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## 1 An Overview and Point of View

IT WAS FIRST said back in the 1880s: “Chicago is the most American of cities and to know America, you must understand Chicago”<sup>1</sup> (Miller 1997, 17; d’Eramo 2002, 8). The claim holds up to this day for two complementary reasons—one mythic and one real. Mythically, the Midwest is America’s “heartland”—the region that speaks to the imagined core of our national identity: what the country stands for and how it wishes to be defined. Chicago is our heartland’s capital. The city’s unique status might also be attributable to a fundamental reality. The birth of Chicago and the birth of industrial America were contemporaneous. By the 1920s, Chicago had emerged as the poster-city of America’s industrial power when the nation itself came to be recognized as the world’s industrial giant. To this day, it still has the largest industrial labor force of any American city.

Chicago is also the urban reality that affirms America’s conceit that “We are a country of immigrants.” It is our only major city that had, from its beginning, an immigrant core contained within an immigrant skin. Our major eastern cities have distinctive Yankee foundations that became wrapped in immigrant skins later in their histories. Similarly, America’s western cities were peopled, in the first instance, by migrants—mostly migrants from the Midwest. Only recently have they experienced substantial immigration from outside the continent.

The origins of the United States’ self-image, dating from the colonial period and the first decades of the new republic, are grounded in the East—Boston, New York, Philadelphia—cities that once were predominantly white, Anglo-

Saxon, and Protestant. Chicago has never been that. No one would accuse Chicago—the city of the “dese,” “dose,” and “da” people—of being a WASP city. It has no colonial past: only an immigrant and industrial history and a postindustrial present. It unambiguously represents what this country became by the late nineteenth century and illustrates our first major economic transformation from a predominantly rural agricultural country to a predominantly urban industrial country. This transformation began shortly before the Civil War. It continued over the next one hundred years, into the decade of the 1970s, when the second transformation began. This transformed postindustrial Chicago, the immigrant capital of the Midwest Chicago, the Chicago with the most manufacturing jobs in the country *and* the most high-tech jobs in the country (Markusen et al. 2001), is “the New Chicago” of this book.

This book has several purposes. First, to affirm that the social, cultural, economic, and political change that is taking place nationally and internationally is as momentous as the Industrial Revolution in terms of its transformative power. Second, to embed in this case study of Chicago a conception of global change that highlights the components and dynamics of a postindustrial society and world distinct from that of the Industrial Revolution. Third, to identify a select number of converging forces that have produced a new Chicago and to describe and illustrate their consequences and interplay in that urban setting. Fourth, to show that the consequences and interplay of the converging forces exemplified in Chicago are reflected in other

urban areas in this country, as well as urban centers in other developed countries.

#### WHY “THE NEW CHICAGO?”

The title of this book makes a bold statement. Why *The New Chicago*, rather than *The Renewed Chicago* or *The Evolved Chicago* or *The Post-modern Chicago*? Because the change is so radical that the concept “new” gives us the right kind of intellectual jolt needed to begin the process of making meaning and enhancing the understanding of this truly significant process. If we do have a “new” Chicago, then what makes it new? Answer: its people; its basic economy; its political character; its physical landscape; its local, regional, and national influence; and its role in a global world—economically, politically, socially, culturally.

The old Chicago followed a trajectory initiated by a series of events beginning around the Civil War—perhaps the Great Fire of 1871 is an apt starting point. This trajectory was fairly well defined by the mid 1920s and, as indicated earlier, continued through the early 1970s, with elaborations but no fundamental alterations. Then, a new series of events changed the trajectory and started in motion a network of factors that make it abundantly clear that, by the year 2000, a new Chicago arose, not simply a renewed Chicago. The bending of the old trajectory and the shaping of the new was, in retrospect, most sharply delineated during the two decades of 1970s and 1980s.

#### *Forces for Change*

The Industrial Revolution of the 19<sup>th</sup> century was only one of a number of forces that led to the evolution of modern society (Watson 1980, 8). The Reformation, the Enlightenment, and the French Revolution, along with the Industrial Revolution, were a set of converging forces that moved Western society into the Industrial Age and beyond.

Back in another time, when radio was king, each incredible feat of the Lone Ranger and Tonto ended with an anonymous voice asking, “Who was that masked man?” In the aftermath

of any dramatic event, we too search for meaning and perspective. Historians typically date the origin of the Industrial Revolution in England to about 1750. Yet, as best we know, it wasn’t until 1848 that John Stuart Mill coined the term “Industrial Revolution,” and it was not until 1884—nearly 150 years later—that Arnold Toynbee added perspective to this era in his “Lectures on the Industrial Revolution in England” (OED Online, 2000). It took time, in other words, for participants to grasp the revolutionary nature of their age. The same may well be said of our time.

#### *The New Economy*

The ongoing economic transformation of the present is revolutionary in two significant ways: (1) a knowledge-based, computer-driven information technology and service sector is rapidly emerging as the economy’s most dominant force, and (2) a bifurcated labor force, metaphorically dubbed “the hourglass economy,” is emerging as a result. Two additional changes of no small consequence flow from this dual economic transformation: (3) mobility stagnates and placement in the economic hierarchy increasingly becomes linked to the acquisition of educational credentials and (4) location in the upper or lower segment of the hourglass economy is intimately related to race and ethnicity.

