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INDUSTRIAL AND OCCUPATIONAL CHANGE IN LOS ANGELES: THE CONCENTRATION AND POLARIZATION OF MINORITY AND WHITE LABORERS

Abel Valenzuela, Jr.

Abstract

Metropolitan Los Angeles is one of the largest industrial regions in the world and one of the most important destinations of immigrants in the U.S. This article examines the relationship between the city's old and new workforce (immigrants, women, and baby boomers). It addresses the question: how did Latinos, African-Americans, and whites "fit" into Los Angeles' economy between 1970 and 1980. Several theories about the position of minorities and women in post-industrial society are analyzed for their applicability to Los Angeles: (1) mismatch; (2) polarization; and (3) ethnic succession. The author, using a shift-share method employed in a similar study on New York City, tests the ethnic succession hypothesis in Los Angeles. He concludes that, unlike New York, Los Angeles' white population did not decrease in its total employment, thus not allowing for a large minority employment succession. Likewise, the mismatch and polarization theories do not fully capture what is occurring in Los Angeles. Instead, laborers in Los Angeles continue to be concentrated in jobs along lines of race and gender. In addition, minority and female workers are concentrated in low-paying and low-skilled jobs, which contributes to wage polarization by race and gender.

Introduction

Los Angeles, home of ex-president Reagan and other actors, multi-million-dollar sports teams (Dodgers and Lakers to name a couple), Beverly Hills, Bel Air, and other affluent neighborhoods, and a plethora of business executives, is also home to poor immigrants from Central America, refugees from Southeast Asia, a large jobless African-American and Latino population, a surging homeless population, and a steady stream of migrants from the rest of the United States. "Los Angeles Brings It All Together" (the city's official slogan) takes on added meaning when we also consider the dichotomy between the city's growth in its industrial base and its work force. This dichotomy seems to become more urgent and profound as the city's population—a good portion of it unskilled, young, female, and non-English-speaking—continues to grow. Indeed, among many other things, Los Angeles especially conjures up images of a city reaching giant proportions, overflow-

ing with non-white people, becoming, as one recent book is titled, "The Capital of the Third World."[1]

Less flamboyant words speak to the city's emergence as a major metropolis. Mike Davis's (1990) *City of Quartz: Excavating the Future in Los Angeles* brings to the foreground many of the complexities of a "poly-ethnic and poly-lingual society—with Anglos a declining minority." A feature story for a recent *Atlantic Monthly* (January 1988), titled "Los Angeles Comes of Age," depicts Los Angeles as a grown and developed municipality having arrived at adulthood.

Los Angeles, the "City of Angels," founded in 1781, has been growing for over 200 years. As it "comes of age," the city is emerging as a mature metropolis complete with economic, social, political, and cultural development. Los Angeles—second only to New York City in economic power and cultural influence, and the hub of the Pacific Rim, is emerging as the Western Hemisphere's leading city in the early twenty-first century.

Metropolitan Los Angeles remains one of the largest industrial regions in the world. Since the 1960s the city has witnessed a large concentration of economic growth, including industrial production, manufacturing, employment growth, and international corporate finance. Los Angeles is also one of the largest immigrant-receiving cities in the U.S. today.[2] The city's population growth, mostly non-white, has produced a supply of labor that rivals almost any Third World city.

The main inquiry of this research is the relationship of the city's population (old and new) to its present economy. How do Latinos, African-Americans, and whites "fit" into Los Angeles' evolving economic order?

Mismatches, Polarization, or Musical Ladders?

There are three possible theories that help explain the position of minorities and women in post-industrial societies. The first argues that our economy has displaced inner-city, mostly African-American and Latino workers, because of a decline in traditional low-skilled, unionized, manufacturing jobs. At the same time, the growth of inner-city jobs are those that minorities have no qualifications for—mostly high-tech/skill occupations that require large investments in human capital. In essence there exists a mismatch between jobs and skills for urban minority residents (Kasarda 1989; Ellwood 1986; Wilson 1987). This mismatch theory has received a great deal of attention, especially in its use to explain increased joblessness among African-Americans in Chicago and other Northeastern cities (Wilson 1987).

The polarization hypothesis argues that, far from being useless, minority or unskilled workers are needed; and furthermore, most of our big cities are dependent on this labor force. The expansion of the ser-

vice sector in large cities provides increased job opportunities for low-skilled women, minorities, and immigrants (Sassen 1987). An extension of this theory divides the economy between "good" jobs (core) and "bad" jobs (periphery) with each dependent on the other (Bluestone and Harrison 1982; Harrison 1982; Sassen-Koob 1984; Thurow 1987). Within this theory, minorities, women, and immigrants are employed in the low-paying, low-skilled, growing service sector. At the other end of the spectrum, those with the requisite skills, education, and experience are employed in the high-paying service sector. The concentration of minorities at the "low-end" of the service sector and the concentration of non-minorities at the "high-end" of the service sector contributes to a racial and class polarization of the labor market that further escalates wage and income inequality.

A third explanation about the role of minorities in post-industrial cities in the United States is based on the job-queue hypothesis (Lieberson 1980; Thurow 1975). Basically, this theory asserts that labor market opportunities for minorities and other disadvantaged groups become more available as the market expands and whites move onward (presumably upward) and minorities fill their vacated positions. Waldinger (1986), in his examination of industrial change in New York City, shows how African-Americans and foreign-born Latinos move up the employment ladder to good job opportunities, but only as whites drop or move out of this labor market. Waldinger's anecdotal use of the term "musical chairs" describes a process of job change that sets in motion vacancies (empty chairs), that allows others (minorities and women) to move up the job ladder (into an empty chair) as replacements for those who left. A process of ethnic succession occurs

Using a similar methodology to Waldinger (1987), I derive a different conclusion about the relationship between minority laborers and post-industrial Los Angeles. My analysis is based on a review of data from the 1970 and 1980 Census of Population.[3] I show that, unlike Waldinger's New York analysis, Los Angeles' white population has not decreased or moved onwards (vacated) in their total employment, thus not allowing for large minority employment succession. In contrast whites, as well as Latinos and African-Americans experienced increased employment concentrations.

The major difference between my analysis and Waldinger's (1987) is our research objects: Los Angeles and New York City, respectively. My findings for Los Angeles, despite using a method similar to Waldinger, differs from his study precisely because Los Angeles is undergoing a different process of industrialization and labor market mobility than New York City. As this paper describes more specifically in the next section, economic and population factors in Los Angeles differ significantly from those of New York City. Los Angeles experienced a net

growth in manufacturing jobs as well as a substantial population growth among the white, African-American, and Latino groups. It is these two factors (population and industrial growth) that differentiates Los Angeles from New York City in explaining white and minority laborers in post-industrial Los Angeles.[4]

The Los Angeles labor market, while expanding, continues to segment minorities and women in those industries and occupations that are characteristically "bad." This concentration of minorities and women in low-paying, low-skilled, mostly secondary jobs only contributes to an already polarized economy divided between high- and low-paying jobs, and along racial and gender lines. While a booming economy, replete with new jobs in almost all industrial and occupational categories, would signal improved employment opportunities for all, especially minorities and women, we instead see minimal improvement in these two groups. Instead of Los Angeles's economic upsurge and structural changes providing improved employment opportunities for minorities and females, we continue to see concentration and polarization between class and race.

