

Changing Faces

How the Demographic Revolution Plays Out in New England's Largest Metro Area

MARY HUFF STEVENSON AND BARRY BLUESTONE

At the end of World War II, Greater Boston was one of the most lily-white metropolitan areas in the United States. In 1950, the "minority" population of only one of its 154 towns and cities exceeded 5 percent and that was the City of Boston at only 5.3 percent. In the second half of the century, the region rapidly became multiracial and multicultural. By the 2000 Census, Boston itself was *majority minority*, with 50.5 percent minority residents, and dozens of cities and towns in the region boasted a rainbow of races and ethnic groups. Lowell, which was only 0.2 percent minority in 1950, had a minority population of more than 37 percent in 2000. The old white European "Immigrant City" of Lawrence, which was but 0.3 percent minority in 1950, has become a new, largely Hispanic "Immigrant City" with a "minority" population of nearly 66 percent. This demographic revolution, along with dramatic changes in the area's industry mix, has contributed to the economic and social renaissance of the region. Greater Boston has been transformed from an economic basket case hemorrhaging industries and jobs throughout much of the period before the 1980s to a vibrant metropolitan region based on high technology and professional services—the knowledge industries of the 21st century.

Yet the fruits of the metro region's prosperity have been unevenly distributed. Workers with limited education, particularly those who are members of racial or ethnic minorities (i.e., groups other than non-Hispanic whites), continue to confront significant barriers. The

nature of these barriers varies by race, ethnicity and gender so policies to reduce inequality must be tailored to each group.

New urban inequality

New immigrant groups have been replacing the out-migrating progeny of previous generations of immigrants, stabilizing population levels in many of the region's older cities. Most of these changes occurred after 1970, the consequence of mid-1960s changes in federal immigration law, which loosened restrictions and removed the national origins quotas that had favored immigrants from Northern and Western Europe.

The new arrivals to Greater Boston differ from one another in various ways. Most are immigrants, whether legal or illegal, but those coming from Puerto Rico are U.S. citizens. Many do not speak or read English, but it is the primary language of those from Ireland and the British West Indies. Most are people of color, but those from Ireland and the former Soviet Union are white. Some are political refugees, perhaps from the Western Hemisphere (Cuba, Haiti) or maybe from the Eastern Hemisphere (Vietnam, Laos, Cambodia).

A recent report from the Gastón Institute at the University of Massachusetts Boston on legal immigration to New England from Latin America and the Caribbean alone reveals that from 1990 to 1998, there were more than 47,000 new arrivals from these regions to Massachusetts, nearly 29,000 to Connecticut, and more than 9,000 to Rhode Island. Data from the 2000 Census show that Hispanics are the largest minority in those states, as well as in New Hampshire. In Maine and Vermont, multiracial non-Hispanics are the largest minority group. In all three of the Northern New England states, however, the population is over 90 percent white, compared with about 75 percent for the United States as a whole.

In the early 1990s, along with research teams from three other cities (Atlanta, Detroit and Los Angeles) and

with the support of the Ford and the Russell Sage foundations, we set out to study some of the key dimensions of urban inequality, focusing on questions of racial and ethnic attitudes, residential segregation and labor market outcomes. As part of that study, the Greater Boston Social Survey (GBSS) gathered data from 1,820 Greater Boston households in 1993 and 1994. Our original research plan included special attention not only to blacks and Hispanics, but also to the rapidly growing Asian population in the region. Because of funding limits, however, it was not possible to “oversample” Asians in our survey. As a result, while we have sufficient data to detail the problems facing blacks and Hispanics, we do not have comparable data for Asians.

According to the GBSS, only about 7 percent of (non-Hispanic) white adults have failed to complete high school. This compares with 24 percent of (non-Hispanic) blacks and 58 percent of Hispanics. At the other end of the education spectrum, 37 percent of whites, but only 15 percent of blacks and 6 percent of Hispanics have at least a college degree (see Figure 1).

Comparing years of education among those who were born on the U.S. mainland versus those who were not, one finds that while some of the foreign-born are extremely poorly educated, nearly a third have a college degree or more (see Figure 2). With its high concentration of colleges and universities and abundance of high-tech firms, Greater Boston attracts a large contingent of well-educated and well-trained immigrants, some of whom arrived initially as students. In a March 2001 address to the New England Council on ways to solve the shortage of scientific, engineering, and information technology (SEIT) workers in the region, Northeastern University President Richard Freeland pointed out that “more than one-third of all graduate students enrolled in SEIT-related programs in the U.S. are foreign-born and hold a visa allowing them to

The fruits of metro Boston’s prosperity have been unevenly distributed.

enter the United States for educational purposes. More than 90 percent of foreign-born workers employed in the SEIT professions in the United States are graduates of American colleges and universities.”

At the same time, however, Greater Boston has attracted a significant number of political and economic refugees from Central America, Haiti and the Dominican Republic, where education levels tend to be extremely low.

With their relatively high educational attainment, more than 40 percent of white men in Greater Boston are in high-skilled white-collar fields, with professional and managerial occupations predominating. An additional 16 percent are in sales occupations, many in the financial services industry, with others in higher-level positions in wholesale and retail trade (see Figure 3).

