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A New Progressive Agenda: Innovative Ideas for Work and Immigration Policy Friday, June 4, 2004, 12:30-1:30 pm (ET)

The Fifth Audio Conference of the 2004 CLASP Audio Conference Series, "The Squeeze: Helping Low-Income Families in an Era of Dwindling Resources"

JOHN HUTCHINS: Hello and welcome to the fifth call in the 2004 CLASP Audio Conference Series, "The Squeeze: Helping Low-Income Families in an Era of Dwindling Resources." My name is John Hutchins, and I'm the Communications Director here at CLASP.

Today's call is entitled, "A New Progressive Agenda: Innovative Ideas for Work and Immigration Policy." I'm really pleased to be joined by two experts today, Deepak Bhargava, Executive Director of the Center for Community Change, and Janice Fine, a Research Associate at the Economic Policy Institute and a Senior Policy Analyst at the Center for Community Change. Janice will be filling in for Steve Savner, who was originally scheduled for today's call.

Welcome to you both.

DEEPAK BHARGAVA: Thanks.

JOHN HUTCHINS: We have a great audience for today's call. We estimate that there are at least 600 people listening in 150 locations in 33 states and D.C. I want to remind our listeners that you are welcome to send me questions via e-mail during the call. My e-mail address is jhutchins@clasp.org, and that address is also in the call-in instructions that you received.

Before we get started, let me offer a little background on our guests.

Deepak Bhargava has been Executive Director of the Center for Community Change since October 2002. He first joined the Center as its Director of Public Policy in 1994. Since then, he has engaged in extensive policy analysis and advocacy on a range of issues, including budget, housing, welfare, workforce development, and health issues. Deepak served as Director of the National Campaign for Jobs and Income Support, a collaboration of 200 grassroots organizations and networks with affiliates in 40 states. Before joining the Center, Deepak served as Legislative Director of ACORN. And we at CLASP are proud that Deepak serves on our Board of Trustees as well.

Janice Fine is a Research Associate at the Economic Policy Institute and a visiting scholar in the MIT Department of Urban Studies and Planning, and, as of this week, Janice has joined Deepak at the Center for Community Change as a Senior Policy Analyst. Janice has worked as a labor,

community, and electoral organizer for 25 years. Last year, she completed a Ph.D. in political science at MIT. Her dissertation on new approaches to low-wage work and collective action in America, entitled *Community Unions*, will be published by Cornell University Press. She's just completing a study now of immigrant worker centers, which we'll hear more about in a few moments, and that's entitled, *Building a New American Community at the Edge of the Dream: Immigrant Worker Centers*, and that will be published by the Economic Policy Institute.

Let's get started by setting some context for our discussion. We've seen some pretty amazing changes in both the labor market and in the demographics of immigration in the past decade or so. Let's walk through some of those changes. Janice, in the past 25 years, real wages for many workers have fallen, and wage and income inequality has grown. Could you give us some sense of the trends?

JANICE FINE: Sure. First of all, I guess you could say that the wage story of the past quarter of a century has had three predominant themes. The first one has been an era of stagnant and falling wages that have given way to one of strong wage growth, although that was for a very limited duration. Wages were stagnant overall and median wages fell from the early '70s until 1995. After '95, wages changed course, rising strongly in response to persistent low unemployment and the faster productivity growth.

Second, the pattern of wage growth has shifted. In the '80s, wage inequality widened dramatically for everybody and brought about widespread erosion of real wages. Wage inequality continued its growth in the '90s, but took a different shape, a continued growth in the wage gap between top and middle earners, but a shrinking wage gap between middle and low earners. Since '99, however, wage inequality has been growing between the top and the middle as well as between the middle and the bottom.

And the third theme is the critical role played by rising unemployment in raising wage inequality. Let me just give you some statistics quickly about what's happened to the minimum wage, which used to bring a family of three with one full-time worker above the official poverty line. Now it doesn't bring a full-time worker with one child above the line, so that the minimum wage, which was never intended to be a poverty wage, has become one. Basically, a full-time, year-round worker earning the current minimum wage of $5.15 per hour makes $10,712 annually—or $21,000 or so for a two-earner family.

So only the household with two adults working full-time, no children, and employment health benefits—only those households could meet their minimum needs. So this minimum wage, you know, has shrunk enormously during this time. And then, finally, just a little bit about the shift that we all know has happened from goods-producing to service-producing industries.

The 18.1 million net jobs that were created between 1979 and 1989 involved a loss of manufacturing and mining jobs and a huge increase in jobs in the service sector. The largest amount of job growth was in the two lowest-paying service sectors, which would be retail trade and the services industries. And taken together, these industries accounted for about 79 percent of all new net jobs over the '79 to '89 period—and 73.9 percent of all new jobs in '88 to '99. This is the story of an enormous growth in low-paying jobs in the U.S. economy because of this shift from goods-producing to service-producing, and we have to bear in mind that this has happened because of a lack of policy intervention in terms of creating a much more realistic wage policy.

JOHN HUTCHINS: But didn't we have a boom in the economy in the 1990s and didn't that tide raise all boats?

JANICE FINE: There was a boom, but it unfortunately has not lasted. There was a period of time that I alluded to during which there was a narrowing when people at the lower end of the wage scale did some catching up. But starting in about 1999, EPI has documented a return to earlier trends in terms of falling value of wages, et cetera, especially for low-wage and middle-class people.

