

UNITED STATES OF AMERICA

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THE PRESIDENT'S INITIATIVE ON RACE

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ADVISORY BOARD MEETING

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MORNING ROUNDTABLE DISCUSSION:

**"POVERTY AND RACE: FACTS, CAUSES, AND NATIONAL
ISSUES"**

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WEDNESDAY

FEBRUARY 11, 1998

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SAN JOSE, CALIFORNIA

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The Commission's Advisory Board met at Independence High School, Luiz Valdez Performing Arts Center, 1776 Educational Park Drive, San Jose California, at 9:19 a.m., Dr. John Franklin, Chairman, presiding.

BOARD MEMBERS:

Dr. John Hope Franklin, Durham, NC, Chairman
Linda Chavez-Thompson, Washington D.C.
Suzan D. Johnson Cook, Bronx, NY
Thomas H. Kean, Madison, NJ
Angela E. Oh, Los Angeles, CA
Robert Thomas, Fort Lauderdale, FL
William F. Winter, Jackson, MS

WELCOMING REMARKS:

Susan Hammer, Mayor
San Jose, California
Judith A. Wilson, Executive Director
President's Initiative on Race

PANELISTS:

Moderator: Dr. Manuel Pastor
Professor
University of Santa Clara

Dr. Tarry Hum
Asian/Pacific/American Studies Program
New York University

Dr. Douglas Massey
Chair of the Department of Sociology
University of Pennsylvania

Dr. Raquel Rivera Pinderhughes
Associate Professor of Urban Studies
San Francisco State University

Dr. Matthew Snipp
Professor of Sociology
Stanford University

Professor William Julius Wilson
Professor of Social Policy
John F. Kennedy School of Government and
Department of African-American Studies
Harvard University

Mr. Robert L. Woodson, Sr.
Founder and President
National Center for Neighborhood Enterprise
Washington D.C.

AUDIENCE PARTICIPANTS:

Perry Lorenz
Dwayne Hearn
Jose Hernandez
Jeff Paulsen
Adrian Stewart
Cindy Chavez
Elbert Reed

P-R-O-C-E-E-D-I-N-G-S

(9:19 a.m.)

CHAIRMAN FRANKLIN: I want to welcome you to the sixth meeting of the President's Initiative on Race. We're taking credit for everything we can these days, and we're taking credit for bringing a cessation of the rain this morning.

(Applause.)

CHAIRMAN FRANKLIN: The President's Initiative on Race is a year-long initiative to engage the nation in moving toward a stronger, more just and more united America. We've been examining issues surrounding race and our common future, looking at current laws and policies and making recommendations that can help to ensure that we will remain one America.

We have been talking to, hearing from, and enlisting individuals, communities, businesses and government at all levels in this effort to understand, respect and celebrate our differences as we appreciate the values that unite us.

In June, 1997, the President appointed a seven-member Advisory Board to help meet the goals and objectives of the Initiative. I was, of course, honored that the President chose me to chair this distinguished Advisory Board.

And let me very quickly recognize each of

1 the members, my colleagues. You can read more about
2 them in the public materials that will be made
3 available on this and other occasions and on our
4 Website.

5 First, the Hon. Gov. William Winter,
6 former Governor of Mississippi, a lawyer in Jackson,
7 Mississippi today.

8 Another lawyer, Angela Oh, a distinguished
9 member of the Los Angeles Bar and a member of the
10 Special Commission to study the riot in Los Angeles in
11 1992.

12 The Reverend Dr. Suzan Johnson Cook, of
13 the Faith Community Church in the Bronx, New York,
14 former White House Fellow and a distinguished leader
15 in the faith community.

16 Robert Thomas, former President and CEO of
17 Nissan USA, now Executive Vice President of Republic
18 Industries in Fort Lauderdale, Florida.

19 And Linda Chavez-Thompson, the Executive
20 Vice President of AFL-CIO.

21 Our seventh Advisory Board member, Gov.
22 Thomas Kean, former Governor of New Jersey, was deeply
23 disappointed that he could not be here this morning.
24 The present Governor of the State of New Jersey, Gov.
25 Whitman, asked him to share the podium with her today
26 in going before the New Jersey State Legislature to
27 present the New Jersey state budget that proposes

1 funds that are critical to his own agenda, and he is
2 going to support that budget and he is in New Jersey
3 with Gov. Whitman today.

4 Also joining us at this table is my able
5 and wonderful Executive Director of the Initiative,
6 the Hon. Judith Winston, former General Counsel for
7 the Department of Education. With her help, we've
8 been able to do a good deal. Without her help, of
9 course, these meetings would not be possible at all.

10 I want to welcome you, Judy, and I
11 understand you have some announcements you'd like to
12 make.

13 MS. WINSTON: Yes. Thank you very much,
14 Dr. Franklin.

15 I'm pleased to be able to report to the
16 Board today and to the public attending here that the
17 President's Report on the Economy has been released,
18 for the first time with a chapter on race.

19 The President Council of Economic
20 Advisers, which prepared the report, released it
21 yesterday, and this new chapter on race was developed
22 in response to the creation of the President's
23 Initiative on Race and our interest, and the
24 President's interest in assuring that more information
25 is provided to the public about the racial disparities
26 and the status of Americans across racial lines, in
27 terms of economic participation.

1 The report documents that while there has
2 been notable progress for most racial minorities, the
3 improvements have been uneven and often slow in
4 coming.

5 For example, despite declines in poverty
6 rates for African-Americans over the last several
7 decades, those rates are still considerably higher
8 than those for whites.

9 The report also shows that Hispanics have
10 lost ground over the last several decades, in part
11 because of the arrival of Hispanic immigrants with
12 lower levels of education.

13 The report therefore offers clear evidence
14 of continuing disparities and the continued need for
15 both public and private-sector assistance in reducing
16 these inequities.

17 Today's two roundtable discussions will
18 greatly assist the Advisory Board, we believe, as it
19 assesses what existing efforts can be replicated or
20 what additional efforts might be best taken.

21 We look forward to hearing from our
22 panelists on these very complex issues. Thank you.

23 CHAIRMAN FRANKLIN: We are very delighted
24 to be here in San Jose and the San Francisco Bay Area,
25 and I want to thank you, all of you, for the
26 hospitality that you have extended to us.

27 In keeping with our theme for this

1 meeting, which is race and poverty in America, we have
2 visited a number of organizations in San Francisco and
3 Oakland and East Palo Alto which are implementing
4 programs to reduce poverty. We learned much from
5 these meetings, as we did from the community forum
6 that we held last evening, in which we heard from a
7 number of community residents about their concerns
8 related to race and their suggestions of how to deal
9 with these issues.

10 I'm sure that I can speak for all the
11 Board when I say that we are deeply grateful to all of
12 you and for your contributions, and we hope that they
13 will have a very, very profound and lasting effect on
14 this community as well as on the Board and the
15 policies of the government which will come from, we
16 hope, from this Board.

17 In part, we chose to hold our meetings
18 here in San Jose because its diverse mix of racial and
19 ethnic already looks like what communities in America
20 are moving towards in the 21st Century.

21 Our choice of San Jose as a meeting site
22 has met our expectations and more.

23 And I have the pleasure of introducing the
24 Mayor of this fine city, who understands the
25 significance of our undertaking and the role that
26 places like San Jose can play in contributing to the
27 success of this Initiative.

1 We are extremely pleased to have with us
2 today the Hon. Susan Hammer, Mayor of San Jose, who
3 will extend some welcoming remarks.

4 Mayor Hammer has been governing this city
5 of 175 square miles with a work force of 5300
6 employees and an annual budget of a billion dollars
7 for some seven years. She's taken the lead in
8 preparing San Jose for the 21st Century by promoting
9 an array of far-seeing forward and modern programs,
10 including those that acknowledge the importance of
11 racial and cultural diversity.

12 I'm extremely honored and pleased and
13 delighted to present to you Mayor Susan Hammer.

14
15 (Applause.)

16 MAYOR HAMMER: Good morning. Indeed, it
17 is my honor to welcome you, Dr. Franklin and the
18 distinguished panel, to San Jose. We are -- I should
19 say we were -- delighted when we found that you
20 intended to hold a hearing last night in our city and
21 to have your board meeting here today, and I hope that
22 you get to know a little bit about the city of San
23 Jose, as people in front of me do, and leave here with
24 a good feeling about the way we're going about
25 addressing various problems in this city.

26 It is not often that we have an
27 opportunity to engage in strategic thinking on

1 important issues such as race and poverty and to bring
2 a broad-level perspective to the dialogue

3 Race and poverty in America is certainly
4 not a new issue. It's a discussion that has been at
5 the forefront of public debate for decades. It's an
6 issue that is interwoven with problems of
7 discrimination, socioeconomic status, public policy
8 and the control of power and wealth in our society.

9 Here in San Jose we have projects whose
10 goals are consistent with the themes of this
11 conference and with your work -- to reduce poverty and
12 increase opportunities in housing, in communities --
13 certainly in economic development throughout the city
14 of San Jose.

15 One project in particular that I would
16 like to tell you a little bit about operates under the
17 premise that people of all backgrounds desire and
18 respond to the opportunity to experience decision-
19 making and policy recommendations at a very grass-root
20 community level.

21 It's called the Mayfair Neighborhood
22 Initiative, and I know that some of you out there are
23 very familiar with that and probably involved in it.

24 This Initiative was launched in San Jose
25 by the William and Flora Hewlett Foundation in
26 December of 1997, with a commitment of \$5 million over
27 six years. It's a cross-disciplinary effort aimed at

1 improving the human and physical conditions as well as
2 the economic conditions in the low-income neighborhood
3 of Mayfair, which actually isn't too far from here.

4 Let me just share with you a couple of the
5 goals or objectives of the Initiative.

6 One is to address poverty-related issues
7 in a comprehensive manner. And another one -- which
8 I think is so very, very important -- is to improve
9 the capacity of community-based organizations and
10 residents to participate fully in the planning and
11 renewal of their neighborhood.

12 Another goal is to leverage significant --
13 and I believe this is very key -- significant public
14 and private resources to support neighborhood change.
15 The Mayfair Initiative is founded on the belief that
16 effective long-term solutions to poverty and
17 disinvestment in our neighborhoods can be achieved
18 only if the community itself controls the planning and
19 implementation of the revitalizing efforts.

20 The Mayfair community has many obstacles
21 and challenges to face. It has one of the highest
22 levels of poverty of any neighborhood in San Jose,
23 there is high rate of unemployment, as you can
24 imagine -- I'm sure that's no secret to you -- many of
25 the neighborhood's young people are not doing well in
26 school; dropout rates are high; and many of the
27 public spaces and facilities in that neighborhood are

1 lacking.

2 The resources in the community lie in the
3 residents themselves. Thirty-eight members
4 representing the people who live in that neighborhood
5 are working closely with community-based
6 organizations, with high level county and city
7 officials, as well as business leaders, to implement
8 a plan that will be carried out over the next several
9 years.

10 My goal is to have this Mayfair Initiative
11 be a project that not only the community can be proud
12 of but that will serve as a national model of what can
13 be accomplished when a neighborhood works together on
14 issues of social and economic change.

15 And let me just say -- and I'm sure you
16 heard this last night and you will hear it today from
17 people more knowledgeable than I -- but as you read
18 about the boom times in Silicon Valley -- and there
19 have never been better times in this valley, as
20 everyone agrees -- I don't think we should be misled.

21 A report was issued recently -- and I
22 understand that we sent it to you -- that was written
23 by Working Partners, which is a non-profit
24 organization of the AFL-CIO here, and that report
25 clearly states that the disparity between those at the
26 high end of the wage scale in this valley and the low
27 end is growing rapidly.

1 And to that end, I think any information
2 that you can help us with -- certainly you're going to
3 hear from people who have been involved in that --
4 will go a long ways to -- working with us in
5 addressing this.

6 It's very, very disturbing. More people
7 are living below the poverty line in this community
8 than ever before. The cost of housing is high. And
9 we just simply have to begin to address this.

10 So while we're proud of the work that
11 we're doing in the Mayfair neighborhood -- and as I
12 said, I'm convinced, or at least confident, that it's
13 going to be a model -- we still need to address issues
14 like this on a broader scale.

15 Before I close -- and I'm about to do
16 that -- let me remind all of us that the real campaign
17 to end racism and poverty and create a democracy that
18 respects and values a pluralistic community lies with
19 the work that each of us do, day in and day out, in
20 America, where the opportunity to earn a decent living
21 wage is so critical, I believe, to ending the racism
22 that is prevalent in our country.

23 So as I thank you for your forum and being
24 here in America, let me just say that, in President
25 Clinton's words, we're all working hard to achieve
26 that one America, to build that one America, an
27 America that has a common identity, shared values, an

1 America that respects and values our diversity and an
2 America that I believe, will determine our role in the
3 21st Century world as how we are going to come to
4 grips and address these issues.

5 So you are more than welcome to be in San
6 Jose and I look forward to the products of your
7 deliberations. Thank you very, very much.

8

9 (Applause.)

10 CHAIRMAN FRANKLIN: Thank you very much,
11 Mayor Hammer. We're delighted to be in your city, and
12 thank you for your welcome.

13 I want briefly to mention a few thoughts
14 regarding the President's fiscal 1999 budget, which
15 was announced last week.

16 As you know, President has proposed a
17 balanced federal budget for FY 1999, the first
18 balanced budget in some thirty years.

19 I'm pleased to say, however, that the
20 President's budget not only ends the federal deficit,
21 it also promotes spending on programs that could
22 greatly help bridge the racial gap and the racial
23 divide in America. I'll highlight just a few items.

24 First, on the area of civil rights
25 enforcement the Advisory Board advised the President
26 several months ago of our belief that adequate funding
27 is essential to the enforcement of existing legal

1 protections that prohibit discrimination in America.

2 I am pleased to report that the
3 President's proposed budget provides increased
4 resources to support the enforcement of federal civil
5 rights laws. This budget includes an \$86 million, or
6 16 percent increase, in spending from the estimated
7 1998 level for civil rights enforcement agencies.

8 Second, in the critical area of education,
9 which was the focus of advisory board's meetings in
10 November and December of last year, the President has
11 proposed substantial spending on educational programs
12 that will greatly improve educational opportunities
13 for minority students.

14 For example, the President has proposed a
15 Hispanic Education Action Plan, which includes more
16 than \$600 million in additional spending on programs
17 that promote the educational achievement of Hispanic
18 students and address such national problems as high
19 school dropout rates among Hispanic youth.

20 In addition, the President has announced
21 the High Hopes Initiative, which is a long-term
22 investment starting with \$140 million in the fiscal
23 1999 budget to promote partnerships between colleges
24 and middle and junior high schools in lower income
25 communities and to strengthen the pipeline from K
26 through 12 to college.

27 Finally, in the area of economic

1 opportunity -- which was the focus of the Advisory
2 Board's meeting in January and is again the focus of
3 the Advisory Board's meeting today as we discuss the
4 complex issues of poverty and race in America, the
5 President has proposed additional spending as well.

6 For example, the 1999 budget proposal
7 includes \$283 million to fund 50,000 new vouchers for
8 people who need housing assistance to make the
9 transition from welfare to work.

10 In addition, the President's budget
11 provides \$170 million per year for ten years -- a
12 total of \$1.7 billion, to fund 15 new urban and five
13 new Rural Empowerment Zones.

14 These initiatives will be more successful
15 if the general public will support them, and of
16 course, if the general public will on its own go
17 beyond these proposals that we will have an abundance
18 of support for these items that will, of course, make
19 a difference between the status of persons bordering
20 on poverty today and the status that they might
21 achieve with this kind of support and with the support
22 of the general public.