The hallmark of the Industrial Revolution was the replacement of agricultural production by industrial production as the dominant economic activity. The hallmark of our present revolution is the replacement of industrialization with computer-driven information and service technology as the dominant economic activity.

With the arrival of industrialization, this country did not become postagricultural, just as with the arrival of a high-technology service and information economy it did not become postindustrial. In both instances, “hyper-agricultural” and “hyper-industrial” are more fitting descriptors of the change in the sense that, first, machine technology penetrated agriculture and, now, computer-based technology is penetrating into agriculture, industry, and other sectors, especially the information and knowledge management arenas. Agriculture quickly adopted the

new forms of mechanization and techniques of the Industrial Age and later the new technology of the Computer Age. The result? In place of the once “revolutionary” horse-drawn McCormick reaper, we now have 500-horsepower, diesel-engine, self-steering, quadruple dual-wheeled tractors, with seven on-board microprocessors (to monitor soil moisture, yield levels, etc.), with a satellite-linked geo-positioning system to map and locate soil conditions. This computer-controlled machine enables one farmer to till as many as 3,500 acres—when 100 years ago one farmer would max out at 50 acres; a 70-fold increase in manpower productivity. Coupling this technology with the technology of bio-agriculture, farmers in the Midwest now look to top off their corn yield at 200 bushels per acre when, a short 40 years ago, 100 bushels per acre was reason for smug satisfaction. Little wonder that 1.6 percent of our labor force produces (actually overproduces) all the foodstuffs required for a nation with 295 million stomachs (U.S. Department of Labor 2002). The Industrial Age didn’t cause us to “de-agriculturalize”; rather, we hyper-agriculturalized.

Contemporary industry is following suit. The infusion of mechanization and computer-based technology into the production process has resulted in markedly increased productivity using significantly less manpower. The height of our manpower commitment to manufacturing occurred during the early 1940s, with 32% of the labor force employed in manufacturing. In 2000, that proportion was just below 13%, and it is expected to drop to 9.2% by 2012 (Berman 2004, 77). Still, thanks to hyper-productivity in 2000, that 13% produced more than eleven times what the 32% produced in 1940 (Forbes 2004, 3)—and we’re only getting better. For example, manufacturing productivity increased 4.0% between 1995 and 2000 and 4.8% between 2000 and 2003 (Forbes 2004, 3). Unfortunately, productivity growth means that companies can produce more goods without adding more workers; in fact, these data show that the manufacturing sector of our economy now produces eleven times more goods using 65% fewer workers than it did 65 years ago.

In Chicago’s case, this transformation began in the early 1970s. In the early and mid 1950s,

there were three times as many manufacturing jobs as service jobs in the Chicago metropolitan areas. By 2001, nearly two-and-a-half times as many service jobs existed as compared to manufacturing jobs. This economic transformation is still in process and is projected to reverse the service-to-manufacturing jobs ratios of the 1950s.

As wrenching as the transformation from a manufacturing economy to a service- and information-based economy may be—in terms of occupational obsolescence, re-training, learning new occupational and economic systems, and the like—it might well be tolerable if the middle-class lifestyle of the majority could be maintained. This does not appear to be the case. Wage gaps and increasing inequality in the economy have been an item of public discussion and media focus for some time now. The economic hourglass of the new economy greatly exacerbates that trend. Although, as Milkman and Dwyer have said “. . . the fact that the newly generated jobs . . . are so sharply polarized is an alarming portent of the likely shape of the future employment structure” (Milkman and Dwyer 2002, 12), one unfortunate characteristic of our society is that impending crises, regardless of the level of surety, rarely gain public action until they are upon us.

To ratchet up the situation even further, race and ethnicity must be placed in the picture. Given the history of race in America and the size and distinctive educational and skill mismatch of the majority of Latino immigrants to this country, the following Department of Labor prediction is particularly relevant:

The hourglass economy will continue to be fed and shaped: the fastest and largest occupational growth is predicted to occur among professional and related occupations, and . . . occupations requiring a postsecondary vocational award or an academic degree, which account for 29 percent of all jobs in 2000, will account for 42 percent of total job growth from 2000 to 2010. (Hecker 2001, 57)

The sharp economic polarization that occurs because of the tight link between educational credentials and advanced skills with better paying occupations bodes a near caste-like system

as a by-product of the American version of the new economy.

#### CHICAGO AS CASE STUDY

Chicago is the most studied American city—thanks to the birth of American sociology at the University of Chicago and the Chicago School's employment of the city as its research laboratory. Generations of social scientists and urbanologists cut their intellectual teeth on *The City*, Concentric Zone Theory, *The Gang*, *The Delinquent Boy*, *The Jack Roller*, *The Professional Thief*, *The Hobo*, *The Unadjusted Girl*, *The Marginal Man*, *Black Metropolis*, and the classic *The Polish Peasant in Europe and America*—all products of the University of Chicago, researched in Chicago, but intended to be “particularly representative cases” generalizable beyond Chicago. Usage of the generalizing article “The,” rather than the particularizing article “A” in the studies cited above is mute but clear evidence of their intentional commitment to this principle.

