

To comrade Staughton

Immigrants,
Unions,
and the
New U.S.
Labor Market

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and in their communities. The emergence and growth of a large class of transnational workers in New York City and other cities in the past two decades should compel unions to respond both by protecting old jobs that have not yet been restructured and by improving conditions for immigrant workers in the new informal economy.

2 The Political Economy of Transnational Labor in New York City: The Context for Immigrant Worker Militancy

After years of working in obscurity in the unregulated economy, transnational workers in New York City catapulted themselves to the forefront of labor activism in November and December 1999 through three separate organizing drives among low-wage workers. Immigrants initiated all three drives: Mexican immigrants organized and struck for improved wages and working conditions at greengroceries; Francophone African delivery workers struck for unpaid wages and respect from labor contractors for leading supermarket chains; and South Asians organized for improved conditions and a union in the for-hire car service industry.

This chapter argues that the militancy of immigrant workers arises from their distinct position within the political economy of New York City. Immigrant workers occupy specific economic and social niches characterized by exploitation and isolation that nurture class consciousness and militancy. These niches are the result of local and international economic processes and policies. Delineating the parameters of immigrant life on the job and in the community clarifies why seemingly invisible workers rise up to contest power in their workplaces and why immigrant workers are currently more prone to self-organization and unionization than are native-born workers.

Transnational Migration and New York City's Industrial Restructuring

During the decades on either side of the turn of the twentieth century, New York City's ethnic composition changed dramatically with the influx of Southern and Eastern European immigrants. They came to work in the city's burgeoning apparel, fur, printing, construction, and transportation industries. Many of these immigrants formed the backbone of the city's labor movement. By building the International Ladies Garment Workers Union, the Furriers Union, the International Brotherhood of Teamsters, and other unions, they made New York City a leading union center even before the passage of major federal labor legislation in the 1930s (Tichenor 2002).

Immigration to the United States and New York City declined dramatically with World War I and the passage of the Quota Act of 1921. The Immigration Act of 1924 (Johnson-Read Act) virtually shut the door to immigrants, especially from outside Northern Europe. As a result, it was the children of those earlier immigrants who launched the wave of industrial unionism in the 1930s. After World War II, most immigrants were Europeans displaced by war and Mexican agricultural workers.

Passage of the Hart-Celler Act in 1965 transformed immigration by eliminating country-of-origin quotas that had restricted immigration from non-European countries. The new legislation contributed to the expansion of immigration from Latin America, Asia, Africa, and the Caribbean, creating what sociologist Roger Waldinger (1996) calls "the new immigrants" (44-47). However, U.S. immigration policy since the 1980s has been incongruent with economic reality. On the whole, migration to the United States is growing with the demand for low-wage labor in manufacturing, services, and agriculture. The Immigration Reform and Control Act (IRCA) of 1986 intended to restrict unauthorized immigration but did almost nothing to stem the tide, as migration grew even faster. Ten years later, the Immigration Reform and Immigrant Responsibility Act of 1996, passed by the right-wing Republican majority in Congress, placed harsh restrictions on undocumented immigration. It, too, failed to halt the flow of immigrants. The failure of recent immigration restriction has been intentional, as economic

priorities trumped political preference. In effect, there are two national immigration policies: the official policy of restricting immigration passed to satisfy anti-immigrant political constituencies and the actual policy of allowing a steady flow of immigration to satisfy the demands of corporate constituencies in search of cheap labor.

★ This creates the best of both worlds for employers. On the one hand, low-wage immigrant labor is readily available. On the other, immigrant workers' illegal status increases employers' leverage in all aspects of the employment relationship.

As it did a century ago, the influx of immigrants at the turn of the twenty-first century has once again rearranged the ethnic mix of New York City. Many of the descendents of European immigrants have left the city for the suburbs, and their places have been taken by immigrants from Asia, Latin America, the Caribbean, Africa, and a new wave from former Communist countries in Eastern Europe. In the 1990s, New York State's officially documented foreign-born population—the vast majority of whom live in New York City—grew by nearly one million (Camarota and McArdle 2003, 10). The city's 2.9 million foreign-born residents make up 35.9 percent of the population. More than half the city's immigrants are from Latin America. A quarter is from Asia, a fifth from Europe, and 3.2 percent from Africa (United States Census Bureau 2000). Table 2.1 provides statistics on the country-of-origin breakdown of New York City immigrants.

Unlike their counterparts a century ago, many newcomers to New York City are now here illegally. Immigration restrictions have led to the creation of an underground population of transnational immigrants (See Basch Glick Schiller, and Szanton Blanc. 1993). Workers from Latin America typically migrate illegally without proper documentation; those from Africa, Asia, and Europe commonly arrive with business, worker, student, or tourist visas, which they overstay. In the wake of the events of September 11, 2001, the U.S. Bureau of Citizenship and Immigration Services (BCIS), a component of the new Department of Homeland Security, replaced the Immigration and Naturalization Service (INS) and cracked down on immigrants who overstay their visas by arresting and deporting many of them. BCIS has singled out southern and southwestern Asians for deportation because they tend to be on the Department

Table 2.1 Legally Admitted Immigrants: Top 20 Source Countries to New York City Primary Metropolitan Statistical Areas, Fiscal Years 1992–2002

