Diversity and Change

Asian American and Pacific Islander Workers

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Executive Summary

About 7.4 million Asian Americans and Pacific Islanders (AAPI) work in the United States, making up 5.3 percent of the total U.S. workforce. About 7.1 million of these AAPI workers are Asian Americans; about 300,000 are Pacific Islanders.

The AAPI workforce is almost 20 times larger today than it was in 1960. Meanwhile, the share of AAPIs in the total workforce has increased about tenfold over the same period. Three broad themes emerge from our analysis of the data:

The first is that AAPI workers are highly diverse.

- AAPIs come from dozens of national and ethnic backgrounds. They speak many languages, from English to Chinese to Hindi.
- AAPIs work across a wide range of industries. For AAPI women, health-care industries are the largest employers. The largest single industry for AAPI men is restaurants.
- The public sector is a major employer of AAPI workers. About 1-in-7 AAPI workers are in a public-sector job at the local, state, or federal level. To put this in perspective, the share of AAPI workers in the public sector is more than twice as high as the share of AAPI workers who are self-employed.
- As a group, AAPIs have a higher level of educational attainment than whites, blacks, and Latinos. Over half of AAPI workers have a four-year college degree or more. At the same time, AAPI workers are less likely than white workers to have a high school degree.
- AAPI workers are also the only one of the four major racial and ethnic groups where men are more likely than women to have a college degree or more.
- Three-fourths of AAPI workers were born outside the United States. Pacific Islanders are much more likely than Asian Americans to have been born in the United States. A large majority (71.4 percent) of AAPI workers are U.S. citizens.

The second theme is that AAPI workers face many challenges in the labor market.

- Earnings inequality is higher for AAPI workers than it is for workers from other racial and ethnic groups. The ratio of a high-paid to a low-paid AAPI worker is about 6-to-1, compared to about 5-to-1 for whites, blacks, and Latinos.
- Over the past two decades, earnings inequality increased about five percent among whites, but about 15 percent among AAPI workers.
- Over the last decade, the working poverty rate has been consistently somewhat higher for AAPIs than for whites. Working poverty rates are especially high among Bangladeshi (about 1-in-6) and Hmong (about 1-in-9) workers.
- AAPI workers are substantially less likely to own their house (less than two-thirds) than

white workers are (almost three-quarters). The gap in home ownership rates is so large that no ethnic AAPI groups have a home ownership rate that is as high as the average rate for whites.

- About 1-in-6 AAPI workers live in a household that is linguistically isolated. Asian American households have an even higher rate of linguistic isolation, while less than 1-in-20 Pacific Islander households are linguistically isolated.

The final theme is that the trends in the economic circumstances of AAPI workers have closely mirrored those of the broader workforce.

- The share of AAPI workers without health insurance is higher than it is for whites, but below rates for blacks and Latinos. Lack of health insurance is a particular problem for workers in several AAPI ethnic groups, such Bangladeshis, Pakistanis, and Tongans, for whom about one-quarter lack health insurance.

- AAPI workers have suffered with the rest of the workforce as employer-provided health insurance has been on the decline. In 1989, about 7-in-10 AAPI workers had employer-provided coverage; by 2009, the share of AAPI workers with employer-provided coverage had fallen to close to 6-in-10.