Through the use of shiftshare[5] analysis, I am able to assess whether whites, Latinos, and African-Americans increased in their total employment due to their relative group size and/or industry change. The results of my study show that both were a factor in African-American and Latino-increased industrial employment. For whites, only industry change was the major factor. To complement the industrial shiftshare analysis, I also analyze occupational change in Los Angeles during 1970 and 1980 and show that Latinos and African-Americans increased a mere 3.0 and 3.3 percent, respectively, in their total employment of white-collar jobs. What this means is that these two groups did not move in substantial numbers into many of the white-collar positions (old and new) held by whites, simply because whites did not vacate these positions, and because, proportionally, whites took a larger share of the new white-collar jobs.[6] Likewise, as I will explain in greater detail later, the relationship between minority workers and the Los Angeles economy does not subscribe to the other two theories described above: mismatch and polarization.

To better understand what is occurring in Los Angeles' labor market, it is necessary to provide a brief synopsis of Los Angeles' past and present economy, and its old and new population. Following this section, I then describe in more detail the method and data used in this study, followed by a presentation of my findings. I conclude with a discussion of the role of minorities and women in Los Angeles' labor market, highlighting differences from the conventional models discussed earlier.

The City of Angels

The greater metropolitan Los Angeles area consists of a conglomeration of smaller cities which fills a 60-mile circle around the downtown (civic center) hub. This area extends over all or parts of four counties in addition to Los Angeles County (Orange, Riverside, San Bernardino, and Ventura).[7] When analyzing the Los Angeles economy, it is important to consider the area in its totality to assess its local and regional aspects, its large size, and its overall economic scale.

The total population within this 60-mile circle is now nearly 12.5 million, and its "gross regional product" ranks it 14th among all countries in the world. Contrary to popular belief, industrial employment is not predominantly concentrated in the north and northeast of the United States. Since the 1930s, the Los Angeles area has been the premier "growth pole" of industrial capitalism.

During the region's recent history (post-1970s), industrial growth is best described paradoxically as having both "sunbelt" and "frostbelt" characteristics. Like major Northeast cities, such as Detroit and Cleveland, Los Angeles experienced a decline in traditional, highly unionized, heavy industry. Also, like other major Northeast cities, such as Boston and New York City, Los Angeles has emerged as a control and managerial center for international capital. Its downtown area has been transformed into a center for corporate multinational headquarters, with financial, banking, and insurance conglomerates. The growth in employment in the skilled services is accompanied by a growth in low-skilled services. However, what is unique about Los Angeles is that, unlike many northeastern cities, it has managed to attract new industry and maintain itself as one of the largest manufacturing and industrial metropolises in the world. In fact, Los Angeles has actually shown an expansion in manufacturing jobs.[8] As highly specialized heavy industry, such as automobile and rubber, relocated or closed, more diversified and decentralized industry, such as apparel, electronics, and high-tech finance, replaced it. Thus, Los Angeles, on the one hand, can be characterized as "sunbelt," with the expansion of high-technology industry associated with services and centered around electronics and aerospace component manufacturing. On the other hand, Los Angeles can also be described as a "Detroit-like" or "frostbelt" city with its decline of traditional, blue-collar, and unionized industry.[9] The growth of high-technology manufacturing has brought change to the geographic periphery of Los Angeles.[10] Most of this new industry was not replacing the closed and empty factories of the once thriving heavy industry located nearest to the civic center. Rather, new "outer cities" or the "suburbanization" of industry was taking place (Scott 1988). Most of this new industry is centered in Orange County and in the areas around Los Angeles International Airport, with a smaller sub-

center growth in West San Fernando. This rapid expansion of high-technology industries is likened to the addition of a Silicon Valley to the Los Angeles regional economy (Soja et al. 1983).

In short, the Los Angeles economy has shifted from being a highly specialized industrial center focused on aircraft and electronics production to a more diversified and decentralized industrial and financial metropolis. In addition to this shift is the emergence of manufacturing and service sectors such as the garment and textiles industries, which easily resemble Third World firms that are based on supplies of cheap, mostly immigrant, and female labor. Within these industries, the Los Angeles area can readily and easily compete with its Third World neighbors to the South, as well as across the Pacific in Asia.

Lastly, the emergence of Los Angeles as a control and managerial center for international capital (as some would call it, "the New York of the Pacific Rim") makes Los Angeles a major player in the international economy. The internationalization of Los Angeles' economy has transformed the downtown area into a "real hub" complete with capital headquarters and financial, accounting, and insurance firms, as well as a full range of supportive business, entertainment, hotel, and other services. All these characteristics makes Los Angeles a truly global city (Sassen 1987).

Growing Pains: Immigrants and New Workers

Immigrants

The changing structure of Los Angeles' economy occurred, not coincidentally but simultaneously, with the enormous growth of its urban population. A large portion of this growth can be traced to the significant influx of immigrants, primarily from Third World countries and especially Latin America.[11] Another part of this growth can be attributed to domestic migration from declining or "rustbelt" cities within the United States. The population of the Los Angeles SMSA area in 1980 was at 7.4 million (U.S. Bureau of the Census). Preliminary results of the 1990 Census show a 1.4-million increase, bringing the total in the area to 8.8 million people.

Coined by many as America's first industrialized Third World City, demographers, journalists, and local citizens lay claim that the greater Los Angeles area is home to many nationalities. It is the largest Mexican metropolitan area outside Mexico, the second largest Chinese metropolitan area outside China, the second largest Japanese metropolitan area outside Japan, the largest Korean metropolitan area outside Korea, the largest Philippine metropolitan area outside the Philippines, and the largest Vietnamese metropolitan area outside Vietnam.

Indeed, the magnitude and diversity of the Los Angeles area immigration since the 1960s can be compared only with the wave of European migrants to New York City in the late 19th and early 20th centuries. Thirty years ago, Los Angeles county was over 85 percent white. Today, Latinos, African-Americans, and Asians together comprise over 50 percent of the population, with the Latino population expected to surpass whites as the largest single group some time in the 1990s. One quarter of the nation's immigrants live in California and, of these, half live in Los Angeles county. In 1980, immigrants made up over one fifth of Los Angeles' population.[12]

Table 1 show the changing population structure between 1960 and 1986 in the Los Angeles SMSA. In 1960, whites were a clear majority with over 80 percent of the share of the total Los Angeles population; Latinos were a mere 8 percent; while African-Americans and others constituted 10 percent. By 1986, while whites are still the largest group, they had decreased in their share of the total population by almost 50 percent. In 1986, whites constituted 44 percent of the total Los Angeles population, and Latinos, with the most sizable gain (1,766,000), now represented 27 percent of the population. By 1990, whites remained at 44 percent of the total Los Angeles population, while Latinos increased to 30 percent (adding over 1 million) of the total, and African-Americans decreased to 25 percent. Indeed, what was once a majority group, whites, has now become a minority population in the City of Angels.[13]

New Workers

Just as striking as the growth of the Los Angeles population is the city's subsequent composition of its labor force. Three important groups make up the increasingly important participants in the changing structure of the area's labor market: immigrants, women, and "baby boomers."

