



IN THIS ISSUE: TWO PROFOUND TRENDS (AND THEIR IMPLICATIONS)

- 1 – THE BIG SWITCH: FROM THE PC TO UTILITY COMPUTING
- 2 – MEXICAN-AMERICANS AND THE FUTURE OF THE U.S.

1 – THE BIG SWITCH: FROM THE PC TO UTILITY COMPUTING

A hundred years ago, companies stopped producing their own power with steam engines and generators and plugged into the newly built electric grid. Widespread access to cheap power changed not just business and the economy but society and the culture. The electric network fostered the expansion of the middle class, the spread of secondary education, and the rise of mass media and markets.

Today a similar revolution is under way: companies are dismantling their private computer systems and tapping into “software as a service” delivered over the Internet. Cheap “utility” computing – combined with cheap broadband – will ultimately transform our economy, society and culture as profoundly as cheap electricity did. So argues Nicholas Carr in *The Big Switch*.

Surprisingly, however, while Carr sees some positive changes in this transformation (the shift of control over media from institutions to individuals, the growth of “virtual” communities), he mostly sees negative changes: the loss of privacy, the export of knowledge jobs, a growing concentration of wealth, the unbundling of intellectual content. It’s this last effect – the end of

cross-subsidization – that’s killing newspapers and other sources of commonality and community, fears Carr.

I am more sanguine. What Carr is really wistful about is the loss of the memory of how things used to be:

All technological change is generational change. The full power and consequences of a new technology are unleashed only when those who have grown up with it become adults and push their outdated parents to the margins. As the older generations die, they take with them their knowledge of what was lost when the new technology arrived, and only the sense of what was gained remains. It’s in this way that progress covers its tracks, perpetually refreshing the illusion that where we are is where we were meant to be.

Well, that’s right. My parents remember the days before clothes washers, dish washers and vacuum cleaners; I don’t, and don’t care to. I remember the days before remote control and the 800-channel universe; my daughter does not, and finds my ruminations tiresome. I think the positives will outweigh the negatives.

2 – MEXICAN-AMERICANS AND THE FUTURE OF THE U.S.

PAST, PRESENT AND FUTURE

Before you can be a good futurist, you must be a good historian. This is not because “history repeats itself,” or even that “the past is prologue.” It is because good history identifies what has *endured*, and knowing what *has* endured gives a pretty good idea of what *will* endure. Hence, a baseline for the future.

Gregory Rodriguez is a good historian, and a good futurist. In *Mongrels, Bastards, Orphans and Vagabonds: Mexican Immigration and the Future of Race in America*, he has written a history of Mexican-American immigration from the 16th century to the present day – one of the oldest, most continuous and largest migrations of people to the

Trend Analysis That Builds Business Decisions

United States. As he shows quite clearly, because of this history, the future of Mexican-Americans and the future of America are inextricably intertwined, interdependent and mutually reinforcing.

The ironic title sums up the basic thrust of the book: once shunned as outcasts, Mexican-Americans have become so much a part of America – and America has become so “mongrel” in itself – that racial distinctions are losing their power to categorize and separate us from each other. In essence, we are all “*mestizos*” now.

I liked this book because it supports so many of the analyses and predictions I have been presenting in the pages of *Growth Strategies* over many years, and so many of the perspectives I have been bringing to clients and audiences over the same time. These include:

- The future of multiculturalism is not fragmentation and segmentation into endless subgroups, but a blurring, mixing and blending of races, ethnicities and cultures.
- The dominant pattern among Hispanic Americans is still assimilation in the melting-pot tradition, with the difference that the mainstream is being changed in the process.
- English language adoption is broader, deeper and faster than is generally assumed; the numbers of bilingual, English-dominant and even English-only Hispanic households will continue to grow rapidly.

These perspectives have often been met with skepticism, argument and reflexive rejection (and often still are), but since they are correct I have stuck to them, and am now confirmed and supported by this well-documented book.

