BEYOND CORNERSTORES, CRIME AND SWEATSHOPS:
DEBUNKING THE MYTHS AND RECOGNIZING THE INFLUENCE
OF CULTURE IN THE ECONOMIC DEVELOPMENT PROCESS

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Beyond Cornerstores, Crime and Sweatshops: Debunking the Myths and Recognizing the Influence of Culture in the Economic Development Process

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ABSTRACT

Culture affects almost every aspect of an individual's life, from social and familial behavior and values, to motivations and identity. Traditional methods of economic development have not included a consideration of cultural influences at the initial data collection and analysis stages and consequently the role and impact of culture is not properly reflected in subsequent economic development strategies. This thesis is concerned with developing a framework for integrating the influence of culture into the economic development process, and challenging stereotypes about cultural groups in general, and their economic activity in particular.

The framework consists of eight variables: assimilation, class, education, intended duration of stay in America, family, community, economic activity, and consumer consumption. The literature on each variable was reviewed and the most important issues in relation to economic development were highlighted. The framework was applied to East Boston in order to augment already existing socio-economic data for the area. It was found that contrary to common perception, cultural groups residing in East Boston are not homogenous, and that variation exists within groups in many areas including: language, education and region of origin. It was demonstrated that the social class of a group or individual, not their cultural background, is often the explanatory variable for behaviors, beliefs and motivations. Furthermore, it was found that many characteristics are common among members of different cultural groups in East Boston, who are in the same social class. Finally, it was proven that the economic success or failure of different cultural groups is due in large part to the immigration experience itself, not innate cultural characteristics.

Thesis Supervisor: Phil Clay
Title: Professor
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INTRODUCTION

"... he acts like a Mafioso"

Then governor of Arkansas, now President of the United States Bill Clinton, commenting on Mario Cuomo, governor of New York state.

Two of my most consequential life experiences are reflected in this thesis and generated its dual purpose. The first set of life experiences relates to being the child of first generation Italian immigrants; the second revolves around my academic and work experiences in the profession of social work.

Growing up in a community with few Italians was an often confusing and perplexing process, made more so by an abundance of misinformation in the general public about Italians. I never seemed to correspond with people's expectations of me as an Italo-Canadian. I was forever being told what Italians were like, who they were and how they should behave. I was often asked if my father was in the Mafia, if he made wine, if my mother wore black and had a mustache. The vast majority of the time the descriptions of, and questions about, Italians were in stark contrast to my experiences and reality. These contradictions did not stem from unfamiliarity with "real" Italian culture for my parents moved to Canada in their late twenties, I spoke Italian at home, I went often to Italy and thus had a great deal of exposure to Italian culture and way of life. I eventually decided that the cause of incongruities between who I was as an Italo-Canadian, and who society expected me to be, was the result of stereotypes. In all fairness, the vast majority of Italian immigrants to North America came from the poorest regions of Italy and a particular social class, thus in some respects they did constitute a fairly homogeneous group. But to assume complete homogeneity was inaccurate to say the least. And so I arrive at the first purpose of this
thesis: to challenge and analyze commonly accepted assumptions about cultural groups in general, and their economic activity in particular. I am especially interested in extracting from these assumptions any valid or useful pieces of knowledge, and at the same time exposing any information that is incorrect, unsound or plainly inflammatory.

During my social work studies and professional activities the importance of culture and its influence within the lives of clients was a pressing issue. Culture was defined to include not only racial and ethnic background, but also religion, sexual preference, class and mental or physical disability. Culture was discussed in every course I took in my social work degree program: including classes in statistics, social service delivery analysis, and cross cultural social work practice (a mandatory part of our curriculum). When I was employed as a social worker investigating and intervening in child abuse, the issue of culture was constantly present: from trying to culturally match children and foster homes, to questioning whether our cultural values around child rearing were biasing our investigations. This is not to say that the profession of social work has arrived to a consensus about what the role of culture should be in social work practice, but there is a general recognition of the importance and influence of culture in the theory and practice of social work, and in the everyday lives of client and social worker alike.

Coming from this background, I had assumed that because much of the work, and many of the analytic frameworks utilized by social work and economic development were similar, culture would be a well-recognized part of economic development theory and practice. It was quite shocking to discover that culture did not have a well-defined role in the education or profession of economic development, and so was born the second purpose of
this thesis: to find a way of integrating culture into the economic development process -- especially during the initial stages of data collection and analysis.

It is not my intention to impose social work theories on economic development practice, or to write an economic development cookbook with recipes for doing economic development with specific cultural groups with particular characteristics, i.e., “how to do economic development with second generation southern Italians, with a high school education and a working class background”. Rather, my aim is to provide general guidelines for recognizing, analyzing and integrating the influence of culture, into the economic development process.

Besides from my personal interest in this topic, there is a strong case to be made that both culture and local economic development are important topics in their own right, and that considering them in tandem further increases their relevance to the current urban context of the United States.

Macro and micro economic trends have fueled re-newed attention on local economic development. The current macro/national economic context is being defined by:

i) severe business cycles, the most recent of which was a nation-wide recession lasting from 1989 to 1993;

ii) stagnation in productivity growth;

iii) a shift in employment from manufacturing to service sector jobs;

iv) segmentation of the labor force into rigid and highly structured components, namely the primary sector which is characterized by high-wages and job security, and the secondary sector which is defined by low-wage, low-skill, low-security jobs;

v) stagnation of wages and family incomes;

vi) increasing inequality and disparity in earnings;

vii) fierce international competition and globalization of the national economy;
viii) increasing capital mobility.

Many of these macro economic trends have percolated down to the micro/urban milieu, creating a declining urban environment that is confronting:

i) the movement of manufacturing plants out of cities situated in old industrial heartlands, to the south, west and abroad;

ii) outmigration of European-American residents to the suburbs, and conversely immigration of individuals of diverse ethnic and racial backgrounds;

iii) spatial isolation of the poor and their communities;

iv) growing income inequalities and poverty;

v) fiscal problems, due in large part to outmigration, state imposed tax limits and decreasing federal government assistance;

vi) deterioration of infrastructure;

vii) declining quality and funding of schools;

viii) unavailability of capital and disinvestment, due in large part to discriminatory financial practices;

ix) increasing crime;

x) decreasing availability of consumer services (which is linked to increases in crime);

xi) increased skill requirements for employment and labor market discrimination.

The benefits of linking local economic development and culture stem from a variety of sources. At a universal level, economic development theories and policies have traditionally been crafted by members of the dominant culture and thus the values, beliefs and life experiences of these individuals have been evident in these theories and policies. At worst, this has resulted in economic development strategies that benefited members of
the power elites or those close to them. At best, it has meant that because the strategies were formulated from the frame of reference of persons in positions of privilege, they did not reflect the needs or expectations of the people the policy was nominally intended to serve.

Secondly, the assumption of cultural homogeneity embedded in most models of urban economic development is becoming increasingly inaccurate and thereby renders such models irrelevant. A new framework is needed for understanding the functioning of culturally heterogeneous communities.

Thirdly, since culture affects almost every aspect of an individual’s life, from social and familial behavior and values, to motivations and identity, an economic development practitioner who does not include an analysis of these factors in their economic development initiative, is foregoing rich insights into the context in which these initiatives will be implemented.

Finally, the reality of today’s fiercely competitive macro and micro economic environments necessitates communities exploiting every competitive advantage at their disposal. The literature on ethnic enclaves and the “ethnic miracle” suggest that the experience of immigrants could provide communities with a comparative advantage in today’s extremely competitive economy.

I will use the neighborhood of East Boston, located in the city of Boston, Massachusetts, as a case study in order to test the propositions put forward in this thesis. In many ways, East Boston reflects both the cultural and economic trends facing most urban communities in America: in the last fifteen years it has experienced job loss, dramatic shifts in ethnic composition, a slow economic recovery and inflated real estate values. The focus in East Boston will be on three of its largest ethnic groups: the Italians, the Puerto Ricans and the Vietnamese. These groups were chosen because
they represent the three largest ethnic groups in the United States: Europeans, Hispanics, and Asians respectively.

Structure and Rationale of Thesis

There is general acceptance of the premise that the first step in determining an economic development strategy is to collect and analyze data and conduct a socio-economic base analysis (also referred to as a local resource inventory or a locality profile or some variation thereof). A “socio-economic base analysis” is the result of gathering and analyzing information about the geographic area of interest in relation to: i) demographics, ii) labor market conditions, iii) economic characteristics, iv) physical/location conditions, and v) community services (Blakely 1989).

The influence of culture has been habitually excluded from the traditional socio-economic base analysis, and consequently the role and impact of culture are not properly reflected in subsequent economic development strategies. In this thesis I intend to create and demonstrate the use of a framework for integrating culture into the socio-economic base analysis, and the ensuing stages of the economic development process. This framework will be constructed in the next chapter and will be composed of culturally related social and economic variables that could affect the economic development process (these variables are listed in Table 1 below).

The framework will consist of eight sections, one for each variable of interest. Each section will be made up of two parts: the first part will highlight information about the variable that is directly related to the purpose of this thesis, namely: i) integrating culture into the economic development process, ii) challenging commonly accepted stereotypes about cultural groups in general, and their economic activity in particular. The
second part of each section will be composed of a list of issues, questions and
guidelines, which an economic development practitioner should take into
account when doing a socio-economic base analysis for a community. Three
different sources of information will be used to construct the framework: i)
theories about culture and culturally related variables, ii) stories about the
experiences of different cultural groups in America, and iii) knowledge based
on my academic and work experiences. The literature will be drawn from the
fields of economics, economic development, sociology, social work and
consumer studies.

It is important to remember that every variable in this framework may
not be relevant to each situation or context. It is not within the scope of this
thesis to provide the definitive cultural framework. Instead this thesis
includes a palette of options from which the economic development
practitioner could decide -- based upon their in-depth knowledge of a
particular area -- which variables are most pertinent to their specific case. In
demonstrating the use of this framework in East Boston, I might not utilize
every variable in the framework, rather I will select the variables that are
most germane to the unique characteristics of East Boston.
<table>
<thead>
<tr>
<th>Variables</th>
<th>Areas of Interest</th>
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<tr>
<td>Assimilation/Isolation</td>
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<td>iv) Relationship to culture</td>
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<td>Education</td>
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<td>ii) Values around</td>
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<td>Duration of Stay in America/Reasons</td>
<td>i) Intended</td>
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<td>ii) Role of extended family</td>
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<td>Economic Activity</td>
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Source: Compiled by Maria Medioli.
After the cultural framework is constructed in chapter one, I will report in chapter two the results of a traditional socio-economic base analysis I conducted on East Boston. My intention is to illustrate what information an economic development practitioner would obtain using conventional economic development techniques that do not take into account the influence of culture.

In chapter three I will return to the cultural framework outlined in chapter one, and use it to expand the understanding of East Boston’s social and economic conditions I achieved through executing a traditional socio-economic base analysis.

In chapter four I summarize the results of the augmented socio-economic base analysis suggested in this thesis, and discuss their implications for local economic development in East Boston.
CHAPTER ONE  
LITERATURE REVIEW AND FRAMEWORK FORMULATION

In this chapter I present a review of the literature and information needed for constructing a framework which could facilitate understanding the role of culture in local economic development. The terms “culture” and “local economic development” are central to this endeavor; therefore, I would like to start by defining these concepts.

Culture

Culture is an ambiguous construct, with many dimensions that most individuals are unaware. Rather than defining culture in rigid terms, I will outline some aspects of it and use this as a starting point for introducing the concept. To begin with, culture can be described as: “... the values, attitudes, customs, beliefs, and habits shared by members of a society” (Parrillo 1994). Culture may influence an individual internally (unseen) and externally (seen). The internal influences include -- but are not limited to -- rules, traditions, spiritual beliefs, sexual mores, societal roles, gender expectations, cognitive styles, perceptions of beauty, coping mechanisms and ideologies. The external effects of culture may be identified by childrearing practices, communication styles, language, celebrations, recreational activities, food, dress, health practices, artistic expression and history. (Darder 1992)

The focus of this thesis will be on ethnically influenced culture, but as shall be demonstrated later on, determinants of culture are not easily identified. Therefore, characteristics that may appear to originate from ethnicity, may actually be the result of class, education, or some other unknown factor.
Local Economic Development

An absolute definition of: “local economic development” does not exist in the literature, rather I pieced together a short list of characteristics that are commonly associated with it. These characteristics form the basis of the meaning of local economic development in this thesis: a process in which local actors, such as government, community groups, the private sector and residents, work together to create initiatives aimed at managing local resources in order to improve the well-being of the community by creating jobs or stimulating economic activity. The central elements of this definition are local composition and concentration, and community improvement through economic opportunities.

I have defined local economic development in abstract terms to avoid possible configurations that economic development may take before I begin my inquiry. Rigidly defining local economic development, may eliminate legitimate forms of economic development that are not currently recognized as such.

There are four themes which are being presented at the outset of this section in order to introduce issues found in the literature, which will be discussed throughout the rest of this section. These themes are:

1) The assumption of homogeneity within cultural groups -- found both in the literature and in American social and political culture -- is inaccurate. Many cultural groups that appear homogenous in every respect, may in fact differ in more subtle ways.

2) The social class of a group or individual, not their culture, is often the explanatory variable for their behaviors, beliefs, and motivations.
Frequently, behaviors that are attributed to culture, can be identified across cultural groups, amongst members of particular social classes.

3) The assumption that all cultural traits are assimilated at the same rate is incorrect. In reality, a variety of forces determine the assimilation rate of cultural characteristics, and the rate of assimilation is different for every characteristic.

4) The success or failure of different immigrant groups is not solely the result of cultural determinism and primordial attributes of a cultural group, rather it is due in large part to the immigrant experience in itself. As shall be demonstrated in later sections, a particularly significant component of the immigrant experience is the barriers encountered by a cultural group.

**The Framework**

The focus of this thesis is the relationship of culture and economic development. I am now going to examine the eight variables presented in the introduction that are culturally influenced and that might have an impact upon the effectiveness and efficiency of an economic development strategy.

**I. ASSIMILATION/ISOLATION**

Assimilation is a process by which cultural differences between national groups of different origin become diluted as they pass from one generation to the next; the result may be the disappearance of the original culture (Yancey, Ericksen and Juliani 1976). Most Americans have subscribed to different beliefs about assimilation during different periods in history. The result has been laws, government policies and programs which reflected the dominant ideology of the time. The three most influential schools of thought were:
1) Anglo-Conformity - The most prevalent ideology of assimilation throughout American history. Its roots can be traced back to early colonial times, although aspects of it are still visible today. Anglo-Conformity argues that it is advantageous to maintain English institutions, language and cultural patterns in American society. The ultimate goal is to have immigrants relinquish their native culture, and adopt the Anglo-Saxon culture as a means of becoming “American” (Gordon 1961). As an equation Anglo-Conformity can be described as $A + B + C = A$, where $A$ is the Anglo-Saxon culture and $B$ and $C$ represent the native cultures of immigrant groups not of Anglo-Saxon origin (Yetman 1985).

2) Melting Pot - In this view, American culture and society is not simply a transplant or variation of British society; instead America is a totally new creation resulting from the blending of different cultures mixed together and fused by common experiences in America (Gordon 1961). The Melting Pot idea was born in the eighteenth century, and around the turn of this century it became embedded in the political culture of the time. With the assistance of an equation, the Melting Pot paradigm can be represented as: $A + B + C = D$, with $A$, $B$, and $C$ symbolizing the native cultures of immigrants, and $D$ representing the combination of $A$, $B$, and $C$ to create a new culture (Yetman 1985).

3) Cultural Pluralism - The basic assumption of Cultural Pluralism is that immigrant cultures are worthy and have much to offer the United States; so they ought to be encouraged to flourish rather than attempting to eliminate them. The ultimate goal of Cultural Pluralism is for different cultures to co-exist harmoniously so that diversity (which is viewed as a strength) will be promoted. In terms of equations, Cultural Pluralism can be depicted as: $A +
B + C = A + B + C, where different immigrant cultures are represented by A, B, and C (Yetman 1985).

None of these theories comes close to satisfactorily explaining the complex phenomenon of assimilation; rather they seem to justify and reflect the trends influencing American political ideology. A description of these theories was included in order to: i) provide a brief review of the evolution of thought around the concept of assimilation, and ii) explain the three ideologies within which the beliefs of most Americans fall.

Assimilation is a multi-faceted process. In order to grasp it more fully, I will examine the following topics: i) types of assimilation, ii) power and assimilation, iii) rates of assimilation, and iv) class and assimilation.

Types of Assimilation

1) Behavioral Assimilation: (also known as acculturation) is the absorption of the cultural behavior patterns of the host society by the immigrant culture. Examples of behavioral assimilation include incorporation of the values, beliefs, language and behaviors of the host society into the day-to-day existence of the immigrant group (Yetman 1985).

2) Structural Assimilation: means the acceptance of members of immigrant groups into the social organizations and activities of the native group, and the subsequent creation of friendships and relationships. Structural assimilation can be divided into two categories: i) primary, where the relationships are intimate and personal, for example social clubs and personal friendships; and ii) secondary, where the settings of ethnic assimilation are characterized by impersonal relationships, for example, at work (Yetman 1985).

3) Spatial Assimilation: is the process by which the immigrant groups begin to live in proximity to members of the host society. An ethnic group's spatial
location is a crucial variable affecting its overall socio-economic position because of the close inter-relationship between: i) location of housing and jobs, and ii) educational opportunities and income. Furthermore, spatial assimilation can facilitate other forms of assimilation through access to economic opportunity and a host of other less tangible factors (Yetman 1985).

4) Marital Assimilation: is the marriage between members of different cultural groups, either between immigrant and host society members, or between members of two different immigrant groups. It is considered to be a strong force behind assimilation since cross-cultural marriage results in personal networks of multiple ancestries, including friends and relatives from a wider variety of ethnicities, making the retention of traditional cultural traits less likely (Alba 1981).

Power and Assimilation

Lieberson’s thinking on race and ethnic relations sheds some light on the connections between power and assimilation. This view contends that when different ethnic and racial groups come to live in one geographic area, each group tries to maintain its culture before contact. The success of each group in this endeavor and in other spheres of activity is determined by their position in the area, i.e., superordinate or subordinate, and whether the group is indigenous to the habitat, or migrants. The term “indigenous” in this instance does not necessarily refer to aborigines, rather Lieberson (1961: 260) defines it as: “... a population sufficiently established in an area so as to possess the institutions and demographic capacity for maintaining some minimal form of social order through generations.”

According to Lieberson when the migrant group is superordinate, (as was the case in North America with the European invasion) the necessary
conditions exist for maintaining the migrants’ political and economic institutions and imposing them on the indigenous population. When the indigenous group is superordinate, (as is the case in the United States today) there is less conflict since new groups are migrating to a subordinate position and any threats to the existing power relations posed by a demographic imbalance can be eliminated by reducing the numbers and groups of people entering. Assimilation in this case takes place within the migrant group as they are forced to integrate and function within a new set of institutions.

Lieberson argues that for the most part, subordinate migrants tend to assimilate more rapidly than subordinate indigenous populations because the subordinate migrants are usually under more pressure to assimilate.

**Rates of Assimilation**

Several explanations for the differences in rates of assimilation among American ethnic groups have surfaced. There is a wide range of ideas, but overall they can be divided into two general categories: i) those that hold the internal qualities of the ethnic group responsible for rates of assimilation, and ii) those that emphasize the external forces outside of the ethnic group’s control.

**Internal Models**

The internal explanation views the ethnic group’s assimilation, adaptation and adjustment as the result of the characteristics intrinsic to the group. The focus is on the transmittal of traits and characteristics across generations. Within the internal school of thought there is a number of variations on the theme. The biological or genetic argument states that different achievement levels are the result of biological endowments. The
cultural perspective views inconsistencies in assimilation and achievement amongst ethnic groups as the result of cultural characteristics such as values, knowledge and customs that are learned in the family and community. The "last of the immigrants" argument maintains that socio-economic success and assimilation are only a matter of time and that ethnic groups that have recently arrived will eventually move up from the bottom rung of the economic ladder (Yetman 1985).

External Models

According to the external explanation of variations in assimilation, it is the external constraints and barriers that ethnic groups encounter that limit their access to the opportunity structure (Yetman 1985). Different types of barriers constrain different ethnic groups. At one end of the spectrum is the African-American experience of slavery, at the other end is the exclusion from social clubs encountered by European ethnics at the turn of the century. The exact long-term effect of external factors on the assimilation and socio-economic success of ethnic groups is hard to gauge. It is possible to argue that these external constraints indirectly lead to greater achievement for certain groups because they were forced to find ways of succeeding while working within the constraints of these barriers.

Class And Assimilation

The relationship of class and upward mobility to the assimilation process is not obvious. On one hand, there are those in the literature who maintain that: "...ethnicity is largely a working class style" (Gans 1985: 431), meaning that much of the behavior ascribed to ethnicity is actually working-class behavior and this behavior can be identified amongst most, if not all,
ethnic groups. The logical conclusion is that as upward mobility occurs and as ethnic groups move into the middle class, the behaviors previously deemed “ethnic” that were really working-class, will disappear and assimilation will take place.

The opposite point of view holds that with upward mobility, a re-emergence of ethnically-related behaviors occur. A number of labels have been applied to this phenomenon: “dime-store ethnicity” (Waters 1990), “the twilight of ethnicity” (Alba 1981), and “symbolic ethnicity” (Gans 1985). All essentially refer to the same process where third and fourth generation ethnics choose how and when they will express their ethnicity. Unlike their first and second generation ancestors who had no choice about whether society would perceive them as ethnic, and who were forced to cling to their ethnicity out of social and economic necessity, this new breed of ethnics have been afforded -- by virtue of their middle-class status -- the luxury of expressing their ethnic identity in ways which suit them best. Studies by Waters (1990) and Rogler, Cooney and Ortiz (1980) confirm that there is a strong relationship between upward mobility and continuing ethnic identity.