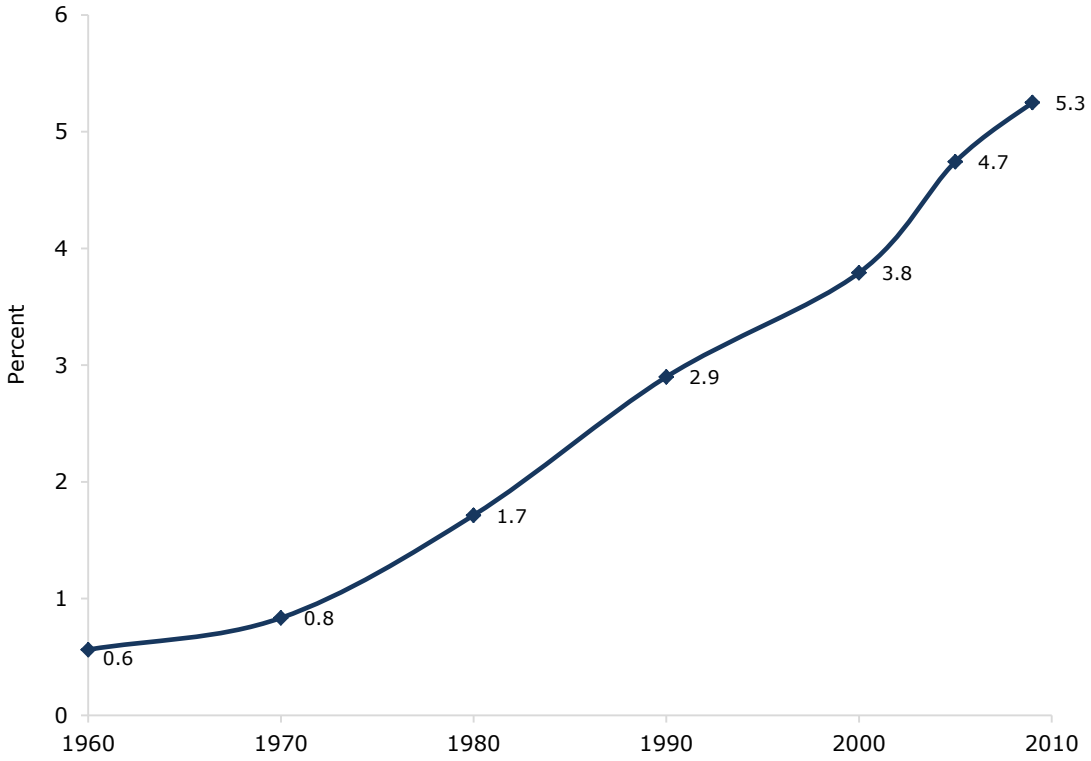
- In 2009, the worst year of the Great Recession, the unemployment rate for AAPI workers was 8.0 percent, just below the unemployment rate for white workers. AAPI workers' higher level of formal education has the effect of lowering their unemployment rate relative to other, less-educated racial and ethnic groups. More-educated AAPI workers have higher rates of unemployment than white workers with the same level of education.

- AAPIs between the ages of 16 and 64 are somewhat less likely to have a job (68.0 percent) than whites in the same age range (70.5 percent). However, employment rates vary widely among AAPIs, and differences in gender norms among different ethnic groups strongly influence employment rates.

Section 1: Overview

About 7.4 million Asian Americans and Pacific Islanders (AAPI) work in the United States. The AAPI workforce is almost 20 times larger today than it was in 1960, when there were less than half a million AAPI workers in the country.[1] Even after factoring in the substantial growth in the rest of the U.S. workforce, the share of AAPIs in the total workforce has increased about tenfold in the last five decades – from about one-half of one percent of all U.S. workers in 1960 to over 5 percent today. (See **Figure 1.1**.)

FIGURE 1.1
Asian American and Pacific Islanders as Share of Workforce, 1960-2009



Source: CEPR analysis of CEPR extract of Decennial Census PUMS, 1960-2000, and ACS, 2005 and 2009.

In this report, we provide a statistical overview of the AAPI workforce in the United States. Three broad themes emerge from our analysis of the data. The first is that AAPI workers are highly diverse. AAPIs come from dozens of national and ethnic backgrounds. They speak many languages, from English to Chinese to Hindi. Three-fourths are immigrants. They are concentrated in the Pacific Coast region and the East Coast, but have a presence in every state in the country. They are more likely than whites to have a college degree, but they are also less likely than whites to have finished high school. The top 20 occupations held by AAPI workers range from doctors and computer engineers to hotel room cleaners and cashiers.

