

**Excerpt of:** Alejandro Portes, Luis E. Guarnizo and Patricia Landolt, 1999. The study of transnationalism: pitfalls and promise of an emergent research field. *Ethnic and Racial Studies* 22(2). pp. 217-237 (pp. 224-230 for the present text).

### Early Forms of Transnationalism

Though lacking the contemporary technologies of communications and transportation, precursors of present immigrant transnationalism have existed for centuries. As noted previously, return migration and periodic visits to home communities have always taken place, at least among free labour migrants. Similarly, regular contacts have always existed among participants in political diasporas forced to resettle in a number of different countries (Cohen 1997). Russian Jews escaping the tsarist Pale of Settlement at the turn of the twentieth century represent a prominent example (Rischin 1962; Howe 1976). So do Armenians fleeing from Turkish oppression (Noiriel 1995), or the vast Spanish diaspora following the fascist victory in that country (Weil 1991; Sole 1995).

While these activities of immigrants and refugees across national borders reinforced bonds between the respective communities, they lacked the elements of regularity, routine involvement, and critical mass characterizing contemporary examples of transnationalism. Few immigrants actually lived in two countries in terms of their routine daily activities. While most dreamed of going back one day, this long-term goal was countermanded by the concerns and needs of their new lives and, for many, eventually faded away (Handlin 1973; Thomas and Znaniecki 1984).

There have, however, been some examples of economic and political transnationalism in history. They include what Curtin (1984) has labeled 'trade diasporas'; that is, communities composed of itinerant merchants who settled in foreign jurisdictions in order to engage in commerce. Those who simply settled abroad and became progressively integrated into local ways fit more appropriately the definition of immigrant entrepreneurs. Yet those who self-consciously preserved their distinct identities as members of a trading diaspora, cultivating their networks across space, and traveling back and forth in pursuit of their commercial ventures can legitimately be dubbed transnational entrepreneurs.

Thus, the foreign enclaves established by Venetian, Genoese and Hanse merchants throughout medieval Europe and identified by Pirenne (1970) with the revival of European trade symbolize an early example of economic transnationalism under difficult political conditions. The international activities of Genoese bankers under the protection of their Spanish Habsburg allies were so considerable as to have been identified, by at least one author, as initiators of the 'First wave' of modern capitalist accumulation (Arrighi 1994). Enclaves of commercial representatives engaged in various forms of transnational trade were established by the Portuguese, Dutch and English in successive stages of the European colonization of Africa and the Americas (Dobb 1963; Hardoy 1969; Arrighi 1994). In more recent times the overseas Chinese represent a typical example of a community of transnational traders (Freedman 1959; Lim 1983; Granovetter 1995).

Note the difference between these exceptional cases and the vast movement of European settlers into the newly-opened lands of Africa, the Americas and Oceania. Like subsequent labour immigrants, immigrant colonizers harboured dreams of riches and eventual return, but their daily activities confronted them with the realities of a new country and, in the process, many became permanently settled in the colonies (Wittke 1952; Tilly 1978; Portes and Walton 1981; Tinker 1995). By and large, early examples of economic transnationalism were of an elite type, involving merchants and commercial representatives of some means who maintained a firm affiliation with their home offices and communities, and who relied on long-distance networks for their own economic survival.

For examples of a more popular type of precursors to contemporary transnational activities, one must wait for the onset of induced circular labour migrations in the nineteenth century. The organization of circular movements of formally free foreign labourers across state borders does not materialize on a massive scale until that time. It corresponds to a period of relatively advanced industrial capitalism, where the expansion of industry and commercial agriculture ran up against the barrier of dwindling domestic labour supplies (Lebergott 1964). There is no question that the agents who engaged in organizing this traffic were transnational entrepreneurs. What made the venture transnational for the labourers themselves was their short tenure abroad, their dependence on home country networks for

initiating the trip and investing its eventual profits, and the regularity with which subsequent trips were made (Galarza 1977; Cohen 1988; Noiriél 1995).