**Straight-Line Theory**

Although it does not fit neatly into any of the above categories, a brief discussion of the Straight-Line Theory of assimilation is being included because its presence is reflected in the literature, has been influential throughout the field, and recently has come under increasing scrutiny. Basically the Straight-Line Theory holds that acculturation and assimilation are trends that will ultimately result in the total absorption of ethnic groups into the larger culture and general population (Gans 1985: 429).
This theory is being challenged on a variety of grounds. For one thing, the Straight-Line Theory has treated all ethnic groups as essentially similar, failing for example to distinguish between ethnic and religious groups. A second critique is that while contemporary ethnicity may bear little resemblance to the culture of the country of origin, this does not mean that assimilation has taken place. Rather, today’s ethnicity has evolved to meet the current realities of ethnic groups allowing them to better meet the opportunity structure and requirements of survival (Gans 1985). In my opinion, a very serious shortcoming of the Straight-Line Theory is that it implies that assimilation will be a straight-line process, that will occur in a very uniform manner with every aspect of assimilation taking place at the same rate for every cultural trait and characteristic.

ISSUES/QUESTIONS/GUIDELINES FOR LOCAL ECONOMIC DEVELOPMENT

When working in local economic development we have to remember that:

1. Times have changed: once it was assumed that the ultimate goal of every immigrant was to discard the culture of their country of origin and become “American” as soon as possible. This is no longer the case because the degree to which individuals and groups identify with their immigrant culture is determined by -- though not limited to -- : knowledge about their ancestors, socio-economic status and education, family structure, generation, inter-marriage, surname and how others perceive the individual’s ethnicity (Waters 1990).

2. For the most part, ethnic group members began as part of the working-class: their strong ethnicity and low rates of assimilation can be related to this class status. Once upward mobility takes place,
ethnicity may not have the overwhelming influence on daily life that it once had, but at the same time, middle-class status may be responsible for the lingering presence of ethnicity in the individual’s existence.

3. Behavioral assimilation has taken place to a greater degree in America than structural assimilation (Gordon 1961).

4. Assimilation is not a straight line process. Contrary to the tenants of the Straight Line Theory, it is highly unlikely that all ethnicity will be absorbed into the larger culture and this process will take the form of a straight-line pattern. In reality the shape of the line of assimilation is different for each cultural characteristic and depends upon the degree to which different forms of assimilation take place.

As part of the socio-economic base analysis we should ask:

1. What is the dominant ideology of the local government, residents and local institutions regarding assimilation? i) Anglo-Conformity, ii) Melting Pot, iii) Cultural Pluralism, iv) Other.

2. To what degree have the following forms of assimilation taken place for each cultural group? i) behavioral, ii) structural, iii) spatial, iv) marital.

3. Have other forms of assimilation occurred?

4. What is the power position of each cultural group? i) migrant superordinate, ii) migrant subordinate, iii) indigenous superordinate, iv) indigenous subordinate.

5. Is there variation in the rate of assimilation within cultural groups? Between cultural groups? Is this due to internal or external forces?
II. CLASS

The most significant aspect of class in relation to local economic development is that often traits and behaviors attributed to culture, would be more accurately imputed to class. Behaviors and traditions such as the importance of familism and strictly defined gender roles have been commonly identified as originating from cultural norms, but these are behaviors that can be identified across cultural groups, amongst members of the working and lower-middle class. Related to this, is the concept that many of the problems experienced by immigrants result from their working class and lower-middle class experiences, not their ethnic backgrounds. This argument is apparent throughout the literature; Gans (1985), Squier and Quadagno (1988), and Yetman (1985) are just a few who articulate it.

The question of whether being a member of a particular social class encourages, or protects against, assimilation was discussed in the preceding section on assimilation. It was then indicated that there is disagreement on this issue. Arguments have been made that upward mobility both cultivates, and discourages, assimilation. The main point to remember is that there appears to be a conflicting relationship between upward mobility and assimilation: whereby on the one hand upward mobility is often achieved through assimilation, but on the other hand once upward mobility occurs it affords individuals the luxury of pursuing aspects of their ethnic identity.

The class of the members of an ethnic group upon arrival to the United States is important because it is a factor determining economic success, at least in the short-run. Resources associated with middle and upper class status include material goods such as private property, money and the means of production and distribution. Additional resources available to middle and upper class individuals include bourgeois values, attitudes, knowledge and
skills (Chiswick 1982). Studies have shown that the higher the social class of the immigrant group upon arrival, the more quickly and easily they settle into the host society. The Vietnamese provide a particularly vivid example of this: the first wave of Vietnamese immigrants to the United States were -- by comparison to subsequent waves -- of a higher social class (they were well educated, wealthier, had at least a working familiarity of the English language, and had political connections in the United States). This group of immigrants settled into the United States with more ease than the following groups -- this is not to say they did not encounter very serious problems, they did, but they had a much broader and deeper cache of resources upon which to draw. The following waves of Vietnamese immigration had much greater difficulties, including higher rates of poverty and unemployment (Rutledge 1992).

Another way of viewing the relationship between class and culture is to examine the class relations and dynamics imbedded in the dominant assumptions about race and ethnicity. Although abstract and theoretical, this perspective is being included -- albeit in very brief treatment -- because it challenges many of the traditional assumptions about race and ethnicity, in particular the notion that race and ethnicity are rooted in human nature and are primordial forms of attachment. This perspective conceives of ethnic, national and racial designations as socially created phenomena designed to serve the purposes of specific social classes, usually the capitalist class (Bonacich 1980). Factors such as the stage of capitalist development, and the number of ethnic groups in a society, determine the actual form of class and ethnic relations. Amongst the commonly identified configurations of societal class and ethnic relations are:
1. **Nation Building** - When capitalism becomes imperialistic, the national bourgeoisie of different countries come into conflict with one another leading to war. Nationalist/ethnic/racial ideology becomes a mechanism by which the capitalist class mobilizes workers to support their cause.

2. **Super-exploitation** - Ethnicity and race are used as markers by employers to divide the working class. The bourgeoisie makes huge profits from the oppressed segment of the working class, and pays off the more privileged sector of the same working class who helped them stabilize the current system by supporting it.

3. **Split Labor Market** - Capital tries to exploit ethnic minorities by using them for cheap labor, dominant group workers try to prevent displacement of their jobs through efforts to limit capital’s access to cheap labor. The end result is two sets of pressures creating and maintaining racial/national oppression: one originating with capital, the other from labor.

4. **Middleman Minorities** - Ethnic and racial groups, specializing in trade, form their own social class in the petite bourgeoisie. They are viewed by some as a creation of the dominant classes, who use middleman minorities as go-betweens with society’s subordinate classes, and let them bear the brunt of hostility toward the elite. This idea is considered by others to be a construct of the middleman-minority groups themselves (Bonacich 1980).

**ISSUES/QUESTIONS/GUIDELINES FOR LOCAL ECONOMIC DEVELOPMENT**

As part of the economic base analysis we have to ask:

1. Whether behaviors, traits etc. are the result of class, culture or a combination of the two. It is essential to rigorously examine and test
all assumptions in this regard, especially if they have been unquestionably accepted as empirical truths in the past.

2. What was the class of each ethnic group in the country of origin? What skills, traditions and resources do they bring with them as a result of their social class in their native country?

3. What opportunities for social mobility are available to each cultural group? What are the barriers to social mobility that stand in their way?

4. Which social classes are benefiting from the current social order?

III. EDUCATION

The focus of this section will be on two commonly accepted assumptions about the relationship of education and culture. The first assumption is that there is a causal relationship between cultures who highly value education and high levels of educational achievement within these groups. The converse is also held to be true: cultural groups who have anti-intellectual values have lower rates of educational accomplishment. The second assumption is that increased educational accomplishment leads to diminished ethnic identification.

In regard to the first assumption, the issue in dispute is not the fact that cultures, who place a high value on education, attain high levels of educational achievement, the question is whether one leads to the other. In order to prove this assumption it would be necessary to provide evidence that placing special value on education operated in its own right as a determinant of educational achievement. An alternative possibility is offered by Steinberg (1981), who suggests that economic mobility had to occur first in order to allow ethnic groups who valued education to access educational opportunity.
The most common example used to support the assumption that valuing education, and educational attainment go hand in hand is the Jewish experience. Steinberg (1981) offers evidence that while Judaism does have a long history of intellectual traditions, the style and content of traditional Jewish scholarship were essentially at odds with the expectations of modern secular education. Furthermore, Steinberg demonstrates that economic mobility preceded Jewish accomplishment in education. If one considers the experiences of groups who are generally seen as not valuing education, the importance of economic mobility to education is further re-enforced, for even among these groups, once economic mobility was achieved, educational attainment followed. Steinberg (1981) uses ethnic Catholics as an example of an ethnic group who is known as not valuing education, but he shows that once this group moved up the economic ladder educational achievement did result and that ethnic Catholics have reached parity with Protestants in terms of educational achievement.

The second assumption that increased education results in diminished ethnicity has been dealt with to some degree in the section on assimilation. But it is worth repeating that a number of studies have found that improving educational attainment leads to a re-newed interest in one’s ethnic identity, not a rejection of it.

**ISSUES/QUESTIONS/GUIDELINES FOR LOCAL ECONOMIC DEVELOPMENT**

1. When working with different ethnic groups make certain to check actual levels of educational attainment, do not make any assumptions about education based upon generalizations about groups.
2. Do not overlook the importance of values around education, they are important, but do not assume they explain the entire picture.

3. What was the level of education in the country of origin? What were values around education in the country of origin?

IV. DURATION OF STAY IN AMERICA/REASONS FOR IMMIGRATION

The discussion in this section is based solely on Michael Piore's work in "Birds of Passage" (1979). Although "Birds of Passage" is concerned primarily with patterns of long-distance migration to industrialized areas (principally the United States), and does not deal directly with the issues of economic development, Piore does raise a number of questions which can shed light upon areas of interest to this thesis.

According to the traditional view, migration is a close-ended, permanent process, whereby migrants make an intentional decision to permanently leave their country of origin. Piore turns this traditional view on its head and challenges it; he argues that since the turn of the century, most migrants came to the United States with the intention of remaining only temporarily in order to make a certain amount of money, once this financial goal was attained they planned to return home. In this view, the only motivation driving this temporary migration was money.

Piore also maintains that the transitory nature of this type of migration served the needs of migrant and host country. The industrialized country was able to exploit a large pool of low-wage labor, but was not expected to provide the benefits demanded by native workers. The migrants were given the opportunity to earn higher wages than they could achieve in their country of origin.
The crux of Piore's argument rests on the assumption that when the migrants arrive their intention is to remain temporarily, and that this temporary frame of mind impacts upon their existence. As Piore puts it: "The temporary character of the migration flow appears to create a sharp distinction between work on the one hand, and the social identity of the worker on the other" (Piore 1979: 54). This separation of work and self-image permits the individual to function outside of the norms imposed by their native social setting, and frees them to accept types of employment that might be considered low-status or unacceptable in their country of origin. Because the migrants believe their work situation to be short-term, money is the only criteria they use to determine what work they will undertake.

Another interesting point is that all other things being equal, higher incomes can result in an increase in the rate at which migrants return to their native country. This may appear counter-intuitive, because the traditional view would assume that higher earnings would incite the migrant to remain in the United States. But Piore argues that because the migrant is a target earner, once the target is achieved they have no reason to remain. Piore further suggests that when the migrants do not reach their monetary target, there is an increase in the likelihood of their remaining in the United States permanently. He believes the seeds of this process are sown when the migrants begin to make social contacts; for as social contacts increase, the migrant is more likely to feel the hardships of their living situation, and be reminded of the pleasures of social inter-action. They begin to work less and spend more money, and jeopardize achieving their financial goals. The have to stay longer to reach their financial targets, and so the cycle perpetuates itself and the likelihood of return to the native land is further diminished.
ISSUES/QUESTIONS/GUIDELINES FOR LOCAL ECONOMIC DEVELOPMENT

When working in local economic development we need to remember that:

1. A practitioner should not make any assumptions about the intended duration of stay of cultural groups or individuals. Rather a concerted effort, based upon some logical criteria, should be made to differentiate between, and within, cultural groups who intend to remain permanently, and those who are here only temporarily.

2. The intended duration of stay can have a large amount of influence on the types of work individuals are willing to accept (i.e. high status versus low-status). Furthermore, transitory intentions may also affect other aspects of the individual's existence such as their willingness to learn English, to make social contacts etc.

3. A lack of economic success -- not the achievement of it -- may encourage permanent settlement.

V. FAMILY

Family is included in this framework because the family can be a very powerful, if not the most powerful, institution within a cultural group. Its influence is derived from the fact that it is the fundamental institution in every human society, and the maintenance of ethnic identification and solidarity rests in large part on the ability of the family to socialize its members into the ethnic culture by channeling, controlling and in some sense programming their future behaviors (Mindel, Habenstein and Wright 1988).

The family impacts upon many aspects of an individual’s existence. In this study, we will only examine areas of family life in which: i) ethnic culture
might be generated, sustained or have an impact; ii) economic activity may be affected directly or indirectly.

Since there is an infinite number of permutations and combinations of family patterns, it is not my intention to examine and analyze each potential pattern, but rather to highlight the areas of family life that should be examined in relation to the criteria outlined above, and then leave it to the practitioner to interpret the results.

ISSUES/QUESTIONS/GUIDELINES FOR LOCAL ECONOMIC DEVELOPMENT

For each cultural group being examined the practitioner should consider the following questions and issues:

1. How important is the family to the daily existence of members of this cultural group? Is it the central social structure?

2. What are the average fertility, marriage and divorce rates?

3. What is the marital selection process? How common is inter-marriage with other cultural groups? Is inter-marriage considered unacceptable?

4. What is the typical distribution of status, authority and responsibilities within the family? Is the traditional family patriarchal or matriarchal?

5. What is the role of the extended family and kinship networks? Are there economic ties within the extended family?

6. What are the typical gender roles? How are these roles reflected in work inside and outside of the home?
7. What are the rights and obligations of family members? Are there any financial rights and obligations associated with family membership?

8. What are the educational and occupational aspirations transmitted through the family?

VI. COMMUNITY

What is a community? This is a perennial urban planning question, that still remains without a definitive answer. The question of what constitutes a community is important to the purposes of this thesis because as we’ve seen and will see, inherent in community membership is a cadre of rights and responsibilities, many of which are relevant to the economic development process. Since it is difficult to exactly define what a community is, the approach in this section will be to describe some component parts, or ties that bind a community. Looking at the different elements that make up a community will also help to understand the heterogeneity that can exist within, and between, cultural groups, and may also challenge a number of stereotypes.

Community membership is a complex entity, neither spatial proximity, nor common cultural ancestry guarantees community membership. For example, an individual of Northern Italian descent from an urban, bourgeois background is unlikely to find him/herself a member of the Italian community, if that community is comprised of Southern Italians from rural, peasant backgrounds. The differences in class, language, culture and behavioral norms would probably be insurmountable. What follows is a discussion of some of the mechanisms that create community membership, these mechanisms can also serve as component parts of a community.
Identity

One of the most straightforward methods for determining community membership is through self-identification, i.e. does the individual consider his/herself a member of the cultural group and the community? According to Waters (1990) cultural identity is dynamic and fluid. It can change in its influence, strength and content throughout one's life and through the generations.

An important distinction made by Waters is that for members of visible minorities, identity is socially dictated, with little range of latitude available. For European ethnics on the other hand, cultural identification involves both socially imposed constraints and choice.

One of the central factors influencing the choice of cultural identification is knowledge about one's ancestors. The extent to which an individual identifies with a particular cultural group is determined at least in part by the information the individual has about his/her options. To this end, the level of knowledge one has about their ancestry is affected by:

i) Socio Economic Status and Education - Higher socio-economic status and levels of educational attainment are related to higher levels of knowledge about one's ancestors and the experiences of their cultural group as a whole (Waters 1990).

ii) Structure of the Family - The structure of an individual's family affects the passage of information about ancestry across the generations. Families that remain intact through the life-cycle of its members have more time and opportunity to convey complex information about their ancestry. In contrast, families disrupted by divorce, death or geographic mobility may lose access to both official documents and key informants (Waters 1990).
iii) *Generation* - The more recent the generation, the more recent the available information about ancestry (Waters 1990).

**Surname**

Although surnames are not the basis for forming a community, they do serve recent arrivals by re-enforcing their identity, and for long-term residents surnames are used as clues to cultural identity.

**Individual Perception of Groups**

How one perceives the social acceptability and attractiveness of a cultural group may influence whether one chooses to identify with said group and become a member of its community.

**Political Considerations and Events**

Sometimes political or social events have an effect on an individual’s consciousness and encourages or discourages ethnic identity. Events such as persecution of, or discrimination against, members of one’s cultural group could instigate re-newed identification with the group and create a cause around which community members can rally. This in turn creates a shared mission for members of the community and may serve to bond the community members together.

**Shared History**

A direct or indirect shared history often bonds members of a cultural group into a community. Examples of indirect shared history would be the holocaust for Jewish individuals or apartheid for African-Americans. Direct
social history is attained when members of a cultural group or community go through traumatic or crisis related events or occurrences together.

Rituals and Symbols

Rituals and symbols are another way that cultural communities identify themselves and bring their members together. Examples of rituals might be annual celebrations and festivals, while symbols can include local landmarks, political or religious personalities, religious icons, flags and ethnic dress.

Language

Language can either serve as the glue that binds a community, or the difference that divides it. A common language may bring together individuals of diverse ethnic, racial and national origin as is the case with the Spanish language in Boston. In other cases a difference in language can serve to separate members of the same ethnic, racial and national origin as has happened in some instances with Italians of different regions who spoke different dialects.

Behavioral Norms

Particular behavioral norms may draw community members together, especially when these behaviors are significantly different from what is accepted or expected in the dominant culture. Behavioral norms include: gender roles, beliefs about destiny and the future, attitudes towards time and punctuality, aspects of physical interaction such as making eye contact and physical closeness, and control of aggressive or assertive actions.
The behaviors that are of particular interest to the economic development practitioner are the ones that conflict with those of the host country and thereby could impede or assist economic activity.

Institutions

A variety of institutions may serve the needs of the community and thereby pull the community together by creating opportunities for interaction. Examples of such institutions include commercial and retail establishments that cater to needs particular to the cultural group (such as food and entertainment needs) and service networks or mutual assistance associations.

ISSUES/QUESTIONS/GUIDELINES FOR LOCAL ECONOMIC DEVELOPMENT

For each cultural group of interest, economic development practitioners should ask:

1. To what degree do the members of the cultural group identify with the group? Is this identification a matter of choice, or is it socially imposed?

2. Does group identification lead to community membership?

3. Are there any political or social events that bind this community together?

4. Is there a shared history that defines this community?

5. Are there any rituals that define or bind the community? Are there any symbols that all community members identify with?
6. Do members of the community speak the same language? If yes, is language an important factor in the community's self-identity?

7. What are the behavioral norms unique to this particular community?

8. Are there any institutions that create opportunities for community interaction or serve to foster community bonds?

VII. ECONOMIC ACTIVITY

The purpose of this section is to examine a range of interpretations of the economic experience of different cultural groups in America. Of particular interest are the questions of why certain cultural groups seem to be concentrated in particular economic activities, and why there is variation in the rates of economic “success” within, and between cultural groups.

This section is particularly relevant to the research question of this thesis because if answers to the above questions do indeed exist, they can be integrated into economic development strategies and improve the effectiveness and efficiency of these strategies. Research into ethnic/cultural business enterprise is an area that appears to be overflowing with a mixture of fact, fiction and untested assumptions. Critically examining the literature and then modifying the traditional socio-economic base analysis by augmenting it with a set of questions aimed at locating and dismantling unsupported assumptions about culture and economic activity, could render the socio-economic base analysis a much more powerful analytic tool.

The literature in this area is large and diverse; in order to organize it into a coherent structure a conceptual framework will be borrowed from Waldinger et al. (1990: 49). They maintain that the history of ethnic business
in the United States during this century can be understood as a complex interplay between: i) opportunity structures, and ii) groups characteristics.

Opportunity Structure

The term “opportunity structure” refers to the opportunities which are available, or denied, to members of cultural groups. As we shall see, exclusion from certain opportunity structures (due to factors such as discrimination, and lack of education, language skill and capital) forced these groups to create opportunities in other forums where such barriers did not exist. The creation of opportunity structures and subsequent access to, or exclusion from them, results from the interaction of a variety of structural conditions such as:

Industrial Organization

Faith Ando (1986) postulates that much of the variation in the formation and failure rates of minority-owned businesses can be accounted for by classic (independent of minority status) barriers to entry outlined in general propositions of the industrial organization literature. These general propositions suggest that business formation rates will be high, and failure rates low, when the firm is in a high growth industry, a high growth geographic area, and in an industry with low capital requirements and low numbers of competitors. Using data classified by ethnic group, industry and region Ando found support for the hypothesis that so-called classic barriers to entry do affect the rates of business formation of minority-owned businesses.
Changes in Ethnic and Racial Composition of Neighborhoods, a.k.a. White Flight

A number of historical studies of minority businesses have found that the departure of white-owned competition allows minority entrepreneurs to occupy types of businesses previously closed to them. Aldrich and Reiss (1975) re-visited this question and analyzed the effect of changes in the race composition of neighborhoods on local business operation and ownership. They found that a change in the racial structure of a neighborhood does indeed result in an increase in the proportion of minority owned businesses, not because white business persons accelerate their rate of withdrawal, but because whites stop buying into business opportunities in the racially changing area (albeit whites stop buying into business opportunities because of the changing racial composition). They also suggest that the exodus of white-owned business competition allows minority entrepreneurs to access abandoned business niches. While the racial distribution of business ownership changed, it appeared that the distribution of businesses amongst industrial sectors remained fairly stable. Finally, Aldrich and Reiss propose that while changes in the racial make-up of a neighborhood does impact the creation and survival of minority businesses, the changing economic status of a neighborhood was also very influential. These authors outline five sets of factors that help determine the economic status of a neighborhood: i) national economic and demographic trends, ii) economic status of incoming population, iii) race of incoming population, iv) panic syndrome, and v) business organization and structure of local businesses (Aldrich and Reiss 1975).
Transformation of Urban Centers from Manufacturing to Service Based Economies

Most urban centers in the United States have undergone dramatic changes in the structure of their economies in the last fifteen years. One of the most far-reaching of these changes has been the decentralization of manufacturing that occurred as manufacturing plants moved out of the cities to suburbia. This trend was stimulated by changes in production methods, innovation in transportation and communication, and shifts in the comparative attractiveness of suburban and urban tax and service programs (Bates 1985a). A second important change has been the evolution of urban localities as administrative centers, in large part resulting from the proximity to complementary businesses, closeness to amenities and favorable labor market conditions for certain types of employees (Bates 1985a).