JOHN HUTCHINS: Now you described that a lot of the jobs that have been created in the most recent period have been service jobs. Can you tell us more about the jobs that make up the current low-wage labor market and what attributes those jobs share?

JANICE FINE: Sure. The jobs that have increased the most in terms of proportion in the overall economy have been retail and service. We don't have labor market policies that insure equality between manufacturing wages and service wages. It doesn't have to be that service wages are so low; it's just that, in our economy, that's sort of how things work. So these low-wage jobs are more likely to be fewer than 40 hours. They're more likely to pay lower wages. They're more likely to have no or fewer fringe benefits like healthcare, pensions, et cetera.

JOHN HUTCHINS: Deepak, let's connect this to the issue of immigrants. Immigrants make up a disproportionate share of this low-wage labor market, don't they?

DEEPAK BHARGAVA: Well, that's right. Immigrants are disproportionately concentrated in low-wage jobs. They're often hotel workers, agricultural workers, service workers, janitors. Overall, non-citizens have a poverty rate of 20 percent, which is double that for native-born Americans, and we have the shocking fact that about one in four poor children in America lives in an immigrated-headed household.

So, for advocates and government agencies that are concerned about poverty and low wages, it's getting increasingly difficult to disentangle the questions of immigrants and immigration from a poverty question. They're very deeply related.

JOHN HUTCHINS: Tell us about some of the demographic changes in the past decade regarding immigrants. For instance, where are they coming from now?

DEEPAK BHARGAVA: Immigrants overall comprise about 12 percent of the U.S. population, so there are about 33 million people. About half of the immigrants in the United States come from Latin America with most of those coming from Mexico and Central America, a quarter come from Asia, and the balance come from Europe, Africa, and the rest of the world.

So we have a very diverse immigrant population coming from all over the world with every city in part of the U.S. having a very different mix of pattern in terms of where the immigrants in those communities are coming from. And that diversity of immigration also means that there are very different employment patterns, very different cultural experiences and so on that these different immigrant communities are experiencing.

JOHN HUTCHINS: And some of the newer immigrants are settling in surprising parts of the country. I mean, states that you wouldn't expect, North Carolina, Michigan. What's driving this?

DEEPAK BHARGAVA: Immigrants are generally following two things: jobs and, secondly, family and kin networks. On the job side, the drivers are very different in different parts of the country, where it could be poultry processing in some of the southern states, agricultural work is still a big draw in many of the western states, and then service sector jobs in the big cities and their suburbs.

It's still the case that there's a heavy concentration of immigrants in six major states—in California, New York, Florida, Texas, Illinois and New Jersey—but the interesting thing is that the fastest growth in immigrant populations between 1990 and 2000 was in states that hadn't traditionally been large receivers of immigrants in the Midwest and South and West. The fastest growth was in places like North Carolina, Georgia, Nevada, Arkansas, Utah, Tennessee, Nebraska, and Colorado.

And that changing pattern of immigration has profound implications for local politics, for the way in which local economies function, for human service providers, for advocates; it's really changed the face of those communities and those states.

JOHN HUTCHINS: Are most of these immigrants documented or undocumented and could you describe what those terms mean?

DEEPAK BHARGAVA: Yes. Overall, a little over a third of immigrants in the U.S. are citizens. There are about a third that are legal residents, and slightly less than one-third, we estimate between eight and 10 million people, are undocumented.

Essentially, legal residents might be permanent residents; they might be visa holders, here on a temporary basis, for example, a student visa. And undocumented immigrants are those who don't have Visas or work authorizations, so they are working in the country without papers. That's the distinction between legal residents and undocumented residents.

JOHN HUTCHINS: And I would imagine that the challenges that they face depend greatly on which category they would fall into?

DEEPAK BHARGAVA: That's right. There are quite different experiences. It's pretty important to note that many immigrants live in mixed-status households, and by that I mean it's not untypical to have in a single immigrant family somebody who's a naturalized citizen, somebody who is a legal permanent resident, and undocumented family members.

So the boundaries between these groups are actually fairly fluid as they play out in particular communities. It's important to note that there is sometimes a stereotype that Latinos are the only undocumented immigrants, and, in fact, there are large concentrations of undocumented immigrants among Asian Americans and other immigrant populations as well.

JOHN HUTCHINS: Could you talk a little bit more about the connection between these demographic patterns that you've been describing and the issue of poverty?

DEEPAK BHARGAVA: Well, the face of poverty in America really is changing. Immigrants are increasingly concentrated at the very bottom of the labor market, and, for undocumented immigrants in particular, their status really compounds the problem of poverty. They're uniquely vulnerable and subject to exploitation and abuse at the workplace, and one could make the

argument that that vulnerability is not only bad for them, but it's also a wedge that is used to drive down the wages for low-wage workers in general.

And so the vulnerability of these workers, particularly undocumented workers and the deteriorating conditions of work at the bottom end of the labor market that Janice has done so much work on, are really very closely connected phenomena. On the one hand, many immigrants benefit from broad anti-poverty strategies, public benefits, education reform, and healthcare improvements and so on. And it's clear from polling and public opinion research that there's a tremendous amount of passion and energy in those communities around those broad-based issues. It's also true, however, that immigrant workers face issues of status, language, and other issues that can't be addressed simply through broad-based anti-poverty strategies. I think one of the challenges that we face is that those of us concerned about poverty have to embrace both the broad agenda and also an immigrant-specific agenda if we want to address poverty in this country.