1 The AAPI Population in the U.S. rose from 0.9 million in 1960 to 15.6 million in 2009.

The second theme is that AAPI workers face many challenges in the labor market. In some cases, these challenges are obvious in the aggregate data. Relative to whites, AAPIs have a lower employment rate, are less likely to have employer-provided health insurance, are far less likely to own their home, and are far more likely to have language difficulties. These findings add to the growing academic evidence of a "glass ceiling" facing AAPI workers. In many cases, however, the relatively high *average* economic indicators for AAPI workers obscure large differences *within* the AAPI workforce. For almost every indicator we examine, some AAPI groups have better outcomes than whites, but it is also the case that for almost every indicator, some AAPI groups have outcomes that lag behind African Americans and Latinos.

The final theme is that the trends in the economic circumstances of AAPI workers have closely mirrored those of the broader workforce. Wage inequality has been increasing within the AAPI workforce (at an even faster rate than in the rest of the economy). Employer-provided health insurance has dropped sharply for AAPI workers. AAPI employment rates have plummeted since 2007, while unemployment among AAPI workers has reached its highest rate since the government began to track these numbers. The same factors that over the last 30 years have produced a stagnating and declining standard of living for workers as a whole are also acting with equal force on AAPI workers.

The Rise of the AAPI Workforce

Since the early 1840s, Asian Americans and Pacific Islanders have lived and worked in America. Most Asian immigrants came, and still come, to the United States in order to make a living and seek better lives. In turn, America's economy has repeatedly sought pools of cheap labor – often through immigrants – to maximize profits. Many early Asian immigrants (mostly Chinese, Filipino, Korean, and some Asian Indian) first came to the United States seeking opportunities as gold miners, railroad construction workers, and plantation or farm workers in both California and Hawaii.

However, a long history of anti-Asian discriminatory laws have shaped the AAPI workforce as we know it today. From the 1880s to the 1940s, a series of anti-Asian immigration laws effectively barred Asians (and many other non-Western European migrants) from seeking opportunity in the United States. Beginning with the 1882 Chinese Exclusion Act, and cumulating with the 1917 "Asiatic Barred Zone," the United States passed a series of discriminatory laws that specifically barred immigration from Asian countries based on racial categories. Most Asian immigrants were also disenfranchised from the political process and were not allowed to naturalize as U.S. citizens. All of these laws were fueled by virulent racial prejudice against all people of Asian descent, and resulted in a great decline of the AAPI community.

By the 1960s, immigration and racial policies in the United States would vastly change the country's demographics and create an unintended resurgence in the AAPI community. The 1965 Immigration and Nationality Act, along with a series of refugee assistance acts following World War II, lifted the gates for many Asian immigrants. The immigration act placed priority on employable high-skilled immigrants as well as familial relationships, while the refugee assistance acts provided pathways for many Southeast Asian immigrants fleeing turmoil in their countries of origin. Finally, after World War II, nearly all of the major Asian countries had either experienced warfare or violence, while at the same time the United States had solidified a position of power globally and with many Asian countries. The combination of these push and pull factors created a bimodal population, of which a

third were professionals while the rest were working class[2] and set the stage for the AAPI population today.

The AAPI workforce today is still very diverse – in terms of income, nativity, geographic distribution and ethnic background. Immigration policy and discrimination in the United States, as well as upheaval in Asian countries have all shaped the character of the AAPI population. The share of AAPIs in the total workforce grew rapidly after 1965, almost doubling between 1970 and 1980 and again between 1980 and 1990. By 2009, the share of AAPIs had risen to 5.3 percent of the total workforce. Along the way, the composition of the AAPI workforce underwent a significant transformation, from a heavy representation of ethnic Chinese, Japanese, and Filipinos, along with ethnic Asian Indians (classified as racially "white" in the earlier Decennial Censuses) to a much more diverse group that included workers from essentially every national and ethnic background in South Asia, East Asia, Southeast Asia, and the Pacific Islands. As one of the fastest growing groups in the U.S. workforce, AAPIs continue to represent a diverse and important voice in America's economy.