23 Now today we are examining issues of race
24 as they relate to poverty. We will do this through
25 two roundtable discussions. This morning's round
26 table will focus on the facts about poverty, giving us
27 a better understanding about who is living in poverty

1 in America, and causes, of course, of their condition
2 and national issues and solutions.

3 In the afternoon we will convene regional
4 and local experts who will examine these issues at a
5 local level and explore some of the efforts that
6 people are making to assist financially distressed
7 communities.

8 We will explore what implications their
9 experiences have for the rest of the country.

10 Governor Kean, who could not be here
11 today, did send us a report by the New Jersey
12 Department of Health and Human Services entitled "The
13 Blue Ribbon Report on Black Infant Mortality
14 Reduction." That report found that:

15 "Poverty is correlated with
16 substandard and overcrowded housing.
17 Yet, when variables such as income,
18 education, maternal age and marital
19 status are held constant, black
20 mothers continue to be at increased
21 risk for poor pregnancy outcomes and
22 infant death."

23 In other words, the report finds that
24 racism is a documented factor contributing to black
25 infant mortality. We hope that our panel discussions
26 will provide us with some insight and ideas for
27 addressing issues such as this one.

1 I would like to welcome our first panel of
2 participants and introduce the moderator for this
3 morning's discussion.

4 Professor Manuel Pastor from the
5 University of Santa Clara will be moderating the
6 panel. Professor Pastor has researched poverty and
7 community development in housing and other areas in
8 Los Angeles. He is currently Director of Latin
9 American Studies at the University of California at
10 Santa Cruz.

11 Professor Pastor has moderated and
12 participated in numerous discussions on these issues
13 with people representing a wide spectrum of views. I
14 am delighted to welcome Professor Pastor and to ask
15 him briefly to introduce his discussion participants
16 and to begin the discussion.

17 Dr. Pastor.

18 DR. PASTOR: Thank you very much. I'm
19 going to moderate from here. Basically that way I
20 can see everybody and make sure that I get a chance to
21 call on you.

22 Let me take a minute or two to set the
23 stage, and then introduce what is really a
24 distinguished set of panelists here.

25 Let me welcome the Advisory Board to
26 California. As it was mentioned, the demographics of
27 California mirror the country's future. Probably the

1 economy does as well, and at least many of us in
2 California are hopeful that our politics will not
3 actually mirror the future, given how divisive they've
4 been.

5 But they may, because these issues of race
6 and poverty have been quite divisive politically.

7 Here, in California as elsewhere, poverty
8 and race are intertwined. They're intertwined both in
9 image, in the sense that many carry an image that all
10 African-Americans, all Latinos, may be poor -- but
11 also in reality.

12 If we look at the statistics, what we find
13 currently is that despite tremendous progress in the
14 United States with regard to reducing poverty rates
15 generally, poverty rates for African-Americans and
16 Latinos remain three times above the poverty rates for
17 whites, or "anglos" -- the expression we like to use
18 in California.

19 The highest poverty rate is for American
20 Indians. And Asians, often thought to be the so-
21 called model minority -- experience twice the poverty
22 rates as whites.

23 So there's a serious intersection of race
24 and poverty in the United States. And as many have
25 pointed out, poverty is particularly concentrated or
26 more concentrated for minorities.

27 In our own research in Los Angeles we

1 tried to see what areas were both 50 percent white and
2 had twenty percent of the residents above the poverty
3 level, and the only areas that we found were in
4 Westwood, consisting of students who hadn't yet
5 received checks from their parents, I think -- and
6 artists in Hollywood.

7 But for minorities, the experience of
8 poverty is often an experience of concentrated
9 poverty, living in neighborhoods characterized by high
10 levels of poverty. And this concentration has
11 increased over the 1980's.

12 Now we should recall in this conversation
13 that most poor people are white. Yet there seems to
14 be a special experience for people of color, and there
15 are certainly cries that dealing with the issue of
16 racial justice should be built on a foundation of
17 economic justice.

18 So to deal with this topic, we have a very
19 distinguished panel, which I will introduce in a
20 moment.

21 I want to point out that we are going to
22 not deal with a couple of questions in detail here.
23 The first question, which I'm sure will come up, but
24 will come up, we believe, later on in other sessions,
25 is immigration -- although it does come up with all
26 these groups

27 And the second is the local situation. As

1 Mayor Hammer was saying, that will be dealt with in a
2 second panel. And certainly in San Jose we have a
3 situation where there's both a high-tech economy and
4 a sort of Aztec working class, which has been a
5 significant problem.

6 We're going to today, though, be organized
7 around three questions for the discussion. And the
8 first is, what has race got to do with it? How does
9 race play into poverty levels?

10 The second question is, what should we do
11 about it? What are the politics and policies of
12 dealing with poverty?

13 And the third question is, what gives you
14 cause for hope?

15 So that's where we'll try to end. I've
16 talked to this panel before. I know there'll be a lot
17 of gloom and doom. But we also know that we want to
18 end with some hope. which also means that you don't
19 need to be too hopeful in your opening remarks.

20 Let me introduce this distinguished panel.
21 I'm going to introduce them just slightly out of order
22 just because of one way that I want to do this. We
23 will have with us today, or we have with us today,
24 Professor William Julius Wilson, who is a Professor of
25 Social Policy at Harvard University. He is certainly
26 one of the leading sociologists in the country.

27 When his new book, When Work Disappears,

1 came out, a colleague who's a sociologist handed it to
2 me and said, "This is the new bible." Meaning that
3 this is what we'll be reacting to, from now on.

4 We also have with us Douglas Massey, who
5 is from the University of Pennsylvania. Also a
6 sociologist. He wrote another very key book --
7 American Apartheid, in itself a bible, in terms of
8 residential segregation and dealing with the issue of
9 residential segregation.

10 We have with us today as well, Robert
11 Woodson, who has the distinction of not having written
12 a bible but actually working with one. He is Founder
13 and President of the National Center for Neighborhood
14 Enterprise. They do a lot of work with faith-based
15 communities as well as others. Very glad he's here.

16 We have with us as well, Matthew Snipp,
17 who's Professor of Sociology at a small university up
18 the road, Stanford. He, too, has written a bible:
19 American Indians, the First to the Land. It's really
20 sort of the landmark study in terms of Native American
21 or American Indians, in the United States.

22 We have Dr. Raquel Rivera Pinderhughes,
23 who herself has written a bible, with Joan Moore,
24 which is In the Barrios: Latinos in the Underclass
25 Debate, which really reframed the debate about how
26 Latinos fit into the issues of poverty.

27 And finally we have Dr. Tarry Hum, who has

1 just finished her dissertation, which will soon also
2 be a bible, thinking about the -- she's an expert on
3 the Asian community and issues of economic
4 restructuring and poverty there.

5 Let us begin this discussion by turning to
6 Dr. Wilson, who's written extensively on this issue.
7 And we'll begin with the question again, "What has
8 race got to do with it?"

9 A lot of the work that Bill Wilson has
10 done has been at least interpreted as the stressing
11 the importance of the economy and not so much the
12 importance of race.

13 Professor Wilson, what has race got to do
14 with it?

15 DR. WILSON: Well, let me say first of
16 all, that my work is often misinterpreted.

17 One of the things I was very, very
18 concerned about when I wrote The Truly Disadvantaged
19 is trying to account for the sharp increases in
20 concentrated poverty in inner city neighborhoods after
21 the passage of civil rights legislation, the creation
22 of affirmative action programs and Great Society
23 programs.

24 Conservatives argued that after these
25 programs were created you had these rates of social
26 dislocation, therefore there must be something wrong
27 with the welfare state, we've created a welfare

1 culture.

2 Liberals argued that no, it's increased
3 racism, and that wasn't very convincing.

4 A few people paid attention to the effects
5 of the economy on this vulnerable population. And in
6 trying to spell out the effects of the economy on this
7 vulnerable population, the population is vulnerable
8 because it's as if racism, having put, for example,
9 blacks, in their economic place, stepped aside to
10 watch changes in the economy and changes in technology
11 destroy that place.

12 In trying to spell that argument out I did
13 not emphasize as much as I obviously should have, the
14 continuing effects of race. There's no way that you
15 can explain the heavy concentration of blacks in inner
16 city ghettos or the disproportionate number of
17 minorities who are poor without taking the issue of
18 race into account.

19 One of the legacies of racism is the urban
20 ghetto.

21 So there's no way that you could not
22 explain adequately the concentration of minorities in
23 ghettos and slums and among the poor population
24 without dealing with race.

25 DR. PASTOR: Doug Massey, you've focused
26 significantly on the fact of residential segregation
27 and how that has had an impact on the life chances of

1 blacks and Puerto Ricans. Can you tell us a little
2 bit about that. What has race got to do with it?

3 DR. MASSEY: Well, I think you have to ask
4 the question, what is unique about African-Americans
5 in the late 20th Century. And I think the answer is,
6 they're segregated.

7 It is a fact that black Americans in U.S.
8 cities are now more segregated than any other group in
9 American society. More segregated than Asians, more
10 segregated than Latinos, more segregated than European
11 ethnic groups are.

12 Moreover, they are more segregated than
13 any other group in the history of the United States
14 ever has been, and they've been this segregated for
15 more than a hundred years.

16 This high level of segregation is
17 comparable to the levels of segregation that one
18 observes in places like Pretoria, Johannesburg,
19 Capetown, in the Union of South Africa under
20 apartheid.

21 So when you compare segregation levels in
22 Chicago, Detroit, Cleveland, Milwaukee, St. Louis, New
23 York, Houston, Dallas to levels observed in cities in
24 South Africa, you get the same indexes.

25 This high level of segregation has
26 relatively little to do with social classes. The most
27 affluent African-Americans are just as segregated as

1 the poorest African-Americans. Indeed, the most
2 affluent African-Americans are more segregated than
3 the poorest Latinos and Asians.

4 Government surveys show that when African-
5 Americans enter the housing market, for each
6 additional unit of housing that is made available to
7 a white home seeker, the odds are 60 to 90 percent
8 that something will be done to make that same unit of
9 housing available to a black home seeker.

10 Why is this important? Because housing
11 markets don't simply distribute housing. Housing
12 markets distribute anything that is correlated with
13 where you live So housing markets distribute
14 education, housing markets distribute safety, housing
15 markets distribute the insurance rates you pay, the
16 peer groups your kids associate with, the environment
17 that a family experiences.

18 And if one group of people does not have
19 free and uninhibited access to housing markets because
20 of the color of their skin, then we are by no means a
21 race-blind society.

22 So I think that racial segregation in the
23 United States is one of the key factors building a
24 strong link between race and poverty in the late-20th
25 Century United States. And it is what separates
26 African-Americans from all other groups at present or
27 at any other point in American history.

1 It is what is different; it is what is
2 unique.

3 DR. PASTOR: Can you follow up on one
4 thing? Which is, there's at some point with immigrant
5 communities, to the notion of folks coming together in
6 an ethnic enclave as being a source of support and
7 strength and growth, ability to get jobs, access
8 family resources, and yet the concentration that you
9 pose for African-Americans seems to be heading in the
10 other direction.

11 Why is that?

12 DR. WILSON: Is the question put to me?

13 DR. PASTOR: It was actually put to Doug,
14 but I think Bill could answer it too, and then I'll
15 move on.

16 DR. WILSON: I was waiting for Doug to
17 respond.

18 DR. PASTOR: Go ahead, Bill.

19 DR. WILSON: First of all, let me say that
20 black neighborhoods, especially what we call ghetto
21 neighborhoods -- that is, neighborhoods with poverty
22 rates of at least 40 percent -- are significantly
23 different from some of these other neighborhoods that
24 we talk about, where they feature a lot of what we
25 call voluntary segregation.

26 Black neighborhoods suffer from a weak
27 institutional resource base which removes an important

1 layer of social organization. By an institutional
2 resource base, a weak institutional resource base, I
3 mean, that there is a weak link between churches and
4 schools and community organizations and recreational
5 facilities.

6 A weak institutional resource base is what
7 distinguishes the segregated black neighborhoods from
8 many other neighborhoods. And therefore, it's much
9 more difficult for families to control the negative
10 influences of the environment on their children.

11 Problems associated with a weak
12 institutional resource base include joblessness. In
13 a lot of these communities, and a lot of these
14 communities with poverty rates of at least 40 percent,
15 a majority of the adults are not working in a typical
16 week, and joblessness is very definitely associated
17 with low levels of social organization.

18 Low levels of social organization are
19 very, very factors to take into consideration when
20 you're comparing the effects of living in these
21 neighborhoods.

22 DR. PASTOR: I notice when I was asking
23 that question that Bob Woodson began nodding in terms
24 of the difference with ethnic enclaves and the black
25 community. Can you explain why you were so happy to
26 hear the question, and what is your response to this
27 notion of concentration and poverty?

1 MR. WOODSON: Because I think to suggest
2 that -- first of all, we're using the word
3 "segregation" too loosely. See, I grew up in
4 segregation when you were legally required to live in
5 a given place. There's a difference between an ethnic
6 enclave, where people volunteer -- like Baldwin Hills
7 is not segregated, any more than an Orthodox Jewish
8 neighborhood is segregated. And then to suggest --
9 it's patronizing and insulting to suggest that somehow
10 proximity to white people is tantamount to equality
11 and justice and opportunity.

12 It is insulting because it puts the
13 onus -- to suggest that power and opportunity can only
14 be derived as blacks are living among and with whites.
15 And our history just has discounted that.

16 The other -- and I think --

17 I'm a former civil rights leader, having
18 gone to jail in that movement. But I concluded in the
19 late 60s that continued emphasis on race alone would
20 prevent us from embracing some of the more
21 institutional problems that plague us.

22 Many of the people who suffered and
23 sacrificed most in the struggle for civil rights did
24 not benefit from the change. And so I think right now
25 there is a bifurcation of the black community like
26 never before.

27 For instance, blacks with incomes between

1 \$35 and \$70 thousand has increased 200 percent over
2 the last 20 years. Black incomes over \$75 thousand
3 has gone up 300 percent at the same time poor black
4 families with incomes of below \$15 thousand, that
5 group has expanded 150 percent.

6 So the income gap between low income
7 blacks and upper-income blacks is greater than the
8 disparity between whites and blacks.

9 The point that I'm trying to make is that
10 we have got to begin to recognize that it is not the
11 sex or race of the ruler that determines who wins,
12 it's the rules of the games.

13 The troubling questions are, why is it
14 that poor blacks are suffering in cities run by blacks
15 over the past 20 years?

16 (Applause.)

17 MR. WOODSON: Why are Hispanics suffering
18 in areas run by Hispanics? If race were the issue,
19 why aren't all blacks and Hispanics suffering equally?

20 DR. PASTOR: Let me follow up with one
21 question to you and then move to Raquel, and I'll move
22 back to Doug in a little while.

23 But the question that might be a good
24 follow-up for you is that I think that both Bill and
25 Doug are arguing that in areas where there is
26 concentrated poverty that are black communities, that
27 there are all sorts of social mores, cultural signals,

1 the sorts of things that sometimes get out there in
2 terms of behaviors that make -- and models, that make
3 it more difficult for someone to succeed in that kind
4 of a community.

5 How do you react to that sort of an
6 argument? Bob. And then Raquel.

7 MR. WOODSON: Well, first of all, if you
8 look historically, the question is, if those factors
9 were the cause, why during the ten years of the
10 Depression, when we had a negative GNP, 25 percent
11 overall unemployment, 50 percent figure for
12 unemployment in the black community, did you have 82
13 percent of black families having a man and a woman
14 raising children? Crime did not escalate during that
15 period of time, where we're being lynched every day,
16 no political representations -- so that obviously we
17 had strong moral and spiritual centers that kept us
18 together in spite of racism and economic development.