The mass US-bound European labour migration at the turn of the twentieth century seldom took the form of a deliberately organized circular labour flow. However, other movements were. They include the mass recruitment of Poles for work in the heavy industries and mines of the Ruhr in Bismarck Germany (Weber 1906 [1958]), the engagement of Algerians and other North Africans by pre-World War II French industry (Weil 1991), and the mass labour migration of Mexicans to the American Southwest (Santibañez 1930; Barrera 1980). Indeed, the popularity of Mexican labour for American ranchers and railroad builders hinged on its temporary orientation and willingness to return when no longer needed. This feature became permanently institutionalized with the onset of the Bracero accord between Mexico and the United States (Samora 1971; Portes and Bach 1985).

Instances of early political transnationalism were even less common, but those that existed frequently had momentous consequences. They include the dedicated efforts of certain leaders and activists abroad to liberate their native lands from foreign control or to support a nascent national state. Examples were commonly found among immigrants coming from stateless nations in the nineteenth and early twentieth centuries. According to Glazer (1954, p. 161), the first paper in the Lithuanian language was published in the United States and the nation of Czechoslovakia was, in a sense, 'made in America', under the leadership of the sociologist Tomas Masaryk.

Labour immigrants seldom engaged in this kind of transnational politics full time, but they provided the money and moral support to keep the cause alive at home. Under the leadership of its honorary president, Paderewski, the Polish Relief Central Committee in the United States contributed hundreds of thousands of dollars to the cause of Polish national liberation in the early twentieth century (Glazer 1954; Rosenblum 1973). The Republic of Cuba was also, in a sense, founded in New York, first under the leadership of Jose Marti and his Cuban Revolutionary Party, and then through the agitation of exiles that helped to bring about US intervention against Spain (Thomas 1971, pp. 291–309; Portell-Vila 1986, pp. 29–33).

These examples make clear that contemporary transnationalism had plenty of precedents in early migration history. Yet these examples were, for the most part, exceptional and lacked the novel features that have captured the attention of researchers and that justify the coining of a new concept. For all their significance, early transnational economic and political enterprises were not normative or even common among the vast majority of immigrants, nor were they undergirded by the thick web of regular instantaneous communication and easy personal travel that we encounter today. Contemporary transnationalism corresponds to a different period in the evolution of the world economy and to a different set of responses and strategies by people in a condition of disadvantage to its dominant logic. Herein lies the import of its emergence.

## **The Rise of Transnationalism**

The rise of different forms of grass-roots transnationalism has both theoretical and practical significance. Theoretically, because it represents a distinct form of immigrant adaptation to those described in the past literature. Practically, because it offers an option to ordinary people not present in the past, either in their own countries or in those to which they migrate. As the process acquires momentum, grass-roots transnationalism has the potential of subverting one of the fundamental premises of capitalist globalization, namely that labour stays local, whereas capital ranges global. By availing themselves of the same technologies that make corporate strategies possible, transnational entrepreneurs not only deny their own labour to would-be employers at home and abroad but become conduits of information for others. In this manner, they help to reduce the informational gap between those engaged in the expansion of 'transnationalism from above' and subordinate groups formerly at the mercy of these strategies.

This line of reasoning, based on the empirical material available so far, can be summarized in three substantive propositions. They do not address the basic preconditions of transnationalism, as above, nor its specific determinants in given countries but the broad dynamics of the phenomenon and its potential implications: 1) the emergence of these activities is tied to the logic of capitalist expansion itself; 2) while following well-established principles of social network development, transnational communities represent a phenomenon at variance with conventional expectations of immigrant assimilation; 3) because transnational enterprise is fuelled by the dynamics of capitalism, it has greater potential as a form of individual and group resistance to dominant structures than alternative

strategies. These substantive propositions rely for empirical justification on descriptive studies of several immigrant communities, but a brief clarification of their rationale is in order.