What does the transformation of urban centers mean for minority businesses? Bates (1985a) contends that there are two identifiable effects. First, as the city becomes an administrative center, an atmosphere conducive to the creation and expansion of related businesses will result, particularly in the service sector. This is borne out in the data which indicates black-owned firms in the business service sector increased by 47.6 percent between 1972 and 1977 (Bates 1985a: 29). Secondly, these new market opportunities will be available only to minority entrepreneurs who utilize scales of economy that allow them to successfully compete with suburban malls and central business district merchants.

Vertical and Horizontal Integration Within Ethnic Enclaves

Ethnic enclaves: “...consist of immigrant groups which concentrate in a distinct spatial location and organize a variety of enterprises serving their
own ethnic market and/or the general population” (Sanders and Nee 1987: 746). A number of research endeavors have examined ethnic enclaves and the economic activity within them. Work done by Wilson and Martin (1982) on the Cuban communities of Miami offers insight into the connections between ethnic businesses in an enclave, and the overall economic success of the enclave community. Wilson and Martin maintain that the structure and inter-relatedness of businesses in some ethnic enclaves assists in ensuring the success of ethnic enterprises. In particular, they argue that vertical and horizontal integration within ethnic businesses are major contributing factors to success. Vertical integration occurs when the ethnic businesses in an enclave have control of sources of supplies and sales among categories of industries. An example of vertical integration is when Cuban firms buy their production supplies from other Cuban firms, and in turn sell their products to Cuban firms. For example, Wilson and Martin found that based upon 1972 data, for every $1,000 of construction output, Cuban construction firms bought $254 of materials from Cuban manufacturing firms, $82 from Cuban trade firms, $6 from transportation firms and $5 from services (1982: 148). Horizontal integration involves the achievement of cooperative levels of production and pricing strategies, within an industry.

The crux of Wilson and Martin’s findings is that opportunity structures can be created for ethnic enterprises within an enclave community if vertical and horizontal integration are present. In turn, vertical and horizontal integration keeps money and profits in the community and thereby yield higher profits per unit of demand, create higher levels of production in related industries, pay higher wages, and create more jobs than if the enclave community was not vertically and horizontally integrated (Wilson and Martin 1982: 138). Based upon their studies of the Cuban and Black communities of
Miami they identify some factors which they believe help determine the potential for vertical and horizontal integration within ethnic communities, these factors include: i) past experience within an entrepreneurial economy, ii) availability of capital, and iii) presence of an exploitable labor force (Wilson and Martin 1982: 54-155).

Training Systems Within Ethnic Enclaves

Bailey and Waldinger (1991) also view ethnic enclaves as opportunity structures open to minority communities, but they differ from Wilson and Martin in what they consider to be the source of opportunities. They disagree with Wilson and Martin that vertical and horizontal integration is possible within minority communities, and instead identify informal training systems as the major benefit derived from ethnic enclaves.

Bailey and Waldinger argue that the cost of training creates problems for both employer and employee because investment in training only yields returns in the future. For the firm this means that training investment can only be recovered if trained workers remain with the firm, but there is no way to ensure that workers will not transfer their newly acquired skills to other employers. For the employees, training can be a risky undertaking because to the extent that they pay for their training -- either directly or through lower wages at the initial stages of employment -- they will only receive a return if they remain employed in a job where their skill is in demand.

Ethnic enclaves offer employer and employee a situation where some of the risk associated with training are mitigated by an ethnic hiring network. Bailey and Waldinger describe the advantages derived from network hiring as follows: “By increasing the amount and quality of information available to workers and employers, and by creating the normative basis for implicit
contracts, network hiring reduces the risks in skill acquisition for workers and employers alike. Thereby it produces the employment patterns similar to those that characterize in the primary sector even though structural characteristics of the enclave appear to have more in common with those of the secondary sector" (Bailey and Waldinger 1991: 443). Under such arrangements training is provided by the employer, but the uncertainty inherent in hiring a stranger is significantly decreased since the new employee is constrained by an awareness that their performance will reflect upon the individual who recruited them. In addition, network hiring can lead to decreased training costs when the recruiter takes responsibility for assisting the new employee to "learn the ropes".

**Barriers**

It seems counter-intuitive to identify barriers as opportunity structures, but in reality the barriers encountered by members of cultural groups forced them to create their own opportunity structures, structures which in the long-run provided group members with comparative advantages. One of the most often discussed examples of barrier-related opportunity structures are rotating credit societies. Almost all new business enterprises encounter severe difficulties locating start-up and working capital, regardless of the cultural background of the owner. At the same time, members of minority groups faced additional difficulties associated with discrimination. Rotating credit societies known as Hui in Chinese communities, and Kye in Korean communities originated in response to these barriers. In a rotating credit society members society pool their money in order to make a loan to an individual member, and then loan payments are then used to provide loans to other members. Peer pressure plays an important part in ensuring loan
repayment\textsuperscript{1}. Such societies have become an opportunity structure that in many cases supply community members with access to credit that would not be otherwise available to them regardless of their cultural group status.

Other examples of barriers that forced the creation of opportunity structures are: lack of language skill, ineligibility for public welfare programs, and labor force discrimination.

**Group Characteristics**

In contrast to opportunity structures, group characteristics describe both the behavioral characteristics associated with a cultural group, and the various forms of support and assistance received from group members by virtue of group membership. These group characteristics include:

**Group Self-Help Networks/Ethnic Resources/Class Resources**

Using sociological analysis to understand minority business formation and success rates, Fratoe comes to the conclusion that minority business is primarily a group-level phenomenon that is largely dependent upon group resources for its development (Fratoe 1986). According to this view, group self-help networks can play a critical role in starting and maintaining ethnic enterprise by providing:

i) role models,

ii) values and attitudes that support and appreciate business enterprise,

iii) training opportunities,

\textsuperscript{1} These rotating credit societies are based on similar concepts of peer lending for microloans, originated by the Grameen Bank in Bangladesh.
iv) financial support through direct investment, rotating credit associations etc.,
v) a group reputation for dependability and trust,
vi) a source of labor,
vii) a source of clientele,
viii) business advice,
ix) business contacts.

Light (1984) further elaborates on this theme by arguing that success in small business requires group resources, but he draws a distinction between the type of resources provided by different types of groups, specifically ethnic and class groups. Ethnic resources as Light calls them, are any features of the whole ethnic group that co-ethnic business owners can utilize, they can consist of: rotating credit associations, pre-capitalist commercial backgrounds, extended kinship, unpaid family labor and special consumer demands. Class resources are cultural and material and can include: class related financial resources, values, knowledge and skills.

Latent Facilitators Connected to Immigration and Alien Status

Aside from the resources made available through group membership, Light contends that the process of immigration and alien status encourage the release of: “... latent facilitators which promote entrepreneurship independently of cultural endowments” (Light 1984: 323). Examples of these facilitators are: i) satisfaction derived from immigrating to a high-wage country from a low-wage country, ii) increased social solidarity inherent in cultural minority status, and iii) sojourning, i.e. when immigrants view their migration as temporary and plan to return to their country of origin after amassing as much money as possible.
Type of Immigrant

Understanding the economic activity of immigrant groups can be facilitated by categorizing the immigrant group as either economic migrants, kinship migrants or refugees (Chiswick 1982). The primary motive of immigration for economic migrants is an increase in earnings potential. Kinship migrants on the other hand are persons whose decision to migrate is determined by considerations of family relationships rather than economic concerns. Refugees migration decisions are heavily influenced by concerns about safety of one’s person or family. Chiswick posits that differentiating between types of immigrants is important to understanding subsequent economic success. He contends that economic migrants are self-selected for economic success based upon the fact that their goal is financial wealth, thus they choose their destination based upon where they believe they will receive the largest economic gain from moving and they tend to be more able, aggressive, ambitious and entrepreneurial. Although no data are provided by Chiswick to support these assumptions, they are worth bearing in mind when planning economic initiatives in communities of immigrants.

Education

Although not strictly a group characteristic, educational attainment can help to explain differing degrees of business formation and success within and between cultural groups. According to Bates' study (1985b) the better educated minority entrepreneurs earned higher profits relative to their lesser educated counterparts. Furthermore, by analyzing Dunn and Bradstreet financial data, Bates concluded that the higher educated minority entrepreneurs were concentrated in business ventures outside of the retail
and personal service sectors which have been traditionally dominated by minority business activity.

Definitions of Success

Studies have shown that not all cultural groups define success in the same way, this may in part account for different rates of financial success amongst cultural groups. Young (1988) found in his comparative study of Korean and Hispanic green grocers that Korean business practices were guided mainly by profit, while Hispanic business practices were determined to a greater degree by non-monetary concerns such as independence and personal satisfaction. Since different groups may be striving for different forms of “success”, it is important to assess what the criteria for achieving success in economic endeavors are for each cultural group being studied.

ISSUES/QUESTIONS/GUIDELINES FOR LOCAL ECONOMIC DEVELOPMENT

As part of the socio-economic base analysis ask:

1. Is the economic activity of the cultural group clustered in a particular industry? If so, does this industry have: i) a high or low growth rate, ii) large or small capital requirements, iii) many or few competitors, and iv) high or low growth geographic location?

2. Have there been changes in the racial or ethnic composition of the population in the area of interest? If so, have these changes opened up business opportunities previously denied to members of particular cultural groups?

3. Has the urban area being studied undergone a transformation from a manufacturing center, to an administrative center? If so, has this
change created potential business niches for related service industries? Have any particular cultural groups taken advantage of these niches? If so, how and why?

4. Is the community being considered an Ethnic Enclave, i.e. is this a self-enclosed inner-city minority community? If so, is vertical and/or horizontal integration possible? Are "training systems" being utilized by employee and employer?

5. Are any of the following ethnic group resources available to group members? If so, how do they influence the economic activity of the cultural group of interest?

   i) role models,
   ii) values and attitudes that support and value business enterprise,
   iii) training opportunities,
   iv) financial support through direct investment, rotating credit associations etc.,
   v) a group reputation for dependability and trust,
   vi) a source of labor,
   vii) a source of clientele,
   viii) business advice,
   ix) business contacts.
   x) pre-capitalist commercial backgrounds,
   xi) unpaid family labor,
   xii) special consumer demands,
   xiii) barriers.

6. Are any of the following class resources at the disposal of the cultural group of interest? i) material resources such as private property, the means of production and investment capital, and ii) bourgeois values, attitudes, knowledge and skills. If so, how do they influence the economic activity of the cultural group of interest?
7. Are the majority of group members economic migrants, kinship migrants or refugees?

8. What is the average level of educational attainment amongst group members? Is there a sub-set within the group that is noticeably more or less educated?

9. What criteria does the group use to determine whether a business enterprise or economic activity is "successful"?

VIII. CONSUMER CONSUMPTION

Understanding consumer preferences and the resultant consumption patterns of the local and outside market is an integral part of crafting local economic development strategy. If local residents are not consumers of the local market, a potential source of demand is not being exploited and one needs to understand the reasons. Attracting consumers from outside the area represents an influx of money into the local economy, money that would otherwise not be present.

Consumption patterns are affected by an assortment of factors such as income, class, geographic location and culture. The focus of this section will be on pointing out some of the ways that culture may affect consumption patterns and to translate these findings into guidelines, issues and questions to bear in mind while completing a socio-economic base analysis on a locality.

First of all, it is important to remember that consumption patterns are not necessarily homogeneous within cultural groups and that other factors may have more influence on determining consumer purchases. An example of this is provided by Berry and Solomon (1971) who found that Mexican-American consumers in Denver, Colorado did the majority of their food shopping at large supermarkets outside of their community, rather than
frequent local small food stores. According to Berry and Solomon these
findings were divergent from the work of Sturdivant on Mexican-Americans
in Los Angeles, whom he found had a strong inclination to remain within
their community when shopping for food. Berry and Solomon found that
price and quality of food were the deciding factors for Mexican-American
shoppers in Denver, in Sturdivant's study the determining influence was to
shop in stores where Spanish was spoken. Obviously, not all Mexican-
Americans shop alike.²

Self identification with a cultural group, and the strength of this
identification appears to be another important influence on consumer
consumption. Deshpande, Hoyer and Donthu (1986) propose two guidelines
for determining the influence of culture on consumption patterns. First of all,
they suggest that cultural identity serves a more useful function when it is
determined by the individuals being studied rather than by the researchers' perceptions. Secondly, the strength of self-identification with a particular cultural group may influence consumer patterns. For example, they found that individuals who identified strongly with being Hispanic were more likely to be customers of Spanish language media, to have a positive attitude toward advertising, to be brand loyal, and to buy products advertised to their ethnic group, than weak Hispanic identifiers.

While it is true that the consumption patterns within cultural groups
are not homogenous, it is also true that it may be possible to identify market niches for cultural groups related to some aspect of their cultural prescribed behaviors or norms, such as celebrations, food preferences or printed and audio-visual materials in their native language.

² It is interesting to note, that other explanatory variables such as class, access to motor vehicles and length of time in the United States were not considered.
ISSUES/QUESTIONS/GUIDELINES FOR LOCAL ECONOMIC DEVELOPMENT

When completing a socio-economic base analysis it is important to remember:

1. Culture is not necessarily the only determinant of consumption patterns, take into account other possible influences such as income, location and quality of product.

2. Do not assume that a cultural group is homogenous in its consumption patterns.

3. A researcher should be careful in applying cultural labels, and try to investigate how individuals identify themselves and bear in mind that this is an important factor in individual consumption patterns.

I have intentionally excluded race from the framework, because it involves many complex legal issues and processes. I am not underestimating the impact of racism on economic development: I realize there is abundant documentation proving its existence, especially in the areas of unfair lending and housing practices. However, because of the complexity of the issue, I will assume that laws at the city, state and national level will address these problems. In the chapter three I will briefly review some of the laws an economic development practitioner could rely upon to address problems related to race, within the context of economic development in East Boston.

In this chapter I reviewed the concepts of culture and economic development to build the foundation for this thesis, and presented the main
theories from which I formulate my framework for integrating these two concepts. These theories were examined in relation to eight variables: i) assimilation, ii) class, iii) education, iv) intended duration of stay in America, v) family, vi) community, vii) economic activity, and viii) consumer consumption.

A framework that links culture and economic development will improve economic development practice because conventional approaches have reflected only the frame of reference of the dominant culture, assumed cultural homogeneity when it did not exist, overlooked the effect of culture on individual behavior and motivations, and ignored the potential economic development resources provided by culture.

I also identified common issues and themes across the eight variables. I asserted that cultural groups are heterogeneous, that the influence of class often supersedes that of culture in explaining group actions, that there are disparate rates of assimilation between and within cultural groups, and that the immigrant experience itself contributes to the economic success of ethnic groups.

I will now put this framework aside for the next chapter as I conduct a traditional socio-economic base analysis on the community of East Boston. I return to the framework in chapter three, applying it to East Boston, to come to a deeper understanding of the effects of culture on economic development in the area.
CHAPTER TWO
A SOCIO-ECONOMIC BASE ANALYSIS OF EAST BOSTON

The purpose of a socio-economic analysis is to provide sufficient information for making a sound decision about the selection of an economic development strategy. In the case of East Boston, a significant portion of the necessary data have already been collected and analyzed by other parties, so in large part the socio-economic base analysis will be completed using information from already existing studies. In particular, information on physical/location factors and community conditions has been culled from work done by others. The portions of the section dealing with the demographic and economic conditions of East Boston are primarily original, and were compiled and analyzed by the author.

I. HISTORY OF EAST BOSTON

East Boston consists of Apple, Governor’s, Bird, Hog, and Noddle’s Islands joined together by landfill to form one geographic entity. Noddle’s Island, the largest of the islands, originally served as farmland, pasture, forest and a retreat from the mainland during the 1600’s and 1700’s. Later on, in 1824, it was purchased by General William Sumner for $80,000, there he founded the East Boston Company which owned East Boston and essentially determined its history for the next 100 years. The purpose of the East Boston Company was to develop a successful trading center. To this end, during its first year of operation the East Boston Company built wharves, obtained a freight terminal, and encouraged shipbuilders to locate on its waterfront. These efforts paid off by 1835, for 675 persons were living
on the island, ten piers had been constructed on the waterfront, and ships had begun unloading on the pier (Boston 200 Corporation 1976).

During the following twenty-five years the population of East Boston grew to 20,000 because it had become a desirable residential community. Many skilled workmen from Canada and the South Shore of Massachusetts came to East Boston in search of employment. By the 1850’s and 1860’s immigrants from Ireland fleeing the potato famine began arriving in great numbers and formed the bulk of the unskilled workforce on the docks (Boston 200 Corporation 1976).

After the civil war, the wooden shipbuilding industry collapsed and the economy of East Boston went into a long decline. The skilled craftsmen were forced to look for work elsewhere and left the area. The arrival of Russian-Jewish and Italian immigrants from 1885 to 1915 reversed the downturn as the population doubled and the economy was revitalized by growth in industrial manufacturing, the port, retail and service activity (East Boston Economic Development Council 1994).

East Boston’s growth was further augmented through a number of transportation projects that resulted in an ongoing love/hate relationship with various transportation related agencies. Between 1900 and 1904 the first underwater tunnel in North America was built connecting East Boston’s trolley lines to the city-wide network across the bay. In the 1930’s the Sumner Tunnel was built, followed by the Callahan tunnel in the 1950’s. Finally, and perhaps most importantly, Logan Airport was built in 1922. Since then, the size of the airport has continued to increase, and today it occupies two-thirds of the land in East Boston (East Boston Economic Development Council 1994).
Decline in waterfront use, increased transportation routes, change in the commercial districts and continually evolving ethnic mix have all contributed to defining the East Boston of today. Many of these attributes are not unique to East Boston, and can be seen as national trends rather than isolated occurrences. A shift away from maritime transportation, a restructuring of the American economy, and an increasing demographic diversity, are patterns that can be identified in many metropolitan centers across the country.

While it can be argued that some of the changes in East Boston are a reflection of national trends, it is also true that East Boston has some characteristics that differentiate it from other communities. Foremost among these traits are the presence of the airport and a geographically isolated location.

II. PHYSICAL/LOCATION CONDITIONS OF EAST BOSTON

Geographic Definition of East Boston

As outlined above, East Boston is made up of a combination of five islands and the landfill connecting them; the end result of leveling, enlarging and merging these islands is a land mass three times its original size. The total land area of East Boston is 4.51 square miles. In 1990 it had a population density of 7,304 persons per square mile. It comprises 9.2% of the total land area for the city of Boston (Goetze 1991).

Description of Physical/Location Conditions

East Boston’s land use is dominated by the airport and airport related uses, and by tax exempt property. Including Logan Airport, exempt property
makes up 79% of East Boston land area. Some of the exempt property is vacant, some includes structures such as government buildings, churches, schools and airport facilities. Excluding Logan Airport, residential land uses account for 21% of land use. 6% of land area outside the airport is taken up by airport related land use (Boston Redevelopment Authority 1990).

Aside from the physical space, Logan Airport places further demands upon land and infrastructure resources by using large numbers of parking spaces and generating a lot of traffic. For example, airport related firms use 45.2 parking spaces per firm, while non-airport related businesses use only 19.7 parking spaces per firm. In addition, each airport related firm generates an average of 82 one-way trips per day, while each non-airport related business generates an average of 14 trips per day (Boston Redevelopment Authority 1990).

Physical/Location Assets

East Boston possess a variety of resources related to its geographic location, these resources include:

- A rich history surrounding events related to Donald McKay and the Clipperships, the American Revolution and immigration. Such a history could be used to support a tourist trade.
- Zoning that has been recently updated and made less confusing and cumbersome.
- Sites that could be developed for marine, tourism and residential uses.
- Three areas designated as Economic Development Areas by the Boston Redevelopment Authority.
- Five MBTA subway stops.
• The presence of the waterfront, that has been in decline, but has the potential to become an exploitable resource.
• Four active business squares: i) Maverick Square, ii) Central Square, iii) Day Square, and iv) Orient Heights.

**Physical/Location Constraints**

East Boston confronts a number of obstacles in relation to its geographic situation, amongst these obstacles:
• The waterfront is underdeveloped relative to waterfronts in other Boston neighborhoods.
• There is not a significant amount of available industrial space in East Boston.
• East Boston cannot competitively service customers south of the Sumner and Callahan tunnels.
• It has high water and sewer rates relative to other parts of the state and country.
• A large number of the available lots have contaminated soil and will require costly clean-ups to render them serviceable.

**III. COMMUNITY FACTORS IN EAST BOSTON**

East Boston is a politically charged neighborhood with a long history of conflicts with developers and politicians. These conflicts have served to both strengthen and weaken community leadership.

**Strongest Community Assets**

Conflicts with developers and politicians have fostered a deep sense of pride in the residents of East Boston, as well as feelings of empowerment.
Furthermore, surveys indicate that most East Boston residents like living in East Boston.

Aside from support from its residents, East Boston can count on a wide array of institutional resources. To begin with there is a strong network of Social Services, including the East Boston Social Center and the East Boston Neighborhood Health Center. In addition there are a variety of institutions, who have at times been in conflict with the residents, but who also have the potential to provide a range of resources, supports and assistance. These institutions include:

1. *Massport* - During different periods in East Boston’s history Massport has played a number of roles: employer, business partner, community supporter, and community enemy. Massport is a state chartered authority with large land holdings in East Boston. Massport owns and operates Logan Airport, the Mystic-Tobin bridge and East Boston Piers 1 through 5. These piers comprise the largest tract of vacant developable land (34 acres) in East Boston (MIT Urban Design Studio 1989).

2. *The Boston Redevelopment Authority (BRA)* - The city’s most powerful planning and development agency, which is currently involved in setting up three Economic Development Areas.

3. *The Boston Housing Authority (BHA)* - The BHA owns and operates a 400 unit family housing development, a 200 unit apartment complex for the elderly in Maverick Square, and a family housing development in Orient Heights.

4. *Massachusetts Turnpike Authority* - The Turnpike Authority owns and operates the Sumner and Callahan tunnels and the Massachusetts Turnpike.
5. **MBTA** - The Metropolitan Boston Transit Authority has five subway stops on the blue line in East Boston. The MBTA also services seven bus routes in East Boston.

A final community asset that is often overlooked is that violent crime is at an all time low in East Boston. Contrary to popular perception that crime is increasing, homicides, rapes, robberies, aggravated assaults, burglary, larceny and automobile thefts are at an eighteen year low (East Boston Economic Development Council 1994).