Between 1970 and 1980, the inflow of immigrants into the United States increased to the labor force by 19 percent. This rate is especially important when one considers that in only three previous decades had immigrants made such a large contribution to industry in the U.S.[14] Between 1970 and 1980, immigrants accounted for two-thirds of the increase in the working-age population in Los Angeles.[15]

Women were another important group that contributed to the labor force. Nationally, the labor force participation rate for women increased from 43 percent in 1970 to 51 percent in 1980. Of the civilian labor force in 1980, women accounted for 42 percent. In Los Angeles, employment for women increased by 22 percent, from 41 percent in 1970 to 50 percent in 1980. When divided by race, all women had increases in employment in absolute numbers. Both Mexican and Asian

Table 1

Ethnic Composition of Growth in Los Angeles Population 1960, 1970, 1980, 1990

	1960	%	1970	%	1980	%	1990	%
White	5,519,00	82	4,993,000	71	3,943,000	53	5,035,103	45
Latino	546,000	8	822,000	12	1,666,000	22	3,351,242	30
Black + Others	678,000	10	1,209,000	17	1,867,000	25	2,828,068	25
Total	6,743,000		7,024,000		7,476,000		11,214,413	

Ethnic Composition of Los Angeles Labor Force 1970, 1980, 1986

	1970	%1980	%1986	%
White	1,939,000	741,752,100	571,869,000	49
Latino	348,300	13776,400	251,245,500	33
Black + Others	349,600	13 560,600	18 684,400	18
Total	2,636,900	3,089,100	3,798,900	

Sources: 1960 figures from published census reports.
1970 and 1980 figures form 1% Public Use Microdata Sample.
1970 and 1980 figures differ slightly from published census numbers but are used to maintain comparability of figures.
1986 figures estimated from 1986 Current Population Survey.
1990 figures from Census of Population and Housing.

women showed over 200 percent growth in employment between these two years.

The last major group to enter the nation's economy were the "baby boomers"—those born after World War II. This group entered the Los Angeles economy when most of the job growth (68 percent) was concentrated primarily in durable goods production. While the "baby

boomers" cut across racial and gender lines and were similar to previous members of the labor force, this group was sizable and did contribute to the growth of the employable Los Angeles population.

The growth of the area's work force brought a different racial distribution to the labor market. During 1970 and 1980, the ethnic composition of Los Angeles' labor force changed dramatically. While in 1970 whites held 73.5 percent of all the jobs in the Los Angeles labor force, today (1986) they hold 49.2 percent. In 1970, African-Americans held 18 percent of the jobs in the same economy while Latinos held 13.2 percent.

Table 1 shows that between 1970 and 1980 whites actually had a decrease in the number of jobs held in the Los Angeles SMSA: from 1,939,000 to 1,752,100, a 9.6 percent drop. On the other hand, Latinos had an increase of 428,100 jobs, or a 122.9 percent job increase; likewise, African-Americans also registered an increase of 211,000 jobs, or a 60 percent increase.

When one extends these figures to look at the time span between 1970 and 1986, whites were still losing jobs, with a 3.6 percent loss. Latinos, on the other hand, made a large increase, adding close to 600,000 jobs, or a 257 percent increase of their total employment in Los Angeles. It is quite evident that, while whites are decreasing or slowing down in their proportion of employment, Latinos are clearly increasing at a phenomenal rate. However, this situation is not the same for African-Americans who have maintained a relatively stable but growing share. Many economists and policy analysts believe that the increase in the labor force of women, immigrants, Latinos, and African-Americans signal a positive trend in the labor market. However, if one takes a closer look at the type of jobs that these groups are employed in, a different signal of progress becomes evident.

From Manufacturing to More Manufacturing

Tables 2, 3, and 4 trace the changes in Los Angeles' employment for the 1970 and 1980 period. The latter two tables (3 and 4) are the same as Table 3 except that they divide the employment population by gender. For all workers in Los Angeles between 1970 and 1980, only two job classifications had a decline in employment, the personal services (private households, laundry, cleaning, barber, and beauty shops, etc.) and public-sector industries (general government, justice, public order, executive offices, etc.). Men were the most affected by these declines. What is striking about these three tables is the relatively large increases in the remaining job classifications observed. Furthermore, unlike New York City and other northeast cities, Los Angeles, rather than decrease in manufacturing, actually experienced an increase (+113,235) in this sector.

Table 2

Los Angeles SMSA, All Employment by Industry 1970-1980

Sector	1970	1980	Change	% Change
Construction	128,431	154,612	26,181	20.38%
Manufacturing	770,904	884,139	113,235	14.68%
Transp., Comm., Util.	193,411	248,416	55,005	28.43%
Wholesale	137,065	166,744	29,679	21.65%
Retail	449,202	533,364	84,162	18.73%
FIRE	177,598	249,271	71,673	40.35%
Business Services	138,820	203,265	64,445	46.42%
Personal Services	117,434	110,030	-7,404	-6.30%
Professional Services	489,258	671,593	182,335	37.26%
Public Sector	133,468	121,402	-12,066	-9.04%
Entertainment	54,528	85,187	30,659	56.22%
TOTAL	2,790,119	3,428,023	637,904	22.86%

Sources: 1970 and 1980 figures from published census reports, Census of Population.

Table 3

Los Angeles SMSA Male Employment by Industry 1970-1980

Sector	1970	1980	Change	% Change
Construction	118,206	139,359	21,153	17.89%
Manufacturing	542,471	588,548	46,077	8.49%
Transp., Comm., Util.	139,927	169,289	29,362	20.98%
Wholesale	100,117	113,489	13,372	13.35%
Retail	258,246	291,061	32,815	12.70%
FIRE	82,168	100,896	18,728	22.79%
Business Services	97,160	133,486	36,326	37.38%
Personal Services	39,032	37,744	-1,288	-3.29%
Professional Services	188,776	243,229	54,453	28.84%
Public Sector	92,530	71,277	-21,253	-22.96%
Entertainment	37,986	56,162	18,176	47.84%
TOTAL	1,696,619	1,944,540	247,921	14.61%

Sources: 1970 and 1980 figures from published census reports, Census of Population.

Table 4

Los Angeles SMSA Female Employment by Industry 1970-1980

Sector	1970	1980	Change	% Change
Construction	10,225	15,253	5,028	49.17%
Manufacturing	228,433	295,591	67,158	29.39%
Transp., Comm., Util.	53,484	79,127	25,643	47.94%
Wholesale	36,948	53,255	16,307	44.13%
Retail	190,956	242,303	51,347	26.88%
FIRE	95,430	148,375	52,945	55.48%
Business Services	41,660	69,779	28,119	67.49%
Personal Services	78,402	72,286	-6,116	-7.80%
Professional Services	300,482	428,364	127,882	42.55%
Public Sector	40,938	50,125	9,187	22.44%
Entertainment	16,542	29,025	12,483	75.46%
TOTAL	1,093,500	1,483,483	389,983	35.66%

Sources: 1970 and 1980 figures from published census reports, Census of Population.

Generally, all workers (men and women) in Los Angeles had the largest employment gains in the following industries: entertainment; finance, insurance, and real estate (FIRE); business services; and professional services. This trend holds true for both men and women when analyzed separately. In fact, women had some of their largest increases in these job classifications, especially construction, transportation, communication and utilities (TCU), and wholesale industries (with an increase of 49 percent, 48 percent, and 44 percent, respectively).

It seems quite apparent, in terms of job creation, that the Los Angeles economy has gone from good to even better times. These employment figures clearly indicate that the Los Angeles economy experienced growth during a time of national job decline in large cities. Notwithstanding this economic empiricism is my skepticism and subsequent inquiry into how and where the minority and female population of Los Angeles adapted to the city's growing economy. Somehow, a division of labor among racial and gender lines continues to pervade the City of Angels. It is yet unclear how the city's population, old and new, male and female, white, African-American, and Latino, matches its new economic order. The following analysis will provide a clearer picture of how Los Angeles' population in general, and its labor force in particular, "fit" into its economy during the 1970 and 1980 time periods.

Ethnic Employment and Job Change

Before I describe the method used in this study and analyze the findings, I first want to look more empirically at the changes in employment of the white, African-American, and Latino population in Los Angeles between 1970 and 1980. Here, I will show some of the different dynamics that are affecting the process of job change.

