



A Network for Economic Integration of Immigrants: Supporting Latino/as in Des Moines, IA

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Abstract

Iowa has become a new gateway destination for Latinos/as, demonstrated by a five-fold increase in the Latino/a population in the state since the 1990s. The Latino/a population has become the largest minority group in Iowa and the state has benefited from the influx of this population given existing demographic trends that include brain drain, aging populations, and shrinking communities. This growth has led to the development of Latino/a entrepreneurship and businesses, creating commercial niches with high potential for economic development and revitalization in Iowan communities. However, the distribution of Latinos/as in the labor force remains concentrated in low-wage sectors of the economy. The lack of state and federal involvement to facilitate the economic integration of Latinos/as in the receiving communities partially explains this concentration. In order to overcome the public sector non-action status, the efforts to promote economic integration is shifting to nongovernmental organizations (NGOs). Using a context of reception framework, which refers to the existing modes of integration at the receiving locations, my research studies the formal nongovernmental actors that contribute to the integration of Latinos/as in the City of Des Moines.

A qualitative approach was used to examine four overall research questions: 1) Who are the formal NGO stakeholders involved in the network of support for economic integration? 2) What are the NGOs currently doing to assist with the economic integration of the Latino/a population? 3) How do the NGOs perform with regards to provision of services and opportunities? and 4) Do the NGOs collaborate and form partnerships within the network? This paper focuses on the third question by examining the services provided to support economic integration. A segmented assimilation approach was used, focusing on the societal level of the reception context. By examining the existing network of support, which was influenced by the reception context, the study concluded that the societal mode of incorporation was not sufficient to contribute to producing a strong network of support. Recommendations include strengthening public sector involvement in a culturally sensitive way in the network of support for the Latino/a population; expanding jobs and mobility services and opportunities; and improving access to services by simplifying and expanding qualifications.

Keywords: Latino, economic integration, nongovernmental organizations, multi-sector mobility, qualitative, new destinations

Introduction

The State of Iowa has become a new destination for immigrants, mostly of Mexican and Hispanic descent (Zúñiga & Hernández-León, 2005). In the early 1990's, the meat packing and processing industry started to recruit minorities, especially Latinos/as. This was caused by changes in employment practices that created a need to fill low-skilled job openings (Gouveia & Saenz, 2000; Kandel & Parrado, 2005). As a consequence, the Hispanic population is the largest minority group in Iowa, consisting of 5 percent of the total population in 2011 (U.S. Census Bureau, 2012). The state is benefiting from this immigration given existing decreasing demographic trends of Iowans, caused by brain drain and aging population, promoting the 'shrinking communities' phenomenon in many counties (Grey & Woodrick, 2005). On one hand, this growth has led to the development of some Latino/a entrepreneurship and businesses, creating commercial niches with high potential for economic development and revitalization in Iowan communities (Trabalzi & Sandoval, 2010). On the other hand, the distribution of Latinos/as in the labor force remains mostly concentrated in low-wage sectors of the economy (State Data Center of Iowa, 2013). The lack of state and federal involvement to promote economic integration of Latinos/as partially explains this concentration (Grey, 2006). In order to overcome the lack of involvement by the public sector, non-governmental organizations (NGOs) are working to promote economic integration of Latinos/as in many locations across the U.S. (Petsod et al., 2006).

In 2011, approximately 35,000 Latino/as resided in Polk County, where the City of Des Moines is located, making it the county with the largest Latino/a population in the state (State Data Center of Iowa, 2013). Within the City of Des Moines, 12 percent of the total population, around 25,000 people, and possibly more, are Hispanic and the number continues to grow (U.S. Census Bureau, 2014). However, it is important to highlight that the number may be larger due to the existence of undocumented immigrants, who may or may not have been included

in the censuses. In 2010, for instance, an estimated 75,000 undocumented immigrants lived in Iowa, indicating a sharp increase from the estimated 5,000 in 1990 (Passel & Cohn, 2011). Moreover, if all undocumented immigrants were removed from Iowa, there would be losses of \$1.4 billion in economic activity and \$613.4 million in gross state product. Finally, we would see 8,819 jobs would occur (Perryman Group, 2008).