Chicago was the unquestioned paradigmatic city for the social sciences since the Chicago School was established in the 1920s until it was partially displaced by the political economy approach in the 1970s (Savage and Ward 1993, 7–33). More recently, urban researchers elsewhere claim that the Chicago School model simply doesn't apply to “their” city, and proponents of “an emergent postmodern urbanism” (Dear 2000, 99) are identifying new models. According to Beauregard (2003), claims are now staked out by the Los Angeles School (Dear 2000; Soja 1989), and paradigmatic Miami (Nijman 2000), Boston (Erllich and Dreier 1999), and Las Vegas (Gottdeiner, Collins, and Dickens 1999).

The inter-city competition for paradigmatic status has been sharply criticized for having “slipped into an academic boosterism at odds with a critical theoretical enterprise” (Beauregard 2003, 183)—an *enterprise* being, presumably, the development of urban theory untainted by the suspicion of mixing scholarship with partisan rhetoric. But the core of the issue can't be brushed aside or dismissed simply because of boosterism and exaggerated claims.

The fundamental reality is that the Chicago School's paradigm was dominant precisely because most urban analysts saw a goodness of fit between it and other extant and emerging urban-industrial cities. This is simply no longer the case. A consensus presently exists among urban theorists that the old paradigm doesn't fit the urban realities of our time. The search for a new model is clearly underway, and it is highly unlikely that a “winner” will be crowned on the basis of who amasses the most superlatives. Also, it may well be the case that a “one-size-fits-all” paradigm may not emerge. The emergence of several pretenders to the crown is, on balance, a good omen, however. The task at hand calls for isolating the essential attributes of a changed contemporary urban society; the more concepts that vie for the title “essential” in a contested terrain, the greater the likelihood that viable postmodern urban paradigms will emerge.

Case studies have at least two purposes: One, to present a detailed description and analysis of a single case that, when combined with and compared to other similar case studies, can contribute to theory as one element in a comparative analysis. And two, to serve as a primary source, a paradigm, for understanding a phenomenon by being “a particular (case) that in its very particularity reveals the generality that otherwise could not be defined” (Arendt 1982, 77). Put another way, a paradigmatic case study is “the place where it all comes together” (Soja 1989, 221). In this latter instance, the case study is the basis for that theorizing that produces the paradigm since, in Robert Beauregard's terms, “. . . the point of paradigmatic theorizing is to isolate the essential attributes of the case so that it can subsume other cases” (Beauregard 2003, 190).

This study asserts Chicago's representativeness as the most “typical” of American cities. Once this case is made, the analysis of Chicago's transformation takes on greater meaning: the expectation that such an analysis will provide insight into the essential ingredients of understanding transformations in other U.S. cities and, perhaps, other cities in the advanced-capitalist world. Our study, then, is inductive, and we are developing theory about urban change and globalization based on a case study

of the City of Chicago. And, to close the circle, we are asserting that, in spite of and because of incredible change, Chicago is still the paradigmatic city for urban studies.

#### A POINT OF VIEW: CONVERGING FORCES

Daniel Burnham, the architect of a new Chicago after the Great Fire of 1871, was in the right place at the right time with the right vision. His credo, "Make no little plans, they have no magic to stir men's blood," rallied citizens and power brokers to create the phoenix that is present-day Chicago. His credo was also a challenge and a point of view. The plan of this book is not little; not for the sake of stirring men's blood, but because the scope and character of the subject matter requires it. And, rather than magic, we have employed a multifaceted conceptual lens to create a vision of a changing Chicago in a changing world.

The major organizing concept of this book is that five converging forces have significantly transformed and continue to transform the city of Chicago and its metropolitan region. Understanding these forces give us a perspective on the experience of residents and move us toward a clearer understanding of the present and its effect on the future. What follows is an introduction to these converging forces, some evidence to support our contention that a new Chicago has emerged and, last, a discussion of how an analysis of Chicago's transformation can contribute to an understanding of our postmodern world.

#### *Globalization*

Globalization, like pornography, is hard to define. Unlike pornography, however, it can be hard to recognize even when seen. "The international movement of capital, goods, and people" is a conventional but unidimensional definition of globalization. Perhaps more consequential for rank-and-file urban residents are the local effects produced by broad-scale transformations of the economy and the increased geographic mobility of populations, ideas, and technology.

Moreover, when an urban region has attained the scale of Chicago's metropolitan area, the local effects of globalization may very well be reconfigured as new elements give shape to emerging social and economic networks at the global scale.

At the same time, Chicago's governmental, business, and civic leadership is anxious to advance the city's claim to global or "world-class" status. Although self-promotion is nothing new to a metropolis whose most durable monicker—The Windy City—is not a meteorological reference, current efforts to promote Chicago as a center for the arts, culture, entertainment, business services, and tourism represent a sharp break from older identities such as "Hog Butcher to the World." In fact, until the most recent decade, an unmistakable air of civic desperation was revealed by such efforts as the unsuccessful campaign, in the mid 1980s, to mount a Chicago World's Fair in 1992. However, during the 1990s, Chicago's successful hosting of internationally heralded events, including the World Cup soccer championship (preliminary round, 1994) and the Democratic Party National Convention (1996), began to rejuvenate the city's national and international reputation. In addition, a massive program of public-works investment, combined with a private residential real estate boom since the mid-1990s has substantially reglamorized Chicago's downtown core and surrounding environs. Given these recent trends, many Chicagoans seem to think once more of their metropolis as a prosperous and dynamic urban center. As we explore the remaining converging forces, this theme of Chicago's renewed economic dynamism—and its perception as a global "player"—threads its way through many of the specific discussions.

