THE ECONOMIC PROGRESS OF EUROPEAN AND EAST ASIAN AMERICANS

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Abstract

This paper reviews the recent literature on the determinants of socioeconomic success among immigrants from Europe and East Asia. The survey focuses on the larger, better studied groups and gives particular attention to historically based investigations of their progress. The concluding section emphasizes the need for additional descriptive and explanatory research on the labor market outcomes of ethnic Americans since the Second World War.

INTRODUCTION

The economic success of the descendants of immigrants from Europe and East Asia stands in marked contrast to the earnings disadvantages suffered by blacks, some Hispanic minorities, and American Indians. The resumption of mass immigration to the US in 1965 provides yet other sets of peoples against whom the achievements of European and East Asian Americans can be measured. These disparities prompt scholars and policy makers to inquire: What factors proved decisive in bringing at least some American ethnics into the economic mainstream? Did these conditions require that some groups advance at the expense of others? What information is still needed to determine whether past success stories can be expected to repeat themselves?

This essay seeks some answers to these questions through an interdisciplinary review of scholarship devoted to the economic achievements of those European and East Asian immigrants who arrived before the 1924 Johnson-Reed Act, and to their progeny. The review focuses primarily on the
larger, non-Anglo-Saxon ethnic groups whose economic performance is well documented. While the contextual nature of ethnic stratification requires some attention to other contending groups, this review is restricted to instances of intergroup relations relevant to the economic outcomes of Europeans and East Asians.

To help the reader grasp the concreteness of ethnic stratification, research on the relative positions, past and present, of the groups in question is summarized, and the sorts of measurement problems that plague any effort to generalize about the economic position of American ethnic groups are discussed. Following some documentation of ethnic rankings, a critical summary of historically based explanations for the observed ethnic outcomes is offered. The organization of this summary reflects the variety of factors that scholars have associated with ethnic economic achievement. Beginning at the individual level of analysis and moving toward the social structural, the survey examines culture, resources, demographic factors, and labor market conditions. The rationale governing this order of presentation is primarily pedagogical, as all factors are assumed to interact with one another. The essay concludes with a brief summary of major research trends and some recommendations on topics in need of further clarification.

Problems in Measurement

The term “inequality” demands referents: Who is unequal to whom and in what respects? A variety of racial, national, linguistic, religious, and cultural markers may delineate ethnic groups. But even the scholar who is analytically clear on the choice of a group may find that empirical sources fail to distinguish the group of interest. Similarly problematic is the isolation of an appropriate category for baseline comparisons. Should the selected group be compared to a national average (Greeley 1976)? To white natives of native parentage (Lieberson 1980)? (This choice places all third generation Americans in the reference category.) To those of British descent (Neidert & Farley 1985, Alba 1988)? Scholars concerned with religious distinctions may also require a benchmark group that is sensitive to denominational affiliation (Roof 1979).

Historians of stratification face significant problems in choosing outcome variables. Since the US Census did not ask any questions on income until 1940, much of the research on earlier economic differentiation has relied on occupational status measures. Although some sociologists have argued that occupational status has been relatively stable throughout the period of interest (Treiman 1977, Hauser 1982), historians are less convinced, and many have created their own occupational scales (Thernstrom 1973, Hershberg & Dockhorn 1976, Decker 1978). In other instances, researchers have shown great ingenuity in accessing records of wealth and property (Griffen & Griffen 1978, Gabaccia 1984, Morawska 1985).
For any given outcome variable, investigators usually elect to focus on either gross or net differences (Roof 1981). In general, the introduction of control factors reduces the advantage of the more successful. But a group’s distribution on a control variable is often both a result and a cause of ethnic position, hence it is worthy of study in its own right.

The choice of a unit of analysis for the dependent variable introduces a final difficulty. Studies at the individual level tell investigators a good deal about the intersection of ability and opportunity but overlook the variety of family-based strategies that enhance economic well-being. Should the income of the entire family or only that of the primary breadwinner be used to gauge ethnic achievement? Group differences in the number of earners and in family structure could influence ethnic rankings.

