

Distinctions in the Economic Integration of Puerto Rican Women in New York's Metropolitan Statistical Area

Gabriel Aquino

Introduction

Scholars studying Puerto Rican integration into the United States economy have noted the lag in progress in their economic incorporation when compared to other migrant groups (Borgas-Mendez 1993; Morales 1986; Padilla 1986; Padilla 1993; Rivera-Batiz and Santiago 1994; Rivera-Batiz and Santiago 1996; Sanchez Korral 1983; Santiago 1992; Santiago and Galster 1995; Tienda; Torres 1995). The theoretical explanations for this growing gap are extensive and fluctuating. This essay is a discussion of how these differences are manifest for Puerto Rican women in New York's Metropolitan Area, from the 1970s through the 1980s. Specifically, I will try to comment on the distinctions that exist between the ways Puerto Rican women and men are absorbed into the labor market of New York. It is important to make the distinction between males and females because the labor market is a structurally gendered sphere.

A gender approach is important when looking at the Puerto Rican community where women endured a significant loss in labor force participation during the 1970s (Cooney and Colon 1996; Ortiz 1996). This change was connected to New York's drastic loss of manufacturing after World War II; particularly, the fall off in the garment industry was very detrimental to Puerto Rican women who seemed to be caught unprepared for the economic transformation that occurred (Ortiz 1996; Torres and Bonilla 1993). According to various authors, Puerto Ricans in general have been unable to take advantage of many of the same opportunities that other previous and recent migrant groups have (Massey, 1984; Massey, 1985; Glazer, 1963; Model, 1993). High poverty rates and lack of inclusion in the greater economy have placed Puerto Ricans at the extreme opposite end of the most successful groups. Santiago (1994) argues that Puerto Ricans form part of the secondary labor market, a market according to Portes and Bach, that provides limited mobility. If Santiago (1994) is correct, Puerto Ricans are destined to work in a labor sector where there are few if any rewards for hard work. More recent studies have challenged some of these concepts (Logan, Alba, and McNulty 1994): the ethnic niche thesis, for example, claims that successful integration occurs through a pattern of successions between immigrant groups within specific industrial niches, whereas the study conducted by Logan et. al. (1994), provides some evidence for the existence of ethnic niches for Puerto Ricans, in major U.S. Metropolitan Areas.

Yet, others have proposed a different possibility; Model (1993) has hypothesized that many African Americans and Puerto Ricans have become part of governmental niches which are unlike those in the private labor market as they

stump the opportunity for greater economic mobility. According to Model (1993), this move into the government sector will decrease opportunities in the greater labor market and slow the mobility of newer migrants. Waldinger (1996) has made similar statements about Puerto Ricans in New York.

Puerto Ricans, the United States, and New York

Puerto Rico after World War II began an economic development project that was incapable of supporting the number of Puerto Ricans on the island. With support of the Federal Aviation Administration, Puerto Rico began to send large numbers of Puerto Ricans from the Island to the United States, particularly to New York City (Morales 1986; Rivera-Batiz and Santiago 1994). Soon Puerto Ricans, along with African Americans began to fill many of the jobs left open by the decline of foreign immigration (Torres 1995).

Puerto Ricans who arrived in postwar New York City were mostly concentrated in the declining manufacturing sector. For example, from the 1940s through the 1980s, the most prominent work sector in New York city for Puerto Rican women was the garment industry (Ortiz 1996). By the 1980s, however, the garment and other manufacturing industries in New York City had changed. The push for new cheap labor from abroad and the growing globalization process led to a decline in these sectors. Garment industry employers became more willing to hire workers from newer immigrant groups, people who could be easily exploited (Waldinger 1996).

Such changes leads to the following questions: In what areas of New York City's economy do Puerto Ricans participate? Are Puerto Ricans in New York City entering other ethnic niches or part of the secondary labor market? Are these processes manifesting differently for Puerto Rican men compared to Puerto Rican women?

Theoretical Frames:

Ethnic Enclaves

The Ethnic Enclave according to Portes and Bach (1985) occurs when an immigrant population sets up its own ethnic enterprises in order to supply goods to its own ethnic markets. In order to have an ethnic enclave there are several primary attributes that must be present. First, there should be some sort of spatial concentration of the immigrants who start up the enterprises. Second, immigrants must have a large amount of capital. Finally, a definite division of labor should exist. These three categories would facilitate the process of employing both seller and consumer.