#### *Economic Restructuring*

Industrial America's economy boomed during the 1950s and 1960s, and all boats were being lifted by a tide of mobility that was systemic, or structural, at base:

Most employed men experienced significant economic mobility during the postwar years, but this mobility was mostly structural, brought



about by the transformation of the occupational system itself, rather than through individual advancement within a fixed occupational wage hierarchy. . . . A man got on the escalator simply by taking and holding a job, and then simply watched his income rise steadily as the nation's entire occupational wage structure shifted upward. (Massey and Hirst 1998, 56)

As it turns out, the 1950s and 1960s were the last hurrah for America's industrial hegemony. The United States was evolving a postindustrial, high-technology, knowledge-based service economy, and the transition would be stressful and telling.

The 1970s and 1980s were not kind to much of Chicago's labor force. It is now reasonably clear that, during those two decades, the winds of change were beginning to blow, bringing in a new economic era. First came deindustrialization in the Rust Belt cities of the Midwest. The human cost was high. Chicago lost 32% of all manufacturing jobs between 1969 and 1983—dropping from a high of nearly one million to less than 600,000 (See Chapters 2 and 3). The decimation of Chicago's broad-shouldered, blue-collar labor force was beginning. Then, on its heels, came a restructuring of the business sector that was similarly devastating for white-collar workers. Massey and Hirst put it simply: "The period 1969–1989 brought a stagnation of structural mobility . . . and a growing polarization of the occupational wage structure" (Massey and Hirst 1998, 56). The net result was a series of proactive and reactive efforts by many players with differing interests, differing definitions of the situation, and differing goals. Government at all levels, major and minor businesses and industries, labor unions, investment bankers, and venture capitalists all weighed in. Analysts cleaned up that very messy process by using the simple label of "economic restructuring."

Over the last three decades, the economic restructuring of Chicago has included several components. Three merit special attention: the transformation of metropolitan Chicago's industrial base, the transformation of metropolitan Chicago's labor force, and the geographic restructuring of industry and labor.

*Economic Transformations: Industry, Labor, Geography.* The major blow to Chicago's traditional economy was a one-two punch delivered during the 1970s and 1980s. First came the rise of service jobs and the service economy; second, a near-simultaneous decline in manufacturing jobs and the manufacturing economy. During the mid 1950s, manufacturing jobs in Chicago outnumbered service jobs by a 3.2-to-1 ratio. In 2001, service jobs outnumbered manufacturing jobs by a 2.2-to-1 ratio, with 1982 being the crossover year for the numeric dominance of service economy jobs (Bureau of Labor Statistics 2001).

The stress of economic restructuring and the rise of globalization caused management to rethink how to optimize labor utilization and restructure the existing labor force. Such thinking took two forms. One form was the acceleration of a long-term trend: Enterprises became more capital intensive and less labor intensive, replacing workers with technology. (The phrase "capital-intensive industries," like "job furloughs," is a spin-doctor expression that masks some hard realities for workers. One East Chicago steel mill reduced its labor force by eighteen thousand jobs—one-fifth of its peak labor force—and still produced four times the amount of steel in 1998 as in 1985, thanks to an infusion of high technology via capital investments. The slashing of the labor force was, perhaps, not too little, but most certainly too late. That same steel mill filed for Chapter 11 of the Federal Bankruptcy Code in December of 2000—an oft-repeated event in the industrial Midwest.)

A second type of labor force restructuring aimed at the greater optimization of labor through a radically new creation: the contingent labor force. This innovation reduces the labor force to a few "core" jobs and, as need dictates, brings in a "just-in-time" contingent labor force from the periphery. The work force mobilized by temporary help agencies doubled in size between 1982 and 1989 and doubled again between 1989 and 1997 (Gonas 1998; Mishel, Bernstein, and Schmitt 1999). One temp agency executive refers to his and other agencies as the ATM's of the job market (Castro 1997, 44). In Illinois, a state whose statistics are dominated by Chicago,

at the peak of the economic cycle in 1998, as many as one-half of all vacancies in manufacturing were filled by temporary workers. Temp agencies and the contingent labor forces they supply exist at both ends of the occupational spectrum—the trained and skilled as well as unskilled employees. Mitchell Fromstein, former president of Manpower Inc., recently proclaimed that the United States is going from just-in-time manufacturing to just-in-time employment (Peck and Theodore 2001, 476).

As business and industry in Chicago was being transformed, so too was its geography. The death of some industries and the massive decline of others, not only left sectoral holes in Chicago's economy but also physical holes, such as the 100+ still-vacant acres in Chicago's South Side left by the demise of Wisconsin Steel. Similar holes in the economic and physical landscape exist as a result of the exporting of some businesses and industries "offshore" to other countries.

This geographic restructuring also is seen in the movement of existing businesses and industries to Chicago's six collar counties, especially Cook and DuPage, accompanied by the rise of new business and industry in those and other collar counties. Since 1960, the physical location of major portions of the Chicago Metropolitan Area's economy has tilted significantly toward suburbia. Chicago experienced a greater than 50% decline in the number of manufacturing establishments within the city limits between 1960 and 2001, while, in contrast, the collar counties roughly doubled their numbers over that same period.