**Assets Requiring Attention**

Some of the most serious problems confronting the East Boston community involve education. Residents and businesses feel that there is a lack of quality education in the area. The recent influx of immigrants has also raised the issue of English as second language: classes are in short supply, with up to a year wait (East Boston Economic Development Council 1994).

Fifty percent of East Boston landlords are from outside the area, making speculative, absentee landlords an issue, especially since much of the housing stock in East Boston is old and in need of repair and renovation (East Boston Economic Development Council 1994).

Other areas requiring attention revolve around cross cultural problems and the perception of established community members, members of particular ethnic groups are recipients of a housing subsidy for low income persons, known as a “Section 8” and are to blame for a variety of problems including increased crime and local economic decline. This problem is further accentuated by some local journalists who have been writing editorials and articles that are inflammatory and detrimental to East Boston’s image.
IV. DEMOGRAPHIC COMPOSITION OF EAST BOSTON

The object of this section is to provide an overview of the demographic composition of East Boston’s population. All figures referred to in this section can be found in Table 2 and Table 3 in Appendix I. The following demographic features will be considered: total population, age, education, income, poverty, employment, family composition, and race. These questions will guide this examination:

1. What is the current situation in regard to the attribute in question?

2. Are there any geographic patterns of distribution associated with the characteristic? How does the distribution in East Boston compare to that in: i) the city of Boston, ii) the state of Massachusetts, and iii) the United States?

3. Have there been any noticeable changes in the dispersion of the trait since 1980?

Definitions and Methodology

The data for East Boston were arrived at by aggregating census tracts 501 through 512 of the city of Boston. This procedure was necessitated by the fact that East Boston is considered part of the city of Boston, and thus no separate Census data are tabulated for it. This procedure presented a problem when median figures were given for certain categories of data, since median figures cannot be aggregated or averaged. In these instances, the highest and lowest median figures were presented in order to provide the reader with an idea of the range of these numbers. An additional problem was the fact that in some areas of information, the categories were not defined exactly the same in the 1980 and 1990 census, making comparison difficult. In these cases, I tried to re-configure the categories as best as possible, without compromising the integrity of the data.
Total Population

The total population of East Boston was 32,941 in 1990. It accounted for 5.7% of the total population of the city of Boston. Between 1980 and 1990 the population of East Boston grew by 2.4%, this is a slightly higher growth rate than the city of Boston which grew by 2.0% during the same period.

Age

In 1990 East Boston had an older population relative to the city of Boston, the state of Massachusetts and the United States. Only 22.9% of its residents were 19 years of age and younger, while this figure ranged from 23.2% in Boston, to 28.6% in the United States. At the same time, 15.9% of East Boston’s inhabitants were over 65 years old, this was the highest percentage of persons 65 and over, in any area of comparison.

Between 1980 and 1990 there was some change in the age composition of East Boston’s population. The most marked increase was in the under 5 year old category, where the population grew by 43.3%, and in the 25 to 34 group where the growth rate was 50.3%. Persons 19 and under decreased by three percentage points from 25.7% of the population, to 22.9%. The proportion of individuals 65 and over remained essentially static, with a decrease from 16.1% to 15.9% of the population.

Education

The residents of East Boston are not well-educated compared to the populations of the city of Boston, Massachusetts and the United States. In East Boston 40.8% of residents aged twenty-five and over have not completed high school: this is a significant figure, much higher than the average in Boston (24.3%). This also represents the second highest percentage of
individuals not completing high school for any neighborhood in Boston, only Roxbury has a higher rate (Fogg et al 1993). The situation gets even worse when we turn to the figures on college achievement. Only 13.7% of East Boston inhabitants have a college or university degree: this is less than half the rate for the city of Boston or Massachusetts. Furthermore, as a neighborhood of Boston, East Boston ranks last in terms of college education (Fogg et al 1993).

The levels of educational attainment of East Boston residents may appear low in 1990, but noticeable improvements have actually been achieved since 1980 when 51.6% of persons over 25 had not completed high school (compared to 40.8% in 1990), and only 4.8% had completed four or more years of college (compared to 9.0% in 1990).

Although not strictly within the category of “education”, English speaking proficiency is related to the issues since English is the primary language of education provided in this country. The fact that East Boston has the lowest rate of English speaking proficiency in the city of Boston (Fogg et al 1993) may shed light on the low levels of educational attainment in the area.

Income

In terms of income, East Boston is not a wealthy community. The range of median household and family incomes for East Boston can be misleading since they indicate that, at the highest end of the range, both these figures surpass their counterparts in Boston, Massachusetts and the United States. These figures are deceptive because they represent only one census tract in East Boston, the only one where median income is high, in every other census tract median household and family income is below what it
is in Boston, Massachusetts and the nation. In fact, as the low end of the range indicates, in some cases median incomes are far below those found elsewhere. This trend is apparent when per capita income is considered. Per capita income in East Boston is between 20.9% and 33.8% lower than in the other areas under examination.

While it would appear that East Boston has suffered in terms of income in comparison to other areas, income did actually increase in real terms between 1980 and 1990. When income figures are put into constant 1990 dollars, it is clear that incomes rose substantially in East Boston. Median household and family incomes increased between: 25% and 84.9% for the ten year period, or an average of 2.5% to 8.5% a year. Per capita income rose by 67.9% over ten years, or an average of 6.8% a year. Unfortunately, all this growth did not make up for the fact that in comparison to other neighborhood in Boston, East Boston had the smallest percent increase in mean real family income between 1980 and 1990 (Fogg et al 1993).

Poverty

In 1990 19.3% of the population of East Boston was living on an income under the poverty line (as defined by the Social Security Administration). This poverty rate was higher than the poverty rate in the city of Boston, and substantially higher than the rate in the state and nation (8.9% and 13.1% respectively). In addition, East Boston had the largest increase in its poverty rate of any neighborhood in Boston (Fogg et al 1993).

Data for East Boston in 1980 and 1990 indicate that the poverty rate remained fairly static during the period: it was 18.9% in 1980, and 19.3% in 1990.
It is important to remember that the poverty rates were calculated using absolute figures for the entire nation. For example, the poverty threshold for a family of four, set by the Social Service Administration, was $13,359 in 1990, regardless of where the family lived and what the Consumer Price Index (CPI hereafter) was. Residents of East Boston faced two sets of poverty related obstacles: first of all they had a high percentage of persons living below the poverty line and secondly, by virtue of one of the highest CPIs in the nation, they faced higher prices and diminished spending power relative to their poor counterparts in other areas of the United States.

**Employment**

In 1990 East Boston had an unemployment rate of 10.9%. This unemployment rate was higher than the city, state and national rates. In addition, East Boston had the second lowest population to employment ratio of all the neighborhoods in Boston (Fogg et al 1993). East Boston’s employment situation was worse in 1990 than 1980 when the unemployment rate was 7.4%.

**Family Composition**

In 1990 East Boston had 8,221 families living within its boundaries. This represented 6.9% of the families in the city of Boston.

28.1% of East Boston families were headed by females. The percentage of families headed by females was much lower in Massachusetts and the United States -- 17.2% and 16.0% respectively. In contrast, the city of Boston had a higher percentage of female headed families than East Boston, with 32.1% of its families being headed by females.
There was an increase in the percentage of families headed by females in East Boston between 1980 and 1990. In 1980 24.5% of families in East Boston were headed by females, by 1990 this figure had climbed to 28.1%.

The economic implications of having high numbers of female headed families are straightforward: female headed families have a much higher incidence of poverty than male headed families, so the higher the percentage of families headed by females, the more likely the occurrence of poverty amongst families and children in an area.

Race and Ethnicity

Although East Boston is becoming increasingly racially diverse, it is still relatively homogenous in terms of distribution of Whites and Blacks compared to the other areas. East Boston has a higher proportion of White persons (87.0%) than the city of Boston (63.0%) and the United States (80.3%). It also has a much lower proportion of Blacks (2.5%) than Boston (25%), Massachusetts (4.9%) and the United States (12.0%). Hispanics and Asians on the other hand are better represented in East Boston. 17.6% of East Boston's population is Hispanic, this is higher than in Boston (10.4%) and Massachusetts (4.6%). Asians make up 4.0% of East Boston’s population, Massachusetts and the United States both have a lower proportion of Asians.

In terms of national and ethnic origins (Please refer to Table 13 in Appendix I), the largest ethnic group is Italians, who accounted for 40.9% of all reported ancestries, the Irish come in second with 15.8%. Within the Asian category the biggest group are the Vietnamese (38.3% of all Asians), followed by the Chinese (30.9%). Salvadorians and Puerto Ricans have the largest representation in the Hispanic category, with 25% and 14.3% respectively.
Since 1980 East Boston has experienced large increases in the total number of minority persons residing within its borders. While Whites decreased from 98.1% of the population to 87.0%, Blacks increased from 0.4% to 2.5%, Hispanics skyrocketed from 2.9% to 17.6% and Asians increased from 0.4% to 4.0% of the total population.

V. ECONOMIC STRUCTURE OF EAST BOSTON

Definitions and Methodology

We will be using two sets of employment data in this section. The first set of data categorize East Boston residents by the sector in which they were employed. This information was extracted from Census data for the area; unfortunately it was only available for three industrial sectors: manufacturing, wholesale and retail trade, and professional and related services. The second group of data report the jobs that were located in the East Boston economy, but not necessarily filled by residents of East Boston. This data will come from the County Business Patterns, and provides more detail in terms of sectoral distribution of employment. In addition to employment figures, we will also consider data on the number, and type, of business establishments located in East Boston. As the reader may notice, the Census data are for the 1980 to 1990 period, while the County Business Patterns data are for the 1981 to 1991 period, these inconsistent periods of comparison were necessitated by the unavailability of County Business Pattern data for East Boston for 1980 and 1990.

Location Quotients and Shift-Share Analysis are analytic techniques that will be used as a guide in this examination of employment and business establishment data. A Location Quotient is a ratio that gauges the
distribution of a variable in a geographic area, relative to another geographic area. Location Quotients allow for comparison of different geographic units, for example: town versus state, or state versus country (Bendavid-Val 1983). Many types of data are suitable for calculating Location Quotients: employment, income and population data are a few examples. If a Location Quotient is equal to one, it indicates that the distribution of the variable in question is the same as in the geographic area of comparison. In relation to industry data, a Location Quotient of one means that the region is self-sufficient, what is produced locally is consumed locally and the two regions being contrasted are specialized to an equal degree in said industry. When a Location Quotient is less than one, it means that the region has a proportionately smaller distribution of the variable of interest than the geographic area of comparison. For economic data, it signifies that the region is less specialized in said industry, and imports goods and services in this industry. A Location Quotient greater than one signifies that the region has a proportionally greater distribution of the variable in question. In economic terms, it suggests that the region is more specialized in the industry under consideration, and it exports goods and services (Bendavid-Val 1983).

Shift-Share Analysis is used to decompose the elements of an area's growth rate for a particular variable and to predict future growth rates. Growth is assumed to be determined by the following three factors:

1. National Share/National Economy Impact: The difference between regional and national growth rates, denoted by a figure indicating what the growth in a region's industry would have been, had it grown at the national growth rate.

2. Industry Mix/Shift in Industrial Mix: The difference in the rate of growth in one of the region's industry, compared to the rate of growth in said
industry, at the national level. The sign of this figure reveals whether the
growth rate of this industry, at the national level, is greater than the growth
rate for the nation as a whole. A positive sign signifies a larger growth rate
and a negative sign a smaller growth rate. The value of the Industry Mix is
added to the value for the National Share in order to arrive at a figure for the
predicted growth, of this industry, in a specific region.

3. Regional Share / Regional Growth Deferralential: The difference between a
region's predicted growth - based upon the National Share and Industry Mix
figures - and its actual growth. It is used as an indicator of the competitive
position of each industry in the area of interest.

   As with Location Quotients, a variety of types of data can be used to
conduct Shift-Share Analysis.

   There are drawbacks to using Location Quotients and Shift-Share
Analysis because they are based upon these unrealistic assumptions:
   i) consumption patterns are constant among geographic areas,
   ii) all industries produce a single homogenous product,
   iii) the national economy is closed and no international trade occurs.

   **Employment of East Boston Residents**

   (Please refer to Tables 4, 5, and 6 in Appendix I)

   The most noticeable trend between 1980 and 1990 was a decrease in
manufacturing employment. The trend is common to all geographic areas
under consideration, but East Boston suffered the most serious losses. The
fact that the Location Quotients for manufacturing decreased for East Boston
in relation to the city of Boston, to the state of Massachusetts and most
dramatically to the nation (down from .91 to .63) indicates that as a percent
of total employment, East Boston lost more manufacturing jobs than any other area.

Since the Census data are highly aggregated it is not possible to get a detailed picture of what else occurred during this period. The figures indicate that there were no dramatic changes in the distribution of wholesale and retail trade employment, and professional and related service employment, although it is possible that more distinctive patterns would be discernible if the data were decomposed into more detailed sectors.

**Employment in the East Boston Economy**

(Please refer to Tables 7 and 8 in Appendix I)

Between 1981 and 1991 East Boston employment experienced some powerful changes compared to the economies of Massachusetts and the United States. While the total number of jobs in the United States economy grew by 23.3%, in Massachusetts by 12.5%, while in East Boston the total number of jobs decreased by 15.6%.

In the sectors that experienced employment growth at the state and national levels, East Boston experienced larger growth rates. In the sectors that underwent employment decline at the state and national levels, East Boston underwent greater decline. For example, for the construction, retail trade, finance and service sectors the Location Quotients for East Boston increased, meaning that the contribution to total employment of these sectors grew more rapidly in East Boston, than in Massachusetts and the nation. In contrast, the Location Quotients for manufacturing, transportation and wholesale trade decreased, signifying that these sectors made up a small portion of total employment in East Boston than in the United States and Massachusetts.
It is worth noting that while the Location Quotients for the transportation sector decreased, they were still very significant at 8.63 for Massachusetts and 7.06 for the United States, meaning that total employment in East Boston consists of 8.63 times as many transportation jobs as in Massachusetts and 7.06 times the transportation jobs in the United States.

**Shift-Share Analysis of Employment in East Boston**

(Please refer to Table 9 in Appendix I)

The economy of East Boston does not appear healthy when examined using Shift-Share Analysis. The figures on National Economic Impact and Shift in Industrial Mix indicate that construction, manufacturing, transportation and wholesale trade all grew at rates below the overall national average growth rate, and the national average growth rate for each particular sector.

The figures for the Regional Growth Differential provide an indicator of the competitive position of each sector relative to the national economy. Unfortunately for East Boston, all of the numbers in this column are negative, except for the finance sector, suggesting that every sector in East Boston's economy (except finance) is in a weak competitive position.

A final interesting finding in regard to employment in East Boston is that, while the number of jobs located in East Boston declined by 15.6% between 1981 and 1991, the total number of East Boston residents who were employed increased by 9.92% between 1980 and 1990. This suggests that residents of East Boston were finding employment, but were being forced to go outside of East Boston to find it.
Business Establishments in the East Boston Economy

(Please refer to Tables 10 and 11 in Appendix I)

From 1981 to 1991 the total number of business establishments grew by 35.2% in the United States, by 29.5% in Massachusetts, and by 41.4% in East Boston. The large growth in the number of business establishments in East Boston is particularly stunning when one considers the fact that the number of jobs in the area decreased by 15.6%, leaving one to surmise that East Boston firms became much less labor intensive during this period.

For the most part the sectoral employment trends outlined above were reflected in the changes that occurred in terms of business establishments, albeit with some noticeable exceptions.

Manufacturing and wholesale trade firms followed the national employment trends and not only decreased in number in East Boston, but decreased at a larger rate than in Massachusetts and the United States.

Finance, and retail trade businesses in East Boston also followed the direction of national employment and increased in absolute numbers, and at a faster rate than their counterparts in Massachusetts and the nation.

Two anomalies are found in the transportation and service sectors. While transportation’s share of total employment declined by over 10 percentage points, its share of total businesses establishments remained the same, although the number of business establishments did increase in absolute numbers. This leaves an interesting situation: transportation employment decreased from 12,053 to 8,164, while transportation businesses increased form 102 to 142. What does this mean? One possibility is that the transportation sector had become less labor intensive and thus required less employees. Related to this is the fact that there had been a proliferation of parking lots in East Boston during this period, and parking lots do indeed
require little labor to run them. In addition in the trucking, shipping and freight industries there has been a move toward contracting out work, resulting in smaller numbers of permanent employees (Jennifer Doctor, East Boston Chamber of Commerce, April 15, 1994).

A different situation played itself out in the service sector. While the percent of total employment represented by service jobs exploded (From 17.75% to 29.97%), this was not reflected in business establishments in the service sector which grew from 24.24% to 28.86% of all firms.

There are at least two explanations for these growth patterns:

i) The total number of jobs in East Boston decreased during this period, so that while the increase in service jobs was substantial in its own right, it appeared to be even more substantial in terms of total employment because total employment was decreasing.

ii) The total number of business establishments increased during this time, so an increase in the number of service firms would not appear as dramatic, had the total number of firms decreased.

**Spending and Consumption Patterns**

As part of the East Boston Economic Development Study a survey of East Boston residents' consumer patterns was conducted. The findings of the survey are outlined in the table below:
Table 12 - Percent of Consumer Services Purchased in East Boston

<table>
<thead>
<tr>
<th>Services</th>
<th>Percent of Respondents who Purchase the Service in East Boston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>76.7%</td>
</tr>
<tr>
<td>Last Minute Items</td>
<td>75.1%</td>
</tr>
<tr>
<td>Dry Cleaning/Laundry</td>
<td>68.7%</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>64.5%</td>
</tr>
<tr>
<td>Gas &amp; Auto Repair</td>
<td>56.2%</td>
</tr>
<tr>
<td>Health Care Services</td>
<td>53.7%</td>
</tr>
<tr>
<td>Beauty Services</td>
<td>52.1%</td>
</tr>
<tr>
<td>Professional Services</td>
<td>34.8%</td>
</tr>
<tr>
<td>Groceries</td>
<td>34.2%</td>
</tr>
<tr>
<td>Recreational Activities</td>
<td>30.0%</td>
</tr>
<tr>
<td>Hardware</td>
<td>29.7%</td>
</tr>
<tr>
<td>Stationary/Office Supplies</td>
<td>21.7%</td>
</tr>
<tr>
<td>Clothing &amp; Shoes</td>
<td>15.3%</td>
</tr>
</tbody>
</table>


The survey also found that East Boston residents eat on average 4.07 lunch meals, and 1.86 dinner meals a month in East Boston restaurants. In summary it can be said that for the most part East Boston residents do not purchase groceries, recreation activities, hardware, clothing and restaurant meals in East Boston, indicating that these could be areas where demand could be met if additional business establishments were located in the area.

Barriers to Economic Growth

For the most part the barriers to economic growth confronting East Boston are beyond the control of the community. To begin with, as a part of the city of Boston, East Boston does not have the ability to change its tax
structure to accommodate businesses, and it has high water and sewer rates compared to comparable areas elsewhere in the state and nation. Another obstacle to economic growth is that East Boston has the seventh highest workmen’s compensation in the nation by virtue of being located in the state of Massachusetts, (East Boston Chamber of Commerce 1993). Also out of East Boston’s control is the fact that there is not a significant amount of available industrial space in East Boston. Macro economic trends are also working against East Boston as manufacturing jobs -- which have traditionally provided many of its residents with good wages -- are moving out of New England in general, and East Boston specifically.

One impediment to East Boston’s economic growth that can be confronted is the negative reputation of East Boston outside of the community. A number of efforts are already underway to address this problem such as the promotional literature put out by the East Boston Economic Development Council.

Areas of Growth Potential and Growth Resources

The areas of economic growth potential in East Boston can be divided into four categories: i) the airport, ii) tourism, iii) multi-culturalism, and iv) other pluses.

The Airport

5.3 million visitors arrive through Logan Airport every year, creating an economic impact of 4.2 billion dollars a year (East Boston Chamber of Commerce 1993). Furthermore, airport related businesses have been experiencing higher growth rates than other types of firms in East Boston.
East Boston is in the best position of any other community to exploit the airport related market niche.

**Tourism**

There are a number of elements present in East Boston that could foster a tourist trade. To begin with, East Boston has potential for tourists in its three hotels. There is a variety of tourist attractions located in East Boston such as: Trinity House, Donald MacKay’s house, East Boston Freedom Trail, the National Shrine of the Madonna (East Boston Economic Development Council 1994). There are already some existing tourism related development project proposals -- Shining Sea and Heritage Park. There is also the possibility that a ferry from downtown Boston to East Boston may be introduced. Finally, part of Massport’s mission statement involves promoting tourism to New England and thus the agency could be called upon to provide assistance for any tourism efforts created for East Boston.

**Multi-Culturalism**

East Boston is a multi-cultural community with a substantial variety of ethnic groups. This could be used to encourage the creation of a niche market aimed at meeting the retail and service needs of these populations, inside and outside of East Boston. An effort could be made to attract persons to East Boston interested in experiencing shopping, or dining in ethnic establishments. Furthermore, the low prices of East Boston shops and restaurants, relative to other well-known ethnic enclaves of Boston such as the North End, could be used in a promotional effort.
Other Pluses

- Access to downtown Boston.
- Inexpensive commercial rent compared to other parts of the city.
- Massport provides a service called ACCESS that allows business owners to identify where their products are being sold globally, and helps target appropriate markets (East Boston Chamber of Commerce 1993).
- Proximity to labor force.
- Transportation and good parking are available.

East Boston faces serious impediments to economic growth. Foremost among these difficulties are poorly educated workers, conflicts among residents, and a rapidly diminishing industrial base. I arrived at these conclusions by doing a comprehensive socio-economic base analysis which examined physical, institutional, social, demographic, and economic conditions in East Boston.