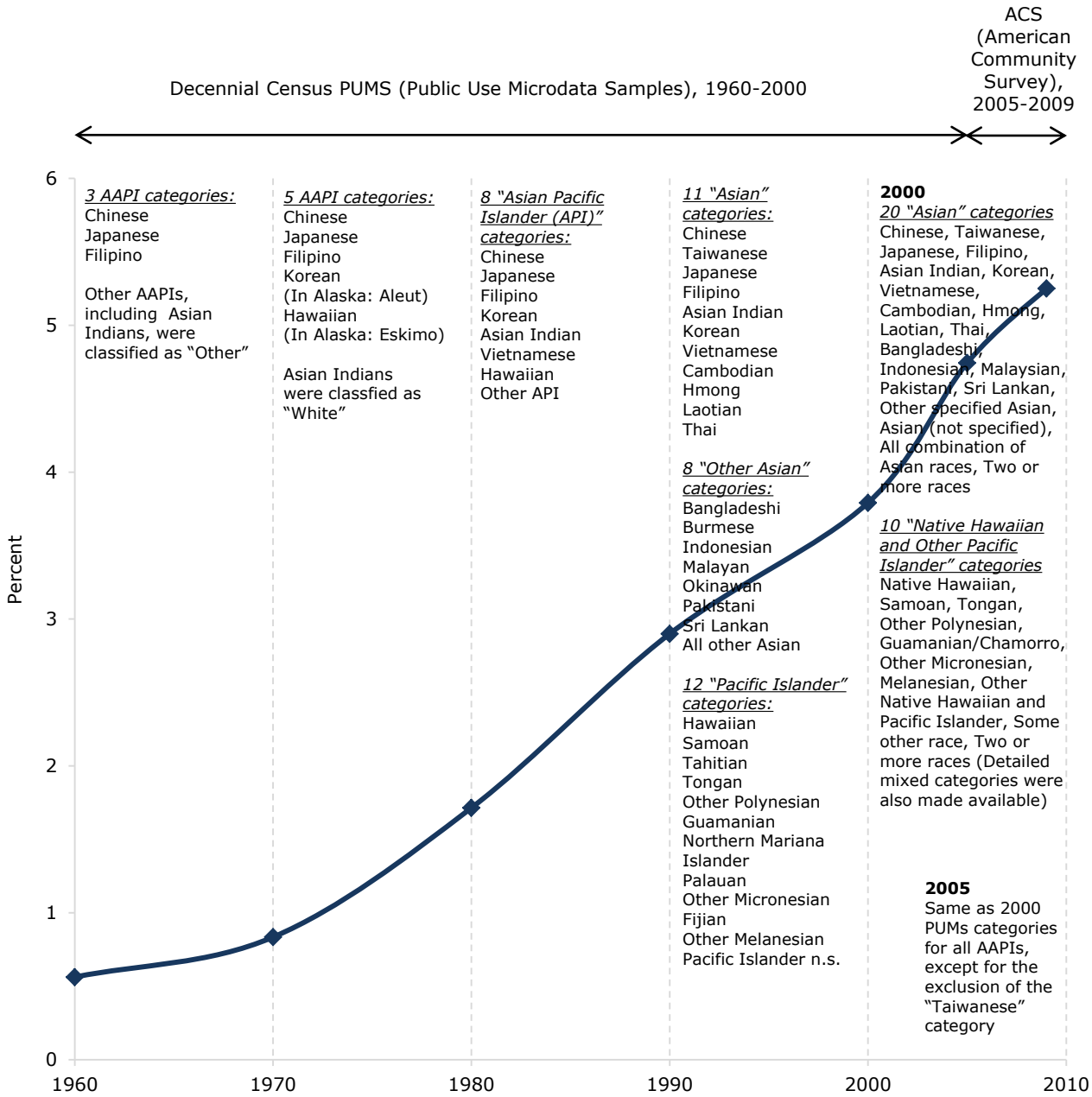
AAPIs in the Statistical Record

The biggest challenge facing researchers studying AAPIs is simply identifying the community in the official statistical record. Before 1989, the most important source of labor-market information in the United States – the Current Population Survey (CPS) – classified AAPIs in an "other" racial and ethnic category with other groups, including Native Americans. From 1989 through 2002, the CPS identified AAPIs separately, but did not distinguish Asian Americans from Pacific Islanders or make any finer distinctions within the AAPI group. From 2003 to the present, the CPS distinguishes between Asian Americans and Pacific Islanders, but still does not publish data separately for different ethnic groups within the AAPI community. (By contrast, for Latinos, the CPS separately identifies and publishes data for Mexican American, Chicano, Mexican, Puerto Rican, Cuban, Central/South American, and "Other Spanish" groups.)

Similar problems affect the other major source of historical data on AAPIs, the Decennial Census. **Figure 1.2** adds the definition of AAPI workers in place for each of government surveys used to produce Figure 1.1. The 1960 Decennial Census recognized only three AAPI ethnicities (Chinese, Japanese, and Filipino); all other AAPIs responding to the survey were placed in an undifferentiated "other" category, including Asian Indians. In the 1970 Decennial Census, the recognized AAPI ethnicities were expanded to five categories with the inclusion of Koreans and Hawaiians and, only in Alaska, Aleutians and Eskimos. Asian Indians were classified as "white." In 1980, the Decennial Census expanded to eight AAPI ethnicities: Chinese, Japanese, Filipino, Korean, Asian Indian, Vietnamese, Hawaiian, and "other API." The number of AAPI categories expanded greatly with the 1990 Census, including 19 categories for Asians and 12 for Pacific Islanders. The 2000 Decennial Census further expanded the level of detail available by allowing for detailed mixed-race categories that included Asians and Pacific Islanders. (This rich level of detail, including mixed-race categories, continues with the annual American Community Survey, available from 2005 forward.)

