclusions about the relevant policy responses.

Those observers inclined to accept the more generous estimates of the undocumented inflow pointed to the garment industry as an ideal case in point. Though garment jobs stood at the low end of the American wage scale, no one questioned the industry's ability to attract newcomers from abroad. And given its many small shops, its immigrant employers, and its history of evading government regulation, where would undocumented immigrants find a more welcoming ref-

urope? Indeed, Hill and Pearce (1987) argued that the apparel industry is actually the nation's largest employer of illegal immigrants.

But our research in New York casts these conventional assumptions into doubt. Our interviews with union officials, the directors of employers' associations, and employers found little concern about the implications of IRCA for the industry's labor market. Although most of our respondents felt that the industry experienced a shortage of labor—a matter to which we shall return below—nine of the eleven non-immigrant manufacturers and contractors felt that the shortage started before the passage of IRCA and that it bore little relationship to the new law. Five of the seven employer association directors also argued that IRCA had little impact on the labor supply. Their industries hired few undocumented workers, they argued. One pointed out that most workers in his industry were Asian; few were undocumented. Another noted: "Our people hire through the union; they don't have many undocumented members." In addition, an official with the City's Office of Business Development, who has constant contact with apparel firms, said "from what I understand, New York City hasn't had problems. I've had zero phone calls regarding this subject."

One employer association director asserted that IRCA's impact on the industry was likely to be uneven, because "we don't hire illegals; it's the sweatshops that are going to be hurt if they lose the illegals." A survey of immigrant-owned firms of the sort commonly referred to as "sweatshops," suggested otherwise. Such firms have indeed suffered from the loss of undocumented workers to a greater extent than non-immigrant firms, but the impact has been limited. Nine out of fourteen immigrant contractors interviewed affirmed that IRCA had made absolutely no difference in their ability to obtain labor. All but one of them claimed to be abiding by the law. Of the five Asian contractors in this group, only one held that IRCA aggravated the labor shortage. One Chinese owner of a small contracting company noted that he relied on Chinese labor, adding: "The majority of Chinese who are here are legal. It's very expensive to come to this country since it's so far away." Thus, even in the immigrant sector, presumably most prone to the use of undocumented labor, the loss of such workers appears to be a problem of modest proportions.

Union officials canvassed tended to concur with employers in minimizing the impact of IRCA on the labor supply. Four of six ILGWU and ACTWU officials predicted that IRCA would have no appreciable impact on the labor supply, citing the small total number of undocumented workers in their unions. An ILGWU vice-president believes that labor has been in short supply but denied that IRCA contributed to that shortage. "Employers in this trade uniformly ignore laws," said one ACTWU official, "but I have gotten no questions or disputes over the law."
Why have both employers and union officials concluded that IRCA has had little impact on the labor supply? The response of an ILGWU vice-president was suggestive in this respect. Citing the experience of her union, she argued that the proportion of undocumented workers was too low to cause a labor shortage: "There weren't many in the union. While the Los Angeles ILGWU had large numbers of people coming in applying for legalization of their status, the New York ILGWU did not."

The ILGWU served as a legalization center and undertook a major effort to publicize and facilitate the legalization process for its members. Despite a strenuous publicity effort, however, only about 600 persons, most of whom were members' relatives, applied for legalization through the ILGWU in the New York area.

We collected data on the national origins and industry of all ILGWU members who applied. Only 245 members from countries that comprised 32 percent of the industry's 1980 employment applied for legalization. Perhaps even more surprising are the national origins of those workers who did apply to the program. Chinese are overrepresented whereas Dominicans are greatly under-represented. Since Dominicans comprise a large portion of the production labor force, and overall, relatively few Dominicans have applied for legalization, the virtual absence of Dominicans among the ILGWU's legalizes suggests that their undocumented population in the garment industry is relatively small. Moreover, the Hispanic groups most numerous among the applicants were Ecuadorians and El Salvadorans, immigrants who comprise a very small portion of the industry's total labor force.

