# BY THE NUMBERS CHALLENGES & OPPORTUNITIES FOR BLACK-ASIAN SOLIDARITY



**NOVEMBER 2014** 





"For more than half a century, the far-flung celebration of Asians as America's racial success story alike has held a tenacious grip on the nation's collective imagination. Most ominously, the 'model minority' stereotype has worked to justify anti-black racism at home and US imperialism abroad. It is absolutely urgent to examine with care the material conditions of African Americans and Asian Americans together in order to unravel this pernicious logic."

-- Ellen Wu, author of The Color of Success: Asian Americans and the Origins of the Model Minority

### INTRODUCTION BY SOYA JUNG WEALTH BY YVONNE YEN LIU INCOME BY KATE DIEDRICK INFOGRAPHIC BY JENNIE YIM



ChangeLab is a grassroots political lab that explores structural solutions to achieve racial justice. We conduct research, convene people across sectors, develop movement-building tools, and provide platforms for dialogue, analysis, and strategy building.

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Solidarity Research Center is a workerowned collective that realizes a better world through deep inquiry, frameshift, and creative intervention. We love research + storytelling + direct action. Together, we have over three decades of experience copartnering with social justice movements.

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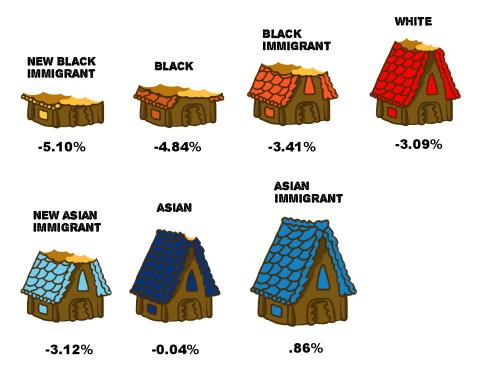
# **INFOGRAPHIC: HOME SWEET HOME?**

# MODEL MINORITY LAND

The game of life where we all aspire towards the American Dream is rigged by anti-blackness

# HOME SWEET HOME?

DURING THE GREAT RECESSION, ASIAN AND BLACK IMMIGRANTS WHO WERE IN THE U.S. FOR FIVE YEARS OR LESS LOST THEIR HOMES AT DISPROPORTIONATE RATES.



During the Great Recession, Americans from almost all racial groups lost their houses. Especially hard hit were new Black immigrants. New Asian immigrants suffered substantial housing loss as well.

#### The American Dream has never been attainable for many Blacks and Asians. After the recession, it's even further out of reach.

\* Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less. Source: Solidarity Research Center analysis of Current Population Survey (2003-2013)





# INTRODUCTION

e have collected this set of economic data to help frame a conversation about racial justice strategy amid demographic change. As the non-White U.S. population grows, White racial anxiety is on the rise. Recent research shows that 96 percent of Whites believe that in the 1950s Blacks were the primary targets of racism. However, 51 percent of Whites believe that today there is more racism against Whites than against Blacks.<sup>1</sup> Moreover, other research suggests that Whites are bothered by the idea of a majority non-White America at similar rates across both Democratic and Republican affiliation.<sup>2</sup>

In this environment of White worry, the political right is intensifying efforts to deploy the Asian American model minority myth – to "prove" the absence of White privilege, to undermine Black demands for economic and political transformation, and to attack racially targeted policy remedies. From affirmative action to the economy, rightwing pundits invoke statistics to validate the claim that Asian Americans overcome racial barriers and succeed through hard work and the correct set of cultural values, unlike their Black counterparts. This disregards how anti-Black racism is hardwired into U.S. economic and political systems, and how aggregate Asian American success has been engineered through economic, social, and political means. By and large, the racial justice movement has lacked the effective coalitions, messages, strategies, and demands needed to push back. The result is that the model minority myth has become a productive, anti-Black racial wellspring for the political right to return to again and again.

An increasingly polarized worldview is dividing America: on the one hand, the belief that Whiteness is under attack, to the detriment of both Whites and those non-Whites who benefit from the status quo; and on the other hand, the belief that we must create racially explicit policies and practices to achieve lasting racial justice and genuine democracy. The *idea* of Asian Americans plays an increasingly damaging role in these racial politics. ChangeLab seeks to explore how Asian Americans and Blacks are positioned differently in the U.S. economy, to help identify challenges and opportunities to thwart rightwing attacks and win lasting racial justice.

Where there are wide disparities between statistical measures of Asian American and Black prosperity, we expect that the right will continue to exploit these to preserve White dominance and further subjugate Black communities, by refusing to acknowledge structural racism. We need strategies to get out ahead of these moments, in part by acknowledging the benefit that non-Blackness affords. At the same time, where there are similarities between certain Asian American subgroups and their Black counterparts, these may be openings to explode the race-erasing sacred cows of American racial discourse like opportunity, meritocracy, and democracy, by raising insurgent Black and Asian American voices that together can reinforce shared demands to reallocate power and resources. We believe that Black-Asian coalitional work holds potential for addressing these challenges and opportunities. This report looks at the following areas:

#### 1. WEALTH AND HOMEOWNERSHIP 2. INCOME AND POVERTY

## 3. EMPLOYMENT

While the data is by no means exhaustive, we hope it will help to frame our discussion, to identify questions for further inquiry, and to address the potential of Black-Asian coalitional work that is grounded in real conditions. In the racialized myth of American meritocracy, Blackness and Asianness occupy opposite and mutually reinforcing positions. The model minority myth and the narrative of Black criminality are two blades of a double-sided axe; we must address both, to reveal and undo the logic of White supremacy.

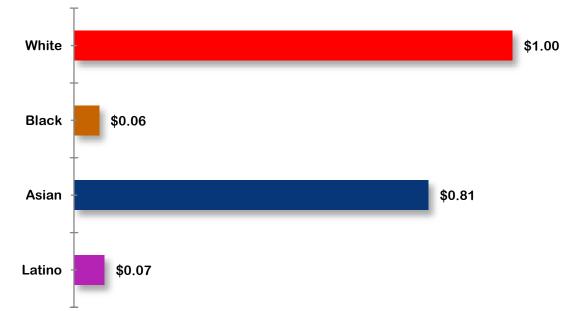
# DATA SETS USED

This report examines data from a number of sources: The American Community Survey, 2010-2011; Survey of Income and Program Participation, 2011; Current Population Survey, 2003-2013; The Bureau of Labor Statistics' analysis of the Current Population Survey, 2010.

# **BLACK & ASIAN WEALTH**

ealth is an indicator of financial wellbeing for families across time.<sup>3</sup> Unlike income, which is a snapshot in time, wealth reveals cumulative prosperity or cumulative economic disenfranchisement. When households are able to earn extra income beyond what's needed to cover basic needs and to set aside savings or purchase a home, the accumulated assets can be passed on from one generation to the next. Wealth also serves as a stopgap in times of economic duress. For these reasons, it is an important measure of prosperity and inclusion, reflecting not only one's wellbeing at a given moment, but also one's economic resiliency over time.

<u>CHALLENGE</u>: At the aggregate level, the data is easily exploited to reinforce the model minority myth and anti-Blackness. For every dollar in White household wealth, Asian families owned 81 cents (see Figure 1). Compared to Black households, who owned six cents, Asians can be cited as living examples of how the nation has moved beyond race. The data does not explain the reasons for this aggregate Asian prosperity, leaving huge openings from which people could easily draw flawed conclusions. The dominant racial narrative claims that Asian success is due to cultural characteristics like familial respect and reverence for education as a pathway to economic mobility<sup>4</sup> – traits that Blacks are seen to lack. We need an echo chamber of arguments to debunk this.



### Figure 1: Median Wealth by Race, 2011

Source: Solidarity Research Center analysis of Survey of Income and Program Participation (2011)

When race is not separated into ethnic subcategories, Whites and Asians tie in high household wealth: Both have 17 percent of families owning a half million or more in net worth (see Figure 2), while Blacks and Latinos have less than 5 percent of their households with mass holdings. Moreover, similar percentages of Blacks and Latinos own zero or negative wealth, at 33 percent and 29 percent respectively, compared to 15 percent of Asians and 14 percent of Whites.

<u>OPPORTUNITY</u>? Similar percentages of Blacks, Asians, and Latinos own between \$5,000 and \$49,999 in wealth. Could this be an opportunity? What messages can we agree upon to explain the high percentage of Asians in the top economic tier? What messages can we agree upon to build unity among working class Asians, Blacks, and Latinos?