JOHN HUTCHINS: Thank you. Janice, let me get back to you. You described earlier what jobs in the current low-wage market are looking like. Why are immigrants more likely to be in these jobs?

JANICE FINE: There's a great quote from Castells and Portes who have written a lot about these issues. They say most workers who receive fewer benefits or less wages or experience worse working conditions than those prevailing in the formal economy do so because this is a prerequisite for their entry into the labor market.

And I would say that's it in a nutshell—why they're more likely to be doing these jobs. There are several factors. First of all, the majority of these immigrants don't have very strong English skills. For undocumented workers, they need to find jobs that are going to look the other way or are going to be willing to accept papers that are either false papers or not ask for papers. They are people who are considered to be unskilled although I think there are a whole lot of interesting questions about what we consider to be skilled and unskilled work in the American economy today. Also, people tend to go to where their social networks are, as Deepak said. In a lot of cases, the workers that I interviewed had gotten their jobs through their friends or their relatives or acquaintances who brought them into the firm that they were working at.

JOHN HUTCHINS: Besides language, what other particular challenges do immigrants face working in the low-wage labor market?

JANICE FINE: I think that the most important challenge that they face is that a lot of these low-wage industries have become the wild, wild West. There is very, very little enforcement and what that means is that if you don't know your rights and if you're worried that someone is going to check into your status, you're very unlikely to complain or raise much of a fuss.

There's kind of a tacit agreement: you get hired, and, in exchange for being hired with no questions asked, you're not supposed to raise any issues around wages paid, around safety and health and hours worked, et cetera. So I think that the other thing is that people have very little understanding of their rights.

There's very little government enforcement. Essentially, this is a [population of] non-unionized workers at the bottom tenth percentile in our economy; only about four percent of them are in labor unions. At the 20th percentile, that rises to about five-and-a-half percent. In my view, the

most important thing that workers can do to improve their conditions is have recourse to collective action and that's very difficult to do for these workers.

JOHN HUTCHINS: Well, it sounds like an undocumented worker would be in many ways very attractive to somebody who is hiring in the low-wage market. Is it better to be an undocumented immigrant than a documented one?

JANICE FINE: No. It's way better to have papers than not to. I mean, it's just the dirty little secret of the American economy. I saw undocumented workers in the majority of light manufacturing factories in Long Island and Los Angeles and garment factories in Los Angeles and all over the country, in home healthcare provision and particularly in the private sector of home healthcare provision and gardening.

And there's not a sector that undocumented immigrants are not working and working very hard—in agriculture, construction, et cetera. There's this incredible schizophrenia on the part of not just American firms, but our elected officials and also frankly on the part of consumers who on the one hand are employing undocumented immigrants, but aren't recognizing why so many immigrants are undocumented.

JOHN HUTCHINS: Do you have some thoughts on why that is?

JANICE FINE: Well, yes. I think that the most important thing for people to understand is that the obstacles to legal immigration today are much higher than they were for immigrants who arrived in the U.S. at the turn of the 20th Century. Until 1921, there were no numerical limits or quotas for the number of immigrants allowed to enter the country.

And with the exception of the Chinese Exclusion Act, most immigrants who arrived at our port of entries and were not found ill with a contagious disease, not likely to become a public charge, not found to be convicted of a crime or certifiably insane, were admitted to the United States as legal residents and immediately given authorization to work. And that's completely different now.

When my family arrived in the United States 100 years ago, fleeing the pogroms of Eastern Europe, we faced a lot of challenges, but one thing we never faced was the problem of gaining legal authorization to work. And so the whole mechanism of the American dream of people starting out in blue collar jobs and being able to work their way up—you know, there's an unspoken assumption there and that was that we were legally in this country and had the right to work.

Now, there's this enormous demand for labor, huge demand for immigrant labor. Immigrants have no problem finding employment, and it's really almost impossible for them to get legal status in the United States. And that's the great contradiction. We can't get enough of these workers in terms of our economy, and, on the other hand, there's no willingness to recognize that.

JOHN HUTCHINS: Deepak, earlier you talked about the issue of public benefits. For most Americans, a lost job might mean falling back temporarily on government assistance. However, the 1996 welfare bill cut welfare, food stamp, and Medicaid benefits to immigrant non-citizens. While some of these benefits have been restored, many immigrants are reluctant to access benefits that they might be eligible for. Can you talk about the challenges immigrants face in accessing public benefits?

DEEPAK BHARGAVA: Yes. There are actually, I think, three different components to the problem. First, many legal immigrants, particularly those who entered the country after 1996, are still ineligible for public benefits simply by virtue of when they entered the country. Now some of the worst of what happened in the 1996 welfare law has been corrected since that time, but we still have more work to do. For example, Congress should pass legislation that would restore Medicaid and S-CHIP for immigrant children, including people who entered after 1996. So one obstacle is statutory barriers to access for legal immigrants to some public benefits programs and that needs to be addressed.

The second issue is that participation rates for all low-income families in public benefit programs are in many states much lower than they should be given the need, and that problem is especially bad for immigrants. Some of this problem is due to barriers—like long applications, short office hours, documentation requirements—that are bad for everybody, but arguably fall disproportionately on immigrants. Access to translation, interpretation, those kinds of services is an immigrant-specific issue that acts as a barrier for using these services.