The Relative Success of American Ethnic Groups

Given the sets of caveats just outlined, any attempt to generalize about ethnic stratification would seem very dangerous. Indeed, distinguishing some groups well enough to offer historically grounded conclusions about their economic trajectories remains a challenge. Nevertheless, several groups have been sufficiently isolated to decipher general trends. When gross outcomes are considered, neither the choice of benchmark groups nor the selection of a dependent variable radically alters the general ranking of groups. The introduction of control variables has a leveling effect, but since such variables also remove some of the explanation for group differences, control variables are a topic more appropriate for later portions of this review.

Even a cursory investigation of ethnic stratification reveals that the myth that all immigrants entered the American economy at the bottom does not square with the facts (Steinberg 1981). Despite the unavailability of reliable income data until the mid-twentieth century, the occupational distributions published by the US Census provide an impression of general group rankings. Perhaps the simplest way to measure ethnic economic position is to compare the proportion of unspecified laborers across backgrounds. The earliest collected data combine the sexes and cover the small number of groups well established by 1870. Among non-Anglo-Saxons, these figures show German immigrants least overrepresented proportionately in the unspecified laborer category, Scandinavians next, while the Irish are most overrepresented (Hutchinson 1956). A much larger selection of groups was tabulated in 1900, by which time large numbers of South and East Europeans were joining their Northern European neighbors in choosing American shores. These figures, disaggregated by sex, show that among male immigrants, Russians—who were primarily Jews (Rosenthal 1975)—were least overrepresented as unspecified laborers; they were followed by Scandinavians, Central Europeans, Irish, Eastern Europeans, and Italians in that order (Hutchinson 1956). Moreover, the differences among the nationalities were often quite large.
The earliest complete data on income appear in the 1950 PUMS files. Hirschman & Kraly (1986a) have distinguished the earnings of the males therein by national background. Their figures reveal that the incomes of first and second generation Russians and Romanians (both assumed to be predominantly Jewish) were highest. The first and second generations of most Northern European groups fell between the Jews and native whites of native parents, the reference group in their analysis. The Irish, however, surpassed native whites of native parents only in the second generation, a trajectory paralleled by most Eastern European Gentiles. Southern European Gentiles and an undifferentiated Middle East/Asia group also exhibited intergenerational improvement, though only sufficient to match the earnings level of the reference group.

Data on the native born compiled by Chiswick (1986a) from the 1970 census indicate that Jewish, Chinese, and Japanese males all outearned native whites of native parentage. Finally, Greeley's (1976) creation of a composite NORC sample for the years 1963–1974 provides data on family income by ethnoreligious self-identification. Here Jewish families rank highest, followed by Irish, Italian, German, and Polish Catholics in that order. Households that identified themselves as British or American Protestant earned less than any of those above.

Since none of these studies includes significance tests for group differences, the wisest conclusion is that members of most pre-1924 immigrant backgrounds now fare at least as well as do other white Americans (Jencks 1983). The several explanations for these results occupy the remainder of this review.

EXPLANATIONS FOR ETHNIC ACHIEVEMENT

Culture

Culture has long been considered a vehicle for transmitting attitudes, beliefs, and values, which, in turn, influence economic decisions. Variations in cultural legacy, therefore, could translate into significantly different economic behaviors. There is some disagreement, however, about which cultural systems are most compatible with industrial capitalism as well as about the dynamics of cultural change (Tilly 1974, Schooler 1976, Henrietta 1977, Sowell 1981).

The writings of Max Weber set the agenda for much of the culturalist debate. Weber (1958) argued that Protestant theology, particularly the secular asceticism of Puritanism and Calvinism, provided a major impetus for the birth of capitalism. Over Weber's objections, Sombart (1951) maintained that Judaism reinforced many of the same traits. Later, Bellah (1957) argued that
persons in certain segments of Japanese society idealized diligence and frugality during the Tokugawa period.