The geographic restructuring of the economy also produced a geographic restructuring of the labor force; as business and industry moved to suburbia, so too did their labor forces. Nearly 80% of metropolitan Chicago's labor force lived in the city in 1955; less than a third did so by 2000. During this 45-year span, the geography of where workers work versus where they live has undergone a near 100% change; in 1955, the Chicago-to-collar country worker residence ratio was approximately an 80–20 split, with the city of Chicago being the residential heavy-weight. By 2000, the ratios had reversed; the collar counties now dominate in a (roughly) 70–30 split, highlighting yet another indicator of a sub-

stantial but gradual geographic change occurring over the decades and adding up to a radical reversal of situations when we compare 1955 to 2002.

*The Shape of the Present.* Two additional important factors, race and ethnicity and *industrial* and *occupational* niches are not so obviously linked to economic restructuring. Economic restructuring, combined with immigration and superimposed over existing racial and ethnic occupational conditions, includes the phenomenon of racially and ethnically linked *industrial* and *occupational niches*. In this case, a niche refers to an industry or occupation with disproportionately high numbers of one racial or ethnic group—to the extent that the occupation of that industry becomes "theirs." Construction workers in Chicago know full well that, for example, "drywall work is Mexican work." In the dry cleaning industry, approximately two-thirds of Chicago's over 3,000 establishments are owned by Koreans (Holli 1995, 491), and "somewhere between 84% and 86%" of all Dunkin' Donut franchises in the metropolitan area are owned by Indians or Pakistanis (Dunkin' Donuts 1998). These illustrations are the tip of a substantial iceberg and reflect the racial and ethnic dimension of economic and labor force restructuring.

As in any transition, a passing of the old occurs and the emergence of the new. Yet, the old does not fall off the flat edge of the Earth, but typically coexists along with the new, sometimes for long periods. A case can be made that Chicago has two different yet coexisting economies. One is a shrinking but still very much alive industrial-based economy characterized by good pay and a large white- and blue-collar middle class. It is typified by union jobs in manufacturing and construction and a substantial number of government jobs. The other economy consists of service and IT occupations with a two-tiered system of inequality. The upper segment is characterized by high skill and pay, job security, and high prestige. The lower tier offers low pay and little job security, and it consists of low-skill and low-prestige occupations. The metaphor is an hourglass; the economic differences are profound.

*Political Managerialism and Chicago's New Politics of Growth*

Politics and Chicago are synonymous. In particular, mayoral politics has been integral in forging Chicago's national and, in many cases, international reputation. Although city politics over the past four decades represents a major converging force in shaping the new Chicago, the allocation of resources and power by three specific mayors reflects their different responses to social, economic, and political changes in the city: Mayors Richard J. Daley, Harold Washington, and Richard M. Daley. Each has played a significant role in forming Chicago's external image and internal workings. Each has responded differently to the shifting racial and ethnic mosaic that comprises the city. Building on the momentum created by the civil rights movement of the 1960s, black, Latino, and liberal white leaders constructed a political coalition that rocked the heretofore unbeatable Chicago Democratic Machine of Richard J. Daley and led to its first major defeats during the early 1970s.

It took a while to get there. Blacks, Latinos, and liberal, progressive whites coalesced in the mid to late 1960s around anti-Machine strategies, flexed their collective muscle and, in 1972, ousted Mayor Richard J. Daley and his delegation from the floor of the National Democratic Convention meeting in Chicago. The growing disaffection of black leaders and voters over what they perceived as inadequate returns for their long-term investments in and loyalty to the city's regular Democratic organization led to defections from the organization by prominent black politicians and sequential waves of voter revolts. By 1983, the stage was set for the election of Harold Washington as Chicago's first African American mayor. The Daley machine survived but never completely recovered from this defeat. City and county jobs, street-cleaning schedules, and garbage pick-up priorities required re-negotiation with new power brokers from the city's black and Latino wards. Meanwhile, the expansion of the Chicago region diluted the city's legislative influence in the Illinois state capital of Springfield and forced Chicago Democrats to move more cautiously when seeking to bring state resources to bear on the city's multiple problems.

Although his late father's Democratic machine was in shreds by the time Richard M. Daley ascended to the mayoralty, in many respects Chicago's second Mayor Daley has grasped power in the city just as effectively as did his father. In the city's most recent mayoral election, in February of 2003, Richard M. Daley carried 79% of the votes cast and won majorities in each of the city's 50 wards. Although a few of the mayor's allies in the Chicago City Council faced ward-level challenges in the 2003 election, just as from 1999 to 2003, the current city council counts no more than three to four consistent mayoral critics among its 50 members (Washburn 2003, 4). Beyond mayor-council relations, Richard M. Daley has built a powerful base of support, drawn both from the elite circles of the city's business and civic leadership and from the city's older working-class, newer Latino, and growing professional populations. As mayor, Daley has promoted significant overhauls of Chicago's public schools, the much-criticized Chicago Housing Authority, and even the police department. In part, the political strength of Richard M. Daley must be attributed to his recasting of the image of Chicago city governance, downplaying its traditions of party influence and patronage, and emphasizing popular new approaches to government derived from the world of corporate management. Furthermore, the current Mayor Daley's success is a function of the city's evident success during the 1990s, a decade during which substantial portions of the central city experienced new infusions of commercial and residential investment, the first decade since the World War II era in which the decennial U.S. census registered an overall population gain for the city.