And then the final thing I think is really a cultural one, which is that we've really created a climate of fear in immigrant communities whose only interaction with government is typically quite bad, whether it's a dysfunctional naturalization process or INS raids or special registrations that many people from around the world were subjected to in the wake of 9/11. In that environment, it's really not surprising that many immigrants are very reluctant to come forward when they need help. So we're going to need much more proactive strategies to create the bond of trust in these communities if we're serious about bringing them into the American mainstream.

JOHN HUTCHINS: And could you discuss what the implications of this problem in terms of access to benefits are for the immigrants and their families? What does it feel like for them?

DEEPAK BHARGAVA: I think the implications are really quite devastating, as the safety net in our country is in general, I think, fraying. Unemployment insurance is not working as well as it used to for many low-wage families. Certainly the welfare system is much less responsive to people in crisis, and you can go on down the list.

I think for immigrant families the deep problem is they are concentrated heavily in low-wage jobs for which there are no guarantees around tenure or stability and there's no backup or public support to meet the crises as they arise and also no supplement to income to make work pay.

We've got a whole architecture of programs in this country that are supposed to both provide a cushion and to supplement low wages, but aren't working for the fastest growing part of the poverty population, in some cases, at all. And so the architecture is totally out of whack with the reality of who is poor and what their life conditions are.

JOHN HUTCHINS: Deepak, here's a related question for you from one of our listeners, Jeanne Zarka, from the San Francisco Department of Human Services. She asks: "The proposed TANF reauthorization would increase work participation requirements and preclude welfare recipients from pursuing education and training full time. This would mean that limited English participants could not engage in English language immersion to improve their language skills and by extension, their opportunities for employment. What is being done to insure that immigrants retain the opportunity to pursue intensive English or intensive English and vocational training as their welfare-to-work activity rather than be forced to take entry-level jobs at low wages that don't require English and have little or no opportunity for advancement?"

DEEPAK BHARGAVA: Well, I'm sorry to say that this is the case in many areas. Nothing good is likely to come out of Washington anytime soon.

JANICE FINE: There's hope, but not for us.

DEEPAK BHARGAVA: Yes, something like that. You know, current law does not allow ESL, English as a Second Language, as a work activity, but because the work participation rate requirements have been so low, some states have been able to innovate in this regard. Both the House and the Senate welfare reauthorization bills would ratchet up both the work participation rate requirements and the work-hour requirements and significantly reduce state flexibility in terms of being able to provide a range of options for welfare parents to meet their work requirements.

The Senate bill is far better than the House bill, but from my point of view, at least, no action is probably the best scenario out of Washington in the short term. We'd be better off, I think, with a clean, long-term extension of current law that would at least retain the flexibility that states currently have.

I do think, over the medium term, one area where we can make some progress at the local, state, and federal levels is to dramatically expand public support for ESL classes, which we know there's a dramatic shortage of. Regardless of where you stand on the political spectrum, there is broad support for supporting the efforts of immigrants to learn English, and we just don't have the supply.

So I think on the welfare context, our options are really quite limited, at least in the short term. And no news is good news, but there may be some other ways of getting to that same question over the next couple of years.

JOHN HUTCHINS: Thank you. And we're going to talk in a moment more about potential solutions and what's going on on the Hill. But, Janice, let me ask you another question. A moment ago, you were talking about how different it is for immigrants now than 100 years ago and the barriers to becoming citizens and legal. It seems like undocumented immigrants are in a hole that they can't work their way out of. How can immigrants take advantage of the classically American opportunity to advance in the labor market under these conditions?

JANICE FINE: I think that's a great question. And what I would say is that I don't think there's any mystery to how workers 100 years ago sought to make improvements in their industries or to how workers today would be to do it. I think basically workers need to organize and there's sort of a two-pronged approach. One is to organize in order to build labor market power.

Every job was a bad job in the U.S. economy until people organized to take wages out of competition. In the turn of the century and in the '10s and '20s and '30s when craft unions were created, there was an understanding that you had to establish a loose monopoly over the labor supply.

You had to get wages out of competition, so that firms had to be forced to compete on other bases, and you did that by organizing. In the great industrial union organizing era, people didn't come together on the basis of their craft, they came together on the basis of their work in a common firm or across a common industry. And the understanding again was that workers

combined and put their power together so that they could take wages out of competition and establish patterns across industries that had decent pay and decent benefits and where workers shared in the productivity gains of the firms for whom they worked.

Now the question is [how do you organize] in this era of unstable firms, where this rise in the service sector has meant much smaller firm sizes, much more contracting out, and a radical decentralization in many of these industries. There's a need for new forms of organization and new policies that would support that kind of organizing, but the bottom line is that what we need are public policy changes and we need institutions through which workers can build their collective labor market power.

You know, I guess there are more workers now employed in nursing homes than auto and steel combined, so there's no reason why a nursing home job has to be a low-wage job. It's not just a question of organizing, because we know that there are enormous obstacles right now to American workers whether they are documented, undocumented, immigrant or native born, exercising those rights. But, essentially, the proposition is that there has to be a combination of public policy change and labor market power built on the part of these workers.