Total Number Counted		New Arrivals 1992–2002		Adjustments*		
1	Dominican Rep.	179,596	Dominican Rep.	156,922	Former USSR	121,705
2	Former USSR	140,016	China	71,043	China	31,261
3	China	102,304	Jamaica	51,000	Dominican Rep.	22,674
4	Jamaica	68,070	Guyana	45,283	Jamaica	17,070
5	Guyana	54,488	Haiti	29,693	Trinidad & Tobago	14,992
6	India	39,382	Bangladesh	29,122	Philippines	14,099
7	Haiti	38,885	India	28,663	India	10,719
8	Ecuador	38,064	Ecuador	28,627	Korea	9,640
9	Poland	32,981	Poland	24,786	Ecuador	9,437
10	Bangladesh	32,828	Pakistan	23,106	Colombia	9,260
11	Trinidad & Tobago	32,173	Colombia	18,497	Guyana	9,205
12	Philippines	29,047	Trinidad & Tobago	17,181	Haiti	9,192
13	Pakistan	27,849	Former USSR	18,311	Poland	8,195
14	Colombia	27,757	Philippines	14,943	Mexico	8,342
15	Korea	16,606	Ireland	13,875	Former Yugoslavia	6,820
16	Ireland	14,897	Peru	11,307	United Kingdom	5,360
17	Peru	15,509	Ghana	9,185	Pakistan	4,743
18	Mexico	15,570	El Salvador	8,246	Israel	4,442
19	El Salvador	13,431	Honduras	8,112	El Salvador	5,185
20	Ghana	12,519	Mexico	7,228	Peru	4,202
Total:		931,972	615,130		326,543	

Source: Minnite, Lorraine. 2004. "Legally Admitted Immigrants: Top 20 Source Countries to New York City Primary Metropolitan Statistical Areas, Fiscal Years 1992–2002." Tabulation. New York.

*Adjustments represent immigrants overlooked in original enumeration.

of Homeland Security émigré watch list. Undocumented workers from the West Indies, Latin America, Eastern Europe, and East Asia—though frequently harassed—are less likely to be deported.

Whether they are in New York City legally or not, most recent immigrants work. In some cases, they do virtually the same work immigrants did a century ago. For example, just as Russian and Italian women sewed garments in sweatshops on the Lower East Side in the early twentieth century, today women from China and Latin America do the same thing in sweatshops in Chinatown and Sunset Park. Other new immigrants work in new or vastly altered industries, such as greengrocery, transportation, health care, domestic service, communications, delivery, and construction. Between 1990 and 2000, the percentage of immigrants in New York City increased from 28.4 percent to 35.9 percent. The 2000 Census reported that immigrants comprised nearly 2.9 million of the city's total population of just over eight million. Due to a high labor force participation rate, immigrants comprise 47 percent of the city's workforce. According to data compiled by the Fiscal Policy Institute based on the 2000 Census and 2003 Current Population Survey, immigrants represent 62 percent of the low-wage workforce earning between \$5.15 and \$7.10 an hour (Parrot 2004). Officially, workers from Latin America and the Caribbean (Dominican Republic, Haiti, and Trinidad and Tobago) comprise a large share of low-wage immigrants (see Table 2.2).

From 1970 to the present, the primary occupational trend in New York City's workforce has been the shift away from manufacturing to service industries. As the garment and printing trades have shrunk, retailing, personal services, and business services sectors of the economy have expanded. On the whole, native-born whites have gravitated to high-paying professional service jobs, African Americans and native-born Latinos have occupied jobs that rely on public sector funding. Meanwhile, over the past thirty years, immigrants tend to fill many of the low-wage jobs created in the new sectors of the economy. Low-end jobs in the service sector pay low wages and provide few, if any, benefits. These new jobs include private transportation, hotel and restaurant, delivery, security, building maintenance, and other low-wage services (Harris 1995; Kazis and Miller 2001).

Table 2.2 New York City's Low-Wage Immigrant Workforce by Place of Birth*

Country of Birth	Share of low-wage immigrants	Approximate number of low-wage immigrants	Share of foreign-born population, Census 2000
Dominican Republic	17.9%	90,000	12.9%
Mexico	13.7%	68,500	4.3%
China	6.0%	30,000	7.2%
Jamaica	5.7%	28,600	6.2%
Ecuador	5.4%	26,900	4.0%
Guyana	4.7%	23,700	4.6%
Haiti	3.5%	17,400	3.3%
Trinidad and Tobago	3.0%	15,000	3.1%
Russia	3.0%	15,000	2.8%
Colombia	2.5%	12,500	2.9%
Korea	2.2%	11,000	2.5%
India	2.0%	10,200	2.4%
El Salvador	2.0%	9,900	0.9%
Bangladesh	1.9%	9,600	1.5%
Poland	1.8%	8,900	2.3%
Total, 15 Countries	75.2%	377,200	60.9%

Source: Fiscal Policy Institute analysis of Current Population Survey Outgoing Rotation Group files provided by the Economic Policy Institute; Census 2000.

*Low-wage workforce defined as those earning less than \$10/hour in inflation-adjusted 2003 dollars. The immigrant low-wage workforce numbered approximately 500,000 for the four-year period 2000 to 2003.

The recent influx of immigrant workers is the result of industrial restructuring and capital mobility that has eroded traditional industries and remade New York City's political economy in the last thirty years (Bronfenbrenner 2000). One very general aspect of this restructuring is the decline of manufacturing. Through the first three quarters of the twentieth century New York City was a center for small-scale, flexible manufacturing that employed skilled

and semi-skilled workers who made a myriad of goods, including garments, printed matter, electrical equipment and supplies, non-electrical machinery, furniture, chemicals and allied products, leather and leather products, and food and beverage products. Today, with a few important exceptions such as apparel making and food service, most of these industries are either completely gone or marginal to the city's economy.