*The Transformation of Space*

Space and the transformation of space is a major component of the cultural canvas we all experience. We celebrate the birth of places with cornerstones, provide temporary immortality with historical landmarks, and mourn their passing with monuments. When we speak of "going home," we mean not only returning to people but also returning to place and space. Space is also one of the great interpersonal and



cross-cultural identifiers. After asking a stranger, "What do you do?" we then typically ask, "Where are you from?" When we change space, we change ourselves. We use space to reinforce our sense of self as well as to shape it. Our structure and use of space is a public statement of who we are, who we want to be, and how we want others to define us. Public space, the physical urban environment we call Chicago, also collectively announces who we are and what we declare ourselves to be. This space too serves to shape our individual self-concept as well as our collective one.

The new Chicago has a new face. Over the course of the last two decades, the city and its metropolitan area has undergone a radical kind of spatial, structural, and aesthetic cosmetic surgery. Chicago's new face is the result of a team of practitioners at work: city, state, and local government; planners and architects; business and industry; large and small-scale developers; communities; interest groups; and individual property owners—to name but a few.

*The City.* Recently, a reporter for the *Chicago Tribune* was assailed by many Chicago-lovers for writing a story asserting the city no longer had an identity (*Chicago Tribune* 24 January 2003). Yet, the reporter was merely reporting a true but less than obvious reality. Some changes creep up on us relatively unnoticed until one day, we suddenly notice that the workplaces of the service and high-tech industry do not spout smoke and grit nor do their employees drive pickup trucks, carry lunch pails, wear steel-toed work boots, or stop off for a beer and chaser on the way home from work before trudging off to their 16" summer softball game. Yes, Chicago has fewer local taverns and more wine bars and fitness centers. Yes, Chicago has fewer broad shoulders and more firm pecs. The steel mills are mostly gone, and manufacturing continues to decline. White ethnic immigrants of the past have mostly assimilated, whereas more recent immigrants provide testimony to the reality of ethnic succession. So, indeed, the old Chicago image doesn't really fit any more.

The city's physical transformation has pretty much gone hand in hand with its economic transformation. And, because we cannot create

more space, the city has engaged in the process of subtraction before addition. Much, but not all, of that subtraction serves two elements of the city's new economy: tourism, a booming and multilayered new multimillion dollar industry, which is new in the sense that it has only recently been institutionalized as an industry; and the knowledge-based, service and high-tech world of business and commerce. The stockyards are long gone. High-rise public housing, a mistake in the first place, is soon to be history. West Madison, once the main street of Chicago's Skid Row, has been transformed into a "nice" mixed-use commercial street, as has Maxwell Street, Chicago's down-home version of London's Portobello Road. An impoverished black neighborhood on Chicago's near West Side was demolished to provide a home for the Chicago Bulls and creeping gentrification. The site of one of Chicago's two large, urban, commercial food markets—South Water Street, once the distribution center for many of Chicago's wholesale fruit and vegetable vendors—is currently being incorporated into the University of Illinois at Chicago (UIC) campus. The other, the Randolph Street Market—the distribution center for meat, poultry, and fish purveyors—is slowly but surely evolving into an area of urban lofts and chic restaurants. Some areas, such as the 100+ acres left by long-dead Wisconsin Steel on Chicago's far South Side, are still vacant pits waiting to be redefined and transformed.

The addition side of this equation is truly impressive. Chicago probably has not seen such rapid and comprehensive change since the Great Fire. And, as in the community response after the Fire, participation in this change process is extensive. It's as if some unspoken common accord has been reached and, simultaneously, a cascade of government, civic, business, and citizen projects have rippled throughout the city and much of the metropolitan area. Wholesale projects of renewal, expansion, conversion, and replacement can be seen almost everywhere. Class and race have not been neutralized, however; after all, this is still Chicago, the place where clout was perfected, so not all interests are served equally.

The spatial transformation is also a racial and class transformation. For decades, urbanologists

warned of the likelihood, if not the certainty, that America's inner cities would soon become minority ghettos surrounded by a suburban belt of middle- and upper-middle-class whites—another failed prophecy, as it turns out. For, in the face of continued racial and minority spatial segregation, Chicago is undergoing large-scale gentrification (both black and white), utilizing a new version of urban renewal, that has gone from trend to movement to near mania. And, in the process, gentrification has become a dirty word for many. Since “location, location, location”—in this case closeness to work, restaurants, the lakefront, and entertainment—is the dominant value, neighborhoods close to the Loop are experiencing the greatest transformation.

A new, relatively large, and unheralded army of well-trained, well-educated, and well-paid professionals and administrators—the labor pool of an economically restructuring city—now calls the city home. Attracted to the lifestyle, amenities, and convenience of the city, they have become a relentless force for change. In some instances, they enjoy one-stop living in newly developed and developing high-rise communities—the city's answer to suburbia's gated communities. In other instances, entire neighborhoods are being transformed. For a generation, Lincoln Park and Hyde Park stood out as beachheads of up-scale urbanity on the north and south side of the Loop, and they did not appear likely to be joined by similar additional bastions. It wasn't until the early 1990s, with the rise of the new economy, that Lincoln Park and Hyde Park changed from isolated urban anomalies to new urban models. Soon, neighborhoods like Wicker Park, Bucktown, the Near West Side, and Dearborn Park emerged as new zones of urban gentrification. Some were formed largely through the rehab of existing housing stock, others by tear-downs and new construction.