Table 5 organizes the Los Angeles SMSA[16] population by gender and racial (white, African-American, and Latino) groups, and shows the number of jobs held by each in 1970 and 1980. Column 4, "Expected," in the table shows the number of jobs each group would have gained had its gains been proportional to the increase incurred by the overall Los Angeles economy during this time period for each respective industrial category. Between 1970 and 1980, employment for all persons in the Los Angeles SMSA labor market increased by 23 percent, from 2,790,119 jobs in 1970 to 3,428,023 jobs in 1980. The table then indicates how many jobs each group actually increased, per category, and the difference between expected and actual employment gains.

Column 6, "actual-expected," provides us with a glimpse of some differences in the process of job change in Los Angeles. The table shows us that the biggest job increases, overall and between men and women, are concentrated among Los Angeles' African-American and Latino populations. Whites, with increases proportional to the overall increase in the Los Angeles economy would have "actually" gained more jobs in the new economic order than they did. On the other hand, if the increase is proportional to the overall increase in the Los Angeles economy, African-Americans and Latinos should not have acquired the number of jobs that they actually did. As Table 4 depicts, both African-Americans and Latinos increased in employment by substantial amounts (far beyond the overall Los Angeles employment growth) in almost every industrial category, and in much higher proportions than did whites. This also holds true for both African-American and Latino men and women as separate groups.

Method and Data

To test the participation of minority workers in Los Angeles' labor market, I assume that the position of the African-American and Latino worker depends on the composition of the majority group—whites—in the labor force. If the white proportion declines, we can expect the position of Latino and African-American workers to improve. Similarly, if the white proportion increases, we can expect the position of Latino and African-American workers to worsen, or to remain the same. To assess the impact of compositional change of the white, African-American,

Table 5

Changes in Employment for Ethnic Groups, Los Angeles City, 1970-1980

	Employment		Job Change			
Group	1970 (2)	1980 (3)	Expected (4)	Actual (5)	Actual-Expected (6)	A-E/1970 Empl. (7)
White	2,095,475	2,469,703	479,025	374,228	-104,797	-5.00%
Male	1,278,494	1,416,402	186,787	137,908	-48,879	-3.82%
Female	816,981	1,053,301	291,335	236,320	-55,015	-6.73%
Black	256,836	364,320	58,712	107,484	48,771	18.98%
Male	140,188	182,611	20,481	42,423	21,941	15.65%
Female	116,648	181,709	41,596	65,061	23,464	20.11%
Latino	437,808	819,163	100,082	381,355	281,272	64.24%
Male	277,937	492,993	40,606	215,056	174,449	62.76%
Female	159,871	326,170	57,009	166,299	109,289	68.36%
Total						
Male	1,696,619	2,092,006	247,876	395,387	147,510	8.69%
Female	1,093,500	1,561,180	389,942	467,680	77,737	7.10%
All	2,790,119	3,653,186	637,821	863,067	225,245	8.07%

Los Angeles Overall Growth 1970-1980	
All	22.86%
Male	14.61%
Female	35.66%

Sources: 1970 and 1980 figures from published census reports, Census of Population.

Latino, and male and female labor groups to the changing Los Angeles industrial mix, I use shiftshare (described earlier; see endnote 5).

The use of shiftshare enables me to decompose the effects of group size and industry change, both of which can be attributed to the compositional change in Los Angeles' economy. I will also be able to docu-

ment shifts in the ethnic division of labor through a residual term/variable called "share." The first 3 columns in Tables 6.1-8.1 provide figures for each ethnic group's (and gender) employment in 1970 and 1980, and the group's employment change, by select industrial categories, over the course of the decade. The rest of the columns (4, 5, 6, and 7) present in detail the components of job change.

Column 4 of Table 6.1 presents "group size," reflecting the change in an industry due to changes in a group's relative size. In calculating these figures, I assume that job change in each industry is proportional to the change in the relative size for the group (as shown in column 7 of Table 5). Thus, column 4 is derived from multiplying the percent of job change proportional to group size change by the 1970 employment figures (column 1). Each racial group (white, African-American, and Latino), as well as each group's gender, has different percentage figures to correspond to their respective job change (as found in Table 5, column 7).

Column 5 of Table 6.1 shows industry change, the possibility that groups gained or lost jobs because the industries on which they had been dependent in 1970 increased or decreased over the course of the decade. To calculate this effect, I assume that a group's gain or loss in a given industry is proportional to total employment change in that given industry (given in Table 3, column 4). Thus, the figures for this column are derived by multiplying percent change of employment, by gender, by industry with 1970 employment by gender.

Column 6, "interactive effect," is the effect of "industry change" and "group size." This column shows whether the two factors worked in opposing or reinforcing directions. To derive these figures, I simply added "group size" (column 4) with "industry change" (column 5).

Lastly, column 7, "share," indicates the possibility that a group's employment in an industry increased or decreased, net of "group size" and "industry change." This column is calculated by subtracting the "interactive effect" (column 6) from the absolute employment change (column 3) for each industry.

Findings: Industrial Change in Los Angeles

Whites

Tables 6.1 and 6.2 presents data on job change for white males and females respectively. Total employment among this group for both males and females increased by one-tenth and almost one-third respectively. White males increased employment in every job classification except for the personal services and public-sector industries. White women showed a similar trend with only one exception, a small decline

Table 6.1

Components of Job Change: White Males, 1970-1980

	Employment			Change due to			
					Industry	Interactive	
Sector	1970	1980	Change	Group Size	Change	Effect	Share
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Construction	88,194	107,479	19,285	-3,369	15,786	12,417	6,867
Manufacturing	387,462	415,272	27,810	-14,801	32,895	18,094	9,715
Transp., Comm., Util.	103,703	118,767	15,064	-3,961	21,756	17,795	-2,731
Wholesale	77,043	86,269	9,226	-2,943	10,292	7,349	1,876
Retail	199,010	206,638	7,628	-7,602	25,294	17,691	-10,063
FIRE	69,896	79,363	9,467	-2,670	15,929	13,259	-3,792
Business Svces	73,999	98,652	24,653	-2,826	27,668	24,841	-188
Personal Svces	27,088	24,957	-2,131	-1,034	-893	-1,928	-202
Profes. Svces	152,625	181,444	28,819	-5,830	44,032	38,202	-9,383
Public Sector	67,618	49,713	-17,905	-2,583	-15,531	-18,114	209
Entertainment	31,856	47,848	15,992	-1,216	15,243	14,026	1,965
TOTAL	1,278,494	1,416,402	137,908	-48,838	186,787	137,949	-41

Table 6.2

Components of Job: White Females 1970-1980

	Employment			Change due to			
					Industry	Interactive	
Sector	1970	1980	Change	Group Size	Change	Effect	Share
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Construction	9,007	12,794	3,787	-606	4,428	3,822	-35
Manufacturing	152,550	196,884	44,334	-10,266	44,849	34,583	9,750
Transp., Comm., Util.	42,130	53,822	11,692	-2,835	20,201	17,365	-5,673
Wholesale	29,344	41,161	11,817	-1,974	12,952	10,977	839
Retail	155,356	187,910	32,554	-10,455	41,775	31,319	1,234
FIRE	75,954	108,861	32,907	-5,111	42,139	37,027	-4,120
Business Svces	33,481	53,454	19,973	-2,253	22,599	20,346	-373
Personal Svces	46,270	44,432	-1,838	-3,113	-3,609	-6,723	4,885
Profes. Svces	231,885	300,702	68,817	-15,605	98,690	83,084	-14,267
Public Sector	26,456	27,884	1,428	-1,780	5,936	4,156	-2,728
Entertainment	14,548	25,397	10,849	-979	10,977	9,998	850
TOTAL	816,981	1,053,301	236,320	-54,982	291,335	236,352	-32

Sources: 1970 and 1980 figures from published census reports, Census of Population.