In chapter three I will develop an alternative socio-economic analysis using the framework presented in chapter one. My purpose will be to improve upon the information uncovered in this chapter, for although I am left with a good understanding of the economic problems facing East Boston, I need more information in order to fully comprehend the causes of these problems. In addition, today’s extremely competitive economic environment requires that communities exploit every advantage at their disposal, using my framework I may be able to uncover some heretofore untapped resources in East Boston stemming from cultural traits.
CHAPTER THREE
APPLYING THE CULTURAL FRAMEWORK TO EAST BOSTON

The purpose of this chapter is to more fully develop the findings of the traditional socio-economic base analysis using the framework constructed in chapter one of this thesis. The results of the socio-economic base analysis left me with an understanding of the growth patterns of the industrial sectors in East Boston and of the obvious strengths and weaknesses of the East Boston community; but instinctually I knew there were gaps in my comprehension of what was really going on in the community and the economy. I believe that, in order to achieve a penetrating and practical understanding of East Boston for economic development purposes, I will need to grasp the more subtle aspects of its characteristics, especially those unwritten norms -- many of which are related or influenced by culture -- that are often overlooked by professionals, but which come back to haunt them when a policy or an initiative fails, or at least does not have its intended effect.

As discussed in the introduction, not every variable in the cultural framework is relevant to every situation; in the case of East Boston the I decided that the variables of most value are: i) class, ii) family, iii) community, and iv) economic activity. The justification for selecting these variables will be explained as each variable is examined. Even within the selected variables, every question outlined in the framework may not be worth answering; and so only the answers that offer useful, insightful information will be reported.

Three types of information will be used in this endeavor: i) ethnic/cultural literature, i.e. research and analysis on the experiences of Italians, Puerto Ricans and Vietnamese prior to, during, and after migration
to the United States; ii) demographic and economic figures; and iii) interviews with individuals residing or working in East Boston (for a list of interviewees please refer to Appendix II).

Before beginning this inquiry a brief comment must be made about the process by which I selected the three ethnic groups. This process was straightforward and based mostly on census data (please refer to Table 13 in Appendix I). Descriptive information convinced me that Italians are a dominant group in East Boston. When I consulted the census data this notion was verified: Italians are the largest ancestry group in East Boston, with over 14,000 persons identifying themselves as Italian. I decided to select one national group from Asian nationalities, and one from Hispanic nationalities, since both had experienced rapid growth in East Boston in the last ten years. The Vietnamese are the most numerous amongst Asians, making up 38.3% of all Asians in East Boston. In the case of Hispanics, Salvadorians are by far the largest group, but I was concerned about a lack of information and data on Salvadorians because of their short history in the United States and small numbers. Thus I decided to study the second largest Hispanic group: Puerto Ricans.

Once I began to collect data and conduct interviews, I was surprised to discover that a distinct Puerto Rican community did not appear to exist in East Boston. Rather, due to factors such as common language, Puerto Ricans are pulled into the umbrella of Spanish-speaking communities. I also found that Puerto Ricans are under-represented among Hispanic businesses and this forced me to examine Hispanics businesses as a whole. It may be that the under-representation of Puerto Ricans in the East Boston business community is due to high rates of poverty which hinder business enterprise.
I. CLASS

The decision to examine class was based upon two factors. First of all, the close and often ambiguous relationship of class and culture has been a central theme in this thesis, so it seems appropriate to test some of the propositions put forward on this question. Secondly, the data on East Boston indicate it can be classified as a working and lower class community, this implies a number of ramifications vis-a-vis economic development and further justifies the need for an inquiry into the class question.

In examining class in East Boston I will closely follow the questions laid out in the framework. I will begin by defining class, and operationalizing this definition by outlining some indicators of class. I will then apply these indicators to East Boston in order to identify the class membership of the area. Next I will consider the class positions in the country of origin of the three cultural groups of interest, and examine the effect of this background on the resources they brought with them to the United States. Finally I will analyze the opportunities for social mobility available to each cultural group.

Definition and Indicators of Class

Defining "class" presents challenges similar to those encountered when trying to define culture: both terms are open to a wide variety of interpretations and do not subscribe to a generally accepted definition. According to the social class analysis methodology recommended by Milton Gordon (1978), the class of an individual can be determined using three sets of factors or variables that interact with each other. These variables are divided into three categories: economic power, social status and political power.

Economic power can be assessed by examining:
i) *Income* - The amount of money earned by a family or an individual over a pre-determined period of time.

ii) *Wealth* - A variety of indices can be used to measure wealth, such as the value of savings, the value of ownership in a business concern or real estate, the value of securities and the value of private property.

iii) *Credit Access* - The ability of the individual or group under study to access different sources of credit.

iv) *Employment Control* - Refers to the amount of power an individual or a group possesses in occupational relations. Gordon provides the following categories to classify occupations according to employment control: a) employer, b) manager, c) independent, and d) employee.

v) *Wage and Price Control* - Refers to the ability to determine wages of employees and the price of goods in the market.

Gordon maintains that economic power is most important in defining class standing because in a capitalist society economic power provides the means through which other class factors may be influenced.

Social status can be measured using:

i) *Position* - Whereby an individual is evaluated with regard to a specific "position" which they hold in a social structure, either in the professional or volunteer realm.

ii) *Performance* - Refers to the manner in which one carries out the duties of their position(s).

iii) *Personal Qualities* - The qualities an individual possesses, apart from any particular role or position. Could relate to either reputational qualities such as being honest and reliable, or to particular abilities and skills.

An assessment of political power can be attained by examining:
i) *The Formal Structure of Government* - Specifically the amount of power a group or an individual possesses in the formal governing structure.

ii) *Informal Control and Influence* - The degree of influence in the "system of informal controls" over political offices and political functioning.

iii) *Control of Opinion Forming Agencies* - The extent of power and control over the opinion forming agencies, such as the media, religious institutions and educational institutions.

Using these groups of variables I have arbitrarily organized the social class system into the following groups:

i) **Lower Class** - Refers to families or individuals who have very low levels -- the lowest in society -- of economic power, social status. Their political power may be enhanced if they are large in number, but this is not guaranteed,

ii) **Working Class or Lower Middle Class** - Includes families and individuals who are not poor, and make enough money to support themselves adequately, but whose financial resources are limited enough not to provide significant economic power. Their occupations usually involve non-professional types of work, and their social status is not high. The political power of this group may vary widely depending on a variety of factors such as geography, voting patterns and the availability of associations like guilds.

iii) **Middle-Class and Upper Middle Class** - Encompasses families and individuals whose financial resources, coupled with their numerical size, allow them to wield a significant amount of economic and political power. Normally thought of as professional, or at least skilled workers who have higher social status.

iv) **Upper Class** - The most powerful group of all due to the fact that they have the largest reserves of economic power, which in turn provides them with social status and political power.
**Class Status In East Boston**

Sufficient data are not available to allow examination of every aspect of the variables outlined in Gordon's analytical method, but I believe that there is enough information to arrive at an accurate understanding of the class position of East Boston. This analysis will be conducted using some data that were presented in previous sections of this thesis, but this will not be redundant because the focus of the analysis is different. My approach will be to compare East Boston to other neighborhoods in the city of Boston, and to the city of Boston as a whole, using Gordon's methodology. Each neighborhood was selected for a specific reason. South Boston was included because of its racially homogeneous population, similar to that of East Boston (although East Boston has recently become less homogeneous). Roxbury was selected because it stands in stark contrast to East Boston's racial composition: the racial distribution of Roxbury is almost the exact opposite of East Boston's. Finally, Back Bay was chosen in order to allow a comparison with a neighborhood known for wealth and social status. (All figures used in this analysis can be found in Table 14 of Appendix I).

Compared to South Boston, Roxbury, Back Bay and the city of Boston, East Boston emerges as a working class neighborhood. The determining factors in this assessment were low levels of income, educational attainment, occupational control and status; coupled with comparatively low rates of unemployment and public assistance income.

**Economic Power**

The following information was analyzed in order to determine the economic power of East Boston:

i) *Income* - Using figures on family and household annual income.
ii) Wealth - Assessed using rates of home ownership and property values of owner occupied housing units.

iii) Employment Control - Measured by classifying employment by the amount of control inherent in each occupation. The configuration of available data do not allow for the classification of occupations as suggested by Gordon. I was only able to categorize occupations as:

Executive/Managerial, Professional or Employee.

Based these above indicators of economic power, East Boston comes in a close second to Roxbury, as the neighborhood with the least economic power. East Boston has the second lowest household and family income. Rates of homeownership are slightly higher in East Boston, than in Roxbury and Back Bay, but its wealth is diminished by the fact that it has the lowest mean value of owner occupied housing units. East Boston’s meager economic power is re-enforced by the fact that residents have the smallest degree of employment control, with over 80% of residents classified as employees (the highest of any neighborhood).

Social Status

In trying to gauge the social status ranking of East Boston residents, I will consider:

i) Position - As defined by occupational classification, poverty rates and family structure.

ii) Personal Qualities - As characterized by educational attainment.

As was the case with economic power, East Boston again emerges as a working class area when analyzed in regard to social status. Low rates of high school completion and occupational status contribute to East Boston’s
low social class status. At the same time, comparatively low rates of public assistance income kept it from being classified as lower class.

Political Power

The main source for this analysis of East Boston’s political power will be descriptive information provided by East Boston residents and others acquainted with its history.

Having been a fairly homogenous community for the last forty years, East Boston has had consistent voting patterns. Voting for Italian and Democratic candidates has been the norm (although there has been some crossover to the Republican party in recent years). Some interviewees indicated that block voting, coupled with supporting winning candidates has guaranteed East Boston a great deal of influence in city and state politics. A recent example of this pattern is the last City Council at Large election, where John Nucci, a candidate from East Boston, received the most votes in the eight candidate field. Others interviewees disagree, and suggest that because of fairly predictable voting patterns, East Boston’s votes have often been taken for granted thereby diminishing East Boston’s political power and resultant political favors.

It is difficult to arrive at any conclusions about the political power of East Boston without conducting a comparison to other areas of Boston, and such an inquiry is beyond the scope of this thesis. I will leave the issue of political power by saying that in the past East Boston has been very effective in rallying around specific issues (in particular struggles over the operation and expansion of Logan Airport) and empowering its residents to make the most of their political power. At the same time there are also indications that aside from large, public fights, East Boston has not been effective at
leveraging its political power to fulfill its agenda. Of all the cultural groups under consideration, it appears that the Italians in East Boston have the greatest political power, probably due to the fact that they are the numerical majority and have had a longer history of participation in local politics.

**Class in Country of Origin**

One of the strongest commonalities between the Italians, Puerto Ricans and Vietnamese of East Boston, is the fact that in large part they came from the same social class background: rural, farm peasantry. Overall such a generalization is accurate, however, some distinctions will be made because some notable exceptions exist.

The Italian immigrants to the United States (and to East Boston) came mainly from the Mezzogiorno region which lay east and south of Rome. They tended to come from small agrarian towns where they were either peasant farmers who owned small plots of land, or they were peasant workers who worked the land of others (Parrillo 1994).

It is somewhat inaccurate to say that the Puerto Ricans came from rural farming backgrounds, for many had not been living in a rural area prior to immigration. Originally most of Puerto Rico’s population did live outside of the cities, but, due to changes in agricultural technology during the early twentieth century, production became increasingly mechanized and less labor intensive leading to job displacement and migration to the cities. Eventually many of these city residents from rural towns, migrated to the Untied States mainland (Even 1992).

The Vietnamese are the most heterogeneous of the three groups studied. The first wave of Vietnamese immigrants was not made up of rural peasants: they were educated, wealthy and had political connections in the
Subsequent waves of refugees were more diverse: some were rural farmers, some were ethnic Chinese business people, and others did not fall into any category (Rutledge 1992). Although it is more difficult to generalize about the Vietnamese, it is correct to say that a large number did indeed come from rural backgrounds.

Inherent in social class membership are a variety of resources, resources that can promote economic development. Since it can be generalized that many East Boston residents come from similar social class backgrounds, we should also be able to generalize about the resources at their disposal.

The members of rural farming classes who came to the United States brought with them some of the resources needed for survival, foremost among them was group solidarity. Group solidarity is an implicit agreement to stick together, to help group members in good times and in bad, to provide a first line of defense from the harsh realities of American society. Many of the behaviors and institutions which I have identified as reactions to barriers (i.e. rotating credit associations, mutual assistance associations, labor relations within ethnic enclaves etc.), could be seen as aspects of group solidarity. Furthermore, group solidarity of the type just described is identifiable across cultural groups amongst members of the rural farming classes, the lower and working-classes.

**Social Mobility**

According to Palen (1981) four factors account for fifty percent of a person’s chances for upward mobility: i) education, ii) first job held, iii) occupation of father, and iv) education of father. Looking at these factors in East Boston, they suggest that chances for social mobility are not high for its
inhabitants. East Boston residents have very low levels of education, the lowest of any neighborhood in the city of Boston, and lower than the State and the nation. This means that both the individual’s attainment of education and that of their father will probably be low, thus limiting the possibilities for social mobility. Since over eighty percent of all workers in East Boston are employees, we can infer that both the first job held, and the occupation of one’s father will in all likelihood be as an employee. This in turn increases the probability that one will remain an employee and not move up the social mobility ladder to a managerial or professional position.

Another indicator used to estimate social mobility is social distance. Social distance is used for evaluating how perceptions of similarity attract closer interaction patterns. Social distance rankings are attained by asking groups of undergraduate and graduate students aged eighteen to thirty-five questions about the degree of social closeness or distance, from members of particular groups personally acceptable to them (Parrillo 1994). These groups are then ranked in order of preference. Although not specifically a measure of social mobility, social distance does provide an indication of the social status, and societal perceptions of different groups.

<table>
<thead>
<tr>
<th></th>
<th>1926</th>
<th>1977</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italians</td>
<td>14</td>
<td>5</td>
</tr>
<tr>
<td>Mexican-Americans</td>
<td>22</td>
<td>19</td>
</tr>
<tr>
<td>Chinese</td>
<td>28</td>
<td>23</td>
</tr>
</tbody>
</table>

Source: Parrillo (1994)

As illustrated in Table 14 above, the social distance ranking for Italians improved significantly from 1926 to 1977, moving up from
fourteenth, to fifth. There is no social distance indicator for Puerto Ricans, so the one for Mexican-Americans was used as a proxy. It has shown a small improvement: they were ranked twenty-second in 1926, and moved to nineteenth by 1977. Due to the short history of Vietnamese in the United States, no social distance ratings were available for this group and so the rating for Chinese was used as a proxy. Their rankings have experienced highs and lows but always remained in the twenties, with a social distance ranking of twenty-eighth in 1926, and twenty-third in 1977.

II. FAMILY

There are several reasons why I have chosen to study the role of the family in the lives of Italians, Puerto Ricans and Vietnamese. First, as a first-generation Italian-Canadian I know on an experiential level that the family plays a significant role in the lives of immigrants, especially in assisting them to deal with the difficult realities of immigration such as discrimination and isolation. This belief was confirmed in reading the literature on Italians, Puerto Ricans and Vietnamese where a common theme is the profound influence of the family in the daily life of group members. Second, it is essential for the economic development practitioner to have an understanding of the family structure and functioning endemic to each group in order to ensure that he/she does not design an economic development strategy that either violates family norms or undermines family stability and functioning. Finally, and most importantly, immigrant success in businesses is repeatedly credited to a variety of cultural traits that are transmitted through the family; therefore an economic development practitioner should have a deeper understanding of familial relationships (economic and non-economic) in order to find the intersection of family and economic
development. This will not be a linear process and will require an examination of the strengths and weaknesses of the family structure in relation to economic development.

The focus of this section will be on providing a general profile of the role the family in the life of members of different cultural groups. There are no guarantees that all families will correspond exactly to the descriptions provided, but this is not the intention. The intention is to highlight some of the common traits and characteristics that can be identified in most families in the cultural groups of interest.

Throughout this section I will be referring to a dichotomy found in the attributes of immigrant families. This dichotomy consists of two types of group characteristics: i) those that remained essentially unchanged from the country of origin because they continued to serve a purpose; and ii) those that were discarded or somehow altered because they were proving to be a hindrance to the new way of life in America.

The Italian Family

As already stated, most Italian immigrants came to the United States from Southern Italy. In this culture, families, not individuals, held the central place in society (Squier and Quadagno 1988). The concept of family in Southern Italy extends to all blood relatives and includes god parents. The dominance of the family as a social institution was one of the traits that was imported to the United States by Italian immigrants. I would argue that immigration not only perpetuated the importance of the family, but in some way the process re-enforced its position.

Extended family relations not only continued throughout immigration, but according to Alba (1985) the immigration process served to strengthen
and activate relations within the extended family. Immigrants almost always went to specific cities in the United States because relatives were there and could assist them in the settlement process.

Not only was the extended family re-energized through immigration, but its definitional boundaries were also broadened: for many Italian-Americans “the neighborhood” took on a special significance that reflected an atmosphere of extended family.

Another way in which the Italo-American family was fortified, was through residential proximity. Italian-Americans are more likely than members of other ethnic groups to live in the same neighborhood with parents, siblings and other relatives, and to visit them often. A trend among second and third generation Italians is to refurbish old neighborhoods rather than move to suburbia. If they do move to the suburbs it is often a two generation process with parents and children moving together (Squier and Quadagno 1988).

Strong sibling solidarity is common among Italo-American families as evidenced by high degrees of contact and interaction (Squier and Quadagno 1988). The strength of the extended family also results in exceptional nurturing and support for aged family members, with the elderly being more likely to be integrated into an Italian-American family system.

The fact Italian-Americans have the second lowest divorce rate (2%) of all ethnic groups provides further evidence of the importance of family solidarity to this group. They also have the smallest percent of female headed families (10%) of eleven major ethnic groups (Squier and Quadagno 1988: 119).

Inter-marriage has not posed a serious threat to the Italian-American family. There is increasing inter-marriage from one generation to the next,
but they have consistently lower rates of inter-marriage than most other ethnic groups (Squier and Quadagno 1988).

So far the discussion has centered on aspects of the family that have essentially remained intact, now we turn to areas that have evolved or been transformed completely.

Fertility rates are a family characteristics that underwent change in order to facilitate settlement and advancement in America. First generation Italian women had more children than native born Americans and other immigrant groups. By the second generation this trend was drastically reversed, to the point where second generation Italian women were giving birth at rates lower than those of Americans of native parentage (Squier and Quadagno 1988: 116). High fertility rates were the norm in Southern Italy and have commonly been attributed to at least two factors: i) lack of effective birth control, and ii) in an agrarian economic system a large number of children was an economic asset. Neither of these factors were relevant in the United States, instead limiting family size was to the economic benefit of an urban family and this further explains the decline in fertility. The birth rate for third generation Italians continues to decline and challenge the stereotype of Italian-American women as burdened with large numbers of children because of religious conviction (Squier and Quadagno 1988).

There have also been changes in the roles of family members. The traditional Southern Italian family was often labeled patriarchal, but in reality this is a misnomer because the mother also had power within the family. Women had the right to possess and dispose of property without their husband’s consent. Their power was also enhanced by the fact that they often contributed economically by working part-time in the fields (Squier and Quadagno 1988). Semi-patriarchy is also the norm in the Italo-American
family where the oldest male might be called: “the head of the family”, but
the mother still has an important social, emotional and economic leadership role.

According to Alba (1985) a significant change in the Italian-American family was a shift in relations between parents and children. Through attending school, children often possessed greater knowledge of English and American institutions than their parent, creating a role reversal where parents would have to rely on their children for assistance in navigating the complexities of everyday life. Another change in parent/child relations involved working and earning arrangements. Prior to immigration, the family, i.e. parents and children, constituted a work unit and as such children were expected to turn over their earnings to the head of the family. In the United States labor market arrangements were different and it was not the norm to take earnings from children (Alba 1985).

Formal education was of little importance to members of peasant society in Southern Italy. Although legislation, passed after Italian unification, required three years of school attendance for every child, this rarely became a reality because of the sad heritage of the previous Bourbon government which collected no taxes but supplied no services. This situation was further aggravated by i) a great tension between schools and the values and economic needs of peasant families, for schools posed an economic threat to the family by removing the child from active participation in the economic survival of the family; ii) the poor condition and under-financing of schools, and iii) the opposition to education of peasants by the propertied classes.

The economic conditions found in the United States and this skepticism about education may be responsible for the occupational patterns of first and second generation Italo-American males who largely went into
blue collar work. By 1972 two-thirds of Italian males were still in blue collar work, although by the third generation a significant shift was taking place and Italian-Americans were reaching parity in educational attainment with Anglo-Americans (Steinberg 1985).

**The Puerto Rican Family**

Puerto Ricans distinguish themselves from other immigrant groups in the United States in two ways. First of all, they are American citizens which means they are free to enter mainland United States at will. Secondly, their migration patterns are characterized by a constant ebb and flow, to and from Puerto Rico.

The family is the central institution for Puerto Ricans in the United States and it supplies a variety of social supports and resources. Two central characteristics of the Puerto Rican family are strong norms of reciprocity and family unity.

In Puerto Rico the extended family provides a source of strength and support. Emphasis is placed upon the need for inter-dependence among family members. These familial features were carried over to the United States where the extended family continues to be characterized by inter-dependence and patterns of reciprocity. Dependence upon other family members is seen as positive: individuals expect and ask for assistance without any negative effect on their self-esteem. Reciprocity is not determined by expectations of a strict equal exchange (Sanchez-Ayendez 1988).

Extended families on the mainland interact frequently and view this interaction as a desirable activity. Celebration of holidays and special
occasions are seen as opportunities for family to get together and strengthen their ties (Sanchez-Ayendez 1988).

In Puerto Rico individuals are socialized to a pattern of male dominance. Men have authority over the women in the family and are expected to be providers and protectors of the family. The domain of women on the other hand revolves around the household and caring for the family: women are responsible for creating and maintaining family unity and good family relations. Gender relations are conceptualized as follows: women are “of the home” and men belong “to the street” (Sanchez-Ayendez 1988: 178).

In the United States, Puerto Rican families still adhere to a strict division of labor and authority between genders. Even the increased economic power of women -- stemming from the fact that Puerto Rican women find it easier to locate employment in urban centers -- has not seriously undermined the status quo. Women are still responsible for the household realm and men are considered the providers and ultimate authority in the family (Sanchez-Ayendez 1988).

Children are not viewed as autonomous individuals and are rarely consulted on matters or actions pertaining to them. They are instead considered to be family members who are to be molded by their parents (Sanchez-Ayendez 1988).

The foremost obligation within the family is to provide assistance and support to family members. It is also a right of family members to expect assistance when needed. Individuals are required to defer and show respect to their parents and elders, and adult children are expected to care for their parents in later years.

Puerto Rican-American families have higher fertility rates than Anglo-Americans, but lower than some other Hispanic groups. According to the
1980 Census the birth rate for Puerto Ricans was 20.3 children for every 1,000 women. For Anglo-Americans the rate was 14.2, for Mexican-Americans it was 26.6, and for Cubans it was 9.6 (Sanchez-Ayendez 1988: 183).