Black men, by contrast, are almost invisible in Greater Boston’s executive suites; just 1.4 percent of them hold executive and managerial jobs. However, they are strongly represented in professional specialties, a category that includes medical technicians, teachers and social workers. Black men are also concentrated in service occupations. They are more likely than any other group to work in protective services, a category that includes security guards and night watchmen.

Hispanic men are found predominantly in lower skilled manual jobs and service work. Although 10 percent are in executive and managerial occupations, this tends to reflect their roles as proprietors of small stores in ethnic enclaves rather than executives in downtown office towers.

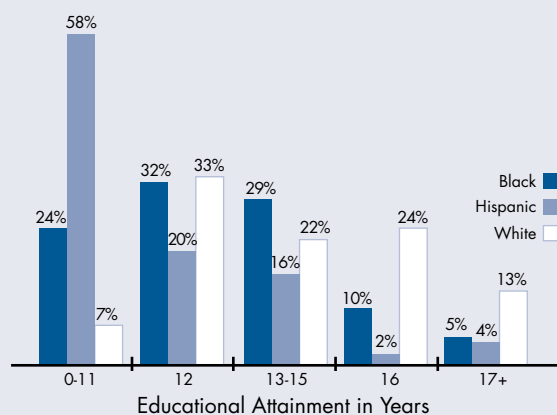
White women in Greater Boston are most heavily concentrated in professional specialty occupations. This category, which includes teachers and nurses, accounts for 29 percent of white women. Smaller proportions work in administrative support (20 percent) and sales positions (17 percent) (see Figure 4).

Black women are concentrated in service occupations and administrative support positions. Fully 30 percent of black women work in service jobs, 23 percent in administrative support and 16 percent in sales.

Hispanic women occupy a niche traditionally held by immigrant women of earlier generations who found work in the region’s factories. Over 40 percent of Hispanic women in Greater Boston work as machine operators, assemblers and inspectors. An additional 18 percent work in service occupations, while some have entered white-collar jobs.

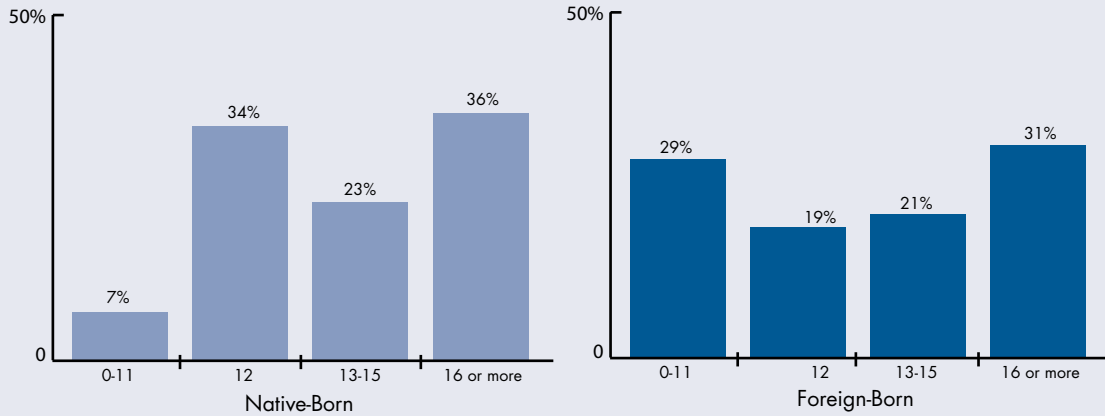
The disparity in these occupational distributions is largely due to differences in educational attainment. Improving the educational attainment of minorities and

FIGURE 1 – YEARS OF EDUCATION



Source: Greater Boston Social Survey, 1995.

**FIGURE 2 – YEARS OF EDUCATION
NATIVE-BORN VS. FOREIGN-BORN**



Source: Greater Boston Social Survey, 1995.

FIGURE 3 – MALE OCCUPATION BY RACE AND ETHNICITY

| Occupation | Black Male Distribution | Hispanic Male Distribution | White Male Distribution |
|--|-------------------------|----------------------------|-------------------------|
| Executive, Administrative and Managerial | 1% | 11% | 20% |
| Professional Specialty | 23% | 1% | 20% |
| Technical and Related Support | 3% | 0 | 3% |
| Sales | 7% | 1% | 16% |
| Administrative Support | 11% | 10% | 6% |
| Private Household | 0 | 0 | 0 |
| Protective Service | 12% | 1% | 3% |
| Service | 15% | 20% | 4% |
| Farming, Forestry and Fishing | 3% | 1% | 1% |
| Precision Production, Craft and Repair | 8% | 13% | 13% |
| Machine Operators, Assemblers and Inspectors | 3% | 23% | 3% |
| Transportation and Material Moving | 6% | 7% | 9% |
| Handlers, Equipment Cleaners, Helpers and Laborers | 8% | 14% | 2% |

Note: The three most important occupations for each group are highlighted.

Source: Greater Boston Social Survey, 1995.