The loss of manufacturing jobs in New York City, like that elsewhere in the United States, has two basic sources: relocation and technological obsolescence. Neither process is particularly new, though they work at different paces in different periods. Manufacturing jobs have relocated out of New York City for many reasons, including the high cost of real estate, the difficulty and expense of transportation, and the relatively high rate of unionization. Rampant industrial closings have cut the city's manufacturing base from one million workers in 1950 to fewer than 200,000 today (Bureau of Labor Statistics 2002). In a typical recent example of job loss resulting from labor costs, the Swingline Stapler factory closed its doors in Long Island City in 2000, moving 450 manufacturing jobs to Nogales, Mexico, where workers earn a fraction of the wage earned in New York City. Often jobs can be moved because productivity has improved to the point where unskilled workers can replace skilled workers or jobs are rendered wholly redundant through advances in computerization (Levy and Murnane 2004, 31–54). In the middle of the twentieth century, as electrical equipment manufacturing grew more standardized production began to move from the city to New Jersey and Pennsylvania, and eventually to Mexico and China. Throughout the twentieth century, thousands of employers in chemicals, furniture, leather, and other industries made similar moves. Technological innovation eliminated many of the city's high-paying manufacturing jobs altogether. The most notable example of this is the printing and publishing industry, formerly home to one of the city's largest concentrations of unionized workers, where electronic publishing and computerized printing eliminated thousands of typesetters and pressmen. As standard jobs have been replaced by contingent work, a larger share of the labor market is falling into the informal sectors (Bailey and Waldinger 1991). Those industries in New York City that employ

Table 2.3 Informal Occupations—California

Occupational Category	Percent Informal
Private household services	42.82
Construction laborers	29.64
Cleaning and building	27.50
Food service	24.75
Construction trades	15.95
Motor-vehicle operators	13.68
Health technologists and technicians	5.18
Secretaries, stenographers, and typists	3.00
Teachers, elementary and secondary	1.91
Engineers	0.85
Police and fire fighting	0.71
Architects, mathematicians, and scientists	0.70

Source: Data derived from Marcelli, Pastor, and Joassart 1999, 586.

the greatest share of immigrants parallel the informalization of the industry in other large U.S. cities, as reflected in the Los Angeles data, where a large informal economy has grown in the low-wage service sector (see Table 2.3).

The decline of manufacturing has had manifold implications for the city's workforce. Most importantly, it has eliminated numerous possibilities for stable, well-paid employment and undermined some of the city's most powerful unions. The unemployment created by the shrinking, relocation, and closing of manufacturing establishments has put downward pressure on wages and working conditions in the rest of the city's economy. It has also freed up workers for employment in a whole new set of service industries. In these industries, specific strategies for corporate restructuring have led to the influx of immigrants from around the world.

None of the service industries that have risen to prominence in New York City's economy over the past half-century is particularly new. Finance, insurance, real estate, media, retail, and even

technology have had long histories in the city. But these industries did not just get larger. They altered the way they did business. Most importantly, through subcontracting and outsourcing they have stimulated the development of highly competitive markets for various business and consumer services. Firms have broken down their work into smaller parts and farmed these parts out to weaker, marginal firms who compete on the basis of cheap labor. In the garment industry, one of the few remaining manufacturing industries, this age-old practice has seen a revival in recent decades as a network of small nonunion subcontractors employing immigrant workers in sweatshop conditions have popped up to undersell unionized apparel makers. The same phenomenon has occurred in construction and in the service sector. Chapter 5 describes how New York City supermarkets contract out their delivery services to labor contractors who hire West African immigrants at below minimum wage. In an extreme form of this practice, firms do not actually hire their workers. Instead, they treat them as independent contractors, responsible for all the supplies and equipment needed to do their jobs. This was the case for South Asian black car drivers, discussed in Chapter 6, before they unionized, and it is the case for immigrant and native-born telemarketing agents for banks, telephone companies, and retailers.

The decline of manufacturing and the rise of services altered the social geography of work in New York City. Service jobs tend to be dispersed in small firms throughout the city. Previous generations of immigrants who worked in small garment or printing shops benefited from the concentration of industries in specific areas of the city. As labor historian Joshua Freeman observes, mid-twentieth century New York City had a garment district, a printing district, a fur district, and a meatpacking district. The industrial geography of New York City, divided as it was into specialized economic zones, imparted a particular character to the city's economic life, labor relations, and even its culture. Areas like the garment district were swarming with local restaurants, cafeterias, bars, clubs, employment agencies, and union halls where employers and workers exchanged information, sought work or workers, socialized, organized, and developed shared ideas about life, work, and politics (Freeman 2000, 13–14). The immigrant social networks of the

past established through these interchanges stimulated a class consciousness among employees at different companies that spurred the organizing of unions in various trades, crossing barriers of ethnicity.

That industrial topography is now extinct. This loss of manufacturing jobs has undermined the solidarity among workers that created strong unions. Since the 1970s, once-thriving industrial zones have been displaced by commercial and residential gentrification, which has made it almost impossible for small and medium-sized firms to remain. In the absence of commercial rent stabilization laws, rising real estate costs have uprooted entire trades from their old neighborhoods and dispersed them throughout the city and beyond. Only vestiges of the original industries remain. For example, between 1980 and 2000, Lower Manhattan's printing industry was displaced by commercial offices and residential housing. At the same time, technological advances enabled the publishing industry to outsource large segments of the production process to low-cost operators in the region. Service companies do not cluster, either. A growing number of low-wage services—domestic and janitorial work, for-hire vehicle services, restaurants, supermarkets, and retail stores—do not concentrate in a particular industrial zone, but are spread all over the city to meet customer needs.