Formal divorce is not prevalent among Puerto Rican families. More common is marital separation and female headed families. This is demonstrated by the fact that Puerto Rican women have more children out of wedlock, higher rates of separation and of being heads of households than Mexican-Americans and Cubans (Sanchez-Ayendez 1988). Thirty-five percent of all Puerto Rican families in the United States are headed by women, in comparison to the overall rate for the United States of sixteen percent.

From 1946 to 1969 there was a significant increase in the rate of inter-marriage among Puerto Ricans in New York (data for other geographic areas are non-existent prior to the 1970's). This rate of inter-marriage was approximately twenty-two percent which was similar to the rate of inter-marriage for all immigrants in New York City for the years 1908 to 1912 when immigration was at its peak in the area.

The literature does not comment about the occupational aspirations transmitted through the Puerto Rican family, but two things are certain: i) Puerto Rican families are seriously affected by low incomes in the United States, more so than the other two large Hispanic groups (Mexican and Cuban) and the United States population as a whole; ii) there is a severe under-representation of this group in professional and white collar occupations (Sanchez-Ayendez 1988). In addition, according to Sanchez, Puerto Ricans see work as necessary for survival, but not valuable in itself.
It appears that education is conceived of in similar terms to work: it is seen as a means for social mobility but not an end in itself (Sanchez-Ayendez 1988).

**The Vietnamese-American Family**

The Vietnamese family is a relatively new entity in American society with a history of only about twenty years. In order to fully understand the experience of Vietnamese families in America, it is necessary to acknowledge that the vast majority were refugees as opposed to traditional immigrants. They were forced to leave their native land for either political, economic or safety reasons.

The family is the bedrock of existence for Vietnamese-Americans. The importance of the family stems from two sources: tradition and necessity. In traditional Vietnamese culture, the individual cared more about their family than about themselves. They put the family’s needs before their own. The primacy of the family was further re-enforced by the hardship of the refugee process, during which the only available resource or support was the family.

The Vietnamese definition of family is broad and includes relatives beyond the nuclear family. All blood relatives are considered family, and as such are treated with respect and it is a moral obligation to assist them. This obligation is not diminished by time or distance.

In a traditional Vietnamese family the father has the ultimate authority and responsibility, he is the head of the family. The mother is expected to submit to the will of her husband, as she was expected to obey her father before marriage and follow the authority of her oldest son should she become a widow (Rutledge 1992). Children are considered a form of wealth
and are taught at an early age respect for elders and loyalty to parents and family.

The refugee experience has placed enormous pressure on the traditional Vietnamese family. Since arriving in the United States it has faced changes in gender roles, generational perspectives and family relationships. These changes have been drastic for the Vietnamese male. In Vietnam he generally dominated social, political and economic settings; now he is living in a society that stresses gender equality both socially and legally (Rutledge 1992).

The Vietnamese female has had to shoulder new and challenging responsibilities as families were often separated during the migration and they frequently found themselves as head of the household. While dealing with adjustments within the home and family structure, Vietnamese women have also had to deal with the difficulties confronting other American women such as inadequate childcare and insufficient wages.

Refugee children have faced problems and expectations imposed by American society while coping with the upheaval taking place within their family. The role of interpreter or mediator was often thrust upon them because they were the best equipped family members in terms of language skills (Tran 1988).

Numerous changes have taken place in the structure of rights and obligations in the Vietnamese-American family. In Vietnam children would live with their parents until they got married, they would turn their income over to their parents and they would seek parental permission prior to making a major decision. In America, children are no longer expected to live in the family until marriage, or turn over their wages, or seek parental approval in decision-making. However, a family obligation that has endured
is that all family members are expected to assist each other in times of crisis (Rutledge 1992).

In traditional Vietnamese society marriage was one of the most important events in a person’s life. Parents chose the marriage partner for their children. Marriage to a foreigner was considered unacceptable (Tran 1988). To a certain degree, these marital norms are evident in the marriage patterns of Vietnamese-Americans. Parents no longer select their children’s spouse, but they do exert important influence over their children’s choice of partner. In addition, Vietnamese parents still expect their children to marry other Vietnamese and for the most part their expectations are being met as inter-racial marriage is still uncommon amongst Vietnamese-Americans (Tran 1988).

In Vietnam divorce was essentially unknown. In situations of marital incompatibility it was considered far better to have a mistress, or abandon the family, than to divorce. This has the potential to change in the United States where divorce is socially acceptable, and economic independence is possible for both genders. Descriptive data indicate that divorce is on the rise in Vietnamese families, but exact figures cannot be acquired due to the highly stigmatized nature of divorce to the Vietnamese, and the short amount of time they have resided in the United States (Rutledge 1992: 126).

Vietnamese culture places a strong emphasis on employment as an act of responsibility for males. Unemployment results in a loss of respect for the male and a lower standard of living for the family. These values were transferred to the United States where finding employment was related to male self-esteem and economic survival for the family. Many Vietnamese refugees found that their skills and training were not recognized in the United States, but their strong work ethic drove them to accept work they
were over-qualified for, or had little interest in (Rutledge 1992). Changes in the 1980 Refugee Act cut the duration of financial assistance to refugees from thirty-six to eighteen months. This put additional economic pressure on the Vietnamese family and resulted in increased rates of employment among women and children (Rutledge 1992).

The literature does not indicate whether the Vietnamese family transmits any occupational preferences, but it does suggest that the cultural preferences of the Vietnamese are to work in groups and in ethnic businesses if possible (Rutledge 1992).

Education has always been important to the Vietnamese. Educated persons were traditionally held in high esteem and were respected members of society. Love of learning is considered by the Vietnamese to be one of their primary national attributes. Education continues to be an important aspect of the Vietnamese-American family, and high educational aspirations are instilled by the family. Educational achievement receives lots of attention at home. Homework and school progress are monitored by parents and expectations are high.

In order to locate the intersection of family and economic development in each cultural group, I will examine: i) values transmitted through the family, and ii) resources provided by family membership.

Valuable assets for economic development in the Italian family come from family solidarity, family stability and spatial proximity. These family characteristics facilitate economic development by creating better access to financial assistance, clients, business advice and contacts, unpaid labor and childcare.
Puerto Rican family culture also emphasizes family solidarity and norms of reciprocity. Such values augment economic development strategies by furnishing complementary resources. Puerto Rican family structure however, also creates some impediments to economic development. Low incomes and lower status occupations are more common amongst Puerto Rican families, thereby limiting access to capital and role models. Furthermore, the prevalence of single parent families changes economic development needs, requiring more jobs for women, and more resources to assist them with their family responsibilities, such as childcare.

The Vietnamese family stresses the importance of work and education, values which are supportive to economic development. Like the Italians and Puerto Ricans, family solidarity is paramount to the Vietnamese, and creates access to family based resources.

This is an initial inquiry into the role of the family in economic development. A key to better understanding this relationship in the future, will be to consult family members during the socio-economic base analysis about the pressures and problems confronting them with regard to family functioning and economic activity.

III. COMMUNITY

A constant refrain that has followed me throughout my research on East Boston is that the “community” provides many kinds of supports, and at the same time it is also a generator of turmoil. This led me to conclude that in order to do competent economic development work in East Boston a practitioner must fully understand the dynamics involved in the functioning of this complex and often paradoxical entity.
The concept of community is fluid and dynamic in East Boston because there are many different communities within East Boston. There are communities defined by cultural ties, business relationships, and length of residence in East Boston (is a particularly powerful dividing line in terms of community membership, not only in East Boston but also in other Boston neighborhoods such as South Boston and Charlestown). Some of these communities even extend beyond the formal boundaries of East Boston into Chelsea and the North End of Boston.

This section will be based on answering the questions listed under the community variable in the framework in regard to each cultural group of interest, and the community of East Boston as a whole. The observations made in this section, and the next one on economic activity, resulted in large part from interviews conducted with members of each cultural group and individuals working in East Boston in community and/or economic development. I selected this mix of interviews because I thought it would be useful to consider how members of a group perceive themselves, and how those outside of the group see them. I must emphasize that much of this information is based upon the perceptions of the persons interviewed and might be proven inaccurate if tested.

Political or Social Events that Bind the Community Together

A variety of events unite individual ethnic communities, but it is questionable whether there is any event that pulls all East Boston residents together as members of one community. In theory Eastie Pride Day should present such an opportunity, but my interviews indicate that this has not yet occurred because Eastie Pride Day is seen as a celebration for the older, long term residents of East Boston, by the newer arrivals.
The Italian community comes together for a variety of events including church festivals honoring particular saints, mass in Italian, and the Columbus day parade which East Boston shares with the North End and hosts on alternating years. There are also many informal social gatherings such as parties and barbecues that take place across several backyards. There are many social affairs in the Hispanic community such as mass in Spanish, celebrations of independence days of different Latin American and Caribbean countries, Hispanic festivals throughout the Boston area, and special events arranged by entrepreneurs who bring in Hispanic entertainers. Social events in the Vietnamese community revolve primarily around New Year's celebrations. There is Tet which is the lunar New Year and the August Moon Festival which is known as the children's New Year.

**Shared History that Defines the Community**

If there is one institution that exemplifies the shared history of East Boston's older residents, most of whom are of Italian descent, it is Logan Airport and their struggles against the airport's intrusion into community life. Airport related conflicts drew many community members together as they stood united against the foe from outside, but today it also serves to pit community members against each other as long time residents resent the newer residents (the Hispanic and Vietnamese among them) for not participating in the continuing battles with the airport. There are several reasons that the newer residents are not likely to participate in the airport conflict. First of all, they never knew an East Boston before the expansion of the airport so they might not see it as a problem. Second, the airport represents a potential source of employment. Thirdly, many of them are so
overwhelmed with the requirements of economic survival that they do not have the time or energy to become involved in the airport cause.

A common experience shared by the Italians, Hispanics and Vietnamese's alike is immigration and discrimination. Although these commonalities are often not recognized or validated, they might provide an avenue for building bridges amongst communities.

Another aspect of shared history that is common to all East Boston residents is living in a neighborhood that is geographically isolated from the city of Boston and is lacking in a number of services such as certain types of retail stores and services, and entertainment facilities.

Rituals or Symbols Community Members Identify With

The most powerful symbol that stood out as being readily identifiable by community members was the airport as a symbol of oppression to the older, more established residents of East Boston.

The Importance of Language to Community Identity and Unity

Language plays an important role in all three ethnic communities. The Italians have been in East Boston the longest, and therefore are generally the most proficient in English; but a large number still speak Italian and a small, older sub-set speak Italian almost exclusively. Language does help to link them as a community, although it is not the deciding factor in community membership. Membership in the Hispanic community is based in large part upon language: the Hispanic community pulls together individuals of different nationalities solely on the basis of a common language. Language also serves as a common bond for the Vietnamese community, where all members speak the same language.
It seems that while language unites individual ethnic communities it also divides the community of East Boston. The fact that members of different cultural groups cannot communicate inevitably creates distance between them. Furthermore, my interviews indicate that simply hearing foreign languages being spoken, or seeing store signs in unfamiliar words trigger fear and resentment in some of the older residents.

Behavioral Norms Unique to Each Community

No behavioral norms specific to any cultural group were identified through the interviews. Although not presented as such, I believe that a behavioral norm recognizable in the Italian community is defensiveness. Specifically defensiveness against enemies in general (such as the airport) and against perceived changes in the traditional East Boston way of life by outsiders (i.e. newly arrived residents). The older residents see themselves as vulnerable to the airport and other outside forces beyond their control, and so they feel they must defend themselves. The issue of defensiveness against outsiders is important in relation to economic development because it may affect the way an economic development practitioner and his/her strategies are received.

The Vietnamese view time differently than the dominant culture in the United States. For the Vietnamese time has an integrity of its own and it cannot be rushed, hurried or changed by humans; therefore they are not clock conscious or time oriented as are many Americans. They also tend not to make appointments for meetings and other encounters.

Although not discussed in any interviews, the literature does state that in many Latino cultures it is a sign of disrespect to make direct eye contact with an authority figure (Parrillo 1994). In American society on the other
hand, not making eye contact is often taken as a sign of dishonesty or weakness of character. Such behavioral incongruities may seem trivial, but they often make a difference, especially in business dealings where trust is a vital ingredient.

The Role of Community Based Institutions

Each community has institutions particular to its cultural group. For example, the Italians have the Sons of Italy, the Hispanics have the Colombian Business Association and the Vietnamese have the Vietnamese Association of East Boston. There are also institutions and organizations that cross all cultures, but the demographic reality of East Boston means that many of these organizations are dominated by Italians. The membership of the East Boston Chamber of Commerce for example is approximately 60% Italian and 5% Hispanic, with no Vietnamese members.

IV. ECONOMIC ACTIVITY

The question of what factors determine the course of economic activity for different cultural groups is at the heart of this thesis. What follows is a review of the issues and questions put forth on this topic in the framework and how they are realized in East Boston in the economic activity of Italians, Hispanics and Vietnamese. I need to emphasize again that the information outlined below is based upon anecdotal information collected in interviews, and therefore is subject to interpretation and should not be viewed as statistically significant in any way.
Concentration of Economic Activity in Particular Industries

Hispanic owned businesses in East Boston are mainly restaurants, grocery stores and service providers (such as legal, tax, real estate and insurance services). There is a cluster of Hispanic owned businesses in Maverick Square and Central Square, and Hispanic grocery stores are found all over East Boston except in Orient Heights.

According to my interviews, there are six Vietnamese owned businesses in East Boston: two floor service firms, three grocery stores (that carry standard American merchandise and some oriental food products), and one car garage.

Faith Ando (1986) hypothesizes that the formation and failure rates of minority and ethnic businesses can be accounted for by classic (independent of minority status) factors. Specifically, business formation will be high, and failure low, for firms in a high growth industry, a high growth geographic area, and in an industry with low capital requirements and low numbers of competitors. When these criteria are applied to Hispanic and Vietnamese business in East Boston we find that they are located in a low growth geographic area, and in the service and retail sectors, which are high growth industries, with low capital requirements, but have a large number of competitors.

As one interviewee told me, aside from the businesses owned by Asians and Hispanics, "... the Italians own everything else". Since Italian business ownership does indeed span across every sector and cannot be generalized about in terms of sectoral distribution and probability of success as defined by Ando's propositions.
New Niches Created by Changes in the Racial or Ethnic Composition of the Population

Changes in the ethnic composition of East Boston are opening up new market niches for both long time, and recently arrived residents. New market demands are being created by the arrival of members of cultural groups with consumer needs not previously met by local firms. These demands include services in different languages and retail products favored by particular ethnic groups. It appears that these new market niches are not being exploited exclusively by one group. There are three real estate agencies providing services in Spanish in East Boston (two owned by Hispanics, one by an Italian). Other services furnished in Spanish are banking, tax preparation and legal counsel. A number of local grocery stores stock foods common to both Asian and Hispanic cuisine.

Community Transformation From a Manufacturing Center, to an Administrative Center

The literature suggests that urban economies in the United States are being transformed from manufacturing centers to administrative centers as manufacturing becomes increasingly decentralized due to plant movement out of the cities to suburbia. The literature further proposes that proximity to these new administrative centers will create market niches for related service industries thereby providing business opportunities for ethnic and minority group members who continue to reside in the cities (Bates 1985a).

The findings on this proposition are mixed in East Boston. Data on the changing distribution of firms and employment in East Boston does support the notion that East Boston’s economy has undergone a transformation: as it lost many of its manufacturing establishments it concurrently experienced an
increase in the number of business related service firms. But a central question remains unanswered: who owns these new business service firms? Local East Boston business people? Members of a particular ethnic or minority group? These important questions cannot be addressed because the required data on business ownership is not available.

**East Boston as an Ethnic Enclave**

Although it is frequently called an ethnic or Italian enclave, East Boston does not meet all the qualifications for such a designation. According to Wilson and Martin an ethnic enclave is: "... a self-enclosed inner-city minority community" (1982: 135). East Boston is indeed an inner-city minority community, but it does not possess what Wilson and Martin identify as distinguishing features of an enclave: i) vertical and horizontal integration, and ii) primary labor market characteristics in secondary labor market jobs. The small size of the local economy, and the limited sectoral distribution of firms in East Boston do not permit for the possibility of vertical or horizontal integration. Data on incomes and unemployment in East Boston indicate that primary labor market characteristics of high wages and job security are not present in the secondary labor market of East Boston.

East Boston fits more closely with the conceptualization of an ethnic enclave as described by Bailey and Waldinger (1991). They maintain that vertical and horizontal integration are not possible within minority

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3 Between 1981 and 1991 manufacturing employment decreased by 46.8% in East Boston. The number of manufacturing firms fell by 14.6%. In contrast business related service employment grew by 81% and the number of firms in the sector grew by 74% (United States Department of Commerce, County Business Patterns 1981 and 1991).
communities, and instead propose that informal training systems are the major benefit derived from location in an ethnic enclave. As we shall see in the upcoming discussion on training opportunities in East Boston, the network hiring and informal training systems described by Bailey and Waldinger appear to exist to a certain degree within the Italian community of East Boston.

Role Models

Role models can play an important part in encouraging the formation and success of businesses. Role models provide inspiring examples of how energy and persistence pay off. They can also be sources of vocational information, personal advice, encouragement and emotional support. The Italian community of East Boston has the largest number of role models by virtue of being in East Boston the longest, and having had the opportunity to become entrenched in the local political, social and business community. The availability of Italian role models is increased by the fact that there are many high-profile ones throughout the city of Boston.

Hispanic and Vietnamese role models in East Boston are more limited in number and diversity, but they do exist. There are Hispanic business people and teachers in East Boston. Vietnamese role models are provided by the Vietnamese business people in East Boston and by Vietnamese teachers who number twenty-seven in the school system of Boston.

Values and Attitudes Towards Business

Based exclusively on descriptive information from my interviews, it would appear that the Hispanic community views small business enterprise as a worthwhile career option and that young people are encouraged to
pursue business opportunities. The advancement of education is not heavily stressed as a means of career advancement. An interviewee suggested that because the Hispanic community is in need of many business and personal services, community members feel it makes sense to encourage Hispanic individuals to go into business and try to meet these needs. In contrast, the Vietnamese seem to value educational attainment over business success and encourage community members to pursue educational opportunities.

A belief voiced in many interviews was that there is more empathy and understanding amongst small business owners of different cultural groups, than amongst any other groups of residents. It was further suggested that some of the commonalities amongst business owners and business interests, could be a domain ripe with potential for community building.

**Training Opportunities**

Due to their overwhelming majority in terms of population and business ownership, and their access to formal and informal networks and connections, members of the Italian community are at a distinct advantage for exploiting training opportunities. Hispanics and Vietnamese on the other hand, do not have traditional ties to the informal training networks and therefore have to rely on institution-based, training programs. Such programs tend to have waiting lists, or rigid entrance requirements and commonly do not procure access to jobs available through informal networks.

**Sources of Capital**

My interviews indicate that none of the groups feel comfortable with institutional debt, and at the same time none of these groups have alternative lending institutions such as rotating credit societies. There may
be some informal lending, and as one person said: "...there is a lot of money in mattresses in East Boston", but most individuals seeking capital in East Boston are facing the same credit crunch confronting all small business owners across the nation who are seeking business loans under $100,000.

**Group Reputation**

Outside of its boundaries, East Boston has a reputation as a proud, vocal community who will fight to defend its rights. East Boston is also known for having a cultural homogenous population, but it has not received the same type of reputation as Charlestown and South Boston for violent opposition to busing and school desegregation. It was suggested to me that to a certain degree the Italians of East Boston are perceived by some outsiders in a stereotypical manner regarding Italian connections to organized crime.

Within East Boston the Italians have a mixed reputation. Some see the Italians as very isolated and unfriendly to newcomers, others maintain that the Italians have not discriminated against non-Italians. The reputation of Hispanics depends upon whom you ask. One group of individuals conceives of the Hispanics as hardworking immigrants trying to fulfill the American dream; another group views them within negative stereotypes as lazy, dirty, noisy, welfare abusers.

Vietnamese have a more flattering reputation than Hispanics, for they are known as extremely hard working, determined and driven. But such an idealized reputation as a “model minority” can also be a burden because it sets very high expectations.

A number of interviewees indicated that the newspapers of East Boston have played a role in fostering some of the more negative, inflammatory images of newcomers to East Boston, by blaming them for
crime and making provocative statements such as suggesting that Maverick Square has become like Calcutta.

An important point that has already been brought up, but is worth repeating, is that the one faction of the East Boston community that appears to have a more accurate understanding of different cultural groups is the business community and they might serve as an ally in the struggle to overcome negative characterizations and reputations.

Sources of Clientele

Italian businesses have several advantages over other businesses in locating and retaining clientele: i) they have been in East Boston for the longest period of time and this has given them an opportunity to cultivate a loyal clientele, ii) they are the overwhelming majority in terms of number of inhabitants and businesses, and iii) Italians tend to frequent Italian owned businesses.

Hispanics on the other hand are limited in their client potential for two reasons: i) many provide services in Spanish and are therefore limiting their potential customer base, and ii) approximately 60-70% of East Boston’s population is Italian and as a group they tend to patronize Italian owned businesses.

The Vietnamese population is so small in East Boston that it cannot rely solely on its community members for a client base. Its source of clientele is further jeopardized by competition from Chinatown which offers a larger selection of goods and services in Boston’s downtown area.
Business Advice and Business Contacts

As was the case with role models and training opportunities, Italians have an advantage when it comes to soliciting business advice and business contacts because of their large numbers and long history in East Boston. Interviews reveal that it is common for members of the Italian community to turn to each other informally for advice and assistance in business related matters.

Hispanics and Vietnamese individuals face several problems in trying to locate and utilize business advice and contacts. There is a limited number of individuals in their communities who can furnish such assistance and so there may be competition between fellow community members for these scarce resources. This in turn increases the risk of exhausting the few individuals who are able to assist with business advice and contacts. It was suggested that Hispanic and Vietnamese business owners could benefit greatly from professional business advice, especially if supplied in their native language. Such professional advice would create a business opportunity for the individual who provided the assistance, and at the same time procure a much needed service to the local community.

There are several organizations in East Boston that do provide different forms of business advice and encourage networking. These organizations include: the East Boston Chamber of Commerce, Neighborhood of Affordable Housing (NOAH), the East Boston Community Development Corporation, and the Colombian Business Association of East Boston.

