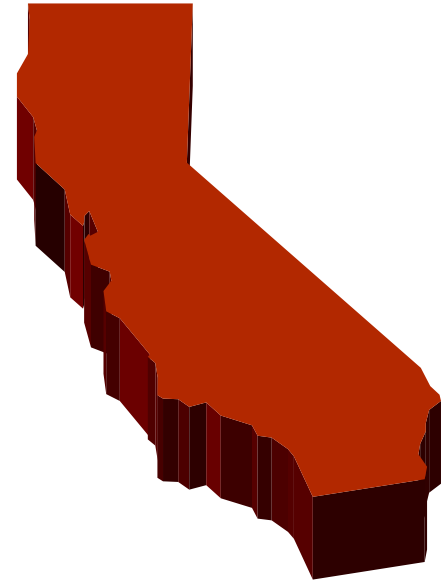


# The New Economy, The New Diversity, the New Inequality: Latino Futures, California's Challenges



*Presented by:*

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Center for Justice, Tolerance, and Community  
University of California, Santa Cruz

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# What is the CJTC?



## Mission:

Established in January 2000, the **Center for Justice, Tolerance, and Community** focuses on issues of social and economic justice, dialogues across diversity, and the building of collaborative communities.

Combining cutting-edge research with an emphasis on public dissemination of findings and active engagement with affected communities, the Center aims to make a difference in people's lives by providing information and analysis for action.

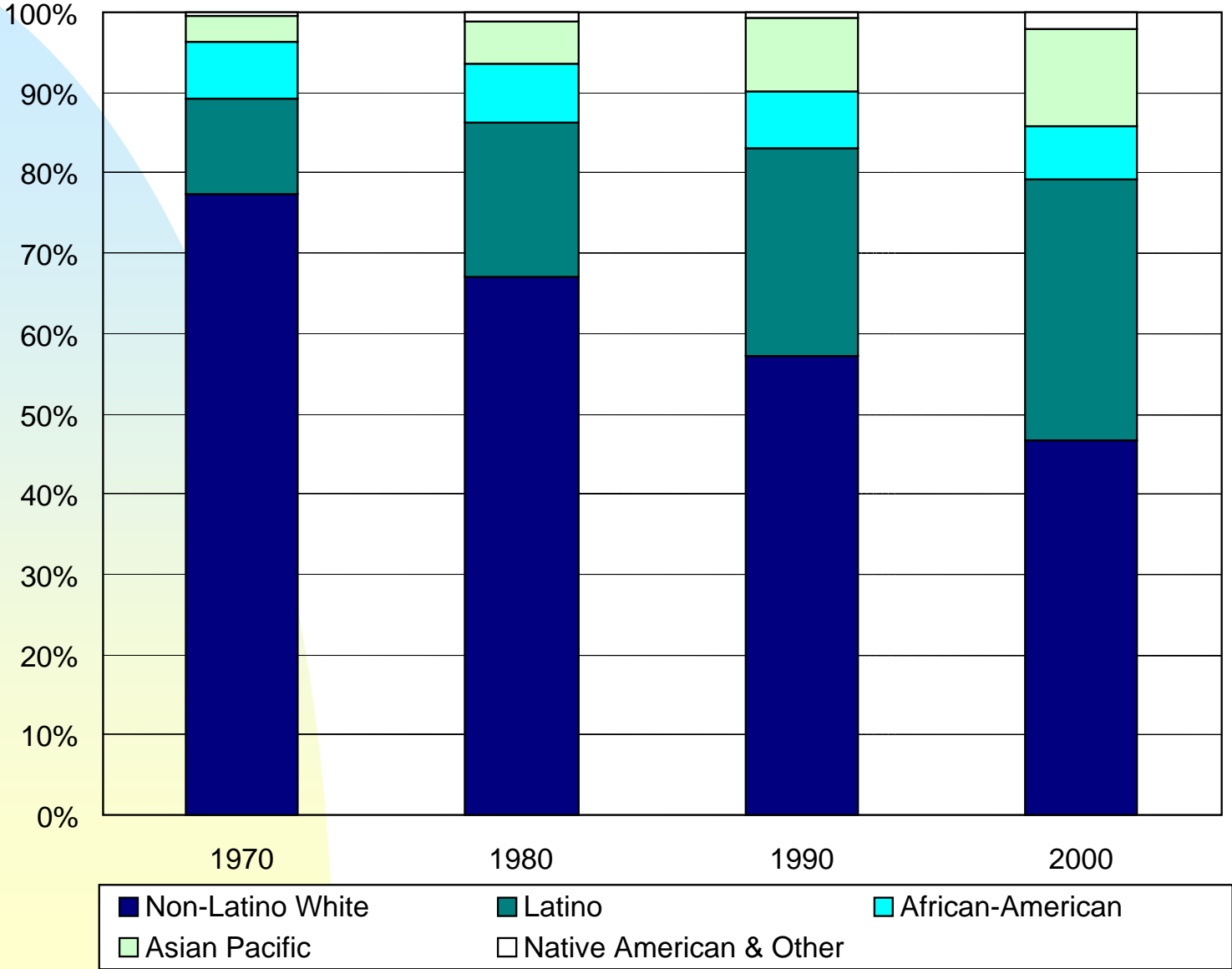


# Outline of Presentation

- What is the intersection of the new economy and rising inequality?
- Why is this a central issue for California Latinos?
- What are the challenges for policy and politics?

