

The Historical Origins of Ethnic (White) Privilege in U.S. Organizations

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The Historical Origins of Ethnic (White) Privilege in U.S. Organizations: Explaining the On-Going Challenge of Inclusion

Abstract

Purpose – The purpose of this paper is to trace the genealogy of ethnic (white) privilege in U.S. organizations and its continuing significance in organizations today.

Design/methodology/approach – The paper relies upon the historical literature on work, culture, and society found primarily in the fields of labor history and sociology. It also references contemporary organization studies and sociological literature to illustrate the continuing significance of ethnic (white) privilege in the workplace.

Findings – There is an inexorable link between European global expansion and colonization, industrialization, and the racialization/ethnicization of 19th and 20th century U.S. organizations. Furthermore, the particular manifestations of ethnic (white) privilege today must be understood within its historical development and the new meanings whiteness has acquired within the workplace if scholars and practitioners are to be successful in creating inclusive workplaces.

Research limitations/implications – Our focus in this paper is on the United States of America (U.S.) and ethnic (white) privilege to the exclusion of other forms of difference and contexts. Suggestions for future research are provided along with managerial implications.

Originality/value – This paper provides historical insight into the formation of white privilege in organizations and constitutes a prelude to fully understanding its contemporary manifestations in the workplace. These insights suggest ways to disrupt inequality and create inclusive organizations that do not privilege one ethnic or racial group over another.

Keywords Ethnic (white) privilege; Whiteness; Diversity; Inclusion, Discrimination in employment, United States of America.

Paper type Viewpoint

“The discovery of personal whiteness among the world's peoples is a very modern thing,—a nineteenth and twentieth century matter, indeed. The ancient world would have laughed at such a distinction. The Middle Age regarded skin colour with mild curiosity; and even up into the eighteenth century we were hammering our national manikins into one, great, Universal Man, with fine frenzy which ignored colour and race even more than birth. Today we have changed all that, and the world in a sudden, emotional conversion has discovered that it is white and by that token, wonderful!

"But what on earth is whiteness that one should so desire it?" Then always, somehow, some way, silently but clearly, I am given to understand that whiteness is the ownership of the earth forever and ever, Amen!"

From W. E. B. Du Bois, *Souls of White Folk* (2004[1920]): 21-22).

Ethnic (white)¹ privilege is a manifestation of whiteness. The quotes from the eminent African-American sociologist, W. E. B Du Bois, encapsulate two very important theoretical aspects of whiteness. First, the concept of whiteness only came into being in the late nineteenth and early twenty century. Second, whiteness is not just a matter of phenotype or skin color. It is about power and privilege as evident in the definition offered by Frankenberg (1993, p.236) “whiteness . . . is the production and reproduction of dominance rather than subordination, normativity rather than marginality, and privilege rather than disadvantage.” The presence of and meaning of whiteness in organizations has a long history dating back to the era of industrialization. Processes and practices that unfolded during that time led to the exclusion of racial minorities and a racialization of the workplace. Consequently, the idea that certain ethnic or racial² groups belong in organizations along with their right to certain jobs, power and privileges has been difficult to supplant over the years.

Attention to whiteness and its associated privileges have been minimal in the management and organization literature. Notable exceptions include Nkomo’s (1992) paper on the invisibility of race and the taken-for-granted whiteness in organizations and in research and Grimes’ (2001) call for management scholars to ‘interrogate whiteness’ in the organizational life of the discipline and in terms of authorship. Our paper contributes to filling the gap in this literature by offering an understanding of the history of the idea of whiteness through a full interrogation of its origins within the era of industrialization and the rise of the factory system in the United States. This is prelude to demonstrating its contemporary manifestations in organizations as well as the mechanisms by which white privilege creates advantage and inequality. To accomplish this goal, we rely upon the

historical literature on work, culture, and society found primarily in the fields of labor history, management history, and sociology. In particular, we draw heavily from the scholarship of W. E. B Du Bois (1995; 2004), David Roediger (1999; 2005) and Herbert G. Gutman (1973) for historical treatments of the formation of whiteness. These interdisciplinary literatures complement that of organizational studies in terms of apprehending the topics of privilege and inequality at work. We also reference contemporary recent organization behavior, industrial psychology, and sociological research to illustrate the continuing significance of ethnic (white) privilege in the workplace.

Our focus in this paper is on the United States of America (U.S.). We do recognize, however, that whiteness is not just an American phenomenon and that its particular manifestations are context specific. We argue that there is an inexorable link between European global expansion and colonization, industrialization, and the racialization/ethnicization of 19th and the emergence of 20th century U.S. organizations. Another caveat is also important. While, our focus is on whiteness and ethnic (white) privilege in terms of racioethnicity in organizations, we do point out that it should not imply all whites benefit equally from racial advantage within organizational spaces that are simultaneously gendered, heteronormative, and classed (Holvino, 2010). This paper is organized into four sections. We begin with a discussion of the macro and micro forces shaping the formation of whiteness. Next, we discuss the explanations given for the formation of a united ‘white’ race despite ethnic and class differences. Based on these two sections, we illustrate some of the contemporary mechanisms of whiteness that create ethnic (white) privileges in the labor market and workplace. Finally, we discuss the research implications of our analysis as well as possibilities for disrupting ethnic (white) privilege in organizations.

Historical Colonial and Racial Forces Shaping the Formation of Whiteness

From a historical perspective, two forces contributed to the formation of whiteness. These are colonization and racialization. In this section we discuss these forces and show how they shaped the formation of whiteness in the U.S. At the macro level, whiteness has its roots in European imperial global expansion and colonization, immigration, and industrialization (Allen, 1994; Bender, 2009; Loomba, 2005; Rabaka, 2009). Europeans’ conceptions of themselves as ‘civilized’ as opposed to non-whites as the ‘wild savages’ encountered in colonial conquests set the groundwork for white supremacy (Fredrickson,

1987; Rabaka, 2009). There were sustained efforts in both the U.S. and Europe to establish hierarchical differences among the world's races in terms of both physical and behavioral traits (Fluehr-Lobban, 2006). At the same time, during the era of industrialization scholars, capitalists, and commentators of the day believed industrialization was a racial accomplishment (Bender, 2009). Drawing upon Darwinian Theory, it was argued that industrialization could only be achieved by those races and ethnic groups in an advanced stage of human development (Bonnett, 2002; Bender, 2009). Domestic industrialization was viewed as part of global processes of race and ethnic competition—that is, some 'races' and ethnicities would advance while others would remain mired in primitivism and underdevelopment (Bender, 2009). Whiteness became a symbol of extraordinary achievement and superiority (Bonnett, 2002).

Social investigators and government officials in the U.S. connected the study of industrial competition to the identification of the character of races. John Commons in his book, *Races and Immigrants in America* published in 1907, discussed in detail the ability of different races to withstand rigors of industrialization. Observers of the day worried about degeneration and that less civilized 'races' (e.g. the newly arriving European immigrants and former black slaves) would dominate the civilized. It was argued that only civilized groups who possessed the human ability to successfully industrialize should hold factory jobs. It was believed all others should be excluded from factories/organizations or relegated to only certain aspects of industrialization (Bender, 2009). Second and third wave immigrants were cast negatively in contrast to 'natives' of earlier immigrations (Gutman, 1973).

Industrialization also created a clear class boundary between capitalists (owners of business) and those who provided labor in the emerging organizations of the late 19th century. Yet, white labor did not align with racial and ethnic minorities despite this division. At the micro level, Du Bois' concept of the 'wages of whiteness' provides an explanation about how the white working class of the day in the U.S. came to think of itself and its interests as 'white' (Roediger, 1999). Du Bois (1995) argued that the practices of capitalists and management of the new factories generally paid white, native born workers higher wages compared with those of black workers. In other words, white workers received a short-term material benefit by virtue of being 'white'. Blacks were also typically placed in unskilled jobs, particularly those most dirty and dangerous (Foner & Lewis, 1989). At the same time, white workers accrued the benefits of being white in the public sphere despite their working

class status. For the most part class divisions among whites were often blurred in the public sphere as noted in this quote from Du Bois (1995, p. 700-701):

“They were given public deference . . . because they were white. They were admitted freely, with all classes of white people, to public functions and public parks . . . The police were drawn from their ranks and courts, dependent on their votes, treated them with leniency. . . White schoolhouses were the best in the community, and conspicuously placed, and cost anywhere from twice to ten times colored schools.”

According to Du Bois (1995), short-term job benefits and public privileges functioned as an additional wage for white workers. These ‘wages of whiteness’ were sufficient to make up for the alienation and exploitation they experienced under capitalist modes of organizing in the 19th century workplace (Braverman, 1974). Even when white workers received lower wages, the status and privileges conferred in the public sphere made them more digestible because they provided symbolic capital (Roediger, 1999). Du Bois (1995) argued class divisions took a backstage to racial divisions and the white working class of the day did not join with black workers to fight exploitation and power differentials between workers and managers.

Emergence of A United White ‘Race’

While the confluence of micro and macro forces provide insight into the formation of whiteness, it is important to add an additional insight from labor history to explain how ethnic boundaries among the different white ethnic immigrant groups in the U.S. gradually blurred over time. The discrimination and exclusionary practices towards second wave immigrants in the U.S. during the early days of industrialization demonstrated that some were more ‘white’ than others. The same derogatory characteristics used to describe blacks were often assigned to immigrants from Ireland and Eastern Europe. Eventually, these groups also moved into the category of being white. Those who were formerly Irish, Celts, Poles, Slavs, and Jews and vilified as low-browed, savage and lazy eventually became white (Ignatiev, 1995; Jacobson, 1998; Roediger, 1999). The work of Roediger (1999) provides a possible explanation. He argues the need for white workers to distance themselves from their pre-industrial selves created a situation that despite their ethnic differences, it was better not to be black (Mills, 1997). Roediger (1999, p. 14) explains: “The white working class, disciplined

and made anxious by fear of dependency, began during its formation to construct an image of the black population in the U.S. as the *other*—as embodying the preindustrial, exotic, careless style of life the white worker hated and longed for.” Labor historian Herbert Gutman has documented how dramatically capitalist labor discipline reshaped the lives and working habits of American workers in the early days of industrialization (Gutman, 1973). The capitalist demand for regular, timed, and routinized labor and for industrial morality off the job was instrumental in shaping the identities of working class whites in opposition to blacks. Roediger (1999: 97) summarized this process as follows:

“ . . . the growing popular sense of whiteness represented a hesitantly emerging consensus holding together a very diverse white working class and . . . part of that consensus derived from the idea that blackness could be made permanently to embody the preindustrial past that they (ethnic immigrants and native whites) scorned and missed.”

In other words, according to Roediger (1999, p. 180) blacks were used as a counterpoint by the white working class to come to terms with their own acceptance of the regimented control they were subjected to under industrial capitalism. Whiteness was the means by which formerly indentured servants who had become lowly white workers in the factories and mills could assert their identity as truly ‘freemen’ in juxtaposition to the enslaved black (Roediger, 1999). This was not only a matter of identity but also about gaining access to material benefits in the workplace. The confluence of the incorporation of excluded white ethnic people into the category of white and the emergence a hegemonic meaning of whiteness would have profound effects not only in U.S. society but also in the workplace. The idea of hegemonic whiteness was succinctly summed up by Du Bois (2004, p. 22) when he argued “whiteness is the ownership of the earth forever and ever.” In his essay, the *Souls of White Folks*, Du Bois attempted to detail how whiteness operated as the supreme normative center of the world economically, intellectually, politically, and socially. And one can add whiteness also came to have profound meaning and effects not only in U.S. society but also in the workplace. Whiteness became synonymous with a highly, capable, ambitious and efficient worker who had the right to dominate inferior others (Bender, 2009; Du Bois, 1995). The attributes and privileges of whiteness were bestowed upon people designated as white; while all others were excluded.

White Privilege in Organizations Pre-Title VII Legislation

Thus, during the late 19th century, the U.S. transformed from an agricultural nation into an industrial giant. It was during this period that the roots of white privilege were firmly planted. Its entrenchment was made possible by an ideology of white racial supremacy that relied upon material acts, decisions and policies to repress and dominate people of color (Leonardo, 2004). Jim Crow laws in the South and other legislation, segregation of public spaces, and repressive acts were common practices of whiteness that reinforced and maintained white privilege. White racial domination of organizations would only be significantly challenged with the passage of Title VII of the Civil Rights Act in 1972.

During this pre-Title VII period, white privilege manifested in different ways in the labor market and in organizations. Prior to the end of the Civil War, slave labor was frequently used in the factories and mills of the industrial south (Foner & Lewis, 1989). Slave owners often leased the services of or sold their slaves to industrial employers. The words of one such employer capture the sentiment at the time: “one of the great advantages of black labor is that you can attach it permanently to the establishment (organization) by purchase” (Fisher, 1828, p. 347). The same employer provides a human resource analysis of the cost of slave labor versus white labor and concludes that because white workers would have to be paid more because they are white and free, it is better for the manufacturing industry to use black labor. Ironically, whiteness worked against the employment of working class whites at the time.

However, this would change dramatically after the end of the Civil War (Foner & Lewis, 1989). Jobs in the growing factories and mills of the South became the sole preserve of poor whites and racial discrimination among white workers, unions and employers combined with legal separation of the races through Jim Crow legislation effectively eliminated blacks from skilled and semi-skilled occupations confining them to the most menial jobs in organizations (Foner & Lewis, 1989). The importance of the construction of a white identity in juxtaposition to the inferior childlike savage image bestowed upon blacks was elemental to the exclusion of blacks from the privileges enjoyed by white workers. An excerpt from a special committee report prepared after the Civil War on the ‘Negro problem’ stated: “blacks have no incentive to industry or the acquisition of an honorable reputation” and lacked the “intelligence and moral restraint necessary to qualify for the privileges and immunities of citizens” (Takaki, 1990, p. 125-126).

In the Northern industrial sector, blacks and other racioethnic minorities encountered overt discrimination and were also confined to menial jobs in the service industry or in the most dangerous industries (i.e. coal, iron, steel, and lumber). The best paid and white-collar professional jobs were reserved for white workers. Manufacturing industries in the North largely remained closed to black workers until the labor shortages of World War I (Gutman, 1973). Occupational segregation was often premised upon the idea that blacks did not possess the attributes or the temperament needed for industrial work. Black workers were barred from joining white craft unions and were often subject to vicious mob attacks to ensure their exclusion from job opportunities (Foner & Lewis, 1989). Incoming white ethnic immigrants by virtue of their whiteness were able to supplant black workers even from the menial jobs they held, particularly during economic downturns.

In the factories of the early twentieth century, white workers had greater workplace power and authority by virtue of the jobs held as well as not being subjected to being supervised by non-whites (Foner & Lewis, 1989). Racial and ethnic minorities were largely excluded from supervisory and managerial ranks prior to the passage of Title VII. It was not unusual during this period of rapid industrialization for organizations to have segregated washrooms, departments, and lunchrooms. There is historical evidence that workers of different races were not allowed to work together. Hughes (1946) in a rather pioneering study of the effects of having black workers in organizations found that black workers were generally excluded from informal networks and were more prone to being ‘solitaires’ (Nkomo & Hobbler, 2014).

Other ethnic and racial minorities experienced different consequences of white privilege during the pre-Title VII period. As industrial expansion proceeded, Native Americans were removed from their traditional lands and banned to reservations by the Dawes Act of 1887. Very few were able to make significant inroads into employed labor despite the goal of the reservation system being the transformation of “Indians through scientific management from savages to citizens, or even to workers in an industrial society” in the hope they would become more ‘white’ like (Takaki, 1990: 191). Building the high bridges under extremely dangerous conditions during the late 19th century is one of the few jobs Mohawk Indians were able to obtain in a racialized labor system.

Mexicans were used extensively as cheap labor in rail construction after the expulsion of the Chinese from the U.S. due to the Chinese Exclusion Law of 1882. They were also

employed by mining companies and received half of what white miners received (Takaki, 1990: 163). Mexican workers were stereotyped as docile, faithful, good servants, and capable of strong attachment to family when firmly and kindly treated (Takaki, 1990: 163).

Even during times of economic downswings or increases in the demand for labor that occurred during wars, white privilege persisted. For example, during the great depression of 1920s, jobs previously classified as ‘Negro’ jobs were given to poor whites at the expense of black workers. The unemployment rate of black workers during the Great Depression was twice that of white workers. On the eve of World War II, black workers only accounted for about 2.5 to 3 percent of all workers in war production (Foner & Lewis, 1989, p. 45). After the first March on Washington by black activists, President Roosevelt issued an Executive Order banning employment discrimination and established the short-lived Fair Employment Practices Committee (FEPC) to enforce the order. The order had a slight effect, increasing employment levels for blacks to around 8 percent (Foner & Lewis, 1989). However, when World War II ended and production levels decreased, white worker domination of employment returned. The FEPC was dissolved in 1946 and the notion of ‘whites first hired and last to be fired’ prevailed. Figures indicate that in 1960, a majority of black wage earners were employed in menial and unskilled job categories and in 1970 the unemployment rate for black workers was twice as high as whites (Foner & Lewis, 1989, p. 51).

Mechanisms of Ethnic (White) Privilege in Post-Title VII Contemporary Organizations

Historically, the mechanisms for bestowing white privilege were overt and conferred primarily through discriminatory laws and explicit job segregation practices in the workplace. Contemporary mechanisms (Post-Title VII) although more covert, subtle, and complex still operate to advantage those defined as ‘white’ and to disadvantage racial/ethnic minorities in the U.S.. These mechanisms are difficult to see because whiteness reproduces racial privilege for whites without appearing to do so (Lewis, 2004; Reitman, 2006; Tatli, 2011). Studies of whiteness that proliferated in the 90s and the early years of the 21st century focus on ideological practices that made ethnic (white) privilege invisible, a benign cultural signifier, or a victimized marked identity (Twine & Gallagher, 2008; Frankenberg, 2001; Ansell, 2006; Bonnett, 2000). Scholars have pointed out that whiteness has both ideological and material dimensions (Frankenberg, 1993; Lewis, 2004). As an ideology, it encompasses a set of beliefs and schema about racial superiority, racial categories, differences among racial groups, and the significance of race (Lewis, 2004). It is important to note that the content of

these beliefs are not static but do develop and even change over time. What then are the primary mechanisms through which whiteness creates white privilege? In the paragraphs that follow, we describe three primary aspects of whiteness to demonstrate how they serve as the vehicle or mechanism through which ethnic (white) privilege occurs in organizations (Reskin, 2003). We draw upon the extant organizational research to illustrate these effects in organizations.

Whites are Raceless As Well As Organizations

Whiteness as an ideology means whites do not have to acknowledge their race in organizations as only racial/ethnic minorities are viewed as having race. One of the advantages whites have because of their dominant status is their ability to live and do race without ever being self-consciously aware of it (Frankenberg, 1993). This means the advantages that whites as a group enjoy are not explicitly acknowledged and remain invisible in the workplace. Consequently, white employees can enjoy the advantage of being viewed as individuals and not as a social collective. A telling manifestation of this mechanism is that blacks, Hispanics, Asians and other racial minorities may be asked to speak as representatives of their racial/ethnic group in a way rarely expected of whites. Nor do individual whites experience the stigmas or stereotype threats that can become attached to one's social identity group. While white employees experience racial identity safety, racial/ethnic minority employees struggle with identity threats (Prudie-Vaughns, Steele, Davies, Dittmann, & Crosby, 2008).

The positioning of whites as raceless allows white employees to view their ascendancy to top positions and better paying jobs as the natural outcome of individual effort and merit, overlooking the possibility that the ascendancy came at the expense of excluded groups. Furthermore, negative reactions to affirmative action and more recently diversity interventions are not just about individual prejudice. From a white privilege lens, such reactions can be viewed as a defense against the encroachment into what is believed to be 'white' jobs and an erosion of meritocracy and individual effort (Kravitz & Klineberg, 2000). Not only are whites raceless but whiteness positions the workplace as a *raceless* space (Nkomo, 1992; Reitman, 2006) that naturally belongs to the dominant group. Consequently, racial and ethnic minorities remain perpetual interlopers and 'space invaders' (Puwar, 2004). The suppression of race consciousness and the belief that post-race organizations are raceless meritocracies also denies the legitimacy of racial/ethnic minorities' experiences of

discrimination and inequality (Nkomo & Hoobler, 2014). In sum, these beliefs cloak white privilege, or as noted by Reitman (2006), whitewash racial politics while normalizing white advantage.

Whiteness As A Resource

Whiteness is not just about ideology. It also creates access to material resources and a system of inclusion for those perceived as being white. A quote attributed to sociologist Barbara Reskin as cited in Lewis (2004: 628) eloquently captures this advantaged location: “Whiteness is a potential resource for all whites that others (who perceive their whiteness) confer and even impose on them whether or not they seek it. Even whites who abdicate racial privilege can readily reclaim it at the moment they cease to actively reject it. The automaticity of unconscious race stereotypes and in-group favoritism make complete abdication almost impossible.” This idea links to Du Bois’ (1995) and Roediger’s (1999) historical concept of ‘wages of whiteness’—that all whites have access to the symbolic capital of whiteness (Lewis, 2004). That is, whites in all social spaces including the workplace are relatively privileged in comparison to racial/ethnic minorities.

A number of research studies have demonstrated the benefits of being viewed as white. Research has shown that white men experience a *performance-reward advantage* in the allocation of performance bonuses. Castilla (2008) found white men received higher salary increases and bonuses compared to ethnic minorities (and women) and non-US- born employees with the same performance evaluation scores, in the same job unit, with the same supervisor and the same human capital. Research also reveals white advantages in recruitment and selection processes whereby ethnic/racial minorities are sorted into different kinds of jobs (compared to whites) or excluded from others (Fernandez & Fernandez-Mateo, 2006; Bertrand & Mullainathan, 2004). In a field experiment, Bertrand & Mullainathan (2004) illustrate participants’ preferences for individuals with ‘white’ names compared to those with ‘African-American’ names. Those applicants with what was perceived to be ‘white’ names received 50 percent more call backs for interviews than those with ‘African-American’ names. Research indicates whites also have a racial advantage in terms of *reemployment* after job loss. Moore (2010) reported a large racial disparity in the chances of reemployment among workers with equivalent characteristics and experience.

Whiteness also determines which groups possess workplace power. Relative to white men, racial minorities (and women) encounter increasing inequality at higher levels of power (Elliott & Smith, 2004). Further, while most groups attain power through homosocial reproduction—selecting candidates that most closely reflect themselves—white men and white women have greater opportunities for such reproduction compared to racial and ethnic minorities because of their dominant positions in U.S. organizations (Bell & Nkomo, 2001; Elliott & Smith, 2004; Stainback, Tomaskovic-Devey, & Skaggs, 2010). Recent research on long-term managerial representation in the U.S. labor market revealed a new status hierarchy of managers and subordinates—a hierarchy wherein white men are likely to manage men of all races; while white women are realizing a growing racial privilege in managing women of color (Stainback & Tomaskovic-Devey, 2009, p. 800).

What is interesting about understanding how whiteness provides access to structural and material resources is that skin color is not necessarily the automatic determinant of whether one gains its benefits. Racial and ethnic groups can gain access to some material benefits through assimilating and exhibiting dominant group values (i.e. perceived as acting ‘white’ or performing whiteness in sense that we ‘do race’ (Fenstermaker & West, 2002). For example, Asians have been stereotyped as the model minority or as exhibiting industriousness and individual achievement in juxtaposition to blacks, Latinos, and American Indians (Bell, 2007; Reitman, 2006). Yet, this stereotype has not always translated into access to higher-level managerial positions because Asians are simultaneously perceived as passive, non-confrontational and lacking leadership skills (Woo, 2000).

Whiteness Infuses the Prototype of the Ideal Employee

Definitions of the ideal employee and associated competencies are deeply intertwined with whiteness but are largely seen and presented as race neutral. Thus, it is more likely that whites will be assumed to possess the ‘right stuff’ or be the right fit for various organizational positions, especially leadership roles (Carton & Rosette, 2011). In a four-experiment study, Rosette, Leonardelli & Phillips (2008) found being white was perceived to be an attribute of the business leader prototype, where participants assumed that business leaders, more than non-leaders, were white. Other research suggests white male leaders are less constrained in their leadership styles than black male leaders. Livingston & Pearce (2009) in a study of facial features and leadership concluded that unlike white male leaders, black leaders did not

have the liberty to display anger or defiance. Sy, Strauss, Tram, Whiteley, Shore, Shore & Ikeda-Muromachi (2012) reported leadership perceptions of Asian Americans were low relative to those of Caucasian Americans. Hosado, Nguyen, & Stone-Romero (2012) found that compared to an applicant with a standard American-English accent, one with a Mexican-Spanish accent was at a disadvantage when applying for a professional job. In a case study of whiteness in a software firm, Reitman (2006) found a fusion between a white dominant culture and ‘high-tech’ culture. In other words, whiteness became normalized as the universal organization culture and the culture all had to embrace in order to be perceived as a ‘good’ employee.

In sum, what these three mechanisms and examples of their manifestation suggest is that whiteness as an ideology has naturalized the status quo in the workplace—the legitimatization of everyday practices as natural, not racialized. Whiteness derives its oppressive power from its constructed naturalization—*the way we do things around here*—consistent with Schein’s (1990) formalization of how organizational cultures become deeply embedded. To the extent organizations were constructed from the early days of industrialization for the interests and privileging of one racial group, what is actually positioned as normal is racialized. Those behaviors and characteristics most shared by groups on the dominant side of the power line institutionalize organizational norms and standards. This ends up sustaining the present status of racial and ethnic minorities in the U.S. workplace and rendering efforts to address inequality as only marginally effective. However, the discussion of the manifestations of white privilege in organizations should not be interpreted as assuming all whites benefit equally. Only some whites have full access to the benefits of whiteness in organizations that are simultaneously gendered, heteronormative, classed and biased toward the able-bodied.

Conclusion

The purpose of this paper was to present the origins of ethnic (white) privilege in organizations, an under researched topic in management and organizational studies. Historical examinations of the early days of factories demonstrate the relationship between industrialization and whiteness—where industrialization was seen as a racial accomplishment demonstrating the superiority of white people (Bender, 2009). The material benefits white workers accrued in the early days of industrialization provided white ethnic immigrant groups the ability to claim a preferred, superior position in the emerging organizational hierarchies.

Some scholars argue the privileged social position of white workers that evolved over time ensured future generations would inherit a racialized social status in society and in the workplace (Twine & Gallagher, 2008). In other words, the domination of whites in the upper levels of organizations would come to be viewed as natural.

What does all of this have to do with contemporary workplaces? As noted by Vallas (2003), racial (and ethnic) boundaries and spaces still define the color line within work organizations. Ethnic (white) privilege still exists in U.S. workplaces as evidenced by a number of recent empirical studies documenting continuing inequality for racial ethnic minorities (Avery, McKay, & Wilson, 2008; DiTomaso, Post & Parks-Yancy, 2007). Despite recent diversity management interventions in many U.S. organizations, research suggests exclusion and subtle discrimination still exists for racial and ethnic minorities (Dietch, Barsky, Butz, Chan, Brief & Bradley 2003). The U.S. labor market still favors white men in gaining access to the best jobs (Tomaskovic-Devey, Zimmer, Stainback, Robinson, Taylor & McTague, 2006). Sociological research suggests despite workplace anti-discrimination legislation, black-white workplace desegregation progress essentially stalled after 1980 with some evidence of re-segregation after 1995 particularly in old economy industries (Kornich, 2009; Tomaskovic-Devey, et al., 2006; Huffman & Cohen, 2004; Moore, 2010). While the level of segregation varies across regions and industries, African-Americans and Hispanics are generally disadvantaged compared to whites (Bell, Kwesiga, and Berry, 2010; Tomaskovic-Devey et al., 2006). Recent data from the Equal Opportunity Commission indicates that racial harassment is increasing (EEOC, 2010). However, research also shows that compared to ethnic minorities, white employees are less likely to recognize its occurrence (Eibach & Keegan, 2006).

While organizational and management scholars have done a good job of documenting ethnic and racial inequality in the workplace, our argument is that progress in reducing inequality will only accelerate when there is a full understanding of how advantage was historically formed and how it operates presently to privilege dominant racial and ethnic groups over subordinate groups. We believe that whiteness and white privilege have been difficult to disrupt for two reasons. First, for the most part, scholars in the field of management and organization studies have tended to overlook its historical development. Instead much of the literature on race and ethnicity in the workplace tends to focus on the period after the passage of Title VII of the Civil Rights Act. Second, despite some calls for

research on whiteness, management and organizational scholars have generally ignored the topic which has rendered ethnic (white) privilege largely invisible (Grimes, 2001; Hunter, Swan & Grimes, 2010).

The overwhelming majority of research has focused on the disadvantages experienced by racial and ethnic minorities overshadowing the advantages accrued to the dominant group. Unwittingly, this may reinforce one of the enablers of white privilege—that whites are raceless and race and racial issues in the workplace require a focus on racial and ethnic minorities only. As the diversity literature has recently shifted to questions of inclusion, it is not enough to study how minority groups can be included but to also understand the mechanisms of whiteness that have fostered the inclusion of dominant groups is an even greater imperative for future research agendas. Most of the work on racioethnic diversity in organizations tends to focus on individual prejudice or ethnic bias as explanations for the responses of dominant groups towards ethnic (racial) minorities. However, the concept of wages of whiteness suggests scholars should pay more attention to understanding how white employees perform whiteness and do race in the everyday workplace (Lewis, 2004). Moreover, understanding of the relationship between the daily performance of whiteness in organizations and societal racial structures and ideologies is important to ensure studies of whiteness do not fixate on individual bias and instead provide a deeper analysis of the racialization of the workplace. Instructive is DiTomaso's (2012) research examining how whites understand the persistence of racial inequality in a society where whites are, on average, the advantaged racial group. Attention should also be paid to how whiteness intersects with other categories of difference (e.g. gender) in mediating privilege. Along similar lines, research is needed on how white employees negotiate whiteness as it should not be assumed that all whites are comfortable or accepting of white privilege. In other words, in what ways do white employees resist whiteness? While space has limited a full discussion of how the experience of white privilege may differ for various racial and ethnic groups, future research is needed to surface its specificity. For example, how does white privilege manifest for social identity groups like Hispanics given the U.S. census definition that they may be of any race?

In order to disrupt the notion of whiteness in contemporary organizations, it is important to focus much more attention on managerial influences on sustaining white privilege (Castilla, 2011; Stainback, Tomaskovic-Devey & Skaggs, 2010). Managers need to

be attentive to the subtle processes that bestow privilege on some groups and not others. This means paying attention to the mechanisms described in this paper and questioning taken-for-granted organizational practices and processes. Further, organizations need to change the dominant approach to diversity training in organizations. Diversity training programs have been criticized for their relative ineffectiveness (e.g. Kalev, Dobbin & Kelly, 2006). Recent research suggests that instead of sanitizing whiteness and white privilege, its history and effects should be directly addressed in diversity training. Recent empirical studies in social psychology suggest locating the causes of inequality in individual processes of stereotyping and prejudice are less successful in changing these habits than interventions highlighting the systemic and historical nature of inequality and whiteness (Adams, Edkins, Lacka, Pickett & Cheryan, 2008). The reality is that ethnic (white) privilege and other systems of domination persist and reside alongside the discourse of valuing diversity as indicated by studies of minority employees' perceptions of diversity practices (e.g. Chrobot-Mason, 2003). This very paradox should alert scholars and practitioners alike not to seek simple answers but to grapple with the complexity of the organizational work needed to disrupt ethnic (white) privilege in the workplace.

If the 21st century is going to be the century when we finally resolve the challenge of inequality in organizations and truly create inclusive organizations that do not privilege one racial/ethnic group over another, then it is important for scholars to advance their research agendas by examining both advantage and disadvantage in organizations. To the extent that our organizations remain racialized hierarchies even when racial and ethnic minorities are included, the potential for leveraging diversity will remain low. Deracializing organizations will not be easy given the long history of white privilege and its powerful lingering effects in organizations today. Hopefully, this paper has contributed an important first step by shedding light on the ways in which white privilege emerged in the early days of industrialization.

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¹ The use of this complex formation is necessitated by their interchangeability as well as different usage in various parts of the world. In some parts of the world 'race' is the preferred term and reference is made to 'white' privilege—typically based on skin color. However, in other parts of the world ethnicity is preferred. For example, in Europe the word race is almost never used. In countries like the U.S., people tend to refer to 'race' and sometimes ethnicity. For a good discussion of this complexity, see H. R. Markus & P. M. L. Moya (2010). *Doing race*. New York: W. W. Norton. Given our attempt to recognize these sensitivities, we opted to use ethnic(white) privilege.

² There has been a long history of contestation of the definitions of ethnicity and race. A full review of these debates is not possible. Both concepts are social constructions. From a social psychology perspective, race is a complex system of ideas and practices regarding how some phenotypical characteristics of the body like skin color or hair texture relate to people's character, intellectual capacity, and patterns of behaviors. While ethnicity is also a complex systems of ideas and practices it is often distinguished from race as being cultural and positive. However, any group can be the target of negative, inequality, discrimination and prejudice based on race or ethnicity (H. R. Marcus & P. M. L. Moya (2010). *Doing race*. New York: W W. Norton, pp. 22-23). Further, race is not an essential property or attribute of individuals. According to racial formation theory, people become raced through a set of complex processes of economic, cultural and political racialization (Omi, M., & Winant, H. 1986. *Racial Formation in the United States: From the 1960s to the 1980s*. New York: Routledge & Kegan Paul Inc.).