19 And so we've got to understand that it is
20 not just race and economics that determines one's
21 behavior and attitudes and values.

22 DR. PASTOR: As I mentioned before, Bob
23 Woodson has not written a bible, but he certainly
24 calls on one.

25 MR. WOODSON: I have written a book, it's
26 called The Triumphs of Joseph, that's on the
27 bookstands right now.

1 DR. PASTOR: That's good.

2 MR. WOODSON: That articulates these same
3 principles.

4 DR. PASTOR: That's great. And I'm glad
5 that's true.

6 DR. WILSON: Could I respond to that?

7 DR. PASTOR: Let me move to Raquel and
8 then I'll come back. Raquel, do you --

9 DR. PINDERHUGHES: Why don't we let Bill
10 respond --

11 DR. PASTOR: Okay.

12 DR. PINDERHUGHES: -- to these points.

13 DR. PASTOR: Bill, why don't you go ahead
14 and respond to it, and then we'll go to Raquel.

15 DR. WILSON: Blacks were in the same
16 economic boat back during the Depression as other
17 groups. The entire society was suffering, and
18 therefore there was no reason to feel that the black
19 situation was that unique, although blacks probably
20 experienced even more joblessness than comparable
21 whites.

22 And if you look at some of the cross-
23 cultural data -- for example, if you look at the
24 effects of the Depression in Austria, there's a small
25 town in Austria where people were suddenly hit with
26 massive joblessness in this particular town, and they
27 didn't display any of the social dislocations and so

1 on that we associate with poverty.

2 But that town never recovered. And after
3 ten-fifteen years, then they started to display some
4 of the problems that we associate with joblessness in
5 the inner city ghettos, because people lost hope.

6 And the significant thing is that
7 following the -- following the Depression -- for
8 example, if you look in 1950, if you take three
9 cities, three neighborhoods in Chicago, Douglas, Grand
10 Boulevard and Washington Park, an overwhelming
11 majority of males in those three neighborhoods were
12 working in 1950. Almost 70 percent of all males 14
13 and over held a job in a typical week in those three
14 neighborhoods.

15 Today, or at least in 1990, only 37
16 percent of all males 16 and over worked in a typical
17 week in those three neighborhoods.

18 There's been a sharp reduction in the
19 number of employed blacks, particularly in these high
20 poverty neighborhoods. Now why is that?

21 Well, there's one factor that we have not
22 yet taken into consideration seriously. And that is
23 the effects of changes in the economy on low-skilled
24 workers. There has been a decreased relative demand
25 for low-skilled labor in this country because of a
26 number of changes, including changes in the global
27 economy, including the computer revocation, including

1 the growing proportion of skilled workers because of
2 the sharp increase in college graduates, which have
3 therefore decreased the cost of skilled workers.

4 All of these things have affected the
5 demand for low-skilled labor. And when you consider
6 that in 1950, 80 percent of all black workers were low
7 skilled, you know, there's, despite the sharp increase
8 in the number of skilled blacks in the last several
9 years -- managers, professionals, technical workers
10 and so on -- you still know that there is a
11 disproportionate number of low-skill blacks in this
12 country, and therefore they will be adversely affected
13 by these fundamental economic changes that are
14 occurring. To repeat --

15 DR. PASTOR: So we're hearing two things
16 here.

17 One is that joblessness is cumulative, it
18 builds on itself.

19 DR. WILSON: Right.

20 DR. PASTOR: And the second is that the
21 changing economy -- particularly the demand for low-
22 wage labor -- had had a big impact --

23 DR. WILSON: Precisely.

24 DR. PASTOR: -- on African-Americans.

25 Let's move to Raquel, who's focused a lot
26 on the Latino community, in which the appearance of
27 low-wage has often -- seems to have been that of the

1 working poor, at least for Latinos in California.

2 Can you tell us how this debate plays out
3 when we look at Latinos and different Latino groups?

4 DR. PINDERHUGHES: I'm sorry, I'm going to
5 respond to an issue that was raised a little while
6 ago, and maybe we can come back to that one
7 afterwards. But I just wanted to say that I want to
8 caution us about romanticizing the positive impacts of
9 ethnic enclaves within the Latino community, which is
10 the community to which I'm going to speak -- but I
11 would say within community more broadly.

12 On the one hand, it's clearly the case
13 that ethnic enclaves provide people with a
14 socioeconomic cushion that's very important to them,
15 especially within a discriminatory context.

16 But there's also a lot of evidence that
17 being segregated in an ethnic enclave -- for example,
18 Puerto Ricans in New York City -- or for example,
19 rural Latino farm workers in California or rural
20 Mexicans on the border, has had devastating effects.
21 Because there has been a decline in the capacity for
22 people to leave those communities in the traditional
23 ways that they might have otherwise.

24 For example, in rural Latino farm worker
25 communities, the transition from rural farm worker to
26 urban occupational opportunities has declined, for
27 precisely the reasons that Bill and other than are

1 talking about.

2 With the skills and educational levels
3 that many people in segregated communities have, it's
4 very difficult for them to find work in an economy
5 which does not have enough jobs for people at the low-
6 end sectors of the labor market.

7 So on the one hand, it's true that ethnic
8 enclaves can provide a lot of wonderful opportunities
9 for immigrant populations and ethnic populations and
10 populations as a whole, but there are lots of problems
11 with segregation.

12 The Cuban case is an interesting one, too,
13 because although we look at the Cuban economy,
14 especially in Miami, as this very successful enclave
15 economy, there's a lot of research which shows
16 extraordinary exploitation of Cuban women workers in
17 an ethnic economy, and part of the success of the
18 ethnic economy on the back of exploited Cuban workers,
19 who come in successively at different stages into that
20 local economy.

21 So I just want to caution a word about
22 that.

23 DR. PASTOR: One of the facts we uncovered
24 in doing our own -- some of my own research in Los
25 Angeles was a rather startling statistic, which is
26 that in South Central Los Angeles, which has become
27 about 50 percent Latino and 50 percent African-

1 American, there's a huge difference in labor force
2 participation rates.

3 The labor force participation rate for
4 Latino males is above 80 percent, for African-American
5 males, below 60 percent.

6 Have you seen that in other kinds of
7 research, and how do we understand those issues?

8 DR. PINDERHUGHES: Well, it's clearly the
9 case that for the majority of Mexican, Central
10 American and other Latino workers in California and
11 Los Angeles, the majority of people who are living in
12 poverty are living in poverty because their wages are
13 too low to lift them out of poverty. They're not in
14 poverty because they're out of the labor market.

15 And there are some important differences
16 between poverty related to unemployment and long-term
17 unemployment and poverty related to working poverty.
18 But there are some similarities to being poor.

19 And again, I want to caution, too much
20 emphasis on the difference, although obviously they're
21 important.

22 DR. PASTOR: When we speak about ethnic
23 enclaves and segregation, perhaps no population has
24 been made more separate than the American Indian
25 population. And yet it has a very special and unique
26 relationship to these issues of race in the United
27 States.

1 Matthew Snipp from Stanford, could you
2 speak a little bit about that?

3 DR. SNIPP: Thank you. One of the points
4 I want to make here is that American Indians, once
5 upon a time in this nation's history, were utterly
6 self-reliant, self-sustaining people.

7 And over a course of centuries of struggle
8 and conflict, what we had is the creation of today a
9 place called Indian country. And Indian country was
10 originally established for the express purpose of
11 isolating Indian people from the mainstream of
12 American society. Cut and dried, they were
13 concentration camps; people had to go to court in
14 order to be allowed to leave.

15 Over the years, the reservations have
16 become desegregated; Indian people are no better off.
17 Over the years, we now have tribal governments
18 operated by tribal people. Indian people are no
19 better off.

20 Talk about unemployment rates in the
21 Depression in the area of 25 percent. Well, today we
22 have reservations out there where unemployment rates of
23 40 to 50 percent are not uncommon.

24 Many of the discussions we have in terms
25 of you know, whether or not it's a moral decline or
26 whether or not we have, you know, it's issues of
27 segregation or desegregation, in effect, are non-

1 starters when it comes to their relevance to Indian
2 country. Because the unique please and legal status
3 of Indian people sets them apart from any of these
4 debates.

5 And it's hard -- and when you move into
6 Indian country, many of these debates about
7 segregation, about moral decline, seem bizarre at
8 best.

9 And in fact, to suggest that there has
10 been a moral decline in the Indian community because
11 of changes in the economy, I think is insulting.
12 Indian people have been poor since being placed on
13 reservations. They continue to be poor.

14 But our spiritual core is whole.

15 DR. PASTOR: Thank you.

16 (Applause.)

17 DR. PASTOR: Are there important
18 distinctions when we make an analysis of the American
19 Indians between those who are on the reservation and
20 the rather large number that are also in urban areas?
21 I think one of the things that's not understood in the
22 general population is the fact that this is also an
23 urban population with problems within urban areas.

24 DR. SNIPP: Yeah, but I'd like to make the
25 point first -- is that Indian country, even though for
26 urban Indians who are very often distant from their
27 reservations or from their homelands, the reservations

1 and Indian country is still home. Many of these
2 people return, they return to visit and sometimes they
3 return to live.

4 There's an awful lot of circular migration
5 that goes on up there.

6 But it is true that for urban Indians,
7 they have a very different set of problems,
8 particularly because they're invisible, for the most
9 part. We don't live in enclaves, we tend to be small
10 in number, we tend to be dispersed throughout urban
11 areas, and to the extent that people can gather in
12 places like urban Indian centers and other kinds of
13 similar sorts of organizations, it's possible to be
14 seen by them.

15 But very often in forums such as this or
16 in city councils and county governments, the voices of
17 American Indians are very often neglected, simply
18 because they're too few in number and they're too
19 spread out.

20 DR. PASTOR: All right. I want to explore
21 a little bit this image of Asians as a model minority
22 making it, and yet the statistics we see, which seem
23 to suggest that the Asian poverty rate is twice as
24 high.

25 How do we reconcile those? What's going
26 on there, how do we understand the Asian-American
27 community in terms of these dynamics of the economy

1 and race?

2 DR. HUM: I think I want to kind of -- I
3 want to respond to this in terms of also your first
4 question about well, what does race have to do with
5 poverty?

6 I think some may ask, you know, what does
7 poverty have to do with Asians? I think that's very
8 much related to your question.

9 And part of this is the dominance of the
10 model minority status that projects Asians as
11 economically successful or self-sufficient and
12 entrepreneurial. And yet, at the same time, as noted,
13 this perception is simplistic, and also conceals a
14 tremendous disparity among different Asian ethnic
15 groups.

16 I think that the experience of Asians also
17 kind of echoes a lot of the trends that Raquel was
18 describing. I think that the economic changes that
19 has resulted in increased joblessness for African-
20 Americans -- new adversities, has also kind of created
21 some marginal opportunities for Asian immigrants.

22 In particular, in addition to the
23 deindustrialization that has happened, there has also
24 been a re industrialization and downgrade in
25 manufacturing and garment industries and in furniture
26 making, and also an expansion of low-wage services
27 that provided marginal opportunities for Asian

1 immigrants to create self-employment opportunities
2 that relied extensively to having access to cheap co-
3 ethnic labor.

4 So I think a lot of poverty among Asian
5 Americans in addition to the welfare poverty of
6 Southeast Asian refugees, the growing poverty among
7 Asians is working poverty, is being concentrated in
8 these ethnic economies that are really economically
9 segregated from the mainstream economy and are in
10 marginalized industries -- manufacturing and service
11 industries.

12 DR. PASTOR: Some have seemed to suggest
13 that the poverty rates for Asian-Americans and this
14 issue of working poor Asian-Americans is really just
15 a function of the recency of arrival of immigrants,
16 and that as time passes, if we wait another 30 years,
17 then the economic statistics will change and what
18 seems to be a problem currently really would not be
19 one.

20 What is your response to that? What is
21 the data?

22 DR. HUM: I think that I'm a little bit
23 cautious about promoting that Asian poverty is a
24 temporary kind of immigrant experience that will
25 dissipate as immigrant groups assimilate.

26 I think that given the changing context,
27 the changing structure of opportunities, I think we

1 really need to look at whether the types of jobs and
2 types of niches that immigrants currently hold provide
3 the same opportunities for mobility as they may
4 historically have. For example, in traditional kind
5 of immigrant niches, like the garment industry, I
6 think the global context of competition has really
7 transformed that industry in terms of providing viable
8 means of escaping poverty.

9 DR. PASTOR: Raquel, you had your hand up,
10 and then I want to ask Doug, move back to Doug.

11 DR. PINDERHUGHES: Well, of course, this
12 is a critical issue in the Latino community and
13 immigration has also been used as a way of explaining
14 the eventual upward mobility of most Latino
15 populations.

16 And I also have a lot of trouble with that
17 explanation, for a number of reasons.

18 The first is that statistically, there are
19 as many Latinos, native-born populations in poverty as
20 there are immigrant populations in poverty. About a
21 quarter of each population is living in poverty. One
22 in four native-born Latinos, some of whom trace their
23 history in the United States to the 16th Century and
24 certainly might have benefited previously -- and of
25 course, among recent immigrants as well, about a
26 quarter of the population if not more.

27 But I think the problem is not so much to

1 explain why immigrants might find themselves in a
2 weaker socioeconomic disadvantage but why both native
3 born and immigrant Latino populations are
4 disadvantaged over the long period.

5 And clearly the traditional roots of
6 upward economic mobility that Europeans have taken are
7 not available in the same way that they were in that
8 period. You know, the decline of the manufacturing
9 sector, the global economy, as was discussed, the
10 increased emphasis on education as a route towards
11 upward mobility, with horrendously low levels of
12 educational attainment amongst most Latino
13 populations.

14 These route are not available in the same
15 way.

16 DR. PASTOR: I want to be moving in the
17 direction of policy here in just a second so that we
18 look forward to solutions. I wanted to end this,
19 though, by asking perhaps Doug to comment -- I told
20 this panel at the beginning that I know that since
21 they were all so distinguished and powerful that no
22 matter what I asked, they'd make sure they got their
23 message out.

24 And certainly I want you to respond to any
25 of the strands you heard here, if you want.

26 But I wanted to ask you specifically,
27 too -- Doug is a really unique researcher in that he's

1 done so much work on migration and immigration as well
2 as on urban African-Americans.

3 And there is a very interesting kind of
4 set of issues which seems to be emerging. I think
5 when we have thought about race in the United States
6 traditionally, we've viewed it through a sort of
7 white-black paradigm -- I know this group has talked
8 about that.

9 And yet there are all these now
10 intermediate groups, and there's arguments that
11 Latinos and African-Americans are bumping each other
12 in the labor market -- that sort of a thing.

13 What's your take on that? Are we seeing
14 increased tensions between ethnic minorities? And
15 then of course, whatever else you will be able to work
16 into your answer.

17 DR. MASSEY: Let me start with "whatever
18 else" first. Let me respond to some of the things
19 that have come out in the discussion to this point.

20 And specifically, I want to address, I
21 think, two myths.

22 The first myth concerns the way that
23 economic mobility happens now and has happened in the
24 past. And the myth is that somehow groups come into
25 American society and they're segregated, and -- but
26 they work hard and they get their economic act
27 together and they move up socioeconomically, and then,

1 having done that, they move out into the world.

2 Well, it never happened that way and it
3 doesn't happen that way now.

4 What happened in the past was, people
5 moved a little bit up the economic ladder. And as
6 they moved a little bit up the economic ladder they
7 used their hard-won resources to buy into a better
8 neighborhood, to move a little bit up the residential
9 ladder, to purchase into better schools, higher home
10 values, safer streets, and so on.