JOHN HUTCHINS: Well, let's talk about public policy a little bit. Deepak, the President has put forward an immigration reform proposal. Could you describe it briefly for our audience?

DEEPAK BHARGAVA: Sure. The first thing that's important to say about it is that it really is a set of principles, that it is not a concrete legislative proposal. So there are a lot of areas that are vague or not fully worked through. Basically, the President's proposal is a guest worker proposal and the notion is that some undocumented workers who are currently in the U.S. and potential future immigrants could work legally in the U.S. for some number of months at which point their work authorization could possibly be renewed—although that's not entirely clear—or they'd have to return to their home countries.

The important thing to understand is that it's a work visa proposal that is temporary for the workers who would participate and there's no path to permanent residency or citizenship contemplated in what the President has proposed. It's also quite weak—at least vague and probably quite weak—on the question of what worker protections those immigrants who are on this temporary visa would have and the question of how free they would be able to move between jobs and how much mobility they'd have in the labor market. It appears they wouldn't have much.

The other important thing to note about it is that the President's principles really focus on a question of worker visas, but there's no provision to reduce what's known as the family backlog. That is to say, if a U.S. citizen mother wanted to sponsor her son, that mother currently is waiting nine years for a visa if the son is in Mexico, 13 years if the son is in the Philippines, and so we have a kind of real crisis on the family visa side that hasn't been addressed. The President's proposal is largely silent on that.

There are other disturbing features of the President's proposal. It would potentially significantly toughen, and actually make more difficult the process of naturalizing for immigrants, the citizenship test, the requirements. The proposal taken as a whole was really wrapped in a rhetoric of inclusion of immigrants in American society. I think, from the perspective of most immigrant advocates, it's a woefully inadequate solution to the problems we have, both for legal immigrants

trying to bring family members into this country and for undocumented workers trying to adjust their status. It doesn't really solve either of those core problems.

JOHN HUTCHINS: And Senator Kennedy has also introduced an immigration reform bill, right?

DEEPAK BHARGAVA: That's right. Senator Kennedy on the Senate side and Congressman Menendez and Gutierrez in the House introduced what's known as the SOLVE Act that has a number of components. It would aggressively address this issue of family backlogs and that's the first title, to increase the number of family visas so that more immigrants in the U.S. could bring over their family members and reduce the wait time. It has what's known as an earned legalization component, which says that immigrants who have been in the country for a number of years, who have worked and paid taxes, who don't have a criminal record or have learned English and so on, could be put on a path to permanent residency and eventually citizenship and that's a very important feature of the SOLVE Act that's proposed.

And then, finally, it also has a worker visa program to regulate future flow of immigrants into the United States. It's really a break-the-mold program that's very different than the programs we've had in the past, which have been very vulnerable to the exploitation of immigrants, so it would include strong worker protections, insure that immigrants could move between jobs, and provide a path for citizenship for workers who came in under that system.

At least in our view, it's a very strong alternative vision of how to deal with the crisis of a broken immigration system in this country.

JOHN HUTCHINS: So in a head-to-head comparison, you would say that the bill that you just described would be a great improvement over the President's bill?

DEEPAK BHARGAVA: Yes. The reason is, if you think about the crisis that Janice articulated, an economy that desperately needs these workers and the kind of chronic lying our society is doing about not acknowledging that reality and creating a path to integration for those immigrants so they can become citizens and participate in the American dream—it really solves that core problem.

It also represents I think the best continuation in terms of values about family reunification that have historically undergirded—at times anyway—our immigration system in this country. And it makes a very credible effort to deal with the problem of what happens with immigrants who come in after the bill is passed—so how do we deal with future flow, create a regular orderly system for immigration in the future that meets both the needs of immigrants and the needs of employers and the economy.

So I think it's a pretty sensible effort. Now this is going to be a long-term debate. We're not going to see comprehensive immigration reform pass this year. It will be at least two, three, maybe four years before we get there, but the major markers are being laid down for different visions of how we do it. And I think this is substantively the best one.

JOHN HUTCHINS: And there are a couple of other pending immigration bills in Congress that you think are promising too, right?

DEEPAK BHARGAVA: Yes. We're not going to get comprehensive immigration reform this year. We can get a down payment on comprehensive reform, and there are two very viable proposals that are actively being considered in the Senate now.

One, the Ag Jobs bill, would provide a path to citizenship for some farm workers and expansion of some of the existing guest worker programs in the agricultural sector that have overwhelming bipartisan support and is actually being considered on the Senate floor or will be considered on the Senate floor when they come back from recess very soon.

The DREAM Act is also bipartisan legislation sponsored by Senator Hatch from Utah that would allow undocumented students to pay in-state tuition when they go to college and to get on a path to become permanent residents and citizens. Both of those bills are not only bipartisan in nature, they have very strong constituencies behind them. So even in the year where Congress isn't likely to do much that's very good or very much at all, those are two things that might actually get done this year.

JOHN HUTCHINS: Besides these immigration bills, are there other actions that Congress should take to address the issue of the low-wage economy this year?

DEEPAK BHARGAVA: Well, I'm not sure that much is likely to happen this year. Certainly, the minimum wage increase and extension of unemployment insurance are at least in the mix and on the table.

I think as we think about the longer term, the agenda is really to increase wages at the bottom through a mix of a minimum wage increase, strengthening the ability of unions to organize, strengthening enforcement of labor laws, and so on, increasing public program support for low-wage working families broadly, health insurance, child care, other work supports.