The initial transformation took place in north and near north communities, in which the working class was simply driven out by force—the force of the checkbook. The checkbook has become a weapon of mass destruction in working-class and poor neighborhoods. It has produced a tide of rising property costs,

followed by a tide of rising property taxes, followed by a tide of departing working-class and poor residents. That tide soon spread westward and then southward and, most surprising of all to urbanologists, to that innermost part of the inner city, the Loop. Aside from experiencing the physical transformation brought about by government, business, and commercial interests, the Loop and environs, for the first time in Chicago's history, is becoming a major residential area. Here, high-rise villages and communities—interspersed with warehouse conversions—are literally popping up like so many mushrooms on a summer morning. The net result is the rise of a new residential city.

*The Metropolitan Area.* Although we continue to use a “city-suburb” vocabulary in speaking about major metropolitan areas and their environs, the reality is that most major cities in the country, Chicago included, are surrounded by a number of edge and satellite cities with vigorous, growing, and broad-scope economies. With few exceptions, these cities are increasingly areas of job growth and are the major cause for the “reverse commuting” of City of Chicago dwellers, who clog the expressways in the morning and evenings in their to-and-fro work-to-home exodus.

The intense suburbanization of America's cities during the 1950s and 1960s initially produced bedroom communities in which workers slept in their suburban homes and commuted to the city for work. Services and retail sales businesses soon followed these households to the suburbs and, by the 1970s and 1980s, so too did major businesses and industry. Currently, more people, more jobs, more businesses, and more industry exist in Chicago's six collar counties than do in Chicago itself. This is a relatively new and radical change that has morphed bedroom communities into edge cities like Rosemont, Oakbrook, Hinsdale, and Schaumburg as well as satellite cities like Aurora, Naperville, Waukegan, and Elgin—replete with high-rise corporate campuses, vast industrial parks, and major hotel chains spiking a prairie skyline that sprouted nothing higher than corn stalks a few short years ago.

*Race, Ethnicity, and Immigration*

The Chicago story has long been a story of migration and immigration. It once was the immigrant capital of the American heartland, and it currently ranks among the top five immigrant cities in America. A hundred and fifty years ago, during the 1850s and 1860s, about half of Chicago's population was foreign-born. Over the decades, that proportion declined, until it reached its low of 11.1% foreign-born in 1970. Since then, this figure has risen steadily and, by 2000, the proportion of foreign-born Chicagoans stood at 21.7% (INS, 1972–2000). On-going research suggests that this proportion may now be closer to 25% (WSJ.com. 2003).

Post World War II Chicago has seen two major demographic shifts. One, a white urban outflow—the movement of large numbers of the white community to the suburbs—and the other, the change of a white majority–black minority, two-race city into a geographically segregated multiracial, multiethnic city. The white urban decline began during the 1950s and accelerated over the next two decades. The 1980s and 1990s saw a slowing of the white exodus and, by 2000, stabilization. In turn, the white population in suburbia maintained a constant growth rate from the 1980s to 2000 and will probably do so into the foreseeable future.

The history of race relations in Chicago has always been less than admirable, and while statistically contemporary Chicago can be described as a multiracial, multiethnic city, in reality that less-than-admirable past is still with us. Demographic change over the past 20 years has resulted in a city with nearly equal proportions of whites and African Americans and, by 2004, a near similar proportion of Hispanics. The statistics are deceptive, however, in that significant racial and ethnic segregation still exists throughout the city. It is difficult to miss the irony in that, recently, analysts have downgraded Chicago from being *the* most racially segregated city in the country to simply *one of* the most racially segregated cities in the country. As the racial-ethnic residential map in Chapter 8 amply demonstrates, Chicago's south- and west-side neighborhoods are black, its south-central and west-central neighborhoods are

Hispanic, its north and northwest neighborhoods are white, and small clusters of Asian and immigrant Eastern European neighborhoods dot near-South and near-North neighborhoods.

In the early days, new arrivals to Chicago from eastern and southern Europe were complemented by the migration from south to north of black Americans who sought new economic and social freedoms within their own country. Current patterns of newly arriving residents to Chicago are a cultural and ethnic kaleidoscope drawn from all continents. The five most numerous immigrant groups are illustrative of this wide range of national origins: Mexican, Polish, Indian, Filipino, and Korean.

While Chicago remains among the nation's most racially segregated cities, jazz and blues music attracts multiethnic groups to clubs in predominantly white North Side neighborhoods. Ethnic areas, such as the Mexican communities of Pilsen and Little Village, and Chinatown and the South Asian-dominated portions of Devon Avenue, attract restaurant patrons from throughout the city, even as many immigrant families migrate outward and add to the ethnic and cultural mix of Chicago's collar counties. In addition, diverse groups of new and old residents intersect in the classroom, workplace, and commercial and recreational venues in a constant, if mostly informal, exchange of world cultures that in many ways reflects the immigration data. Observing residential interactions in the city is like viewing the shifting colors and patterns of the aggregated particles of a kaleidoscope.

## CONTESTED REINVENTION

We call the convergence of these five forces—globalization, economic restructuring, political managerialism, transformation of space, and race, ethnicity, and immigration—a process of “contested reinvention.” Contested reinvention speaks to the various visions, advocates, and modes of urban transformation that have played out in Chicago over the past two generations. With respect to vision, the new Chicago has been variously conceived as a postindustrial corporate center (by two generations of civic boosters, as well as by a series of city planning

documents), as a racially inclusive city holding onto a substantial share of its mid twentieth century industrial base (notably by economic development officials in the Harold Washington administration), as an amenity-rich playground for the contemporary upper-middle class (the current Daley mayoral administration), and as an efficiently organized, environmentally sustainable economic region (by the authors of 1998's *Chicago Metropolis 2020* plan). And as a cluster of more or less progressive neighborhoods by various grassroots organizations.