Table 7.1

Components of Job Change: African American Males, 1970-1980

	Employment			Change due to			
					Industry	Interactive	
Sector	1970 (1)	1980 (2)	Change (3)	Group Size (4)	Change (5)	Effect (6)	Share (7)
Construction	9,552	9,422	-130	1,494	1,709	3,204	-3,334
Manufacturing	39,173	45,780	6,607	6,130	3,325	9,456	-2,849
Transp., Comm., Util.	14,568	26,959	12,391	2,279	3,056	5,336	7,054
Wholesale	6,236	7,336	1,100	975	833	1,809	-709
Retail	18,505	22,864	4,359	2,896	2,351	5,248	-889
FIRE	4,278	8,561	4,283	669	974	1,644	2,638
Business Svces	9,675	13,028	3,353	1,514	3,617	5,131	-1,778
Personal Svces	4,222	3,938	-284	660	-139	521	-805
Profes. Svces	16,898	28,603	11,705	2,644	4,875	7,519	4,185
Public Sector	14,893	12,504	-2,389	2,330	-3,420	-1,090	-1,298
Entertainment	2,188	3,616	1,428	342	1,046	1,389	38
TOTAL	140,188	182,611	42,423	21,939	20,481	42,420	2

Table 7.2

Components of Job Change: African American Females, 1970-1980

	Employment			Change due to			
					Industry	Interactive	
Sector	1970 (1)	1980 (2)	Change (3)	Group Size (4)	Change (5)	Effect (6)	Share (7)
Construction	424	794	370	85	208	293	76
Manufacturing	18,899	24,104	5,205	3,802	5,556	9,358	-4,153
Transp., Comm., Util.	5,465	15,852	10,387	1,099	2,620	3,720	6,666
Wholesale	1,757	3,232	1,475	353	775	1,129	345
Retail	11,396	18,314	6,918	2,292	3,064	5,357	1,560
FIRE	6,681	18,059	11,378	1,344	3,706	5,050	6,327
Business Svces	3,899	7,924	4,025	784	2,631	3,416	608
Personal Svces	18,244	10,105	-8,139	3,670	-1,423	2,247	-10,386
Profes. Svces	38,985	67,583	28,598	7,843	16,592	24,435	4,162
Public Sector	10,194	14,193	3,999	2,051	2,287	4,338	-339
Entertainment	704	1,549	845	141	531	672	172
TOTAL	116,648	181,709	65,061	23,469	41,596	65,066	-5

Sources: 1970 and 1980 figures from published census reports, Census of Population.

Table 8.1

Components of Job Change: Latino Males, 1970-1980

	Employment			Change due to			
					Industry	Interactive	
Sector	1970 (1)	1980 (2)	Change (3)	Group Size (4)	Change (5)	Effect (6)	Share (7)
Construction	20,460	37,629	17,169	12,842	3,662	16,505	663
Manufacturing	115,836	209,142	93,306	72,710	9,834	82,544	10,761
Transp., Comm., Util.	21,656	32,741	11,085	13,593	4,543	18,136	-7,051
Wholesale	16,838	26,908	10,070	10,569	2,249	12,818	-2,748
Retail	40,731	79,872	39,141	25,566	5,176	30,743	8,397
FIRE	7,994	11,966	3,972	5,017	1,821	6,839	-2,867
Business Svces	13,486	32,194	18,708	8,465	5,042	13,507	5,200
Personal Svces	7,722	12,171	4,449	4,847	-254	4,592	-143
Professional Svces	19,253	32,492	13,239	12,085	5,554	17,639	-4,400
Public Sector	10,019	10,857	838	6,288	-2,301	3,987	-3,149
Entertainment	3,942	7,021	3,079	2,474	1,886	4,360	-1,281
TOTAL	277,937	492,993	215,056	174,461	40,606	215,067	-11

Table 8.2

Components of Job Change: Latino Females, 1970-1980

	Employment			Change due to			
					Industry	Interactive	
Sector	1970 (1)	1980 (2)	Change (3)	Group Size (4)	Change (5)	Effect (6)	Share (7)
Construction	794	2,171	1,377	542	390	933	443
Manufacturing	56,984	117,349	60,365	38,954	16,753	55,707	4,657
Transp., Comm., Util.	5,889	11,651	5,762	4,025	2,823	6,849	-1,087
Wholesale	5,847	11,186	5,339	3,997	2,580	6,577	-1,238
Retail	24,204	44,867	20,663	16,545	6,508	23,054	-2,391
FIRE	12,795	22,352	9,557	8,746	7,098	15,845	-6,288
Business Svces	4,280	10,206	5,926	2,925	2,889	5,814	111
Personal Svces	13,888	27,974	14,086	9,493	-1,083	8,410	5,675
Professional Svces	29,612	66,968	37,356	20,242	12,602	32,845	4,510
Public Sector	4,288	8,932	4,644	2,931	962	3,893	750
Entertainment	1,290	2,514	1,224	881	973	1,855	-631
TOTAL	159,871	326,170	166,299	109,287	57,009	166,297	1

Sources: 1970 and 1980 figures from published census reports, Census of Population.

in the personal services sector. The most sizable gains for both groups were in the business services and entertainment industries. Sizable gains for women occurred in the construction, wholesale, and manufacturing industries.

It is apparent that the white group size (column 4) of -48,838 (shown in Table 6.1) had some impact on the white compositional change, presumably whites' lesser growth (relative to Latinos and African-Americans) in employment. Whatever negative effect the whites' group size may have had is balanced by their high industry change total, 186,788. This figure indicates that gains by whites in jobs is due to industry change (column 5). As the Los Angeles economy grew, whites were gaining in their employment of the region's new jobs despite a decrease in their total numbers.

African-Americans

Tables 7.1 and 7.2 presents the data on job change for African-Americans. Total employment among this group for both men and women increased by close to one-third and by more than one-half, respectively. African-American men had increases in every industrial category except for construction, personal services, and public-sector industries. African-American women also showed major increases in every industrial category with only one exception, personal services. Both men and women had sizable gains in the T.C.U., F.I.R.E., professional services, and entertainment industrial sectors. African-American women had sizable gains in the wholesale, retail, business services, and personal services industries.

For both African-American men and women, their "group size" and "industry change" (columns 4 and 5 respectively) played a sizable role in their employment gain. The relatively low "share" figure for both African-American men and women (columns 2 and 5 respectively) indicates that their concentrations or rather segmentation has changed very little or not at all during this decade. Of note is African-American employment in the public sector, declining for men by 2,389 and increasing for women by 3,999. This decrease and increase yielded a net change or increase of 1,610 new public-sector employment for African-Americans.

Employment of African-Americans in the public sector has for the past two decades been a solid and stable opportunity for African-Americans to obtain and retain higher socio-economic status. However, their relatively small increase in this sector in such a large metropolis with a large African-American population should be of concern to everyone. As Los Angeles grew during the 1960s, 70s, and 80s, so did the city's government, which administers, controls, and provides the services needed to

maintain the city's daily functions and services. This growth in government services provided an assortment of skilled and low-skilled jobs with the common denominator that they were "protected" (unionized or Civil Service-protected), provided good wages and benefits, and were seen as jobs that were ladders to better occupations.

Latinos

Tables 8.1 and 8.2 shows the data on job change for Latinos. Of the three racial groups observed in this study, Latinos had the largest total employment increases among both males and females. For Latinos, employment increased over three-fourths for men and 100 percent for women. Both Latino men and women had employment increases in every single industrial sector. The most sizable gains, for both men and women, occurred in construction, manufacturing, retail, business services, professional services, and entertainment. Women also had sizable gains in the T.C.U., wholesale, F.I.R.E., personal services, and public-sector industries. As a group (both men and women), Latinos in Los Angeles experienced an overall 87 percent increase in their employment by the end of the decade.