### **1. Transnationalism and capitalist expansion**

The real and growing demand for immigrant labour in the advanced countries furnishes the raw material for the rise of transnational enterprise. Different groups of employers in the First World have required and benefited from the presence of immigrant workers, but the latter also learn to adapt to their new conditions. Unlike the situation earlier in the century, when immigrants were mainly employed in industry, at present they cluster in low-paid agriculture and menial services with few possibilities for advancement (Sassen 1989, 1995; Roberts 1995). These conditions provide every incentive to seek other avenues for economic mobility, among which knowledge and access to goods and services across national borders represent an important one.

Technological advances in long-distance transport and communications facilitate exploiting these opportunities for reasons we have already examined. In this fashion, a class of transnational entrepreneurs emerges to bridge the distinct but complementary needs of migrant and home country populations. Demand for news and information, foods and cultural products from their home country is high in expatriate communities, while desire for appliances, advanced electronic products, and investments financed by immigrant capital is widespread among the population left behind. The presence of multinational corporations and the efficient marketing of their products in most sending countries fuels these desires by creating new consumption aspirations, difficult to fulfill by people within the limits of Third World economies (Alba 1978; Portes and Böröcz 1989; Grasmuck and Pessar 1991). Immigrants provide a ready solution by acquiring abroad and sending the desired goods to kin and friends and by making them accessible to others at cut-rate prices.

### **2. Immigrant adaptation**

In keeping with the assumption that labour stays local, the immigration literature has generally assumed that, once newcomers arrive, they settle in the host society and undergo a gradual but inevitable process of assimilation (Gordon 1964; Alba 1985; Alba and Nee 1997). This literature makes allowance for a flow of returnees to their home countries, but not for sizeable back-and-forth movements and regular exchanges of tangible and intangible goods between places of origin and destination. These movements and the binational field that they gradually create amount to an alternative adaptation path for immigrants in the advanced world. Whereas, previously, economic success and social status depended exclusively on rapid acculturation and entrance into mainstream circles of the host society, at present they depend (at least for some) on cultivating strong social networks across national borders.

For immigrants involved in transnational activities and their home country counterparts, success does not so much depend on abandoning their culture and language to embrace those of another society as on preserving their original cultural endowment, while adapting instrumentally to a second (Goldring 1996; Guarnizo 1997). In the United States it is thus possible for immigrants to engage in transnational activities without knowing English well and while remaining marginal to the American social mainstream. This alternative path to economic and status achievement opens a host of new adaptation possibilities involving both immigrants and their offspring.

Some of these still unexplored possibilities include: a) successful transnational entrepreneurs eventually returning home, taking their children with them; b) transnationals giving up these activities to seek full assimilation into the receiving society; c) their remaining indefinitely in the transnational field, but their children becoming fully assimilated to the host society; d) parents passing on to their offspring both their transnational skills and outlooks, perpetuating this social field across generations. It is still too early to tell which of these (or other) alternatives will become dominant, but it seems clear that they can transform the normative assimilation story, with major consequences for both sending and receiving countries.

### **3. Effective resistance**

The international expansion of capitalism in search of broader markets and cheaper labour has led to various attempts to resist its depredations. A prominent example is the 'labour standards' movement which has sought to halt the wholesale transfer of low-tech industry to less developed countries by imposing First World labour standards on these nations (Piore 1990). The idea, supported by trade unionists and some institutional economists, is to condition access of Third World imports to markets in the advanced countries to the observance of protective labour covenants. Goods produced under

conditions of high labour exploitation would be barred and, in this manner, workers' rights in both advanced and poorer nations could be protected (Fields 1990).

The difficulty with these lofty ideals is that it is difficult to put them into practice. Enforcement of labour standards falls mainly into the hands of Third World governments that are either not up to the task or are unwilling to carry it out. There is good reason for this unwillingness, since too strict an enforcement of labour codes would simply stimulate foreign industries to move to the next low-wage country (Portes 1994).

