

# Can Chicago Make It As a Global City?

Janet L. Abu-Lughod  
Professor Emerita, Sociology, Northwestern University  
Graduate Faculty of the New School for Social Research, New York

Great Cities Institute  
College of Urban Planning and Public Affairs  
University of Illinois at Chicago

A Great Cities Institute Working Paper



**UIC**

Inside front cover



# Can Chicago Make It As a Global City?

Janet L. Abu-Lughod  
Professor Emerita, Sociology, Northwestern University  
Graduate Faculty of the New School for Social Research, New York

Great Cities Institute  
College of Urban Planning and Public Affairs  
University of Illinois at Chicago

**A Great Cities Institute Working Paper**

---

**This paper is based on a presentation made in November, 1999 at the Harold Washington Center of the Chicago Public Library as part of the Great Cities Institute's 1999-2000 Lecture Series.**

**June 2000**



## The Great Cities Institute

The Great Cities Institute is an interdisciplinary, applied urban research unit within the College of Urban Planning and Public Affairs at the University of Illinois at Chicago (UIC). Its mission is to create, disseminate, and apply interdisciplinary knowledge on urban areas. Faculty from UIC and elsewhere work collaboratively on urban issues through interdisciplinary research, outreach and education projects.

## About the Author

Janet L. Abu-Lughod, professor emerita of sociology of Northwestern University and the Graduate Faculty of the New School for Social Research, has been writing about and studying cities for more than 50 years. Her books include *New York, Chicago, Los Angeles: America's Global Cities*; *From Urban Village to East Village: the Battle for New York's Lower East Side*; *Changing Cities: Urban Sociology*; *Before European Hegemony: The World System A.D. 1250-1350*; *Rabat: Urban Apartheid in Morocco*; and *Cairo: 10001 Years of the City Victorious*. In 1999, Dr. Abu-Lughod received the Robert and Helen Lynd Award from the American Sociological Association Section on Community and Urban Sociology for distinguished lifetime contributions to the study of cities.

## Additional Copies

Great Cities Institute (MC 107)  
College of Urban Planning and Public Affairs  
University of Illinois at Chicago  
412 S. Peoria Street, Suite 400  
Chicago IL 60607-7067  
Phone: 312-996-8700  
FAX: 312-996-8933

This paper is available on the Great Cities Institute Web Site: [www.uic.edu/cuppa/gci](http://www.uic.edu/cuppa/gci)

© Janet L. Abu-Lughod

**Great Cities Institute Publication Number: GCP-00-2**

The views expressed in this report represent those of the author(s) and not necessarily those of the Great Cities Institute or the University of Illinois at Chicago.

## Can Chicago Make It As a Global City?

Is Chicago an international city? Of course it is. It has been ever since the second half of the nineteenth century: (1) when it was British bond investments that funded the rail lines to open the prairies and the west to the New York port; (2) when midwest corn and wheat began to supply Europe's bakeries; and (3) when new techniques of curing and refrigeration permitted the delivery of Chicago's meat to distant and even foreign markets.

And talk about a cosmopolitan population! Recall that at the turn of the century, four-fifths of Chicago's residents had either been born abroad or were the children of those who had. Attracting international capital, offering banking and financial services to tributary cities and towns, producing goods for export, and drawing diverse immigrant labor are all characteristics of a dominant global center.

Is Chicago now a global city? Of course it is. It has all the contemporary earmarks: high tech, producers' services, the MERC, and the busiest airport in the country, even though its attractiveness to migrants now trails Los Angeles and New York.

Nonetheless, Chicago is a city that for half a century first denied and then succumbed to "rustbelt anxiety," at best whistling in the dark. And especially after the census ignominiously demoted it to "third city," it has been the object, inter alia, of a glossy (even hysterical) Chamber of Commerce report in 1992, boasting that, like any third world country or depressed American city, it was prepared for a race to the bottom: Comparing the city to its "rivals" (especially New York and Los Angeles), the Chamber propaganda stresses that Chicago has lower wages, congestion, lower rents for office space, lower utility rates, corporate and individual, and a more "cooperative" administration.

While the slick brochure does not spell out the implications of these advantages, it is evident that lower wages and lower taxes can only mean more poor people and fewer funds to assist them. More recently, a similar anxiety shows through the Commercial Club's Plan to "fix" the metropolis by the year 2020, a report stronger on analysis than prescription. (I'll return to this later.)

There are good reasons for anxiety. But if the causes of a problem are not realistically diagnosed, proposed solutions may prove ineffectual. In present discussions of Chicago's future, it has become fashionable both to blame the global system for generating problems at the local level (a la Bill Wilson), but, paradoxically, also to lust after even globalization as the panacea (a la Chamber of Commerce). However, simply invoking the buzzword "global" neither advances the analysis of decline nor offers an easy way out.

I want to take a dispassionate look at the realities of Chicago's uneven development and possible stagnation, and to suggest some radical solutions that may be only tangentially related to "making it as a global city," although they are essential to making it "a city that works." I hope to offer more positive, albeit difficult, recommendations at the end of my talk.