As for advocacy, Chicago's older polarization of voices—Democratic Party insiders versus anti-Machine advocates and central city versus suburban leaders—has given way to a complicated mix of governmental reformers and traditionalists (read patronage- and contract-hungry political insiders). Others with development interests, whom John Logan and Harvey Molotch (1987) have called “place entrepreneurs,” as well as metropolitan-oriented business and civic leaders, neighborhood activists, and new constituency (recent immigrant populations, gays and lesbians) advocates are also players. This partial cataloging of local voices is not meant to suggest that contemporary Chicago has become, if you will, a war of all against all, but it does speak to the complexity of interests seeking to shape key features of the emergent metropolitan community.

The modes by which this transformation will occur vary from the explicitly defined visions of a new Chicago revealed by various city planning documents to the especially grand *Chicago Metropolis 2020* plan. In the chapters that follow, however, we also discuss the less self-conscious transformations of neighborhood space produced by new patterns of immigrant settlement, or by the emergence of commercial enclaves such as the gay-oriented “Boys Town” in the Lake View neighborhood and the gallery-and-entertainment districts of River North and Wicker Park. Of course, such neighborhood transformations often produce conflict between working-class outgoers and prosperous incomers, and even between the first-wave of student-artist gentrifiers and subsequent loft and condominium purchasers. But, contested reinvention also speaks to the *parallel* changes reflected by

gentrification in some sections of the city, new immigrant settlement in both central city and suburban communities, and the efforts of some suburban towns to create new, downtown-like commercial cores. In short, we can assert that a new Chicago is emerging. Because of the multiple dreams at work across this metropolis, the multiple dreamers, and the unpredictability of many of their interactions, we also recognize that our central aim of defining the predominant directions of change will probably elude our powers of prognostication.

Thus, with this introductory chapter—*Part I* of *The New Chicago*—we have explained the scale and purpose of our enterprise and, as well, we have outlined our primary lines of analysis. In *Part II* of the book, we disaggregate the five converging forces and deal in detail with each in separate chapters. Because we believe the five converging forces are *essential* for understanding how a new Chicago emerged, it becomes especially important to elaborate on the role of each in that process. We see these forces in part as structural pilings that serve as a foundation for a new Chicago and in part as interrelated strands of a strong spider-like web in which no movement or activity takes place in one strand without affecting all the others.

*Part III* has several chapters dedicated to past and present ethnic and racial groups. Because people energize and bring alive the four other converging forces, and because immigration is dramatically altering the human composition and culture of Chicago, extensive description and analysis is contained here. For, as complex as other converging forces are, the human forces are even more complex and produce distinctive and ever-changing dynamics. Black and white relations, while still evolving and never static, have a long and exceptionally uneven history in Chicago, and we will analyze the emerging patterns of the “postmodern” construction of race and race relations. Immigration over the past quarter-century has added new cultures, races, and religions to Chicago's social mix that further alter the politics, economy, geography, and culture of metropolitan Chicago. Not only are there new players, but players who—by their very presence—change the nature of existing, older social dynamics and add a new and even

more complex set of dynamics of their own. While large numbers are no guarantee of social, political, or economic influence, we have limited our analysis of Chicago immigrants to those seven groups that constitute approximately 60% of all legal immigrants to Chicago since 1972: immigrants from Mexico, Poland, India, the Philippines, Korean, China, and the Middle East.

*Part IV* consists of a series of case studies on selected topics and issues. A metropolitan area like Chicago is a vast and multilayered network of actors, organizations, institutions, geographies, and interest groups, daunting in its complexity. In turn, people, organizations, and government in Chicago are responding to the converging forces and also trying to give shape to the new Chicago in an intentional fashion. The vignettes in this section were chosen: (1) to simplify this complexity by examining in detail a selective series of issues, or cases, of recent or current vintage that, collectively, have contributed to making Chicago what it is today and (2) to illustrate some of the main lines of active reshaping pursued by various groups in the region. The case studies are intended to illustrate the effect of converging forces on social and political institutions and organizations, as

well reveal the role of people, interest groups, organizations, and governments in the framing, processing, and outcomes of these forces.

*Part V*, the final section of the book, does two things. First, it reintroduces the overall point of view of the book—the converging forces—and the case studies and merges them into an integrated description of a new Chicago in a global world. Second, it takes these “lessons from the Chicago experience” and moves beyond them to identify principles and processes found in the Chicago story that might apply to other urban areas in this country and to other regions of our postindustrial world. It ends with a glimpse of different cultures waiting to be born.

#### NOTE

*Acknowledgments.* My thanks to Larry Bennett for being a thoughtful and helpful critic as well as enriching this chapter by writing the two sections: “Political Managerialism” and “Contested Reinvention.”

1. James Bryce, the British Ambassador to the United States, appears to have been the first person to make this claim (in 1888). Since that time, several other observers and scholars made near-identical statements about Chicago, the latest being Mayor Richard M. Daley, hardly a nonpartisan urban analyst.