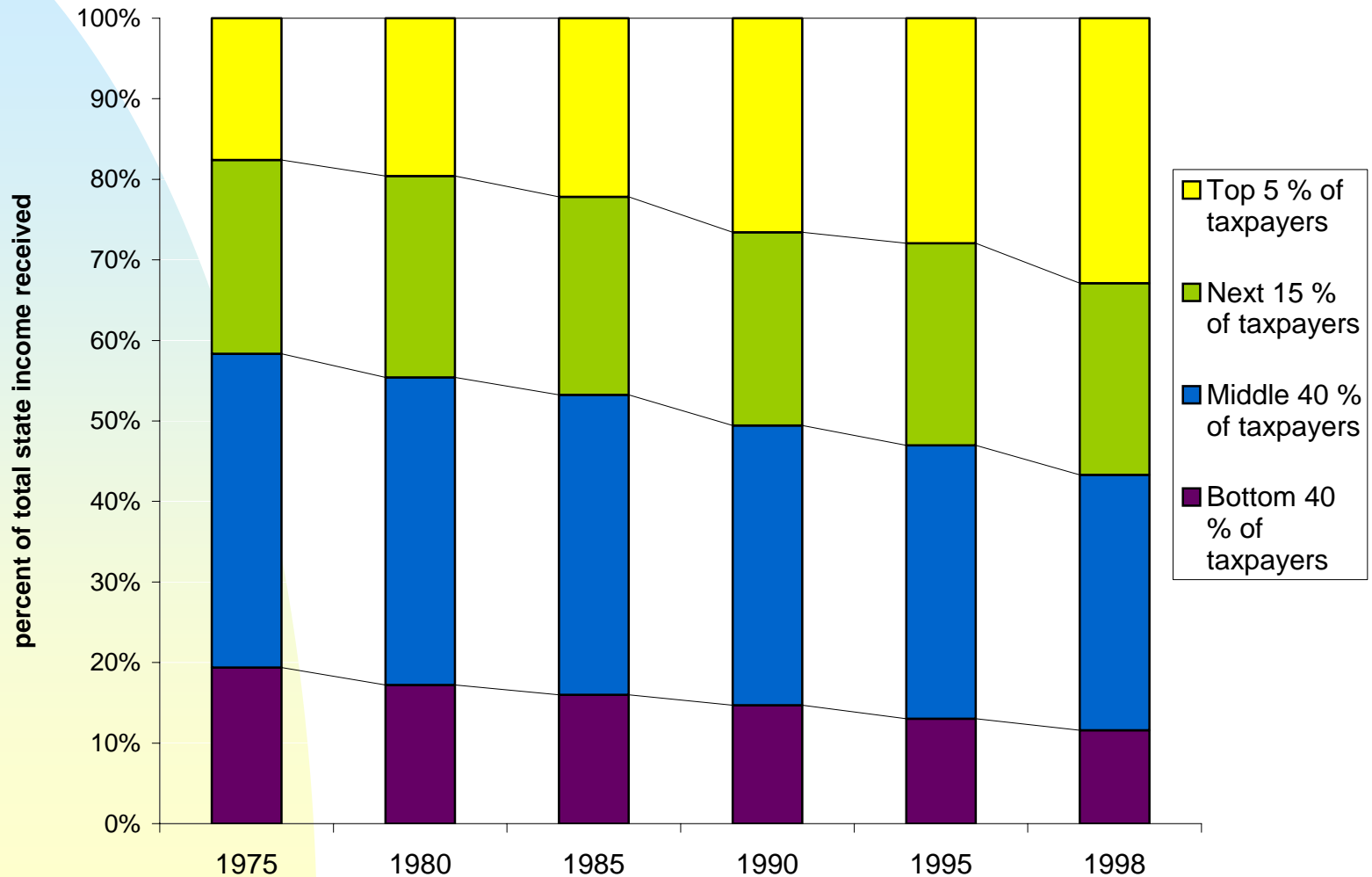


# California's Demographic Change



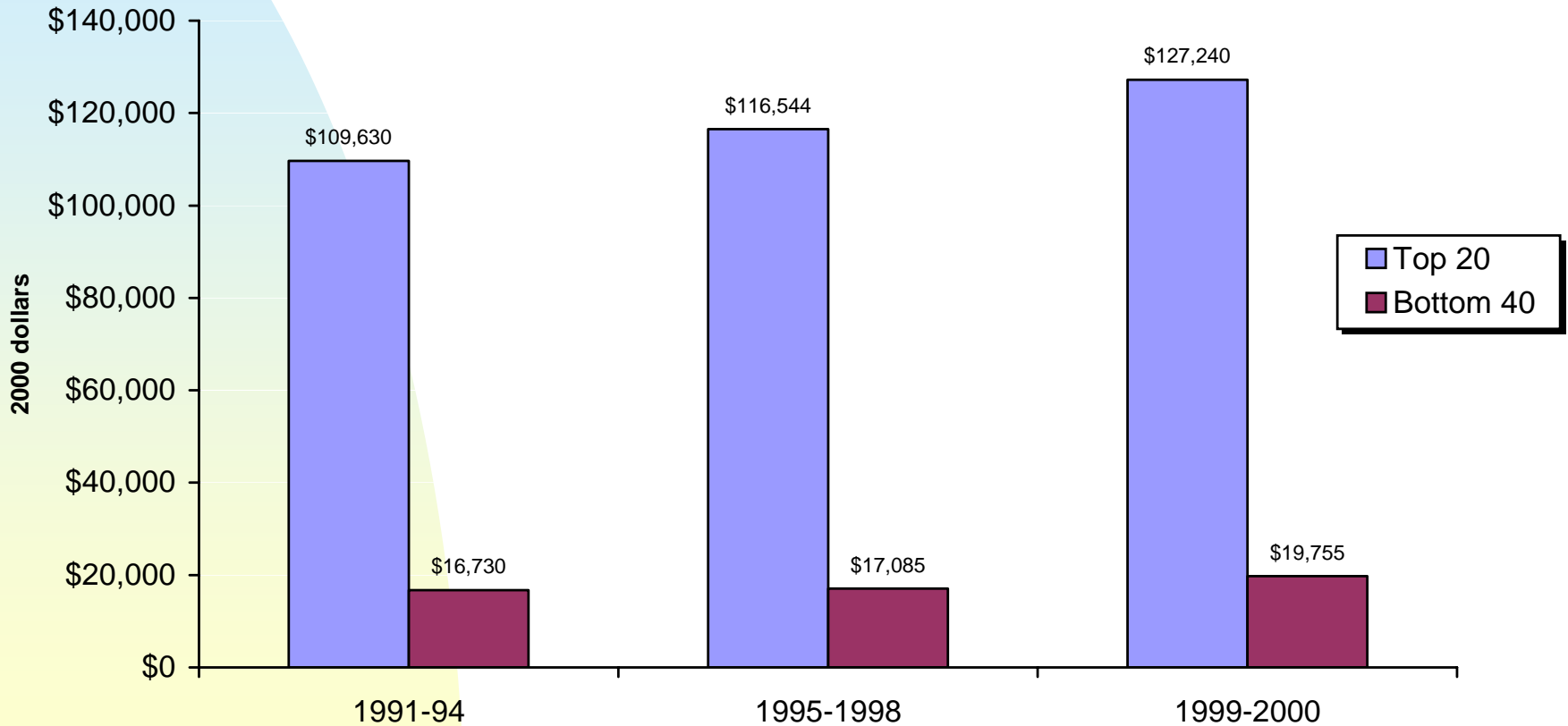
# Long Term Trends in Inequality

## California's Changing Income Distribution, 1975-1998



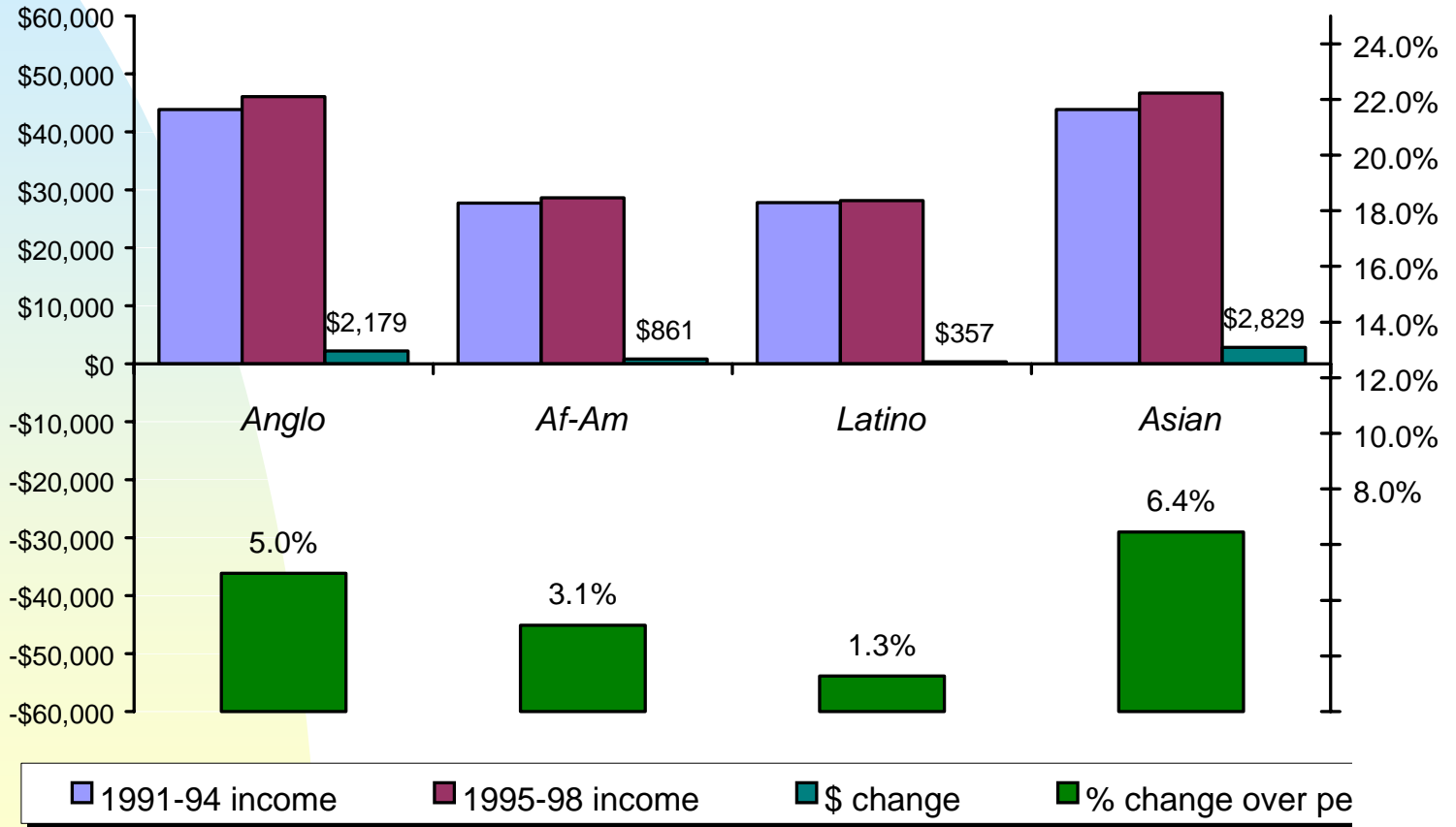
# Who Gained and Lost in the Upswing

## Household Income Changes (Top 20 & Bottom 40) in