I begin my somewhat downbeat analysis with great trepidation, since this is a city I love! I spent 25 of the best years of my life here, and I'm still a Bulls' fan. I have always taken its greatness for granted. So "imagine my surprise", as I got more deeply into the study of global cities, to find that Chicago was frequently omitted from standard listings of such places. For example, John Friedmann (who in 1982 was the first scholar to hypothesize that globalization would increase inequalities in world cities), enumerated all sorts of places we would consider decidedly "secondary" (Amsterdam? Zurich?), but left Chicago off his list.

When I asked him why he had not mentioned Chicago, he said "Oh, I forgot and this from my classmate in planning at the University of Chicago in the mid-1940s! Well, perhaps one of the motivations for writing my just published book on New York, Chicago and Los Angeles as America's global cities was so that no one would ever repeat such a lapse.

But first, what do we mean by these new terms: globalization and global cities? I take a somewhat deviant position. From an historical point of view, the present phase of globalization is just a continuation, albeit at a faster pace and via new technologies, of what has been going on for much of human history. In its most literal sense, globalization simply refers to an ongoing process whereby larger and larger portions of the world have become increasingly linked to one another via material exchanges of resources, commodities and currencies, as well as through a widening of the geographic range over which populations move, whether temporarily or permanently. Inevitably, this process not only entails more "integration" on the economic and political levels, but also permits more contact on the symbolic and cultural levels, either directly or indirectly.

In the latter sense, globalization also increases the "range" and "depth" of awareness, as larger numbers of people in many regions of the globe know about one another and can be influenced, at least potentially, by ideas, values and practices that originate far beyond the localities in which they live. This process of growing global awareness, while it by no means creates the ideological unity of the "One World" foretold by Wendell Wilkie in the aftermath of World War II, does result in an intermingling and even "hybridization" of cultural patterns.

The range and depth of all such interconnections define the shape of the world system at any given time. And I shall contend that "shape" is now changing drastically and not all to Chicago's advantage. It is important to emphasize that just because the contemporary international system involves greater entailment of the fates of each of its parts, that does NOT lead to equal or commensurable effects. The "good" kind of "global" means being in relative control of the terms of involvement and its rewards, rather than being exploited. Clearly, then, the effects on the ground that emanate from the larger system vary in depth and significance, both between and within nations.

A global city is therefore simply an urbanized node through which disproportionate fractions of national and international interactions flow. Such flows are also neither symmetrical nor equally rewarding. Indeed, the enormous scale at which globalization now operates often camouflages clear lines between causes and effects, as capital and labor move with increasing freedom not only across national borders but beyond metropolitan boundaries but as well.

Being designated as a "global city," then, gives no assurance of special rewards. Degrees of economic, political and cultural dominance help to distinguish more powerful from less powerful global cities. But even within the class of dominant global cities, the effects of globalization vary, not only between global city regions but also within them. Paradoxically, because globalization often flows through the increasingly disembodied cyberspace of information and high finance, its advantages do not necessarily fall directly on the physical ground that lies beneath their electronically flashing nodes and circuits.

There is, then, no contradiction between the proliferation of transactions in cyberspace, such as those that flow through the computers of the MERC, and the evisceration of localized functions. This disengagement means that even a healthy growth in command functions cannot protect those parts of the system (whether highly localized, at the national level, or at the global level) that are "out of the loop." Such marginalized zones can now be found in Bangladesh and many parts of the African continent, in Manchester and Sheffield, England, in downtown Detroit, in South Central Los Angeles and in the south and west side areas of Chicago!

Because of this, the insights and generalizations that have been advanced as "new theories" about global cities are perhaps premature. While appearing persuasive on the surface, they have only limited predictive or explanatory value. The purpose of my new book was to move beyond these generalizations by demonstrating how the effects of globalization have changed over time and space, not only because the world system itself has been reconfigured, but also because forces generated at that higher level have always interacted with preexisting conditions on the ground to yield consequences that are quite place and class-specific.

My book\* comparing America's three largest global cities, New York, Los Angeles and, with reservations, Chicago, therefore, tends to emphasize differences, tracing over time the ways specific technologies, economic functions, geographic sites, demographic compositions, and cultural responses have shaped these three particular urban regions. It argues, moreover, that even the same forces emanating from the global system at any given time always interact with active agents on the ground who operate within distinctive

\* Janet L. Abu-Lughod, *New York, Chicago, Los Angeles: America's Global Cities* (Minneapolis: University of Minnesota Press, 1999)

political cultures that have been honed over long periods of time.

So it is easy to answer one question implied in part of the title of my talk. Of course, Chicago is a global city. It always has been. But the answer to the second part of the title: "Can Chicago make it as a vital, growing, commanding center in the new configuration of the global system?" is not so evident.

And here I am going to take an unpopular position. I think Chicago will continue to lose ground unless it diagnoses its strengths and weaknesses more realistically, and works not with some mythological "force" such as globalization, on which it can blame all its problems and through which it can dream of salvation, but on the energetic grittiness of its special history and people. I begin with the premise that Chicago's future is shaped by local, regional, national, global forces, and failure to attend to all four simultaneously cannot yield adequate policies.

There is an old prayer that I quote inaccurately. "God give me the strength to accept what can't be

changed, the energy to alter what can be changed, and the wisdom to know the difference. That is how I propose to organize my talk.