11 By moving up the residential ladder, they
12 put themselves and their children in a better position
13 to move further up the economic ladder. And over time
14 and across the generations, various groups have come
15 into American cities and ratcheted themselves up by
16 taking one step at a time and moving up a ladder of
17 mobility.

18 And it was part -- so residential mobility
19 was part and parcel of economic mobility.

20 Now this has nothing to do with whether
21 you want to live near European whites. I -- as Manuel
22 said, I study a lot of Mexicans, and I can say that
23 when Mexicans come into the United States and live in
24 Mexican neighborhoods, other things equal, they'd
25 probably rather live around Mexicans.

26 But the problem is, other things aren't
27 equal. Opportunities and resources get distributed

1 widely around metropolitan areas. And perhaps they'd
2 like to live in the barrio, but the barrio has higher
3 crime rates, home values aren't rising so good, the
4 schools aren't so great, there are gang problems and
5 so on.

6 And so to move up in the world, they move
7 residentially. And the issue is not whether they want
8 to live near anglos, the issue is whether they're
9 willing to put up with anglos in order to get access
10 to the full range of benefits, goods and resources
11 that are offered in American society.

12 (Applause.)

13 DR. MASSEY: And the point is that
14 African-Americans don't get to make this choice, in
15 many cases, because somebody else makes the decision
16 for them.

17 Now the second myth is that somehow things
18 were much rosier back in the good old days of
19 segregation. And if you look at stuff -- at the
20 literature being written about urban black communities
21 in the 1930's -- read Black Metropolis and the
22 chapters on the black lower class. You find the same
23 sorts of things, the same sorts of problems. The
24 same -- in some cases, even more severe social
25 dislocations.

26 The difference was that the Depression
27 lasted -- was preceded by the boom of the 20's, lasted

1 ten years and was followed by a post-war economic boom
2 of unprecedented duration. So that we're only talking
3 about a ten-year period, and the deep-seated problems
4 that we're observing now simply didn't have time to
5 take root.

6 Now back to the issue of immigration and
7 race.

8 DR. PASTOR: That was smooth, Doug, you
9 know?

10 (Laughter)

11 DR. MASSEY: I think that the whole -- the
12 black versus Latino thing is a red herring. I think
13 African-Americans got a lot of problems in American
14 society, but immigrants isn't one of them.

15 I think that if racism is the issue, then
16 you deal with racism head-on. And I see the fault
17 lines being drawn between African-Americans and
18 Latinos and Asians and various immigrant groups as
19 being an issue of divide and conquer.

20 DR. PASTOR: I want to move in the
21 direction of --

22 DR. WILSON: Could I please respond --
23 excuse me -- please --

24 DR. PASTOR: Yes, quite a bit of
25 excitement here. Then I'll let Bill and Bob respond,
26 and then start to move to policy through Matt, I hope.

27 DR. WILSON: This rhetorical, you know,

1 ploy that, you know, somehow it's a myth back then,
2 because you know, things were much rosier. That's
3 skating over the issue.

4 What I was trying to point out is that the
5 jobless rate -- even though people were working in
6 very, very poor jobs -- the jobless rate back then in
7 the 1950's was much higher than the jobless rate in
8 the same neighborhoods that Drake and Caton (phonetic)
9 researched -- Douglas, Grand Boulevard and Washington
10 Park.

11 And when I talk to the older residents of
12 Chicago -- people have been in these neighborhoods for
13 a long period of time. They said, "Look, it was hard
14 back then. But at least we could sleep out on the
15 fire escapes at night and sleep out in the parks."

16 DR. PASTOR: That's right.

17 DR. WILSON: "We had crime and so on, but
18 at least, you know, people weren't mugging -- now
19 we're afraid to even go outside our doors."

20 You're talking about extremely high rates
21 of joblessness in these communities today that are
22 unparalleled, and they are affecting the community.
23 And I think we do a disservice by suggesting that
24 somehow these things are comparable.

25 They're not.

26 DR. PASTOR: Bob, did you want to comment
27 right on that?

1 MR. WOODSON: Yes.

2 DR. PASTOR: And then I want to start
3 moving to policy. Although I think we're moving in
4 that direction with these discussions.

5 MR. WOODSON: Yeah, we really are.

6 Someone said, "If you keep doing the same
7 thing the same way and expecting a different result,
8 that's how you define insanity."

9 (laughter)

10 MR. WOODSON: And it seems to me that
11 we've got to begin to move outside of this kind of
12 narrow box that somehow, first of all, black American
13 is a patient community, that somehow our destiny is
14 always determined by the largesse of somebody outside.

15 It's patronizing and insulting, okay?

16 The second point is, we refuse to
17 acknowledge that some of the strategies that have been
18 employed over the years to assist poor people have
19 injured with the helping hand. Urban renewal did more
20 in three years to wipe out commercial centers in black
21 communities than the Klan ever did in 40 years.

22 (Applause.)

23 DR. WOODSON: Durham, North Carolina, the
24 Haiti (phonetic) section -- a hundred businesses, six
25 hundred residential properties and 75 acres leveled.
26 And you could go into Washington D.C. and just so --
27 a massive kind of relocation of people in the name of

1 helping them.

2 The point is that we in -- a black child
3 born in Harlem today has a lower life expectancy than
4 a child born in Bangladesh. Where we are experiencing
5 a high percentage of per capita expend[iture] --

6 Same in Washington D.C.

7 The point is, we've got to look beyond
8 conventional strategies of poverty and race base to
9 recognize that culture is a factor.

10 So the fact that there are enclaves of
11 blacks in public housing that are safe and secure,
12 where people living there don't depend on these models
13 coming from outside, but when people reinvest in
14 themselves and restore those communities they have
15 demonstrated that they can recover and attract other
16 people to them.

17 Somehow it's elitist to suggest that
18 people living in so-called barrios or low-income black
19 neighborhoods are somehow incapable of restoring
20 themselves and rebuilding their communities. There
21 are too many examples that I can take you to where
22 this has happened without a lot of outside
23 intervention, and we need to begin to study the
24 strengths of people instead of always talking about
25 them as if they're passive clients of somebody else.

26

27 (Applause.)

1 DR. PASTOR: Let us -- I want to move
2 to -- we're moving in the direction of policy, and
3 I'll be moving to Raquel, whose got her hand up, too.

4 I just want to say that it's wonderful to
5 have a conversation that has both heat and light.
6 Because I think a lot of light is actually being shed
7 here.

8 These debates are strong and firm
9 debates -- and I think all of these positions have
10 some validity. And I know I'm asking a lot of devil's
11 advocate questions to force things out.

12 Raquel, what should we do? What should
13 policy be --

14 MS. PINDERHUGHES: I'm getting there.

15 DR. PASTOR: -- how should we move to
16 strategies?

17 MS. PINDERHUGHES: I think that it would
18 be a mistake to not understand that the majority of
19 the people that we are focusing on right now, with the
20 exception of Native American populations, are living
21 in urban cities, and they're living in cities where
22 there's been an enormous decline in the urban
23 infrastructure.

24 For example, in public education -- I
25 mean, within California, we were first in the scores,
26 we're now 49th in the scores.

27 There's been enormous decline in the

1 infrastructure in which Latinos and Asians and
2 African-Americans, with all of their diversity, are
3 living in an urban context.

4 I think it would also be a mistake to
5 think that children have the same kind of control over
6 their destiny that you're referring to, Robert. For
7 example, in the Latino community, we see kids who are
8 coming in with limited English skills who are not
9 getting the kind of transitional experiences that they
10 need.

11 Now without those kind of transitional
12 educational experiences, by the third grade they are
13 dramatically lagging behind most of their peers and
14 all other immigrant groups. This is not something
15 about which they or their parents have an enormous
16 amount of control. If those services are not made
17 available they are going to continue to lag behind, as
18 they have.

19 Similarly -- well, I won't take up too
20 much more time. But I think we could -- if there's a
21 lack of investment at the local level, then there's
22 not going to be access to social networks that people
23 are going to be able to use to find work.

24 And we could go on and on talking about
25 the impact in the decline in the community
26 infrastructure in an urban context, and we could do so
27 in a rural context just as easily.

1 DR. PASTOR: Now you've mentioned a couple
2 of -- Bob, I'll come back to you. I'll be good.

3 You've mentioned a couple of specific
4 policies there, Raquel, and this is the direction I
5 want to move in. And I want us to consider, too, what
6 are the politics of those policies? And I don't mean
7 by this Democratic Party or Republican Party, but how
8 do we generate a national consensus to do something
9 around these issues?

10 Bill Wilson, what are the sort of policies
11 and how does a political consensus come around --
12 policies that are appropriate to dealing with this
13 coincidence of race and poverty?

14 DR. WILSON: You know, they're a complex
15 set of issues when you start talking about ways to
16 deal with the problems of race and poverty.

17 I think, first of all, the policies that
18 are -- looking at the more fundamental ways to address
19 these problems -- policies that are designed to
20 increase productivity and lower inequality, reduce
21 spatial and economic segregation, will also
22 effectively deal with one of the problems we're
23 talking about. For example, concentrated poverty,
24 ghetto poverty.

25 It seems to me that without broader
26 changes in the metropolitan and in rates of
27 segregation it's going to be very, very difficult to

1 address a lot of the problems that we're talking
2 about. And I'd like to see us combine these broader
3 strategies with more specific community-based
4 strategies. I think the two should go hand-in-hand
5 and we shouldn't emphasize one rather than the other.

6 But I do think it's very, very important
7 to recognize that in the final analysis we need a
8 national fundamental plan to address the problems.

9 And I must say that I have been impressed
10 with the effects of the sustained economic recovery.
11 Any program that's designed to maintain tight labor
12 markets will have a profound positive effect, for
13 example, on inner city ghetto neighborhoods. I don't
14 have the figures in my head, but for example, there
15 was one recent study that showed that during a two-
16 month period, you know, a significant number of long-
17 term jobless people were brought back into the labor
18 market. These are people that had dropped out
19 altogether.

20 The problem in a lot of these inner city
21 neighborhoods is that people have been out of work for
22 long periods of time, and as soon as they get a chance
23 to get a job, we enter a recession. So the period of
24 economic recovery was relatively short.

25 The best thing that could happen to these
26 inner city neighborhoods, if we could extend this
27 economic recovery period for another decade or so, it

1 would be fantastic, you see.

2 DR. PASTOR: That's an important point.
3 And yet your own research and a number of other bits
4 of research in which there's confidential employer
5 surveys demonstrate that there remains significant
6 discrimination in employer minds against African-
7 American males --

8 DR. WILSON: And employers --

9 DR. PASTOR: -- in particular.

10 DR. WILSON: -- employers are much more
11 likely to discriminate when you have a slack labor
12 market. That is, when workers are looking for work.

13 You turn it around and you create a tight
14 labor market like we have now, where employees are
15 looking for workers -- see, it changes their behavior.

16 DR. PASTOR: Very good.

17 DR. WILSON: And you see that in so many
18 historical examples. Tight labor markets are very,
19 very important. It also affects discrimination.

20 DR. PASTOR: There is -- one is always
21 worried, particularly with this group, about
22 misreading what they've written.

23 But one reading, anyway, of what Doug has
24 written is that perhaps a really critical policy would
25 be continued focus on residential desegregation, and
26 really changing the housing market.

27 Is that an accurate characterization?

1 What other kind of policies would make a difference
2 around race and poverty?

3 DR. MASSEY: Well, I think happily, in
4 this case, the document kind of analyses that you've
5 seen around the table today don't lead to mutually
6 exclusive policy options.

7 My only point in writing American
8 Apartheid and in making the arguments that I've made
9 today is that there's still a lot of discrimination
10 that goes on out there in the housing market that has
11 serious consequences for African-Americans, and to a
12 lesser extent, for Latinos and Asians.

13 And there's still a lot of discrimination
14 out there in the labor market. We've measured this.
15 And this is simply a fact. This was Jack Kemp's
16 housing survey, not some shining liberal out to find
17 discrimination.

18 So we know that these things exist, and my
19 only point is that there's nothing wrong with
20 attending to cultural issues in the black community.
21 I fully support efforts to promote full employment and
22 do something about the stagnating wages at the lower
23 end of the wage distribution.

24 But at the same time that you're doing
25 these other things, you have to realize that it's
26 still not a race-blind world out there and that you
27 need to have forceful anti-discrimination programs.

1 In housing markets especially, but also in labor
2 markets.

3 Perhaps we're getting to things a little
4 early, but one of the signs of hope that I see is that
5 for the first time in a long time, in President
6 Clinton's latest budget we're actually seeing an
7 increase in anti-discrimination enforcement.

8 We've tolerated it for far too long. And
9 this is not to say that the economy isn't important or
10 that culture isn't important. It's just to say that
11 there's still discrimination out there and we have to
12 recognize this fact and deal with it.

13

14 (Applause.)

15 DR. PASTOR: Doug, it's never too early
16 for hope. It's also never too late.

17 Let us -- I want to ask Matthew Snipp to
18 comment. One of the big debates that's gone on with
19 regard to urban poverty is the issue of whether or not
20 to bring the jobs to the people or the people to the
21 jobs -- whether or not to quote-unquote rebuild the
22 ghetto or work on the residential desegregation model.

23 Certainly American Indians have some
24 experience with both of these things, and I'm
25 wondering what your experiences and your own comments
26 are.

27 DR. SNIPP: Well, I've become a little

1 uncomfortable -- in fact, I've become very
2 uncomfortable with this notion that we're going to
3 reach a consensus about policy and it's going to be a
4 sort of a one-size-fits-all solution.

5 I think there are many sorts of
6 considerations that have to be taken into account.
7 We've heard some of them, and there are many others as
8 well.

9 But certainly when you start talking about
10 issues of segregation, issues of spatial mismatch in
11 urban labor markets, for the most part, that simply
12 leaves Native Americans out of the dialogue.

13 When you look at the experience of
14 American Indians, most people don't realize it, but
15 there was a massive program of desegregation on
16 reservations which took place from about 1890 to 1930.
17 It was called allotment.

18 And it didn't do a thing for the economic
19 standing of native people -- and in fact, if anything,
20 it represented a huge hemorrhaging of wealth in the
21 form of land from native communities.

22 The other experience is that -- most
23 people don't realize it also -- is, but for a native
24 people, the land is central to their lives. They have
25 a very special, even spiritual attachment to the land.
26 And so talking about residential mobility as a way of
27 moving up in the world, again, simply doesn't fit.

1 Because what you're in a sense talking
2 about is the destruction of native communities when
3 you start talking about moving people out of the
4 community.

5 And in spite of that -- and knowing that,
6 in fact, the federal government embarked on a plan
7 back in the 1950's, which continued on through the
8 1960's, in which they attempted to move Indians off
9 reservations into urban labor markets as a way of
10 dealing with some problems of unemployment as well as
11 some other issues in Indian country, and over the
12 space of about 15 or 20 years, relocated almost a
13 hundred thousand native people to places like the Bay
14 Area, as well as Seattle, Chicago and other cities
15 around the country.

16 What the federal government's experience
17 was with that particular experiment was that they
18 could take a poorly educated, unemployed reservation
19 Indian and turn him into a poorly educated unemployed
20 urban Indian.

21 DR. PASTOR: You're not suggesting that as
22 a model, then.

23 [Laughter]

24 DR. SNIPP: No.

25 And over time, the absolute failure of
26 this program, and the objections of native people to
27 the impact on their own communities in terms of how it

1 affected the. composition of their communities, these
2 programs were finally scaled back and phased out in
3 the 70's and early 80's.

