Earning Patterns of Mexican Workers in the Southern Region: A Focus on Nonmetro/Metro Distinctions

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ABSTRACT   The last few years have witnessed a tremendous change in the geographic location patterns of the Mexican population in the United States. The rural South represents one of the areas that have seen a noticeable growth in the Mexican population over the last few years. Unfortunately, data necessary to examine the social and economic adjustment of Mexicans in this area are not available at this time. This analysis uses data from the 1990 Public Use Microdata Sample (PUMS) to examine the earnings patterns of Mexican-origin workers in the South. The sample used to conduct the analysis includes 9,509 Mexican-origin workers living in the South. For comparative purposes, the analysis is conducted separately by gender and nativity status. The results of the analysis suggest that nonmetro Mexican workers have lower earnings compared to metro Mexican workers even after control variables are taken into account. However, the findings show that nonmetro and metro Mexican workers do not differ significantly on their economic returns to their human capital endowments. The results of this study may serve as a benchmark for future studies that use data from the 2000 decennial census to assess the labor market experiences of Mexican newcomers to the South.

Throughout the 20th century employment opportunities in the United States have drawn Mexican immigrants. The massive Mexican immigration to this country has occurred through deliberate policies to attract Mexican immigrants, direct recruitment efforts on the part of U.S. employers, and by the well-developed social networks linking Mexican sending and U.S. receiving communities (see Massey 1986; Phillips and Massey 2000; Valdes 1991). Despite the constant nature of immigration throughout much of the century, the settlement of Mexican immigrants has been concentrated in certain parts of the country. The Southwest (comprised of Arizona, California, Colorado, New Mexico, and Texas) has been the primary region where Mexican immigrants are found, with the Midwest (especially Chicago) representing the second most popular region for Mexican

immigrants. Nevertheless, the last few years have witnessed a major shift in the geographic patterns of Mexican immigrants. During this period, Mexican immigrants have made inroads into other regions of the country where persons of Mexican origin have been relatively invisible.

One of these regions is the South. In 1990, only 3.4 percent of persons of Mexican origin (immigrant and native-born alike) made their homes in this region (excluding Texas), compared to 27.5 percent of the total U.S. population (Saenz and Greenlees 1996). Of Mexican immigrants arriving in the United States between 1980 and 1990, only 4 percent were located in the South (excluding Texas) in 1990 (Saenz 1996). Despite the proximity of many southern states to the Southwest, the South as a region has historically represented a frontier for Mexicans. In the last several years, however, there have been a variety of media reports describing major flows of Mexican immigrants directed to such southern states as Alabama, Arkansas, Florida, Georgia, Kentucky, North Carolina, and South Carolina (for an overview of the rapid increase of Mexicans during the 1980s and the early 1990s, see Bates 1994). Much of this information for now has been anecdotal. In fact, we have very little information about Mexicans in the South. Unfortunately, data sources necessary to document the presence of Mexicans in this region and to assess their socioeconomic patterns in the area's labor markets are not available.

This paper uses data from the latest decennial census in an attempt to assess the earning patterns of Mexican immigrants in southern labor markets. In particular, data from the 1990 Public Use Microdata Sample (PUMS) (U. S. Bureau of the Census 1993) are used to conduct the analysis. Admittedly, these data are now dated and undoubtedly do not capture the significant flows of Mexican immigrants that have made their way into the region after the census was taken. Nevertheless, the data are used to obtain a glimpse of the Mexican immigrant experience in southern labor markets and to serve as a benchmark for future analyses, which utilize the 2000 decennial census. As such, given the paucity of research on Mexicans in the South, this analysis may serve as a reconnaissance of the labor market patterns of Mexican workers in the southern region prior to the arrival of the latest waves of Mexicans. The major focus of the analysis is to assess nonmetropolitan (nonmetro) and metropolitan (metro) differences in the earnings patterns of Mexican immigrants.

This emphasis is due to the relatively large presence of Mexicans in nonmetro areas of the South. For instance, among foreign-born Mexicans living in the United States in 1990, those living in the South region (and West region for that matter) tended to be the most likely to be living in nonmetro areas and to be engaged in agricultural employment pursuits (Saenz 1996). Furthermore, recent studies have documented the emergence of pockets of Latinos in rural areas of the South. Griffith (1995a, 1995b), for example, has provided an in-depth analysis of Latino workers in poultry-processing plants in Georgia and North Carolina as well as of Latinos employed in blue crab processing plants in North Carolina. The research of Hernandez-Leon and Zuniga (2000) has documented the large influx of Mexicans to Dalton, Georgia, the "Carpet Capital of the World," attracted by the area's carpet and poultry processing industries. In addition, my interest in examining nonmetro and metro distinctions in the labor market experiences of Mexican immigrants stems from the less lucrative labor markets of nonmetro areas and the relatively high degree of racial and ethnic intolerance commonly associated with these settings, especially in the South (see Fossett and Siebert 1997; Himes 1991; Lewis and Serbu 1999; Massey 1995; Snipp 1996; Williams and Dill 1995; Young 1990).

The analysis presented below has several objectives. First, I assess the relationship between earnings and six determinants of interest (nonmetro residence, length of residence in the United States, educational level, language patterns, length of residence in state of residence, and the relative group size of the Mexican immigrant population in the area) among Mexican workers living in the South. Second, I determine the extent to which the relationships between selected determinants and earnings are conditioned by nonmetro residence. In particular, I am interested in determining the extent to which metro and nonmetro Mexican workers are rewarded differently on the basis of their labor market endowments and related attributes. The analysis is conducted separately for males and females in order to determine gender differences in the labor market experiences among Mexican immigrants in the South. Moreover, for comparative purposes, parallel analyses are conducted for native-born Mexican-Americans. The inclusion of the native-born group will provide a broader portrait of the Mexican experience in southern labor markets.

Literature Review

This part of the paper establishes the context for the analysis reported below. The first part of this section provides an overview of the literature regarding determinants of labor market earnings. The second part of the literature review section highlights the stratification of minority workers in nonmetro areas and builds an argument suggesting that earning returns to labor market endowments and related attributes vary by nonmetro/metro residence.

Determinants of Immigrant Earnings

Over the last few decades, sociologists, demographers, and economists have accumulated an impressive amount of knowledge regarding the labor market experiences of immigrants (Borjas 1982, 1985, 1990; Borjas and Tienda 1993; Dodoo and Pinon 1994; Tienda 1983a, 1983b). The two major lines of research have addressed the employment and earnings patterns of immigrants, the latter being the focus of the analysis presented below. Although a variety of factors have been related to the labor market patterns of immigrants, three particular factors tend to stand out—individual human capital resources, length of residence, and the relative group size of the ethnic group.

The human capital perspective continues to be the most popular theory used to understand the labor market experiences of workers in this country. According to this perspective, human beings invest in the accumulation of human capital resources, education being the primary human capital resource, in order to reap the greatest benefits from the labor market (Becker 1993). The human capital perspective has enjoyed widespread empirical support. Numerous studies have found a positive relationship between the level of education and the wage and salary income of workers (Neidert and Tienda 1984; Stolzenberg and Tienda 1997; Tienda and Neidert 1984). However, it has been suggested that immigrants tend to be less rewarded for their human capital resources than their native-born counterparts in U.S. labor markets (Sanders and Nee 1996). Despite this native-immigrant distinction in the degree to which human capital is rewarded, it is the case that immigrant wages rise with increasing levels of education. Therefore, I hypothesize a positive association between level of education and wages among Mexican immigrants.