California over the 1990s



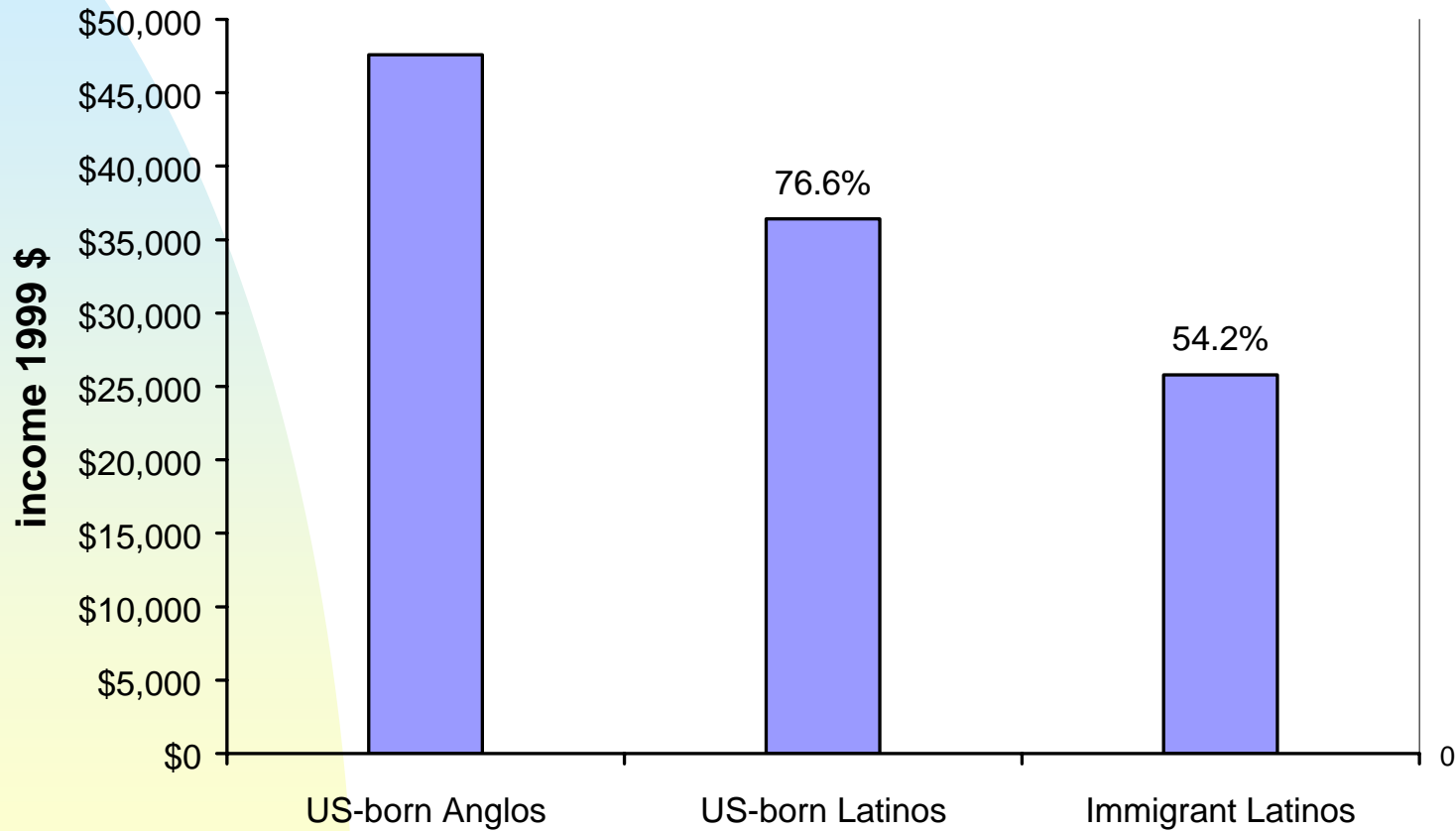
# Race Matters

**Figure 3. Shifts in Household Median Income by Race, California in the 1990s**



# It Isn't Just Immigration

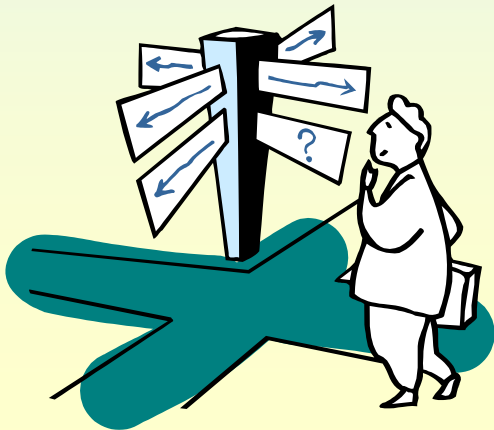
**Household Income for US-born Anglo, US-born Latinos, and Immigrant Latinos in California, 1990s**