4 So I think it's worth taking a look at the
5 experiences of native people, particularly when you
6 start looking at whether you're going to move people
7 to jobs or jobs to people.

8 DR. PASTOR: Tarry, I want to come to you
9 in a second. But Bob, you've been out in the
10 community doing a lot of work to try to make a
11 difference on these issues.

12 Can you describe the kind of work you're
13 doing, and can you give us a sense of what you think
14 would really make a difference for the urban poor --
15 particularly minority urban poor?

16 MR. WOODSON: We work very closely with
17 groups -- like Cochrane (phonetic) in St. Louis that
18 was highlighted on "Sixty Minutes," public housing
19 development where the residents took over control and
20 began to discipline themselves.

21 And as a consequence, crime went
22 dramatically down, and market-rate housing was built
23 directly across the street and major urban market --
24 a supermarket located because of the control.

25 Benning Terrace, recently we had a gang
26 truce in one of the most dangerous communities in
27 Washington D.C. Hasn't been a single killing in a

1 year.

2 And now we're getting these young people
3 to come together. So we're doing this all over.
4 Change in the attitudes and behavior --

5 But let me just say this in terms of
6 policy. When we talk about labor force participation
7 we always seem to think about an employer hiring
8 people. We never think about small business
9 development.

10 Any ethnic group's participation in the
11 economy depends upon their small business formation
12 rate. A healthy community generates about 2.5
13 businesses per thousand people per year.

14 Black and Hispanic communities generate 3
15 businesses per hundred thousand per year. And yet
16 precisely bootstrap capitalism is being discouraged in
17 city after city, even cities run by blacks.

18 Like vendors. Washington D.C. drove off
19 the streets 9,000 vendors. New York City, the same.

20 Baltimore, Maryland. Yet Penney's and
21 Marriott started as vendors. And yet people who are
22 supposed to be concerned about the poor are silent in
23 the presence of this.

24 One quick example. In New York City you
25 have to take 900 hours of cosmetology training to
26 braid hair. But only 116 hours as a medical
27 technician to operate a heart machine.

1 [Laughter]

2 MR. WOODSON: And only about 41 hours of
3 training to be a security guard in the use of deadly
4 force.

5 So what we don't talk about in sessions
6 like this is that a lot of poor -- poverty in these
7 communities, there is an interest group that profits
8 from the existence of poverty and racial antagonism,
9 and therefore we don't say anything about that.

10

11 (Applause.)

12 MR. WOODSON: And so it seems to me, if we
13 are really interested in empowering the poor, we would
14 look at all of these rules and regulations that drive
15 off the streets people who are looking to get that
16 first rung on the ladder that doesn't require much
17 capital or much education. But we are silent about
18 this.

19 DR. PASTOR: My second Ph.D. was in
20 economics but my first one was in hair braiding, and
21 it was a long process.

22 (Laughter)

23 DR. PASTOR: How do we scale up from the
24 examples that you're working with? What would really
25 make it go beyond the places that you're working, and
26 make a difference in more neighborhoods?

27 Because when one thinks about policy, one

1 is hoping to have a broad impact.

2 MR. WOODSON: First of all, I think what
3 we need to is recognize that we've got to get beyond
4 this bipolar debate between left and right.

5 The left believes that poor people are too
6 stupid to make informed decisions for themselves,
7 therefore they need professionals to make their
8 decision for them.

9 And people on the right tend to believe,
10 "Well, since it hasn't worked, let's just cut it."

11 There's an old African proverb that when
12 bull elephants fight, the grass always loses.

13 And so we need to really challenge
14 everybody to devolve more power and responsibility to
15 parents so that if those schoolteachers had to answer
16 to the parents, then maybe they will teach better.

17 And so what I think we need to bring to
18 the table, some of those grassroots leaders who have
19 practical experiences, people who share the same
20 zipcode of the those experiencing the problems.

21 Instead of -- Harvard can never solve the
22 problems of Harlem. Harlem has to solve that problem,
23 and therefore we need Harlem at the table.

24 DR. PASTOR: I will be certain to give a
25 professor from Harvard a chance to respond to that set
26 of issues.

27 But I did want to say that we are moving

1 also in this direction of what is the politics of
2 trying to bring left and right, as you're saying, into
3 a conversation that is a respectful one and build new
4 strategies.

5 Tarry, one of the things that happens in
6 this conversation, unfortunately is, because of time
7 constraints. Raquel pointed this out to me earlier.
8 We wind up mentioning a lot about our own ethnic group
9 to make sure that gets out on the table.

10 I do want to make sure that we in this
11 process of debating about policy, hear what
12 specifically might make a difference for Asian
13 Americans, but also to hear your ideas generally on
14 urban strategies, the urban poor, what is really the
15 central set of policies that needs to occur.

16 DR. HUM: I think that the experience of
17 Asians sets some kind of cautionary note about the
18 emphasis on small business development as a solution
19 to poverty. In the sense that -- I think that in the
20 case of the Asian community the emphasis would be less
21 on kind of business startups, but more on kind of
22 improving the viability of the existing businesses,
23 and in that way also improving the work conditions of
24 which, you know, the workers are in.

25 So that would mean diversifying these
26 ethnic niches and linking these small businesses with
27 regional growth areas.

1 But other more even basic strategies that
2 can be employed to improve the conditions of the Asian
3 worker poor is just enforcement of basic labor
4 standards, which I think is lacking in a lot of work
5 environments.

6 And of course, I think that in part, the
7 emphasis of building viable businesses starts to
8 emphasize kind of the need to build assets -- move
9 away from social services in terms of addressing
10 poverty but really building community assets and
11 viable businesses.

12 DR. PASTOR: I do want to give Harvard a
13 chance to respond.

14 But let me ask Bill Wilson. What is the
15 role or contribution of research in the formation of
16 policy? And then I'll be moving to more, again, the
17 politics of this.

18 DR. WILSON: What is the role of what?

19 DR. PASTOR: The role of the kind of
20 research and work that people in the universities can
21 do -- how do all those studies really contribute to
22 the formation of policy?

23 DR. WILSON: Well, they contribute in the
24 sense of addressing issues that are on the public
25 agenda that policymakers read and try to digest.

26 I've been working closely with people in
27 Congress and with the members of the executive branch

1 of the government talking about you know, various
2 research that I've been involved in, and others.

3 One of the things I've pointed out in a
4 recent address at the summit -- or I should say the
5 urban seminar organized by Vice President Gore and
6 Secretary of Urban Development Cuomo, is that there've
7 been some very, very successful work force development
8 programs across the country, but people don't know
9 about them.

10 And that it would be a very good idea, for
11 example, to publicize the results of some of these
12 local efforts -- for example, Quest in San Antonio --
13 and make them available to a broader population, and
14 also stimulate support for these kinds of programs.

15 There was another program that I pointed
16 out in this talk that we don't know a great deal
17 about, and that's the Demonstration Bridges to Work,
18 and this is an effort to get inner city residents out
19 to the suburbs, where the jobs are -- because of the
20 spatial mismatch problem.

21 And I think one of the things that this
22 Commission might talk about is collecting information
23 on some of these very, very successful local efforts
24 that have made a difference in their area, and making
25 this information widely known so that they could serve
26 as models for other programs around the country.

27 DR. PASTOR: Great. So one point you're

1 making is that we need more information on what's
2 working, both at the level of dealing with poverty but
3 also at the level of dealing with human relations,
4 which is another aspect of this --

5 DR. WILSON: Precisely.

6 DR. PASTOR: What are the politics -- and
7 I'll be looping back to Matt -- what are the politics
8 of putting together a social -- I realize there will
9 always be divisions, but of putting together a
10 conversation which moves us forward?

11 I want to start on this with Raquel,
12 because certainly the issues that you've mentioned
13 with regard to Latinos in California -- you mentioned,
14 for example, the need for transitional education and
15 support, and yet we're seeing a lack of support for
16 educational structures in California, we see an Unz
17 Initiative, which is certainly controversial about the
18 way to teach children.

19 How do we craft a politics that brings a
20 body politics together on these problems?

21 DR. PINDERHUGHES: Well, first of all,
22 there's no single kind of monolithic formula here, a
23 strategy or even agenda.

24 I think we have to look at the different
25 reasons that people find themselves in poverty and we
26 have to try to address some of those specific issues.

27 So I think even trying to find a

1 monolithic strategy is problematic.

2 But certainly within the context of
3 California, we have to deal with the anti-immigrant
4 climate, which is rampant here, and which is making
5 all immigrant populations and native born ethnic
6 populations more vulnerable to labor market
7 exploitation, civil rights violations, pitting groups
8 against one another, allowing employers to
9 discriminate.

10 And there are certainly things that we can
11 do about that very specifically.

12 DR. PASTOR: Matthew.

13 DR. SNIPP: Yeah, I wanted to make two
14 comments. One, being at Stanford, I'm a little
15 reluctant to say anything nice about Harvard.

16 But I did want to point out that there is
17 a very good example of what researchers can do for
18 communities at Harvard, in the form of something
19 called the Harvard Project on American Indian Economic
20 Development, in which students from the Kennedy School
21 go out and work with trouble communities and in terms
22 of bringing special kinds of expertise that aren't
23 normally available.

24 In order to the politics 3 you know, I
25 think we have to look at it both the national and the
26 local levels.

27 But the experience of Indian people is is

1 that one of the largest obstacles to creating economic
2 development on many communities isn't at the national
3 level but it's at the local level. It's local
4 business people, it's local leaders, it's opposition
5 from Chambers of Commerce, it's non-cooperation from
6 bankers and a host of other local actors who have a
7 direct interest in keeping the Indian community in a
8 disadvantaged position.

9 DR. PASTOR: We have about 15 more
10 minutes -- two more minutes?

11 (Pause.)

12 DR. PASTOR: Good. I'm learning to read
13 hand signals.

14 And what I wanted to here is to remind
15 Advisory Board members that you can jump in at any
16 time with questions, I'll recognize you and move in
17 that direction.

18 Let me continue us along this conversation
19 by starting here with Doug, and trying to focus in on
20 this issue of politics and a political message -- and
21 again, not one connected to a party but one connected
22 to how do we do something about this?

23 One of the debates that's gone on over the
24 last year or so -- and again, it may be a misreading
25 of both positions, but it's one reading of a debate
26 that's gone on between Doug Massey and Bill Wilson is
27 about stressing sort of economic issues versus

1 stressing issues of racism and discrimination in terms
2 of dealing with building a political consensus to do
3 something about this.

4 And at least one reading of Doug's work is
5 that you really have to tackle the race issue head-on.
6 And yet it's such a difficult issue to move forward.
7 How do you -- I mean, how do you do that, and is that
8 what you're saying?

9 DR. MASSEY: I think it's a matter of how
10 you frame the issue. And I agree with mr. Woodson, I
11 think we have to move beyond the kind of caricatured
12 positions of liberals and conservatives.

13 We're a market society. We've decided
14 that the way we're going to distribute goods and
15 services in this country is through markets, and so
16 often in the past, liberals have tried to go outside
17 the market, the government was going to do things for
18 you, the government was going to fix it, the
19 government was going to transfer you.

20 And I think politically, that model is
21 dead.

22 That doesn't mean that the government
23 doesn't have a role and that liberal thought doesn't
24 have a role.

25 I think if we accept that we're a country
26 of markets, the role of government and the role of
27 liberals in this is to ensure that people have free

1 and open access to the markets and there aren't racial
2 and ethnic barriers to their full participation in
3 those markets and that people have an opportunity to
4 enter the market on an equal footing. And this
5 principally means education.

6 So the government has a very important
7 role that liberals can rally behind.

8 And conservatives and liberals, I think,
9 can come together on these issues. Because how can a
10 conservative argue that people shouldn't have free and
11 open access to markets and that there shouldn't be
12 racial barriers to market participation? And not
13 housing markets and labor markets, but capital markets
14 are extremely important, as well.

15 So that I think an emerging -- a consensus
16 can be formed if you frame the issue around giving
17 people choices, giving people agencies, and the
18 liberals want to make sure that the markets are
19 working as advertised, and the conservatives want to
20 focus people's attention on the markets rather than
21 the government.

22 DR. PASTOR: I want to give Advisory Board
23 Member Robert Thomas a chance to ask a question.

24 MR. THOMAS: Yes. Professor Massey had
25 mentioned the concept of residential mobility. And I
26 wanted to ask, actually, Professor Snipp.

27 He mentioned that residential mobility

1 doesn't really fit the Indian nation model, and it's
2 tied more to the land. And we talked about some of
3 the things that didn't work.

4 But I thought before we got out of here,
5 it'd be interesting to hear from you what model you
6 thought would work, or at least what model you thought
7 would be an analogous measure of success?

8 DR. SNIPP: Well, over a period of twenty
9 years Indian communities have been struggling to in a
10 sense, revitalize the places where they live. Because
11 those places are essential for their very being.

12 There have been a lot of different
13 strategies to bring jobs or to create jobs, bootstrap
14 capitalism.

15 Vendors don't work, but you do find small
16 construction companies, gas stations, convenience
17 stores, that are there now that weren't there twenty
18 years ago.

19 There are some communities -- like the
20 Choctaw, in Philadelphia, Mississippi -- the Oneida in
21 Wisconsin. The -- the Passmaquoddy in Maine, who have
22 been very successful in developing a diversified
23 economic base.

24 And then there have been a few spectacular
25 successes, like the Milaks (phonetic) people in
26 Minnesota, or the Pequots, who have built businesses
27 around gaming. But these are exceptions rather than

1 the rule.

2 I don't -- you know, in looking at this,
3 it's hard to come with a single strategy that works
4 for these communities, because they are all so
5 different culturally as well as the kinds of resources
6 they have access to.

7 Gaming seems to work well in places where
8 they have access to a large market. It doesn't work
9 so well in Southern South Dakota.

10 So I think, you know, in terms of
11 developing strategies and in terms of models, at least
12 for Indian people, you almost have to do it on a case-
13 by-case basis, and actually I think this is one of the
14 things that's laudable about the Harvard project, is
15 that they sent people out to work with the tribes in
16 terms of what they have available to them, what their
17 opportunities are, and to develop their strategies
18 from there.

19 DR. PASTOR: Robert Woodson, is there a
20 parallel there, in terms of looking at cases
21 specifically by community, with the work that you're
22 doing?

23 MR. WOODSON: I guess what I've been
24 trying to make a case for is that if you look at the
25 data in terms of what are the problems that are
26 looming, I think the case can be made that if you look
27 at affluent white communities and others, a lot of the

1 problems that you associate with inner city poor are
2 beginning to surface in affluent white communities,
3 where people have power, influence and money --
4 particularly teen pregnancy rates.

5 And so that's not a problem of race.

6 And I always begin with the end in sight,
7 to say, if we had perfect racial reconciliation and
8 economic parity, how would it address the black-on-
9 black crime rate? How would it address the kind of
10 despair and empty lives that young whites are
11 experiencing in Fairfax County, Virginia that's
12 causing them to turn to suicide and drugs?

13 My point is that a lot of the neighborhood
14 healers that have been abler to address the moral
15 free-fall that inner city gang members and others are
16 experiencing by being character coaches and moral
17 tutors, and demonstrated that they can markedly change
18 their behavior.

19 If people in suburban communities knew
20 that they could look to those neighborhood healers for
21 answers to the problems facing their children, then
22 you would have moral and spiritual reconciliation; a
23 byproduct would be racial reconciliation.

24 But if we continue to look at these issues
25 strictly through the prism of "Well, if everyone had
26 a good job and a decent place to live," that somehow
27 America would be okay, I think we're missing an

1 opportunity here.