Pre-Capitalist Background

My interviews consistently indicated that it is a rarity for the Italians, Hispanics or Vietnamese of East Boston to have a pre-capitalist background.
Unpaid Family Labor

According to my interview findings, unpaid family labor plays a vital role in the businesses of Italians, Hispanics and Vietnamese of East Boston. The reasons suggested for its importance were: i) it gives family business a competitive advantage over non-family businesses, ii) family businesses are common in East Boston, and iii) large families are numerous in East Boston. These reasons appeal to common sense, but the census data indicates the average family size in East Boston is 2.51, and this is twenty-five percent lower than the average family size in the city of Boston, thereby raising questions about the validity of the assumption that family size is a factor in the prevalence of unpaid family labor.

Special Consumer Demands

All three groups have a variety of special consumer demands related to their cultural backgrounds. These demands involve food and entertainment requirements. For the Hispanic and Vietnamese communities additional demands are created by a language barrier. Many community members need different types of services (such as legal counsel, tax advice, real estate brokers, interpreters etc.) in their native language. In addition, there is a very long waiting list for English as a second language classes and it was suggested that English language schools, with flexible hours for those with full-time work, would fill an unmet need in East Boston.

Barriers

There are different categories of barriers facing business enterprise in East Boston. There are barriers that stem from macro-economic trends rather than group status. These include the deterioration of mainstreet
business areas due to business flight to suburban malls and industrial parks, as well as a lack of capital available for small and medium business needs. In terms of group specific barriers both Hispanic and Vietnamese business owners must contend with: i) a lack of information about systems and institutions, both private and public, ii) a lack of language skills and business related services in their native language, iii) a lack of access to informal training opportunities, business advice and contact, and iv) discrimination.

Education

The level of educational attainment for all East Boston residents, regardless of ethnic background is low compared to other areas inside and outside of the city of Boston. This conclusion is supported by demographic data and interview results. In addition, the interviews indicate that there is no sub-set within any of the communities that is noticeably more or less educated. Although, it was stated that amongst Asian refugees, the Vietnamese are the most highly educated.

Definition of Success

The literature suggested that Hispanics define business success in financial and non-financial terms. My interviews confirmed this notion and indicated that Hispanic business owners conceptualize success as having power, as being well known and respected, as being popular in the community and being able to help other community members. It is interesting to note that a very similar definition of success was used by an Italian community member to characterize the Italian version of success.
I mentioned at the end of chapter one that an examination of race would not be included in this framework because of the complexities involved. However, I am providing a list of some of the legal remedies for racism that an economic development practitioner might turn to when working in East Boston. These laws include:

i) Mayoral Executive Order of June 28, 1978, entitled “Encouraging Minority Business Enterprise”. It is designed to ensure the participation of Minority Business Enterprises in the city of Boston’s contracting process.

ii) Municipal Law, Chapter 30, Ordinances 1983, entitled “The Boston Residents Jobs Policy”. It requires that twenty-five percent of total employee man-hours on any construction project funded in whole, or in part by the city of Boston, be provided by minorities.

iii) Massachusetts Executive Order 237, issued March 19, 1984, entitled “Minority Business Development”. Provides that each executive office, agency, department, board and commission must award at least ten percent of the total value of construction projects, and five percent of total value of contracts for supplies and services, to Minority Business Enterprises.

iv) Regulations of the United States Department of Housing and Urban Development. They provide for minority job participation in UDAG (Urban Development Action Grants) projects, including participation as equity investors, owners and rehabilitators of property, vendors and suppliers of goods and services (Rivera-Torres 1994).

In this chapter I have examined the following cultural variables that affect economic development strategies in East Boston: class, family, community and economic activity. I selected and applied these four, of my eight variables, as most relevant to East Boston, based on my case studies of
Italians, Puerto Ricans and Vietnamese in the area. I discovered that the residents of East Boston are members of the working class, with limited economic power and social status due to this class position. I found that family solidarity is common to all three cultural groups, and may play an important role in economic development. I learned that there are many forces dividing the East Boston community, but at the same time there commonalities, such as a shared immigrant heritage, that may help to bring it together. I observed that informal networks and connections play an important role in the economic success of different groups in East Boston.

In the next chapter I attempt to integrate the results of the two economic analysis I have completed (the traditional socio-economic and the cultural framework) and make recommendations.
CHAPTER FOUR
CONCLUSIONS

“If the remarks on the tape left anyone with the impression that I was disrespectful to either Governor Cuomo or Italian-Americans, then I deeply regret it.”

Then governor of Arkansas, now President of the United States Bill Clinton

In this thesis I analyzed commonly accepted assumptions about cultural groups and their economic activity. I developed a framework as a way of integrating culture into the economic development process. I used the neighborhood of East Boston, in the city of Boston, Massachusetts as a case study. In this chapter I will present the nine most useful pieces of information highlighted by the framework, and demonstrate how they are salient to the integration of culture and economic development in East Boston. In closing I will discuss the themes of this framework and how they challenge cultural stereotypes in East Boston.

The nine factors which I found to be the most important, and incisive for integrating culture and economic development in East Boston are: 1) community development, 2) community configurations, 3) the airport, 4) commonalities and shared history, 5) the role of language, 6) the business community, 7) informal and formal connections, 8) defensiveness, 9) class.

1. Community Development.

A key to economic development in East Boston is community development. East Boston is characterized by rancor, distrust and conflict between different cultural groups. As part of an economic development
strategy for East Boston, planners have to confront this reality in order to create an environment conducive to economic activity. Within this context the first step in community development is getting the residents to move beyond labels and stereotypes. Possible arenas for such initiatives could be youth-orientated projects aimed at teaching conflict resolution skills, or church based initiatives revolving around common religious celebrations.

2. “Community” Configurations

An economic development practitioner must understand that there are many different communities in East Boston with overlapping memberships and boundaries. Some of the communities residing in East Boston include:

i) the Italian community whose membership often extends outside East Boston into the North End and beyond;

ii) the Hispanic community which has many ties to Chelsea, and within which there are many sub-groups defined by nationality;

iii) the Vietnamese community which has connections to Chinatown, and other refugee communities;

iv) the business community which often crosses cultural groups;

v) the religious community which also traverses cultures, especially the Roman Catholic community which has members in all three cultural groups of interest.

To get an idea of community structures one can examine: self-identification, political and social events, shared history, language, behaviors, institutions, goals/aspirations, common interests.

An example of an economic development initiative where community boundaries would be important in East Boston is a marketing initiative. If the market strategy was for the restaurants of East Boston, this would
involve crossing different community boundaries because the owners are Italian and Hispanic and the potential clients include members of these specific cultural groups in East Boston, Chelsea and the North End, and individuals outside of these groups. In contrast, the ownership patterns in the car repair business are very different, they are owned almost exclusively by Italians and outsiders, so marketing efforts would not be as concerned about cultural group membership of business owners and clients.

3. The Airport

The airport could be important to community economic development, even if it currently serves to divide the community between old and new residents. I suggest that an outreach effort aimed at recently-arrived residents of East Boston, spearheaded by the older residents, could be an effective means of community development. The older residents could be convinced to partake in such an effort because it would decrease their work in relation to this conflict, and the more people that participate, the greater the political clout for East Boston. Such an effort might include: one-on-one cross-cultural outreach whereby an older individual shares their history in the airport struggle with newly arrived East Boston residents, an airport newsletter in multiple languages and speakers in local schools to educate youth about the issue and seek volunteers.

4. Commonalities and Shared History

Highlighting the immigrant heritage common to all cultural groups is a method for cultivating cross cultural understanding in East Boston. Events and symbols related to this heritage could be used as a basis for such an initiative. A Museum of Immigration located in East Boston would provide
an avenue for economic development by providing jobs and attracting tourists, and would serve to educate the community about their shared immigration history. Another possibility would be an essay contest based on questions such as: “What East Boston Means to Me” or “The Hardest Thing About Coming to America”. Winning entries could be selected from each ethnic community and printed in the local newspapers.

5. The Role of Language

Language plays an important role in the existence of East Boston residents. For many individuals language determines group membership. The Hispanic community draws together people from many different Latin American and Caribbean nations (Colombia, Puerto Rico, El Salvador, Cuba and Mexico to name a few) based on common language.

Language can be an asset in economic activity in East Boston. Language skills open up market niches and create business opportunities. Being fluent in their native language permits Hispanics and Vietnamese business owners to cater to the particular needs of their community, as is the case with Spanish speaking real estate agents in East Boston. Though it is important to remember, that if the Hispanic and Vietnamese communities chose to cater only to the needs of their community, they will be seriously limiting their market potential because of their minority position in East Boston. At the same time, a lack of English language skills limits the types of business resources and economic enterprises open to members of different groups, therefore planners should consider developing means of developing soft skills, such as English as a second language, and work related training.
6. The Business Community

The business community of East Boston has the means, motive and opportunity to build links across different cultural communities and at the same time encourage economic growth.

One way of fostering cooperation and contact amongst businesspersons from different communities is cross-cultural mentoring, whereby an established businessperson in East Boston agrees to mentor a businessperson from another cultural community and provide advice, support and access to networks and connections. A number of organizations in East Boston could undertake such an initiative: the East Boston Community Development Corporation, NOAH, the Chamber of Commerce and the Colombian Business Association.

7. Informal and Formal Connections

A serious disadvantage facing the Hispanic and Vietnamese communities is a lack of formal and informal connections in the business, social and political networks of East Boston. This is largely due to their: short period of residence in East Boston, minority position in terms of percentage of the population, lack of education and language skills and lower class position.

An economic development practitioner needs to cultivate connections and networks with Hispanic and Vietnamese businesspersons in: a) other communities of the same culture in Boston and Massachusetts, b) other cultural communities in East Boston, and c) private and public institutions. Some potential means for accomplishing this are: business enterprise and entrepreneurial workshops furnished in different languages, group marketing campaigns, and small business newsletters in different languages. A number
of foundations in the Boston area are doing work on economic development in minority communities and their resources might be tapped in order to provide support and coordination for such efforts.

8. Defensiveness

Inherent to economic development work in East Boston, is confronting defensiveness. Each economic development planner has their own personal style and thus it is not appropriate to make specific recommendations about how to deal with defensiveness, although an effective general strategy is to ensure that there is community participation in every stage of the economic development process. This means seeking input and feedback from community members through the planning and implementation of the economic development plan.

9. Class

East Boston is essentially a working class neighborhood. This class position provides a number of resources for economic development, foremost among them are group solidarity and self-reliance. In addition, a common working class status and the problems and issues common to all members of this class, could help to unite community members. Among the shared issues affecting all three cultural groups along class lines are environmental problems such as brownfields, lack of open space, inadequate childcare, access to quality education, and availability of business services. An economic development practitioner could work together with all groups to find solutions to these common class related problems.
In this thesis I have used the themes of the framework to challenge stereotypes in East Boston. I have shown that cultural groups in East Boston are not homogenous, and differ along many lines including their length of time in the United States, language skills, education and region of origin.

I have demonstrated that the social class of a group or individual is often the explanatory variable for their behaviors, beliefs, and motivations, rather than their cultural affiliation. This was confirmed in East Boston where many of the characteristics that define the population are resultant from class, rather than cultural membership. Low levels of education, lower status occupations and lack of wealth are all attributes that originate in larger part from class membership rather than group status, and can be identified across cultural groups in East Boston.

I have proposed that a variety of forces determine the assimilation rate of cultural characteristics, and the rate of assimilation is different for every characteristic. Although I did not specifically examine assimilation in East Boston, I did find that examples of this proposition in the literature. For example, it was often stated that parent/child relationships were changing in America in Italian, Puerto Rican and Vietnamese families, that children were no longer expected to give their parents their earnings, and that children now had more power in these relationships by virtue of superior language skills. But, the credibility of this information was diminished because it was presented in an almost anecdotal fashion, without any supporting evidence.

Finally, I confirmed that the success or failure of different immigrant groups is due in large part to the immigrant experience in itself and not some innate cultural characteristics. I outlined many examples of how the difficulties of the immigration process forced cultural groups in East Boston to locate or create the means for economic survival. These means took many
forms and included creating new opportunity structures and re-enforcing or
discarding group characteristics. Some examples in East Boston are:
defensiveness and group solidarity, mutual assistance organizations,
informal networks and connections, and the transformation of rights and
responsibility of family members.

I envision the framework outlined in this thesis as a dynamic tool that
must continually evolve to reflect advances in our understanding of both
culture and economic development. The framework is not intended to offer
the “right” answers, rather its purpose is to illuminate overlooked
information about culture, that is relevant to economic development. The use
of the framework will be determined by the particular characteristics of the
community under consideration. In my case, I plan to take the lessons I have
learned from this experience and use them to analyze the relationship of
culture and economic development in the Atlantic Provinces of Canada. This
region’s cultural composition is unique in that it has three distinct minority
groups: Native Indians, Acadians and Blacks, and the dominant culture is
distinct from the that of other parts of Canada, due largely I believe, to its
long history of chronic economic problems.
BIBLIOGRAPHY

LOCAL ECONOMIC DEVELOPMENT


ECONOMIC AND SOCIAL ACTIVITY OF CULTURAL GROUPS


EAST BOSTON


133
APPENDIX I - Tables
## TABLE 2

COMPARISON OF 1990 DEMOGRAPHIC DATA: EAST BOSTON, THE CITY OF BOSTON, MASSACHUSETTS AND THE UNITED STATES

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>East Boston</th>
<th>Boston</th>
<th>Massachusetts</th>
<th>United States</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Population</strong></td>
<td>32,941</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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<td>Under 5</td>
<td>2,351</td>
<td>35,772</td>
<td>410,674</td>
<td>18,264,096</td>
</tr>
<tr>
<td>6 to 9</td>
<td>1,802</td>
<td>29,542</td>
<td>378,521</td>
<td>18,126,901</td>
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<td>10 to 14</td>
<td>1,502</td>
<td>27,380</td>
<td>348,379</td>
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<td>1,885</td>
<td>40,716</td>
<td>408,589</td>
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<td>3,188</td>
<td>75,165</td>
<td>508,039</td>
<td>18,645,387</td>
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<td>25.7%</td>
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<td>15.9%</td>
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<td>13.6%</td>
<td>12.5%</td>
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<td><strong>Education</strong></td>
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<td>Bachelor's degree</td>
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<td>24.3%</td>
<td>20.0%</td>
<td>24.8%</td>
</tr>
<tr>
<td><strong>% Graduated High School</strong></td>
<td>34.9%</td>
<td>26.6%</td>
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<tr>
<td><strong>% With degree</strong></td>
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<td><strong>Income in 1989</strong></td>
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<tr>
<td>Median household income (dollars)</td>
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<td>29,180</td>
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<td>Median family income (dollars)</td>
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<td>Persons Below poverty level</td>
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<tr>
<td><strong>Employment</strong></td>
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</tr>
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<td>6.7%</td>
<td>6.3%</td>
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<td><strong>Family Composition</strong></td>
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<tr>
<td><strong>Race</strong></td>
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<tr>
<td>% Asian American</td>
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<td>5.3%</td>
<td>2.3%</td>
<td>2.8%</td>
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</tbody>
</table>

Source: Compiled and tabulated by Maria Medioli from the United States Bureau of the Census, 1980 and 1990 Census of Population and Housing.
<table>
<thead>
<tr>
<th>TABLE 3</th>
<th>COMPARISON OF 1980 AND 1990 DEMOGRAPHIC DATA FOR EAST BOSTON</th>
</tr>
</thead>
<tbody>
<tr>
<td>YEAR</td>
<td>1980</td>
</tr>
<tr>
<td>Total Population</td>
<td>32,178</td>
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<td>Age</td>
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<td>1,641</td>
</tr>
<tr>
<td>6 to 9</td>
<td>1,739</td>
</tr>
<tr>
<td>10 to 14</td>
<td>2,199</td>
</tr>
<tr>
<td>15 to 19</td>
<td>2,703</td>
</tr>
<tr>
<td>20 to 24</td>
<td>3,085</td>
</tr>
<tr>
<td>25 to 34</td>
<td>4,643</td>
</tr>
<tr>
<td>35 to 44</td>
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<td>45 to 54</td>
<td>3,628</td>
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<td>55 to 64</td>
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<td>65 to 74</td>
<td>3,176</td>
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<td>75 and over</td>
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<tr>
<td>% Over 65</td>
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<td>Education</td>
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<td>Persons 25 Years and over</td>
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<tr>
<td>Graduated High School</td>
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<tr>
<td>4 or More Years of College</td>
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</tr>
<tr>
<td>% Did not graduate High School</td>
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<tr>
<td>% Graduated High School</td>
<td>43.6%</td>
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<tr>
<td>% 4 or More Years of College</td>
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</tr>
<tr>
<td>Income</td>
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</tr>
<tr>
<td>Median household income (real dollars)</td>
<td>15,577 - 6,006</td>
</tr>
<tr>
<td>Median family income (real dollars)</td>
<td>19,159 - 8,261</td>
</tr>
<tr>
<td>Per capita income (real dollars)</td>
<td>5,475</td>
</tr>
<tr>
<td>Median household income (1989 dollars)</td>
<td>19,315 - 7,447</td>
</tr>
<tr>
<td>Median family income (1989 dollars)</td>
<td>23,757 - 10,244</td>
</tr>
<tr>
<td>Per capita income (1989 dollars)</td>
<td>6,789</td>
</tr>
<tr>
<td>Poverty</td>
<td></td>
</tr>
<tr>
<td>Persons for whom poverty status is determined</td>
<td>5,308</td>
</tr>
<tr>
<td>% Below poverty level</td>
<td>1,004</td>
</tr>
<tr>
<td>% Below poverty level</td>
<td>18.9%</td>
</tr>
<tr>
<td>Employment</td>
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</tr>
<tr>
<td>Civilian labor force</td>
<td>14,577</td>
</tr>
<tr>
<td>Employed</td>
<td>13,477</td>
</tr>
<tr>
<td>Unemployed</td>
<td>1,070</td>
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<tr>
<td>% Unemployed</td>
<td>7.4%</td>
</tr>
<tr>
<td>Family Composition</td>
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<tr>
<td>All Families</td>
<td>8,457</td>
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<tr>
<td>Female Householder Families</td>
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<td>% Female Householder Families</td>
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<td>98.1%</td>
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<tr>
<td>% Black</td>
<td>0.4%</td>
</tr>
<tr>
<td>% Hispanic</td>
<td>2.9%</td>
</tr>
<tr>
<td>% Asian American</td>
<td>0.4%</td>
</tr>
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</table>

Source: Compiled and tabulated by Maria Medioli from the United States Bureau of the Census, 1980 and 1990 Census of Population and Housing.
### TABLE 4
EMPLOYMENT BY SECTOR, RESIDENTS OF EAST BOSTON, COMPARED TO RESIDENTS OF THE CITY OF BOSTON: 1980-1990

<table>
<thead>
<tr>
<th>Sector</th>
<th>Employment Number</th>
<th>Sector Employment as % of Area Total* Quotient</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Boston</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>36,521</td>
<td>28,602</td>
</tr>
<tr>
<td>Wholesale and Retail Trade</td>
<td>43,137</td>
<td>47,882</td>
</tr>
<tr>
<td>Professional and related services</td>
<td>80,913</td>
<td>100,203</td>
</tr>
<tr>
<td><strong>Total Area Employment</strong></td>
<td>256,647</td>
<td>288,704</td>
</tr>
<tr>
<td><strong>East Boston</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2,757</td>
<td>1,949</td>
</tr>
<tr>
<td>Wholesale and Retail Trade</td>
<td>2,600</td>
<td>3,239</td>
</tr>
<tr>
<td>Professional and related services</td>
<td>2,171</td>
<td>2,587</td>
</tr>
<tr>
<td><strong>Total Area Employment</strong></td>
<td>13,477</td>
<td>14,814</td>
</tr>
</tbody>
</table>

Source: Compiled and Tabulated by Maria Medioli from the United States Bureau of the Census, 1980 a 1990 Census of Population and Housing

* Percentages do not add up to one-hundred because data for all sectors was not available.

### TABLE 5
EMPLOYMENT BY SECTOR, RESIDENTS OF EAST BOSTON, COMPARED TO RESIDENTS OF MASSACHUSETTS: 1980-1990

<table>
<thead>
<tr>
<th>Sector</th>
<th>Employment Number</th>
<th>Sector Employment as % of Area Total* Quotient</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Massachusetts</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>694,192</td>
<td>547,924</td>
</tr>
<tr>
<td>Wholesale and Retail Trade</td>
<td>509,423</td>
<td>615,606</td>
</tr>
<tr>
<td>Professional and related services</td>
<td>662,234</td>
<td>848,922</td>
</tr>
<tr>
<td><strong>Total Area Employment</strong></td>
<td>2,674,275</td>
<td>3,027,950</td>
</tr>
<tr>
<td><strong>East Boston</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2,757</td>
<td>1,949</td>
</tr>
<tr>
<td>Wholesale and Retail Trade</td>
<td>2,600</td>
<td>3,239</td>
</tr>
<tr>
<td>Professional and related services</td>
<td>2,171</td>
<td>2,587</td>
</tr>
<tr>
<td><strong>Total Area Employment</strong></td>
<td>13,477</td>
<td>14,814</td>
</tr>
</tbody>
</table>

Source: Compiled and Tabulated by Maria Medioli from the United States Bureau of the Census, 1980 a 1990 Census of Population and Housing

* Percentages do not add up to one-hundred because data for all sectors was not available.