Virtually all of the Latino gain in manufacturing employment was due to change in "group size" (column 4) and "industry change" (column 5). In column (7), Latinos, similar to the African-American population, show evidence of continued segmentation between 1970 and 1980. Latinos gained in their net share of individual industries, but only to a very limited extent. Only in manufacturing, a sector in which they were already concentrated, did Latinos make a sizable increase in "share." Retail is another industrial category in which Los Angeles Latinos also made a respectable increase in share. For Latinos, the end of the 70s was similar to the 60s in their concentration in the same typically low-paying industries.

Without empirical data, one could speculate (given Civil Rights, employment and training programs, and government-sponsored programs) that Latino and African-American industrial gains are in those occupations that are considered "good" (i.e., professional, technical, managerial, administrative, etc.). I use occupational data to support my initial belief that Latinos and African-Americans, despite their employment growth in the city's new economic order, are mostly concentrated in characteristically low-paying, low-benefit-receiving, and unstable jobs. To illustrate this, I analyze occupational data.

Findings: Occupational Change in Los Angeles

To what extent are these two population groups, Latino and African-Americans, finding employment in higher-level and higher-paying jobs, considering their marked increases in industrial employment? The

changed industrial mix in Los Angeles has altered the occupational profile of Los Angeles' economy, but only minimally. Between 1970 and 1980, Los Angeles had an increase in the number of white-collar jobs. In 1970, 54 percent of all employed were in white-collar jobs; in 1980 this figure rose to 58 percent—a relatively small increase. This increase in white-collar jobs would seemingly translate to some African-American and Latino gain as well. Indeed, when one carefully analyzes the data in Table 9, African-Americans register an increase in the net number (total) of white-collar jobs (+97,935), from 6.7 percent of all white-collar jobs in 1970 to 10 percent in 1980. Likewise, Latinos gain in white-collar jobs (+109,178), from 10.2 percent of all white-collar jobs in 1970 to 13.2 percent in 1980. At the same time, while whites showed an increase in the number of new white-collar jobs (+226,124), they decreased in their percent of all white-collar jobs, from 86 percent in 1970 to 76 percent in 1980.

Dividing total white-collar jobs into more specific categories yields gains for both Latinos and African-Americans. For example, both African-American and Latino employment in managerial and administrative jobs increased by over 200 and 100 percent respectively. In this same category, whites increased by 46 percent. However, to get a better picture of African-American, Latino, and white expansion in this category we need to look at the percent increase of their total number of job gain in these respective positions. African-Americans gained +20,370 jobs, or 13.6 percent of the total gain in managerial and administrative jobs in 1980; Latinos increased by +21,148, or 14 percent; while whites posted a gain of +107,788 jobs, or 72 percent of the total. Similar increases for all three groups are evident in the remainder of the white-collar occupations observed in this study (Professional, Technical, and Kindred; Sales and Clerical).

While Latinos and African-Americans gained in their number of white-collar jobs in 1980 when compared to the number of white-collar jobs they held in 1970, their absolute number of white-collar job gain as a percent of all white-collar job gain is disappointing. Any gain in white-collar job employment for African-Americans and Latinos should be commended, especially since this gain will likely translate to a higher standard of living for those employed. However, we need to keep in mind that the gains exhibited by African-Americans and Latinos in white-collar occupations is relative, especially when compared to white employment in these same categories, which is significantly higher.

The occupational sectorial shifts analyzed above would seem to indicate that, despite the gains registered by Latinos and African-Americans in almost every industrial sector, including the advanced services, their

Table 9

White-Collar Occupational Shifts, 1970-1980, Los Angeles SMSA

	(All) Employment			Expected	Actual-	A-E/1970- Employ-
	1970 (1)	1980 (2)	Change (3)	Change (4)	Expected (5)	ment (6)
Employment, all demographic groups						
P.T.K.	481,997	553,359	71,362	110,184	-38,822	-8.05%
Mgrl. & Adm.	259,663	408,969	149,306	59,358	89,947	34.63%
Sales	220,606	347,100	126,494	50,430	76,063	34.47%
Clerical	549,422	685,497	136,075	125,597	10,477	1.90%
Total W-C	1,511,688	1,994,925	483,237	345,571	137,665	9.10%
African-American employment						
P.T.K.	29,118	49,340	20,222	6,656	13,565	46.58%
Mgrl. & Adm.	8,681	29,051	20,370	1,984	18,385	211.79%
Sales	9,053	25,655	16,602	2,069	14,532	160.52%
Clerical	54,694	95,435	40,741	12,503	28,237	51.62%
Total W-C	101,546	199,481	97,935	23,213	74,721	73.58%
Latino employment						
P.T.K.	38,154	49,336	11,182	8,722	2,459	6.44%
Mgrl. & Adm.	20,430	41,578	21,148	4,670	16,477	80.65%
Sales	20,750	48,909	28,159	4,743	23,415	112.84%
Clerical	75,466	124,155	48,689	17,251	31,437	41.65%
Total W-C	154,800	263,978	109,178	35,387	73,790	47.66%
White employment						
P.T.K.	414,725	454,683	39,958	94,806	-54,848	-13.22%
Mgrl. & Adm.	230,552	338,340	107,788	52,704	55,083	23.89%
Sales	190,803	272,536	81,733	43,617	38,115	19.97%
Clerical	469,262	465,907	-3,355	107,273	-110,628	-23.57%
Total W-C	1,305,342	1,531,466	226,124	298,401	-72,277	-5.53%

Note: P.T.K. = Professional, Technical, and Kindred.
W-C = White-Collar

Sources: 1970 and 1980 figures from published census reports, Census of Population.

increase may merely be reflecting nothing more than their hiring as cleaners, janitors, food servers, and other menial occupations.

Tables 9, 10, and 11 show data for white-collar occupational shifts in Los Angeles SMSA between 1970 and 1980 for the three racial groups studied in this article. The data is further divided in Tables 10 and 11, which present the same information as Table 9 but arranged by gender.

As the third column in Tables 9, 10, and 11 show, the total number of white-collar jobs increased by almost one-half million in the Los Angeles SMSA for the past decade. Increases were experienced by both African-American and Latino groups overall. When divided by gender, whites also experienced an overall increase in their white-collar employment, with the exception of the clerical occupational category, in which they actually posted a 3,355 loss.

The last three columns of Tables 9, 10, and 11 give us an understanding of the extent to which changes in occupational position can be linked to shifts in group size. The fourth column tells us how many jobs a group would have lost or gained had its employment in an occupation changed in proportion to its total employment. The fifth column shows the difference between actual and expected employment. And lastly, the sixth column shows this difference as a percentage of 1970 employment or the "share" due to group size.

Both African-American and Latino increases in white-collar jobs were substantially greater than expected. Yet by 1980 only 32 percent of all Latino employment was in white-collar occupations. This contrasts with African-American and white employment concentrations of 54 percent and 62 percent, respectively. Although African-Americans and Latinos further penetrated the white-collar occupational sector, proportionately, Latinos did not gain as well as African-Americans and of course whites.

Similar to the industrial shiftshare analysis conducted earlier in this paper, the results of this occupational analysis point to very little succession of minority employment in white-collar jobs as a result of white vacancies in these jobs. Put simply, whites did not decrease in substantial numbers in their employment in white-collar jobs, thus not allowing for minority job gain in large numbers, the opposite of what Waldinger (1986) showed in his study of New York City using the same type of data and methodology. What remains clear for Los Angeles is that relatively little change occurred between 1970 and 1980 in the employment of African-Americans and Latinos in white-collar jobs.