2 But I do think that if groups could come
3 together to talk about these kinds of things, but to
4 share remedies -- for instance, John Sibley Butler
5 (phonetic) at the University of Texas at Austin. I
6 attended a three-day meeting where he gathered various
7 ethnic groups' representatives together for three days
8 to talk about strategies of capital formation, so that
9 they can share their strengths with one another.

10 And we've had community groups that come
11 together to talk about how do you begin to rebuild
12 communities by looking to the cultural leaders and the
13 moral and spiritual leaders in those communities, and
14 how do you begin to factor them into an economic
15 strategy.

16 But for somehow to leave this part out --
17 we never talk about God, we never talk about faith.
18 Yet, this is what is on the mind and in the hearts of
19 most people. But we don't have this discussion in
20 places like this.

21

22 (Applause.)

23 DR. PASTOR: Let me ask Professor Wilson
24 a question and then go to Dr. Franklin, who has his
25 hand up.

26 Bill, one of the ways in which your work
27 has been interpreted has been that part of the

1 politics or political implications of it are that it
2 makes great sense to call for things which have
3 universal benefits but may wind up having significant
4 impacts on the populations that you're the most
5 concerned about.

6 Is that a characterization of what you
7 think is an appropriate political strategy -- and
8 again, in the sense not of a party strategy but of
9 building a politics of consensus around policy?

10 DR. WILSON: First of all, let me say that
11 I do not think that we're going to be able to address
12 effectively the problems of the expanding have-not
13 population -- and I'm talking about not only about the
14 poor here, but a growing number of working class
15 whites, Latinos, Asians, blacks and middle class
16 people who are experiencing increasing economic
17 anxiety.

18 Despite the tight labor market we have
19 now, the economic recovery, people are still concerned
20 about the future, they're still economically anxious.
21 That helped explain why despite very, very low
22 unemployment rates, wages haven't increased very much
23 because people are reluctant to ask for higher wages
24 because they're still economically anxious.

25 So it seems to me that we have a basis
26 here for pulling people together, for the have-nots to
27 address a lot of the issues that affect them. And I'm

1 convinced that they're not going to be able to address
2 these issues until they can overcome their racial and
3 ethnic differences and recognize that they have a
4 great deal in common.

5 We emphasize so much in this country
6 economic divisions that we lose sight of the fact that
7 people have common goals and common problems and
8 common values and common aspirations and common hopes.

9 And as I think about the possibilities --
10 as I think about the possibilities for an effective
11 multi-ethnic multi-racial coalition to address some of
12 these issues, I want people to recognize these things,
13 and that's why I have emphasized the need to sort of
14 focus on some of these race-neutral strategies that
15 bring people together without -- but that doesn't mean
16 we ignore the problem of race. Race has to be part of
17 it, too.

18 But one of the things that you bring
19 people together is to get them to recognize that they
20 have a great deal in common, you see.

21 DR. PASTOR: Thank you. And one of the
22 striking things about the research that Bill Wilson
23 has in When Work Disappears -- and again, I recommend
24 all the books that I mentioned here -- is a survey of
25 the attitudes of individuals who live in inner city
26 neighborhoods characterized by high levels of poverty,
27 and find that much of the value structure -- even if

1 behaviors are different, much of what is valued is
2 very similar to what are called mainstream values.

3 It's a very interesting finding.

4 Dr. Franklin.

5 CHAIRMAN FRANKLIN: Well, I've been so
6 fascinated with this discussion I've been almost
7 passive. That is, I've been listening without
8 reacting in a vocal manner.

9 But there are one or two points that I
10 think are worth considering by a number of members of
11 the panel. And I would invite them, I would request
12 them, if they would , to react to this.

13 My esteemed friend Bill Wilson made some
14 reference earlier to the fact that as you have full
15 employment or are moving towards full employment, you
16 get as diminution of discrimination. That is, you
17 don't have as much discrimination when you have full
18 employment as when you have less full employment.

19 That raises some question about merit and
20 about the -- about fairness and that sort of thing.
21 And I wonder if the members of the panel will address
22 that.

23 For if you -- it is conceivable, with
24 Bill's observation, that a person who doesn't have
25 employment and who might have some qualifications
26 might be met with the argument that "You just wait in
27 line and when we get -- when we move towards full

1 employment, you'll be -- we'll remember you, we'll
2 call upon you."

3 I think that that as an approach is a
4 state where we -- that we might not want to go, in the
5 direction of fairness. I think that overlooks a
6 problem which is almost endemic in our society --
7 namely, that we do discriminate against people when
8 there is unemployment, when there is more employment
9 and when there is full employment.

10 And I wouldn't want to wait, if I were on
11 the unemployed list, I wouldn't want to wait until we
12 get nearly full employment before I get some
13 consideration for a job.

14 So I wonder if isn't it an important
15 strategy problem -- it's about the policy problem --
16 but I would invite Bill and Doug Massey and Bob
17 Woodson and any others just to comment on that.

18 DR. PASTOR: Actually, let me start with
19 Raquel on that, since she's been waiting patiently in
20 line, and --

21 Oh, you want to start with Bill on that,
22 and then I'll come back to you, okay.

23 DR. WILSON: Let me say I couldn't agree
24 with you more, that we can't wait until we -- well,
25 we're in full employment now. But if we weren't in
26 full employment I certainly wouldn't argue that we
27 have to wait until we get full employment before we

1 can deal with these issues of fairness.

2 All I was trying to say is that -- you
3 know, prejudice is a product of situations.
4 Discrimination is a product of situations -- economic
5 situations, political situations, social situations.

6 And the worst kind of situation you can
7 have is an economy that has high unemployment and you
8 have politicians out there openly demonizing groups as
9 they did, for example, in 1994 and '95, when they
10 shifted attention from the real source of our problems
11 and deflected them onto minorities, so we talked
12 about -- to demonized welfare mothers and we demonized
13 minorities who benefit from affirmative action and
14 immigrants who invade our shores.

15 So all I was trying to lay out are, what
16 kinds of situations will enhance racial antagonisms
17 and what kinds of situations will distinguish them?
18 And a full employment economy is one of those
19 situations that distinguishes the racial antagonisms
20 because it changes a situation.

21 But we certainly -- there is no way that
22 we can wait for these conditions to develop before we
23 do something. But at the same time it seems to me
24 that we want to do something to ensure that we
25 maintain the current favorable situation in the
26 economy. And there are a number of things that I
27 would like to focus on there, but I see you want to

1 move on to somebody else, so I'll just pass on that.

2 DR. PASTOR: Well, I hope we'll get back
3 so we can focus on those economic issues.

4 Raquel, your comments on this issue.

5 And I want to ask Matt, who's been
6 studying a population that has not been pulled in so
7 much by recovery to comment on this as well.

8 DR. PINDERHUGHES: A couple of points.

9 I don't want to take away from the
10 emphasis on people needing to transition into work.
11 But I think if nothing else, the experience of poverty
12 in the Latino community shows us that simply working
13 does not lift you out of poverty. And simply working
14 does not even necessarily lift you out of poverty
15 intergenerationally.

16 So we need to talk about raising the
17 minimum wage, we need to talk about programs which
18 transition people from low-wage sectors of the labor
19 market into other sectors of the labor market. We
20 need to talk about providing non-college-bound youth
21 with opportunities to transition into reasonably
22 decent wage jobs in the labor market.

23 We need to talk about figuring out ways,
24 and to expand the middle sector of the labor market,
25 so that the only opportunities are not at the low end
26 or the high end.

27 We also need to talk about ways in which

1 to ensure that once people get into the labor market
2 they can move through the labor market, because we
3 know that there are ceilings of every kind that exist,
4 and programs in affirmative action that are being
5 eroded.

6 So the focus on transitioning non-working
7 populations into the labor market is critical, but we
8 also need to remember that there are huge numbers of
9 people who are working, and their wages are not high
10 enough to lift them out of poverty, and unless we
11 raise the minimum wage, and enforce minimum wage
12 legislation, and also deal with, in the case of rural
13 Latino poverty, labor market exploitation that is
14 government-sanctioned, we are not going to be able to
15 do anything about the problem of poverty.

16 DR. PASTOR: So we need to move between
17 a -- beyond people having a choice between no job and
18 a bad job, huh?

19 Matt, and then Tarry, and then Doug, I
20 know you'll want to comment.

21 DR. SNIPP: Well, when I go out and visit
22 Indian country, as I spent quite a bit of time doing
23 this summer, I always wonder about the economic
24 recovery and full employment. Because you go out and
25 see 40 and 50 percent unemployment on these
26 reservations, you really wonder what happened to the
27 recovery and who recovered.

1 But as you see native people more and more
2 who do get jobs, it's still a recurring theme that
3 just because they're working, it doesn't mean they're
4 not poor anymore. And most of these people are really
5 only a paycheck away from disaster.

6 And one of the things that I would
7 strongly agree with Raquel about is that we need to
8 think of ways about not just creating jobs and not
9 just creating employment, but the kinds of jobs and
10 the kinds of employment we're creating.

11 It does no one very much good in terms of
12 getting out of poverty, to put them on minimum wage
13 jobs where they're in some cases making less than they
14 would have receive if they'd stayed on the dole.

15 DR. PASTOR: By the way, I should explain
16 to both the Advisory Board members, the panel in
17 general, and the audience, that we were to have a
18 keynote address by SBA Administrator Aida Alvarez, and
19 my understanding is she has not been able to arrive --

20 Or she will be arriving later. That's
21 what that flurry of notes has been. And for those on
22 the panel who thought you would have stopped speaking
23 a while ago, the opportunity to hear your voices,
24 which is welcome for everyone, has been extended by
25 her lateness.

26 We have just ten -- ten more minutes. And
27 I want to definitely ask my last question, too.

1 But Tarry, let me let you have a shot at
2 this, and then I know that the Reverend and Angela Oh,
3 and then I want to conclude.

4 DR. HUM: I think I just wanted to cite
5 a -- or describe a current situation that is happening
6 at my institution, New York University, which kind of
7 emphasizes the difficulty of transitioning from kind
8 of ethnic labor markets into the mainstream, and how
9 discrimination in the mainstream labor market is a
10 very important consideration in the ability to be
11 mobile.

12 For example, at NYU right now there is a
13 construction site, building a new dormitory. And
14 there have been some Chinese construction workers that
15 have been excluded from being hired on the site, and
16 they've been getting a lot of runaround in the sense
17 that the unions are telling them that they're not able
18 to join the union until they have an apprenticeship,
19 and the contractors are saying to them they can't get
20 an apprenticeship unless they're union members.

21 So I think that there's, you know,
22 institutionalized racism in the workplace and in
23 organizations that act as gatekeepers. We still need
24 to be very vigilant about how prevalent that is, in
25 terms of talking about anti-poverty strategies.

26 DR. PASTOR: Thank you. Reverend Johnson
27 Cook.

1 REV. JOHNSON COOK: I'm really enjoying.
2 This is probably the most lively discussion we've had,
3 and it's so good to have all of you.

4 I want to address a question to both
5 Professor Wilson and Mr. Woodson in terms of number
6 one, defining who you see as the neighborhood healers,
7 and also looking at the institutional -- the lack of
8 institutional resource bases in the communities. How
9 do you see that that can be strengthened at this time?

10 Because I've served congregations who,
11 even if their minimum wages were raised and -- who
12 have a poverty mentality, because there's three and
13 four generations of it, so even if they got more money
14 tomorrow, would not be able to go and attract the kind
15 of job that they needed to survive in this society.

16 So I want to look at what you see as the
17 solution to breaking that poverty mentality and also
18 strengthening the institutional resource base.

19 DR. PASTOR: Bob and then Bill.

20 MR. WOODSON: Absolutely right. There are
21 some people -- and we deal with neighborhood
22 organizations in 38 states representing thousands and
23 thousands of low-income people.

24 There are some people there who just lack
25 opportunity. They don't need to be fixed. You just
26 give them a job, and they will work, their values are
27 all right.

1 But the people who concern us most are not
2 work-ready. They're drug addicts or they're alcoholic
3 or just got poor work habits. With them, they require
4 the neighborhood healing agencies, the Josephs that I
5 talk about in my book -- people that have the same
6 zipcodes, perhaps that have been broken, who have
7 healed their own lives. They didn't start their
8 efforts as a consequence of responding to a proposal
9 request but they have invested themselves.

10 They're also recognized by local people as
11 having had the trust, they're the folks that you can
12 turn to on Friday and Saturday night, and they go to
13 the hospitals, funerals.

14 So those are the neighborhood healing
15 agents that have demonstrated that they can help
16 transform people and change their -- so that they are
17 work-ready.

18 For some people who are unemployed, they
19 need to volunteer their time, to gain work experience.
20 And so -- but there are in Virginia and Maryland, for
21 instance, there are a hundred thousand jobs pulling
22 cable paying \$11 an hour.

23 We have been able to, as a result of
24 transforming the attitudes, work attitudes, get some
25 of our young people who were gang-banging trained.
26 Now they're making nine and ten, eleven dollars an
27 hour pulling cable and working for companies.

1 So they're not just minimum wage jobs, but
2 there are people whose attitudes have been
3 transformed. But it's been through a spiritual
4 transformation.

5 And yet we discriminate against faith-
6 based providers. Also, we discriminate in our
7 policies of providing service based upon education.

8 Somehow you got to have master's degree to
9 be a drug and alcohol counselor when most of the most
10 effective drug and alcohol counselors are ex-drug
11 addicts, without any education.

12 (Applause.)

13 DR. PASTOR: Bill Wilson, can you talk a
14 little bit about the neighborhood healers you see in
15 your own work, particularly given your focus on larger
16 structural factors as well.

17 DR. WILSON: When I was listening to Bob
18 earlier talk about Harvard University sitting at the
19 panel I said to myself, "Now don't get defensive,
20 don't respond."

21 But I would like to say, Bob, you'd be
22 surprised to know that I'm involved with faith-based
23 healers in Boston, working them, at the Kennedy School
24 to develop programs to address some of the very issues
25 that I'm talking about.

26 I've been working on proposals that
27 support bringing to the Kennedy School a group of

1 ministers nationwide who are concerned about many of
2 these issues. I think that they're very, very
3 important in this overall effort.

4 But just let me address this issue about
5 the community resource base.

6 Certainly, local efforts of the kind that
7 Bob talks about could address some of these problems.
8 But as I said earlier, I would like to see a
9 combination of national programs and these local
10 programs working together. How much easier it would
11 be for some of these dedicated community leaders if
12 they got resources from the national level to work on
13 some of these problems?

14 But they're not getting it. And we've
15 talked about empowerment zones, but we haven't -- only
16 a very small percentage of the cities really get these
17 empowerment zones, and maybe, as John Hope was talking
18 about earlier, that with the increased resources
19 available because of the budget deficit, [sic] maybe
20 we could work carefully with some of these local
21 leaders and provide them with the resources they need
22 to really get the job done.

23 DR. PASTOR: I grew up in Los Angeles and
24 before moving up in this direction about a year and a
25 half ago, spent about thirteen years living there and
26 doing work. I would therefore be remiss if I did not
27 make sure that Angela Oh, from LA, got in a question.

1 Particularly because we were so delighted in Los
2 Angeles to see somebody from Los Angeles appointed to
3 serve on this Commission, who could bring forward all
4 of these issues of an interethnic community.

5 And Linda Chavez-Thompson has her hand up,
6 too.

7 What I'm going to do, just to give you an
8 idea -- and nod or scream if it's not okay -- is
9 Angela, you'll ask your question, we'll get some
10 answers; Linda will ask her question, we'll get some
11 answers. Then we'll open up to the audience. You've
12 been very patient.