As for the future, the book’s most profound prediction is that Mexican-Americans will undermine and ultimately wipe out the American racial system (and in the process, presumably, destroy the racial spoils system known as affirmative action). More on this further below.

HISPANIC AMERICANS ARE DIVERSE, BUT MEXICAN-AMERICANS DOMINATE

The influence of Mexican-Americans derives not just from their numbers (huge), rate of growth (rapid) and wide dispersal (growing in all areas of the country, not just “gateway” states and cities). Their influence mainly derives from their propensity to intermarry (about half do so by the second generation), and their natural ease – when looked at in broad, historical terms – in both *adopting* and *changing* the society around them. They did so with the Spanish over centuries, writes Rodriguez, and they are doing so with “us.”

In other words, acculturation is a two-way street. The pattern among Mexican-Americans has been and is still *mestizaje* (mixture of blood lines), and assimilation in the melting-pot tradition, but in the process they are changing the American mainstream to encompass more Mexican-American influences. They eagerly adopt new consumer products, foods, fashions and recreational forms – and theirs become part of ours.

SPANISH VS. ENGLISH

Rodriguez reinforces another disputed point I have made many times over the years: English language adoption among Mexican-Americans is far more extensive than is commonly believed. Just because there are vast swaths of America where only Spanish is *required* to function does not mean that *only* Spanish is spoken among Spanish-speaking populations. How else, asks Rodriguez, could upwards of 75% of Mexican-Americans be employed in white-collar or skilled occupations?

Rodriguez goes so far as to label the entire “Hispanic market” a contrivance, an “invention” of Spanish-language marketers such as Univision, who sought to convince mainstream corporations that Latinos would continue to speak Spanish no matter how many generations their families live in the United States. But that is not the case. True, Spanish is certainly not going to fade

Consulting in:

- Market and industry analysis
- Strategic business direction
- Growth dynamics

Providing:

- Trend identification and analysis
- Keynotes and presentations
- Proprietary research and reports

Trend Analysis That Builds Business Decisions

away in the regions of the country that serve as gateways to new immigrants. The sheer size and continuous nature of Hispanic immigration, the proximity of Latin America to the US, and the availability of Spanish options in media, business and government services guarantee the continued proliferation of Spanish usage in the US. *But it's not what the kids are doing: young Hispanics may be very proud of their heritage, but English is the language of that powerful assimilation machine known as American culture.* Hence, the language of the future is English.

As I wrote three years ago in **Growth Strategies** (issue #974, February 2005), according to a study conducted by researchers at the State University of New York (SUNY), English remains the language of choice among the children and grandchildren of Hispanic immigrants, despite continuing waves of migration from Latin America. In contrast to concerns from some analysts that English may be losing ground to Spanish in some parts of the United States, the study finds the majority of Hispanic Americans moving steadily toward English monolingualism. Among third-generation Hispanics, the fastest-growing segment of the US Latino population, 72% speak English exclusively.

Further, the study finds that this trend has generally continued among Mexican-Americans, the country's largest immigrant group, even during the immigration boom of the 1990s. Even for Hispanics in Los Angeles, a magnet for immigration from Latin America, the pattern of language shifts across generations remains similar to those among Hispanics nationally. The report suggests that many other researchers and analysts have underestimated the pressures of assimilation, and are missing its contemporary signs.

What's behind this English preference trend? Although not generally understood or appreciated, Hispanic immigration to the US, as well as the share of the US Hispanic population that is foreign-born, both peaked years ago.

Migration to the US will decrease even further after 2010, according to University of California professor Philip Martin, due to a drop in Mexico's birthrate. Hence, the explosive growth of the US Hispanic population in the coming decades will be fueled more by natural increase (native births) than by immigration. This will speed the processes of assimilation, acculturation and English-proficiency.