Summary and Conclusions

What this study has shown so far is that the cyclical and structural changes of the Los Angeles economy of the 1970s produced very little change in the ethnic composition of the labor force. Both industry change and group size proved to be strong indicators for African-American and Latino overall employment increases in almost all of Los

Table 10

White-Collar Occupational Shifts, 1970-1980, Los Angeles SMSA

	(Men) Employment			Expected	Actual-Expected	A-E/1970-Employment
	1970 (1)	1980 (2)	Change (3)	Change (4)	(5)	(6)
Employment, all demographic groups						
P.T.K.	310,414	317,704	7,290	45,351	-38,061	-12.26%
Mgrl. & Adm.	208,530	266,962	58,432	30,466	27,965	13.41%
Sales	139,649	187,829	48,180	20,402	27,777	19.89%
Clerical	156,033	170,066	14,033	22,796	-8,763	-5.61%
Total W-C	814,626	942,561	127,935	119,016	8,918	1.09%
African-American employment						
P.T.K.	13,022	20,178	7,156	1,902	5,253	40.34%
Mgrl. & Adm.	6,239	15,300	9,061	911	8,149	130.62%
Sales	5,157	12,483	7,326	753	6,572	127.44%
Clerical	16,690	24,910	8,220	2,438	5,781	34.64%
Total W-C	41,108	72,871	31,763	6,005	25,757	62.65%
Latino employment						
P.T.K.	25,469	27,321	1,852	3,721	-1,869	-7.33%
Mgrl. & Adm.	16,399	26,430	10,031	2,395	7,635	46.55%
Sales	12,693	24,099	11,406	1,854	9,551	75.25%
Clerical	23,914	36,787	12,873	3,493	9,379	39.22%
Total W-C	78,475	114,637	36,162	11,465	24,696	31.47%
White employment						
P.T.K.	271,923	270,205	-1,718	39,727	-41,445	-15.24%
Mgrl. & Adm.	185,892	225,232	39,340	27,158	12,181	6.55%
Sales	121,799	151,247	29,448	17,794	11,653	9.56%
Clerical	115,429	108,369	-7,060	16,864	-23,924	-20.72%
Total W-C	695,043	755,053	60,010	101,545	-41,535	-5.97%

Note: P.T.K. = Professional, Technical, and Kindred.
W-C = White-Collar

Sources: 1970 and 1980 figures from published census reports, Census of Population.

Angeles' industrial sectors. For whites, industry change proved to be the more important contributor to their job gains. What this means is that as an industry grew (or a group's population increased), this growth

Table 11

White-Collar Occupational Shifts, 1970-1980, Los Angeles SMSA

	(Women) Employment			Expected	Actual-Expected	A-E/1970-Employment
	1970 (1)	1980 (2)	Change (3)	Change (4)	(5)	(6)
Employment, all demographic groups						
P.T.K.	171,583	235,655	64,072	61,186	2885	1.68%
Mgrl. & Adm.	51,133	142,007	90,874	18,234	72639	142.06%
Sales	80,957	159,271	78,314	28,869	49444	61.07%
Clerical	443,389	515,431	72,042	158,112	-86070	-19.41%
Total W-C	747,062	1,052,364	305,302	266,402	38899	5.20%
African-American employment						
P.T.K.	16,096	29,162	13,066	5,739	7,326	45.51%
Mgrl. & Adm.	2,442	13,751	11,309	870	10,438	427.44%
Sales	3,896	13,172	9,276	1,389	7,886	202.43%
Clerical	38,004	70,525	32,521	13,552	18,968	49.91%
Total W-C	60,438	126,610	66,172	21,552	44,619	73.82%
Latino employment						
P.T.K.	12,685	22,015	9,330	4,523	4,806	37.89%
Mgrl. & Adm.	4,031	15,148	11,117	1,437	9,679	240.12%
Sales	8,057	24,810	16,753	2,873	13,879	172.27%
Clerical	51,552	87,368	35,816	18,383	17,432	33.81%
Total W-C	76,325	149,341	73,016	27,217	45,798	60.00%
White employment						
P.T.K.	142,802	184,478	41,676	50,923	-9,247	-6.47%
Mgrl. & Adm.	44,660	113,108	68,448	15,925	52,522	117.60%
Sales	69,004	121,289	52,285	24,606	27,678	40.11%
Clerical	353,833	357,538	3,705	126,176	-122,471	-34.61%
Total W-C	610,299	776,413	166,114	217,632	-51,518	-8.44%

Note: P.T.K. = Professional, Technical, and Kindred.
W-C = White-Collar

Sources: 1970 and 1980 figures from published census reports, Census of Population.

was a more important factor in a group's employment increase in comparison to other factors such as "group size" (column 4, Tables 6.1-8.1), "interactive effect" (column 6, Tables 6.1-8.1), or "share," (column 7,

Tables 6.1-8.1).[17] Of the two declining industrial sectors (personal services and public sector), Latino males and females posted increases in employment, as did African-American females (only in public sector). Whites lost jobs in both the personal services and public-sector industries, which were declining.

So, while the ethnic composition of the Los Angeles SMSA labor force experienced a decrease in whites and increases in Latinos and African-Americans, little compositional change occurred (i.e., the number of non-whites entering white-collar, well-paying occupations do not improve significantly). The preferred group, whites, continued to make increases in almost every industrial category. This was particularly evident in those categories that were increasing. On the other hand, whites showed a slight percent decrease in their overall white-collar occupational concentration (-10 percent). Even though Latino and African-American employment showed substantial increase in almost every industrial category observed, including those that were booming, their percent of all white-collar occupations showed minimal increases of 3.3 percent and 3 percent, respectively. In addition, close to 70 percent of the Latino labor force and 45 percent of the African-American labor force were employed in the lower-paid, non-white-collar occupations.

The study used for this research falls short in assuming that the population composition remains constant when in fact it is constantly moving and changing. Furthermore, the study fails to capture industrial change and occupational repositioning since 1980; I am inclined to believe that changes (industrial and occupational) since then may be different, altering what my conclusions suggest.

Let's look back to the central question of this study: what place is there for minorities in the post-industrial economies of U.S. cities, and in particular the city of Los Angeles? Recalling the three theories of minority participation in post-industrial societies that were mentioned at the beginning of this study, I conclude that, with the exception of the polarization thesis, none adequately explain what is occurring in Los Angeles. However, the polarization thesis only explains one aspect of what is occurring in post-industrial Los Angeles.

The polarization thesis, which basically divides the economy into good and bad jobs or core and periphery, only describes one feature of what I believe to be the relationship between Los Angeles' changed economy and minorities. The majority of employed minorities, while being confined to the depressed sectors of the economy, also gained jobs in the growth industries of the advanced service sector. It is also clear that non-whites gained in white-collar employment in almost every category. Indeed, the increased concentration of minorities and women in the low-wage industrial and occupational categories, with a

few gains in the high-wage industrial and occupational categories, translates into greater numbers of Latinos, African-Americans, and women in poverty (Ong 1988).

The mismatch theory that minorities have been displaced as the Los Angeles economy changes from a goods to a service economy receives very little support from my study. It is precisely the changing economy in Los Angeles that has increased the employment numbers for minorities. Despite major structural changes in the Los Angeles economy, white as well as non-white employment increased substantially. The local growing economy absorbed large numbers of minorities in almost every industrial category. As Los Angeles's economy becomes even more diversified, including more services as well as more manufacturing, it seems logical, given their demand and their being a source of cheap labor, that minorities will increase in their total employment numbers. As my occupational repositioning analysis shows, a small increase in white-collar jobs for minorities reflects some improvement in their penetration to higher-paying and skilled jobs, albeit not a large or substantial improvement, but an improvement nonetheless. It is improving this figure (white-collar occupation participation rate) for minorities and women that is crucial.