And then we've also got to have a macro-economic policy that does what Janice articulated happened very briefly in the late '90s, which is to create conditions that are closer to full employment so that the wages of the workers at the bottom are more likely to rise. So that's the longer term agenda that we have to begin to get to.

JOHN HUTCHINS: Thank you. Janice, you and Deepak have both alluded to the issue of enforcement of current law. It sounds like beyond new legislative remedies, something more could be done about enforcing current workplace laws, is that correct?

JANICE FINE: Well, I would say that our system of enforcement is broken, and I think it's arguable that it's probably pretty much beyond repair if we continue with the current paradigm. And just to give you some sense of that, both at the federal level as well as at the state level, you know, one could argue that even when the Fair Labor Standards Act was passed in 1938, that we have never really had a system of enforcement that made much sense.

We could also argue that the minimum wage even then was inadequate. But anyway, what's happened since at least the '70s is that percentage of inspectors to the size of the labor force has just not kept pace at all. There's enormous growth in jobs. That's what we do well in the United States—we're a job-creating machine in the best of times. And, as I described earlier, the average firm size has gotten smaller. So, we have a larger number of firms with a smaller number of inspectors running after them trying to inspect labor market conditions in those industries—both at the federal level and at the state level. I'll just give you a sense: in California in 1970,

there were 29.1 inspectors per million California workers. In 2000, there were 26.78 inspectors per million California workers. So, it's probably not an exaggeration to say that if you're a low-wage employer, you're just as likely to be struck by lightening as you are to be approached by an inspector in an unscheduled inspection. The implications of that are that in the apparel industry in 2000 in California, the Labor Department found that the overall level of compliance with the Fair Labor Standards Act, by which we mean minimum wage, overtime, and child labor, was 33 percent.

I could go on and on, but that gives you some sense of it. At the federal level, the situation is fairly comparable. In 1939, there were 669 investigators and that meant that there were .054 investigators per 1,000 covered employees. In 1996, 781 investigators—and we know what kind of enormous changes there have been in the economy since then—so that it's one-tenth of one percent investigators per 1,000 covered employees. What this tells me is that our paradigm of enforcement [is a failure]. We're not going to have some huge increase in the budget of the wage and hour division to enforce these laws, and, even if we did, it's unclear what they would do best.

My sense is that we have to empower other actors who are closest to the ground and who have access to information that very often government inspectors don't about what's going on in the labor markets. To me, that would be workers, worker organizations, because realize that a lot of our enforcement mechanisms are individualized. And especially for workers who don't have a lot of labor market power, they're much more likely to speak out when they speak out in a group, so the idea of giving groups of workers access and not just access, but a formal role.

In Canada and all across Europe, there are work-site-based committees and also industry-based committees of workers who are given a formal role in monitoring compliance with occupational health and safety standards, overtime, minimum wages, et cetera. Given the radical restructuring of our economy, it's going to take thinking about that kind of paradigm shift to get a handle again on enforcement in low-wage industries. I don't think anything short of that is going to work.

JOHN HUTCHINS: And your discussion of workers' groups might be a good segue into talking about your report on immigrant worker centers. Could you describe what those are?

JANICE FINE: Sure. I started this research because I was wondering about—I talked a little bit before about immigration at the turn of the last century—there was a set of institutions in place that helped workers and low-wage immigrants begin to navigate the world of work in the United States. Those were unions, they were political parties, they were settlement houses, they were fraternal organizations, they were informal networks, et cetera. And the question is: what does that infrastructure look like now for low-wage workers as they attempt to navigate [the labor market]?

We know that there's been an enormous decline in unions. I don't think anybody would argue that the political parties are necessarily playing the role they once did in big cities in terms of providing access and information about jobs and patronage, et cetera. Of course, there are informal networks, but my point is just that there has been a decline in the institutions that traditionally empowered low-wage immigrant workers and that social service agencies and churches, while very important, are not enough.

I was on the lookout for the new institutions that are helping to provide stability and support to low-wage immigrant workers as they seek to navigate the American economy and American politics. And because of that, I started to write about immigrant worker centers. Essentially, they

are organizations that are community-based mediating institutions that provide support to communities of low-wage immigrants.

Because work is the primary focus for a newly arrived immigrant, it's the locus of many of the problems that they face. And that's why even though these groups really pursue a very broad agenda, they call themselves worker centers. I would say they're sort of part settlement house, part local civil rights organization, part union, part fraternal organization, and they pursue their mission through provision of service delivery, including legal representation because remember that legal services are prevented from representing undocumented immigrants. [They also provide] English as a second language classes, worker rights education, advocacy. A lot of what they do—similar to what the settlement houses did 100 years ago—is that they document all the abuses in the low-wage labor markets. They tell the story of America's contemporary sweat shops and talk about the need for new laws. And, finally, they do engage in organizing, working to build ongoing organizations and engage in leadership development among low-wage workers so that they can take action on their own behalf for economic and political change.

So I just noticed that there was this bunch of community-based worker organizing projects in the immigrant communities that were cropping up all over the United States, and I wanted to understand more about what they do, what they do well, et cetera. Just to give you a sense of it, in 1992, there were fewer than five centers nationwide. As of 2004, there are about 133 in over 80 cities, towns, and rural areas.