# How Can We Narrow the Divide?

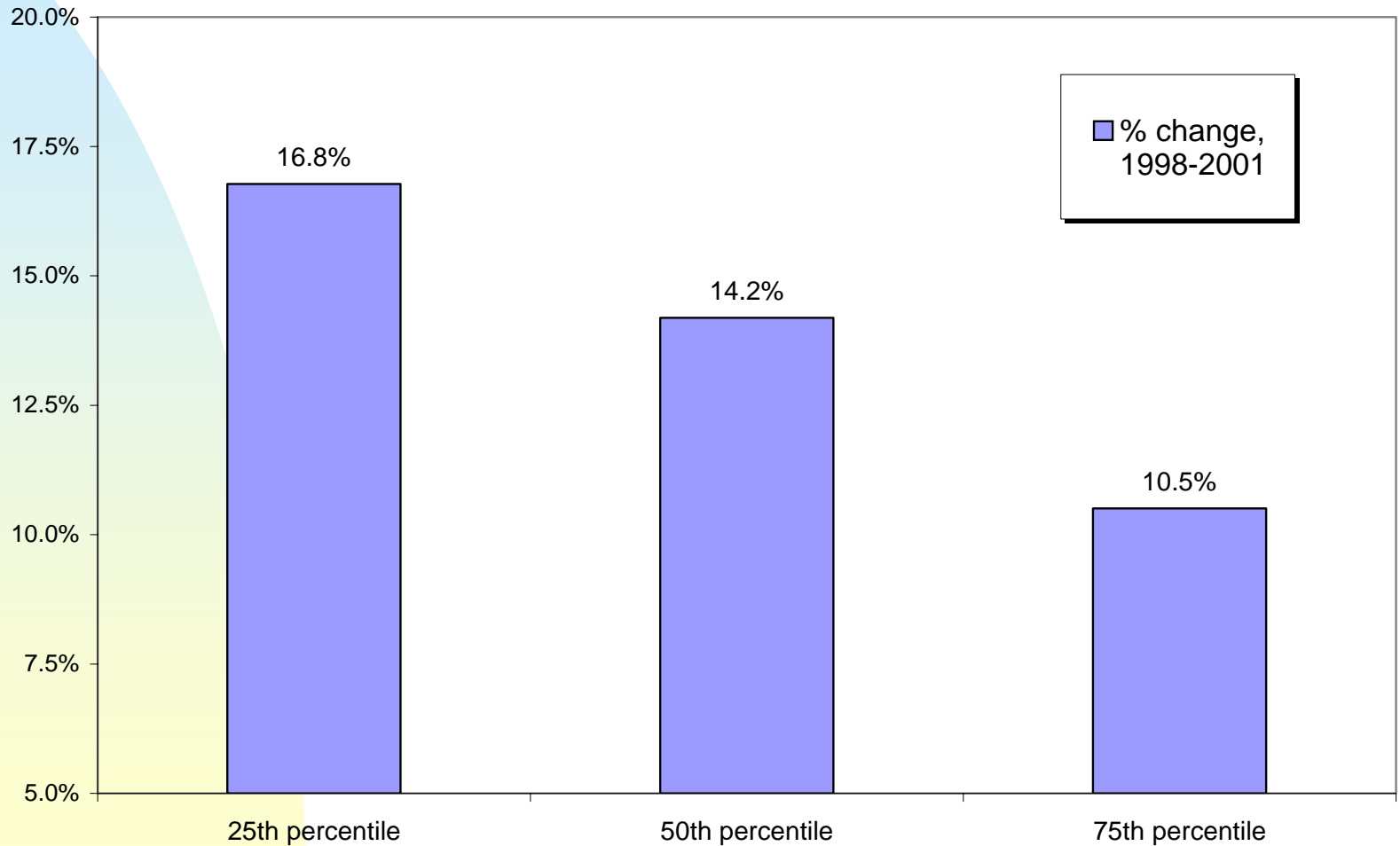
- Economic growth, partly through regional clusters
- Education and training
- New networks and connections
- Labor standards that set new floors