The proliferation of geographically dispersed subcontractors who compete on the basis of low wages encourages a process of *informalization*—a term referring to a redistribution of work from regulated sectors of the economy to new unregulated sectors of the underground or informal economy. The result is a reduction of wages and a decline of working conditions below government-established norms. Although informalization is typically associated with underground economies in the developing world, there is growing recognition of the link between the regulated and unregulated sectors in advanced industrial regions. The regulated sector increasingly depends on unregulated economic activity through subcontracting and outsourcing of production to firms employing low-wage immigrant labor (Portes 1995; Portes and Castells 1991; Sassen 1991; 1999). Major corporations employ or subcontract to businesses employing transnational workers in what were once established sectors of the economy with decent wages and working

conditions. Now the reliable jobs in the established labor market have been replaced by low wage jobs with substandard conditions commonly found underground. Thus, informalization does not represent industrial decline but horizontal restructuring, often done to maintain and increase flexibility and competitiveness in regional, national, and international markets.

Informalization requires government regulatory agencies to look the other way. For decades federal and New York State regulatory bodies have ignored violations of laws governing wages, hours, and workplace safety, leading to illegally low wages and declining workplace health and safety practices. The process of informalization is furthered by reduction and elimination of government wage protections such as disability insurance, Social Security, health care coverage, unemployment insurance, and workers compensation. Without these protections, workers—especially immigrant workers—are more dependent on their employers and more desperate for work.

The decline of union power and the process of informalization in New York City have been mutually reinforcing. On the one hand, the failure of unions to organize the newly established subcontractors in grocery, transportation, garment, construction, and other industries has allowed the subcontractors to flourish. On the other hand, the appearance of nonunion subcontractors has undermined the power of unions to win decent wages and working conditions from organized employers. In the regulated sector, between 1989 and 1999, jobs paying less than \$25,000 per year increased by 81 percent; jobs paying \$25,000 to \$50,000 declined by 66.3 percent (Levitan 2000).

Creating a Pool of Low-Wage Workers

The informal sector is not limited to immigrant workers but also has grown to include a larger share of native-born workers employed in domestic services, personal services, and garment production. The size of the informal sector varies by occupation. For example, in 1999, the informal occupations in Los Angeles ranged from a low of 0.7 percent among architects, mathematicians, and scientists to 42.82 percent among domestic workers. Although no equivalent data breakdown of the informal economy is available for New York

Table 2.4 New York City Industries Employing the Greatest Numbers of Immigrant Workers

Industry	Approximate number of immigrant workers	Immigrant share of industry's employment (%)	Median hourly wage of industry's immigrant workforce (2003 dollars)
Eating and drinking places	125,470	73	8.55
Construction	100,270	62	13.30
Hospitals	79,900	45	16.36
Health services	71,670	64	8.69
Apparel and accessories manufacturing'	54,160	89	8.39
Elementary and secondary schools	45,840	26	15.34
Real estate	39,670	47	14.15
Grocery stores	38,670	64	8.01
Private households	38,360	85	7.96
Bus service and urban transit	33,680	46	14.69

Source: FPI analysis of CPS ORG files provided by EPI; Census 2000.

City, but because both cities have high numbers of new immigrants, one can extrapolate that the city's informal economy is equally large and growing at a rapid rate (see Table 2.4).

In essence, the growth of unregulated labor has dragged down wages in the regulated sector—in precisely the jobs where unions had been strongest. Some labor markets that had been under union control as late as the 1980s are now dominated by transnational workers. As a result, unions face something of a catch-22: They need to organize to increase their leverage against employers, but they need to demonstrate their ability to beat employers if they are to organize.

Still, unions are not helpless. While no labor market sector has been immune to informalization, worker organizing can sometimes reverse the trend, and labor markets can shift back and forth between standard and substandard. For example, in the building and construction industry a growing number of jobs formerly controlled by unions are now subcontracted to nonunion firms that perform an increasing proportion of construction work and hire marginal workers. Interior demolition and asbestos removal—the most strenuous, grimy, and dangerous construction work—is performed largely by Latin American and Eastern European immigrants. The nonunion firms have evaded state regulation, wages have fallen significantly below industry standards, and state and federal authorities have frequently ignored poor safety and health conditions. Even worse is that construction unions have been implicated in the mistreatment of transnational workers. In 1994, the New York City Mason and Tenders District Council of Greater New York of the Laborers' International Union of North America (LIUNA), which was dominated by organized crime in the 1980s and 1990s, was placed into trusteeship by the federal government after it collected evidence that the union allowed firms to hire nonunion immigrant workers at a small fraction of normal union wages. However, only two years later, the union facilitated the organization of some 2,000 new members into LIUNA Local 78, a new local. Through the organization of immigrant workers within their communities and direct action at workplaces, the union again became a viable force in the building and construction industry (Kieffer and Ness 1999).

By the 1990s, substandard jobs employing transnational workers had become crucial to key sectors of the economy of New York City. Today, immigrants have gained a major presence as bricklayers, demolition workers, and hazardous waste workers on construction and building rehabilitation sites; as cooks, dishwashers, and busboys in restaurants; and as taxi drivers, domestic workers, and delivery people. Employers frequently treat these workers as self-employed. They have no union protection and little or no job security. With government enforcement shrinking, they lack the protection of minimum-wage laws and they have been excluded from Social Security and unemployment insurance. They

are increasingly victimized by employers who force them to accept nineteenth-century working conditions and wages below the federally mandated minimum of \$5.15 per hour.

Despite and because of industrial restructuring, New York City has become a nexus of international labor migration, with a constantly churning labor market. As long as there is a demand for cheap labor, immigrants will continue to enter the United States in large numbers. Stephen Castles (2002), an authority on immigration, challenges the conventional and parochial position that migration is caused solely by economic deprivation in the undeveloped world of the global South:

Migration does not present an economic or social crisis for the North. . . . [T]he main reason for the presence of economic migrants is that they are needed to fill jobs in industry and services. Undocumented entry of unskilled workers is seen as a problem, but is actually a result of Northern economic structures and immigration policies. Since there is a high demand for such workers in construction, manufacturing and services, the result is a burgeoning of undocumented workers in the informal sector. (188)

While many transnational workers migrate illegally and are treated inhospitably by employers and the general populace in their new countries, they have become crucial to corporate strategies that demand fluidity of capital, production, and labor (Michael Peter Smith 2001; Stalker 2001).