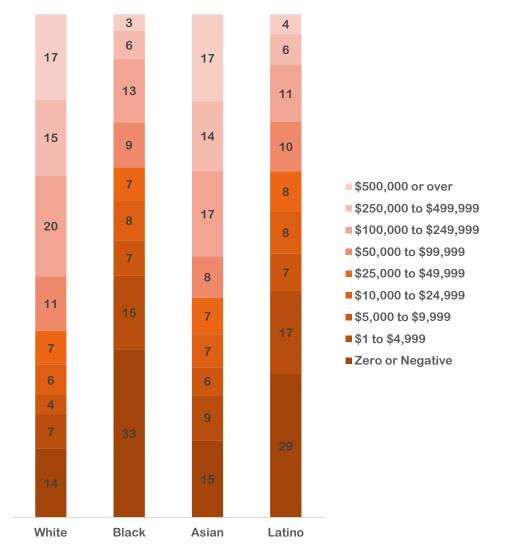


Figure 2: Percent Distribution of Household Wealth by Race, 2011

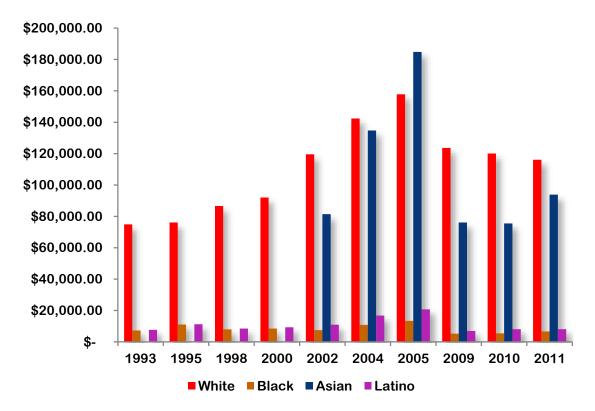
Source: Solidarity Research Center analysis of Survey of Income and Program Participation (2011).

# ASIAN & BLACK WEALTH HAVE NOT RECOVERED TO PRE-RECESSION LEVELS

The Great Recession significantly impacted the ability of families to put away savings for a rainy day. As the unemployed, discouraged, and underemployed peaked in 2010 to encompass 16.7 percent of the population<sup>5</sup> and the numbers of jobless persisted even after the official end in 2009, families dipped into the bank to cover basic needs, thereby reducing accumulated assets (see Figure 4).

<u>CHALLENGE</u>: Before the onset of the downturn in 2005, the median value of Asian household wealth was \$184,839. This was greater than the median value of White household wealth that same year, providing fodder for the meme of Asians "out-whiting the Whites." Such data can be used not only to reinforce anti-Black racism, but also to drum up anti-Asian resentment.

<u>OPPORTUNITY?</u> Asian family-owned assets decreased to \$93,884 by 2011, almost a 50 percent drop. Much of Asian wealth was wrapped up in housing and concentrated in cities in California. After the housing bubble burst much of this wealth was lost.<sup>6</sup> Whites, on the other hand, are more likely than other racial groups to possess wealth in stocks, mutual funds and IRA's. Since the stock market rebounded much more quickly than the housing market post-recession, White wealth rebounded more quickly as well.<sup>7</sup> Black and Latino household wealth, on the other hand, fell by 50 percent to \$6,635 and \$8,073, respectively. In comparison, White families lost a little over a quarter of their assets, retaining a median value of \$41,648 in 2011. While the median value of wealth for Asians remained exponentially higher than that of Blacks and Latinos, is there an opportunity to talk about the vulnerability of non-Whiteness, and the hyper-vulnerability of Blackness?

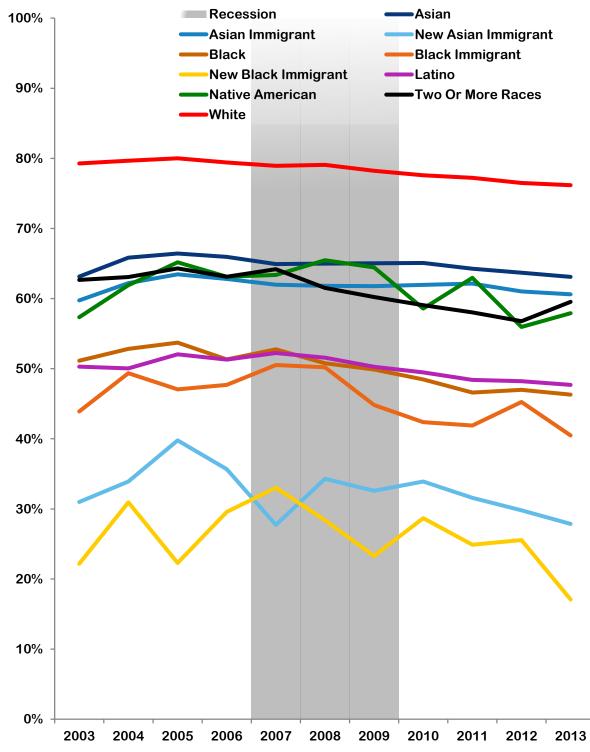


#### Figure 3: Median Wealth for Households by Race, 1993-2011 (in 2014 dollars)

Source: Solidarity Research Center analysis of Survey of Income and Program Participation (1993-2011). Asian data was not collected from 1993 to 2000.

# ASIANS AND BLACKS STILL LAG BEHIND WHITES IN HOMEOWNERSHIP

Blacks had the lowest rates of homeownership compared to other racial groups (see Figure 4). Less than half of Blacks (46 percent) owned their own home in 2013. Only 45 percent of Black women owned homes, 47 percent of Black men. Before the onset of the Great Recession in 2005, more than half of Blacks owned homes (51 percent).

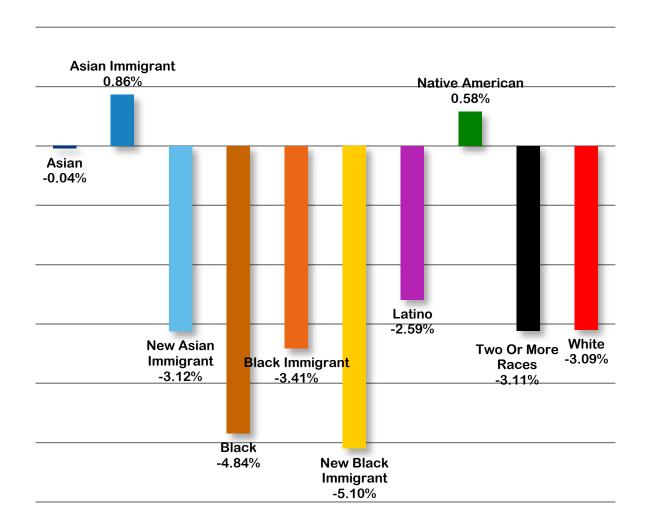




Source: Solidarity Research Center analysis of Current Population Survey (2003-2013) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

# MORE BLACK IMMIGRANTS LOST HOMES THAN OTHER RACIAL GROUPS

Overall, the decade between 2003 and 2013 saw modest decreases in homeownership across racial groups, especially because of the intervention of the Great Recession. Black immigrants lost homes at a greater rate than other groups examined in this data (see Figure 5). In 2003, more than 43 percent of immigrants who self- identified as Black to the Census owned the homes they lived in. Four years after the end of the economic downturn, 40 percent of Black immigrants were homeowners. The loss was even greater for recent Black immigrants.



### Figure 5: Change in Percent Homeownership Rate by Race, 2003-2013

Source: Solidarity Research Center analysis of Current Population Survey (2003-2013) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

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### DISAGGREGATING ASIAN GROUPS COMPLICATES NARRATIVES ABOUT HOMEOWNERSHIP

Asians had steady home ownership rates throughout the past decade, lower than Whites and higher than other racial groups. However, as noted, when wealth is tied directly to homeownership this may mean vulnerability in times of economic recession. Researchers have noted that homeownership for Asians varies by ethnicity and it is helpful to look at disaggregated Asian homeownership rates.<sup>8</sup> For one thing, household size varies across Asian ethnic groups and high homeownership rate may mask the fact that one household is comprised of multiple adults rather than a traditional nuclear family.<sup>9</sup> Chinese Americans in Los Angeles may be better situated to avoid subprime lenders than other Asian ethnic groups, in part, because they have access to mortgages at large mainstream banks as well as Asian banks.<sup>10</sup> A 2012 policy briefing on housing and home ownership for Asians in Minnesota showed that the home value of Hmong Minnesotans dropped considerably postrecession but Chinese and White homeowners gained value on their homes during the same period.<sup>11</sup> This is all to say that not only is it important to disaggregate groups by ethnicity but local context also makes a considerable difference.