### **What Can't Be Changed: Chicago's Location in Geographic Space.**

Chicago is where it is, in the heartland of the subcontinent, a region whose population growth rate now falls below average. Even though O'Hare's boast that it is "the busiest air terminal in the country" is not to be dismissed, it must be acknowledged that the vast midwestern and plains hinterlands of Chicago have not been growing as before, and indeed, the population in many of its parts has actually been in decline.

To some extent, the demographic "failure to thrive" of the midwest, Chicago's service area catchment zone, has had serious repercussions on the city's economic health, repercussions that compound those caused by the shrinkage of heavy industry. Thus, not all of Chicago's problems stem from specifically local causes, such as post-Fordism or even Chicago's contentious race relations, although the effects have been experienced most severely by poor people of color.

In the four decades between 1950 and 1990, the population of the larger Chicago region grew by only 40 percent (well under its rate of natural increase). The city itself lost one-fourth of its population and the number of suburban Cook County's residents virtually stagnated. True, the population in the other five collar counties almost tripled, but this was insufficient compensation. The NYNJCN CMSA, and especially the Los Angeles CMSA whose population almost doubled in the 30 years between 1960 and 1990, have been growing faster much faster because their hinterlands have been.

Reflecting the Januslike position of the contemporary US as both an Atlantic and Pacific power, and eventually, the greater integration of North America with the Caribbean and the Latin American continent, the three seacoasts of the US have become increasingly important magnets for internal migrants. In recent decades the population of the United States has been decanting toward the coasts, not only in the older directions of east and west but now, southward as well.

**Table 1: Population (in thousands) of the Chicago SMSA 1950 to 1990, by political jurisdiction: City of Chicago, suburban Cook County outside Chicago, and the five collar counties**

	<b>1950</b>	<b>1960</b>	<b>1970</b>	<b>1980</b>	<b>1990</b>
Chicago SMSA	5178	6220	6978	7103	7261 <sup>a</sup>
Chicago, City	3621	3550	3367	3005	2784 <sup>a</sup>
Rest of SMSA	1557	2671	3612	4099	4477
Cook Co. outside city	---- <sup>b</sup>	---- <sup>b</sup>	1974	2252	2321
Collar Counties	---- <sup>b</sup>	---- <sup>b</sup>	1485	1850	2156
DuPage <sup>c</sup>			492	659	782
Kane			251	278	318
Lake <sup>c</sup>			383	440	516
McHenry			112	148	183
Will			248	325	357

<sup>a</sup> City officials claim that there was an undercount in 1990 amounting to 236,274, but the Bureau of the

Census has refused to correct for urban undercounts. Many cities brought suit to request revisions for 1990, but the courts did not require the Census Bureau to correct for these.

<sup>b</sup>These figures are not readily available but are lower than those in later years.

<sup>c</sup>Note that these are north and northwest of Cook County, in the traditionally favored (whiter and richer) suburban sector. Figures do not add exactly because of rounding.

Sources: Northeastern Illinois Planning Commission, *Population Trends* (Chicago: Northeastern Illinois Planning Commission [1992?], Table 1; Chicago Fact Book Consortium, ed., *Local Community Fact Book: Chicago Metropolitan Area* (Chicago: Review Press, 1984), Table A. It should be noted that in order to keep roughly comparable boundaries, the table does not include figures for the larger region now identified as the consolidated metropolitan statistical area, which runs over into Indiana and Wisconsin. But even in this instance, there are minor differences between the numbers in the two listed sources; because these are relatively small, I have not bothered to adjudicate between them.

The "hollowing out" of the continent has been achieved not only through low rates of natural increase and heightened internal emigration from the Great Plains but, increasingly, through the recently enlarged streams of immigrants from abroad whose "ports of entry" remain the coastal cities. Chicago is no longer the magnet for immigrants that it once was. By 1990, despite the great burst of immigration to the US since 1965, only 11 percent of the residents of the Chicago CMSA had been born abroad, compared to two and three times that percentage in New York and Los Angeles. The recent demographic recovery of the New York urbanized region and, even more so, the growth of the Los Angeles megalopolitan region are clearly attributable to the heightened immigration from abroad that resulted not from changes in local policies but national ones.

How do these larger demographic trends affect Chicago? For one, Chicago's "central place" function as chief market for the midwest is undermined. Furthermore, because Chicago is far from the coasts; it benefits less from the new larger scale of global exchanges that move via sea or air. Chicago's rank among American ports is low: 58th in 1988, 59th in 1990. The ports of New York take in 15 times more raw tons of freight than Chicago and export 7 times as much weight; Los Angeles's ports export 11 times as much tonnage as Chicago. Even in air freight, Chicago handles only a small fraction of international commerce.

Thus, because of its location, Chicago can be neither the prime gateway to Asia that now makes the ports of Los Angeles engines for that city/region's growth, nor the gateway to Europe and Eastern Europe that underlies New York's dominance in international trade and traffic. Flows through cyberspace can supplement, but will never supplant, the movements of people and materiel. (In any case, cyberspace marketing is now done in back offices in small cities of the plains and Rockies.)