### TABLE 6
EMPLOYMENT BY SECTOR, RESIDENTS OF EAST BOSTON, COMPARED TO RESIDENTS OF THE UNITED STATES: 1980-1990

<table>
<thead>
<tr>
<th>Sector</th>
<th>Employment Number</th>
<th>Sector Employment as % of Area Total* Quotient</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>United States</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>21,914,754</td>
<td>20,462,078</td>
</tr>
<tr>
<td>Wholesale and Retail Trade</td>
<td>19,933,926</td>
<td>24,556,692</td>
</tr>
<tr>
<td>Professional and related services</td>
<td>19,811,819</td>
<td>28,998,247</td>
</tr>
<tr>
<td><strong>Total Area Employment</strong></td>
<td>97,639,355</td>
<td>115,518,202</td>
</tr>
<tr>
<td><strong>East Boston</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2,757</td>
<td>1,949</td>
</tr>
<tr>
<td>Wholesale and Retail Trade</td>
<td>2,600</td>
<td>3,239</td>
</tr>
<tr>
<td>Professional and related services</td>
<td>2,171</td>
<td>2,587</td>
</tr>
<tr>
<td><strong>Total Area Employment</strong></td>
<td>13,477</td>
<td>14,814</td>
</tr>
</tbody>
</table>

Source: Compiled and Tabulated by Maria Medioli from the United States Bureau of the Census, 1980 a 1990 Census of Population and Housing

* Percentages do not add up to one-hundred because data for all sectors was not available.
### Table 7

#### EMPLOYMENT BY SECTOR, LOCATED IN EAST BOSTON, COMPARED TO EMPLOYMENT BY SECTOR, LOCATED IN MASSACHUSETTS: 1981-1991

<table>
<thead>
<tr>
<th>Sector</th>
<th>Employment Number</th>
<th>Sector Employment as % of Area Total*</th>
<th>Location Quotient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Massachusetts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>92,265 84,243</td>
<td>3.97% 3.22%</td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>683,759 501,942</td>
<td>29.42% 19.19%</td>
<td></td>
</tr>
<tr>
<td>Transport &amp; Communication</td>
<td>112,675 129,414</td>
<td>4.85% 4.95%</td>
<td></td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>136,788 159,926</td>
<td>5.89% 6.12%</td>
<td></td>
</tr>
<tr>
<td>Retail Trade</td>
<td>444,010 510,890</td>
<td>19.10% 19.54%</td>
<td></td>
</tr>
<tr>
<td>Finance, Insurance etc.</td>
<td>167,437 224,222</td>
<td>7.20% 8.57%</td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>665,809 989,010</td>
<td>28.65% 37.82%</td>
<td></td>
</tr>
<tr>
<td>Total Employees in Area</td>
<td>2,324,185 2,615,073</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| East Boston                         | 344 352 | 1.52% 1.84% | 0.38 0.57 |
| Construction                        | 2,791 1,485 | 12.33% 7.77% | 0.42 0.40 |
| Manufacturing                       | 12,053 8,164 | 53.23% 42.72% | 10.98 8.63 |
| Wholesale Trade                     | 436 285 | 1.93% 1.49% | 0.33 0.24 |
| Retail Trade                        | 2,766 2,705 | 12.21% 14.16% | 0.64 0.72 |
| Finance, Insurance etc.             | 186 347 | 0.82% 1.82% | 0.11 0.21 |
| Services                            | 4,020 5,727 | 17.75% 29.97% | 0.62 0.79 |
| Total Employees in Area             | 22,645 19,109 |                                         |                   |


* Percentages do not add up to one-hundred because the Mining and Agriculture sectors were not included.

### Table 8

#### EMPLOYMENT BY SECTOR, LOCATED IN EAST BOSTON, COMPARED TO EMPLOYMENT BY SECTOR, LOCATED IN THE UNITED STATES: 1981-1991

<table>
<thead>
<tr>
<th>Sector</th>
<th>Employment Number</th>
<th>Sector Employment as % of Area Total*</th>
<th>Location Quotient</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>4,286,069 4,671,221</td>
<td>5.73% 5.06%</td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>20,428,330 18,383,368</td>
<td>27.29% 19.92%</td>
<td></td>
</tr>
<tr>
<td>Transport &amp; Communication</td>
<td>4,613,030 5,584,484</td>
<td>6.16% 6.05%</td>
<td></td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>5,260,928 6,218,875</td>
<td>7.03% 6.74%</td>
<td></td>
</tr>
<tr>
<td>Retail Trade</td>
<td>15,039,998 19,600,024</td>
<td>20.09% 21.23%</td>
<td></td>
</tr>
<tr>
<td>Finance, Insurance etc.</td>
<td>5,409,780 6,860,177</td>
<td>7.23% 7.43%</td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>17,814,081 29,575,248</td>
<td>23.80% 32.04%</td>
<td></td>
</tr>
<tr>
<td>Total Employees in Area</td>
<td>74,850,402 92,301,543</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| East Boston                         | 344 352 | 1.52% 1.84% | 0.27 0.36 |
| Construction                        | 2,791 1,485 | 12.33% 7.77% | 0.45 0.39 |
| Manufacturing                       | 12,053 8,164 | 53.23% 42.72% | 8.64 7.06 |
| Wholesale Trade                     | 436 285 | 1.93% 1.49% | 0.27 0.22 |
| Retail Trade                        | 2,766 2,705 | 12.21% 14.16% | 0.61 0.67 |
| Finance, Insurance etc.             | 186 347 | 0.82% 1.82% | 0.11 0.24 |
| Services                            | 4,020 5,727 | 17.75% 29.97% | 0.75 0.94 |
| Total Employees in Area             | 22,645 19,109 |                                         |                   |


* Percentages do not add up to one-hundred because the Mining and Agriculture sectors were not included.
TABLE 9
SHIFT SHARE ANALYSIS OF EAST BOSTON EMPLOYMENT 1981-1991

<table>
<thead>
<tr>
<th>Sector</th>
<th>Employment Number</th>
<th>Changes Number</th>
<th>National Economy Impact</th>
<th>Shift in Industrial Mix</th>
<th>Regional Growth Differential</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>United States</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>4,286,069</td>
<td>4,671,221</td>
<td>385,152</td>
<td>8.99%</td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>20,428,330</td>
<td>18,383,368</td>
<td>-2,044,962</td>
<td>-10.01%</td>
<td></td>
</tr>
<tr>
<td>Transport &amp; Communication</td>
<td>4,513,030</td>
<td>5,584,484</td>
<td>971,454</td>
<td>21.06%</td>
<td></td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>5,260,928</td>
<td>6,218,875</td>
<td>957,947</td>
<td>18.21%</td>
<td></td>
</tr>
<tr>
<td>Retail Trade</td>
<td>15,038,998</td>
<td>19,600,024</td>
<td>4,560,026</td>
<td>30.32%</td>
<td></td>
</tr>
<tr>
<td>Finance, Insurance etc.</td>
<td>5,400,780</td>
<td>6,860,177</td>
<td>1,459,397</td>
<td>26.81%</td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>17,814,081</td>
<td>29,575,248</td>
<td>11,761,167</td>
<td>66.02%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>74,850,402</td>
<td>92,301,543</td>
<td>17,451,141</td>
<td>23.31%</td>
<td></td>
</tr>
<tr>
<td><strong>East Boston</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>344</td>
<td>352</td>
<td>8</td>
<td>2.33%</td>
<td>-49.29</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2,791</td>
<td>1,485</td>
<td>-1,306</td>
<td>-46.79%</td>
<td>-3,441.71</td>
</tr>
<tr>
<td>Transport &amp; Communication</td>
<td>12,053</td>
<td>8,164</td>
<td>-3,889</td>
<td>-32.27%</td>
<td>-14,863.12</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>436</td>
<td>285</td>
<td>-151</td>
<td>-34.63%</td>
<td>-537.65</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>2,706</td>
<td>2,705</td>
<td>-151</td>
<td>-2.21%</td>
<td>-3,410.88</td>
</tr>
<tr>
<td>Finance, Insurance etc.</td>
<td>186</td>
<td>347</td>
<td>161</td>
<td>86.56%</td>
<td>229.37</td>
</tr>
<tr>
<td>Services</td>
<td>4,020</td>
<td>5,727</td>
<td>1,707</td>
<td>42.46%</td>
<td>4,957.25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>22,645</td>
<td>19,109</td>
<td>-3,536</td>
<td>-15.61%</td>
<td>-7,168.22</td>
</tr>
</tbody>
</table>

### TABLE 10
BUSINESS ESTABLISHMENTS BY SECTOR, LOCATED IN EAST BOSTON, COMPARED TO BUSINESS ESTABLISHMENTS BY SECTOR, LOCATED IN MASSACHUSETTS: 1981-1991

<table>
<thead>
<tr>
<th>Sector</th>
<th>Establishment Number</th>
<th>1981</th>
<th>1991</th>
<th>as % of Area Total*</th>
<th>Location Quotient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Massachusetts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>10,246</td>
<td>14,341</td>
<td>8.62%</td>
<td>9.32%</td>
<td>0.73</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>10,089</td>
<td>10,216</td>
<td>8.49%</td>
<td>6.64%</td>
<td>1.04</td>
</tr>
<tr>
<td>Transport &amp; Communication</td>
<td>4,221</td>
<td>5,383</td>
<td>3.55%</td>
<td>3.50%</td>
<td>1.05</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>9,201</td>
<td>10,865</td>
<td>7.74%</td>
<td>7.06%</td>
<td>1.14</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>32,545</td>
<td>39,249</td>
<td>27.38%</td>
<td>25.50%</td>
<td>1.17</td>
</tr>
<tr>
<td>Finance, Insurance etc.</td>
<td>9,029</td>
<td>12,614</td>
<td>7.60%</td>
<td>8.19%</td>
<td>1.09</td>
</tr>
<tr>
<td>Services</td>
<td>36,950</td>
<td>55,733</td>
<td>31.09%</td>
<td>36.20%</td>
<td>1.09</td>
</tr>
<tr>
<td>Total Employees in Area</td>
<td>118,845</td>
<td>153,939</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| East Boston                  |                      |      |      |                     |                  |
|------------------------------|                      |      |      |                     |                  |
| Construction                 | 31                   | 48    | 6.26% | 6.86%               | 0.73             |
| Manufacturing                | 48                   | 41    | 9.70% | 5.86%               | 1.41             |
| Transport & Communication    | 102                  | 142   | 20.61%| 20.29%              | 1.32             |
| Wholesale Trade              | 26                   | 25    | 5.25% | 3.57%               | 0.75             |
| Retail Trade                 | 134                  | 195   | 27.07%| 27.86%              | 1.05             |
| Finance, Insurance etc.      | 22                   | 33    | 4.44% | 4.71%               | 0.69             |
| Services                     | 120                  | 202   | 24.24%| 28.86%              | 0.80             |
| Total Employees in Area      | 495                  | 700   |


* Percentages do not add up to one-hundred because the Mining and Agriculture sectors were not included.

### TABLE 11
BUSINESS ESTABLISHMENTS BY SECTOR, LOCATED IN EAST BOSTON, COMPARED TO BUSINESS ESTABLISHMENTS BY SECTOR, LOCATED IN THE UNITED STATES: 1981-1991

<table>
<thead>
<tr>
<th>Sector</th>
<th>Establishment Number</th>
<th>1981</th>
<th>1991</th>
<th>as % of Area Total*</th>
<th>Location Quotient</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>400,077</td>
<td>577,792</td>
<td>8.72%</td>
<td>9.32%</td>
<td>0.74</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>321,290</td>
<td>373,999</td>
<td>7.01%</td>
<td>6.03%</td>
<td>1.05</td>
</tr>
<tr>
<td>Transport &amp; Communication</td>
<td>171,614</td>
<td>244,855</td>
<td>3.74%</td>
<td>3.95%</td>
<td>1.07</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>390,160</td>
<td>478,456</td>
<td>8.51%</td>
<td>7.72%</td>
<td>1.09</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>1,238,250</td>
<td>1,547,316</td>
<td>27.00%</td>
<td>24.95%</td>
<td>1.09</td>
</tr>
<tr>
<td>Finance, Insurance etc.</td>
<td>417,828</td>
<td>577,140</td>
<td>9.11%</td>
<td>9.31%</td>
<td>1.05</td>
</tr>
<tr>
<td>Services</td>
<td>1,333,297</td>
<td>2,141,727</td>
<td>29.07%</td>
<td>34.54%</td>
<td>1.09</td>
</tr>
<tr>
<td>Total Employees in Area</td>
<td>4,586,510</td>
<td>6,200,650</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| East Boston                  |                      |      |      |                     |                  |
|------------------------------|                      |      |      |                     |                  |
| Construction                 | 31                   | 48    | 6.26% | 6.86%               | 0.73             |
| Manufacturing                | 48                   | 41    | 9.70% | 5.86%               | 1.38             |
| Transport & Communication    | 102                  | 142   | 20.61%| 20.29%              | 1.32             |
| Wholesale Trade              | 26                   | 25    | 5.25% | 3.57%               | 0.77             |
| Retail Trade                 | 134                  | 195   | 27.07%| 27.86%              | 1.00             |
| Finance, Insurance etc.      | 22                   | 33    | 4.44% | 4.71%               | 0.49             |
| Services                     | 120                  | 202   | 24.24%| 28.86%              | 0.83             |
| Total Employees in Area      | 495                  | 700   |


* Percentages do not add up to one-hundred because the Mining and Agriculture sectors were not included.
<table>
<thead>
<tr>
<th>RACE</th>
<th>Number</th>
<th>% of Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Non-Hispanic</td>
<td>24,977</td>
<td>75.8%</td>
</tr>
<tr>
<td>Black Non-Hispanic</td>
<td>702</td>
<td>2.1%</td>
</tr>
<tr>
<td>Asian</td>
<td>1,302</td>
<td>4.0%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>5,802</td>
<td>17.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NATIONAL ORIGIN</th>
<th>Number</th>
<th>% of Total Asian Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>1,302</td>
<td>30.9%</td>
</tr>
<tr>
<td>Chinese</td>
<td>422</td>
<td>30.9%</td>
</tr>
<tr>
<td>Filipino</td>
<td>29</td>
<td>2.2%</td>
</tr>
<tr>
<td>Japanese</td>
<td>11</td>
<td>0.8%</td>
</tr>
<tr>
<td>Asian Indian</td>
<td>54</td>
<td>4.9%</td>
</tr>
<tr>
<td>Korean</td>
<td>13</td>
<td>1.0%</td>
</tr>
<tr>
<td>Vietnamese</td>
<td>499</td>
<td>38.3%</td>
</tr>
<tr>
<td>Cambodian</td>
<td>240</td>
<td>18.4%</td>
</tr>
<tr>
<td>Hmong</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Laotian</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Thai</td>
<td>12</td>
<td>0.9%</td>
</tr>
<tr>
<td>Other Asian</td>
<td>33</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ANCESTRY</th>
<th>Number</th>
<th>% of Total Ancestries Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total ancestries reported*</td>
<td>34,894</td>
<td>0.4%</td>
</tr>
<tr>
<td>Arab</td>
<td>138</td>
<td>0.4%</td>
</tr>
<tr>
<td>Austrian</td>
<td>35</td>
<td>0.1%</td>
</tr>
<tr>
<td>Belgian</td>
<td>19</td>
<td>0.1%</td>
</tr>
<tr>
<td>Canadian</td>
<td>249</td>
<td>0.7%</td>
</tr>
<tr>
<td>Czech</td>
<td>18</td>
<td>0.1%</td>
</tr>
<tr>
<td>Danish</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Dutch</td>
<td>77</td>
<td>0.2%</td>
</tr>
<tr>
<td>English</td>
<td>1,425</td>
<td>4.1%</td>
</tr>
<tr>
<td>Finnish</td>
<td>43</td>
<td>0.1%</td>
</tr>
<tr>
<td>French (except Basque)</td>
<td>954</td>
<td>2.7%</td>
</tr>
<tr>
<td>French Canadian</td>
<td>546</td>
<td>1.6%</td>
</tr>
<tr>
<td>German</td>
<td>901</td>
<td>2.6%</td>
</tr>
<tr>
<td>Greek</td>
<td>111</td>
<td>0.3%</td>
</tr>
<tr>
<td>Hungarian</td>
<td>56</td>
<td>0.2%</td>
</tr>
<tr>
<td>Irish</td>
<td>5,507</td>
<td>15.8%</td>
</tr>
<tr>
<td>Italian</td>
<td>14,275</td>
<td>40.9%</td>
</tr>
<tr>
<td>Lithuanian</td>
<td>80</td>
<td>0.2%</td>
</tr>
<tr>
<td>Norwegian</td>
<td>23</td>
<td>0.1%</td>
</tr>
<tr>
<td>Polish</td>
<td>344</td>
<td>1.0%</td>
</tr>
<tr>
<td>Portuguese</td>
<td>658</td>
<td>1.9%</td>
</tr>
<tr>
<td>Romanian</td>
<td>12</td>
<td>0.0%</td>
</tr>
<tr>
<td>Russian</td>
<td>118</td>
<td>0.3%</td>
</tr>
<tr>
<td>Scotch-Irish</td>
<td>163</td>
<td>0.5%</td>
</tr>
<tr>
<td>Scottish</td>
<td>248</td>
<td>0.7%</td>
</tr>
<tr>
<td>Slovak</td>
<td>18</td>
<td>0.1%</td>
</tr>
<tr>
<td>Subsaharan African</td>
<td>111</td>
<td>0.3%</td>
</tr>
<tr>
<td>Swedish</td>
<td>183</td>
<td>0.5%</td>
</tr>
<tr>
<td>Swiss</td>
<td>9</td>
<td>0.0%</td>
</tr>
<tr>
<td>Ukrainian</td>
<td>10</td>
<td>0.0%</td>
</tr>
<tr>
<td>United States or American</td>
<td>521</td>
<td>1.5%</td>
</tr>
<tr>
<td>Welsh</td>
<td>41</td>
<td>0.1%</td>
</tr>
<tr>
<td>West Indian</td>
<td>37</td>
<td>0.1%</td>
</tr>
<tr>
<td>Yugoslavian</td>
<td>13</td>
<td>0.0%</td>
</tr>
<tr>
<td>Other ancestries</td>
<td>7,649</td>
<td>21.9%</td>
</tr>
</tbody>
</table>

Source: Compiled and tabulated by Maria Medioli from the United States Bureau of the Census, 1980 and 1990 Census of Population and Housing

* Total ancestries reported surpass the total population of East Boston because individuals are permitted to select more than one ancestry.
### TABLE 14
SOCIAL CLASS INDICATORS IN EAST BOSTON COMPARED TO SELECTED GEOGRAPHIC AREA: 1990

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>Boston</th>
<th>East Boston</th>
<th>South Boston</th>
<th>Roxbury</th>
<th>Back Bay</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ECONOMIC POWER</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income in 1989</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mean household income (dollars)</td>
<td>37,907</td>
<td>28,543</td>
<td>31,882</td>
<td>27,110</td>
<td>67,130</td>
</tr>
<tr>
<td>Mean family income (dollars)</td>
<td>43,398</td>
<td>32,725</td>
<td>39,371</td>
<td>28,979</td>
<td>136,154</td>
</tr>
<tr>
<td><strong>Wealth</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Owner Occupied Housing Units</td>
<td>30.9%</td>
<td>29.3%</td>
<td>30.3%</td>
<td>21.9%</td>
<td>28.8%</td>
</tr>
<tr>
<td>% Renter Occupied Housing Units</td>
<td>69.1%</td>
<td>70.7%</td>
<td>69.7%</td>
<td>78.1%</td>
<td>71.2%</td>
</tr>
<tr>
<td>Mean Value Owner Occupied Units</td>
<td>190,352</td>
<td>149,407</td>
<td>169,711</td>
<td>163,733</td>
<td>339,473</td>
</tr>
<tr>
<td><strong>Employment Control</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>% Unemployed</td>
<td>8.3%</td>
<td>10.8%</td>
<td>9.3%</td>
<td>15.1%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Executive/Managerial</td>
<td>14.5%</td>
<td>10.5%</td>
<td>11.6%</td>
<td>10.0%</td>
<td>26.2%</td>
</tr>
<tr>
<td>Professional</td>
<td>18.2%</td>
<td>7.8%</td>
<td>12.2%</td>
<td>14.3%</td>
<td>30.0%</td>
</tr>
<tr>
<td>Employee</td>
<td>67.3%</td>
<td>81.7%</td>
<td>76.8%</td>
<td>79.8%</td>
<td>32.7%</td>
</tr>
<tr>
<td><strong>SOCIAL STATUS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Executive/Managerial</td>
<td>14.5%</td>
<td>10.5%</td>
<td>11.6%</td>
<td>10.0%</td>
<td>26.2%</td>
</tr>
<tr>
<td>Professional</td>
<td>18.2%</td>
<td>7.8%</td>
<td>12.2%</td>
<td>14.3%</td>
<td>30.0%</td>
</tr>
<tr>
<td>Employee</td>
<td>67.3%</td>
<td>81.7%</td>
<td>76.8%</td>
<td>79.8%</td>
<td>32.7%</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Did not graduate High School</td>
<td>24.3%</td>
<td>40.8%</td>
<td>24.7%</td>
<td>40.2%</td>
<td>2.9%</td>
</tr>
<tr>
<td>% Graduated High School</td>
<td>26.5%</td>
<td>34.9%</td>
<td>40.9%</td>
<td>28.8%</td>
<td>5.9%</td>
</tr>
<tr>
<td>% Attended College</td>
<td>49.1%</td>
<td>24.4%</td>
<td>35.2%</td>
<td>51.0%</td>
<td>91.1%</td>
</tr>
<tr>
<td>Poverty</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Below poverty level</td>
<td>18.7%</td>
<td>19.3%</td>
<td>17.3%</td>
<td>30.4%</td>
<td>11.7%</td>
</tr>
<tr>
<td>Family Composition</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Children in Single Parent Families</td>
<td>42.9%</td>
<td>44.9%</td>
<td>37.8%</td>
<td>68.7%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Public Assistance Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% With Public Assistance Income</td>
<td>15.4%</td>
<td>18.5%</td>
<td>21.0%</td>
<td>33.1%</td>
<td>3.3%</td>
</tr>
<tr>
<td>English Speaking Proficiency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Who Speak English</td>
<td>93.6%</td>
<td>87.1%</td>
<td>98.3%</td>
<td>92.1%</td>
<td>99.1%</td>
</tr>
</tbody>
</table>

APPENDIX II - List of Interviews

Jennifer Doctor  
Executive Director of the East Boston Chamber of Commerce

Phil Giffey  
Executive Director of the Neighborhood of Affordable Housing (NOAH) in East Boston

Jean Reisman  
Editor of the East Boston Community News from 1983 to 1986.  
Currently serving as a Board Member of the Neighborhood of Affordable Housing (NOAH)

Carlos Suarez  
President of the East Boston Colombian Business Association  
Owner of Hacienda Reality in East Boston

Ben Tauro  
President of the East Boston Chamber of Commerce  
Owner of Rapino’s Funereal Home in East Boston

An Vo  
First Vietnamese Business Owner in East Boston  
Currently working as a high school teacher in Sommerville