Although the *demand* for low-wage labor induces immigration from the global South, the *availability* of an immigrant work force enables employers in the urban centers of the global North such as New York City to pursue business strategies that rely on low-wage labor. New immigrants from the global South are crucial to the expansion of New York City's labor market and are the basis for the three case studies examined in chapters 4, 5, and 6 of this book. The reserve army of immigrant worker labor provides an enormous incentive for larger corporations to create and use subcontracting firms. Without this workforce, employers in the regulated economy would have more incentive to invest in labor-saving technology, increase the capital-labor ratio, and seek accommodation with unions. As Guerin-Gonzalez and Strikwerda (1993) assert: "The

international migration of workers is . . . one element in a struggle for control over labor power and the conditions of work between industrial capitalists and workers (16)."¹

Employers in restructured labor markets neglect native-born workers and recruit from among foreign immigrant workers in a process explained in the following chapters. In most cases, immigrants do not directly displace native-born workers. Instead, employers undermine established wage and working standards through industrial restructuring. This can take the form of union busting, relocation, outsourcing, the establishment of subsidiaries, or through the entrance of new capital and the creation of new firms. In each case, new jobs are created but at much lower wages and with worse working conditions precisely because the firms seek their competitive advantage through the use of low-wage labor. To meet this goal, they seek out workers who are willing to work for lower wages. New unauthorized immigrants residing and working in the U.S. are ideal: Their undocumented legal status makes them more tractable since they constantly fear deportation as 'illegals.' Undocumented immigrants understand less than do native-born workers about established labor standards, and even low U.S. wages represent an improvement over earnings in their home countries. The result of this interaction between supply and demand is a labor market segmented by race, nationality, and gender. For example, gender plays an important role among domestic workers in the Los Angeles labor market. The mostly female labor force has replaced some professional women in the household by performing domestic work, caring for children and the elderly, doing laundry, and running errands (Hondagneu-Sotelo 2001; Stafford 1985).²

The perception that new immigrants undermine the norms of the regulated labor market and threaten native-born workers by undercutting prevailing wage and work standards cannot be entirely dismissed. Immigrants in the underground economy reduce the labor market leverage of native-born workers and weaken government labor protections won by workers in the past century. But it is corporations—not immigrant workers—who benefit from this state of affairs. Rather than attributing the decline in working conditions to businesses that exploit immigrant labor and profit from lowered labor standards, some analysts blame immigration for the

decline in native-born wages and working conditions (Briggs 2001; Buchanan 2001).

In the 1990s postindustrial era, the reduction of trade restrictions is driving consumer demand for low-wage goods and services. A large sector of this new growth is driven by expanding corporate and consumer dependence on informal goods and services. The postindustrial economic restructuring from goods production to services in the North and the growing impoverishment in the South is the impetus for growing migration. Notably, the informal economy is not isolated from the formal sector, but becomes integrated into the broader economy. Low-wage and low-skill service jobs are not isolated but vital to the formal sector as the need for domestic workers, delivery, retail, food services, transportation, hospitality, and other tasks becomes essential to the mainstream economy. While the informal sector is not regulated by the government, the formal sector remains dependent on workers for low-skill work.

The results of neoliberal policy and the legacy of colonization have undermined rural society and created unemployment and underemployment in many source countries. Without this process, most people would not leave those countries and would not provide the workforce necessary for the informalization process. Thus, undocumented migration is caused, on the one hand, by growing poverty conditions produced by neoliberal market reforms that eliminate social protection in the global South, and on the other hand, by demand for low-skill, low-wage labor in the global North creating the need for a pool of low-wage workers. Informal work is created through economic restructuring on a global and local level that fuels interdependency between formal and informal sectors.

Neoliberal policies have encouraged economic restructuring in the South that is the basis for the migration to the North. The availability of a large pool of low-wage migrant workers increases business reliance on low-wage and low-skill jobs in both formal and informal sectors. Indeed, foreign remittances from undocumented workers in the U.S. are an important source of revenue for countries of the global South. Deregulation of economic activity has displaced workers and rural peasants in Central America and the Caribbean through the creation of free-trade zones and the removal of government-sponsored social services for the poor.

Long-established government subsidies provided by countries of the South that had sustained rural peasants and the urban working classes have been cut back significantly, precipitating the decline in food price supports, publicly subsidized housing, health care, and universal education. International migration is thus facilitated by the failure of governments of the South to support those with the fewest independent resources.

Forging Immigrant Solidarity

As a result of deliberate corporate and government policies that have transformed the New York City economy, myriad immigrant workers now occupy a range of employment niches at the bottom of the city's job hierarchy. They work under harsh conditions in unconventional work relationships. Because of restructured labor markets, outsourcing, nonenforcement of labor laws governing wages and working conditions, and the decline of union power, New York City businesses are engaging in exploitative labor practices not seen in nearly a century. As the case studies in Chapters 4, 5, and 6 show, employers have frequently redefined immigrant workers as independent contractors, or even as entrepreneurs, while they actually resemble indentured servants. New low-wage transnational workers endure greater exploitation than did the workers who preceded them in similar occupations.

How then do new immigrants with tenuous ties to the organized labor movement and the state assert their interests? The answer lies in the character of immigrant work and social life. Both on the job and off, immigrants are concentrated by ethnicity, color, gender, language, religion, and nationality. As a consequence, they can draw on shared experiences and identities to create solidarity at work and in their communities.