According to the Latino Intelligence Report, a national survey of Hispanic teens conducted by a division of Creative Artists Agency, Hispanic teens watch more television than their general-market counterparts and cite MTV, Fox and Comedy Central as their favorite TV networks. While only 8% of those surveyed said they speak Spanish better than English or Spanish only, 48% said they speak English and Spanish equally well. Interestingly, however, only 20% of those responding to telephone interviews volunteered to take the survey in Spanish. *In other words, Hispanic teens overreport their Spanish-speaking ability.*

THE QUESTION OF RACE

The last of the book's nine chapters is entitled, "Mongrel America and the New Assimilation," in which the present era is described as a time of Mexican-American confidence and integration. Despite all the heated rhetoric, it is fact that Mexican-Americans have never been more prominent and accepted as politicians, entertainers, athletes, businesspeople, consumers, voters and prospective spouses. The rapidly expanding Mexican-American integration into the mainstream is changing how Americans think about race. Writes Rodriguez:

Because Mexican history has been characterized by widespread *mestizaje*—both cultural and racial—the Mexican American experience cannot be understood through the dichotomy of cultural resistance versus assimilation. Nor can the Latinization of the United

Trend Analysis That Builds Business Decisions

Growth Strategies newsletter was formerly published as *FutureScan*.

States be viewed as the mere addition of a new color to the multicultural rainbow. For much of Mexican-American history, advocates fought to be included on one side or the other of the American racial divide. Before 1970, they sought to be recognized as whites, while afterward they insisted on being “people of color.” But the mass demographic shift of the late twentieth century has facilitated the resurgence of the Hispanic Catholic view of race in the Southwest, which is subsuming the region’s entire color spectrum. Not only are Mexican Americans freer to insist on their racial “otherness,” but by creating a racial climate in which intermarriage is more acceptable they are breaking down the barriers that have traditionally served to separate whites and nonwhites in the United States.

Mexican Americans are forcing the United States to reinterpret the concept of the melting pot to include racial as well as ethnic mixing. Rather than abetting the segregationist ethos of a country divided into mutually exclusive groups, Mexican Americans continue to blur the lines between “us” and “them.” Just as the emergence of the mestizos undermined the Spanish racial system in colonial Mexico, Mexican Americans, who have always confounded the Anglo-American racial system, will ultimately destroy it, too.

How will they destroy it? By making categorization impossible, and hence, meaningless. When racial classification is no longer sensible or even possible, neither are discrimination or affirmative action. And we have long since passed that point. I often use Tiger Woods as an illustration of this: he is a mixture of black, Asian, Caucasian, and Indian (oops, I mean Native American) ancestors, but when asked to identify himself he says, “I’m Tiger.”

This is anathema to the diversity/affirmative action industries. Believe me; I have been

encountering them on the corporate speaking circuit for years. When I speak (optimistically!) of the American future, of the blending and blurring of races, ethnicities and cultures, and of the individual as the basic sovereign unit of a truly free and diverse society, they start going through the first four phases of grief: denial, anger, bargaining and depression. Regrettably, the final phase – acceptance – is beyond them. They will probably endure, administering preferential treatment for quite a while, as they have been empowered and financed by large, slow-changing bureaucracies: governments and corporations.

But the writing is on the wall. This November it is possible that a mixed-race candidate will either lead or be a part of a major political party’s Presidential slate. In the same election it is even more likely that Arizona, Colorado, Nebraska, Oklahoma and Missouri will join California, Washington and Michigan as states that outlaw discrimination by race, sex, color, ethnicity or national origin. What – you thought such discrimination was already illegal and unconstitutional? It is. These state ballot initiatives have become necessary to overturn the system of ethnic favoritism known called affirmative action – racial and ethnic quotas in the bestowal of public and private largesse – which has been codified in both public policy and private practice.

Obviously, the American people are tiring of a diversity regime that (perversely) demands conformity of thought (also known as “political correctness,” the phrase Soviet commissars used to enforce Central Party rule). Eventually, the American people themselves, having become a mongrel nation, will also reject racial and ethnic categorization. Hint: watch the dramatic rise in the number of people who “decline to state” in surveys, questionnaires and the Census itself.

Like I said, Gregory Rodriguez is a good historian, and a good futurist.