The first criteria involves the concentration of immigrants in a specific

section of a metropolitan area. Portes and Bach (1985) stress that this does not mean the neighborhood concentration that may naturally occur with immigrant groups in the United States. The spatial concentration trait also does not include the convenience shops that may exist in an immigrant neighborhood. Specifically, it does not include the few stores that supply an ethnic neighborhood with specialty ethnic items (Portes and Bach, 1985; Logan, et. al., 1994). Rather, the spatial concentration criteria becomes fulfilled by a concentration of ethnic enterprises which are diverse enough to support each other. Therefore, the immigrant group must have a significant proportion of self-employed entrepreneurs to support a broad market. Besides the spatial concentration of these enterprises, it follows that ethnic solidarity must also be present for the ethnic enclave to exist. According to Logan, et. al. (1994) this concentration may occur on a large scale or a small scale. The industries may be concentrated within a hierarchical structure of industries or within smaller scale enterprises concentrated at the bottom of the market who complement each other.

In order for an ethnic enclave to be successful, capital is required. Accumulation of capital can occur either in the homeland or in the United States, (Portes and Bach, 1985), but capital is key to the successful establishment of ethnic enterprises and the further support of new ethnic enterprises. In the case of the Cuban enclave in Miami for example, capital was both brought from Cuba and provided by the support of the U.S. refugee relocation program (Portes and Bach, 1985). The final criteria for a successful ethnic enclave, is the presence of a divided ethnic labor force. The ethnic enclave requires new co-ethnic immigrants to take on the lower positions within the ethnic enterprises (Portes and Bach, 1985). With ethnic solidarity new immigrants are exploited as cheap labor for established co-ethnic entrepreneurs. The division of labor is essential because, together with the spatial concentration criteria, it provides ethnic enclaves with the opportunity to compete with larger monopolistic enterprises. This means that ethnic enclaves will have both a market for their goods and a source for cheap labor.

Puerto Ricans have never been identified as being part of an ethnic enclave economy. Most studies conducted on Puerto Ricans in the United States place Puerto Ricans in the secondary labor market (Borgas-Mendez, 1993; Lopez, 1980; Morales, 1986; Santiago, 1994). However, Logan et al (1994), Model (1993), and Waldinger (1996) offer some evidence for the ethnic niche theory.

The Secondary Labor Market

The secondary labor market area is the alternative to ethnic enclaves discussed by Portes and Bach (1985). The secondary labor market comes from the dual labor market argument first established by Bonacich (1973), coined as the "split labor market" thesis. The first tier of this split economy revolves around the upper white collar and upper service jobs. These are the occupations where

incentives and rewards are the motivating forces behind employee productivity (Dickens 1985). The secondary labor market revolves around the lower level service and laborer jobs. The secondary labor market offers no guarantees as far as job security or upward mobility. Workers in this tier are motivated by threat of job loss or pay loss. Workers are treated harshly and job turnover rates are high.

To be a part of the secondary labor market tier Portes and Bach (1985) identified two basic criteria: first, immigrants must be overly represented in industries and occupations in the secondary economy; second, immigrants should be recent. Unlike the ethnic niche model, there should be no evidence of dispersion or mobility within the labor market for immigrant groups that form part of the secondary tier. As stated above, Puerto Ricans have long been described as being part of the secondary labor market. If this is true, Puerto Ricans will be greatly over represented in the secondary market sector occupations and there should be little evidence of mobility within the industrial sector.

Ethnic niches

Ethnic niches describe the process of adaptation and incorporation that immigrants go through in the United States' metropolitan sectors. The basic premise behind this thesis is succession. New immigrant groups move into specific occupational niches which older immigrant groups previously occupied (Logan, et. al., 1994; Waldinger, 1996).

Occupational niches occur when an immigrant or ethnic group is overly represented in a specific industry. In Model's characterization (1993) a group is over represented in an area when the ratio of the ethnic group in the occupation is one-and-half times that of the overall labor force in that occupation. Logan et al (March 1994) uses an odds ratio of over representation to determine the presence of an ethnic niche. The latter's work (1994) allows for the control of extreme number of cases. The later will be used in the upcoming analysis and is discussed ahead (See Figure 1).

These niches become apparent when over-representation of the ethnic group occurs in industries that do not support each other. When an ethnic niche is compared to the secondary labor market, specific ethnic niches should not be concentrated in secondary labor market occupations. Particularly, industries identified as ethnic niches should not be distributed within the hierarchy of the occupational scale. In other words, there should be some distribution among the occupations within the ethnic niche industries.

Another trait of ethnic niches is the dispersion of older immigrants into the greater labor market. For example, as immigrant groups become accustomed to the United States labor force and gain more human capital, there should be some evidence of greater mobility from the occupational ethnic niche. According to Logan, et. al. (1999), this should also appear in the second generation's distribution

throughout the economy. For example, as the second generation becomes more assimilated to the United States, it should be more dispersed in the labor market than those who are first generation. If Puerto Ricans were to follow this model, we would see a decrease in ethnic niche participation among Puerto Ricans.