The Chicago region has also fallen behind the other two in attracting foreign capital and employment in foreign-owned firms. The value of direct foreign investment in Illinois is less than half that invested in either New York/New Jersey or California, and foreign firms are generating many fewer jobs here than elsewhere.

While size isn't everything, it is something, especially in national politics. The Chicago region's relative demographic losses have weakened its voice in Washington, an increasingly important force underlying the economies of states located in what Ann Markusen has called the "defense perimeter." She has shown how little money the Department of Defense actually spends on research and development, innovative weaponry, or even production in the Illinois/Chicago region. Whereas in 1951 Illinois was still near the middle rank of the 18 states she studied as measured by

"Per Capita Prime [defense] Contracts Relative to U.S. Average," by 1984 Illinois had dropped to the very lowest rank in defense contracts, below the remaining midwest states on their list, such as Wisconsin, Michigan, Ohio, and Indiana.

In contrast, California continues to grow in strength and New York, New Jersey, Connecticut, and Massachusetts still retain their attractiveness to defense investments. Chicago has not. One is forced to conclude that payoffs in this lucrative if repulsive industry go to those states that control more pivotal electoral votes. Tragically, then, it appears that every in globalization has weakened, rather than strengthened Chicago's dominance. But it is important to remember that Chicago's old strengths as key producer of heavy equipment for the nation and key central nexus for the country's rail distribution system were already declining before the so-called restructuring of the world economy in 1973 and the newly intensifying globalization of production and trade in the 1980s and 90s.

Plant closings and reductions in the industrial labor force had already appeared in the Chicago region as early as the late 1940s, and these reductions persisted throughout the prosperous 1950s and mid-1960s, a period when the US still monopolized the world's production. Such losses not only preceded the recent phase of globalization and the "shift" to the services but have continued into the 1990s in parts of the region!

In 1947, over 850,000 workers were employed in manufacturing in the Chicago CMSA. By 1982 this was down to under 750,000, and by 1992 to little more than 600,000. True, city industrial jobs dropped the most (from 668,000 in 1947 to only 187,000 in 1992), but despite vigorous "industrialization" in the suburbs, total CMSA factory jobs were down from 470,000 in 1982 to 420,000 in 1992. One could try to attribute this to general deindustrialization, but that would be misguided. Between 1974 and 1985, employment in manufacturing in the Chicago region went down by 28 percent, whereas it went up in the Los Angeles region by 15 percent!

Even though some of this deficit has been compensated by a growth in services, not much of that growth has been in the much-touted (i.e., high paying) services that are hallmarks of the "new globalization: FIRE (finance, insurance and real estate) and producers' services, for example. Between 1974 and 1985, the number of FIRE jobs in the Chicago region increased by only 7 percent, whereas they grew by 21 percent in New York and 63 percent in Los Angeles.

True, there was one exception. Chicago was able to "capture" some share in "the new economy" after the 1973 recession by innovating in the upper circuit of arbitrage and financials via the remarkable transformation in the Chicago Mercantile Exchange. By a bold stroke of anticipating a global market for financial futures and currency options, the then-foundering Chicago Mercantile Exchange was the first to grasp this opportunity which, by 1995, came to account for some 90 percent of its contracts. However, because the market is international and unregulated, the MERC is already seeing some of its base erode through competition from private deals and unregulated non-US exchanges. But even if the MERC had retained its monopoly, one must acknowledge that very few persons are employed in this and the other new sectors of the global economy, and what is worse, their multiplier effects are very narrow. Few of the profits of these "global" operations filter down to the local population. Furthermore, in comparison to New York (which moved almost directly from pre-Fordism to post-Fordism), and Los Angeles (which has grown more fordist and industrial with time), the increases in producer services and high tech R&D in Chicago have lagged considerably behind those two competitors. In short, globalization is saving Chicago.

**What Can Be Done?**

Some other midwest cities have faced similar losses and yet appear to be thriving. Why? Industrial production continues and expands. Connections to the global system and the knowledge industry increase. What handicaps does Chicago face that these do not?

And here I am going to be very blunt. In prosperous times, Chicago could afford to be profligate with its space and people. It could afford to leave its contradictions unresolved and its confrontations raw. J. W. Sheahan, writing in 1875, suggested that Chicago, instead of trying to resolve its divisions like the cities of the East Coast and Europe, had made its conflicts the basis of its identity. "Divisions that might paralyze other places

**Table 2: Absolute Employment in Selected Economic Sectors, Bureau of Economic Analysis economic regions of New York, Chicago and Los Angeles, 1985, showing percentage change from 1974 to 1985**