That so few workers availed themselves of the ILGWU's well-publicized legalization program is a surprising finding, given the garment industry's reputation as a haven for undocumented workers. But the meager response to the ILGWU's legalization effort is entirely consistent with the reports we heard from a wide range of industry informants. And thus, there is good reason to think that the industry's reputation as an undocumented concentration is in fact undeserved.

SWEATSHOPS AND UNDOCUMENTED WORKERS

Perhaps we still have it wrong. While our information stems largely from the aboveground, "formal" sector of the industry, journalistic and academic accounts point to a large underground "informal" sector. If sweatshops have indeed proliferated, then undocumented workers may be relatively scarce in the formal sector, but abundant, and amply exploited, in the industry's growing informal sector.

The last twenty years have seen an apparent revival of the sweatshop in New York, stimulating a growing outcry that the grim labor system of the late 19th century has returned. The increasing number of sweatshops began to gain press attention roughly ten years ago and concern has heightened since then. According to a widely-cited inves-
higher proportion than in most manufacturing industries. These same sources show that the ratio barely changed during the period of supposed sweatshop growth. Thus, this does not support the view that a sizeable proportion of production has gone underground.

A second, related approach is to ask whether a sizeable labor force is available for work in the sweatshop sector. Clearly, the widely-publicized estimates imply that sweatshop operators can obtain a shadow labor pool capable of staffing several thousand underground factories. But can they? As we have argued above, the evidence does not point to a large pool of undocumented labor in the above-ground sector of the industry.

Contrary to conventional wisdom, undocumented immigrants appear not to have been heavily concentrated in the garment industry. Data about the characteristics of persons who applied for legalization under the amnesty provisions of IRCA provide a benchmark against which to assess the availability of a large "shadow labor force." Women legalizes—the key labor force group for the garment industry—were overwhelmingly concentrated in service occupations (over 50 percent), contrary to expectations. And though they were also overrepresented among operatives, this category accounted for only a fifth of their employment.

The probability that undocumented workers play only a minor role in apparel raises serious doubts about the total size of the labor pool available for work in that sector. So do the high labor participation rates of immigrant groups in New York. In general, immigrants are employed at rates that rival, if they do not exceed, the employment rates for the native-born. While there may well be a sizeable shadow immigrant labor force, how much higher could the immigrant employment rates realistically be? The same point holds for entrepreneurs. Asian participation in business is disproportionately high, a pattern picked up not only in the Census of Population, but also in the Commerce Department's Survey of Minority-Owned Businesses. Again, it seems implausible that the underlying self-employment rate is twice, or even 50 percent higher than the already high level reported in official statistics.²

**ETHNIC SUCCESSION**

If New York's clothing industry turns out not to have so many undocumented workers, and if most of its workforce is employed in "above-ground" firms, why has it become the classic immigrant trade once again? The roots of the immigrant influx, we would argue, have nothing to do with the special characteristics of undocumented immigrants, but rather are rooted in the aging and exodus of the skilled, European-origin workers on which the industry has long been dependent.

As recently as 1970, the industry's labor force, and even its production workers, remained overwhelmingly white. Native-born whites made up over a fourth of all factory workers. White immigrants were almost equally numerous, with virtually twice as many Italians in the industry as Dominicans, and more Polish-born than Chinese. Native blacks and native Hispanics did comprise a significant share of the industry's labor force at the time, but the importance of apparel for the employment of the two groups varied considerably. In 1970, blacks were already under-represented in the industry, relative to their share of New York City employment overall. By contrast, native-born Hispanics, most of whom were Puerto Rican, remained disproportionately dependent on apparel jobs.