New immigrants typically find jobs through social networks that are established in their home countries and reinforced in New York City. These networks usually point them to jobs in ethnic niches, creating what Foner refers to as the "ethnic division of labor" (2001, 1–31). But this division of labor actually includes a broader range of identities that goes beyond ethnicity. The "ethnic niche" hypothesis put forward by Waldinger suggests that employer-worker

social networks create segmented immigrant labor markets. However, by focusing only upon country of origin, Waldinger misses the larger range of identities that funnels immigrants into certain industries. "Ethnic niches" can be expanded to include a broader range of distinctions—color, gender, language, religion, and nationality—that can collectively be called "identity niches." These niches are often reproduced outside the job in identity-defined communities.

Transnational workers bring social identities from their home countries, while new identities are shaped through socialization and work in this country. In New York City, the segmentation of immigrant workers from specific countries reinforces ethnic, national, and religious identities and helps to form other identities that may stimulate solidarity. For example, before arriving in the United States, Mexican immigrant workers often see themselves as peasants but not as "people of color," while Francophone Africans see themselves as Malian or Senegalese ethnics but not necessarily "black." Life and work in New York can encourage immigrants to adopt these new identities.

Isolated in their jobs and communities, immigrant workers have few social ties to unions, community groups, and public officials, and few resources to call upon to assist them in transforming their workplaces. Because new immigrants have few social networks outside the workplace, the ties they develop on the job are especially solid and meaningful—and are nurtured every day. The workers' very isolation and status as outsiders, and their concentration into industrial niches by employers who hire on the basis of identity, tend to strengthen old social ties, build new ones, and deepen class solidarity. Having few ties to well-established social organizations, immigrants' common bonds become stronger and more important (Foner, Rumbaut, and Gold 2000).

It is through these thick relationships developed on the job and frequently in the community that mutual resentment of the employer evolves into class consciousness and class solidarity. Typically, few workplace hierarchies exist among immigrant workers, since hardly any employees rise to supervisory positions. As a result, immigrant workers suffer poor treatment equally at the hands of employers. The interviews in this book show a gathering sense of

collective exploitation that usually transforms individualistic activities into shared action. In the rare cases where there are immigrant foremen and crew leaders, recognizing this solidarity, many side with the workers, not with management. One former manager employed for a fast-food sandwich chain in New York City said: "We are hired only to divide the workers but I was really trying to help the workers get better pay and shorter hours" (interview, anonymous Mexican worker, October 2, 2003).

The timing of immigrant worker militancy is difficult to calculate, but it is usually based on a simultaneous process of workers realizing that they are treated in a disrespectful and worthless fashion, are paid unfair wages, and cannot make ends meet. Personal forms of abuse and discrimination are practiced every day in transnational immigrant work environments. But there is usually a trigger that sets workers off—nonpayment of wages or management verbal and physical abuse. Another important factor is the organizing that goes from workplace to workplace like wildfire. When workers realize that they *can* fight and prevail, it creates a sense of invincibility that stimulates militant action that would otherwise be avoided at all costs. This demonstration effect is vitally important, as was the case in past strikes among garment workers and coal miners.

Immigrant social networks established through ascriptive ties derived from heritage and through labor market niches provide the basis for worker militancy by solidifying and intensifying solidarities at the workplace. The concentration of immigrant networks at one job or labor market creates shared experiences on the basis of common exploitation that translate into more intense levels of resistance against employers and labor contractors. For example, over the last decade, concentration of Ecuadorian laborers in menial jobs as busboys and dishwashers in New York City's restaurant industry has consolidated labor solidarity on the basis of national origin. Because recent immigrant workers work all day and go home to neighborhoods, buildings, and even apartments in racially segregated communities, labor exploitation on the job is often the primary conversation on the street corner, soccer field, or at the dinner table. The fact that new immigrants work at subminimum wages under harsh conditions sets in motion labor resistance and worker militancy on the job.

Long days and nights spent working and living together give immigrant workers the opportunity to form ties that are thicker and more resilient than those of native-born workers who work shorter and fewer days and live separately. The typical immigrant in the informal sector can expect to work twelve-hour days, seven days a week. When arriving home, immigrant workers frequently share the same apartments, buildings, and neighborhoods. These employment ghettos typify immigrant communities in Harlem and Washington Heights, Manhattan; South Bronx; Woodside and Elmhurst, Queens; and Sunset Park and Brighton Beach, Brooklyn. Workers cook for one another, share stories about their oppressively long and hard days, commiserate about their ill treatment at work, and then go to sleep only to start the same day anew.

Immigrant social networks contribute to workplace militancy. Conversely, activism at work can stimulate new social networks that can expand workers' power. Evidence of the social interaction that is crystallized in the workplace and in the community is found in the formation of informal organizations, employee meetings to respond to employer abuse, and action on the shop floor in defiance of employer abuse. These social networks, for example among workers in the for-hire transportation industry, do not only emerge from the identity backgrounds of workers, but are shaped by their common struggles on the job.

In cases where workers are treated as a generic bloc, as with West Africans, they tend to switch identity from Senegalese, to French West Africans, to Africans. Despite the threat of job loss and deportation, on-the-job and community organizing leads to improved working conditions, respect, and dignity on the job. Organizing among transnational workers gains the attention of labor unions, which then see a chance to recruit new members and may provide resources to help immigrant workers mobilize at work and join the union.

The identities that already exist among workers through ethnicity, nationality, language, and religion are reinforced here in the States by the class identity immigrants are made to assume on the job. The ethnographic case studies of transnational immigrants that make up the heart of this book demonstrate that social identities are reinforced on a class basis in the restructured workplace.

Employers' segmentation of transnational workers strengthens existing social networks and prevents the formation of new networks extending into the broader labor market. That is, immigrants cleave to traditional bonds based on ethnicity, nationality, language, and religion, and are not assimilated into the dominant society.