<b>Employment by Industry</b>	<b>New York in 1985</b>	<b>Chicago in 1985</b>	<b>Los Angeles in 1985</b>
<b>Manufacturing</b>			
Number of jobs	1,319,083	778,713	3,230,785
Percentage change 1974-85	-15.4	-27.7	+15.0
<b>Wholesale Trade</b>			
Number	579,536	245,255	350,107
Percentage change	+20	+ 9.8	+47.7
<b>FIRE</b>			
Number	803,102	277,295	375,392
Percentage change	+21.4	+ 6.8	+63.2
<b>Business Services</b>			
Number	567,131	213,222	331,292
Percentage change	+76.4	+67.0	+106.7
<b>Administrative Services</b>			
Number	431,071	182,031	184,881
Percentage change	+13.3	+ 9.9	+51.6
<b>Health Services</b>			
Number	573,148	242,035	348,222
Percentage change	+57.5	+57.6	+65.6
<b>Education Services</b>			
Number	172,891	69,841	87,087
Percentage change	+32.1	+25.8	+106.4
<b>Legal Services</b>			
Number	94,995	31,021	48,595
Percentage change	+83.9	+106.5	+142.0
<b>Professional Services</b>			
Number	135,637	49,990	94,102
Percentage change	+62.9	+76.6	+124.0
<b>Miscellaneous Services</b>			
Number	67,144	31,455	72,509

Percentage change	+44.4	+55.2	+120.5
-------------------	-------	-------	--------

*Note:* The Bureau of Economic Analysis has its own definitions of economic regions, which are not identical either to PMSAs or CMSAs.

*Source:* This table is constructed from data assembled originally by William B. Beyers, "The Product Services and Economic Development in the United States: The Last Decade," a report prepared for the U.S. Department of Commerce in April, 1989. A truncated version appears in Ann R. Markusen and Vicky Gwiasda, "Multipolarity and the Layering of Functions in World Cities," *International Journal of Urban and Regional Research* (June 1994).

provided the very condition for Chicago's existence."

I contend that these divisions no longer work, if they ever did. They now sap the city's vitality. Today, new ways must be found to fully utilize its space and people, ways that will not only adjust to the city's diminished role in the global system but also build upon its formidable local strengths. Perhaps, if this opportunity is seized, a new healthy basis for the region's economy and social life can be forged.

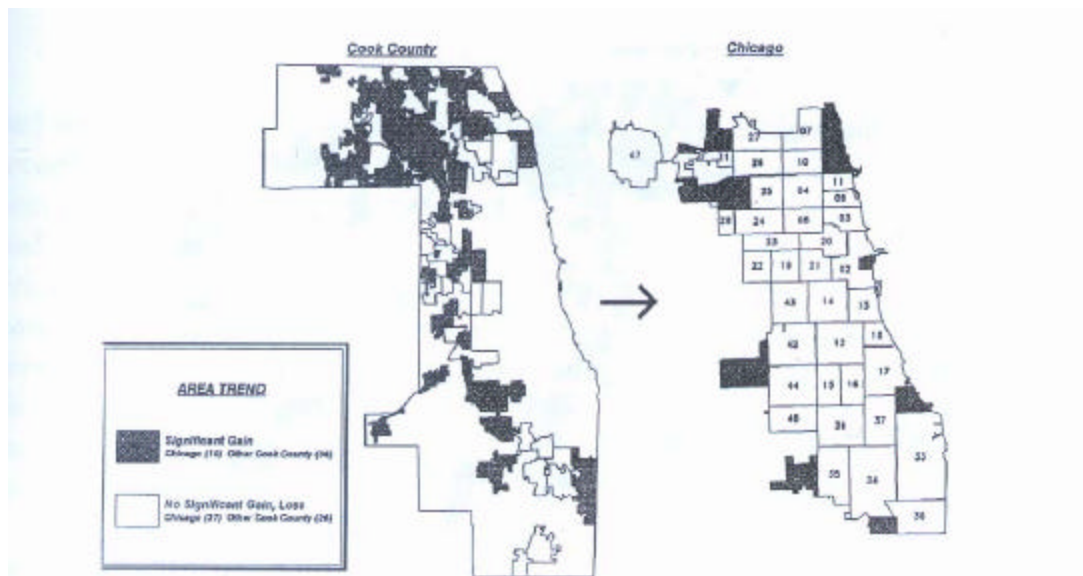
But to do that, Chicago's historical racism must be acknowledged as a "luxury" this City/region can no longer afford!

Two "facts" must be faced honestly. Enormous sections of the city now lie "fallow," denuded of their industries and businesses. What a waste of sunk investments and potential resources! It is not that all growth has ceased, but that it has been taking place exclusively in the Loop, in Edge City or the outlying portions of the collar counties, especially along the almost exclusively white growth corridors to the northwest and, leaping over inlying urban quarters, in suburban sections of the southwest's growth corridor.

Second, Chicago's metropolitan region remains one of the most, if not the most, segregated places in the country. Not only does the region demonstrate the greatest inequality between its wealthy (white) and poor (minority) areas and suburbs, but the gap has been widening precipitously. Hyper segregation in housing, as Doug Massey has clearly shown for Chicago, underlies the increased poverty and isolation of minorities not only jobs but from hope. The "informal" sector, which in so much of the rest of poor areas in American global cities and even in underdeveloped countries, atrophies or has gone underground.

The combination of these forces means that not only land but whole fractions of Chicago's regional labor force also lie fallow. The underutilization of their labor power drags Chicago's growth down and saps its vitality as production center, market place and provider of desperately needed local infrastructure and services.