JOHN HUTCHINS: And how did they develop it? I mean, is this a national movement or are they indigenous coming out of their communities?

JANICE FINE: That's a really good question. What's so interesting about these groups is that, by and large, I would say it's a common strategy that's been resorted to by a wide variety of players. So, no, they're not connected to any national network by and large. They don't come out of one particular type of organization, but, for example, Catholic Charities in different areas and religious institutions have backed into creating there worker centers when they found that their existing social service infrastructures just wouldn't cut it. For instance, legal aid lawyers who were finding that they were trying to represent these workers sort of backed into doing advocacy and organizing because what they were doing just wasn't enough.

Non-profit, non-governmental organizations that are ethnically based that were working with Guatemalans, say, or Salvadorans, or Mexicans in different parts of the country started to do more and more organizing and advocacy around issues of work because what I heard over and over again—and I did surveys of 40 of these organizations and case studies of nine of them—was that these organizations were born of necessity. The existing infrastructures just were not able to provide the kind of technical support, service delivery, advocacy, and organizing that low-wage workers needed. So, I think, in addition to the 133 organizations that I've identified, there are probably three times that many that don't necessarily call themselves worker centers, but are really fulfilling a lot of these roles.

JOHN HUTCHINS: Can you describe one of them for us to give us a sense of what they look like?

JANICE FINE: Sure. One of the organizations that I visited in New York is called the Workplace Project; it's in Long Island. That's interesting because, as Deepak said, there's been a huge growth in the '90s of immigrants moving to areas where they didn't traditionally go to.

There used to be this idea of gateway cities that the vast majority of immigrants migrated to. Now there's a lot more immigrants in the suburbs. For example, in Long Island, home of the Workplace Project, there was this enormous influx of immigrant workers, largely Central American, and no infrastructure in terms of defending their employment rights, helping them negotiate and navigate the world of work, learning about workers' rights, et cetera.

It was set up by a young law school graduate from Harvard, and it first started just taking cases. They saw thousands of workers who had come in, and their biggest complaint was unpaid wages, also occupational safety problems, lack of worker's compensation, that kind of stuff. From the cases, they would win all these cases, but then the employers wouldn't pay up—so they started to do actions to try to get the employers to pay up. They started to try to get the media to cover these stories—you know, I talked before about getting out the dirty little secret of the American economy. That's nowhere truer than in suburban areas like Long Island today. So bringing those problems above ground was a big part of what these groups did. This group really redefined the whole debate over immigration in Long Island and got the counties to face up to the fact that immigrants had become an enormous part of the economic growth of those economies.

Then they started to work on public policy change. They won the strongest unpaid wages law in the country. One of the reasons why firms don't pay workers or don't pay overtime is because the fines and the penalties are so minimal, and they were able to get a Republican senate and a Republican governor to pass the strongest unpaid wages law in the country. They also have a housekeepers' cooperative, a gardeners' cooperative, and the other thing is that they have been very involved in defending the rights of day laborers.

JOHN HUTCHINS: Janice, thanks a lot. When is your report coming out?

JANICE FINE: The report will be out in the fall.

JOHN HUTCHINS: That's great. And if our listeners wanted to find out more about these centers in the meantime, is there a place for them go to?

JANICE FINE: Yes. Probably the best thing to do is get my e-mail contact information from you, and I'm happy to send people out the key findings of the study or other information that I have at this point. [Janice can be reached at: jfine@neaction.org.]

JOHN HUTCHINS: That sounds great. Deepak, let me bring you back in here. Could you talk a little bit about the role of advocates in promoting equity for immigrants in the low-wage labor market? I know that you all at CCC are about to launch a new initiative.

DEEPAK BHARGAVA: One of the most exciting things for me over the last 10 years has been the emergence of a whole sector of immigrant advocacy and organizing groups throughout the country and not just in the typical states like New York and California. There's an emerging infrastructure that the worker centers are a part of that's really moving to address some of the core concerns of this constituency that's been dealing with very difficult issues on the local and the state level, on everything from how to deal with what was then the INS and now is the Department of Homeland Security, to public benefits issues to access to higher education for immigrants, to access the driver's licenses. The emergence of that infrastructure, which is still very much underfunded and fragile, is a very exciting development I think. That points the way forward to how we might get to comprehensive immigration reform. There are a number of

national efforts to try and pull together a coordinated response and develop a campaign to get us to comprehensive immigration reform.

The Center for Community Change has been convening a number of state immigrant rights coalitions, community organizing groups, advocates, and others for several years, and it's about to launch a campaign called the Fair Immigrants Rights Movement—or FIRM—in late July, which will be pressing for changes in federal law to allow immigrants to adjust their status, to address the family backlogs issue that we talked about earlier, probably at an event here in Washington on July 20th.

Then, over the course of the year, we'll be pressing decision makers, politicians all over the country, to address the issues that everyone is facing in the country. So I'm pretty excited both by the growing strength of this sector and about the potential to make major changes in national policy over the next few years.

JOHN HUTCHINS: Deepak, for our listeners who want to know more about the Fair Immigrants Rights Movement, they should probably check out your website, right?

DEEPAK BHARGAVA: That's right. It's www.communitychange.org, and people can endorse the campaign or find more about it on the website.

JOHN HUTCHINS: Great.