# Why Growth?

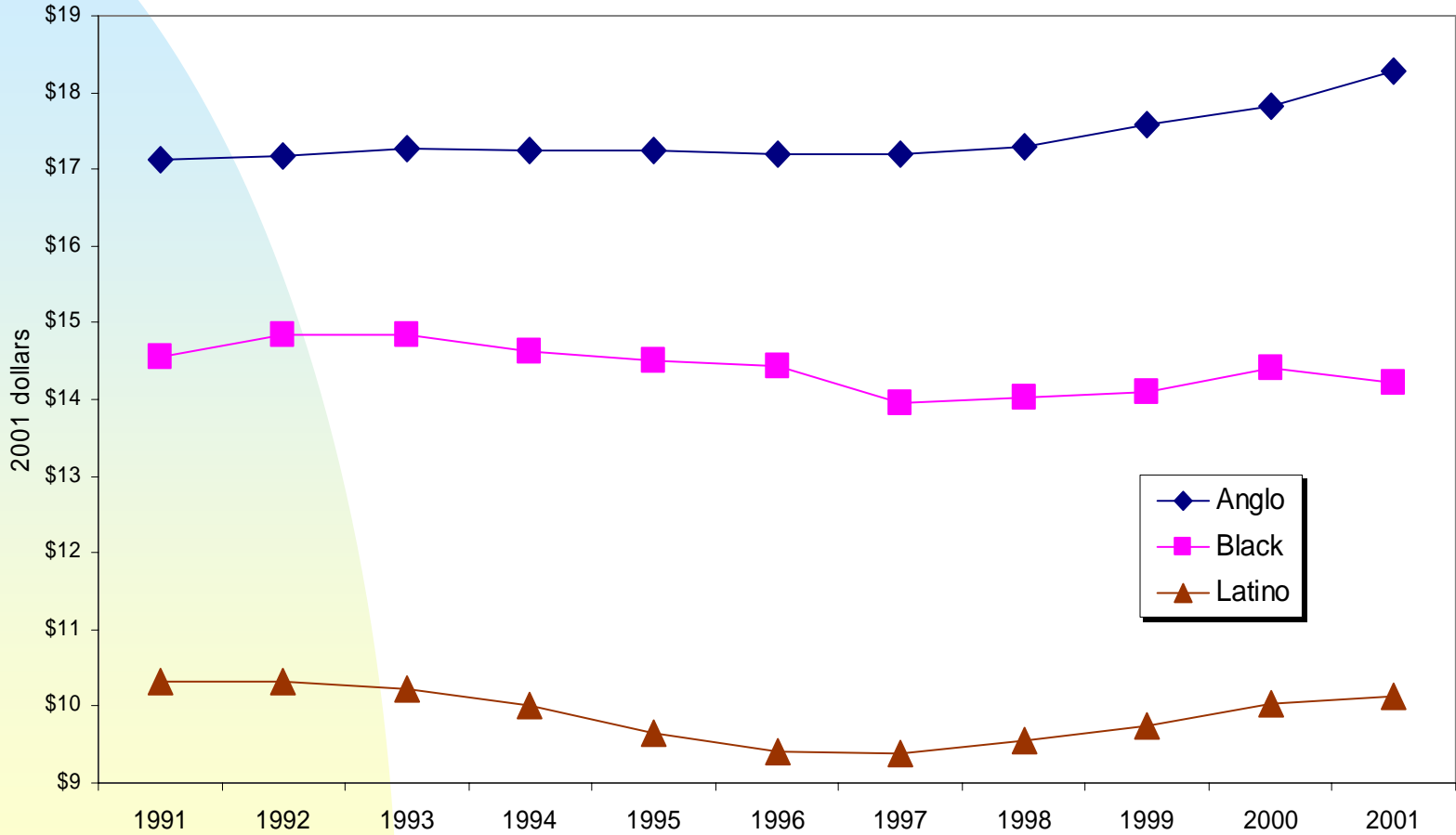


## Flattening of the Wage Distribution in the Peak of the Boom



# Wages, Race, and Recovery

Median Wage by Race in California  
(three year moving average)

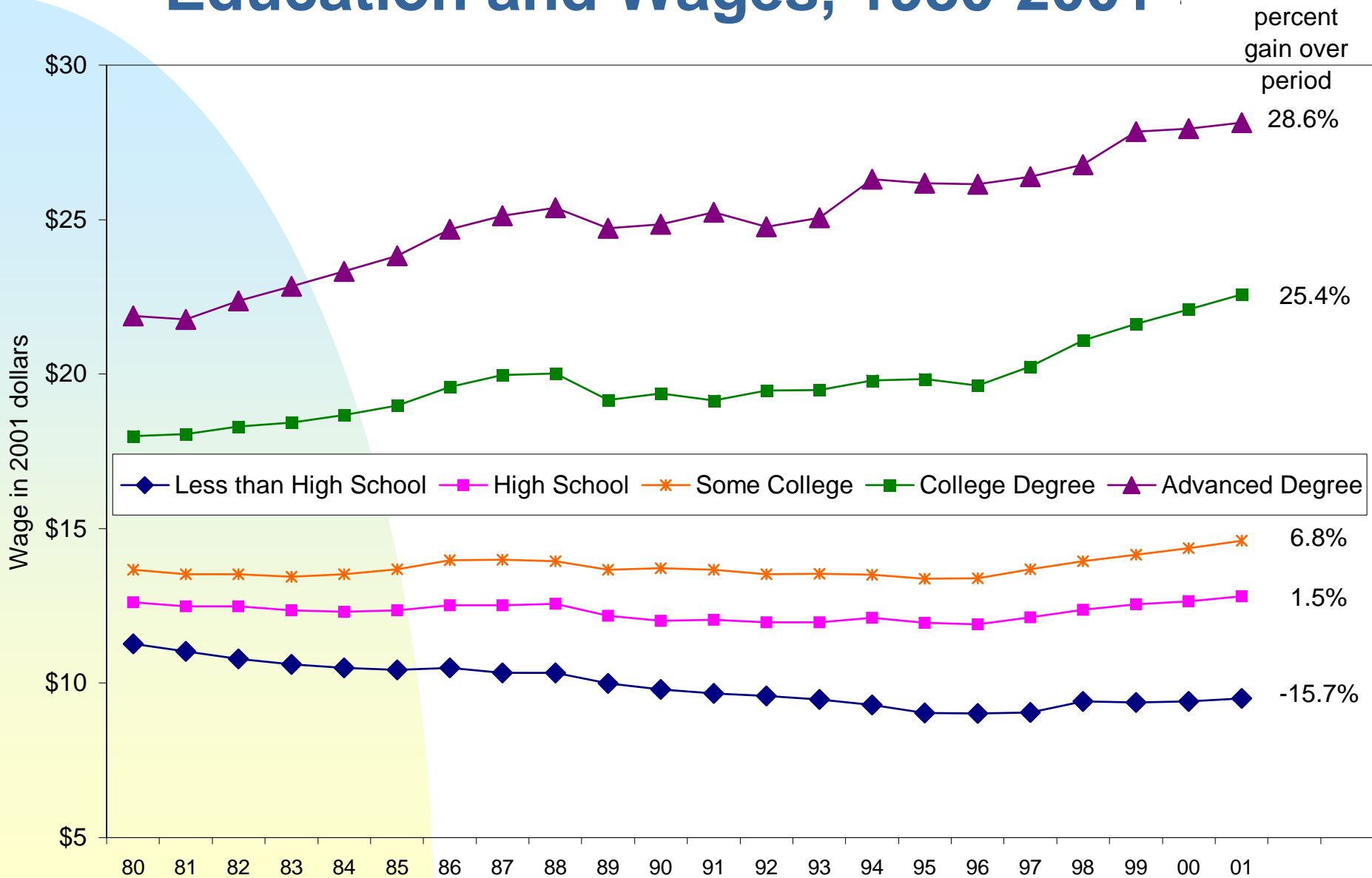


# Education and Training is a Must

- In explaining the growing wage inequality in the California and the nation, several main culprits:
  - globalization
  - technology
- Both raise the wage premium and
- Education can close the gap

