

Preface

THIS BOOK is the product of a year-long collective project organized under the auspices of the Russell Sage Foundation and conducted at the Foundation's offices in New York City. Recent developments in economic sociology have garnered a great deal of attention, renewing the promise of a fresh perspective on economic events and institutions. At the same time, work in this field has consisted primarily of exegeses of the sociological and economic classics, trenchant critiques of the current orthodoxy in economics, and conceptual discussions at a high level of abstraction. The renewed momentum of economic sociology runs the risk of stalling by failing to connect with bodies of empirical knowledge that infuse it with fresh ideas and novel research questions.

In parallel fashion, studies of immigration and ethnicity have experienced strong growth in the United States, fueled by a new wave of immigration, the seemingly intractable plight of domestic minority groups that were created by earlier migrant waves, and the contrast between the situation of these groups and the economic success of some of the most recent arrivals. The study of these phenomena has given rise to separate bodies of empirical literature. Although each body of research has developed its own theoretical perspectives and concepts, all have also developed propositions that are generally at a low level of abstraction. The basic goal of our project then, is to link innovations in economic sociology with the grounded propositions and factual knowledge accumulated by research on immigration, ethnic poverty, and ethnic entrepreneurship. We aimed at broadening the scope of each of these subfields by highlighting the interconnections among their concepts and thematic priorities as well as their fit with more general theoretical propositions. By the same token, the project sought to suffuse sociological thinking about economic processes with new insights stemming from fact-driven hypotheses.

To explore these linkages, the project brought together six social scientists who had worked extensively in one or more of the relevant subfields and whose scholarship combined attention to general theoretical issues with empirical research on relevant subject areas. Four members of the group spent the year in residence at the Russell Sage Foundation, while the other two attended several of the group's regular meetings and were kept abreast of its progress. Participants met frequently to discuss each other's research and every month they hosted an outside speaker, either a distinguished sociologist or economist, whose work had direct relevance to the year's collective project. The papers elaborated by each group member, the final versions of which constitute the chapters in this volume, benefited from these extensive discussions with our visitors and with each other.

In addition to regular participants and visitors, many of the project's sessions were attended by Robert K. Merton, the Foundation's scholar-in-residence, whose intellectual influence is evident in several of the following chapters. In addition to the contributions specifically acknowledged by different authors, we owe Bob a collective debt of gratitude for the enthusiasm with which he greeted the idea of this project, his unfailing support for it throughout the year, and the wisdom with which he steered us away from several serious pitfalls. Other members of the 1992–1993 "class" of Russell Sage fellows, in particular David Blau, Russell Hardin, and Robin Jarret, also deserve acknowledgment for their helpful comments on specific papers and their sympathy and support for the group's aims.

The introductory chapter provides an overview of recent conceptual developments in economic sociology and the sociology of immigration and some of their key interlinkages. Its aim is to familiarize the reader with central ideas and propositions, several of which are developed at greater length in subsequent chapters. In Chapter 2, Bryan Roberts explores how social definitions of time and normative expectations about the proper duration of migration episodes affect the economic prospects of immigrants and, in particular, their propensity toward entrepreneurship. Data from turn-of-the-century European immigrant groups and from contemporary Mexican immigration are used to support his main propositions. Saskia Sassen provides a review and critique of orthodox economic perspectives on labor markets and shows how the spatial delimitations that are usually assumed to circumscribe local markets are inappropriate in the case of immigrants whose networks render their perceptions and utilization of space much broader than those usually assumed in the economic literature. Sassen uses evidence from several recent immi-

grant groups to show how social networks connecting distant regions in countries of origin and destination give migrant workers superior information and a more flexible use of economic opportunities distributed unequally in space.

These two chapters on the temporal and the spatial dimensions of immigration are followed by two on the sociocultural underpinnings of entrepreneurship. In Chapter 4, Mark Granovetter draws on studies of business development among ethnic minorities and culturally defined groups around the world to advance a novel theory of the firm. His propositions on the role of normative expectations and socially conditioned trust are set in explicit contrast to individual-centered theories that rely exclusively on personal skills and market advantage. In the next chapter, Ivan Light and Carolyn Rosenstein put to test the "interaction" theory of entrepreneurship, which argues that the rate of business creation among ethnic groups depends on the fit between their "supply" of material and moral resources and the "demand" for entrepreneurial services in the specific areas where they settle. Using census data, they examine empirically the bearing of aggregate sociodemographic characteristics and key features of the economic environment of standard metropolitan areas on rates of entrepreneurship for five major ethnic populations.

Chapter 6 by Patricia Fernández Kelly inverts the analytic focus by examining the lack of entrepreneurship and the associated social pathologies of the inner city, with special emphasis on adolescent pregnancy. She argues that these problems do not arise out of anomie or the lack of social capital in the black ghetto but out of its isolation from the rest of society, which renders the resources available through social capital inappropriate for economic success. Using ethnographic data collected in two poor black areas of Baltimore, Fernández Kelly shows how the rich but self-enclosed networks of the ghetto create cultural definitions of situations, including teenage pregnancy, which are at variance with those held by the mainstream. The same "cultural capital" that facilitates survival in the harsh conditions of blighted urban areas thus becomes a major barrier to movement out of the inner city through mainstream employment.

Chapter 7 follows with an analysis of the adversarial culture developed by inner-city youth and its impact on the children of recently arrived immigrant groups. This chapter makes use of concepts advanced in the first chapter to fashion several theoretical propositions about the adaptation outcomes of today's second generation. The clash between the history, outlook, and moral resources of ethnic communities brought into close contact with each other

affects the outcomes of the "segmented assimilation" process confronted by children of immigrants. Data from a recently completed survey of second-generation youth in California and Florida are used to illustrate the chapter's main propositions.

Every analysis in this book combines empirical material, either primary or secondary, with extensive theoretical reflection. The theoretical discussions are not limited, as in standard research articles, to the implications of the analyses for a particular set of hypotheses, but extend to its bearing on broader sociological thinking about economic action and economic institutions. To be sure, not all the authors share precisely the same perspective or adhere to the same thematic preferences. Thus, while Granovetter and Fernández Kelly focus on group characteristics affecting the presence or absence of ethnic entrepreneurship, Light and Rosenstein analyze the interaction of such "supply" factors with a varying demand for entrepreneurs in different urban areas. Similarly, while these three chapters focus primarily on settled ethnic minorities, the emphasis in Roberts's and Sassen's chapters is on movement and contact across national borders and on the implications of these dynamics for immigrant labor market adaptation.

Nevertheless, the overall intent of each chapter fits with the original goals of the project. In the following pages, the reader will find novel theoretical notions, old concepts refashioned to meet new analytic demands, and the application to fresh research material of some of the most important ideas advanced by economic sociology. We hope that this effort will help integrate the relevant fields of study and provide them with a tighter focus.

ALEJANDRO PORTES