If these formulations help to explain the economic outcomes of immigrants and their descendants, researchers must show that similar religious outlooks have persisted in America in ways that cause economic differences. Lenski’s (1963) survey of Detroit residents detected a link between the low economic position of Catholics and their weak commitment to values claimed for Weber’s Protestant ethnic. A recent study of similar questions by Woodrum (1985) finds that religious practices had a small but significant association with income and self-employment among Japanese immigrants. Yet, neither of these efforts establishes causal direction or rules out competing hypotheses. Woodrum’s (1985) work, for example, neglects to incorporate an important strand of research on the relevance of culture to Asian success, namely Light’s (1972) observation that the Chinese and Japanese brought with them the institution of rotating credit associations, an institution that proved vital in financing their small businesses. Jewish immigrants, also well known for their entrepreneurial endeavors, transplanted a related organization, the free loan society, from Europe to America (Tenenbaum 1986).

An additional cultural phenomenon associated with the success of entrepreneurial groups is their exceptionally strong ascriptive ties, within both family and group. These bonds facilitate the accumulation of resources and the exploitation of labor in a manner that renders ethnic enterprise extremely competitive, even in a rational, capitalist society (Ianni 1972, Light 1972, Bonacich 1973, Bonacich & Modell 1980).

This judgment, that precapitalist kinship ties profited immigrant businessmen, illustrates the kinds of criticism recently mounted against the view that the authoritarian, paternalistic world of traditional communities provided inadequate preparation for survival in modern, capitalist societies (Greeley 1982). Studies now indicate that the industrial-preindustrial dichotomy has been overdrawn and that a variety of strategies were functional in both environments. To cite another example, communal associations served as useful, though different, cultural legacies for proletarian and entrepreneurial groups (Cummings 1980). From a narrow economic standpoint, the most valuable services that proletarian ethnic associations offered were insurance protection and home mortgages (Barton 1975, Briggs 1978, Bodnar et al 1982). A somewhat broader perspective, though, suggests that the formal and informal opportunities these organizations provided to obtain job information, to mediate disputes, and to enforce social control brought indirect but no less valuable material benefits (Parot 1981, Cinel 1982, Oestreicher 1983, Stolarik 1985).

In sum, current research indicates that all immigrant groups selected from their cultural traditions some mechanisms that remained economically utili-
tarian in their new homes. The persistence of these legacies is testimony to the complexity of modern society, not to the obstinacy of the ethnics. Scholars continue to debate the contribution of culture because of the theoretical and empirical difficulties associated with isolating purely cultural variables. Later sections of this review evaluate some efforts in this direction.

Resources

Scholars have devoted considerable energy to examining relationships between economic outcomes and a wide range of immigrant characteristics, including the socioeconomic status of workers' parents and worker's own expectations, education, English proficiency, job skills, and experience. So far, nearly all of this work has been limited to males. (For an exception, see Roos & Hennessy 1987).

With respect to family background, few European immigrants hailed from the most poverty stricken classes within their homelands (Barton 1975, Cinel 1982, Doyle 1983). Moreover, it is generally believed that migration is a selective process that attracts the more motivated and talented within a population (Blau & Duncan 1967, Chiswick 1979). Despite this favorable self-selection of individuals within the place of origin, there are several reasons for expecting differences between groups to emerge at destination. Lieberson (1980), for instance, proposes that to induce the migration of the economically motivated, wages at destination will be somewhat higher than wages at origin. He argues that this relationship will reproduce the gap among workers from different sending regions once they enter the migratory setting. Another factor that affects wages is the permanency of the relocation. Persons who intend only a transient stay are usually willing to accept poorer pay and working conditions than those who view their move as permanent (Rosenblum 1973, Piore 1979).