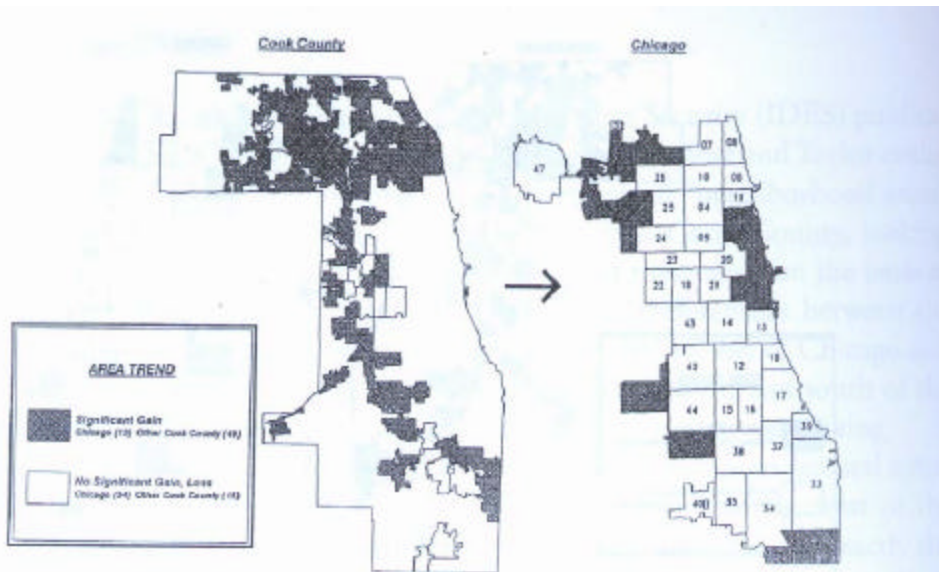
To claim that such inequalities are new and an inevitable product of globalization is false and self-serving, because it denies the local and long-term causes of this situation. And, in my mind, it is the failure of proposals for rescuing Chicago such as those advocated by the Chamber of Commerce report or even the Commercial Club's 2020 Plan to acknowledge the historic evolution of this situation and to advocate real, but hard and long-term correctives, that I want to address in the time left to me. Neither of these two reports, nor, for that matter, most other business analyses of Chicago's economic future, take seriously or even cite the penetrating analysis of racism by critics such as Greg Squires, or scholars associated with the Chicago Urban League and Metro Chicago analyses that demonstrate the systematic disinvestment in the people and places that now lie fallow in the region.



Map 11.3a. Zip code areas of suburban Cook County and city of Chicago predicted to experience a significant gain in employment. Source: Nikolas C. Theodore and D. Garth Taylor, *The Geography of Opportunity: The Status of African Americans in the Chicago Area Economy*, Report of the Department of Research and Planning, Chicago Urban League, March 1991. Courtesy of the Urban League and D. Garth Taylor; used with the permission of the Chicago Urban League and the generous help of D. Garth Taylor, director, Metro Chicago Information Center.

As background to the findings of the Urban League researchers, some basic trends need to be understood. Tables 3, 4, and 5 confirm three crucial and connected demographic developments in the Chicago region between 1970 and 1990: (1) the relative *and* absolute decline of population within the city limits of Chicago, contrasted with the overall growth of the suburban counties; (2) the gap in per capita income evident by 1989 between the city and its suburban areas; and (3) the current bifurcation of the region into “minority” city and “majority(?)” periphery. As can easily be seen, the city, together with the western portion of suburban Cook county, experienced significant population declines between 1970 and 1990; southern suburban Cook County remained almost stagnant; and the five collar counties, along with the northwestern and southwestern sectors of suburban Cook County, absorbed virtually all of the population increase. (From Janet L. Abu-Lughod. 1999. *New York, Chicago, Los Angeles: America's Global Cities*. Minneapolis: University of Minnesota Press, 1999. p. 330.)

I am not claiming that of the resulting inequalities in the Chicago region are due to racism,



Map 11.3c. Zip code areas of suburban Cook County and city of Chicago predicted to gain business establishments. Source: Nikolas C. Theodore and D. Garth Taylor, *The Geography of Opportunity: The Status of African Americans in the Chicago Area Economy*, Report of the Department of Research and Planning, Chicago Urban League, March 1991. Courtesy of the Urban League and D. Garth Taylor; used with the permission of the Chicago Urban League and the generous help of D. Garth Taylor, director, Metro Chicago Information Center.

just as I have argued that not all of them are due to "globalization." Many are attributable to more national causes: increasingly unprogressive income tax rates, the obscenely high and hidden compensations paid to CEOs who "downsize," the atrophy of union strength and its substitution by flexible production without fringe benefits, the reforms to welfare without the accompanying substitute services to mothers, and the politically gated suburban communities that beggar their neighbors. All of these "choices" affect the growing gap in income and wealth distribution not only in Chicago but in New York and Los Angeles, as well as other places.

But Chicago's situation is extreme because of the very long time during which the conditions of the minority poor have not only been neglected but perversely exacerbated. Chicago's race problems cannot be simply explained on the grounds of numbers. Taken as a whole, the region has no higher a percentage of minority residents than the New York region: black non-hispanic residents constitute slightly under a fifth in both CMSAs and black hispanics are more numerous in New York than in Chicago, and combined minorities are even higher in Los Angeles.