Religious Identity

A growing body of research demonstrates that immigrants retain and reinforce their religious faith upon arrival in the United States—even becoming more observant. For example, in a study of new immigrants, Ebaugh and Chafetz (2000) found that Buddhist, Greek Orthodox, and Zoroastrian faiths, transplanted through the founding of new institutions, have profoundly changed the character of Houston neighborhoods. An ethnographic study of religion in New York City's Chinatown by Guest (2003) shows that the dramatic growth in immigration from Fuzhou Province in China since the 1980s has reinforced Buddhist, Daoist, Protestant, and Catholic religious identities. Religion is an important means of gaining access to labor markets, solidifying labor enclaves, and establishing class bonds through friendships formed in churches and mosques.

The case studies in Chapters 4, 5, and 6 further demonstrate that religion is an important part of identity and can strengthen class solidarity. Just as color and ethnicity are used to drive immigrants into certain labor niches, religion delineates boundaries between native-born and foreign workers. Immigrants—whether observant or not—frequently find it advantageous to refer to their religious faith to gain friends, find work, and form bonds on the job.

New immigrants from Mexico often go to churches to socialize, find job openings, and protest working conditions. Mexican churches in New York City neighborhoods are among the few forums for discussion about workplace conditions and the local labor market. At Our Lady of Guadeloupe, a Roman Catholic Church in Lower Manhattan, recent Mexican immigrants congregate for weekly services, religious, and national holidays. Workers use connections they make through fellow congregants to find leads to

jobs in industries that often hire Mexicans. They join the church's Mexican immigrant organization, Tepeyac, for help during disputes with employers, and they frequently participate in demonstrations calling for a general amnesty for immigrants and for Mexican immigrant workers' rights. Brother Joel Magallan, pastor of the church, is a long-time advocate of those rights. In 2002, Our Lady of Guadeloupe sponsored the formation of the Mexican Workers Union (MWU) to help greengrocery workers organize and to advocate on behalf of fellow nationals in labor disputes with employers.

New immigrants from Islamic countries typically find jobs in the same industries as Muslims who preceded them. The personal transportation industry, comprised of taxicabs, limousines, and other for-hire vehicles, is a magnet for immigrants from the Muslim world, and most drivers are adherents of Islam. Interviews with for-hire vehicle drivers³, demonstrate that Islamic faith overrides all other forms of identity, including language, nationality, and ethnicity. These ties lead to the formation of prayer groups held in workers' homes, workplaces, and the growing number of New York City mosques that become gatherings for discussion and debate about labor conditions.

Gender and the Division of Immigrant Labor

Patterns of gender stratification found in the general labor market are even more apparent among undocumented workers. Rarely do migrant workers of the same sex work in the same labor market. The gender differentiation is frequently reinforced by religion. Also, given the prohibition of male and female communication within civil society, even those women who work in the labor market tend to work in domestic work, garment factories, and other jobs in the lowest rungs of the economy segmented on the basis of gender. The transnational workers in this book's case studies are almost all male. The preponderance of men in the greengrocery, delivery, and for-hire driving industries stems from migration patterns and employers' reliance on gender stereotypes. The men in a family, rather than the women, typically make the first trips to the United States. Most female relatives commonly stay in their countries of

origin to care for the families of transnational workers, although younger women frequently make the trek to New York City to work in the garment industry.

Some jobs in the nonunion economy, such as construction and driving, are stereotypically considered "men's work." Although food preparation is stereotypically "women's work," Latinos have had a history of working in the food service industry since the early twentieth century when they were recruited to work on American farms as contract laborers. However, women predominate in the apparel industry, make up the majority of domestic and childcare workers, and are increasingly found washing clothes in laundries. Like their male counterparts, female transnational workers usually arrive in the United States alone, without their families, precluding or greatly impeding permanent settlement and the establishment of immigrant communities.

Conclusion

The distinctiveness of migrant worker militancy in low-wage jobs above expectations and against the odds is critical to understanding native-born worker militancy as well. This unanticipated militancy is a product of the corporate restructuring that has created sub-minimum wage, dead-end, jobs below the poverty line. A major finding of this book is that immigrants tend to engage in collective action at least as much as native-born workers. However, at the same time this book finds that immigrants do not possess any inherently greater militancy or passivity than native workers. Cultures of militancy and passivity among all workers are structured by social relations producing ripe conditions for organizing. That is, immigrants do not have a cultural propensity to organize and native workers are not out-and-out hostile to organizing.

Three workplace conditions seem to produce greater militancy on the job among immigrant workers than native-born workers: first, collective social isolation that engenders stronger ties among immigrants than native-born workers in low-skill and low-wage jobs where organizing is frequently seen as the only way to improve conditions. Because immigrants work in jobs that tend to be more amenable to organizing, they are highly represented among newly

unionized workers. The occurrence of strong social ties to the workplace drives immigrants to form their own embryonic organizations and to rely on unorthodox repertoires of struggle against their employers. The new social organizations formed by immigrants are ripe for union representation.

Second, employers play a major role in immigrant workers being more likely to organize than are native-born workers. Firms employing native-born workers tend to be larger and are often much harder to organize than the small businesses where immigrants in New York City work. The Merriam-Webster dictionary, published in June 2003, includes the new word *McJob*, defined as "a low-paying job that requires little skill and provides little opportunity for advancement." The reference reflects the relentless thirty-year economic restructuring that has created low-end jobs in the retail sector that pay low wages, provide few benefits, lack job security, and have poor working conditions. Corporate restructuring has downgraded both wages and working conditions among both native and immigrant workers. In another example, the retail giant Wal-Mart epitomizes the proliferation of postindustrial jobs in the retail industry that fail to pay enough to cover workers' basic needs.