We're sadly running out of time. Let's close by talking about politics. One thing that we haven't addressed directly, Deepak, is that the public's attitude and the government's policies towards immigrants have changed considerably since 9/11 and the war on terror. Could you talk a little bit about the effect of the current national security climate on the situation for immigrants?

DEEPAK BHARGAVA: Yes. I'll be brief. It's really been a dismal couple of years since 9/11. We've seen thousands of people being swept up in the wake of 9/11, many of them now in detention centers all around the country with very little in the way of basic due process. We've had waves of special registrations for people from certain countries, increased raids, really a climate of fear, especially in Muslim, Arab, and South Asian communities, but that really impacts all immigrants in one way or another. And it's really put a chill in the climate and that's been reflected in a lot of hostility towards immigrants from many television and talk show hosts, some radio hosts, and so on.

The good news is that there's the beginning of a fight-back on this issue. There's comprehensive legislation, the Civil Liberties Restoration Act, that will be introduced shortly that would undo some of the worst of both the legislation and some of the regulatory actions that have happened over the last couple of years. So we're hopeful that we'll begin to see a reversal of the very negative tide that we've had.

JOHN HUTCHINS: Deepak, in efforts to promote immigration reform and also to improve the low-wage labor market, are the interests of immigrants and native-born low-wage workers congruent?

DEEPAK BHARGAVA: I think it's a very important question. You know, there's certainly a lot of effort to paint a picture that immigrants are taking jobs from native-born workers and driving down wages for native-born workers. I think the evidence doesn't support that claim. Just to

give you an example, a Harvard professor did a study using actual survey data in Los Angeles, which is obviously the epicenter of immigration, and found that there really aren't downward effects on wages or employment for native-born workers based on immigration.

That being said, there's certainly a real tension that needs to be addressed straightforwardly and honestly, and I think the answer to that problem is crafting a broad agenda that speaks to increasing wages, working conditions, public support for all low-wage workers—as well as an immigrant-specific agenda. But I don't see those two populations as being in competition with each other.

JANICE FINE: If I could just add, economists may disagree with each other about the role that immigration plays in employment outcomes for low-wage workers, but one thing that everyone agrees with across the board is that all workers, once they're in the United States, are going to be better off with stronger regulation, with the right to organize, with all the things that Deepak said.

Whether you're undocumented or documented, your interests are completely congruent when it comes to restructuring public policy so it makes more sense—raising wages, et cetera—because if there's a group of workers who are treated as indentured servants and are allowed to be paid less and to be treated poorly by employers, and have no recourse, it brings everybody's living and working conditions down.

JOHN HUTCHINS: Janice, another hot political issue right now is outsourcing, the practice of companies outsourcing jobs to workers in other countries who have much lower wage standards. What do you say to business leaders who argue that the low wages they pay are the result of needing to stay competitive in the global economy?

JANICE FINE: Well, I'd like to find out where they're going to outsource the area hospital, where they're going to outsource the nursing homes and when they build buildings. I don't think outsourcing has anything to do with the vast majority of low-wage workers who are exploited and paid so poorly in the United States. As we talked about, the fastest growing sectors of the economy in the United States are not in competition with industries overseas.

JOHN HUTCHINS: Thank you. Deepak, I'm going to ask you the last question. On Monday, the American Political Science Association is going to release a report in which a non-partisan group of political scientists argue that the rising economic disparities in the past two decades are denying many poor Americans a political voice because money buys political access, as we know. Unions are less powerful and even new technologies like the Internet have only exacerbated the divided. We're in the midst of an election year, a pretty partisan one at that. Are these issues of the low-wage labor market and immigrants going to figure in the election?

DEEPAK BHARGAVA: Well, I think immigration is already a politically salient issue. There are real efforts by both parties to court this constituency, what with the changing demographics that kind of dawned on political elites over the last couple of years, even though the sea change has been happening over the last decade.

It's making a number of states and communities much more in play—Arizona, Nevada, Colorado, eventually some Southern states—and we know that immigrant voters care deeply about legalization. So, I think some of the proposals that we're seeing and the traction we're seeing on Capitol Hill is directly related to efforts to court this constituency, which isn't yet seen as aligned politically with one party or the other. Coupled with that, there are major efforts to naturalize,

register, and turn out hundreds of thousands of immigrants all around the country this year, which hopefully will give some undergirding and some greater credibility to these issues over time.

I actually am quite hopeful that this constituency will emerge as having a much stronger political voice over the next few years and that that will be part of what will drive an agenda around low-wage work and reforming economic structures in this country.

JOHN HUTCHINS: Thanks a lot, Deepak. And also thanks to Janice Fine for taking the time to participate in today's Audio Conference. I want to thank Steve Savner and Soleste Lupu for their help in planning this call.

Please join us for our next Audio Conference on Friday, July 9th, entitled, "Disconnected Youth: Educational Pathways to Reconnection." That Audio Conference will be hosted by a special guest host, Linda Harris, who's a Senior Policy Analyst here at CLASP and will include Rob Ivry from MDRC, Laurel Dukeheart from the Portland Community Colleges in Oregon, and Jack Wuest from the Alternative Schools Network in Chicago.

Thanks to all of you for joining us today.

JANICE FINE: Thank you.

DEEPAK BHARGAVA: Thank you.

[This transcript was proofed and corrected by Deepak Bhargava, Janice Fine, and John Hutchins.]