Research has confirmed some of these expectations. For instance, an ecological relationship exists between human capital levels and degrees of industrialization in a way that implies the reproduction of wage differentials across countries. Those immigrants who reported more education—natives of Northern Europe and, to a lesser but not insignificant extent, the Jews and the Japanese—set out from more economically developed environments (Kitano 1969, Steinberg 1981, Bodnar 1985, Hirschman & Kraly 1986b, Hirschman & Wong 1986). Similarly, skill levels ran highest among German and Jewish immigrants, (Kessner 1977, Kessler-Harris & Yans-McLaughlin 1978), although the abilities of other immigrant groups have probably been underestimated because many nationalities had some experience as migratory laborers in nonagricultural pursuits (Briggs 1978, Morawska 1988a). Unfortunately, data on the individual transfer of job skills from the old world to the new are inadequate.
The resources just described influenced group earnings, but outcomes also were affected by the varying ability of groups to convert their resources into economic rewards. Recent reanalyses of data assembled by the US Immigration Commission indicate that, among equally “resourceful” immigrants, those from Britain and Western Europe reaped higher monetary rewards than those from Ireland, and Eastern or Southern Europe (McGouldrick & Tannen 1977, Blau 1980). Among the latter groups, other data sources reveal that intragenerational advancement was likewise rather limited, though with considerable regional and temporal variation (Thernstrom 1973, Barton 1975, Bodnar et al 1982, Hareven 1982, Zunz 1982).

Studies devoted to the trajectories of later generations of ethnics record that both resource gaps and achievement shortfalls diminished. Several investigations concur in concluding that the children of Jews and East Asians reached educational parity with other Americans early in this century and later surpassed the schooling levels of most benchmark groups (Lieberson 1980, Gorelick 1981, Dinnerstein 1982, Hirschman & Wong 1986). Cohort analysis shows that Irish Catholics have registered respectable educational levels since World War I, while Catholics from Southern and Eastern Europe dramatically improved their educational profiles after World War II (Lieberson 1980, Greeley 1976, Alba 1988).

Efforts to explain the educational achievements of later generation ethnics have stimulated vigorous debates over the preeminence of culture versus structure. The most common cultural interpretation of East Asian and Jewish educational achievement credits ancient traditions that revered scholarship and learning (Kitano 1969, Dinnerstein 1982, Brumberg 1986). The cultural basis for Catholic educational achievement is less obvious, though in the case of the Irish, the early prominence of Irish-dominated Catholic colleges may have been valuable. On the other hand, structuralists have associated a modicum of parental economic security with the extended schooling of the next generation (Lieberson 1980, Hirschman & Falcon 1985). In the case of the Jews, several investigations lend support to the notion that they did not act on their educational ambitions until extended schooling was financially both feasible and rewarding (Berrol 1976, Steinberg 1981, Morawska 1988b).

Many studies have explored the ability of later generation ethnics to translate their resources into economic outcomes. Historical work on intergenerational occupational mobility reveals that, when paternal occupational status is controlled, the sons of Irish, Italian, and Polish immigrants had a harder time accessing the better occupations than did the sons of Germans and Jews (Thernstrom 1973, Kessner 1977, Griffen & Griffen 1978, Harzig 1983, Smith 1985, Model 1988a). Multivariate analyses of more recent data, however, indicate that European ethnics differ little from other whites in the translation of educational achievement into occupation and income (Duncan...

To summarize, research on immigrant resource levels indicates substantial group differences in the distribution of human capital and human capital returns; these differences have diminished but not totally disappeared with the passage of generations. Not all these differences are disadvantageous. Indeed, according to Chiswick (1979), sons of economically motivated immigrants generally earn more than sons of the native born, when human resources and demographic characteristics are equal. The next section reviews the impact of these demographic characteristics.

Demographic Factors

Under this rubric, the major variables considered are sex ratios, fertility, geographic locations, and the ethnic-racial composition of local labor markets. The effects of the first two and of the last two are strongly intertwined.