13 And then we'll -- as we close, what I'll
14 do is I'll close with that question about what gives
15 you hope? We'll save hope for last, okay?

16 So, Angela.

17 MS. OH: Thank you very much. And you're
18 very kind to say what you've said, although I'm not
19 sure that I've absolutely been very productive.

20 I do think that I've raised some tough
21 issues, and this is one of the most difficult ones for
22 me. Is it an issue of race or is it an issue of
23 class, economy, poverty? And it depends on how you
24 look at it.

25 But here are my questions.

26 Am I way off the mark in thinking, because
27 we're engaged in this process of looking at one

1 American in the 21st Century as we move forward, could
2 there not be sort of a multifaceted -- and are there
3 any people studying this -- a multifaceted paradigm in
4 which we are taking some basic principles -- and I
5 think the fundamental principle that we need to
6 embrace is, the creation of wealth, at all levels. I
7 think this is what people are looking for, at all
8 levels.

9 And even in the most poverty-stricken
10 circumstances.

11 And then, understand that while at the
12 national level we can lead with regard to some
13 thinking, we cannot actually do the work, that the
14 meaningful work happens at local levels.

15 So, does it make sense to look to
16 government to provide the funding for there to be some
17 research, but not to make that research be necessarily
18 ethnic or racially specific but to look at the reality
19 of the multi-racial, multi-generational facts, in
20 many -- especially large urban centers?

21 And then also take that research and
22 funding -- or government role -- and look at where are
23 some other resources, not just government resources
24 but private resources? Because I have seen some
25 extraordinary models put forward by private industry,
26 where they're trying to take what they know and share
27 some of that knowledge and technical assistance with

1 people who are trying to grow businesses and actually
2 use that model to plug in the business you're growing
3 to what we're doing, "and we could give you
4 contracts."

5 DR. PASTOR: I want to give Doug, who
6 hasn't had a chance to speak in awhile, a shot at that
7 question.

8 And I know Raquel has her hand up.

9 DR. MASSEY: I think that could a backdrop
10 to everything we're talking about today is the dirty
11 little secret. And the dirty little secret is that
12 we're in an unprecedented period of rising income
13 inequality. That since 1973, wages, wealth,
14 incomes -- however you want to measure it -- have
15 gotten more unequal than at any other point in
16 American history.

17 We are now a more unequal society than we
18 were in the early 1920's. All of the postwar gains
19 have been wiped out in the past 25 years.

20 Now this has a lot to do with the building
21 of racial and ethnic coalitions. Because if you look
22 at the income distribution, 20 percent of the families
23 are doing great, never had it so good.

24 Eighty percent -- twenty percent at the
25 bottom have actually seen their wages stagnate, and
26 their incomes stagnate.

27 And the ones in the middle have been

1 basically running to stay in place, throwing more
2 workers into the labor force to maintain their family
3 incomes while not really advancing.

4 So you've got 80 percent of the population
5 of the United States who really haven't benefited
6 fully from all this prosperity and all this full
7 employment and this roaring economy that's happened in
8 the last seven years, hasn't done anything to change
9 the fundamental structural change that's occurred in
10 the United States, and that is the creation of a
11 system that is promoting the wealth of twenty percent
12 of the population and the stagnation of eighty percent
13 of the population.

14 Now that eighty percent of the population
15 includes just about everybody. That is a multiracial,
16 multi-hued, rainbow coalition of the United States.

17 The top twenty percent is
18 disproportionately white, of European origin. Not
19 completely. There are certainly more doors open now
20 than in the past.

21 But that does not mean that that eighty
22 percent of the population that really hasn't gotten a
23 great deal out of the political economy for the past
24 25 years does not have a powerful material incentive
25 to form coalitions to bring about political change.

26 DR. PASTOR: So I think we're hearing
27 about the national level being as important as the

1 local level.

2 There's some hands up and some wonderful
3 comments. This is such a smart group, I know that
4 they're going to work it into the questions that we
5 have to move to here.

6 I will, before I move into the audience,
7 let Linda Chavez ask one question -- that's an
8 Advisory Board member prerogative.

9 MS. CHAVEZ-THOMPSON: It's not necessarily
10 a question as much as a statement, going back to
11 something --

12 DR. PASTOR: A statement's better, because
13 then we can go back to these questions.

14 MS. CHAVEZ-THOMPSON: But I wanted
15 everybody to get off of this particular subject
16 because I wanted to address something that Professor
17 Hum said just a minute ago regarding the
18 apprenticeship programs, etcetera.

19 I want to stress that the AFL-CIO, with
20 the new changes and the new reshaping of the labor
21 movement has begun to do some things in bringing more
22 people of color into the labor movement, searching out
23 leadership, searching out ways that the American labor
24 movement can address sometimes the many issues of just
25 who is able to participate in apprenticeship programs
26 or where unions go to organize.

27 We believe that fighting racism will

1 strengthen the labor movement, and we want to create
2 full participation as we reshape the labor movement.

3 But in addition to that, creating channels
4 of communication, making sure that people know that
5 the labor movement is trying to make these changes and
6 that Wednesday also trying to create new pathways for
7 advancement for people of color.

8 We're having four labor forums around the
9 country where unions will be participating, and we'll
10 be asking the public to participate in just how we can
11 reshape ourselves, how we can participate, why we need
12 to have the work force as it changes and the type of
13 changes within that work force and how we can enhance
14 ourselves within that work force to make sure that --
15 again, if you're talking about race, if you're talking
16 about poverty, that unions do make a difference when
17 it comes to the kind of wages and the kind of
18 infrastructure needs that people of color need when
19 they come into the work force or as they enhance
20 themselves in the work force.

21 So the labor movement recognizes the need
22 to change as well, and what's happening in America
23 today, and I wanted to make sure that she knows that
24 we are trying to make those changes.

25 We know that sometimes in some cases there
26 is a need for education as well as participation, and
27 we are doing the best that we can in making those

1 changes in trying to get our labor unions to go along
2 with the changes that we ourselves want to make.

3 DR. PASTOR: I think Professor Hum will be
4 making a phone call not too long after this to discuss
5 this, I'm sure. That's great.

6 And I wanted to move to the questions.
7 There will be a couple of people in the audiences with
8 mikes, and I will call on you.

9 Let me ask you for one thing before we get
10 going, which is to try to make your questions
11 questions -- to try, if you're going to preface them
12 with a statement, to get there quickly.

13 To help you with that, if you continue to
14 go on, I will raise one hand to try to let you know
15 that we will try to stop. And if I raise two hands,
16 I would ask the audience to please applaud the
17 questioner for asking a question, and we would then go
18 on to rephrase it as a question and make sure the
19 panel has a chance.

20 Again, we want to keep things as fast
21 moving as we have here.

22 So let me start over here.

23 MR. LORENZ: One of the reasons for
24 persistent poverty in the United States is President
25 Clinton's support for an immigration policy that
26 brings in massive numbers of third world people into
27 this country, most of whom are in poverty.

1 Thus we are importing poverty.

2 The numbers of third world people being
3 brought into this country are so massive, in fact,
4 that it is transforming the racial makeup of this
5 country, reducing the fraction of European-Americans
6 from what it was during the first 65 years of this
7 century, which was 88 percent, down to 73 percent
8 today, and within 50 years, down to minority status.

9 (Commotion in room)

10 (Boos.)

11 MR. LORENZ: The American stand opposed --

12 DR. PASTOR: Please. Please. This is a
13 dialogue -- excuse me, and you'll get a chance to go
14 on. This is dialogue, and what I would ask you to do
15 is to respect the fact that we don't all agree with
16 one another.

17 What I will do is to make sure this
18 doesn't become a speech. It's not becoming a speech,
19 I'm hoping there's a question here at the end.

20 But please, let us respect people as they
21 ask their questions.

22 Sir, please go on.

23 MR. LORENZ: Okay. The -- the Chinese,
24 for example, claim the land of China to be theirs,
25 exclusively, and forever.

26 The Indians claim the land of India to be
27 theirs, exclusively, and forever, as do the Mexicans

1 claim the land of Mexico to be theirs, exclusively,
2 and forever, and nobody complains.

3 But when we Americans claim this land to
4 be ours exclusively and forever, we are called
5 racists.

6 DR. PASTOR: Excuse me. And okay, so
7 what I'm going to do is --

8 MR. LORENZ: Now to call us racist is like
9 a thief who calls his victim --

10 DR. PASTOR: Sir.

11 MR. LORENZ: -- a materialist.

12 DR. PASTOR: Okay. Now there's a big
13 round of applause for you.

14 MR. LORENZ: I have a question for you.

15 DR. PASTOR: And please --

16 (Applause.)

17 MR. LORENZ: And that is, why are we
18 discussing the racial transformation of America which
19 the Americans stand opposed to and have opposed to for
20 the last several decades of massive immigration?

21 DR. PASTOR: Okay. Sir, the rules were
22 clear, the rules are to pull the mike at this point
23 and to help you make that become a question.

24 And the question is, with regard to
25 immigration -- and there is a concern out there about
26 the changing character of the United States that is
27 being addressed here.

1 Is this a concern? Has it made race a
2 more problematic issue? Should we be concerned about
3 this?

4 Raquel, you had your hand up. And Matt,
5 you had your hand up?

6 DR. PINDERHUGHES: I'm sorry, Manuel, I'm
7 not going to answer the question that way.

8 I just want to point out that 85 percent
9 of the new immigrants that come into this country come
10 in through the Family Reunification Program. That has
11 been the bedstone of immigration policy since the
12 beginning of the founding of this nation. We have
13 always believed that families have the right to be
14 together.

15 And I think it's extremely divisive and
16 inaccurate to try to understand problems of poverty by
17 trying to frame them within a context of new
18 immigration, especially given those statistics.

19 DR. PASTOR: Matthew Snipp?

20 DR. PINDERHUGHES: Enough said, I think,
21 enough said.

22 DR. PINDERHUGHES: And we'll just --

23 DR. SNIPP: As an American Indian, I feel
24 like I ought --

25 DR. PINDERHUGHES: I'm sorry, Matt, I just
26 want to say one more thing.

27 DR. SNIPP: -- to address this.

1 (Laughter)

2 DR. PINDERHUGHES: I just want to say one
3 more thing, Matt.

4 DR. PASTOR: Excuse me.

5 DR. PINDERHUGHES: I'll say it without my
6 mike. I have one more point.

7 DR. PASTOR: I'll come right back to you.
8 Matthew?

9 DR. SNIPP: Yeah. As I said, American
10 Indians have had an immigration issue for a long time.

11 (Applause.)

12 DR. SNIPP: Thank you. But having said
13 that -- and Doug and Bill might be able to sort of
14 actually know the numbers on this, but it's my
15 understanding that some of the most rapid economic
16 expansions in this country have coincided with
17 immigration and a liberal immigration policy.

18 DR. PASTOR: Raquel, you had one more
19 point you wanted to --

20 DR. PINDERHUGHES: I just wanted to say
21 that the anti-immigrant climate in California
22 radiating through the rest of the nation is part of
23 the reason for the vulnerability of low-wage workers
24 and unemployed workers.

25 DR. PASTOR: The gentleman over there with
26 the sweatshirt had his hand up.

27 MR. HEARN: Hi, my name is Dwayne Hearn,

1 I'm a graduate student at San Jose State University
2 and I work for the City of San Jose.

3 And I'm a person with hidden disabilities.
4 And conversations like this are very entertaining, and
5 they're interesting. The problem I have, though, is
6 that people -- who are going to speak for the people
7 who are most disenfranchised by poverty and racism?

8 People with disabilities, elderly people.
9 And what's going to make this conversation, or these
10 conversations, any different if you don't invite these
11 people to speak and you don't hear from these people.

12
13 Because they're not in the audience, for
14 the most part. How do we allow these people an
15 opportunity to engage in these important conversations
16 so there might actually be some change that takes
17 place in this country?

18 DR. PASTOR: Let me just say that was a
19 model question. It was actually a question. And a
20 hard question as well.

21 Either the Advisory Board could comment on
22 that or in fact, we could also hear from the panel.

23 Does the advisory -- Judith, did you want
24 to say something about that?

25 MS. WINSTON: Let me say that we
26 understand that that is a challenge, and we have tried
27 very hard to broaden the outreach as we have been

1 meeting in different parts of the country.

2 We did send out public notices of this
3 meeting and the subject matter that we would be
4 talking about.

5 We've met with a number of community
6 people here in this area of the country and you know,
7 we need some help to make sure that people like you,
8 with connections to the communities that you've
9 mentioned, and all of us, get the word out and to ask
10 people to come, and to also share with us the kind of
11 issues that you think are important to address and
12 share with us the names of people who are particularly
13 expert in those areas.

14 So I think that as many of you who have
15 followed the work of this Advisory Board have seen,
16 that we have been broadening more and more at each
17 meeting our outreach, and it really is a question of
18 making these meetings as accessible as possible.

19 We've had the community forums, for
20 example, at times and in places where we thought we
21 would provide the best opportunity for the broad
22 participation that you speak of.

23 DR. PASTOR: Let us go in this direction.

24 It's the gentleman in the blue shirt whose
25 got his hand up back there.

26 It's you, yeah. It's like you just won
27 the lottery, right? Yeah.

1 MR. HERNANDEZ: My name is José Hernandez.
2 I'm the chair of the Advisory Commission on Rents.
3 And I'm going to make a comment -- or a statement, and
4 leave it open for a comment, if any.

5 And I hope those friends that know me in
6 the audience might still want me as their friend
7 afterwards.

8 Back in the 70's I experienced a sense of
9 prejudism towards Asian-Americans. There was an
10 influx of them coming in, and I was a younger man
11 then, and didn't know how to deal with these new
12 people and their different ways and different speak,
13 or language and everything.

14 And I was afraid that I was going to have
15 to change my name and that San Jose was going to be
16 called something else, and all these really stupid and
17 ignorant thoughts.

18 And I was angry with myself for harboring
19 these thoughts. And I knew that the only basis, the
20 only fact that I had for feeling this way was because
21 of ignorance and nothing more. I didn't know them, I
22 didn't know anything about their culture or anything.

23 Once I realized this, I made an honest
24 effort to go out to visit a Tet festival, to visit a
25 noodle house, to try to pronounce last names and to
26 try to understand a little bit more about the culture.

27 And it came to me in a realization that

1 the Vietnamese community was just like all the rest of
2 us. We want to be able to sit on our front porch, to
3 watch our kids play and to be happy. And it's very
4 important for me to get this word out to people, that
5 we are a good people, and we have the potential to be
6 a great people if we can just get past this race
7 issue.

8 DR. PASTOR: Thank you. And I think it's
9 very admirable to bring out the issue of your own
10 problems. It reminds me, though, of Paul Rodriguez,
11 who is a comic out of East Los Angeles, told a joke
12 about being in an elevator in Los Angeles and going up
13 and a bunch of people who were Asian entered and were
14 speaking Chinese and he got nervous, like you were
15 describing, because he didn't know the language and he
16 felt misplaced and he turned around and he said,
17 "Gosh, don't you know you're in America? Speak
18 Spanish."

19 (Laughter)

20 DR. PASTOR: I want to go to the gentleman
21 right there, gray hair, tie on.

22 MR. PAULSEN: My name is Jeff Paulsen. I
23 worked for the Presidential Inaugural Committee
24 preparing material on racial reconciliation. And I
25 wanted to follow up on a statement made by Mr. Woodson
26 regarding the spiritual issues.

27 There are wounds in this country -- old

1 wounds. There's blood in the soil right here beneath
2 our feet, blood of the babies that were killed by the
3 European immigrants, the blood of the Chinese.