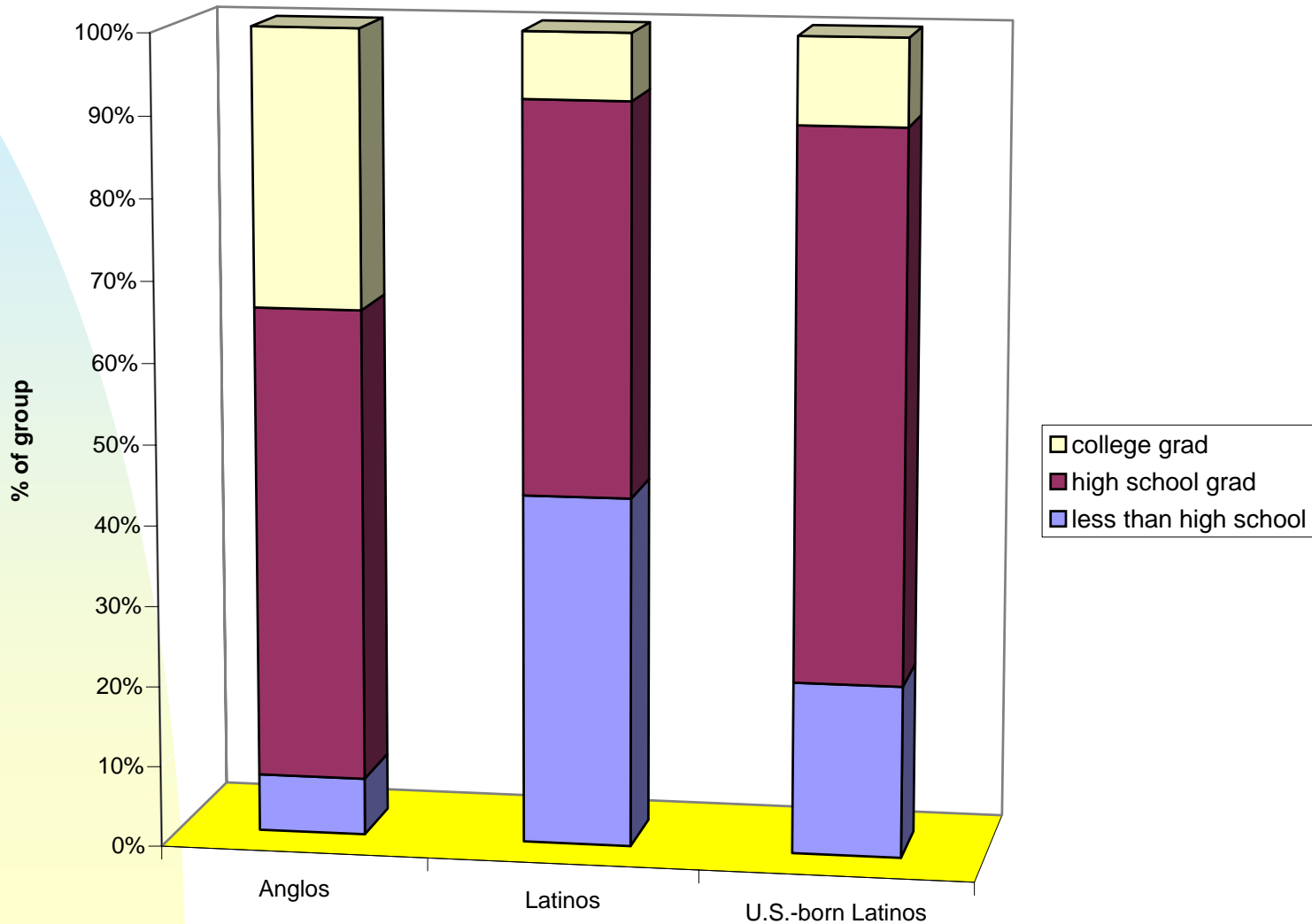


# Education and Wages, 1980-2001



# Relative Education Levels in California

Figure 9. Educational Attainment for Those in the Labor Force, California 1998



# Adding Networks to the Picture



## *Community Isolation*

- Disconnection from regional economy, political power, and policy opportunities
- Lack of “bridging” social capital to connect to key sources of power
- Importance of “thinking and linking” to the region

## *Individual Isolation*

- Skill mismatch
- Spatial mismatch
- Social mismatch – “bonding” and “bridging” social capital



# Job Openings in the New Economy

## Top Six Occupations With the Greatest Absolute Job Growth in California, 1998-2008

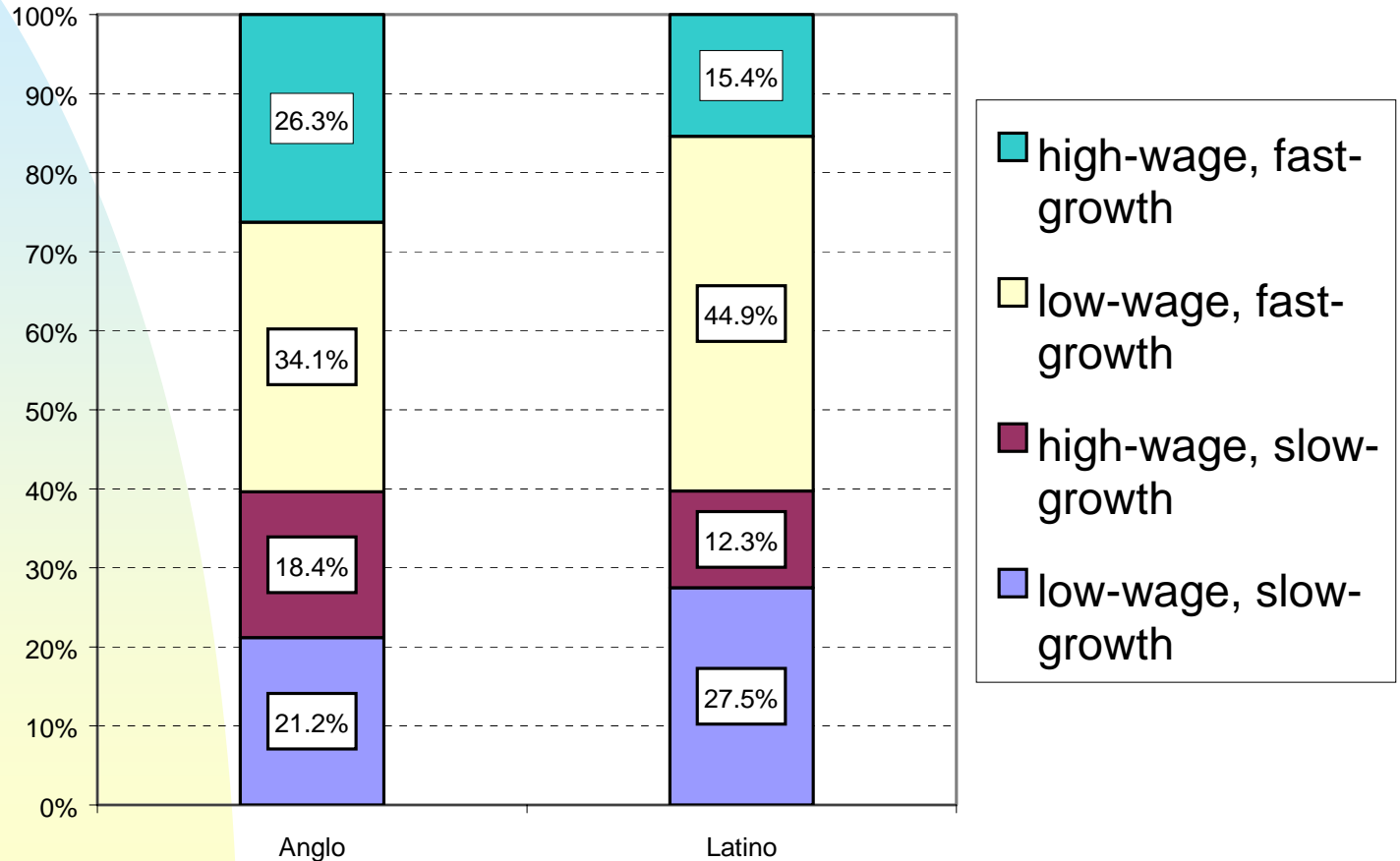
Occupation	Absolute Change	Percent Change	Education or Experience Required
GENERAL MANAGERS, TOP EXECUTIVES	85,600	23.3%	WORK EXPERIENCE, PLUS A BACHELOR'S OR HIGHER
GENERAL OFFICE CLERKS	81,900	23.1%	SHORT-TERM ON-THE-JOB TRAINING
SALESPERSONS, RETAIL	77,800	18.4%	SHORT-TERM ON-THE-JOB TRAINING
CASHIERS	68,700	22.4%	SHORT-TERM ON-THE-JOB TRAINING
SYSTEMS ANALYSTS--ELECTRONIC DATA PROCESSING	53,600	90.2%	BACHELOR'S DEGREE
GUARDS AND WATCH GUARDS	52,000	41.6%	SHORT-TERM ON-THE-JOB TRAINING