**Table 3: Absolute population change between 1970 and 1990 and two-decade percentage change in population for Illinois, the Chicago CMSA, the suburban counties, and the city of Chicago**

	1970 Population	1990 Population	Percentage Change 1970-90
Illinois	11,110,000	11,430,602	+ 3.0
Chicago SMSA	6,977,573	7,261,176	+ 4.1
City of Chicago	3,366,957	2,783,726 <sup>a</sup>	- 17.3
Suburban Cook County <sup>b</sup>	1,974,294	2,120,516	+10.9
North Cook	439,678	412,370	- 6.2
West Cook	500,020	448,543	- 10.3
South Cook	402,314	419,665	+ 4.3
Northwest Cook	294,101	491,174	+67.0
Southwest Cook	338,181	417,051	+23.3
Collar Counties <sup>c</sup>	1,485,204	2,156,109	+45.2
McHenry	111,555	183,241	+64.3
DuPage	492,181	781,666	+58.8
Will	247,825	357,313	+44.2
Lake (Ill.)	382,638	517,418	+35.0
Kane	251,005	317,471	+26.5

<sup>a</sup> The city of Chicago maintains that the population was undercounted by 236,274 in 1990. But even if the total is adjusted upward by this amount, the city would still have lost population in the most recent decade.

<sup>b</sup> Suburban Cook County virtually surrounds the city of Chicago, so this figure represents Cook County minus the city of Chicago.

<sup>c</sup> Lake County (Illinois) is located just north of Cook County limits, and McHenry County lies just west of Lake. DuPage County is due west of Chicago, wedged between the city and Kane County which lies further west. Will County is located directly south of the city and contains the town (and prison) of Joliet.

*Source:* U.S. Bureau of the Census reports on population. I have found many of the publications of the Northeastern Illinois Planning Commission helpful for assembling relevant data, which I have rearranged.

However, neither New York nor Los Angeles has the same degree of cleavage as Chicago between the central city and its politically powerful "white" collar counties. And it is cleavage, which was the result of racism that stands in the way of a solution.

I am now working on a new book, tentatively called "Space, Race and Riots," which compares race relations (and riots) in New York, Chicago, and Los Angeles. It contends that as early as the 1919 riot, when African Americans constituted only a tiny percentage of the total population, racism had become organizing principle of Chicago life, whereas in the political cultures of New York and Los Angeles, it was only one theme among many others.

Given this long history, I think white Chicago owes reparations and an investment in

**Table 4: 1979 and 1989 per capita incomes for Illinois, the Chicago CMSA, the suburban counties, and the city of Chicago, with percentage change between 1979 and 1989 indexed to Illinois change**

	Per capita income (in \$)		Percent change in decade (index)
	1979	1989	
Illinois	8,071	15,201	100
Chicago SMSA	8,568	16,739	108
City of Chicago	6,939	12,899	97
Suburban Cook County <sup>a</sup>	9,976	19,381	107
North	12,914	27,058	130
Northwest	10,285	20,807	116
Southwest	9,118	17,149	100
West	9,034	15,945	87
South	8,535	14,724	82
Collar Counties	9,505	19,207	115
McHenry	8,646	17,271	113
DuPage	10,475	21,155	115
Will	7,999	15,186	102
Lake (Ill.)	10,106	21,765	131
Kane	8,469	15,890	99

*Note:* The over-the decade increase in per capita income in Illinois was 88.4 percent. An index number above 100 indicates that per capita income in a given area grew more than the Illinois average in the decade; a number under 100 indicates a negative relative growth in per capita income compared to the state.

<sup>a</sup> The subregional figures for suburban Cook County sectors are unweighted averages of the per capita incomes of municipalities in each sector and therefore are not quite comparable.

*Source:* Compiled by the Northeastern Illinois Planning Commission from successive U.S. Census returns.

healing that can belatedly compensate for the pain, suffering, and demoralization it has created. And I also believe that if Chicago is to make it as a global city, it must make this investment its highest priority.

**What Policies Are Needed?**

My reading of the 2020 Plan is that its programmatic suggestions are both too little too late. Let me first address the latter because I want to end with the former. Too Late: There is absolutely nothing wrong with Adele Simpson's section that strongly advocates investing heavily in educating the young, paying special attention to underserved minority children. (We've been saying this for years, and many in the minority communities have long struggled for this end.) But this approach, even in the unlikely event that it were to receive overwhelming support and generous funding and that it achieved spectacular success,

**Table 5: Race/Hispanic origin (in percentages), population of the Chicago, Illinois-Indiana and Wisconsin CMSA, the Chicago PMSA, the city of Chicago, and the surrounding Illinois counties (Cook County minus city of Chicago and DuPage, Kane, Lake and Will Counties), 1990 census**

Race/Ethnicity	CMSA	PMSA	City of Chicago	Surrounding Counties
White non-Hispanic	66.7	62.3	37.9	82.1
Black non-Hispanic	18.9	21.7	38.6	7.7
Amerind non-Hispanic	0.2	0.1	0.2	0.1
Asian non-Hispanic	3.0	3.6	3.5	3.3
Other non-Hispanic	0.1	0.1	0.1	0.1
Hispanic	11.1	12.1	19.6	6.6

*Note:* *Non-Hispanic* here refers only to the non-Hispanic population reporting a given race. As in other tables, such figures must be used with caution. When the residential patterns of Hispanics are cross-tabulated with their race, it is found that darker Hispanics (and Caribbean-origin populations) are almost as residentially segregated as African-Americans. However, they are not necessarily likely to report themselves as “black,” which leads to an overestimate of exactly how much desegregation has actually taken place. “Mixed areas” are often constituted by a mixture of “blacks” and “Hispanics,” rather than “blacks” and “non-Hispanic” whites.”