For this reason, manufactured imports from numerous Third World countries continue to flow into the United States and Western Europe with not a question asked about the labour conditions under which they were produced.

Under the conditions set by global capitalism at present, mobilization of social networks for engagement in transnational ventures offers to Third World workers and immigrants abroad a superior alternative. This is because the viability of these activities does not depend on cumbersome legal covenants or the goodwill of government officials, but on the skills of individuals and the activation of their social capital. For this reason, a number of ordinary people have ceased awaiting redress from distant governments and ponderous international bureaucracies to confront the challenges of the new capitalist world economy on their own. The process can become cumulative and in time, embrace a sizeable proportion of the relevant populations (Sassen 1988; Guarnizo 1992; Portes and Dore 1994).

Just as in the past, migration abroad became 'the thing to do' in certain Third World countries and localities (Cornelius 1982, 1987; Massey 1987; Massey and Goldring 1994); in time transnational activities may evolve into the normative adaptation path among those groups seeking to escape the fate of cheap labour at home or abroad. It should be noted, however, that the parallels between economic transnationalism from above, as sponsored by multinational corporations, and its grass-roots counterpart, are only partial. Though both make extensive use of new technologies and depend on price and information differentials across borders, large corporate actors rely primarily on their financial muscle to make such ventures possible, whereas immigrants depend on their social capital. The long-distance networks that underlie the viability of such small enterprises are constructed through a protracted and frequently painful process of adaptation to a foreign society (Mahler 1995; Smith 1995; Goldring 1996). In turn, the onset of this strategy leads to the expansion of cross-border ties. In this manner, transnational enterprise expands and thickens cumulatively the original web of social relations that made it possible.

## References:

- Alba, Francisco, 1978. 'Mexico's international migration as a manifestation of its development pattern', *International Migration Review*, vol. 12, pp. 502–51.
- Alba, Richard D., 1985 *Italian Americans: Into the Twilight of Ethnicity*, Englewood Cliffs, NJ: Prentice-Hall.
- Alba, Richard D. and Victor Nee, 1997. 'Rethinking assimilation theory for a new era of immigration', *International Migration Review*, vol. 31, (Winter), pp. 826–74.
- Arrighi, Giovanni, 1994. *The Long Twentieth Century: Money, Power, and the Origins of Our Times*, London: Verso Books.
- Barrera, Mario, 1980. *Race and Class in the Southwest: A Theory of Racial Inequality*, Notre Dame, IN: Notre Dame University Press.
- Cohen, Robin, 1997. *Global Diasporas: An Introduction*, London: UCL Press.
- Cornelius, Wayne, 1982. *Mexican Immigrants and Southern California: A Summary of Current Knowledge*, Research Report Series 36. Center for U.S.-Mexican Studies, University of California, San Diego.
- Cornelius, Wayne, 1987. 'The United States Demand for Mexican Labor', paper presented at the workshop on migration issues of the Bilateral Commission on the Future of U.S.-Mexican Relations, San Diego, August 1987.
- Curtin, Philip D., 1984. *Cross-cultural Trade in World History*, Cambridge: Cambridge University Press.