2 Chan (1991).

FIGURE 1.2
Historical Categorization of Asian American and Pacific Islanders in Major U.S. Government Surveys
AAPIs as Share of Workforce, 1960-2009



Source: CEPR analysis of CEPR extract of Decennial Census PUMS, 1960-2000, and ACS, 2005 and 2009.

Over this same period, the Census Bureau has also made adjustments to their enumeration process after respondents identified their race. In 1960, any respondents of mixed parentage with one white parent were categorized as the race other than white, and any respondents of mixed parentage with no white parent were categorized as their father's race.[3] For example, if a respondent had a Chinese

3 U.S. Bureau of the Census (1971).

mother and a white father, the respondent was categorized as Chinese. If the respondent had a Chinese mother and a Japanese father, the respondent was categorized as Japanese. In 1970, the father's race was used whenever there was a doubt in the respondent's race, and in 1980 and 1990, the mother's race was used for respondents with mixed parentage (and, if the respondent reported more than one race for the mother, the mother's first response was used).[4] In 2000 and forward, after the introduction of a more comprehensive categorization of AAPIs, respondents had an option of reporting more than one race, and if the race response was unanswered, the respondent's race was determined based on household relationships.[5] In some years, AAPI respondents who were not members of the AAPI categories that were listed on the surveys were given the opportunity to write in their racial or ethnic subgroup. The Census Bureau would then categorize the write-in responses and publicly release data for those subgroups for which they had large enough sample sizes.