4 In other places, the blood of the
5 oppressed people cries out for justice. As a white
6 male, I've had a great sense of sorrow, of repentance,
7 of apology and forgiveness for this, and I've sought
8 the forgiveness of people, and I've received the
9 forgiveness, and there's been a wonderful healing.

10 But my question is, how are we going to
11 confront this issue of the spiritual and the racial
12 issue that underlies the economic issue? How are we
13 going to confront that head-on in this country?

14 How are we going to encourage the
15 acknowledgement, encourage the apology and encourage
16 the forgiveness that will let us walk united together
17 into the 21st Century without having to walk on a
18 Wounded Knee?

19
20 (Applause.)

21 DR. PASTOR: Bob, do you want to say
22 anything about that?

23 DR. WOODSON: I don't understand this
24 question about apology, I just don't. I mean, I am
25 more concerned about what we do to move forward.

26 And I just don't understand the question.
27 Somebody else can --

1 DR. PASTOR: Reverend Johnson Cook?

2 REV. JOHNSON COOK: I wanted to just share
3 with you that there are a series of meetings with the
4 faith community across the nation that both myself and
5 some of the staff are initiating. We've already had
6 two, we had one at the White House, and we've had
7 several around the country and we'll continue to do
8 that.

9 And I think that the best way to talk
10 about faith issues is to bring the faith leaders
11 together and let the faith leaders make the
12 recommendations, and we have them from all walks of
13 life.

14 And so we have begun that and we'll
15 continue through the length of this Initiative.

16 DR. PASTOR: The young man with the watch
17 cap, please stand so she can find you.

18 MR. STEWART: Adrian Stewart.

19 Mr. Wilson, discrimination isn't changed
20 by economic prosperity. San Jose and Santa Clara
21 Valley is a model of that.

22 I say that because I've gone to many
23 interviews in this area. Especially one interview
24 when I had a brand-new suit on, fresh white shirt,
25 polished shoes, went to the library, did all the
26 research for the job.

27 Guy came in, he had torn jeans, torn

1 tennis shoes on, torn t-shirt, didn't know the job,
2 made demands for a salary he didn't deserve and got
3 the job.

4 He was white, I was black.

5 To the Governor, I want to let you know,
6 I'm a Mississippian.

7 Also, I want [you] to know that there's
8 not just spiritual emptiness in poor places and
9 ghettos and in reservations. It's just as much
10 spiritual emptiness in those places like the suburbs
11 and in rich communities. White people when I was a
12 kid sent their daughters to Europe. And we all know
13 why.

14 DR. PASTOR: And I'm going to go ahead and
15 let them respond to your first question. Thank you.

16 Bill Wilson, do you want to respond to the
17 issues raised by this young man?

18 DR. WILSON: Yeah, let me just say that
19 during the economic boom of the 1980's, those
20 metropolitan areas that experienced this economic
21 boom -- for example, the northeast -- witnessed a
22 substantial reduction in ghetto poverty, and it was
23 associated with increase in the number of jobs and
24 increase in annual income.

25 But let me just focus very quickly on the
26 problem of jobs.

27 I had a debate with a conservative,

1 Charles Murray, who said, "Look, black people
2 won't" -- he says, "These ghetto people won't respond
3 to increased opportunities because we're talking about
4 a basic value problem here, they don't want to work,
5 you provide them with jobs, they won't respond."

6 He said "I bet if you" -- this is right
7 during the economic recovery period, the Massachusetts
8 Miracle. He says, "I bet if you look at Massachusetts
9 right now, which is in a period of incredible economic
10 recovery, I'll bet the jobless rate in places like
11 Roxbury is still very high because people are not
12 responding to opportunities."

13 I said, "Well, I just happen to have some
14 data." And I pulled it out. I showed the incredible
15 drop in the jobless rate and the incredible rise in
16 the employment rate of black males in Roxbury.

17 The employment rate of black males in
18 Roxbury exceeded the national white male employment
19 rate during this period.

20 And I talked about, you know, a number of
21 factors involved in that, including the situation
22 where employers were looking for workers. They either
23 go out of business or they hire some of these people.

24
25 In fact, in certain areas in Boston,
26 employers were going into inner city ghettos of
27 Roxbury and recruiting youngsters to go out there and

1 work in their suburban McDonald's -- because they were
2 looking for workers -- that's all I'm saying.

3 But there are other things you want to do
4 as well.

5 DR. PASTOR: There's a young woman in the
6 front here. Please wait till the mike comes down your
7 way. Standing up here.

8 MS. CHAVEZ: Two things. One is, I'm with
9 working partnerships and the South Bay Labor Council
10 locally, and we brought copies of this report that the
11 Mayor referenced this morning for you to be able to
12 take with you.

13 What's fascinating about Silicon Valley is
14 it's one of those places that you know, people before
15 they come here think that the roads are paved with
16 gold, and we, like all you know, other places in the
17 country, are experiencing a huge discrepancy between
18 the haves and the have-nots.

19 One of the reasons I work with the labor
20 movement is I believe one of the best anti-poverty
21 programs in the country, most successful, has been
22 workers being able to have collective bargaining and
23 having the opportunity to demand safe working
24 conditions, wages and benefits.

25 And my question for you as a committee,
26 what kinds of labor law reforms will you be willing to
27 recommend so it's easier for people to become members

1 of unions and not be threatened with being fired
2 whenever they think about standing up for their
3 rights, particularly immigrant communities?

4 DR. PASTOR: This is probably a question
5 that makes Linda happy it's being asked.

6 MS. CHAVEZ-THOMPSON: Yes. one of the
7 things I have tried to do sitting on this Advisory
8 Board has been to talk about the economics of race, to
9 talk about how people need to react to the economical
10 questions.

11 I think we are providing some chart books
12 about how unions bring about economic justice to
13 workers and how the rights of union members for us is
14 almost like a civil rights question, having to do with
15 no discrimination on the job, including the right to
16 organize.

17 So we are trying to bring about a lot of
18 these things into the conversations that we are
19 having, and we have had conversations with the
20 President and with the vice president talking about
21 how do we deal sometimes with the issues -- and I've
22 mentioned this before, where in North Carolina we had
23 an election where Mexicans were brought in to the jobs
24 and eventually voted down the union because of the
25 fear that the company would call in the immigration
26 services against them for not having the right papers.

27 And yet, the company was bringing these

1 people in and pitting them against African-American
2 workers.

3 So there was a question of who's going to
4 get the better jobs, how those jobs will be spread out
5 as far as which race gets the better job.

6 And so there was a lot of conflict, and of
7 course, the union lost the election.

8 The question here is, we recognize that
9 unions also have to make changes themselves.

10 DR. PASTOR: Bob Woodson, a comment on
11 that, and then there'll be a last question from the
12 audience, and then we'll start closing.

13 MR. WOODSON: See, this is where -- some
14 of these issues are not as simple as they appear.

15 Something I said earlier, that Harriet
16 Tubman, when she was mustering out of the military,
17 was allowed to vend on the streets of Washington D.C.
18 Blacks then had more freedom to engage in enterprise
19 then, during slavery, than they do currently now in a
20 city that is run by blacks -- and they are being
21 driven out.

22 And so all I'm suggesting is that if you
23 look at it strictly through a racial prism you assume
24 that anytime that someone looks like you is in charge,
25 then there's no problem.

26 And the consequence will be poor people
27 will be driven out.

1 It's the same with the federal
2 communications laws. Blacks and minorities are not in
3 on television, on radio stations? So what is the
4 answer?

5 Allow generous tax breaks so that they can
6 own them. A hundred and thirty-nine of them purchased
7 these stations and flipped them over within three
8 years and walked away millionaires.

9 And yet, what Congress did was to change
10 it and take that same amount of money than helped 13
11 rich minorities become richer and use it to allow
12 small business owners -- hairdressers, taxi drivers,
13 to write off a hundred percent of their health care
14 benefits on their taxes.

15 So I'm suggesting, when we are looking at
16 these policies, we need to begin with the end in mind
17 and say, which groups are going to benefit?

18 I frankly believe that instead of helping
19 just 13 wealthy minorities become richer, that we
20 ought to take that same amount of resources and
21 devolve it to those who are in the trenches trying to
22 raise their families in these communities.

23 DR. PASTOR: I know that I'm still waiting
24 for "Chico and the Man" to come back.

25 One very brief question, and one very
26 brief answer, and then we'll close.

27 Sir, right here. Bring the microphone

1 forward, please.

2 MR. REED: Good morning. I want to thank
3 the panel for coming.

4 I'm with the Dr. Martin Luther King
5 Association of Santa Clara Valley and also with the
6 African-American Community Service Agency.

7 I would like to also offer several
8 opportunities. I think working together with a mixed
9 group -- as an example, at the Martin Luther King
10 Association we have Persians, we have European-
11 Americans, we have blacks, we have Mexican-Americans
12 working together to solve our problems.

13 And I think that the President's committee
14 should try to encourage groups within the communities
15 to work together to help solve this problem.

16 After last night's meeting I went back and
17 I got about 50 calls this morning saying, "When are
18 you going to set up the same type of forum at your
19 center?"

20 We will be setting forms at our center --
21 Gerald McAtee (phonetic) and I have already agreed
22 that we will be doing some here in Santa Clara Valley.

23 I think the encouragement of the community
24 is sure to encourage other cities in all cities to get
25 together and bring groups together, because like last
26 night -- hate last night (explode/expo) should be in
27 a small room so that we all can share it out and come

1 with some type of common cause.

2 DR. PASTOR: Well, thank you very much,
3 it's a great way to begin our closure.

4 And what I want to do is to ask the
5 committee -- we're glad to see that initiative going
6 forward on a local level -- is to end with the last
7 question.

8 I'm just going to ask the presenters to
9 take thirty seconds -- it's terrible -- to say, "What
10 gives you hope? After all of these panorama of
11 statistics and how depressed we sometimes get, what
12 gives you hope, what keeps you doing what you do?"

13 We'll start with Raquel and move this way.

14 DR. PINDERHUGHES: Well, there's been some
15 positive change in race relations over the last 200
16 years. And I think it's largely been a consequence of
17 people struggling for socioeconomic justice in social
18 movements all over this country, and also the role of
19 government in giving people the economic and social
20 supports that they need in order to move through the
21 economy.

22 So my hope is in communities that are
23 struggling all over the country for social and
24 economic justice, demanding their rights, and --

25 However, I think that those communities
26 will not be successful unless government plays a major
27 role in providing them with opportunities for economic

1 and social mobility.

2 DR. PASTOR: Bob Woodson, what gives you
3 hope?

4 MR. WOODSON: What gives me hope is that
5 there are just thousands and thousands of people --
6 grass roots leaders around this nation, to refuse to
7 define themselves as society's victims and who refuse
8 to accept the fact that they must be rescued from
9 outside and taking charge of their own communities.

10 (Applause.)

11 MR. WOODSON: They are coming out of -- we
12 spoke in Osborne Prison in Hartford, Connecticut, and
13 the leadership is going to come from beneath, and in
14 these communities. And I think you're going to see a
15 moral revolution coming from the people in grass roots
16 communities.

17 DR. PASTOR: Very good.

18

19 (Applause.)

20 DR. PASTOR: Tarry Hum, what gives you
21 hope?

22 DR. HUM: What gives me hope is also on
23 the community-based level and what I've been able to
24 observe.

25 Increasingly, I think working-poor
26 enclaves are becoming more multi-ethnic, and I think
27 that there's -- in this one particular neighborhood

1 that I know very well, because I grew up in this
2 neighborhood in Brooklyn -- it's called the third
3 largest Chinatown, but in fact, it's primarily a
4 Latino neighborhood.

5 And I think that the neighborhood economy
6 in that community is based very much on the work of
7 Asian and Latino women in the garment industry. What
8 gives me hope is that there's new leadership that's
9 recognizing that the rising tide of economic recovery
10 is not lifting all boats and that the majority of us
11 are not in the boat, and in building new leadership
12 for the multi-racial coalitions to address the common
13 sources of poverty and inequality.

14 DR. PASTOR: Professor Wilson, what gives
15 you hope?

16 DR. WILSON: Well, I'm much more hopeful
17 today than I was in 1995, when our politicians were
18 openly demonizing the most vulnerable groups in our
19 society -- welfare mothers, immigrants, minorities who
20 benefit from affirmative action.

21 They're much less likely to do that today,
22 and that's encouraging.

23 Secondly, I'm hopeful because there's been
24 a reduction in the federal budget deficit, and maybe
25 this will free up some resources that we didn't have
26 before, and people are now beginning to talk about
27 government programs to address some of these problems,

1 freeing up resources to improve the conditions in life
2 of many people.

3 And thirdly, I'm hopeful because I've been
4 convinced by some economists that this economic
5 recovery period that we're in now will be extended for
6 several more years, which will, I think, have real
7 positive effects on the jobless and poverty rates.

8 Thank you.

9 DR. PASTOR: Professor Massey, what gives
10 you hope?

11 DR. MASSEY: Well, one of the things that
12 gives me hope is that we're having this sort of
13 conversation. I think it's been delayed far too long.

14 And that the Clinton Administration and
15 others in American society are finally turning back to
16 the unfinished business of the civil rights years.

17 DR. PASTOR: Matthew Snipp -- Professor
18 Matthew Snipp from Stanford.

19 DR. SNIPP: When I look around Indian
20 country I see lots of things that give me hope.

21 I see that we are no longer known as
22 vanishing Americans. I see that our culture and
23 traditions are stronger now than they ever have been,
24 for many years. There are now more native speakers
25 than there have been for many years.

26 The Native American church is perhaps more
27 active than it has been for many years. Our tribal

1 governments are stronger, and for the first time in
2 perhaps 200 years our numbers exceeded two million in
3 1990.

4 And that all gives me a lot of hope.

5 (Applause.)

6 DR. PASTOR: Thank you. Let me indulge
7 myself out of the role of moderator to talk about, for
8 just a second, what gives me hope.

9 I'm the son of immigrants, an immigrant
10 father whose papers were not entirely in order when he
11 first came to this country, and who was able to find
12 a job and advance and provide a home and move forward
13 and with his wife, my mother, create a family and
14 hope.

15 It was an economy that was expanding, it
16 was a time in which we could integrate.

17 What gives me pessimism is the
18 difficulties in the economy and the disappearance of
19 the middle.

20 What gives me hope is the activism that we
21 see out there in the communities. What gives me hope
22 is the quality of this panel today and the quality of
23 the discussion that this President's Initiative on
24 Race has launched.

25 I believe -- I've been around many
26 conversations about race and poverty and urban issues.
27 I've been around few of such high quality in which

1 both passion -- heat -- and analysis -- light -- have
2 been brought to bear.

3 Let us thank these panelists for really an
4 extraordinary meeting.

5 (Applause.)

6 CHAIRMAN FRANKLIN: I want very much to
7 thank Professor Pastor and his star-studded panel that
8 have brought us this stimulating discussion this
9 morning.

10 Ms. Alvarez -- Ms. Aida Alvarez, who was
11 to speak just before the questions, has not arrived --

12 MS. ALVAREZ: I'm here.

13 CHAIRMAN FRANKLIN: Well, she did not
14 arrive in time for her speech.

15 (Laughter)

16 CHAIRMAN FRANKLIN: That will come at the
17 beginning of the afternoon session.

18 The afternoon session will begin at one
19 o'clock, and there will be two speeches before we
20 begin our afternoon discussion and then we will carry
21 on the discussion until the end of the afternoon
22 session.

23 So that now we will be breaking for lunch,
24 and we will resume our discussions at one o'clock.
25 That's an hour and ten minutes from now.

26 (Whereupon the Morning Session was
27 concluded at 11:50 a.m.)