<u>FURTHER INQUIRY?</u> Nationwide, are Asian immigrants and Native Americans the two groups that increased their rates of homeownership between 2003 and 2013? One possible explanation for Native Americans may be targeted policy. It may be useful to look at rates of homeownership by race and geographic location, to view disparities and similarities across groups in different housing markets. What would looking at disaggregated ethnic group data by local context reveal that is made invisible when we examine national data?

We were limited in how many racial categories we could disentangle. We'd suggest breaking down other racial groups, such as Latinos, by immigration status in future research.

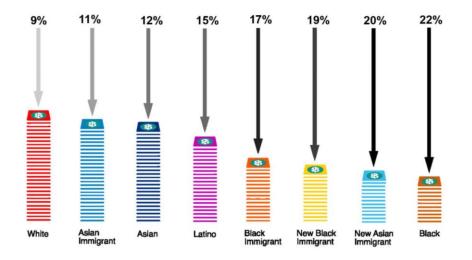
### **INFOGRAPHIC: RECESSION TRENCH**

# model minority land

The game of life where we all aspire towards the American Dream is rigged by anti-blackness

# **RECESSION TRENCH**

BETWEEN 2003 AND 2013 WAGES AND SALARIES DROPPED SIGNIFICANTLY FOR ALL AMERICANS. WAGE LOSSES FOR BLACKS AND NEW ASIAN IMMIGRANTS WERE ESPECIALLY DRAMATIC.



\* Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less. Source: Solidarity Research Center analysis of Current Population Survey (2003-2013)





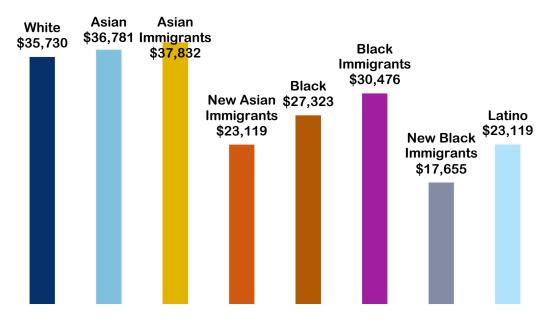
# **BLACK & ASIAN INCOME**

Income is the amount of money a person or family earns during a particular year. Wages and salary are one of the most important components of income but income also includes child support, interest, dividend, rental income and any additional forms of yearly money support received.

Wage differences between Blacks and Asians are substantial. As the graph below shows, for the years 2010-2012, Asian median per capita wages were 40 percent higher than the Black median. Yet New Asian immigrants earned roughly 40 percent less than Asians and Whites. Black immigrants earned almost 12 percent more than Blacks (Asian Immigrants earned slightly more than Asians but only by about 3 percent). These data points complicate the picture of racial discrepancies in wages.

<u>CHALLENGE</u>: As with the wealth statistics for 2005, this data can be used to buttress the "Asians are out-whiting the Whites" meme, showing that both Asians aggregately as well as Asian immigrants overall earn more per capita than Whites. This also feeds into the anti-Black aspects of the model minority myth.

<u>FURTHER INQUIRY?</u> Why is it that Black immigrants have higher median wages than Black Americans? What about the difference between New Asian immigrants and New Black immigrants? Are these groups concentrated in particular labor sectors? These data sets bring up important questions for further examination.



### Figure 6: Median Wage and Salary by Race and Immigration, 2010-2012 (in 2014 dollars)

Source: Solidarity Research Center analysis of American Community Survey (2010-2012) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

# THE GREAT RECESSION DISPROPORTIONATELY HURT NATIVE AMERICANS, BLACKS

Since the 2010-2012 data only captures a moment in time, it is important to look at changes in wages from 2003-2013. The wages and salaries of Asians as a whole, Asian immigrants, and Whites declined at around the same rates (12 percent, 11 percent, and 9 percent, respectively). Native American and Black wages declined by the largest percentages, 24 percent and 22 percent, respectively (see Figure 7). But New Asian Immigrants also lost 20 percent of their wages.

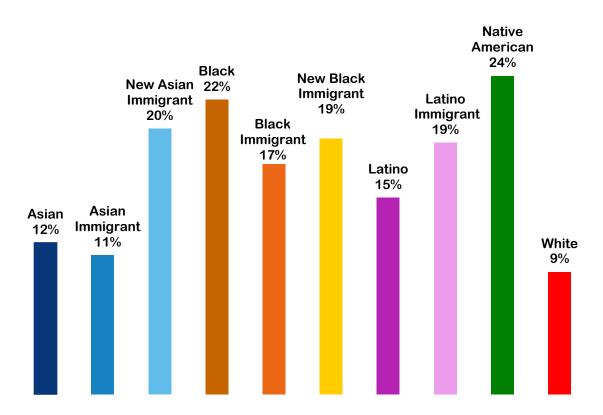


Figure 7: Percent of Wage Decrease by Race and Immigration, 2003-2013 (in 2014 dollars)

Source: Solidarity Research Center analysis of Current Population Survey (2003-2013)<sup>12</sup> Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

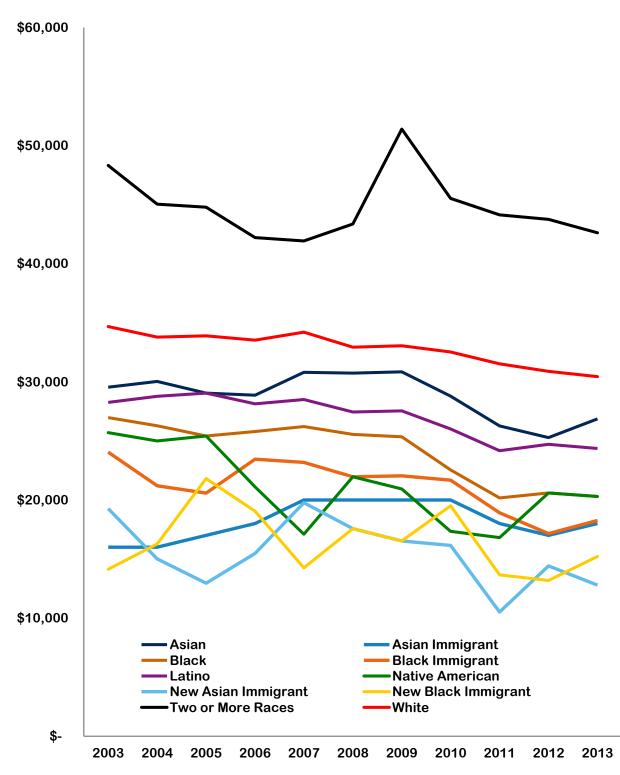


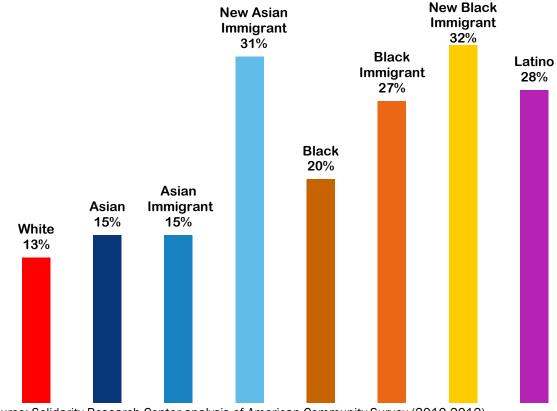
Figure 8: Median Wage and Salary by Race and Immigration (in 2014 dollars)

Source: Solidarity Research Center analysis of Current Population Survey (2003-2013) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

# BLACK IMMIGRANTS & ASIAN IMMIGRANTS EXPERIENCE HIGH LEVELS OF POVERTY

Poverty is determined based on wages and additional income (like rental income or child support). 13 percent of Whites, 15 percent of Asians and 15 percent of Asian Immigrants live in poverty. More adversely impacted are New Asian Immigrants, 31 percent of whom live in poverty. By comparison, 20 percent of Blacks live in poverty, 27 percent of Black immigrants and 32 percent of new Black Immigrants are in poverty.

<u>OPPORTUNITY?</u> How can we explain the high rates of poverty among Blacks, Latinos, and New Asian immigrants (20-32 percent)? Particularly since these same groups share relatively low wages in comparison to Asians (aggregately) and Whites, and also experienced relatively large declines in median income. Is there an opportunity to create shared messages and demands here?



### Figure 9: Percentage of Persons in Poverty, 2010-2012

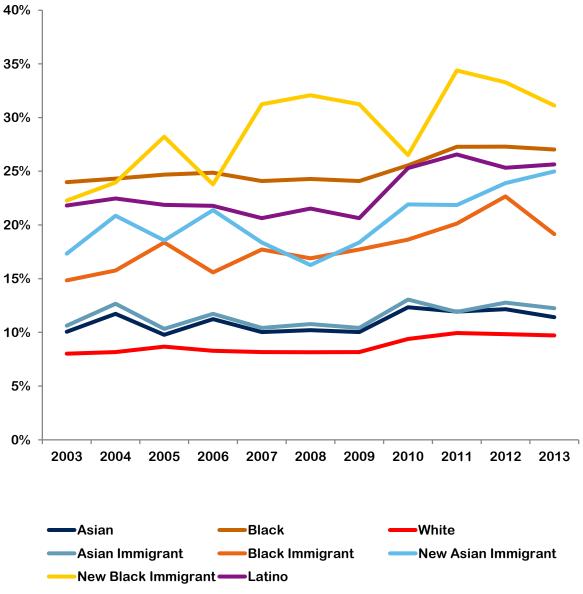
Source: Solidarity Research Center analysis of American Community Survey (2010-2012) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

Official poverty rates, though flawed, do reflect the uneven impact the recession had on the poorest Blacks and Asians. New Asian immigrants and all groups of Blacks suffered the most extreme poverty (of all groups analyzed in this report) during the recession.

## POVERTY LEVELS BY RACE DURING THE RECESSION

Here again the challenge is that the blunt numbers for Asians as a whole, Asian immigrants, and Whites can be used to reinforce the model minority myth and "post-racial" meritocracy. However, data can never tell the entire story. A number of researchers have pointed out that increases in the overall number of Asian Americans living in poverty during the recession were masked by large increases to the overall Asian American population, including large numbers of highly skilled, highly educated immigrants moving to the U.S. over the last decade. <sup>13</sup>

#### Figure 10: Percentage of Persons in Poverty, 2003-2013



Source: Solidarity Research Center analysis of Current Population Survey (2003-2013) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

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## THE PROBLEM WITH OFFICIAL POVERTY MEASUREMENTS

Problems with the way poverty has been measured are well documented: the official poverty line is set too low, it is based on outdated estimates about cost of living and it does not account for differences across geography or complex family circumstances. Alternative measures such as the Self-Sufficiency Standard provide more holistic ways of measuring poverty (For more information, see *Center for Women's Welfare*, <a href="http://www.selfsufficiencystandard.org/standard.html">http://www.selfsufficiencystandard.org/standard.html</a>), which is why we also look at participation in food stamp programs.

# FOOD STAMP PARTICIPATION ROSE DURING RECESSION

To better understand poverty, we can take a look at participation in the food stamp program, one of the only significant federal financial supports provided to the poor. From 2007 to 2012 overall food stamp participation increased by 76 percent.<sup>14</sup>

However, this statistic does not include undocumented immigrants (who are ineligible), which may explain the difference in Asian immigrant participation relative to poverty and wages. Most Black Americans whose income qualifies them for the food stamp program are U.S. citizens, whereas it is possible that significant numbers of Asians whose income level qualifies them for food stamps are disqualified because of their immigration status.

Between 2003 and 2013, people of color, especially Blacks and Latinos, were participating in food stamp assistance programs at steadily increasing rates (see Figure 11).

Thirty percent of all food stamp recipients have incomes that are above the poverty line,<sup>15</sup> reminding us that these numbers actually represent a vast number of people who are struggling but do not receive official poverty assistance.

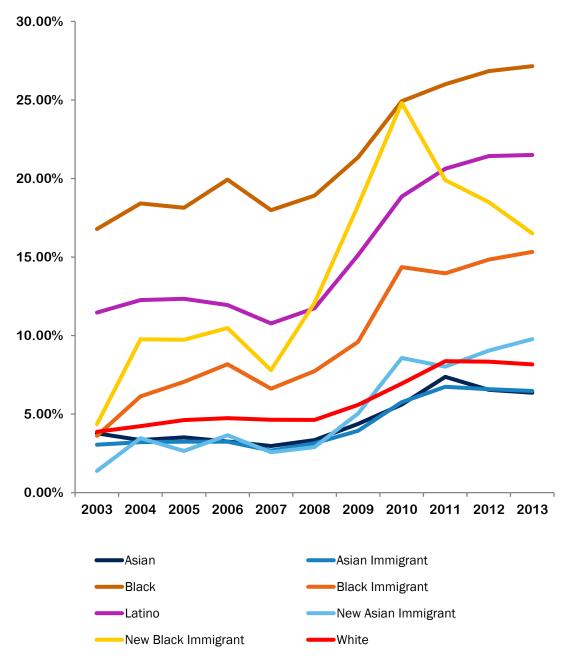


Figure 11: Food Stamp Recipients by Race and Immigration, 2003-2013

Source: Solidarity Research Center analysis of Current Population Survey (2003-2013) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

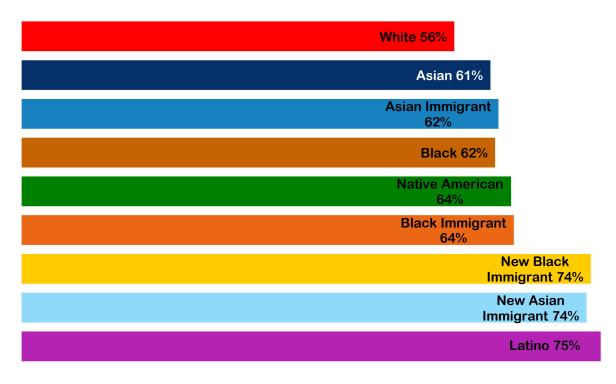
**FUTURE INQUIRY?** New Asian Immigrants are not taking advantage of food stamp support to the same degree that Blacks and Latinos are, despite relatively high poverty levels. Why is this? New Black Immigrants are the only group that has decreased their use of food stamps over the last few years. What is happening here?

# **BLACKS & ASIANS LESS LIKELY TO HOLD RETIREMENT SAVINGS**

Whether people have work-supported pension plans makes a major difference in their quality of life in old age. Researchers have pointed out that close to 15 percent of the Asians over age 65 were living in poverty in 2010, compared to only 6.8 percent of the White elderly population and 18 percent of the Black elderly population.<sup>16</sup>

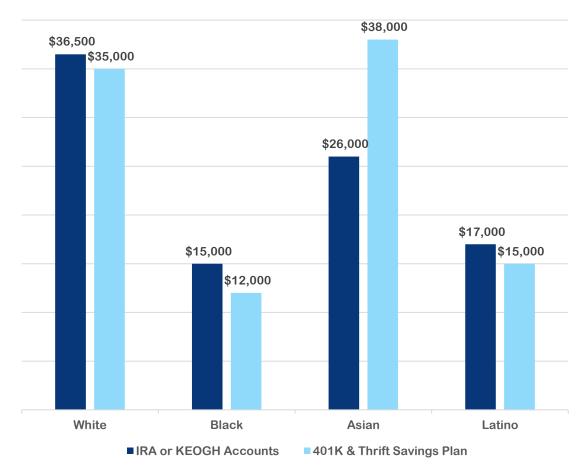
In 2011 74 percent of New Black Immigrants and New Asian Immigrants did not have worksupported pension plans (see Figure 14). In 2011 Black median retirement assets equaled \$27,000, White median assets were at \$71,000, Asian median assets totaled \$64,000, while Latino median assets were at \$32,000 (see Figure 15).<sup>17</sup>

Figure 12: No Pension Plans at Work, 2010-2012



Source: Solidarity Research Center analysis of American Community Survey (2010-2012) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

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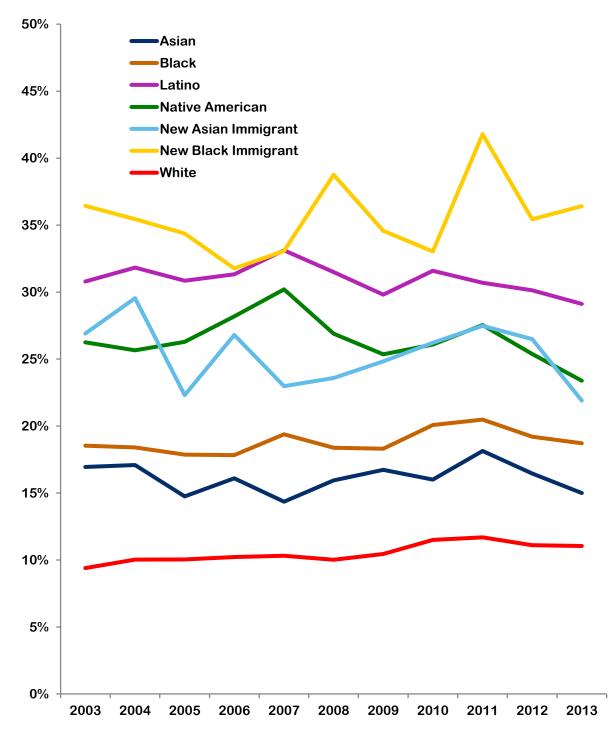
Source: Solidarity Research Center analysis of Survey of Income and Program Participation (2011)

# HIGH NUMBERS OF UNINSURED ASIAN AND BLACK IMMIGRANTS

Access to health insurance is an important indicator of economic stability, although access to insurance does not necessarily denote access to care or quality of care. The average percentage of Asian Americans uninsured between 2003 to 2013 was 16 percent, 6 percent higher than White Americans and 3 percent lower than Black Americans. 36 percent of New Black Immigrants were uninsured in 2013 and 22 percent of New Asian Immigrants.

The recession's impact on health insurance was much less severe than in other areas and since the Affordable Care Act was implemented in 2014 these trends may change moving forward.

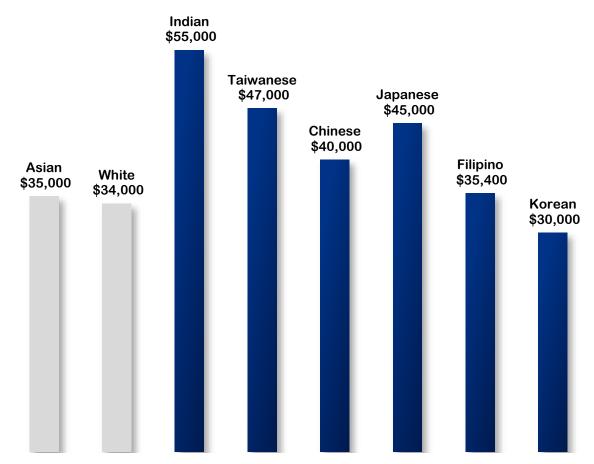




Source: Solidarity Research Center analysis of American Community Survey (2010-2012) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

## DISAGGREGATING ASIAN GROUPS KEY TO UNLOCKING OPPORTUNITIES FOR COALITION WORK

The highest Asian wage and salary earners include Indians, Chinese, Japanese and Filipino Americans, groups representing 75 percent of all Asian Americans. In 2010-2012 the median wage for Indian-Americans was \$55,000, while for Japanese-Americans and Filipino-Americans median wages were \$45,000 and \$35,400, respectively. High-wage earners significantly contribute to the high average wages of aggregated Asians.





Source: Solidarity Research Center analysis of American Community Survey (2010-2012)

It is important to compare the highest Asian wage earners to some of the lowest Asian wage earners. Many of who are in the Southeast Asian ethnic communities. In 2010-2012 Vietnamese had a median income of \$25,000, Laotian \$28,000, Hmong \$21,000 and Cambodian \$25,000. Again, Black median income was \$26,000 in 2010 and White income was \$34,000.

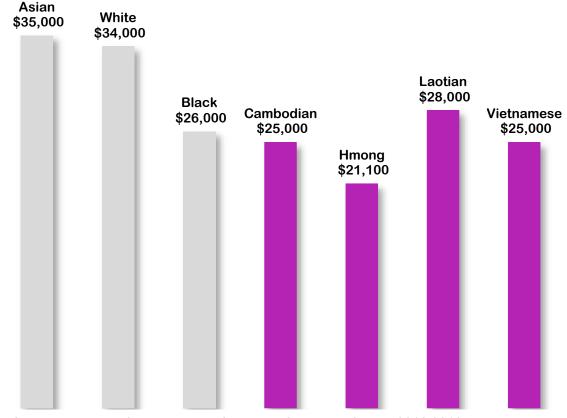
Southeast Asians earn 73 cents for every dollar that Whites earn.

# SOUTHEAST ASIANS & POVERTY

Many Southeast Asians fled their home countries during and after the U.S.-led Vietnam war and the bombings of Cambodia. Many were brought directly to the United States as part of the anti-communist interventions and were provided with welfare support under the "Indochina Migration and Refugee Assistance Act" of 1975. This support has since been taken away and these communities are no longer considered refugees.

Adding to this, Southeast Asians typically have darker skin tones than many of the higher wage earning Asians and are thought of in the public imaginary as part of the "underclass," living in a "culture of poverty." In America's racial, social and economic structures built on White supremacy this is form of class-based racialization that links Southeast Asians living in the United States more closely with Black Americans.

# Figure 16: Southeast Asian Median Wages, 2010-2012 (in 2014 dollars)



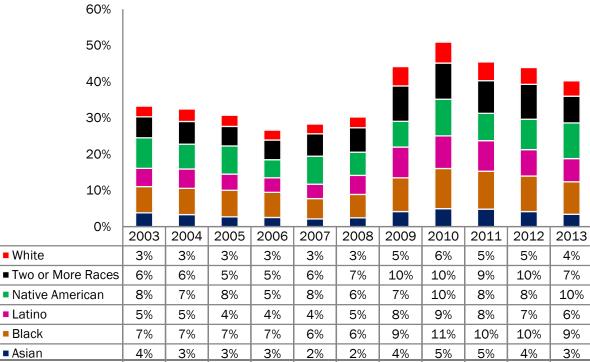
Source: Solidarity Research Center analysis of American Community Survey (2010-2012)

# **BLACK & ASIAN EMPLOYMENT**

t first glance, employment statistics tell a familiar story – Blacks have the highest unemployment rate while Asians have the lowest, even lower than Whites. But a more varied picture emerges after breaking down the data by immigration, and considering other factors such as long-term unemployment, "missing workers" who have dropped out of the labor force, and rates of unionization.

### **UNEMPLOYMENT ACROSS RACE**

Unemployment for all groups increased in 2009, peaked in 2010, and slowly decreased from 2011 onwards (see Figure 17A). During the past decade, between 2003 and 2013, Blacks consistently endured an unemployment rate two to three times higher than that affecting Asians.



### Figure 17A: Unemployment by Race, 2003-2013

Source: Solidarity Research Center analysis of Current Population Survey (2003-2013) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

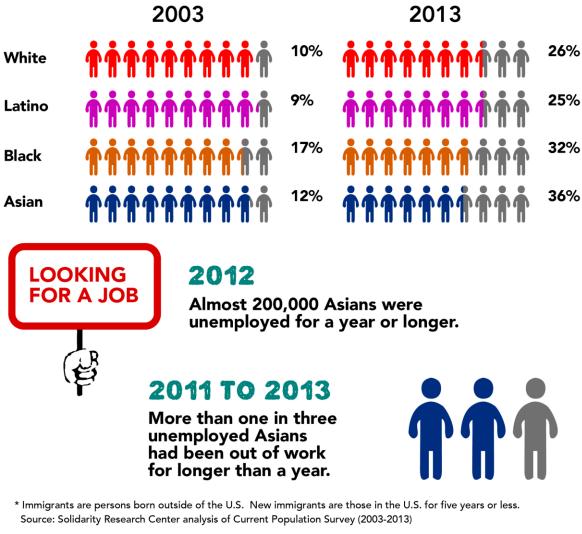
# **INFOGRAPHIC: IN IT TO LOSE IT**



The game of life where we all aspire towards the American Dream is rigged by anti-blackness

# IN IT TO LOSE IT

FROM 2003 TO 2013, BLACKS AND ASIANS LOST IN THE GAME OF UNEMPLOYMENT.

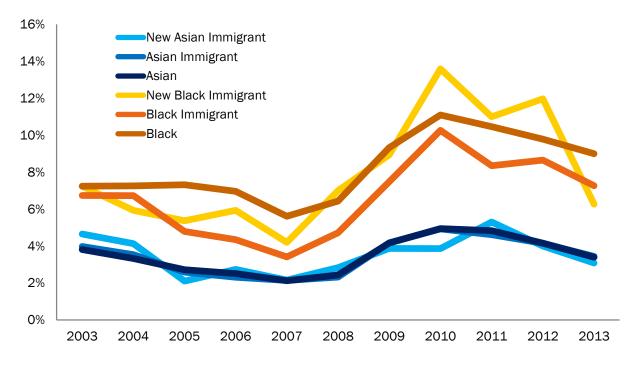






http://www.changelab.info/

http://solidarityresearch.org/



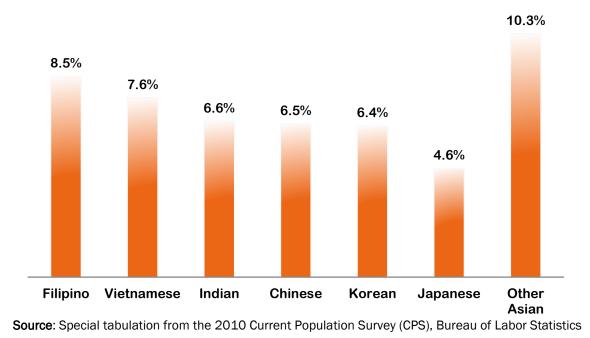
#### Figure 17B: Unemployment by Race and Immigration (Black & Asian), 2003-2013

Source: Solidarity Research Center analysis of Current Population Survey (2003-2013) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less

### **UNEMPLOYMENT FOR BLACK & ASIAN IMMIGRANTS**

Between 2003 and 2013, there was not much difference in unemployment rates between the Asian populations surveyed – Asian, Asian immigrant, and new Asian immigrant (see Figure 17B).<sup>19</sup> In contrast, the Black population showed greater variation in unemployment based on immigration: new Black immigrants have the highest unemployment rate, followed by Black, and Black immigrant (see figure 18).

However, ethnic disaggregation of the Asian population reveals greater variety in the unemployment rate--while Japanese Americans have an unemployment rate of 4.6 percent, Filipinos have a rate of unemployment of 8.5 percent (see figure 19).<sup>20</sup> These discrepancies echo differences with respect to income, culture and educational attainment and while the data sets are slightly different from the others we are looking at (from 2010, collected by a different source and analyzed by the Department of Labor) they offer an indication of the importance of taking a closer look at ethnic differences amongst Asian Americans to better understand work related trends.



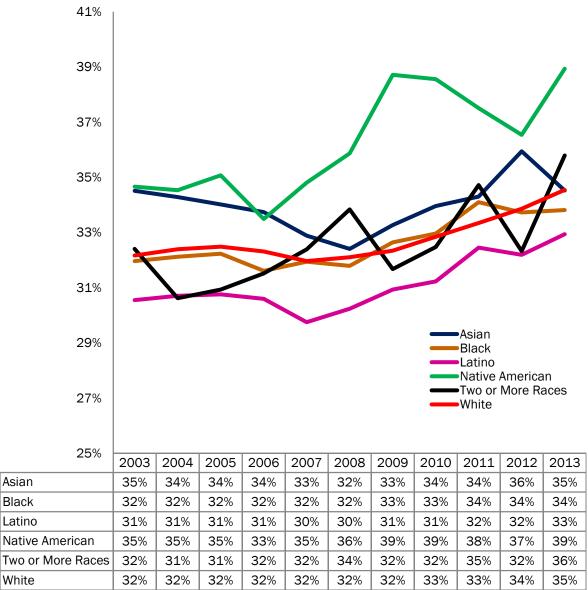
### Figure 18: Select Disaggregated Unemployment Data by Asian Ethnicity, 2010

### MISSING WORKERS

The model minority thesis thrives on cultural explanations about Asians and Blacks, contrasting hard-working Asians with supposedly lazy Blacks. Not only does evaluating communities in terms of employment overlook structural conditions such as barriers to jobs and immigration policies that favor White-collar Asian immigrants, it also misses the reality of "missing workers"<sup>21</sup> that constitute a third of Asian and Black communities. These missing workers are individuals who have dropped out of the labor force – they are neither employed nor looking for work.<sup>22</sup>

Currently in the U.S., the percentage of the population not in the labor force is at a 30-year high, with about 90 million people out of the labor force.<sup>23</sup> Across all racial groups, about one in three in the U.S. are out of labor force (see Figure 19).

People drop out of the labor force for a variety of reasons. Many are "discouraged workers"<sup>24</sup> who have looked for a job for over a year and have stopped looking. Researchers also speculate that structural factors, such as aging and changes in the economy, contribute to the growing number of missing workers.<sup>25</sup> For example, many missing workers are aging baby boomers who are retiring or have been unable to find work after being laid off.<sup>26</sup> A growing percentage of working-age youth are also out of the labor force, squeezed out of low-wage jobs now occupied by adults who formerly worked blue-collar jobs that have disappeared in the new service-oriented economy.<sup>27</sup>



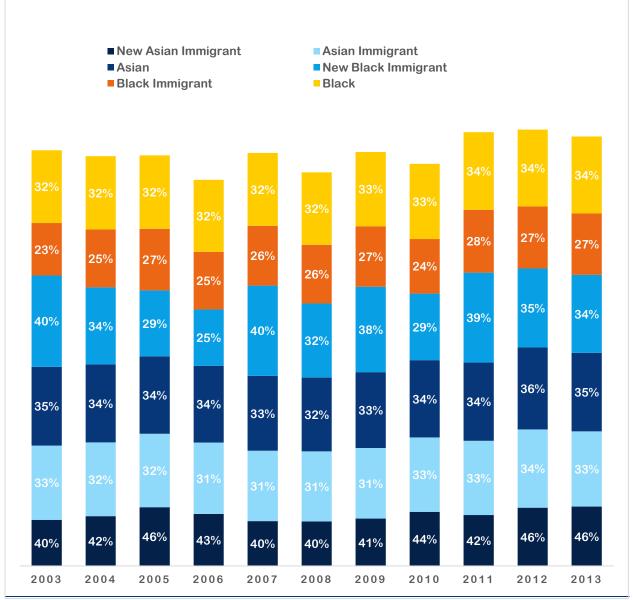
#### Figure 19: Workers Not in Labor Force by Race, 2003-2013

Source: Solidarity Research Center analysis of Current Population Survey (2003-2013)

# NEW IMMIGRANTS DROPPED OUT OF THE LABOR FORCE AT HIGH RATES

Immigration further complicates the picture of "missing workers." New Asian immigrants left the labor force at the highest rate, consistently 40 percent or more (see Figure 20). In contrast, Black immigrants had the highest rate of labor force participation.



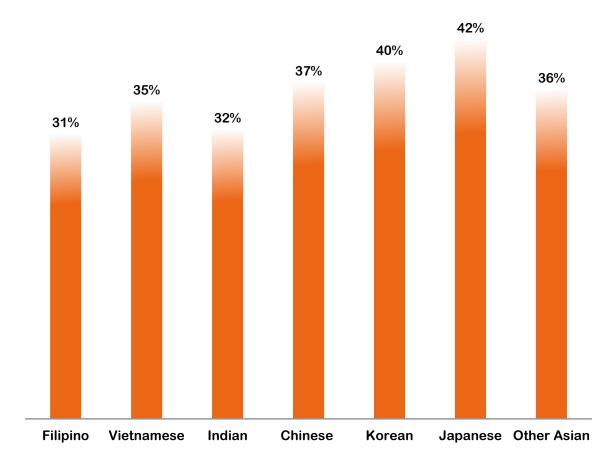


Source: Solidarity Research Center analysis of Current Population Survey (2003-2013) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

# HIGH NUMBER OF JAPANESE AND KOREAN NOT IN THE LABOR FORCE

Disaggregating Asians by ethnicity sheds light on differences in work experiences based on ethnicity: In 2010 40 percent of Koreans and 42 percent of Japanese were not in the labor force. With 35 percent and 37 percent, respectively, the Vietnamese and Chinese American communities also have high numbers not in the labor force (see figure 20).

This complicates our look at different ethnic groups and reminds us about the importance of context—economic, political but also social and cultural. These differences cannot be explained by income levels or wealth – since high wage earners such as the Japanese and the Indians have such radical differences in labor market participation. These numbers might be explained by the number of aged individuals in these communities or by cultural norms as they relate to class and gender. Research confirms that these numbers are consistent across years (and even generations) and suggests that the cultural norms of certain ethnic groups (Koreans, for example) may discourage middle and upper class women from working outside of the home.<sup>28</sup>

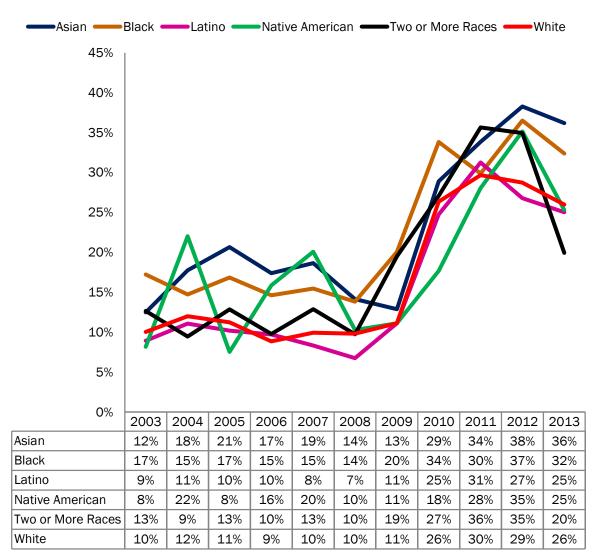


### Figure 20: Workers Not in Labor Force by Ethnicity, 2010

Source: Special tabulation from the 2010 Current Population Survey (CPS), Bureau of Labor Statistics

# ASIANS AND BLACKS EXPERIENCED THE HIGHEST LONG-TERM UNEMPLOYMENT

Although the end of the Great Recession was officially declared in 2009, long-term unemployment persists. Asians and Blacks experience the highest long-term unemployment (51 or more weeks) of all racial groups (see Figure 21). Asians had the highest long-term unemployment rate of all races from 2011 to 2013. From 2011 to 2013, more than one in three unemployed Asians was unemployed for more than 51 weeks (there are 52 weeks in a year). Long-term unemployment is linked to workers becoming discouraged and dropping out of the labor force altogether, joining the ranks of "missing workers" that no longer actively seek work.<sup>29</sup>



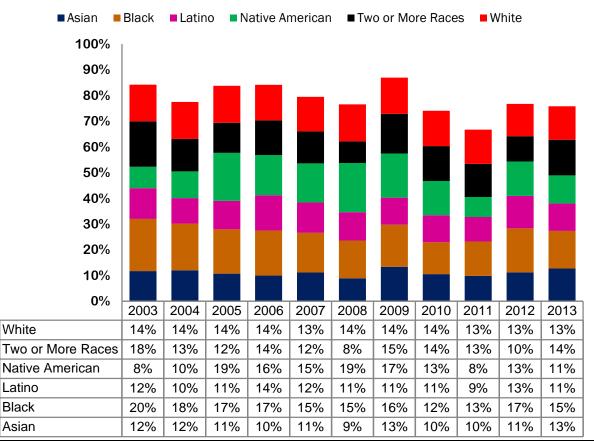
#### Figure 21: Long-Term Unemployment by Race, 2003-2013

Source: Solidarity Research Center analysis of Current Population Survey (2003-2013) Immigrants are persons born outside of the U.S. New immigrants are those in the U.S. for five years or less.

## UNION MEMBERSHIP ON THE DECLINE FOR BLACKS & ASIANS

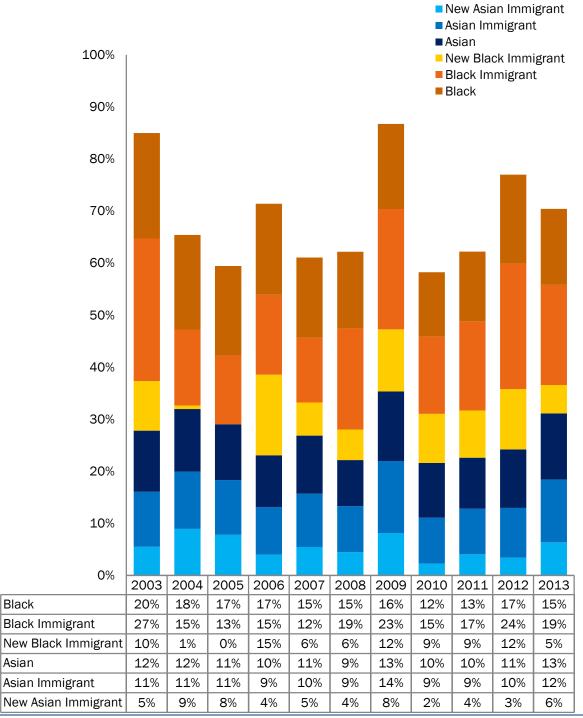
Employment in and of itself is no guarantee of survival and socioeconomic mobility. Labor unions provide a vehicle for workers to exercise power and collectively bargain for fair pay, benefits, and security. States with higher rates of unionization (also called union density) have lower rates of working poverty.<sup>30</sup> However, membership in unions declined across all racial groups over the past decade.

Blacks had the highest rates of unionization of all groups, with foreign-born Blacks at nearly 19 percent unionized, and Blacks overall at over 13 percent unionization (see Figures 22 and 23). Black union density is higher than Asian and White union density, 11 percent and 12 percent, respectively. New Asian immigrants have by far the lowest rate of unionization at 3 percent. The higher rate of Black union membership can be explained in part by the relatively large number of Black workers in public sector jobs,<sup>31</sup> which in 2013 were more than five times likely to be unionized than private sector jobs.<sup>32</sup> However, Blacks also suffered the biggest loss in membership over the decade, dropping from 20 percent in 2003 to 13 percent by 2013.



### Figure 22: Union Membership by Race, 2003-2013

Source: Solidarity Research Center analysis of Current Population Survey (2003-2013)



#### Figure 23: Union Membership by Race and Immigration (Black & Asian), 2003-2013

Source: Solidarity Research Center analysis of Current Population Survey (2003-2013)

# QUESTIONS

### WHAT ARE OUR KEY ARGUMENTS TO RESPOND TO THE FOLLOWING CHALLENGES? HOW DO WE CREATE AN ECHO CHAMBER AROUND OUR KEY ARGUMENTS?

<u>CHALLENGE:</u> At the aggregate level, wealth data is easily exploited to reinforce the model minority myth and anti-Blackness. Asians can be cited as a living example of how the nation has moved beyond race. The data does not explain the reasons for this aggregate Asian prosperity, leaving huge openings to draw flawed conclusions. The dominant racial narrative claims that the Asian success is due to cultural characteristics like familial respect and reverence for education as a pathway to economic mobility – traits that Blacks are seen to lack.

<u>CHALLENGE:</u> Before the onset of the downturn in 2005, the median value of Asian household wealth was \$184,839. This was greater than the median value of White household wealth that same year. Likewise, per capita income data shows that both Asians overall as well as Asian immigrants earn more per capita than Whites. Such data can be exploited not only to reinforce anti-Black racism, but also to drum up anti-Asian resentment, giving credence to the "Asians are out-whiting the Whites" meme.

### ARE THESE OPPORTUNITIES THAT WE CAN USE? IF SO, HOW?

Similar percentages of Blacks, Asians, and Latinos own between \$5,000 and \$49,999 in wealth. Are there messages can we agree upon that could build unity among working class Asians, Blacks, and Latinos? Asian, Black, and Latino household wealth all fell by about 50 percent after the Great Recession. In comparison, White families lost a little over a quarter of their assets. While the median value of wealth for Asian households remained exponentially higher than that of Blacks and Latinos, is there a message here about the vulnerability of non-Whiteness, and specifically the hyper-vulnerability of Blackness? How can we explain the relatively high rates of poverty among Blacks, Latinos, and new Asian immigrants (20-32 percent)? These same groups share relatively low wages in comparison to Asians aggregately and Whites, and also experienced relatively large declines in median income. Is there an opportunity for shared messages and demands among these groups?

### SHOULD WE PURSUE THE FOLLOWING QUESTIONS?

- → Why are Asian immigrants and Native Americans the two groups that increased their rates of homeownership between 2003 and 2013? One possible explanation for Native Americans may be targeted policy.
- → It may be useful to look at rates of homeownership by race and geographic location, to view disparities and similarities across groups in different housing markets. Housing experts may have additional insights into the explanatory factors.
- → Why do Black immigrants have higher median wages than Blacks overall? What about the difference between New Asian immigrants and New Black immigrants? Are these groups concentrated in particular labor sectors?
- ➔ Do Blacks and Southeast Asians share similar outcomes across a range of economic indicators (e.g., wealth, income, homeownership)? Do they share similar outcomes in other areas like policing and criminalization?



# SOLIDARITY RESEARCH CENTER solidarityresearch.org

Solidarity Research Center is a worker-owned collective that realizes a better world through deep inquiry, frameshift, and creative intervention. We love research + storytelling + direct action and, together, we have over three decades of experience in strategy + implementation. We are inspired by and based in Southland – Los Angeles, California and Atlanta, Georgia – place of polycentric sprawl and shifting demographics.

The project team for Black-Asian Solidarity Data include Kate Diedrick, Yvonne Yen Liu, and Jennie Yim.

**KATE DIEDRICK** holds a BA in English and American Studies from Grinnell College and is currently finishing up an MA in the Public Humanities at Brown University. Her work focuses on designing, evaluating and encouraging art, history and literature projects that serve economic justice organizing campaigns and facilitate communityled empowerment. Kate has professional experience as a researcher, labor organizer and ESL teacher.

**YVONNE YEN LIU** is based in Los Angeles, California, where the sun smiles on her every day. Although a native of NYC, she and the city have broken up and went their separate ways. She is a practitioner of research justice with over a decade of being a nerd for racial and social justice organizations. She has a BA in cultural anthropology from Columbia University and a MA degree in sociology from the CUNY Graduate Center, where she pursued a PhD.

JENNIE YIM grew up in Philadelphia, went to art school in NYC, and then settled snugly into the SF Bay Area. She's a new arrival to Los Angeles. She's an illustrator, concept, and storyboard artist.



# **ENDNOTES**

<sup>3</sup> We define wealth as household net worth or total assets a family owns after debt is subtracted. <sup>4</sup> Wu, Ellen D. 2014. The Color of Success: Asian Americans and the Origins of the Model Minority Myth. Princeton: Princeton University Press. Page 243.

<sup>6</sup> Cities in California were particularly hard-hit by changes in the housing market. De La Cruz-Viesca, Melany. (Fall 2011) "Disaggregation Matters: Asian Americans and Wealth Data." Asian Americans & Pacific Islanders Policy, Practice & Community. aapi nexus: Vol. 9: 91-100. <sup>7</sup> Ibid. 97.

<sup>8</sup> Painter, G., Yang, L. and Yu, Z (2003 March). Heterogeneity in Asian American Home-ownership: The Impact of Household Endowments and Immigrant Status. <u>Urban Studies</u>, 40(3): 505-530.

<sup>9</sup> Yu, Zhou, and Dowell Myers (2010). "Misleading Comparisons of Homeownership Rates When the Variable Effect of Household Formation Is Ignored: Explaining Rising Homeownership and the Homeownership Gap Between Blacks and Asians in the U.S." <u>Urban Studies</u> 47(10): 2615–2640. <sup>10</sup> Zonta M (2012). Applying for home mortgages in immigrant communities: the case of Asian

applicants in Los Angeles. Environment and Planning 44(1): 89 - 110.

<sup>11</sup> Council on Asian Pacific Minnesotans. (2012, April 18) Policy Brief on Housing and Homeownership for Asian Pacific Minnesotans. Retrieved from

http://mn.gov/capm/pdf/housingAsianPacific\_MN2012.pdf

<sup>12</sup> These percent changes were calculated by comparing average median wages before the recession (2003-2005) with average median wages after (2010-2013).

<sup>13</sup> National Coalition for Asian Pacific American Community Development. (2013, June 17). Spotlight on Asian American and Pacific Islander Poverty: A Demographic Profile. Retrieved

from <u>http://nationalcapacd.org/spotlight-asian-american-and-pacific-islander-poverty-demographic-profile</u>

<sup>14</sup>Zedlewski, W. Waxman E. & Gundersen C. (2012, July). SNAP's Role in the Great Recession. *Urban Institute.* Retrieved from

http://www.urban.org/UploadedPDF/412613-SNAPs-Role-in-the-Great-Recession-and-Beyond.pdf <sup>15</sup> Ibid.

<sup>16</sup> U.S. Department of Health and Human Services: Administration on Aging. (2012). A Profile of Older Americans. Retrieved from

http://www.aoa.gov/Aging\_Statistics/Profile/2011/docs/2011profile.pdf

<sup>17</sup> Data in figure 14 reflects only whether a person had access to (and signed up for) a pension through their employer (or union) during their longest term of employment the preceding year—it excludes all social security benefits, private retirement plans and is only a partial indication of differences in retirement assets.

<sup>18</sup> The data includes access to private or public forms of insurance, including Medicaid/Medicare. <sup>19</sup>"New Asian immigrant" is defined as arriving to the U.S. within the past five years at the time the survey was taken.

<sup>20</sup> U.S. Department of Labor. (2011, July 22). *The Asian American Labor Force in Recovery*. Retrieved from: http://www.dol.gov/\_sec/media/reports/AsianLaborForce/AsianLaborForce.pdf

<sup>21</sup>Missing Workers: The Missing Part of the Unemployment Story (2014 November). *Economic Policy Institute*. Retrieved from: http://www.epi.org/publication/missing-workers/

<sup>&</sup>lt;sup>1</sup> Whites See Racism as a Zero-Sum Game That They Are Now Losing, Michael I. Norton and Samuel R. Sommers. Harvard Business School, Boston, MA, and Department of Psychology, Tufts University, Medford, MA.

<sup>&</sup>lt;sup>2</sup> Jones, Robert P. (12 May 2014). "Hidden Racial Anxiety in an Age of Waning Racism." *The Atlantic*. Retrieved from: <u>http://www.theatlantic.com/politics/archive/2014/05/unspoken-racial-tensions/362023/2/</u>

<sup>&</sup>lt;sup>5</sup> Bureau of Labor Statistics. Special Unemployment Rate U-6,, seasonally unadjusted. Labor Force Statistics from the Current Population Survey, Series ID LNU03327709.

<sup>22</sup>BLS defines "not in the labor force" in the Current Population Survey as including "persons aged 16 years and older in the civilian non-institutional population who are neither employed nor unemployed in accordance with the definitions contained in this glossary. Information is collected on their desire for and availability for work, job search activity in the prior year, and reasons for not currently searching."

<sup>23</sup>Hargreaves, Steve (2013, September 6). Labor participation lowest since 1978. CNN Money. Retrieved at http://money.cnn.com/2013/09/06/news/economy/labor-force-participation/ <sup>24</sup>BLS defines "discouraged workers" in the Current Population Survey as, "Persons not in the labor force who want and are available for a job and who have looked for work sometime in the past 12 months (or since the end of their last job if they held one within the past 12 months), but who are not currently looking because they believe there are no jobs available or there are none for which they would qualify."

<sup>25</sup>Aaronson, S. et al (2014 September). Labor Force Participation: Recent Developments and Future Prospects. *Federal Reserve Board: Finance and Economics Discussion Series Working Papers*. Retrieved from: http://www.federalreserve.gov/pubs/feds/2014/201464/201464abs.html
 <sup>26</sup>Ibid.

<sup>27</sup>Ibid.

<sup>28</sup> Xie, Y., Goyette, K. Asian Americans: A Demographic Portrait. University of Michigan. Retrieved from: November 9, 2014. <u>http://www-personal.umich.edu/~yuxie/Research/brief/Xie-Goyette.pdf</u>
<sup>29</sup>Krueger, A., Cramer, J., and Cho, D (2014 Spring). Are the Long-Term Unemployed on the Margins of the Labor Market? *Brookings Institute, Papers on Economic Activity*. Retrieved at http://www.brookings.edu/about/projects/bpea/papers/2014/are-longterm-unemployed-margins-

labor-market

<sup>30</sup>Brady, D., Baker, R., & Finnigan, R. (2013 October). When Unionization Disappears: State-Level Unionization and Working Poverty in the United States. *American Sociological Review*, 78: 872-896.
 <sup>31</sup>Wilson, Patrick L. 2000. *African Americans, Labor, and Society: Organizing for a New Agenda*. Detroit: Wayne State University Press. Page 49.

<sup>32</sup>Bureau of Labor Statistics. News Release: Union Members – 2013. Retrieved from: http://www.bls.gov/news.release/pdf/union2.pdf