Organizing against McDonalds or Wal-Mart is completely different from organizing against smaller employers who have fewer resources. Wal-Mart uses many of the same tactics against workers that immigrants contend with: failure to pay overtime, stealing time (intentionally paying workers for less hours than actually worked), no health care, part-time work, high turnover, and gender division of labor. The difference is that Wal-Mart has far more resources to oppose unionization than do the smaller employers who are frequently subcontractors to larger firms.

The redefinition of labor in the underground immigrant economy that this book examines is substantially different from low-wage nonunion work proliferating through the growth of chain stores and restaurants like Wal-Mart and McDonalds. Why do workers appear complacent in giant retail and restaurant chain stores while new immigrants frequently employed in smaller firms are so militant?

Under current labor law, both unorganized immigrant workers and native-born workers are hired and fired without due process

at the behest of employers. As labor law has eroded, employers are emboldened to exploit workers to gain greater profits. There are no job protections, except those against discrimination—and these protections are weakly enforced. But, because native-born workers tend to be socially isolated and atomized in McJobs, they do not have the same opportunities immigrants have to resist through organizing and collective action. Employers may be aware that undocumented immigrants are legally vulnerable, but are unaware of the solidarity that is built up through collective social isolation.

Finally, the fact that native-born workers have an exit strategy and transnational workers do not is a significant and important difference. The notion of *exit* draws on Albert Hirschman's (1990) study, *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States*, which argues that the public and consumers have two different ways of demonstrating dissatisfaction with the quality of services. In this case, native-born workers have the option to exit from their jobs whereas immigrant workers are more prone to use voice to change the situation because they have far fewer options. By exercising voice, immigrant workers can push firms to improve their wages and working conditions. Workers employed at large firms like Wal-Mart and its ilk are unable to use voice, since they have little power and will be summarily fired for any form of dissent.

Labor-management conflict in the sprawling nonunion service sector is regulated by the state and business codes of conduct, which demarcate the boundaries of struggle. If you violate the terms of Wal-Mart's or McDonalds' employee manual by, say, arriving late, and then are summarily fired—due to social isolation on the job produced by constant employee turnover—no one is there to fend for you as is usually the case among undocumented workers employed in a small business.⁴

The expanding non-immigrant low-end service sector tends to produce unskilled part-time jobs that do not train workers in skills that keep them in the same labor market. Because jobs at the low end of the economy require little training, workers frequently move from one industry to the next. One day a native-born worker may work as a sales clerk for Target and the next day work for as a waiter

at Olive Garden. Because they are not stuck in identity-defined niches, native-born immigrants can more easily exit a job they do not like, giving them less reason to organize and unionize.

Exit is, however, not the option of choice for most immigrant workers. Frequently, migrant workers engage in direct action against their employers to obtain higher wages and respect on the job. Employers hiring new immigrant workers may risk a demonstration, picket line, or even a strike. Native-born workers employed by large and small employers protest through quitting and finding a new job elsewhere; they do not develop the same dense connections as do new immigrants driven into labor market niches who forge solidarity through working together.

Immigrant workers are pushed into low-wage labor market niches as day laborers, food handlers, delivery workers, and nannies; these niches are difficult if not impossible to escape. Consequently, with the exception of day laborers, immigrants tend to be employed for longer time spans in the same industry and with the same employer than are native-born workers. This longevity fosters greater solidarity for immigrants compared with native workers who may work in a litany of industries. As Chapters 4, 5, and 6 demonstrate, immigrant workers who are relegated to dead-end jobs in the lowest echelons of the labor market in food, delivery, and car service work show a greater eagerness to fight it out to improve their wages and conditions than do native workers who can move on to another dead-end job.

The perilous state of low-wage labor in New York City resembles the precarious conditions of the early twentieth century. In his account of immigrant organizing during the Progressive Era, Dubofsky notes that, from 1900 to 1910, the vast majority of low-wage workers in the city's industries were nonunionized Jewish and Italian immigrants. Throughout the following decade, labor unrest and strikes by these immigrant industrial workers remade the New York City labor movement. Union membership in the apparel industry increased from 30,000 garment workers in 1909 to 250,000 in 1913, primarily through the organization of female immigrants (Dubofsky 1969, 4).⁵

Early twentieth-century immigrant workers were more militant than the native-born because they had greater expectations for a

better life in America. Dubofsky contends that, unlike native-born workers, they had not anticipated low wages and exceptionally arduous working conditions before they arrived in the United States. The occurrence of militancy and activism among immigrant workers, a key question this book seeks to answer, is partly addressed in this phenomenon of unmet expectations. Nearly ninety years later, low-wage immigrant workers labor under abusive conditions not unlike those of a century ago. Jarred by the harsh reality of working in New York City's unregulated sectors, recent immigrants regularly recount sorrowful stories of their unmet expectations in America.

Labor militancy among today's immigrants is no new, unique phenomenon. It is a response to the degradation of wages and working conditions over the past thirty years, after organized labor greatly improved working conditions from the 1940s to the 1970s. Those decades of labor power were a departure from the corporate domination, labor suppression, and class conflict that preceded and followed them. The breaking of the employer-employee compact, which had been established under the New Deal, by businesses in the 1970s, severely compromised the power of organized labor, leaving many workers with no recourse but renewed struggle within the workplace. Militancy among immigrants inside and outside of unions today is a response to business' thirty-year assault against American workers, largely without government penalties or substantial labor unrest. Economic restructuring and union concessions have given rise to a new workplace, where dissent is not filtered through union agents but is expressed by workers themselves.⁶ That immigrant workers are at the vanguard of new organizing is startling, considering their paucity of resources and allies in organized labor. But the organizing is predictable, given workers' deep social ties built on the job and the absence of legal or employer regulations governing the workplace.