Between 1970 and 1980, the number of New York City residents reporting employment in the apparel industry shrank by 10 percent. But not every group shared in the erosion of employment. Job loss was most severe among whites, native and foreign alike: Old-time Russians, Poles, and other European ethnicities virtually disappeared from the industry. The number of native blacks and native Hispanics also dropped, but the decline was not greatly disproportionate to the overall shrinkage in employment opportunities. In fact, the native Hispanic share of the industry was exactly the same in 1980 as it was the previous year. The great contrast is the experience of the newly arrived foreign born. Despite the industry's decline, employment among newcomer groups shot up: Foreign Asians, foreign Hispanics, and foreign blacks show increases of 265 percent, 80 percent, and 69 percent, respectively. What these figures suggest is that immigrants, rather than displacing native-born minorities, entered the industry as replacements for departing whites. Two developments are crucial in this process: First, compositional changes—resulting from a disproportionate decline in New York's white population during the 1970s—created vacancies at the bottom of the job ladder. Secondly, as relative wages and working conditions declined under the impact of inter-regional and international competition, native-born workers dropped out of the industry's effective labor supply. As far as immigrants were concerned, these sizeable white outflows offset the impact of industrial decline. Asians, who made the most sizeable gains during the 1970s, essentially built on their earlier foothold in the industry, filling the vacancies opened up by white outflow.

Though our statistical knowledge is dated, as it derives from the 1980 census, what we know about the industry suggests that compositional changes have continued to create new vacancies for the foreign-born. In 1980, the industry's labor force was aging and the oldest group of workers were whites: among whites, 41 percent were 55 or older in 1980, and these workers are likely to have left the industry in the past ten years. Moreover, our field research indicates white outflow has not only continued, but has been felt. Employers and their
representatives themselves report that labor is in short supply, particularly in higher skilled segments of the industry. We canvassed the directors of seven employers' associations, all of whom felt that there had been a shortage of workers in the city's garment industry that long predated the passage of IRCA. Officials at the New York State Labor Department confirmed these views.

These complaints about shortages need to be read in light of the changes in the industry's labor supply overall. In part, what we heard was testimony to the continued outflow of white workers, who have comprised an important part of the industry's labor force for so long. Consequently, in emphasizing the lack of skilled labor, what employers were also saying was that there are fewer applicants whom they know and trust. There is, in fact, no large source of European-trained tailors and skilled operators, as there had been in the 1950s or 1960s. Furthermore, the sharp and well-publicized decline of the industry discourages young people from the industry's traditional ethnic workforce, as well as native-born minorities, from making the type of commitment that they need in order to learn the most advanced tailoring and sewing skills. As one industry head commented, "young people don't want to work in the industry any more." And finally, international competition and reliance on outmoded, labor-intensive technologies makes the industry unable to compete on wages; the wage constraint deters the entry of the native-born, whether white or minority.

But all of these considerations, however, appear to have little weight in the eyes of the newest arrivals, who have entered the industry in large numbers, as we have seen. In contrast to native workers, immigrants evaluated wages and job conditions relative to the much worse conditions they had known before. The turnover of workers—high even in bad times—meant that employers were always looking to add a new hand. The industry's low-capital to labor ratios also made it relatively easy for immigrants to go into business for themselves; the expansion of the immigrant sector has provided another portal of entry for newcomers, an entryway of particular importance to the Chinese.

CONCLUSION

Thus, the story of new immigrants in New York's garment industry reads quite differently than the conventional wisdom would suggest. The garment industry has indeed remained the quintessential immigrant industry, but not as the result of displacement of natives by undocumented workers, or as the consequence of a burgeoning sweatshop. Rather, the industry's historical dependence on earlier waves of immigrants and their descendants made its labor supply chronically unstable. Once these earlier cohorts cycled out of the industry, new sources of labor were sought among New York's growing population of legal immigrants.

Ethnic succession, the build-up of immigrant networks, and an immigration system that has privileged kinship relations, have made the penetration of the industry by immigrants a self-feeding process—a process that raises questions quite different from those that have dominated the previous policy debate. The industry's current labor needs have attracted immigrants with low skills and low-levels of education. Today, they complement native workers engaged in higher-level, related activities that depend on the availability of a local labor force. But what of tomorrow? The industry's decline is continuing and, indeed, accelerating. Can today's immigrant garment workers adapt to an economy in which similar low-skilled manufacturing jobs will have dwindled further? And if not, what are the implications for the legal immigration system?

ENDNOTES

1 These unions are the International Ladies' Garment Workers' Union (ILGWU) and the Amalgamated Clothing and Textile Workers' Union (ACTWU). 2 Further discussion and documentation of the material discussed in the previous paragraphs is provided in Waldinger and Lapp (1989).

REFERENCES