Among groups whose members frequently planned to repatriate—Southern and Eastern Europeans and East Asians—sex ratios initially favored males because women’s role was to remain behind, tending the family holdings until the men returned (Lyman 1974, Yans McLaughlin 1977). Those groups departing with the more permanent intentions, the Irish, Scandinavians, Germans, and Jews, migrated as families or individuals and had more balanced sex ratios as a result (Kessler-Harris & Yans-McLaughlin 1978, Bade 1985, Bodnar 1985). Within these broad categories, however, cultural and structural factors promoted considerable intergroup variation (Hutchinson 1956).

The presence of relatively normal sex ratios heightened financial needs because larger proportions of immigrants were married. Family life required abandoning the marginal living quarters and extreme self-denial characteristic of sojourners, who remitted most of their earnings to their loved ones abroad, where a small sum went a good deal further than in America. Many observers believe that the delayed family formation of Southern and Eastern Europeans, and especially of the Chinese, retarded their economic progress (Lyman 1974, Kessler-Harris & Yans-McLaughlin 1978, Nee & Wong 1985).

The fertility rate of immigrant women usually ran higher than that of native women, though there were differences associated with both ethnicity and time of migration (US Immigration Commission 1911). Until well into the twen-
tieth century, urban poverty motivated higher fertility because large families meant more offspring who could ultimately contribute to family coffers (Goldin 1981, Sharpless & Rury 1980, Ewen 1985, Cohen 1988). Because immigrants were frequently poorer than natives, their higher fertility was partly a reflection of their economic distress.

As the twentieth century progressed and child labor became less necessary or desirable, later generation ethnics began to limit family size. Researchers continue to debate the degree to which economic factors explain the remaining group differentials (Bean & Marcum 1978). In general, Catholics exhibited relatively high fertility compared to the entrepreneurial minorities (Lenski 1963, Chiswick 1986a, Goldscheider 1986). These trends contradict the view that ethnic enterprise profited from a pool of unpaid family laborers, reinforcing instead a picture of entrepreneurs eager and able to educate their small families. Chiswick (1983, 1985, 1986a,b) offers a relevant hypothesis on this point. He argues that groups for whom children are more expensive will have smaller families and higher quality children than those for whom children are less costly. Among the factors Chiswick associates with greater child costs are favorable attitudes toward contraception, urban residence, and higher maternal educations. Interestingly, most of the groups he cites as illustrative of the small family strategy have been heavily entrepreneurial.

Still, most of the groups considered here ultimately secured respectable educational investments, a fact that may also reflect their residential concentration in Northern cities, where better educational opportunities first surfaced (Lieberson 1980). In other ways, however, researchers note that Northern cities had drawbacks. From at least the late nineteenth until the early twentieth century, European immigrants of identical nationality groups fared better in the smaller, commercial cities of the "urban frontier" than in established northern communities (Conzen 1976, Vinyard 1976, Burchell 1980, Cinel 1982, DiLeonardo 1984).

Investigators disagree about the reasons for this pattern. Some argue that more talented immigrants were disproportionately likely to initiate internal migration (McCaffrey 1985); others claim the converse (Thernstrom 1973). Geographic differences in job opportunities certainly played a part (Blauner 1972, Golab 1977), but the allocation of immigrants within these opportunities was also a function of the ethnic-racial mix in local labor markets. Debate clouds conclusions about the economic effects of variation in the proportion of co-ethnics (Kirk & Kirk 1978, Conk 1981, Faires 1983, Harzig 1983, Suhrbur 1983), but scholars concur that Europeans especially prospered in cities containing high proportions of more stigmatized, non-European minorities (Hopkins 1968, Barr 1970, Bonacich 1973, Burchell 1980, Cinel 1982).

In Northern labor markets, not all European groups could escape the stint at
the bottom of the labor queue that they successfully avoided elsewhere (Golab
until the hiatus and eventual termination of overseas immigration and the
arrival in the North of large numbers of less skilled and less demanding blacks
(Lieberson 1980, Zunz 1982). These blacks offered the white laboring classes
of the North the same exemptions from undesirable employment that their
counterparts in the South and West had enjoyed earlier. In this sense, it may
be said that the upgrading of some groups has depended upon the oppression
of others.