The other major challenge for researchers studying AAPIs is the relatively small sample size available in almost all nationally representative surveys. The Current Population Survey's Annual Social and Economic Supplement, conducted in March of each year and the official source of data on household incomes and health insurance coverage, for example, had about 6,000 AAPI workers in its sample in 2010 (compared to about 16,000 for Latinos, and almost 70,000 for whites). The CPS Outgoing Rotation Group, which is the most important source of data on workers' earnings, has a larger sample, but still had only 10,000 AAPI workers in its sample in 2010 (compared to almost 22,000 Latinos and 138,000 whites). These sample sizes for AAPIs are sufficiently large to describe the reality of AAPI workers as a group, but are frequently too small to allow meaningful breakdowns beyond gender and a few other broad categories. As a result, many types of useful research on AAPI workers, including analysis by state of residence, occupation, industry, and ethnicity (especially for Pacific Islanders) are frequently not possible or only possible with wide confidence intervals. In the case of the Survey of Consumer Finance (SCF), which is conducted every three years by the Federal Reserve Board and is the most important source of detailed information on household wealth, the overall sample size is so small that the publicly available microdata do not identify AAPI households and published tables based on the survey do not provide breakdowns for AAPIs. As a result, in this report, we are unable to report on the wealth, assets, and debts of AAPI workers and their families.

The one nationally representative survey that has both a large sample of AAPI workers and a high level of detail about ethnic AAPI subgroups is the American Community Survey (ACS). The ACS is a large, nationally representative mail-in survey conducted continuously throughout the year by the Census Bureau. In 2009, the sample of AAPI workers alone exceeded 70,000. The ACS also asks detailed questions about each respondent's household, employment situation, health, education, and other personal characteristics. The questions are similar to those asked in the long-form of the Decennial Census, which the ACS was designed, in part, to replace. The ACS reports detailed information on AAPI respondents' ethnic or national origin, using classifications similar to the 2000 Decennial Census. Public-use microdata samples from the ACS are available from 2005 forward, and they provide the most comprehensive and up-to-date look at AAPI workers available.

The increase in the scope of the official definition of AAPI, as well as the expansion of recognition of separate ethnic groups within the AAPI community, is a function of both the rapid growth of the AAPI population and the efforts of the AAPI community itself to ensure that it was being

4 Bennet (2000), Levin and Farley (1982), and U.S. Bureau of the Census (1990).
5 U.S. Bureau of the Census (2003).

recognized by the government and its statistical agencies. The availability of the ACS, with its large sample and detailed ethnic categories, has already had a major impact on our understanding of AAPI workers, their families, and their communities. Much of the rest of this report draws heavily on the 2009 ACS, the most recent microdata available.

Nevertheless, significant room for improvement in data quality remains. Even though the ACS is an increasingly important source of labor-market information, the CPS remains the country's most important source of official and timely data on work. In its current form, however, the CPS underserves the AAPI community. The main issues are that the CPS sample size is too small and it provides no ethnic breakdowns beyond Asian American and Pacific Islander. The Census Bureau and the Bureau of Labor Statistics could take two concrete steps to improve greatly the CPS's ability to track the reality of AAPI workers. First, the CPS could begin to oversample AAPI households in the same way that the survey currently oversamples Latino households. Second, the CPS could publish at least the same number of ethnic breakdowns for AAPIs as are currently published about Latinos.

With respect to the ACS, one important improvement would be to increase the ability of households with limited English proficiency to participate in the survey. Currently, ACS questionnaires are mailed in English (except in Puerto Rico, where they are mailed in Spanish). On the cover of the questionnaire, there is a message written in Spanish (and in Puerto Rico, in English) that lists a toll-free assistance number. If a household that is not proficient in English or Spanish calls the number, the telephone interviewer then translates from the English or Spanish version in order to survey that household. According to the Census Bureau, it is "exploring the possibility of creating translated instruments or guides for interviewer use in languages other than English or Spanish."[6] Given that about 1-in-6 AAPI working households are "linguistically isolated" (using the Census Bureau terminology), expanded language support seems crucial to ensuring that the ACS provides the most accurate portrait possible of the AAPI community.