As of 2011, 30 percent of the Latino/a labor force in Iowa worked in production, transportation, and material moving occupations, in comparison to 16 percent of the total population. Almost 25 percent of the Latino/a labor force worked in service occupations compared to 17 percent of the total population. In sales and office occupations, 17 percent of the Latino/a labor worked in this field while the percentage of the total population was 24. An additional 14 percent of the Latino/a labor force were employed in management, professional, and related occupations, compared to 34 percent of the total population (State Data Center of Iowa, 2013). The 2013 unemployment rate in Iowa was 7.7 percent for Latinos/as and 4.7 percent for the state population. Compared to the national 9.1 percent for Latinos/as and 7.4 for the national population, Iowa has a higher rate of Latino/a unemployment when looking at the ratio Latinos/as to the total state population (U.S. Bureau of Labor Statistics, 2014). When poverty and education statistics are considered, the numbers show that the Latino/a population, on average, is more likely to be poor, earning half of the State median family income, and is less educated than the average for the entire state.

While the tenure of residence of immigrants may play role in the distribution of Latino/as in the labor force, there is a need to understand the economic integration-related services and opportunities that are being provided to the Latino/a population in Iowa. Within this context, the main objective of this research is to examine the existing network of support that assists Latino/a immigrants to achieve economic integration in the City of Des Moines. This study is about the supply side, i.e., formal NGOs stakeholders involved in the network of support, not

including the public sector. The demand side (i.e. Latino/a population) is not part of this study nor are the informal stakeholders (e.g., a priest or a community leader).

Research Design and Methodology

The four overall research questions are: 1) Who are the formal NGO stakeholders involved in the network of support for economic integration? 2) What are the NGOs currently doing to assist with the economic integration of the Latino/a population? 3) How do the NGOs perform with regards to provision of services and opportunities? and 4) Do the NGOs collaborate and form partnerships within the network? This paper will mainly focus on question number 3 for brevity purposes and will provide recommendation for the network of support. Semi-structured interviews were conducted with 12 formal NGO stakeholders involved with assisting Latino/a immigrants. In order to analyze the interviews, I proposed a classification based on two qualitative types of measurement: ‘level of service and opportunity’ and also ‘overall performance category,’ as explained below.

Economic integration in this paper is defined as the process by which immigrants have equal access to economic opportunities, giving all the chance of having a job, accessing financial services, and experiencing mobility, all depending on the

reception context of the receiving location. For the classification, three indicators were proposed and are described in Table 1: jobs, financial services, and mobility. These indicators were assigned different ‘level of service and opportunity’ labels: basic, intermediate, and advanced. The basic level represents service provision characterized by access to unskilled work which lacks mobility opportunities, and to simple financial services only, such as checking and savings accounts. The intermediate level represents service provision characterized by access to better paid jobs with technical and skill-acquisition training, chances for mobility, and provision of financial services such as credit cards and microloans. The advanced level represents service provision including access to higher education, to professional high-skilled jobs, and entrepreneurship opportunities, leading to sector mobility, and to financial services that includes loans and mortgages. For example, an NGO that assists Latinos/as to find only unskilled jobs is labeled as basic level provider for the indicator jobs. Moreover, an NGO receives an advanced level label for financial services if Latinos/as have access to loans and mortgages.

By combining these ‘level of service and opportunity’ with the indicators (i.e., jobs, financial services, and mobility), I propose six ‘overall performance category’ for NGOs, varying from low to very high for the classification. An NGO is ranked low for ‘overall performance category’ if it has a basic label

Table 1: Description of ‘level of service and opportunity’ for the classification

Level of Service	Jobs	Financial Services	Mobility
Basic	Low skilled/low wage Dead end jobs	Checking/Savings accounts Financial education	No mobility opportunities Little mobility opportunities
Intermediate	Technical/Skilled Benefits/Safety net	Credit cards Micro loans Grants/Scholarships	Job ladders available High wages
Advanced	Professional High Skilled Entrepreneur	Loans Mortgage	Sector-mobility = upward mobility High mobility Business start-up

for ‘level of service and opportunity’ for even one of the three indicators. An NGO is ranked very high for the ‘overall performance category’ if all three indicators are at least an intermediate ‘level of service and opportunity’ label.

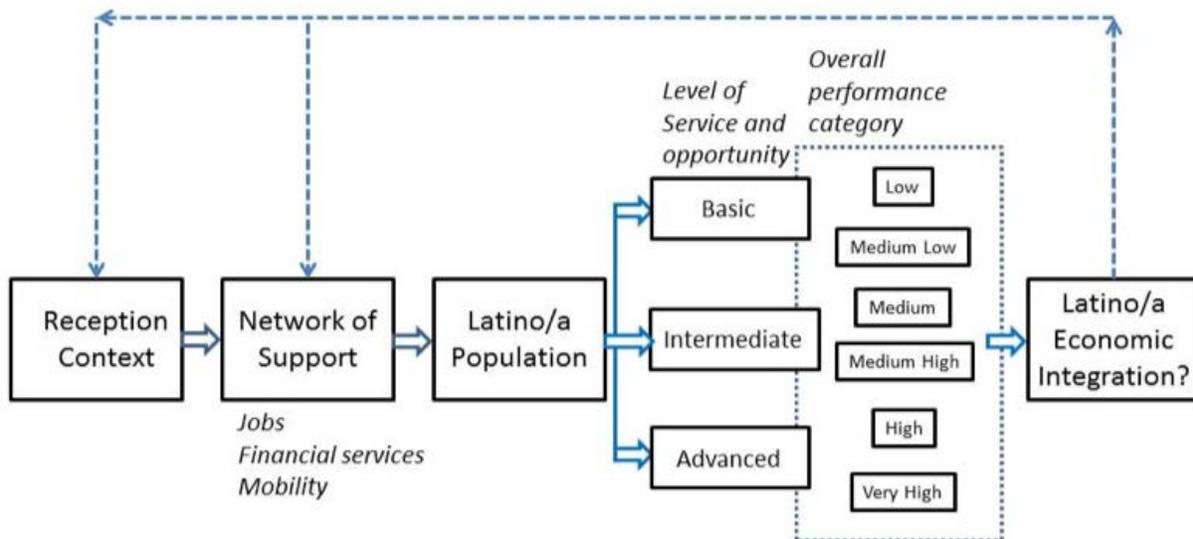
Figure 1 displays the research framework following a reception context ideology as put forth by Portes & Rumbaut (2001). The Des Moines reception context influences the network of support, which is composed of formal NGO stakeholders. These NGOs provide services and opportunities related to jobs and/or financial services and/or mobility to the Latino/a population. Jobs, financial services and mobility can be labeled as one of the three ‘level of service and opportunity’: basic, intermediate, or advanced. Each NGO, depending on the combination of ‘level of service and opportunity’ can be ranked with an ‘overall performance category’ varying from low to very high. The final combination of NGOs with their specific ‘overall performance category’ defines how the network is performing. Depending on the network strength, a feedback loop is proposed that can then affect the reception, context, and/or the network of support.

Initially, I identified 29 organizations working with Latino/a in Des Moines, and then narrowed this number to 17 which provide services directly related to economic integration. Those 17 organiza-

tions became my sampling frame. It is important to highlight that even though my definition of economic integration includes jobs, financial services, and mobility, one should not expect that each NGO would be providing services and opportunities focusing on these three indicators at the same time. Rather, ideally, the network of support should have NGOs working with one, two, or three indicators, producing a strong overall economic integration synergy.

The interviewing process took place from March to April, 2014. I was able to interview 12 NGOs out of the 17. Participants were informed of the Institutional Review Board procedures, and guaranteed anonymity. All interviewees consented to being audio recorded, and were then, transcribed for analysis. The NGOs representatives that were interviewed held different job positions, such as managers and directors. To maintain the interviewees’ anonymity, in the rest of this paper, I refer merely to the organizations by their focus: business, community, educational, financial, marketing, and service provider.

Figure 1: Research Framework



Results and Conclusion

In this study I used the ‘segmented assimilation’ approach, focusing on the societal level of the reception context. By examining the existing network of support, which was influenced by the reception context, I concluded that the societal mode of incorporation was not sufficient to contribute to producing a strong network of support. In summary, a network of support for the economic integration of Latinos/as comprised of 17 formal NGO stakeholders existed in the City of Des Moines. Based on the 12 organizations that were interviewed in this study, the existing ‘performance category’ for economic integration with regards to jobs, financial services, and mobility has room for improvement. Shown in Table 2, seven out of the 12 organizations in the sample performed at or below a medium low ‘performance category’. Moreover, four NGOs were performing low, which means limited influence on jobs, financial services, or mobility. Four NGOs were performing in the high ‘performance category.’ two in medium high, one

in high, and one in very high. The latter could be considered a good example to be followed. There were five organizations, however, that could potentially be performing at high and/or very high category, but Latinos/as were facing constraints by the requirements, including authorized U.S. status. Services and opportunities related to financial services were more prevalent in the City of Des Moines than access to jobs and mobility opportunities.

As a result of the interviews, I have specific recommendations that, I believe, could improve how the network should assist Latino/a immigrants to achieve economic integration. Firstly, as a top priority, the public sector should increase its involvement with the network of support and the Latino/a population. Strong public support could provide a positive impact in the existing networks. Examples of public support could include assisting NGOs to help improve their performance and identify the gaps in service provision. The existing formal NGO stakeholders should reach out to the public sector to initiate this change in behavior. The NGOs were

Table 2: NGO performance according to classification

Organizations	Jobs	Financial Services	Mobility	Performance
Business Org.	Advanced	Intermediate	Advanced	Very High
Community Org. A	Non-Existent	Intermediate	Basic	Medium
Educational Org. A	Intermediate	Basic	Intermediate	Medium High
Educational Org. B	Intermediate*	Non-Existent	Intermediate*	Medium Low
Educational Org. C	Basic	Intermediate	Basic	Medium Low
Educational Org. D	Advanced	Basic	Advanced	High
Financial Org. A	Non-Existent	Advanced*	Non-Existent	Low
Financial Org. B	Non-Existent	Advanced*	Non-Existent	Low
Financial Org. C	Non-Existent	Advanced*	Non-Existent	Low
Marketing Org. A	Non-Existent	Intermediate	Non-Existent	Medium High
Marketing Org. B	Non-Existent	Basic	Non-Existent	Low
Service Provider Org. A	Intermediate*	Non-Existent	Intermediate*	Medium Low

well aware of what the most difficult challenges for Latinos/as were, and could educate the public sector. To facilitate the public sector involvement, cultural sensitivity and awareness programs for local and state public employees should be offered. For instance, planners in Des Moines should be aware of their multicultural environment and reach out to diverse communities for inclusion in the planning processes. Moreover, a further way for the public sector to convey a supportive message to the Latino/a community would be to acknowledge immigrant economic contributions. In this way, they could contribute to the breakdown of embedded social structure issues, such as persistent discrimination.

Secondly, there is a need to expand jobs and mobility services and opportunities in the network. In light of prevalence of financial services, more jobs, mobility services, and opportunities are needed in Des Moines to provide for a population of over 25,000 Latinos/as. Responses pointed to an increasing demand for entrepreneurship education, demonstrating a weakness in the network of support. This type of service and opportunity should increase in the network, and even expand to target the less-educated entrepreneur.

Thirdly, the simplification of the qualification/application process could increase accessibility to services and opportunities, by minimizing the obstacles that the Latino/a population could encounter. Existing best practices should be evaluated to provide effective models that others can follow. Finally, partnerships and collaborations within networks of support should increase. Larger players, for instance should reach out the less well-connected NGOs.

Future research should focus on other aspects that could play important roles in the economic integration of Latinos/as. This study focused on the supply side of the network of support, meaning that the demand side (i.e., the Latino/a population) should be investigated. An examination of the role of the public sector should also be considered. The economic dimension of integration is only a part of the holistic concept of integration. Hence, other dimensions such as political and social integration should also be reviewed. This study contributed to the literature on new gateway destinations dealing

with the growth of immigrant population by focusing on the role of formal NGO stakeholders working on Latino/a economic integration in Iowa. The findings should not be generalized to other cities but they demonstrated the importance of having a large network of support, offering services and opportunities related to jobs, financial services, and mobility. The findings also suggested that other cities should understand how the societal level is influenced by their own reception context for the economic integration of immigrants.

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