- Dobb, Maurice, 1963. *Studies in the Development of Capitalism*, New York: International Publishers.
- Fields, Gary, 1990. 'Labor standards, economic development, and international trade', in S. Herzenberg and J. F. Pérez-López (eds), *Labor Standards and Development in the Global Economy*, Washington D.C.: U.S. Department of Labor, pp. 19–34.
- Freedman, Maurice, 1959. 'The handling of money: a note on the background to the economic sophistication of Overseas Chinese,' *Man*, vol. 59, pp. 64–65.
- Galarza, Ernesto, 1977. *Farm Workers and Agribusiness in California, 1947–1960*. Notre Dame, IN: Notre Dame University Press.
- Glazer, Nathan, 1954. 'Ethnic groups in America', in M. Berger, T. Abel and C. Page (eds), *Freedom and Control in Modern Society*, New York: Van Nostrand, pp. 158–73.
- Goldring, Luin, 1996. 'Blurring borders: constructing transnational communities in the process of Mexico – U.S. Immigration', *Research in Community Sociology*, vol. 6, pp. 69–104.
- Gordon, Milton M., 1964. *Assimilation in American Life: The Role of Race, Religion, and National Origins*, New York: Oxford University Press.
- Granovetter, Mark, 1995. 'The economic sociology of firms and entrepreneurs', in A. Portes (ed), *The Economic Sociology of Immigration*, New York: Russell Sage Foundation, pp. 128–65.
- Grasmuck, Sherri and Pessar, Patricia, 1991. *Between Two Islands: Dominican International Migration*, Berkeley, CA: University of California Press.
- Guarnizo, Luis E., 1992. 'One Country in Two: Dominican-Owned Firms in New York and the Dominican Republic', PhD dissertation, Department of Sociology, The Johns Hopkins University.
- Guarnizo, Luis E., 1997. 'Going home: class, gender, and household transformation and Dominican return migrants', in P. R. Pessar (ed.), *Caribbean Circuits, New Directions in the Study of Caribbean Migration*, New York: Center for Migration Studies, pp. 13–59.
- Handlin, Oscar, 1973. *The Uprooted. The Epic Story of the Great Migrations that Made the American People*, 2nd edn, Boston, MA: Little, Brown.
- Hardoy, Jorge E., 1969. 'Two thousand years of Latin American urbanization', in J. E. Hardoy (ed.), *Urbanization in Latin America: Approaches and Issues*, Garden City: Anchor Books, pp. 3–55.
- Howe, Irving, 1976. *World of Our Fathers*, New York: Harcourt Brace and Jovanovich.
- Lebergott, Stanley, 1964. *Manpower in Economic Growth: The American Record Since 1800*, New York: McGraw-Hill.
- Lim, Linda Y. C., 1983. 'Chinese economic activity in Southeast Asia: an introductory review', in L. Y. C. Lim and P. Gosling (eds), *The Chinese in Southeast Asia, Vol. I*. Singapore: Maruzen.
- Mahler, Sara, 1995. *American Dreaming: Immigrant Life on the Margins*, Princeton, NJ: Princeton University Press.
- Massey, Douglas S., 1987. 'Understanding Mexican migration to the United States', *American Journal of Sociology*, vol. 92 (May), pp. 1372–1403.
- Massey, Douglas S. and Goldring, Luin, 1994. 'Continuities in transnational migration: an analysis of nineteen Mexican communities', *American Journal of Sociology*, vol. 99, pp. 1492–533.
- Noiriel, Gérard, 1995. 'Russians and Armenians in France', in R. Cohen (ed.), *The Cambridge Survey of World Migration*, Cambridge: Cambridge University Press, pp. 145–47.
- Piore, Michael, 1990. 'Labour standards and business strategies', in S. Herzenberg and J. Perez-Lopez (eds), *Labour Standards and Development in the Global Economy*, Washington, DC: U.S. Department of Labour, pp. 35–49.
- Pirenne, Henri, 1970. *Medieval Cities: Their Origins and the Revival of Trade*, Princeton, NJ: Princeton University Press.
- Portell-Vila, Herminio, 1986. *Nueva Historia de la República de Cuba*, Miami, FL: La Moderna Poesía.