Language ability represents another dimension of human capital. From the human capital perspective, workers invest in the acquisition of English-speaking skills in order to reap more favorable rewards from the labor market. Empirical evidence shows that workers who are proficient in English tend to earn higher wages than their peers who speak only their native language (Davila, Bohara, and Saenz 1993; Davila and Mora 2000; Mora 1998; Stolzenberg and Tienda 1997; Tienda and Neidert 1984). In U.S. labor markets, the ability to speak English opens a variety of routes that are conducive to more favorable earnings. Indeed, Mexican workers with English abilities are likely to find supervisory positions working with predominantly Mexican labor crews, where they often serve the intermediary role between Anglo English-speaking employers and Latino Spanish-speaking workers. Hence, I hypothesize that workers with English abilities earn higher wages than their counterparts who do not speak English.

Time represents yet another dimension of human capital. In this regard, people may invest time in particular locations with the goal of reaping greater benefits from the labor market. The analysis presented below focuses on two aspects of time—one related to the length of U.S. residence and the other concerned with the length of residence in the 1990 southern state of residence. A large body of research suggests that immigrants gain greater benefits from the labor market as their time spent in this country increases (Bloom and Grenier 1996; Chiswick 1986; Dodoo and Pinon 1994). Tienda and Singer (1995), for example, using data from the Legalized Population Survey, observe that U.S. experience is associated with higher earnings among foreign-born men including undocumented immigrants. One of the prominent features of Mexican immigrants in the South is that they have lived in their state of residence for a relatively short period of time. Indeed, the majority of Mexican immigrants in the South, particularly those living in nonmetro settings (see below), lived outside of their 1990 state of residence five years earlier in 1985. The literature suggests that newcomers are likely to have lower earnings than their counterparts who have lived in the area for a longer period of time. Migration results in the foregoing of wages for a certain period of time as workers experience "down time" looking for employment and learning the peculiarities of their new labor markets. Hence, I expect that Mexican immigrants who in 1985 were living outside of their 1990 state of residence have lower earnings

than their peers who have lived in their 1990 state of residence for a longer time. Moreover, I hypothesize that Mexican immigrants living in the United States for a longer time period have higher wages thanthose living in the country for a shorter period.

Finally, structural characteristics also appear to play a role in the earnings patterns of immigrants. In particular, the relative group size of the specific ethnic group is likely to exert an influence on the earnings of immigrants. There are two literatures that examine the impact of relative group size on economic outcomes. The first of these literatures is based on the theoretical insights of Hubert Blalock (1967), suggesting that the relative group size of a given minority group is associated with lower wages and greater amounts of inequality (for an excellent overview of Blalock's relative group size perspective, see Fossett and Seibert 1997). Blalock argues that the increasing presence of minority-group members results in majority-group members viewing the minority group as a threat to the power structure. In such cases, the majority group is likely to erect barriers to impede the upward mobility of minority-group members. There is solid empirical evidence suggesting that the concentration of minority group members is associated with lower wages (Bean and Tienda 1987; Tienda and Lii 1987), higher rates of poverty (Saenz 1997; Swanson, Harris, Skees and Williamson 1994), and greater inequality (Fossett and Seibert 1997; Frisbie 1991; Frisbie and Neidert 1977) among minority groups, as well as greater amounts of white intolerance toward minorities (Fossett and Kiecolt 1989; Taylor 1998). However, given that Mexican immigrants continue to be relatively scarce in the southern region at least in 1990 (the time of the latest census), it is unlikely that they represent a major threat to the power structure. Therefore, it is not clear how much of an influence the relative group size of Mexican immigrants will have on earnings.

The second literature addressing the impact of relative group size on economic outcomes is based on studies that attempt to assess the effect of the presence of immigrants on the wages of various sets of workers. Theoretically, one can argue that the concentration of low-wage immigrant workers is likely to reduce the bargaining power of ethnic workers and, thus, their wages, as capitalist have access to a readily available reserve army of labor. The literature fails to provide any clear evidence on whether or not the relative presence of immigrants has an impact on the earnings of workers from a variety of backgrounds. For instance, one set of research findings suggests that

the relative presence of immigrants tends to have a negative impact on the earnings of low-skill native-born workers (Camarota 1997; Catanzarite 1998; Stevans 1996). To illustrate, using data from the 1980 and 1990 Public Use Microdata Samples (PUMS), Catanzarite (1998) observes that greater presence of Latino immigrants in occupations has an adverse effect on the earnings of native-born workers particularly in the case of Latinos and African Americans. In contrast, there is another set of studies that suggests that the relative presence of immigrants and wages are independent (Bean, Telles and Lowell 1987; Butcher and Piehl 1997). Thus, due to the uncertain guidance from the literature on the expected relationship between the relative group size of Mexican immigrants and the earnings of individual Mexican immigrants, I leave this as an empirical question instead of framing a hypothesis.

Much of our understanding of the labor market experiences of Mexican immigrants has been based on empirical studies focusing on metropolitan areas of the country. The common notion regarding the location of Mexican immigrants is that they are concentrated almost exclusively in the larger cities of the Southwest and in Chicago. However, Mexican immigrants are also found in nonmetro areas in different parts of the nation. This is especially true in some regions of the country such as the South. The labor market contexts of Mexican immigrants working in nonmetro areas are likely to deviate substantially from those of metropolitan areas. Let us now turn our attention to the social and economic standing of minority groups—and by extension immigrants—in nonmetro areas.

Nonmetro Areas and the Stratification of Minority Groups

The last decade has seen the development of an important literature in rural sociology. Rural sociologists have increasingly shown concern for the geographic aspects of uneven development across the national landscape (e.g., Cobb 1982; Colclough 1988; Falk and Lyson 1988; Falk and Rankin 1992; Lobao 1990; Lyson 1989; Lyson and Falk 1993; Rankin and Falk 1991; Rural Sociological Society Task Force on Persistent Rural Poverty 1993; Tickamyer and Duncan 1990). While it is the case that workers in general tend to receive less favorable earnings in labor markets located in nonmetro than in metro settings, minority workers in nonmetro areas in particular tend to pay a significant penalty for their minority status. Indeed, rural sociologists