A full appreciation of the impact of location, however, requires accounting
for the economic opportunity structure that immigrants and their children
encountered, as well as the distributive mechanisms operating to link these
workers to their jobs. These issues comprise the final substantive portion of
this essay.

**Labor Market Variables**

**THE STRUCTURE OF OPPORTUNITY** Immigrants entering American labor
markets found their opportunities very much a function of time and place.
Those Northern Europeans who arrived before the close of the frontier and
before the rise of mass production could still put land to the plow or indulge in
entrepreneurial craftsmanship. The Irish avoided the countryside, however,
and accepted unskilled urban laboring jobs instead (Kessler-Harris & Yans-
McLaughlin 1978, Bodnar 1985). As manufacturing quickened, most urban
immigrants and their children joined the Irish in becoming increasingly
proletarianized (Zunz 1982, Levine 1986). The urban Germans, for instance,
many of whom were artisans, discovered that the markets for their skills
decreased (Griffen & Griffen 1978, Keil 1983). Nineteenth century economic
fluctuations meant that those groups whose mass migration began earlier were
more dispersed among jobs and less likely to display intergenerational persis-
tence in those jobs than did the groups who began to arrive after industrial
take-off (Hutchinson 1956).

By the turn of the century, a few industries had risen to dominance in some
of the larger inland cities (Bodnar et al 1982, Zunz 1982, Keil & Jentz 1983),
while in many smaller centers single companies reigned supreme (Hareven
1982, Morawska 1985). Within the confines of place, skill purportedly
remained a crucial determinant of wages, though some writers maintain that
skill itself is socially constructed (Granovetter & Tilly 1988). Struggles
among workers, between workers and gatekeepers, and within the political
sphere all influenced decisions about which jobs were labeled skilled and
which not (Conk 1978, Keil 1983). The greater resources and organizational
capacities of so-called skilled workers brought them meaningful unionization
(Dawson 1983, Suhrbur 1983, Jackson 1984). Among ethnic Americans, the
prime beneficiaries of these efforts were the earlier arriving Northern Europeans.

Indeed, it was the relative docility of Southern and Eastern Europeans that attracted industrial employers to these nationals in the first place (Erickson 1957). But it did not take long for the less skilled immigrants to articulate their discontent over low pay and atrocious working conditions. Employers responded by dividing workers along racial and ethnic lines, crushing collective action by force, and placating disaffection by means of company unions (Green 1980, Gordon et al 1982, Bukowczyk 1984). As labor historians have ably demonstrated, immigrant workers occasionally overcame these obstacles (Nelli 1985, Barrett 1986, Hoerder 1986, Gordon et al 1982). But in most industries, the enormous political and economic clout of capital assured the triumph of ownership until the thirties (Montgomery 1986).

During the Depression, a combination of worker agitation, government action, and employer receptivity secured the legitimation of new, industrially based unions (Brody 1971, Rosenblum 1973, Piore 1979). Scholars remain divided about the motives for the heightened contentiousness of immigrants and their children (Piore 1979, Bodnar 1985, Morawska 1985) but not about the results. Internal labor markets, seniority rules, and fringe benefits brought financial security to many working class ethnics, while the more recently arrived blacks absorbed the vagaries of the business cycle (Bonacich 1972, 1976; Lieberson 1980; Gordon et al 1982).

Considerable research effort has been directed at identifying which employment opportunities most benefited from these changes. Writers sympathetic to a labor market segmentation perspective have distinguished desirable jobs from undesirable on the basis of a dichotomy that separates a core (large, monopolistic, capital intensive firms) from a periphery (small, competitive, labor intensive firms) (Gordon et al 1982). This distinction, however, has been severely criticized on theoretical and empirical grounds (Hodson & Kaufman 1982). More germane to the present discussion is the lack of research directed at matching ethnic distributions and manufacturing locations. Which groups benefited most from industrial unions is a question deserving further scrutiny.