It must be made clear at this point, that although the ethnic incorporation models have been described independently, they are not mutually exclusive. All could exist simultaneously, or they may be at different points of development. What would be made clearer with this analysis, particularly by looking at 1980 and 1990, is the possible direction in which Puerto Ricans are becoming incorporated

Data and Methods

For this analysis the 1980 and 1990 five percent Integrated Public Use Microdata Sample will be used (Ruggles, Sobeck, and al. 1997). The IPUMS is collected by the University of Minneapolis Census Project. The Data set provides the opportunity to easily compare both 1980 and 1990 census data. The sample was collected for the New York City 1980 and 1990 Metropolitan Statistical Area. Metropolitan definitions change over time, but between 1980 and 1990 New York City was consistent. The sample included all non-institutionalized residents ages 18 to 61. The sample only included those who were actively involved in the labor force. Most scholars have used the age criteria of 25 through 65 years (Logan, et. al. 1994; Waldinger, 1996). After reviewing the labor force participation of Puerto Ricans in the United States, Puerto Ricans entered the labor force in greater numbers at age 18, and left the labor force at the age of 62. Although it is beyond this paper to speculate on this issue, it would not be surprising to this author if this is not linked to the lower percent going on to college, and the Social Security eligibility age (Table 1 has all the descriptive statistics for the sample and the New York City Metropolitan Statistical Area).

This analysis will compare Puerto Rican women and men born in the United States and Puerto Rico. Due to the existing evidence that Puerto Rican men and women are heavily concentrated in separate industries, it seemed clear to look at the development of ethnic niches through a gendered perspective (see appendix 1 and 2¹). Puerto Rican women have had a history of high concentration in the Apparel and Textile industries; indeed, in 1980 12.6 percent of all Puerto Rican women were in this industrial sector alone, while Puerto Rican men had a 3.8 percent (appendix 2 participation rate).

To analyze the question properly, the over-representation odd-ratio will be used. The over-representation odd-ratio was developed by Logan, et. al. (1994) and takes the representation of the target group and divides it by all the labor participants in the category (in this case the target group is self employed or wage worker or Government worker). The product is then divided by the ratio of the frequency of all labor force participants in the target group and the frequency of all

participants in the labor force (using both self employed and wage worker or government worker). The odds ratio will control for the extreme number of cases in the subgroups studied. Over representation is indicated when the result of the odd ratio is equal to or greater than one and a half (1.5) (Logan et al March 1994) (See figure 1).

Research

Table 2 identifies all the over-represented odd-ratio for Puerto Rican women in 1980 and 1990. Female owners in 1980 were over represented in industries where males had a higher percentage of trucking service and repair service (see appendix 2), an indication that Puerto Rican women may have to move into areas where men are greatly concentrated in order to compete.

Women and men (Table 2 and 3), also show a greater concentration of niches in worker areas. This is not surprising since it was not expected that Puerto Ricans show evidence of belonging to an ethnic enclave, or concentrating in the self-employed sector. What the odds-ratios for 1980 and 1990 indicate is the distinct difference of over-representation by men and women. Females, for example, who are over-represented in the utilities and sanitation services in 1980 have a lower percent of all the industries (Table 2 and Appendix 2). Women in the utilities and sanitary services, lost their over-representation for 1990, but their overall percent within the industrial sector increased by over 100 percent.

As Model (1993) has suggested, there are distinct niches within the government sector for Puerto Ricans and government positions seem to be very important for Puerto Ricans in New York. Women appear in higher numbers of niches in government sectors than in private workers' sectors. Although the trend may be similar for men, this analysis indicates almost an even split along the two main sectors.

The distribution of occupation is another significant factor in identifying an ethnic niche. According to Portes and Bach (1994), Waldinger (1996), Model (1993), and Logan, et. al. (1994), an ethnic niche should provide some mobility within the industrial sector. If the mobility is negligible, there would be evidence of a greater concentration of workers within an industry at the lower sectors of the occupational scale. Table 8 shows a greater distribution within industry by occupation. Accordingly, both men and women have a greater distribution within the over-represented industries. Government workers, both females and males tend to be concentrated in the lower section of the occupational scale. This provides some evidence of the importance of worker-sector ethnic niches for economic mobility. Model (1993), also seems to be correct when she claims that government occupations may provide some security but will not provide much economic mobility.

In order to determine the characteristics of Puerto Ricans who belong to an ethnic niche, a **logistic regression on ethnic niche participation** was conducted. The logistic regression model should provide some of the characteristics of ethnic niche participators. The model for the logistic regression goes as follows: