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**Minority
Participation in
the Next American
Century**

By Henry Cisneros



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By Henry Cisneros

It is a pleasure for me to be asked to speak at The Heritage Foundation and particularly on the theme that has been assigned to me. My task today is to discuss the Hispanic community's sense of empowerment in economic terms. But I would like to begin by placing the subject in a larger context — in a more global and historic context — because I believe that the growth and development of the Hispanic community is a subject of broader importance beyond Hispanics only. This growth and development is going to shape the destiny of the nation into the next century and well beyond that.

In recent years it has become common to speak of the "Decade of the Hispanics." The news media and Madison Avenue hype in the 1980s suggested that the '80s was that decade. It is misleading in several respects. First of all, it is too early for the Hispanic community to have sufficiently blossomed politically and economically to define a Hispanic decade as early as 1980. But secondly, even the use of the device of a decade is misleading. Because what lies ahead for the Hispanic community is continual expansion in the decades and the generations to come.

When I speak to audiences around the country, and in particular to college audiences, I frequently ask them whether they believe that at the mid-point of the next century — 2050 or roughly 60 years from now — the United States will indeed be the premier power that we are today: an economic power, an intellectual leader, and a democratic ideal — in short, the premier nation. I find it disappointing that never more than about 10 percent of the audience believe that in the midpoint of the next century the United States will be in that position. When I ask who they believe the premier nation will be, many respond Japan or a group of Asian trading countries that includes Korea, Hong Kong, Singapore, Taiwan, Thailand, Malaysia, and potentially China. Others respond that the premier power will be Germany, which will lead a united European bloc. Still others believe there will be no premier nation but a new confederation or network of trading regions that includes Europe, the Americas, and Asia. Some college students suggest that nation-states will not dominate at all, but rather a new configuration of multi-national companies will dominate. But clearly, most ascribe a different role to the United States than the one that we play today.

Pessimistic Responses. I then ask the 90 percent of people in these audiences why they believe that we in the United States will not be in the leading position. It is very disappointing when college students academics, business leaders, and others respond so pessimistically, because it becomes a kind of self-fulfilling prophecy. That is to say, people are unwilling to extend themselves as is necessary for our nation to remain strong. These individuals do not inherently believe that it is possible for them to generate those subtle attitudinal changes that result in individuals taking care of themselves as the nation starts on a downward slide.

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When I ask these individuals why they believe the United States will not continue to be the leading power, they cite as reasons our nation's inability to achieve a national consensus, the lack of unity, the failure of our educational system, the lack of discipline in the workplace, productivity-related problems, our inability to come to terms with the issue of race, and the development of a permanent underclass. There are probably twenty different reasons that are cited, but what all these problems boil down to is a sense of the divisions in our society. I would like to begin my discussion today by talking about that sense of division in our country and the unifying role that the Hispanic community can play over the long haul.

I believe it is very important for an organization like The Heritage Foundation to force itself through the discipline, through the process of thinking in really truthful ways about the reality of life in America today, to go beyond the abstraction, create plausible solutions, and really test them in the reality of what exists in our world. I am not one normally associated with the politics of The Heritage Foundation, and I appreciate this opportunity to share my sincere insights.

Two Frameworks. Many ways exist to analyze the divisions in American society. One can use many templates to structure them: divisions along the lines of race, income, ethnicity, geography, urban or suburban, sunbelt versus rust belt. But the most useful way to view the divisions in our country is to speak in terms of two different frameworks which organize forces on both sides. In my own view, what we are really talking about is an America that is, on the one hand, a product of the set of forces driven by technology and economics. And, on the other hand, we're an America that is driven by the forces of population and demographics.

The first paradigm is more than just technology; it is more than just business reality. It is a new country, a new economy, a new set of organizing principles for the society. These principles are bringing us to a different place, not just changing the way we do business or communicate, but changing the way we think and educate ourselves, and changing the way we organize not only our private institutions, but also our governmental institutions.

These are forces characterized by the speed of communication: businesses organized around information systems and supplying information to decision makers. This is a world characterized by global interconnectedness, with trading states interlocked by their trading and financial systems. It involves the ease of transport, which uproots us. This speed of communication not only makes it possible to be in Washington today and Los Angeles this evening, but in many communities it also moves people so rapidly that it is impossible really to anchor people's politics or sense of civic involvement. It is a society that is technology driven, in which the availability of the tools of technology dictates success. It is quality oriented, and quality becomes a premium. In this world where skills are related to the software programmer or the very complex financial transaction, there is room only for people who are the very best. A lot of other concerns take back seats. Our technology driven world also is characterized by increasingly complex services that people cannot learn just with education or on-the-job training. It requires two or three levels of sophistication beyond that. All of this has also created a society that increasingly is decentralized.

The decentralization of responsibility is occurring across the board. We see parallels between small entities in business that can perform in lean and rapid fashion far better than large corporations can. We see governmental authority and responsibility pressed further down the system. This decentralized society places a premium on entrepreneurship and innovation, a priority on proficiency and skill, and technological literacy. Organization, dis-

cipline, focus, and efficiency are attributes of individuals who can perform in this world. These individuals are technically skilled, competitive, and aggressive. They have the interpersonal skill of the analyst, the bargainer, the negotiator. They also have a capacity for handling ambiguity and articulating a new organizational vision.

This technology-driven world has contributed to the unraveling of the bureaucratic, centrally planned empires of Eastern Europe. It is the force of this changing world that makes possible discussion about a free trade relationship with Mexico and the nations within this hemisphere. This force has created individuals who are increasingly well informed and in charge of their own destinies. In the United States, we are witnessing a transition from a nation dependent upon natural resources to a nation driven by the infusion of technology; from the processing industries to services; from large employers to entrepreneurship; from slow change to very rapid change; from global independence to almost complete interconnectedness; from the states as dominant in their own realms to a competitive world in which all levels of government compete with each other in entrepreneurial ways, from authority which was top-down and centralized to a diffused system of increased local and individual-based decision making.

And our nation is witnessing a transition from recipe-book solutions handed down in the New Deal tradition, to innovative solutions from informed individuals who do not need anyone to decide things or interpret things for them. Our nation is moving from a labor force that used to be valued for its strong arms and its strong back to a labor force that must be technically proficient. We are changing from a society that can survive with weak educational systems to one that needs the strongest education possible, from a world in which the elite decided things to a world in which informed individuals are independent. All of these forces are shaping a new kind of economy, a new set of governing values, new relationships between individuals, and new challenges for our educational system.

Demographic Change. But there is another framework, another paradigm. This paradigm is characterized by massive demographic change with several forces on a potential collision course. One of these demographic forces is the aging of traditional American populations. The 1990 census will tell us that for the first time in American history we have more persons over 65 years of age than teenagers. The census will tell us that the fastest-growing age group over the last decade has been people entering their eightieth year. These elderly Americans will represent a greater percentage of the total population not only because people are living longer, but because of slower birth rates among traditional American populations.

This is going to be perhaps the most important demographic reality of the next century. It will greatly affect this nation, which has always regarded itself as essentially youthful, at least in ideas, and vigorous in thinking about the future. That is not to suggest that those elderly individuals will not be able to keep us youthful in our thinking. But much of the political evidence of recent years suggests that the elderly population's concern about income security, property taxes, school bond issues, and other things related to raising funds for government will be much more difficult to arouse.

It is also true that this elderly population may have a more difficult time adjusting to the demands for rapid change. This population will be rooted, in some sense, in an older set of assumptions about the nature of relationship with government, social security systems, and so forth. Just as important is that America's younger population will be decidedly different — increasingly Hispanic, Asian, and African-American. It is no accident that the mayors of 300 of

the largest American cities, including the two largest — New York and Los Angeles — are African-American, nor that the mayors of the largest cities in the South — Atlanta, Birmingham, and New Orleans — are African-American. It is not an accident that the mayor of Miami is a Cuban-American, and that the mayor of Denver was Mexican-American, or that coalitions of minority voters have organized to elect mayors in cities like San Diego, Houston, Dallas, San Antonio, El Paso, and Hartford.

Changing Regions. If you were to examine, for example, the 22 million Americans who are of Latino heritage and placed them where you could see the whole group with a sweep of your eye, almost 40 percent of the people you would be looking at would be under sixteen years of age. These demographics, which are changing America's cities, will soon change entire regions. The Rand Corporation tells us, for example, that in California by the year 2000, 46 percent of the population — in the largest state in America — will be Hispanic, Asian, and black. Sixty-five percent of the population of San Francisco County and 60 percent of the population of Los Angeles County, not the city of 3 million but of the larger county of 8 million, will be non-white. Forty percent of the traditional conservative population of Orange County, California, and 73 percent of the population of rural areas like the Imperial Valley is Hispanic, Asian, and African-American. The Rand Corporation also tells us that in the year 2000, 92 percent of the people of California will live in a county that is at least 30 percent Hispanic, Asian, and African-American.

One of the major demographic factors obviously is the growth of the Hispanic community. Hispanics are located primarily in states that are growing economically, so that riding the crest of this growth will mean unusually strong economic opportunities. But for the moment, the economic dynamics are also troubling.

A report of the *Journal of the American Medical Association* states a troubling relationship between structural changes in the economy that have been insufficient to create jobs for working people and the kinds of jobs that Latinos are qualified for today. "Latinos as a community depend more on blue-collar, industrial work than does the general population. As the number of jobs in manufacturing decline, particularly in New York and California, Latinos are taking low-wage jobs in service industries such as fast-food restaurants that offer few opportunities for advancement and no fringe benefits. Researchers need to look at how structural changes such as these are creating an underclass of impoverished Latinos." In other words, the structural changes in the economy may be insufficient to carry those who are in the lower rungs of the economic ladder. This is a part of the larger economic dynamic matched to the growth of Latinos as a population group, which creates a troubling reality at this time.

I have tried to describe two frameworks of our country. One of them, obviously, very optimistic. When one reads my friend John Naisbitt's work or Alvin Toffler's work, one gets a sense that so much will be possible with the exploding reality of new technology and economic opportunities. But then the juxtaposition of very troubling population numbers certainly gives one pause. Can these two frameworks exist in the same country and the same states and the same cities? They do. Can they possibly exist at the same time? They do. Are they in conflict? Yes, but they don't have to be. We can find ways to harness the essential principles of this pulling engine of economic opportunity and make it work for those who have less opportunity. America's world economic leadership and our national security itself are dependent on our ability to innovate and create new products. Let me describe, not in my own words, but in the words of the American Council of Education, what I mean. "Insuffi-

cient supplies of Ph.D.s would be disastrous, because such researchers provide industry with the innovation and product development needed to compete in a growing, world-wide economy. The country's population of high school white males, the traditional source of scientists and engineers, is shrinking. Meanwhile, the growing population of young women and minorities isn't showing enough of an increase in science and engineering."

Shrinking Source. If there ever were a kind of mathematically predictable process, that is it. The country needs Ph.D.s, researchers, scientists, analysts, technicians, and engineers in order to innovate to compete and deal with national security concerns. Yet, the traditional source from which those professions come is shrinking: white males. Only 15 percent of the people entering the work force in the first decade of the next century will be white males. Eighty-five percent will be women and minorities. The traditional source of that population is shrinking, yet we confront the reality of no replacements. How is it possible to generate scientists and engineers that we need from city schools with 30 percent dropout rates in those population groups? It is not possible, certainly, to take a high school dropout and convert him into a Ph.D. researcher at the magnitude we need. The question is, "How do we create a better pipeline?"

Today, my central message to The Heritage Foundation and its leadership is the whole issue of ethnic concerns. That message is that maintaining America's competitiveness has to do in large part with how we deal with ethnic relations and race — the whole set of issues that come under the rubric of upward mobility for the disadvantaged. It is no longer enough to say that we must do this because the Constitution dictates certain standards of fairness: that is to say, there are legal sanctions if we do not. That is not the right rationale. It is no longer good enough to say we ought to do this because our Judeo-Christian tradition teaches us compassion for unfortunate, disadvantaged people. Fundamentally what we're talking about now is how this country prospers, how this country competes, and how this country survives in its present role in the world into the next century. It is not possible to carry on our shoulders the burden of a permanent underclass of 10 or 15 or 20 million people relegated to the pathologies of school-dropout rates, high unemployment, teenage pregnancies, and drug addiction, and still make this country work in a global context. It is not mathematically possible to do that.

Harnessing Values. Obviously, the first set of policy issues revolves around education. What I would like to suggest, with respect to two or three themes here, is that we must really try to understand the virtues, the values unleashed by this technology and economic framework of our changing society. These values are associated with decentralization, entrepreneurship, and with individuals who are capable of quick thinking, innovation, creativity, and so forth. We must try to capture and harness those values and make them work as we address policy questions that relate to our disadvantaged populations. In education, for example, it is clear what we need to be doing is to empower the local school officials from the level of principal to be entrepreneurs, to set the standards for attendance, for morale, for teacher performance, and for the internal workings of schools in terms of the collegial relationship in organizing curriculum. The involvement of parents is key. So, too, is the role of teachers in helping teach others in the classroom and also focusing on creating a child-centered environment. That is an overused phrase but the best that I have seen about the most promising and hopeful thing in education is heard in the works of Dr. James Comer of Yale University.

Dr. Comer is a child psychologist, who in the course of his work with children saw the degree of overlap between educational dysfunction and overall trauma, and lack of support and community for children. Dr. Comer is a gentleman of about 65 years of age, African-American, who describes his own upbringing in his works. He recalls that his mom was home at three in the afternoon when he came home from school. She was able to have a snack ready for him before he was sent out to play for a while, but only on the assurance that he would be back home to do his homework, supervised, in a few hours. His father went to the same church as the principal of the school and young James knew that they discussed him from time to time. His mother went to the same grocery store as his teacher and saw her from time to time, and both parents were involved in the local school as much as they could be; they were both professionals. And there was no doubt that young James knew that he was a central concern of that community.

New Kinds of Teams. Today, Dr. Comer says that sense of community support for children no longer exists. And the reality is that no amount of nostalgic politics or hearkening back to the past is going to recreate it. The reality of both parents working and/or single women as heads of households means that the primary caretaking of children often is done by someone other than the parents. This unravels some part of that sense of the community. And so as Dr. Comer suggested, we must recreate, albeit artificially, a sense of community that is so essential to the learning process. Because the learning process cannot occur in some rogue fashion — that is, children having facts electronically or otherwise hammered into them — but in a setting that is characterized as having some sensitivity and understanding of the child's situation. Dr. Comer's point is that we must create new kinds of teams that include the principal and the teacher in a new relationship with the parents, the school counselors, and external people if necessary, from the community. And the guiding point is creating a new level of involvement, built around the reality of these children.

Now, this is not as simple as passing a law, or advocating a budget, or innovating with a new model, like choice — which many of you support and which I believe bears a very careful analysis all across the political spectrum, from left to right. Education is, in the final analysis, a personal act. Until we find in America the priorities, the time, the values base from which to recreate time for children with the effort of this whole community of support, educational improvement is not going to happen. Clearly the highest priority on my agenda for the Hispanic community is education. Hispanics cannot sustain these levels of dropout rates and reach our potential as a people. We will never have what can pass for “the Decade of the Hispanic” with our level of educational underperformance. It cannot be. Education is the number one priority for Hispanics. And so, taking these kinds of approaches that in common sense ways draw upon the decentralizing realities that the new paradigm makes possible, and doing it in thoughtful, affectionate, and sensitive ways, holds a great deal of promise. A synthesis of ideology, philosophy, and practice is very essential in many of these areas.

Multicultural Understanding. Another area that lends itself to this new framework is the achievement of a level of multi-cultural understanding in our societies. We must make an explicit commitment to the reality that our population is going to be more diverse and we must act upon that by empowering all individuals to take mastery of their own destinies. It won't be as simple for the next generation as differentiating people along the traditional, shallow, surface distinctions — such as race, color, color of hair, last name, national origins — not in an America that is rapidly changing.

Our changing demographics will require us to think hard together, liberals and conservatives, business and education, labor and management, cities and suburbs, about how we define the core values that are the glue of our society. What does it mean to be an American? What are the essential realities that bind us together when having gone to the same school or having the same color of skin is no longer the binding reality that it once was. What binds us together must be respect for law and for due process; willingness to engage in a civic dialogue; an understanding of the importance of citizen democracy and responsibility; and a sense of appreciation for our cultural diversity. Who could argue over what the core of that set of values ought to be? But I think we as a society have a difficult job to do in defining what indeed are the minimum conditions for how this society works.

With respect to economics and work force preparation and economic future, we as a society will have to come to terms with issues of how we allow minorities to participate. We must encourage them and make increased minority opportunities possible in this new economy. This economy is increasingly atomized, that is to say, generated by an explosion of small business opportunities.

In the 1970s about 200,000 new businesses a year were created; in the 1980s that rose to about an average of 700,000 small businesses a year. In years when the Fortune 500 created zero net new jobs — they moved some off shore; they moved some from north to south; they opened some plants and added some jobs, but it came to zero net new jobs — small business created record numbers of new jobs. Small business opportunity, therefore, is an important element of minority upward mobility, and an opportunity strategy to open up the doors for entrepreneurship. And that means contracting opportunities and new approaches to making financing available to entrepreneurs. It means affirmative efforts to include minorities on the boards of large corporations and to hire minority persons for key responsibilities in corporations. And also it means a vigorous effort to recruit minority students to business programs and M.B.A. programs, recognizing that unless minorities are fully represented in the economic opportunities of the future, our nation will not be a strong, productive society.

Tremendous Opportunity. Such efforts must be more than selecting a few minority stars and selectively promoting them through the process and then saying that we have achieved a full measure of minority opportunity. For America to succeed, there must be a mass upward movement of people: Hispanic, Asian, African-American, and many others who come to this nation's shores. This mass movement will bring the raw energy, the vigorous citizenship, democracy, and the leadership that will be necessary for America to remain strong in the next century.

The raw energy of our minority population represents a tremendous opportunity for America, and I think it has everything to do with what America's place will be in the world at the middle of the next century.

