

IMMIGRATION, GENTRIFICATION AND CHICAGO RACE/ETHNIC RELATIONS IN THE NEW GLOBAL ERA

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EXECUTIVE SUMMARY

The 1990s were the most interesting decade in Chicago since the Roaring 20s. New demographic and economic developments broke the pattern of change established in the Cold War era. Immigration and gentrification drove Chicago away from its Rust Belt comparison cities and toward America's "global" cities, New York and Los Angeles. As we study immigration and gentrification in detail, it is clear that their impact on race/ethnic relations is profound. The purpose of this paper is to identify key facts underlying the narrative about immigration, gentrification, and the evolving state of race/ethnic relations as Chicago reinvents itself as a 21st century global city.

1. Chicago's position in the Illinois, Midwest, and U.S. economy makes it a magnet for immigration. Currently, 22 percent of the residents of the city were born in a different country – a level of immigrant population that has not been experienced since the early 20th century.

2. The economic engine that drives Chicago's demand for immigration also drives gentrification. After decades of stagnation, Chicago experienced a 13 percent rise of CPI-adjusted, median household income during the 1990s. Other signs of neighborhood gentrification are a 40 percent rise in CPI-adjusted median home value, and a 6 percent increase in the number of adults with college education.

3. The economic engine driving change in Chicago creates an expanding, bifurcated labor market that is fed by immigration. The bifurcating labor market includes a rapid expansion of: (a) high-pay professional and technical services positions; and (b) low-pay personal service positions that are often less-than-full-time and lack benefits. These sectors are fed by the fastest growing race/ethnic groups in the city: Mexicans, who increased by 50 percent, generally filled low-pay positions, while Asians, who increased by 35 percent during the decade of the 1990s, filled both types of positions.

This report examines the ties between the increase in the immigrant population, the increase in income levels and economic assets of the city, the increase in the Latino population, the spatial rearrangement of the black population; and a large decline accompanied by a spatial rearrangement of the white population. How do these changes interrelate, what do the interrelations tell us about race/ethnic relations in the city today? The report shows that:

- White population change closely followed the pattern of gentrification. As neighborhoods gentrified, whites tended to push out Latinos and immigrants, and to

a lesser extent, Black population. In the process, whites became less segregated.

- Latinos tended to move out of gentrifying areas and competed with blacks and other immigrant groups for neighborhood space. In the process, Latinos remained about as segregated as new immigrant groups tend to be in American cities, and they decreased their overall contact with whites.
- Blacks moved out of the areas of highest black concentration, contributing to a continuing decline in segregation and a decline in the concentration of poverty. Some new, gentrifying black areas developed.

Finally, as if the tiles in the ethnic mosaic were not complicated enough, the concluding section of the report addresses another emerging issue in research on race/ethnic relations: The number of Chicago residents who refuse to answer, or who give an ambiguous response to, the Census “race” question is now at a level that challenges the accuracy of our picture of “race”/ethnic relations in the city.