FIGURE 4 – FEMALE OCCUPATION BY RACE AND ETHNICITY

| Occupation | Black Female Distribution | Hispanic Female Distribution | White Female Distribution |
|--|---------------------------|------------------------------|---------------------------|
| Executive, Administrative and Managerial | 8% | 1% | 7% |
| Professional Specialty | 9% | 16% | 29% |
| Technical and Related Support | 2% | 0 | 5% |
| Sales | 16% | 9% | 17% |
| Administrative Support | 23% | 15% | 20% |
| Private Household | 1% | 0 | 0 |
| Protective Service | 1% | 0 | 0 |
| Service | 30% | 18% | 14% |
| Farming, Forestry and Fishing | 0 | 0 | 2% |
| Precision Production, Craft and Repair | 0 | 0 | 3% |
| Machine Operators, Assemblers and Inspectors | 5% | 41% | 2% |
| Transportation and Material Moving | 5% | 0 | 1% |
| Handlers, Equipment Cleaners, Helpers and Laborers | 1% | 0 | 0 |

Note: The three most important occupations for each group are highlighted.

Source: Greater Boston Social Survey, 1995.



increasing their rate of postsecondary schooling would help move them to higher status occupational categories where they would be likely to have higher labor force participation rates, a lower risk of unemployment, higher weekly work hours, and higher hourly wages.

Workers with limited education

For workers with relatively low educational attainment (high school diplomas or less), Greater Boston's recovering economy in 1993-1994 delivered both good and bad news. The good news was that in contrast to places like Chicago and Newark, labor force participation was high, both for men and women regardless of race or ethnicity. More than 80 percent of men with limited education were in the workforce, regardless of whether they were white, black or Hispanic. Similarly, about two-thirds of the women were in the workforce, again regardless of race or ethnicity. While William Julius Wilson has written eloquently of the "jobless ghettos" among low-income blacks in Chicago, where large segments of the adult population are totally divorced from the world of work, Greater Boston does not seem to have such places of total despair. Nevertheless, serious problems exist for Boston-area workers with limited education. The nature of the problem varies according to race/ethnicity and gender.

One can calculate expected annual earnings for each group of workers who had no more than a high school education, taking into account the likelihood of being in the labor force, the likelihood of avoiding unemployment, the median hourly wage and mean weekly hours

Men and Women

Inner-city men are much less likely than women to finish high school, enroll in college and earn a degree, according to a recent study by Northeastern University's Center for Labor Market Studies and the Boston Private Industry Council.

Across Massachusetts, about 15 percent of men drop out of high school before earning a diploma, compared with 11 percent of women. But in the state's large cities, nearly one third of men drop out before graduating. While 62 percent of women from Massachusetts's 11 large central cities both graduate from high school and go on to college, only 48 percent of men do.

Nationally, 151 women graduate with an associate degree for every 100 men who do; 133 women earn bachelor's degrees for every 100 men. In Massachusetts, 170 women earn associates for every 100 men, and 130 earn bachelor's degrees for every 100 men.

The researchers warn that a growing army of undereducated men threatens disaster for labor markets, incarceration rates and family formation.

(multiplied by 52 to get annual hours). Among men, blacks could expect to earn only 55 percent as much as whites (\$12,762 vs. \$23,291) and Hispanics only 63 percent (\$14,751 vs. \$23,291). For the Hispanic men, the major problem was a low hourly wage rate, the result of severely limited education. This was partially offset by high annual work hours in the manufacturing sector where they were clustered. For black men, the major problem was unsteady work: particularly, a higher likelihood of unemployment and part-time work.

Among Greater Boston's women with limited education, blacks could expect to earn just 65 percent as much as whites (\$7,188 vs. \$11,101). Hispanic women did better, earning about 94 percent of what white women earned (\$10,378 vs. \$11,101). But Hispanic women come close to parity with white women only because of their high concentration as factory operatives working long hours. Indeed, the Hispanic women's median hourly wage was only \$8.45, compared with \$10.12 for white women, but they worked an additional 132 hours per year. Like black men, black women also suffered from unsteady work, but in their case, it was often high rates of single motherhood that interfered with the ability to find steady employment.

Closing the earnings gap

If workers with limited education are to share in prosperous times, policymakers should consider a range of policies:

- Young Hispanics, in particular, need to be encouraged to improve their education—at least to the point of earning high school diplomas—if they are to find decent work outside of manufacturing, a sector which continues to shrink.
- Black women, in particular, require greater access to affordable quality child care to be full participants in the workforce.
- Black men continue to suffer the most from discrimination and stereotyping. More vigilant enforcement of anti-discrimination laws is needed for this group to close the earnings gap with white men.

If we are to improve the earnings status of all groups of residents, we must improve access to higher education. But only by attacking all barriers to improved earnings for minorities and women can we hope to reduce the enormous earnings gaps that continue to detract from the otherwise exceptional economic record of the Greater Boston region.

Mary Huff Stevenson is professor of economics at the University of Massachusetts Boston. *Barry Bluestone* is the Russell B. and Andrea B. Stearns Trustee Professor of Political Economy and director of the Center for Urban and Regional Policy at Northeastern University.