While an industrial change analysis says very little about the skills and education required for those industrial sectors, it does provide us with a picture of growth and decline for industrial categories that were once solid job opportunities for minorities (traditional blue-collar jobs such as the auto and rubber manufacturing sectors). Improved employment patterns in both the increasing and, of course, declining industrial categories doesn't necessarily mean that minorities are faring any better; they may very well be employed in those occupations that require very little skills and likewise pay lower wages.

Waldinger's (1986) musical ladders theory, which posits that as whites leave the preferred jobs, opportunities for minorities to fill-in those vacancies increases, also finds very little support in my study. The simple fact that whites are not decreasing or leaving the Los Angeles labor market in a sizable amount makes this theory implausible for Los Angeles.

The Los Angeles labor market continues to be segmented along lines of race and gender. The data confirmed my initial belief that the Los Angeles economy, while providing some positive or upward mobility opportunities for some minorities, was basically doing nothing more than maintaining the status quo. Minority and female workers continue to be concentrated in low-paying and low-skilled jobs, which contributes to a polarization between high- and low-paying jobs. Policy prescriptions should be targeted towards both the demand (affirmative action, industrial policy, minimum wage, workplace conditions, and hiring practices)

and supply (employment and training programs, education, apprenticeship programs) sides of this dilemma. Thoughtful and innovative policies directed at both the worker and industry will offset some of the industrial as well as occupational polarity that composes the Los Angeles economy and labor market.

NOTES

[1]This title belongs to David Rieff, 1991, *Los Angeles: Capital of the Third World* (New York: Simon & Schuster).

[2]1980 Census data for all Standard Metropolitan Statistical Areas (SMSA) and for the ten Metropolitan areas with the largest new immigrant populations show New York City, Los Angeles, and Chicago as having the largest numbers of documented and undocumented arrivals from the Third World.

[3]Though some of the data in this study are over 20 years old, they are the most detailed and precise available. Since 1980, a large number of Latino immigrants, in particular Central Americans and Mexicans, has entered the United States, especially Los Angeles. Unfortunately, this population cannot be addressed by the data used in this study. And equally regrettable is the timing of this study, which does not permit the use of the 1990 Census. Incorporating the 1990 Census could lead to significantly different results: worsened conditions, improved status, or no change. I am also limited to these two data sets (decennial) because other data (e.g., cps), even though they may be more current, do not have a significantly large sample for focusing on Los Angeles at the level of disaggregation needed for this research. Decennial Censuses are unique for the detailed data on ethnic and occupational characteristics that they provide.

[4]While New York City did experience a large increase in its foreign-born (immigrant) population during the 1970s and 1980s, it also experienced a decrease in its total white population.

[5]Shiftshare analysis describes and decomposes changes in either a local or regional economy. Shiftshare studies use a number of economic indicators to measure an economy's performance. For this study, I will use "employment" as my measure of economic performance. The method is a relatively simple statistical technique which can easily be used with published data. This method is fast and reasonably accurate, given its low cost and use with published data. Shiftshare enables one to divide regional (Los Angeles SMSA) employment change in an industry or occupation in order to identify the factors that most influence that change. Through this method, one is also able to break down the effects attributable to different factors that may influence labor market mobility. For this study, factors of interest include composition (or "group size"), industry change, and "share," a residual term that reflects the shifts in the ethnic division of labor.

[6]There are certainly other structural reasons, such as labor market discrimination and poor affirmative action records, that can be blamed on the low percentage of African-American and Latino employment in white-collar jobs. However, these factors cannot be measured in a shiftshare and/or occupa-

tional change analysis. This is a limitation on this method, especially when analyzing the labor market opportunities of women and minorities.

[7]For methodological reasons, I will only be looking at the Los Angeles-Long Beach Standard Metropolitan Statistical Area (SMSA), henceforth referred to as Los Angeles, Los Angeles SMSA, or City of Angels. This area does not include the counties of Orange, Riverside, San Bernardino, and Ventura.

[8]According to the Bureau of Labor Statistics, between 1970 and 1980 Los Angeles accounted for approximately one-fourth of the net growth in manufacturing jobs for the entire country. While New York, Chicago, Philadelphia, and Detroit together lost a total of 651,000 jobs, Los Angeles had a net gain of 225,000!

[9]Between 1972 and 1980, Los Angeles' automobile production, once second only to Detroit, the "Motor City," virtually disappeared, as did the entire rubber-tire industry and a major portion of the auto-related glass, steel, and steel products sector (Soja et al., 1983). What is striking about these shutdowns is that they are concentrated in areas and industries which are the most highly unionized, pay relatively high blue-collar wages, and have employed large numbers of minorities. Examples include McDonnell Douglas, General Motors, Ford, Firestone, Goodyear, Lockheed, General Electric, Kaiser, United States Steel, and Bethleham Steel.

[10]The core "high-tech" manufacturing segment of the Los Angeles area, between 1972-1979, was in the aerospace and electronics clusters. It was during this period that aerospace and electronics grew by 50 percent, adding over 110,000 jobs, and raising its percentage of total manufacturing employment from 23 to 26 percent. Complementary growth sectors naturally followed, especially electronic components and accessories, and aircraft and parts. These clusters of production not only serve private technology but also government military-related production. Los Angeles has been a leading recipient of prime defense contracts ever since World War II (Soja et al., 1983).

[11]During 1970 and 1980, the U.S. experienced a resurgence in the number of legal immigrants. Approximately 1.4 million immigrants were admitted into the U.S. In the 1960s, nearly two-thirds of the annual legal immigrants to the U.S. entered from Europe and Canada (45 percent and 12 percent, respectively). In the 1970s this rate was cut in half; fewer than one-third of the new arrivals came from European nations and Canada, 28 percent and 3 percent, respectively. Between 1961 and 1981, the number of legal immigrants from South America, Asia, and Africa numbered approximately 733,000, compared to 505,000 from Europe (Wong, 1987). When one adds, as estimated by the U.S. Bureau of the Census (1980), 2 million illegal immigrants that crossed the Mexican-U.S. border, the number of Third World, mostly Latino entrants to the U.S. in recent decades is indeed dramatic (Passel and Woodrow, 1984).

[12]See U.S. Department of Labor, Bureau of International Affairs, "The Effects of Immigration on the U.S. Economy and Labor Market," Immigration and Policy Report 1, 1989, pp. 73-74.

[13]As a whole, Latinos, African-Americans, and others make a clear majority totaling 55 percent of the area's population (U.S. Bureau of the Census).

1990 figures were obtained from a preliminary release of the Census of Population and Housing, 1990.

[14]During the 1950s, immigrants added 23 percent to the labor force; 21 percent during the 1880s; and 20 percent during the 1900s (Greenwood and McDowell, 1986).

[15]See Ong and Morales (1988: Table 2) and Morales, Ong, and Payn (1988: Tables 3, 11).

[16]Los Angeles SMSA is actually Los Angeles-Long Beach SMSA. However, for purposes of clarity I will use "Los Angeles SMSA" throughout this paper.

[17]"*Group's Size*," the possibility that change in an industry is due to changes in a group's relative size (after adjustments have been made for the impact of the local economy's increase or decrease). "*Interactive Effect*" refers to both "Industry Change" and "Group Size," and shows whether the two factors worked in opposing or reinforcing directions (i.e., increase in numbers of Latinos and decrease of industry or visa versa; or increases in numbers of African-Americans and increases in industry. "*Share*" indicates the possibility that a group's employment in an industry increased or declined, net of "Group Size" and "Industry Change."

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