*Source:* My own calculations based on 1990 U.S. Census returns. I have recalculated to separate that portion of Cook County that falls within the city limits of Chicago from that portion outside the city. The suburban Cook County residual has been added to Will, Kane, DuPage, McHenry and Lake (Illinois) Counties, and the composite of these suburban regions immediately surrounding the city has been summed and then calculated.

**Table 6: Percentages unemployed by age, gender, race, and location, city of Chicago and suburban Cook County, 1988**

	Chicago	Suburban Cook County
All ages (16+)		
White males	7.1	3.4
White females	6.5	3.4
Black males	20.9	18.6
Black females	18.1	16.9
Teenagers (16-19) <sup>a</sup>		
White males	27.4	9.5
White females	12.7	11.2
Black males	44.8	47.2
Black females	39.4	43.7

<sup>a</sup> Very similar rates apply for young adults (ages 20-24).

*Source:* Data from Nikolas C. Theodore and D. Garth Taylor, *The Geography of Opportunity: The Status of African Americans in the Chicago Area Economy* (Chicago Urban League Department of Research and Planning, March 1991), 36-37, Figures 5,6.

**Table 7: Percentage of CMSA population in 1990 that was Black, Asian, or Hispanic in New York, Chicago and Los Angeles**

Race/Ethnicity	New York	Chicago	Los Angeles
Black (non-Hispanic)	18.2	19.2	8.5
Hispanic	15.4	11.1	32.9
Asian	4.8	3.2	9.2
American Indian	0.3	0.2	0.3
Total Minority	38.7	33.7	50.9

*Note:* the category of Hispanic still presents difficulties, because in some 1990 census data I have examined, small percentages of Hispanics report themselves as black or Asian, a larger percentage report white, but an overwhelming majority classify themselves as "other," thus confounding American racial categories.

would not, in itself, either bind the city and collar counties into an integrated economic unit nor bind its populations into a common community. It is a necessary but not a sufficient cure. That is because education is very long term! And in the meantime, shorter-term payoffs are essential. If conditions of material deprivation, isolation, and hopelessness are allowed to persist through the present generation while we wait for the kids to grow up, Even the best and brightest of the next generation may not be able to resist demoralization. Motivation requires real evidence of opportunity not in promises but on the ground. Unless massive reinvestment in the present is undertaken simultaneously, better math courses and computer literacy will not save us.

**Too Little and in the Wrong Places**

Conservative reformers are fond of dismissing solutions that merely "throw money" at problems (although they tend to overlook the fact that the systematic withdrawal of funds is the most basic cause of problems) I agree, especially when only modest amounts are appropriated in relation to needs and when such investments are accompanied by unrealistic expectations of stunning and rapid results. They are bound to disappoint. Nickel and dime investments may yield an occasional bonanza in the stock market lottery, but they will make little dent on the task that really needs to be done, which is nothing short of rebuilding the fallow land and integrating its displaced labor. The long-accumulating deficiencies in large minority areas of Chicago cannot be repaired in a few years nor can we expect modest "incentives" to make philanthropists out of investors. (I'm thinking here of the fiasco of the Play School factory that took the money to stay but then departed anyway.)

No. Given at least half a century during which jobs, hopes, and values have been drained from the African American and Latino hyperghettos of the south and west sides, only massive investments right now and continuing for many years can begin to repair the damage.

I am not here to tell Chicago how to do this, although redistributing the wealth of the entire region to replace the jobs that have been drained from the south and west sides of the city seems to me to be an indispensable starting point. That means breaking down the imaginary line between Cook County and the collar counties physically, politically, legally, and financially. Unless this can be achieved, the resources will be insufficient and the potential gains from both local and global sources of strength will continue to elude us.

Chicago's early history tells us that its ability to harness the labor and the "will" of its people was

the basis for its past prosperity. It is time to do that again. The "living with contradictions" that Sheehan thought was Chicago's unique way of dealing with its social cleavages is no longer working. The contradictions must be acknowledged and resolved. The entire region can only harness its untapped power in a climate of hope. And hope requires not only preferential education but also the breaking down of the powerful spatial barriers that racism has consciously built into the region and that continue to deny opportunities to most of its minorities. Here we are, in the Harold Washington Public Library, a stunning building surmounted by what I take to be copper phoenixes that ever present image of hope in Chicago. More than ever before, this city needs hope and the realistic will to overcome its inequalities. That will require honest acknowledgement that a city cannot prosper with so large a fraction of its terrain and people underutilized and unintegrated into the spatial and economic fabric.

Most causes of growth and decline do not originate from global forces and most solutions to decline require careful attention to more localized causes. It will not be easy, but its payoffs will not only change Chicago into a region that "makes it" but one that "makes it globally."