- Portes, Alejandro, 1994. 'By-passing the rules: the dialectics of labor standards and informalization in less developed countries', in W. Sengenberger and D. Campbell (eds), *International Labour Standards and Economic Interdependence*, Geneva: International Institute for Labour Studies, pp. 159–76.
- Portes, Alejandro and Bach, Robert L., 1985. *Latin Journey: Cuban and Mexican Immigrants in the United States*, Berkeley, CA: University of California Press.
- Portes, Alejandro and Böröcz, Jòseph, 1989. 'Contemporary immigration: theoretical perspectives on its determinants and modes of incorporation', *International Migration Review*, vol. 23, pp. 606–30.
- Portes, Alejandro and Dore, Carlos, 1994. 'America Latina Bajo el Neoliberalismo', in J. Echeverria (ed.), *Flexibilidad y Nuevos Modelos Productivos*, Quito, Ecuador: Editores Unidos, pp. 19–39.
- Portes, Alejandro and Walton, John, 1981. *Labor, Class, and the International System*, New York: Academic Press.
- Rischin, Moses, 1962. *The Promised City: New York Jews 1870–1914*, Cambridge, MA: Harvard University Press.
- Roberts, Bryan R., 1995. 'Socially expected durations and the economic adjustment of immigrants', in A. Portes (ed.), *The Economic Sociology of Immigration*, New York: Russell Sage Foundation, pp. 42–86.
- Rosenblum, Gerald, 1973. *Immigrant Workers: Their Impact on American Radicalism*, New York: Basic Books.
- Samora, Julian, 1971. *Los Mojados: The Wetback Story*, Notre Dame, IN: Notre Dame University Press.
- Santibañez, Enrique, 1930. *Ensayo Acerca de la Inmigracion Mexicana en los Estados Unidos*, San Antonio, TX: Clegg.
- Sassen, Saskia, 1988. *The Mobility of Labor and Capital, A Study in International Investment and Labor Flow*, New York: Cambridge University Press.
- Sassen, Saskia, 1989. 'New York City's informal economy', in A. Portes, M. Castells and L. A. Benton (eds), *The Informal Economy: Studies in Advanced and Less Developed Countries*, Baltimore, MD: The Johns Hopkins University Press, pp. 60–77.
- Sassen, Saski, 1995. 'Immigration and local labor markets', in A. Portes (ed.), *The Economic Sociology of Immigration: Essays in Networks, Ethnicity, and Entrepreneurship*, pp. 87–127.
- Sole, Carlotta, 1995. 'Portugal and Spain: from exporters to importers of labour', in R. Cohen (ed.), *The Cambridge Survey of World Migration*, Cambridge: Cambridge University Press, pp. 316–20.
- Smith, Robert, 1995. 'Los Ausentes Siempre Presentes: The Imagining, Making, and Politics of a Transnational Community Between Ticuani, Puebla, Mexico and New York City', PhD dissertation, Department of Sociology, Columbia University, October.
- Tilly, Charles, 1978. 'Migration in modern European history', in W. S. McNeill and R. Adams (eds), *Human Migration: Patterns and Policies*, Bloomington, IN: Bloomington University Press, pp. 48–72.
- Tinker, Hugh, 1995. 'The British colonies of settlement', in R. Cohen (ed.), *The Cambridge Survey of World Migration*, Cambridge: Cambridge University Press, pp. 14–20
- Tinker, Hugh, 1971 *Cuba: The Pursuit of Freedom*, New York: Harper and Row
- Thomas, William I. and Znaniecki, Florian, 1984 *The Polish Peasant in Europe and America, 1918–1920*, edited and abr. by Eli Zaretsky, Urbana, IL: University of Illinois Press
- Weber, Max, 1906. [1958] 'Capitalism and rural society in Germany,' in H. Gerth and C. Wright Mills (eds), *From Max Weber: Essays in Sociology*, New York: Oxford University Press, pp. 363–85. (Originally published as 'The Relations of the Rural Community to Other Branches of Social Science', Congress of Arts and Sciences, Universal Exposition, New York: Houghton-Mifflin, 1906)
- Weil, Patrick, 1991. *La France et ses Etrangères*, Paris: Gallimard
- Wittke, Carl, 1952. *Refugees of Revolution: The German Forty-eighters in America*. Philadelphia, PA: University of Pennsylvania Press