have documented the lagging social and economic conditions of mi-
norities in nonmetro areas relative to their counterparts in metro areas
(Jensen and Tienda 1989; Lichter 1989; Saenz, Cready, and
Greenlees 1997; Saenz and Thomas 1991). The relatively low posi-
tion of rural minorities has been linked to the historical context of
interracial (interethnic) relations in rural areas. For instance, it has
been suggested that the roots of inequality, discrimination, and preju-
dice against minorities can be traced to nonmetro (rural) areas (Saenz
et al. 1997; Snipp 1996). The institution of slavery, the plantation
economy, the massive loss of Mexican land in the Southwest, and the
extermination of Native Americans, all conjure rural images (Saenz et
al.1997; see also Montejano 1987). Historical accounts of Mexican
Americans in the Southwest document the deplorable discrimination
and violence leveled against Mexican Americans in rural areas of
Texas (Montejano 1987) and California (Menchaca 1995). Histori-
cally, rural minorities have sought the refuge of urban areas not only
because of the absence of opportunities in rural areas but also because
of heightened levels of discrimination in these settings (Fligstein
1981; Massey and Denton 1993; Montejano 1987; Stack 1996). Fur-
thermore, research has suggested that urbanization is associated with
greater levels of tolerance toward marginalized groups (Fischer 1975,
1995; Stouffer 1955; Tuch 1987; Wilson 1991; Wirth 1938). For
example, research has demonstrated that urban residents tend to es-
pouse less traditional views compared to people in rural areas (e.g.,
Glenn and Hill 1977; Larson 1978; Willits, Bealer, and Crider 1982).
Moreover, Tuch (1987) has observed that inhabitants of urban areas
as well as those located outside of the South exhibit greater levels of
tolerance toward African-Americans than their respective counter-
parts. Given the context of racial and ethnic relations in rural areas,
minorities in nonmetro settings are likely to experience greater diffi-
culty ascending the social and economic ladder compared to their
counterparts living in metro areas.

The South, especially the rural segments of the region, has been
traditionally singled out as the region with the most intolerable condi-
tions for African-Americans and, by extension, for other minority
groups (Snipp 1996; Williams and Dill 1995). The region has a long
history of hostile interracial and interethnic relations, with African
Americans, particularly those located in rural areas, placed at the base
of the region's stratification system (Duncan 1999; Fossett and
Seibert 1997; Snipp 1996). The South is commonly listed as the area

of the country with the highest levels of inequality and lowest levels of socioeconomic attainment (see Lichter 1989; Massey and Eggers 1990; but for opposite results, see Cohn and Fossett 1995). Duncan (1999), through her ethnographic research, aptly captures the rigid color line that even today results in blacks and whites living in separate worlds in the Mississippi Delta. In such a context, attention to nonmetro/metro distinctions in the labor market experiences of Mexican immigrants, the majority of whom have limited human capital resources, is especially warranted.

In sum, given the less lucrative nature of labor markets and the historically tense interracial (interethnic) relations in nonmetro settings, it is postulated that labor market outcomes of minority group members in nonmetro areas are worse than those of minority group members in metro settings. From this vantage point, I would expect two results involving the nonmetro residence of Mexican immigrants. First, I would expect that, other things equal, nonmetro residence is associated with lower wage and salary income for Mexican immigrants. Second, I would expect that nonmetro Mexican immigrant workers are less favorably compensated for their human capital resources (education, language, time in country, and time in state of residence) compared to their metro peers. The latter hypothesis stems from a body of literature suggesting a distinction between metro and nonmetro labor markets on the degree to which workers are rewarded for their human capital attributes. It has been argued that more industrialized (e.g., more metropolitan) labor markets tend to reward workers more on the basis of achieved characteristics as opposed to ascribed characteristics (see Cready and Saenz 1997; Poston and Johnson 1971).

Methods

Data from the 1990 Public Use Microdata Sample (PUMS) (U. S. Bureau of the Census 1993) are used to conduct the analysis. The PUMS represents a 5 percent sample of the nation's population, making it the most comprehensive data set available to examine demographic and socioeconomic patterns. The PUMS contains person weights, which are a function of both the "full census sample weight and the PUMS sample design" (U.S. Bureau of the Census 1993:4-1). Because we are not interested in producing population estimates in our analysis, we remove the full census sample weights from the

person weights by dividing each person weight by the average sample weight (i.e., 19.84695) for the entire PUMS (see Cready and Saenz 1997). These revised weights are used throughout the analysis to account for differential sampling probabilities.

The analysis includes persons of Mexican origin 18 years of age and older, who were living in the South in 1990 (all states in the South region except Texas), who had earnings in 1989, and who worked at least 160 hours (the equivalent of one month of full-time employment) in the civilian labor force that year. Texas, designated as part of the South region by the Census Bureau, is not included in the analysis because it is distinct from the other southern states on the basis of the historical and contemporary presence of persons of Mexican origin. The 160-hour minimum is used to insure that people with very weak attachments to the labor force are not part of the analysis. The sample used in the analysis contains 9,509 persons meeting these criteria. The sample is broken down into eight subgroups by gender, nonmetro/metro residence, and nativity status. The eight subgroups along with the subsample size and population estimate (derived by using the full sample weight) include: male nonmetro immigrants (888; 17,625), male metro immigrants (2,425; 48,133), female nonmetro immigrants (207; 4,102), female metro immigrants (879; 17,447), male nonmetro native-born persons (744; 14,774), male metro native-born persons (2,503; 49,675), female nonmetro native-born persons (492; 9,761), and female metro native-born persons (1,835; 36,412).

The dependent variable is the natural logarithm of the wage and salary income in 1989. The log transformation is used to minimize outliers in the distribution of wage and salary income. Because the log form of earnings is used in the analysis, the regression coefficients can be interpreted as the percentage change in earnings given a unit change in a given independent variable. Given that this study may represent a baseline for future studies of Mexican-origin workers in the South, the emphasis on *relative* rather than *absolute* change in earnings is appropriate for temporal comparisons because the latter is likely to be influenced by changes in the cost of living over time. Table 1 presents a list of all variables and operational definitions used in the analysis.

One of the primary objectives of the analysis is to determine the effect of nonmetro residence on earnings and the extent to which nonmetro residence conditions the relationships between selected

independent variables and earnings. Nonmetro residence is measured by a dummy variable in which persons living in nonmetro areas are assigned a value of "1" and those living in metro areas are given a value of "0." The latter category represents the reference group. The PUMS data set contains clear metro/nonmetro distinctions for a large portion of the population. However, in some cases, the PUMS county group (a county or group of counties with 100,000 or more residents) where persons resided included both metro and nonmetro residents. In order to facilitate our analysis, after merging PUMS county groups with counties from the Summary Tape File 3C, we assigned persons in these "mixed" county groups into either the metro or nonmetro category based on the area (nonmetro or metro) where the majority (over half) of their populations resided (see Cready and Saenz 1997).

The analysis contains five primary independent variables. The first four (educational level, language pattern, length of residence in the 1990 state of residence, and, in the case of immigrants, length of residence in the U.S.) of these variables are indicators of the human capital resources that workers hold. Accordingly, workers invest in the acquisition of greater amounts of these human capital re-sources—schooling, language, and time—in order to maximize their outcomes in the labor market. Educational level is measured by four dummy variables: 1) some high school (1=persons with 9 to 11 years of education; 0=everyone else); 2) high school graduate (1=persons who are high school graduates; 0=everyone else); 3) some college (1=persons who have either attended college but have not graduated and persons with an associate's degree; 0=everyone else); and 4) col-lege graduates (1=persons who have graduated from a four-year col-lege or university and those with graduate or professional degrees; 0=everyone else). For the series of educational-level dummy vari-ables, persons with 0 to 8 years of schooling represent the reference category. Language pattern is measured by two dummy variables: 1) bilingual speakers (1=persons who speak Spanish at home but who speak English "well" or "very well"; 0=everyone else); and 2) mono-lingual English speakers (1=persons who speak English at home; 0=everyone else). For the language-pattern dummy variables, mono-lingual Spanish speakers (i.e., persons who speak Spanish at home and who speak English "not well" or "not at all") represent the refer-ence category. The third independent variable is measured by two dummy variables denoting the time of entry of Mexican immigrants:

Table 1. Operational Definitions of Variables Used in the Analysis

Variable	Description
Wage & salary income in 1989	Total earnings from wages and salary in 1989
Logged wage & salary income	Natural logarithm of total earnings & salary in 1989
Education:	
0 to 8 years of schooling	Reference category
9 to 11 years of schooling	9 to 11 years of schooling=1; else=0
High school graduate	High school diploma or GED=1; else=0
Some college	Some coll. no degree or assoc. degree=1; else=0
College graduate	Bachelor's or advanced degree=1; else=0
Language:	
Monolingual Spanish	Reference category
Bilingual	Speaks Span. at home, Eng. very well/well=1; else=0
Monolingual English	Speaks English at home=1; else=0
Recent interstate migrant	Lived outside of the state in 1985=1; else=0
Period of immigration to U.S.:	
1980-1990	Reference category
1970-1979	First entered U.S. in 1970-1979=1; else=0
Before 1970	First entered U.S. before 1970=1; else=0
Relative group size of Mexican immigrants in local area	Mexican immigrants as a percent of the total population of county group of residence by gender.
Age:	
18-24	Reference category
25-34	25-34=1; else=0
35-44	35-44=1; else=0
45-54	45-54=1; else=0
55+	55 and older=1; else=0
Married	Married=1; else=0
Disability Limitation	Limited in kind or amount of work=1; else=0
Hours worked in 1989	Wks. worked * usual hrs. worked per wk. in 1989
Work experience	Potential years of experience in the labor force = age - (years of education - 6)
Work experience squared	Work experience^2
Occupation:	
White-collar	White-collar jobs, occup. codes 3 to 389=1; else=0
Blue-collar	Blue-collar jobs, occup. codes 503 to 889=1; else=0
Service	Service jobs, occup. codes 403 to 469=1; else-0
Farm-related	Farm-related jobs, occup codes 473 to 499=1; else=0
Cost-of-living index (COLI), 1989	State-specific cost-of-living index in 1989 (McMahon 1991)

1) 1970-1979 (1=those arriving in the United States between 1970-1979; 0=everyone else); and 2) before 1970 (1=those arriving in the United States prior to 1970; 0=everyone else). For these two dummy variables, persons who arrived between 1980 and 1990 represent the reference category. The fourth independent variable is a dummy variable measuring the length of residence of workers in their southern state of residence. In this case, workers who in 1985 were living outside of their 1990 state of residence are assigned a value of "1" on the interstate migration variable and all other persons are given a value of "0," with the latter category representing the reference group. Finally, the relative group size of the Mexican immigrant population in the area is a gender-specific variable measured by the percentage of persons 16 to 64 years of age in the person's PUMS county group who are foreign-born persons of Mexican origin.

A variety of variables, which have been observed in the literature to be related to earnings, are included as control variables in the analysis. These include age, marital status, disability limitation, hours worked in 1989, experience, experience squared, occupation, and the state cost of living index in 1989 (McMahon 1991). While experience and disability limitation may be viewed as human capital resources, they are treated merely as control variables in this study. The reasoning for this decision is that the experience variable represents something that, at best, approximates work experience due to the lack of information about how much real work experience workers possess (i.e., the estimate is derived mathematically from age and years of education). Moreover, disability limitation represents a broad category encompassing people born with physical limitations as well as others who have attained physical limitations at some point in their lives. For a description of the operational definitions of all the control variables, see Table 1.

Ordinary least squares regression is used to conduct the analysis. The first part of the analysis determines the "cost" of living in a nonmetro area for each of the four subgroups: immigrant men, immigrant women, native-born men, and native-born women. This part of the analysis also examines the relationship between the human capital and structural variables of interest and earnings among these four subgroups. The second part of the analysis assesses variations across metro and nonmetro residents on the rates of return to human capital resources across the four subgroups.

Results

Before examining the multivariate results, it is useful to obtain a descriptive overview of Mexican workers in the South by metro/nonmetro, nativity, and gender categories. Table 2 confirms the relatively high proportion of Mexican-origin workers in the South who live in nonmetro areas. As a whole, approximately 23 percent of Mexican-origin workers in the region lived in nonmetro settings. Immigrant men were the most likely to live in such areas, with 27 percent making their home in a nonmetro location. In contrast, immigrant women were the least likely (19 percent) to live in nonmetro areas.

Table 2 also reveals the wide variability in the average wage and salary income of Mexican-origin workers in 1989, with the range extending from a low of $7,935 among immigrant women in nonmetro areas to a high of $20,210 among native-born Mexican-American men in metro settings. Immigrant women in nonmetro areas earned about 39 cents for every $1.00 earned by native-born Mexican-American men in metro areas. Consistently, across the four subgroups (immigrant men, immigrant women, native-born men, and native-born women), nonmetro workers earned about four-fifths of the wage and salary income of their respective metro counterparts. For instance, the average income of Mexican immigrant male workers living in nonmetro areas was only 79.4 percent of the average income of Mexican immigrant male workers located in metro areas.

The metro-nonmetro income gap is likely to be explained, in part, by the variations that exist among metro and nonmetro workers on the major variables of interest. Across the nativity-gender subgroups, nonmetro workers, for example, had lower levels of educational attainment compared to their metro peers. The metro-nonmetro educational gap is particularly wide among immigrant men, with immigrant metro workers having proportionately almost twice as many high school graduates as did immigrant nonmetro workers. Three immigrant groups exhibit tremendously low levels of educational attainment. Only 16 percent of immigrant men in nonmetro areas, 25 percent of immigrant women in nonmetro areas, and 30 percent of immigrant men in metro settings held a high school diploma. On the other end of the continuum, upwards of 70 percent of native-born Mexican-American workers in metro areas were high school graduates. In addition, among immigrants, with the exception of immigrant women in

Table 2. Summary Statistics Representing the Characteristics of Persons of Mexican-Origin in the South by Sex, Metro/Nonmetro Residence, and Nativity, 1990

Characteristics	Male Nonmet Immig.	Male Metro Immig.	Female Nonmet Immig.	Female Metro Immig	Male Nonmet Native	Male Metro Native	Female Nonmet Native	Female Metro Native
Avg. Wage/Salary Income, 1989	$10,710	$13,490	$7,935	$9,910	$16,179	$20,210	$10,835	$13,082
Educ. Level:								
0 to 8 years	65.5%	53.0%	59.0%	43.4%	14.5%	10.1%	13.2%	7.9%
9 to 11 years	18.9%	17.5%	16.3%	16.0%	20.9%	17.1%	19.9%	14.7%
High School Graduate	8.9%	14.2%	8.4%	16.1%	33.5%	29.2%	33.6%	32.7%
Some College	5.2%	9.6%	12.6%	16.3%	24.2%	28.1%	26.9%	32.5%
College Graduate	1.6%	5.7%	3.7%	8.2%	6.9%	15.6%	6.4%	12.2%
Language:								
Only English	5.6%	5.2%	8.1%	8.3%	52.9%	50.3%	53.3%	51.3%
Bilingual	43.2%	47.3%	46.0%	52.4%	43.0%	45.2%	44.1%	46.4%
Only Spanish	51.3%	47.6%	46.0%	39.3%	4.1%	4.5%	2.6%	2.3%
Pct. Migrant, 1985-90	60.7%	50.5%	51.5%	39.9%	27.5%	39.2%	25.0%	35.8%
Immigration Period:								
Before 1970	9.1%	9.9%	20.5%	21.4%	—	—	—	—
1970-79	23.1%	26.8%	32.1%	28.6%	—	—	—	—
1980-90	67.8%	63.3%	47.4%	50.0%	—	—	—	—
Avg. Pct. Mex. Immigrants	0.6%	0.8%	1.7%	1.4%	0.4%	0.5%	0.9%	0.8%
Age Group:								
18-24	34.5%	29.3%	23.0%	22.7%	31.4%	27.8%	23.3%	27.6%
25-34	38.1%	41.8%	44.1%	36.6%	30.2%	37.0%	32.5%	35.6%
35-44	17.9%	16.9%	19.5%	23.4%	22.1%	20.9%	28.1%	22.6%
45-54	5.8%	7.7%	12.2%	12.2%	9.9%	9.3%	10.5%	9.6%
55+	3.7%	4.3%	1.3%	5.2%	6.5%	5.0%	5.6%	4.7%

Source: 1990 Public Use Microdata Sample. (U.S. Bureau of the Census, 1993).

Table 2. Continued

Characteristics	Male Nonmet Immig.	Male Metro Immig.	Female Nonmet Immig.	Female Metro Immig	Male Nonmet Native	Male Metro Native	Female Nonmet Native	Female Metro Native
Pct. Married	59.3%	58.7%	77.7%	65.6%	58.9%	55.4%	61.8%	58.8%
Pct. with Disability Limitation	2.4%	2.1%	2.4%	1.6%	5.2%	4.2%	5.4%	3.8%
Avg. Hours Worked, 1989	1,798	1,798	1,417	1,512	1,876	1,939	1,555	1,581
Avg. Years Experience	17.8	17.4	18.0	18.7	15.5	14.3	16.6	14.1
Avg. Years Experience^2	453	442	448	503	407	334	418	333
Occupation:								
White-Collar	5.2%	11.6%	16.4%	34.4%	26.1%	40.2%	47.0%	68.0%
Blue-Collar	48.9%	46.7%	41.7%	22.0%	49.5%	41.0%	23.3%	10.7%
Service	7.0%	15.7%	14.9%	26.0%	12.1%	11.6%	24.2%	17.3%
Farm	39.0%	26.0%	27.0%	17.5%	12.3%	7.2%	5.5%	4.0%
Avg. State COLI, 1989	112.7	114.0	112.1	114.2	111.3	114.6	111.6	114.6
N (Adj. Weight)	888	2,425	207	879	744	2,503	492	1,835
N (Pop. Est.)	17,625	48,133	4,102	17,447	14,774	49,675	9,761	36,142

Source: 1990 Public Use Microdata Sample. (U.S. Bureau of the Census, 1993).

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metro areas, the majority of workers were monolingual Spanish speakers. By way of contrast, among native-born Mexican-Americans, the majority of workers in each subgroup were monolingual English speakers. Furthermore, among Mexican immigrants, those located in nonmetro areas were more likely to be new to their state of residence (moving into the state between 1985 and 1990) compared to their metro counterparts, whereas among native-born Mexican-Americans the opposite is the case. Finally, there appears to be little variation across nonmetro and metro workers on two variables of interest—the relative group size of Mexican immigrants in the area and the period of entry into the United States among immigrants. Most Mexican workers lived in areas with very few Mexican immigrants, with female immigrants being the group most likely to live alongside co-ethnic immigrants. While there is little variation across metro and nonmetro immigrant groups on time of arrival in the United States, immigrant men were more likely to have arrived between 1980 and 1990 than immigrant women.

There are also some noticeable variations across nonmetro and metro workers on several control variables. First, among Mexican immigrant women, those living in nonmetro settings (67.1 percent were younger than 35) tended to be younger than their counterparts living in metro areas (59.3 percent were younger than 35). In contrast, among native-born Mexican Americans, workers in metro areas tended to be younger than their peers living in nonmetro areas. It is worth mentioning that upwards of two-thirds of workers in three subgroups of immigrants were less than 35 years of age: immigrant men in nonmetro areas (72.6 percent), immigrant men in metro areas (71.1 percent), and immigrant women in nonmetro areas (67.1 percent). Second, among immigrant women, those in nonmetro areas (77.7 percent) were more likely to be married compared to their counterparts living in metro areas (65.6 percent). Third, with the exception of immigrant men, workers in nonmetro areas worked fewer hours in 1989 compared to those living in metro places. Fourth, across the four subgroups, nonmetro workers were much more likely to be employed in farm-related and blue-collar occupations, while metro workers were more likely to be employed in white-collar and service (only in the case of immigrants) occupations. Nonmetro immigrant workers were especially likely to hold farm-related jobs (men, 39.0 percent; women, 27.0 percent). By way of contrast, relatively few native-born Mexican-American workers were employed in such jobs. Finally,

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workers in metro areas were more likely to live in states with higher costs of living. In light of such variations across metro and nonmetro workers, it is essential that a multivariate approach be used to gauge the relationship between nonmetro residence and wage and salary income.

Let us now turn our attention to the results from the multiple regression analysis examining the relationships between the independent variables of major interest and the annual earnings of Mexican-origin workers. Table 3 shows the results for four subgroups (immigrant men, immigrant women, native-born men, and native-born women). The variables included in the models account for a significant amount of the variation in the annual wage and salary income, ranging from a low of 47.8 percent (immigrant men) to a high of 62.1 percent (native-born women). The first hypothesis suggests that Mexican workers in nonmetro areas have lower earnings compared to their peers in metro settings. The results support this prediction. The observed patterns reveal that even when relevant variables are held constant, nonmetro workers had lower annual earnings compared to their metro counterparts. This relationship is statistically significant for each of the subgroups except immigrant women. The results indicate that native-born Mexican American men suffered the greatest cost for living in nonmetro locations, with earnings that were 17 percent lower than those of native-born Mexican-American men located in metro areas. In addition, Mexican immigrant men and native-born Mexican-American women received earnings that were nearly 7 percent lower than those of their respective counterparts living in metro settings. These results suggest that even if nonmetro Mexican-origin workers had the same endowments and attributes as their metro counterparts, they would continue to receive lower earnings in the workplace. Some of this gap in earnings, albeit an unknown amount, can be attributed to variations in labor markets across metro and nonmetro settings, such as metro-nonmetro differences in the types of jobs available and the opportunity structure.

Table 3 also shows the relationships between the annual wage and salary income of Mexican-origin workers and the other five variables of major interest (educational level, language pattern, recent interstate migrant, relative group size of Mexican immigrants in the area, and, for immigrants, length of U.S. residence). This information can be used to assess the series of hypotheses indicating that

Table 3. Unstandardized Regression Coefficients for the Relationships Between Selected Independent Variables and the Logged Wage/Salary Income of Mexican-Origin Workers by Nativity and Sex

Independent Variable	Immigrants		Natives	
	Male	Female	Male	Female
Intercept	6.4527**	5.4033**	6.3868**	5.8335**
Nonmetro	-0.0661**	0.0338	-0.1725**	-0.0676*
Some High School	0.0832**	0.1062	0.1619**	0.1263*
High School Graduate	0.1128**	0.1400	0.2855**	0.2220**
Some College	0.0863	0.0401	0.1312**	0.1719**
College Graduate	0.4261**	0.2858**	0.4608**	0.5194**
Monolingual English	0.0666	0.4028**	0.0506	0.1074
Bilingual	0.0648**	0.0834	-0.0199	0.1160
Interstate Migr. 1985-	-0.0902**	-0.0493	-0.0777**	-0.0667*
Immigrated 1970-79	0.0514*	-0.0113	—	—
Immigrated < 1970	0.1032**	0.0041	—	—
% Pop. Mex. Immigrant	0.0137	-0.0030	-0.0445*	0.0095
Age 25-34	0.0497	0.1684*	0.0623	0.1357*
Age 35-44	0.0519	0.2090	-0.0269	0.1955
Age 45-54	0.1015	0.3135	-0.1374	0.1465
Age 55+	0.3812**	0.2641	-0.0563	0.1665
Married	0.0541*	0.0853*	0.1299**	0.0056
Disability Limitation	-0.2378**	0.0354	-0.3229**	0.0292
Hrs. Worked in 1989	0.0006**	0.0008**	0.0006**	0.0009**
Experience	0.0279**	0.0048	0.0629**	0.0174*
Experience Squared	-0.0006**	-0.0001	-0.0009**	-0.0002
White-Collar Occup.	0.3459**	0.2876**	0.2847**	0.1825*
Blue-Collar Occup.	0.2771**	0.0928	0.2163**	0.1752*
Service Occupation	0.1252**	-0.0713	0.0475	-0.0361
State COLI, 1989	0.0095**	0.0152**	0.0080**	0.0085**
Adjusted R-Squared	0.478	0.536	0.569	0.621
Total N	3,196	1,065	3,027	2,217

* Significant at the 0.05 level
** Significant at the 0.01 level

greater levels of human capital resources (schooling, English-speaking skills, and time) are associated with more favorable earnings outcomes. This set of hypotheses receives a substantial amount of support. Let us first examine the effect of length of U.S. residence on earnings, a factor that is only relevant to immigrants. The findings show that for Mexican immigrant men there is an upward trajectory in annual earnings with increasing length of residence in this country. For instance, compared to the most recent arrivals (those coming to the United States between 1980 and 1990), Mexican immigrants coming to this country between 1970 and 1979 had earnings that were 5 percent higher, and those immigrating to the United States prior to 1970 had earnings that were 10 percent higher. On the other hand, however, the upward trajectory of earnings with increasing residence is not apparent in the case of immigrant women. Indeed, the annual incomes of immigrant women coming to the United States at any time before 1980 do not differ significantly from those of their peers who entered the United States between 1980 and 1990.

Of the two educational and language human capital factors, educational attainment has the most consistent effect on the annual income of Mexican-origin workers. In general, increasing levels of educational attainment is associated with higher incomes. However again, Mexican immigrant women vary from this general pattern. For this group of women, only college graduates had incomes that were significantly higher than those of women with the lowest level of education (i.e., zero to eight years of schooling). For the language configuration factor, it appears that language is related to earnings only among the two immigrant groups. Among immigrant men, the income of bilingual workers is significantly higher (6.5 percent) than those of monolingual Spanish speakers. In contrast, among immigrant women, the income of monolingual English speakers is significantly higher (40.3 percent) than those of their peers who only speak Spanish.

Table 3 also shows that workers who moved recently (i.e., between 1985 and 1990) to their 1990 state of residence had lower earnings than workers living in their state of residence for a longer period of time. This pattern is observed among immigrant men (9 percent lower earnings), native-born men (8 percent lower earnings), and native-born women (7 percent lower earnings). Once again, immigrant women deviate from this general pattern. For this group of

women, income did not differ significantly between workers who had lived in the state for varying lengths of time.

The results also show that for the most part the relative presence of Mexican immigrants does not impact the annual earnings of Mexican-origin workers. The one exception to this pattern involves native-born Mexican American male workers. In this case, a one-unit increase in the relative size of Mexican immigrants in the local area is associated with a 4.5 percent decline in annual earnings. However, it should be noted that this negative relationship for this group also exists when the relative size of native-born Mexican American workers is substituted for the relative size of Mexican immigrants. Thus, it is not the mere presence of Mexican immigrants that suppresses the wages of native-born Mexican American men, but rather the general presence of the Mexican-origin population as a whole.

The relationships between annual earnings and the control variables are generally in the expected directions. For instance, earnings tend to be higher among workers who were married, did not have disability limitations (among men), who worked more hours in 1989, who had greater experience, who worked in occupations other than farm-related ones, and who lived in states with higher costs of living.

In sum, this part of the analysis has provided empirical evidence suggesting that nonmetro residence results in lower earnings even after social, economic, and demographic differences between nonmetro and metro workers are taken into account. The final portion of the analysis presented below examines the hypothesis that workers in nonmetro areas are not as well rewarded for their human capital endowments as are their metro counterparts.

Earning Returns Variations by Nonmetro/Metro Residence

Tables 4 and 5 report the results of the multiple regression analyses used to examine the hypothesis that nonmetro Mexican-origin workers reap lower benefits for their human capital endowments compared to their peers in metro places. The tables each contain the results based on four parallel models, with the coefficients of nonmetro workers pitted against those of metro workers for each nativity-gender specific group. Comparisons are only made for the four human capital independent variables (education, language, recent interstate migrant status, and, for immigrants, length of U.S. residence). Note that underlined coefficients indicate that the particular coefficient for

the nonmetro group is significantly different from the metro coefficient at the 0.05 level of statistical significance.

Table 4 contains the results based on Mexican immigrants. With few exceptions, the results fail to provide support for the hypothesis that nonmetro Mexican immigrant workers are less-favorably rewarded for their human capital resources compared to metro Mexican immigrant workers. For immigrant men, only one piece of evidence suggests that nonmetro workers reap lower returns to their attributes. In particular, monolingual English speakers in metro areas received greater returns to their English compared to those in nonmetro areas. Keep in mind, however, that very few Mexican immigrant men (5.3 percent in nonmetro areas and 4.6 percent in metro areas) are classified as monolingual English speakers. Among immigrant women, those in nonmetro areas received lower earning returns to their high school diplomas compared to immigrant women in metro locations. However, this pattern is far from clear, for the opposite is the case in the comparison involving women high school graduates who have attended college but who are not college graduates. In this case, the results indicate that Mexican immigrant women gained greater economic benefits to having "some college" compared to their metro counterparts. This may reflect the especially small supply of highly-educated Mexican immigrant women in nonmetro settings, with the result being particularly favorable earnings for this small group of women. Nevertheless, all said, the results fail to provide a significant amount of evidence to suggest that nonmetro Mexican immigrants lag behind metro Mexican immigrants in their rates of return to their human capital endowments.

Table 5 reports the results based on native-born Mexican-American workers. As is the case with immigrants, the results based on native-born Mexican-Americans do not provide major support for the hypothesis that nonmetro workers reap fewer economic benefits to their human capital endowments compared to metro workers. For Mexican-American men, nonmetro and metro workers only differ on the returns to their educational attainment levels. At the lower educational levels, metro Mexican American men appear to gain greater benefits to having anywhere from nine to twelve years of schooling compared to nonmetro Mexican American men. However, the opposite pattern emerges at higher levels of education, as it is nonmetro Mexican American men that received more handsome economic rewards for post-high school educational levels than metro Mexican

Table 4. Unstandardized Regression Coefficients for the Relationships Between Selected Independent Variables and the Logged Wage/Salary Income of Mexican-Origin Immigrant Workers by Sex and Nonmetro/Metro Residence

Independent Variable	Males		Females	
	Nonmetro	Metro	Nonmetro	Metro
Intercept	7.6256**	6.1310**	4.5565**	5.6026**
Some High School	0.0843	0.0860*	0.1456	0.1043
High School Graduate	0.0842	0.1099*	0.4553**	0.2470**
Some College	0.0602	0.0945	0.4215**	0.0024
College Graduate	0.4944**	0.4319**	0.4306	0.2631*
Monolingual English	-0.3060**	0.1992**	0.1804	0.4357**
Bilingual	0.0248	0.0835**	0.1638*	0.0631
Interstate Migr. 1985-90	-0.0769*	-0.0944**	-0.1060	-0.0537
Immigrated 1970-79	0.0277	0.0575	-0.0234	0.0016
Immigrated < 1970	-0.0029	0.1230**	0.0254	-0.0040
% Pop. Mex. Immigrant	0.0094	0.0122	-0.0118	-0.0008
Age 25-34	0.1529*	0.0196	-0.0165	0.2108*
Age 35-44	0.2608*	-0.0165	0.0885	0.2129
Age 45-54	0.2063	0.0754	-0.2533	0.3738
Age 55+	0.4412	0.3614	0.0568	0.2712
Married	-0.0061	0.0801**	0.2392**	0.0440
Disability Limitation	-0.2413*	-0.2396**	0.1086	0.0046
Hrs. Worked in 1989	0.0005**	0.0006**	0.0009**	0.0007**
Experience	0.0172	0.0304**	-0.0080	0.0054
Experience Squared	-0.0004*	-0.0006**	0.0005	-0.0001
White-Collar Occup.	0.4148**	0.3177**	0.4749**	0.2804**
Blue-Collar Occup.	0.2415**	0.2869**	0.0556	0.1113
Service Occupation	0.3397**	0.0952*	-0.0305	-0.0524
State COLI, 1989	0.0003	0.0119**	0.0226**	0.0135**
Adjusted R-Squared	0.448	0.488	0.652	0.526
Total N	966	2,230	260	805

* Significant at the 0.05 level; ** Significant at the 0.01 level
Note: Nonmetro coefficients that are underlined are significantly different from the respective metro sex-specific coefficient at the 0.05 level. This test is only done for the independent variables of interest.
Source: 1990 Public Use Microdata Sample. (U.S. Bureau of the Census, 1993).

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Table 5. Unstandardized Regression Coefficients for the Relationships Between Selected Independent Variables and the Logged Wage/Salary Income of Mexican-Origin Native-Born Workers by Sex and Nonmetro/Metro Residence

Independent Variable	Males		Females	
	Nonmetro	Metro	Nonmetro	Metro
Intercept	4.7204**	6.6291**	5.4318**	5.8416**
Some High School	0.0357	0.1992**	-0.1256	0.2249**
High School Graduate	0.1185	0.3420**	0.0916	0.2795**
Some College	0.2707**	0.0909**	0.2003**	0.1603**
College Graduate	0.6964**	0.4147**	0.7105**	0.4915**
Monolingual English	0.2527	0.0136	0.1260	0.0938
Bilingual	0.2234	-0.0723	0.1232	0.1034
Interstate Migr. 1985-90	-0.1624**	-0.0632*	0.0082	-0.0802*
% Pop. Mex. Immigrant	-0.0749	-0.0443*	-0.0015	0.0118
Age 25-34	-0.2756*	0.1465**	0.0777	0.1495*
Age 35-44	-0.5659**	0.1118	0.1423	0.2194
Age 45-54	-0.8548**	0.0479	-0.2303	0.2498
Age 55+	-0.8234*	0.1564	-0.3010	0.3173
Married	0.1942**	0.1097**	0.0087	0.0061
Disability Limitation	-0.4247**	-0.2928**	-0.0022	0.0462
Hrs. Worked in 1989	0.0006**	0.0005**	0.0010**	0.0009**
Experience	0.0916**	0.0560**	0.0151	0.0167*
Experience Squared	-0.0012**	-0.0008**	-0.0000	-0.0003
White-Collar Occup.	0.3206**	0.2780**	-0.1162	0.2750**
Blue-Collar Occup.	0.2025*	0.2231**	0.0018	0.2176*
Service Occupation	0.0068	0.0652	-0.2924	0.0499
State COLI, 1989	0.0196**	0.0062**	0.0136**	0.076**
Adjusted R-Squared	0.551	0.572	0.660	0.614
Total N	790	2,237	538	1,679

* Significant at the 0.05 level
** Significant at the 0.01 level
Note: Nonmetro coefficients that are underlined are significantly different from the respective metro sex-specific coefficient at the 0.05 level. This test is only done for the independent variables of interest.
Source: 1990 Public Use Microdata Sample. (U.S. Bureau of the Census, 1993).

American men. This same pattern is evident in the case of Mexican American women, although the metro-nonmetro differences between the coefficients associated with "some college" and "college graduate" are not large enough to attain statistical significance. The distinct patterns associated with returns to education for metro and nonmetro workers are instructive. Indeed, they suggest that the reward system for Mexican-origin workers in nonmetro settings is likely structured on the basis of education. As such, it appears that workers with little education in nonmetro areas are not as well compensated as their peers in metro areas for their level of schooling, whereas workers with greater amounts of education in nonmetro areas are better rewarded for their educational credentials in comparison to their counterparts living in metro settings. This pattern may be due to the relative scarcity (small supply) of more educated workers of Mexican origin and the relative abundance (large supply) of lower educated workers of Mexican origin in nonmetro areas of the region.

In sum, the results provide evidence that nonmetro Mexican-origin workers have annual earnings significantly lower than those of metro Mexican-origin workers, even after social, economic, and demographic differences are taken into account. However, there is only minor support for the hypothesis that nonmetro workers reap lower economic returns to their human capital endowments compared to metro workers. The results show a distinction in rates of returns for immigrant women and native-born Mexican-American workers with the differences structured by level of education—less favorable returns to education for nonmetro workers at the lower educational levels; more favorable returns to education for nonmetro workers at the higher educational levels. It is suggested that these patterns may reflect the large supply of less educated Mexican-origin workers and the small supply of more educated Mexican-origin workers in the nonmetro South.

Conclusions

This study serves as a reconnaissance exercise for assessing the labor market patterns of Mexican workers in the southern region. Historically relatively few Mexicans have settled in this part of the country. The last few years, however, have seen numerous southern communities, many of these in nonmetro locations, receive significant numbers of Mexican-origin newcomers. This is a phenomenon

not unique to the South, for the dispersion of Mexicans has occurred throughout the country. Nevertheless, the South represents an interesting context for examining the experiences of Mexican newcomers for several reasons. First, a relatively high proportion of Mexicans live in nonmetro areas compared to Mexicans located in other regions of the country. Second, the South has historically lagged behind other regions of the country on a wide variety of socioeconomic indicators. Third, the South, particularly the rural South, has been the region with the most deeply entrenched levels of racial inequality (Snipp 1996; Williams and Dill 1995).

Unfortunately, the literature shows a massive absence of research examining the social and economic patterns of Mexicans in the South (for an exception, see Frisbie 1991, although his analysis includes Texas as part of the South). Based on the paucity of research on this population, this study serves as a reconnaissance for assessing the labor market experiences of Mexican workers in the southern region. As such, the results presented here may serve as a baseline for studies in the near future that seek to determine how well Mexicans are being integrated into labor markets of the region. Indeed, the data used in the analysis are too dated to pick up, the recent significant movement of Mexicans to the region, for the brunt of this movement has occurred after the completion of the 1990 census. Data from the 2000 census should provide the information necessary to assess the fortunes of Mexican newcomers in the South, with the present study serving as a comparative base prior to the arrival of significant flows of Mexicans into the region.

The more substantive findings of the results presented here demonstrate the economic costs that workers frequently bear for their residence in nonmetro areas. The common notion associated with the lagging conditions of minorities in nonmetro areas is that barriers preventing minorities from ascending the socioeconomic scale are more insurmountable than those existing in metro areas. While this idea may have some truth, the results presented above based on "rate of returns" distinctions between Mexican metro and nonmetro workers suggest that the negative image associated with nonmetro areas is not entirely warranted. The results indicate that, for the most part, Mexican-origin workers in nonmetro settings do not differ significantly on their rates of return to their human capital endowments compared to Mexican workers located in metro areas of the region. I suggest that studies incorporating features of labor markets (i.e., the

demand side) may provide a more complete understanding of the labor market outcomes of nonmetro and metro workers. It is likely that variations in the characteristics of labor markets in nonmetro and metro locations, such as differences in the types of jobs available and opportunity structures, are responsible for a certain amount of the observed nonmetro-metro earnings disparity. Furthermore, because of limitations in the research design, it is not clear the extent to which nonmetro and metro Mexican workers experience labor market discrimination on the basis of their ethnicity. As such, it could be that while Mexican nonmetro and metro workers are not rewarded differently in the labor market, each group may still experience varying levels of labor market discrimination in comparison to majority-group workers.

Three interesting patterns emerging from the analysis are worth highlighting. First, as mentioned above, the results demonstrated the distinct economic reward outcomes of immigrant women and native-born Mexican American workers in nonmetro areas, relative to their counterparts in metro areas, on the basis of educational level. In the case of these subgroups, nonmetro workers with lower levels of education tend to receive lower returns to their education compared to metro workers. However, nonmetro workers from the three subgroups (immigrant women, native-born men, and native-born women) with higher levels of education tend to reap greater economic returns in nonmetro settings compared to their peers living in metro places. Second, earnings patterns of Mexican immigrant women deviated significantly from those of Mexican immigrant men and those of Mexican American men and women. For example, for Mexican immigrant women, nonmetro residence, education (except for college graduate status), length of residence in the United States, and length of stay in the state of residence did not have an effect on wage and salary income. In essence, Mexican immigrant women are not reaping economic benefits that routinely come with greater levels of human capital endowments, although care must be exhibited in interpreting this pattern due to the relatively small sample (n=260) of Mexican immigrant women. Future research should devote more attention to this group in order to discover explanations for the deviating patterns of Mexican immigrant women. Finally, with very few exceptions, the relative size of the Mexican immigrant population did not significantly affect the earnings of Mexican-origin workers. This may suggest that there is not a high degree of labor market competi-

tion among Mexican immigrants and that foreign- and native-born Mexican-origin workers participate in distinct labor markets (see Sorensen and Bean 1994).

The results presented here have policy implications. Given the relative absence of research based on the labor market experiences of Mexican workers in the region, the research reported here clearly demonstrates that the Mexican population in the region is far from being homogeneous. Of the 9,509 Mexican-origin workers used in our analysis, the majority (55.2 percent) are native-born. Furthermore, the data show that socioeconomic patterns are structured by nativity status. Indeed, native-born Mexican Americans, especially those living in metro areas, have relatively high socioeconomic statuses while foreign-born individuals have low socioeconomic statuses. Therefore, policies and programs seeking to alleviate the social and economic problems of Mexican-origin people in the region need to pay close attention to the internal diversity existing within the population as well as the specific needs and problems of given subpopulations. Moreover, the results also demonstrate that southern nonmetro areas contain Mexican-origin workers with limited levels of human capital. This is especially the case for Mexican immigrants. Moreover, the findings indicate that in the case of immigrant women and Mexican American workers in nonmetro locations, those with limited education, by and large, reap fewer economic benefits to their human capital endowments compared to their metro siblings. This pattern may lead to two potential outcomes. On the one hand, the lack of opportunity structures in nonmetro southern communities may trap Mexican workers in these locations for an extended period of time. On the other hand, more favorable opportunities in metro areas of the region may lure Mexican workers away from nonmetro settings.

The last couple of decades have seen significant changes in the composition of flows of Mexican immigrants to the United States. In particular, in contrast to decades ago when flows of Mexican immigrants tended to be predominantly men, more recent times have seen the increasing presence of women and children. This is a significant change with major implications regarding the settlement patterns of Mexican immigrants. The presence of women and children among Mexican immigrants is associated with greater tendencies for settlement in the United States. Indeed, the presence of women and children signifies the planting of roots in this country. The research of

Hondagneu-Sotelo (1994), for example, has shown that Mexican women are much more likely to want to stay in the United States compared to their husbands who are more likely to desire a transnational form of living or to eventually return to Mexico. Therefore, leaders of communities in the South that are experiencing growth in the Mexican, or more broadly Latino, population cannot simply assume that newcomers are "birds of passage" and that nothing, or very little, needs to be done to address their needs or invest in their futures. As has been the case in the Midwest, many communities throughout the South have very little knowledge of Mexicans because this group has been virtually absent from the region. Communities in the South experiencing a growth in the Mexican or Latino population need to take a proactive stance in establishing an infrastructure to meet the unique needs and challenges that Mexican newcomers bring as well as to facilitate their integration into the community. Community leaders need to provide leadership to ensure that newcomers have access to resources that enhance their stock of human capital resources. Perhaps no other institution feels the impact of the newcomers more than the educational institution. Schools are likely to need to initiate bilingual programs as well as strategies to communicate effectively with students and parents in response to the changing composition of their student populations. Finally, community leaders need to be vigilant in monitoring racial and ethnic relations because the entrance of newcomers who are different than the established population, as in the case of Mexican immigrants, may trigger hostilities toward the newcomers. The entrance of Mexicans into the South is likely to lead to increased racial and ethnic tension and perhaps a renegotiation of established race relations. Communities that have experienced rapid growth in the Mexican or Latino population can use as models other communities that have had a similar experience in order to take advantage of successful strategies that have been used to incorporate newcomers.

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