One of the few well-documented instances of immigrant concentration has been the small business of Jews and East Asians. Some writers have suggested that this specialization represents a third option, the ethnic enclave, which is theoretically distinct from the core or periphery sectors (Portes & Bach 1985). The major framework for understanding these groups, however, has been middleman minority theory (Bonacich 1973, 1979; Bonacich & Modell 1980; van den Berghe 1981: Ch 7). A surprisingly wide range of economic activities—agriculture, light manufacture, trade, and personal services—have responded to the entrepreneurial tactics of immigrants.
Information about the kinds of endeavors that absorbed first and second generation immigrant women has been easier to assemble because female job opportunities were so restricted. Nineteenth and twentieth century ethnic women earners, most of them young and unmarried, worked primarily in light industry—especially clothing, textiles, and tobacco—as well as in various types of domestic service (Tentler 1979, Bose 1984, Glenn 1984). Some of the garment trades offered unionized protection, but such advantages were the exception rather than the rule. Teaching enjoyed popularity among the more educated, first the Irish and later the Jews (Gorelick 1981, Moore 1981, Bose 1984). Married women usually contributed to family finances in ways compatible with household responsibilities, such as by engaging in home manufacture, serving as unpaid assistants in a family business, or caring for boarders (DiLeonardo 1984, Ewen 1985). Unfortunately, the documentation of married women’s economic contribution is scanty and uneven.

Social scientists have devoted more attention to the occupational status of ethnic males than to any other attribute. Investigations of occupational data are useful in showing the movement from manual to nonmanual jobs, but they obscure the process behind this result. These studies reveal considerable shifts out of blue collar jobs, for Jews in the twenties and thirties and among most other ethnic groups in the years following World War II (Blau & Duncan 1967, Greeley 1976, Dinnerstein 1974, Lieberson 1980). Yet, even at the occupational level, more could be done to describe the distributions of the groups considered here. That the Jews, Japanese, and Chinese have disproportionately flocked to certain professions is well known (Bonacich & Modell 1980, Goldscheider 1986). But scholars have ignored the more recent, detailed occupational distributions of most European groups, perhaps under the assumption that such an analysis would prove uninformative.

THE ALLOCATION OF OPPORTUNITY  Given the current lack of sophistication about where ethnics have worked in recent decades, it is not surprising that more is known about how immigrants and jobs were matched in the nineteenth and early twentieth centuries than thereafter. Two themes dominate this literature: how discrimination affected opportunity and how interpersonal sponsorship brought applicants jobs.

While few immigrant groups emerged unscathed from the attacks of American nativism (Higham 1963), its virulence varied both across time and across groups. Some investigators stress the significance of physical and cultural differences in stimulating discrimination (Gordon 1964, Sowell 1981), but marxian analysis faults the capitalist pursuit of profits and the differential cost of labor (Bonacich 1972, 1973, 1976, 1984a,b; Reich 1981). Groups prized by employers for their low wage demands—the Chinese or Italians, for example—suffered more intensely than groups engaged in activities periph-
eral to capitalist expansion—for example, the Germans and Scandinavians. Disagreement continues regarding the relative responsibilities of capitalists and higher priced labor in fomenting discriminatory incidents, but the significance of economic competition is not in doubt (Olzak 1987).

Immigrants were randomly distributed neither by industry nor occupation. Ethnic stereotypes among employers and gatekeepers, as well as a group’s premigration skills and wage demands, combined to channel certain groups into particular industries: the Irish and later the Italians into construction, the Bohemians into cigarmaking, the Poles into steel (Korman 1967, Lopreato 1970, Golab 1977). Most of the initial labor distribution was handled by urban labor agencies (Erickson 1957). Over time, however, employers discovered that their present workers performed admirably as recruiting agents. Each worker was potentially in touch with large numbers of kin and fellow villagers both in this country and overseas (Erickson 1957, Bodnar et al 1982, Hareven 1982, Morawska 1985, 1988a). Employers’ satisfaction with this form of recruiting perpetuated the association between industry and ethnicity, sometimes into the second and later generations (Granovetter & Tilly 1988, Model 1988b).