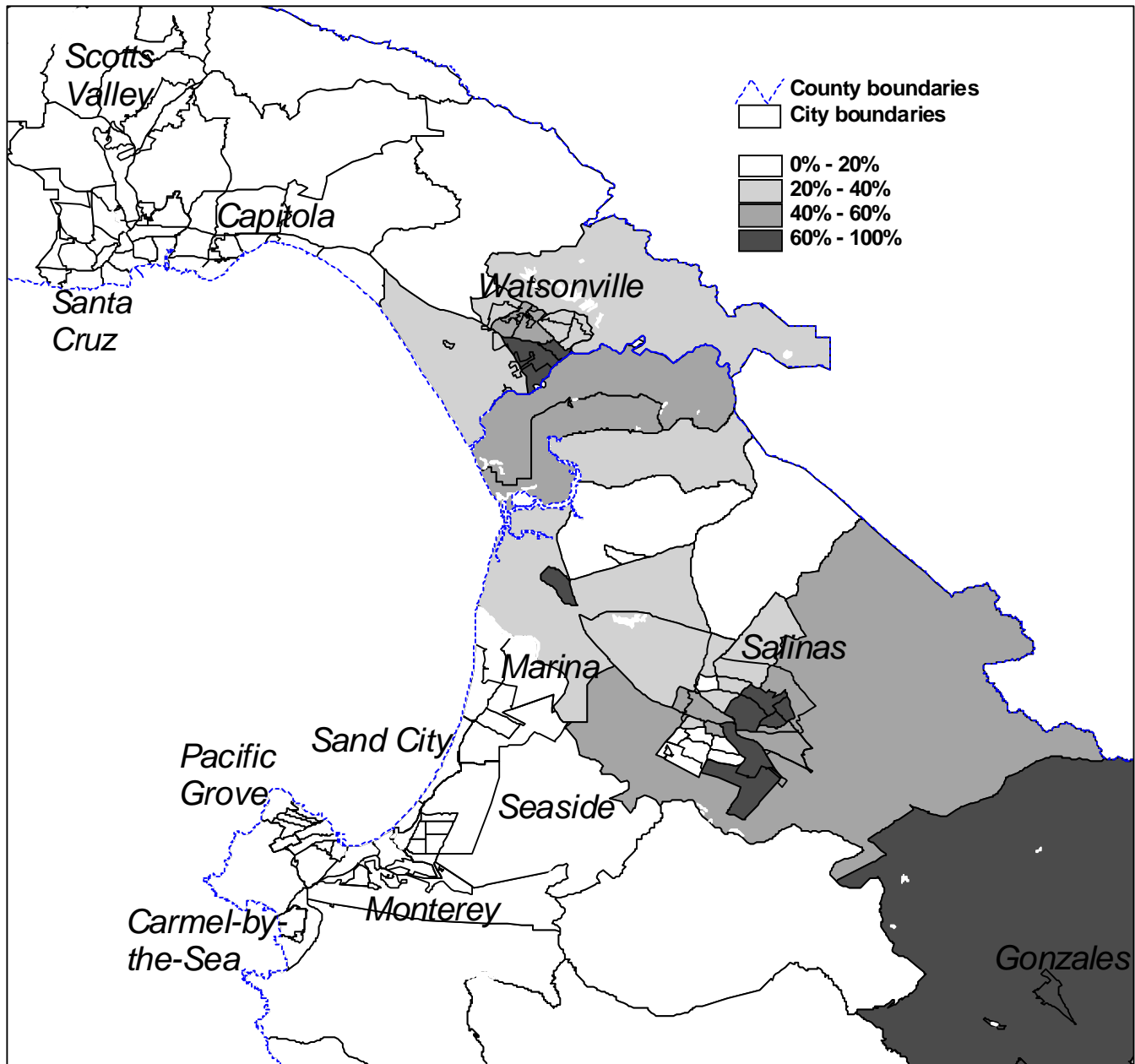




# Looking for Hope – Keep Looking

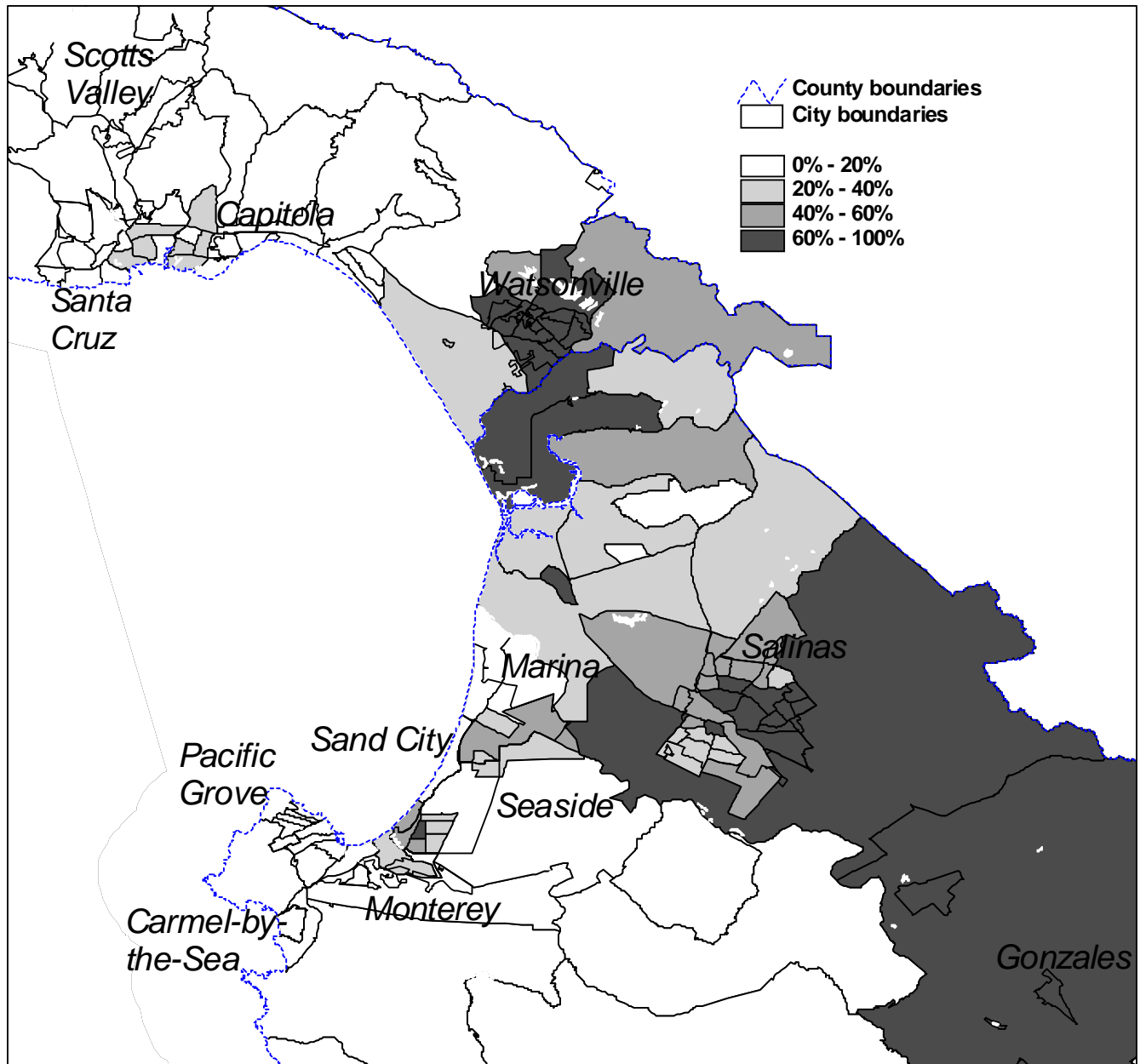
## Labor Location for the Future Anglos and Latinos in California





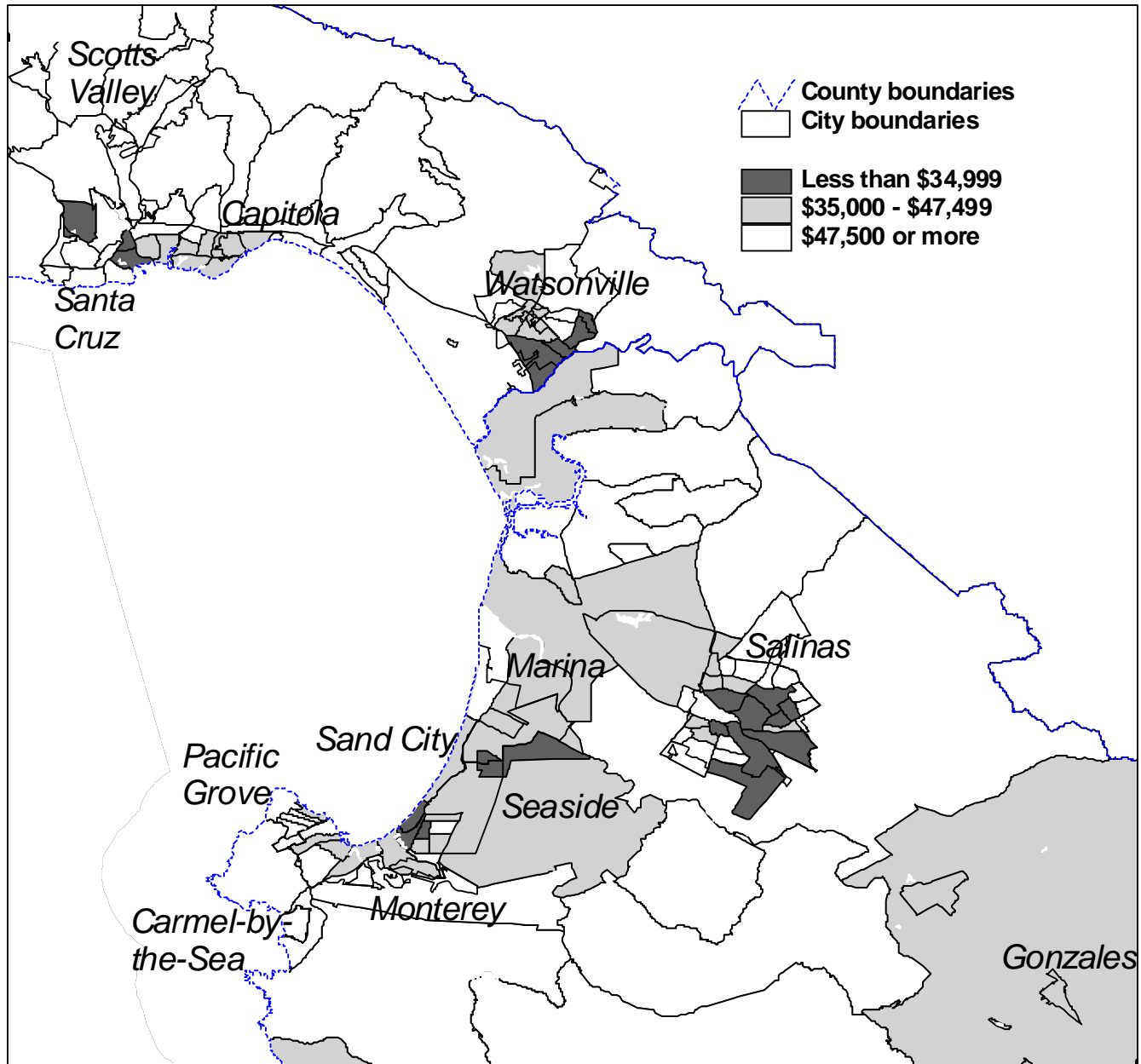
**Figure 1. Percentage Latino by Census Tract in 1980 in Santa Cruz and Monterey counties**

Note: This view focuses on the most populated areas of Santa Cruz and Monterey counties.



**Figure 2. Percentage Latino by Census Tract in 2000 in Santa Cruz and Monterey counties**

Note: This view focuses on the most populated areas of Santa Cruz and M



**Figure 3. Median Household Income by Census Tract in 1999 in Santa Cruz and Monterey Counties (in 1999 dollars)**

Note: This view focuses on the most populated areas of Santa Cruz and M

# The Politics of Putting It All Together

## Pressing Needs & Now More Than Ever

- Recession will be an excuse for some to forget the bottom but equity is not a luxury

## Universal and Particular Approaches

- Understand that Latino issues are, in large part, California issues

## Face-to-face and Race-to-race

- Encourage conversations and collaboration to break barriers



# Restoring the California Promise



## Public Will and Civic Engagement

- Investing in Everyone's Children
- Offering a Vision of What We Have Been and Could Be