Blatant discrimination was more overt at the level of the occupation than the industry. For example, through the first quarter of the twentieth century, Central and Eastern Europeans in the steel industry found that gatekeepers consistently allocated the more arduous and dangerous jobs to “Hunkies” (Morawska 1985). Hareven (1982) reports greater tolerance within the textile industry, where ethnic barriers rose only at the level of overseer.

The main route to escaping such restrictions was to work for oneself or one’s co-ethnics. All immigrants were disproportionately represented as traders and dealers—a fact that is probably related to the limitations they experienced in the broader labor market (Conk 1981). However, for entrepreneurial groups, self-employment and working for the self-employed became the primary adaptation, partly because of the vehement opposition that members of these groups encountered in the majority economy. Among Jews, entrepreneurship was already typical in Europe and was transplanted to America, first by German Jews, and later, with their help, by Jews from other nations (Rischin 1962, Decker 1978, Toll 1982). In the case of East Asians, opposition in this country was so strong that steps were taken to exclude Asians as immigrants, citizens, and landowners (Petersen 1978, Bonacich 1984a,b). The retreat into ethnic enterprise did not assure immunity from attack, but it did reduce vulnerability.

Asians and Jews entered coethnically owned enterprises in much the same way that other workers found jobs—through personal sponsorship. The main difference was that employers might recruit workers themselves. Shared ethnicity implied a variety of social contacts between owners and workers.
which the latter could exploit to obtain labor. Frequently the bond of a common hometown formed the bridge between the prospect and the intermediary, who might be a future boss or simply a future coworker (Light 1972, Zenner 1980,—see Waldinger 1986 for a contemporary account).

As mentioned above, both middleman minorities and proletarian ethnics have increased their representation in mainstream, white collar careers. But how some immigrant children and grandchildren moved out of their early spheres and secured these new jobs is not clear. Research into the procurement of white collar positions suggests that interpersonal sponsorship remains significant, though shared ethnicity is perhaps less characteristic of the participants (Granovetter 1974). The hypothesis that ethnically heterogeneous social bonds guided the job search of later generation ethnics parallels the hypothesis that they entered ethnically heterogeneous occupational and industrial environments. These hypotheses require testing.

CONCLUSION

The evidence reviewed here documents how immigrants with differing values, abilities, and goals secured a variety of economic opportunities, some unattractive, others less so. The analysis suggests that the improvements recorded by these groups are the outcome of specific historical forces rather than the simple passage of generations. The cessation of overseas immigration, the exodus of blacks from the South, the triumph of industrial unionism, and the upgrading of the American occupational structure comprise the most frequently cited explanations (Blau & Duncan 1967, Piore 1979, Lieberson 1980). Some groups, especially the middleman minorities, were positioned to take advantage of these changes more rapidly and more effectively than others, but none remained impervious to these events. Whether ethnics now enjoy proportionate representation in all spheres of wealth, power, and influence in this country remains debated (Roof 1981, Alba & Moore 1982, Slavin & Pradt 1982), but their broad progress is not in question.

This review has emphasized that the greatest gaps in scholarly knowledge about ethnic mobility surround the mechanisms through which the above mentioned structural shifts affected economic trajectories. How have European and East Asian groups been distributed across occupational, industrial, and authority structures as the twentieth century progressed? What circumstances impelled different groups to extend their educations? What tactics linked educated ethnic applicants to their new white collar jobs? And to what extent have investigators overlooked intraethnic variations in socioeconomic mobility?

Better answers to these questions would assist scholars in approaching one of the most serious dilemmas the nation now faces, the plight of currently
disadvantaged groups. Existing scholarship indicates that many of the changes that upgraded the less privileged early immigrant groups depended on economic growth and demographic shifts not likely to be repeated. Nevertheless, more refined analyses are needed before social scientists should accept this disturbing conclusion.

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