Further Reading

This report is long on data, but shorter on analysis. A full discussion of all of the issues raised by the data presented here is beyond the scope of this report. Fortunately, many excellent resources are available. Marlene Kim and Don Mar have a review of "the economic status of Asian Americans" in *Race and Economic Opportunity in the 21st Century*, which develops in greater detail several of the themes we touch on below. Kim and Mar include extensive references to academic research on racial and gender discrimination, the "glass ceiling," immigration, and other topics.[7] For a comprehensive discussion on the topic of the "glass ceiling," see Deborah Woo's *Glass Ceilings and Asian Americans: The New Face of Workplace Barriers*.[8] See also the issue of *AAPI Nexus* that focuses on AAPI employment and work issues.[9]

6 U.S. Bureau of the Census (2009).

7 For a report similar in spirit to this one, but focused on Asian Americans in Massachusetts, see Lo (2009). See also a new report by the U.S. Department of Labor (2011).

8 For more readings about the glass ceiling and Asian Americans, see Takei and Sakamoto (2008) and Kim and Sakamoto (2010).

9 *AAPI Nexus: Asian Americans & Pacific Islanders, Policy, Practice and Community*. Vol. 3, No. 2 (2005).

For more on AAPI workers in the labor movement, see Ruth Milkman's *Organizing Immigrants: The Challenge for Unions in Contemporary California;* Immanuel Ness's *Immigrants, Unions, and the New U.S. Labor Market;* Ruth Milkman, Joshua Brown and Victor Narro's *Working for Justice: The L.A. Model of Organizing and Advocacy;* and Kent Wong's essay, "Building an Asian Pacific Labor Movement."

Data Appendix

We use several sources of data throughout this report. The most recent and most detailed data we provide comes from the 2009 American Community Survey (ACS). The ACS is a large survey conducted continuously throughout the year by the U.S. Bureau of the Census. In 2009, the full sample we analyze here contained about 1.4 million observations for workers. In that same year, the ACS included about 72,000 AAPI workers, a sample that gives us the most detailed information currently available on AAPI workers. The ACS has the additional feature of providing detailed ethnic breakdowns for both Asian Americans and Pacific Islanders. For more information on the ACS, see http://www.census.gov/acs/. Unfortunately, the ACS is a relatively recent survey, so we can only use it to produce in-depth numbers for AAPI workers from 2005 on.

For data on earlier years, we rely on two separate sources. The first is the Public Use Microdata Sample (PUMS) of the decennial censuses conducted in 1960, 1970, 1980, 1990, and 2000. The overall samples for these surveys are even larger than what is available in the ACS. Unfortunately, the definition of Asian Americans and Pacific Islanders used in these surveys is not completely consistent over time. As a result, our longer-term comparisons are not as accurate as our descriptions of more recent trends. For more information on the decennial census PUMS, see http://www.census.gov/main/www/pums.html.

The second source that we use for earlier years is the Current Population Survey (CPS). The CPS is a monthly survey of 50,000 to 60,000 households, most familiar because it is the source of the official monthly unemployment rate numbers. Relative to the ACS, the CPS has significant drawbacks. The CPS does not provide detailed information on the ethnicity of AAPI respondents. Before 1989, AAPI respondents were classified as being in an undifferentiated "other" racial and ethnic category that included Native Americans and others. From 1989, the CPS created a separate AAPI category, which did not include any further breakdowns by ethnicity or national origin; and from 2003, the CPS began to distinguish between Asian Americans and Pacific Islanders. The CPS sample size is also much smaller than that of the ACS. For more information on the CPS, see http://www.census.gov/cps/.

Section 2: Diversity

Asian Americans and Pacific Islanders are a highly diverse group by national origin, ethnicity, language, culture, economic circumstances, and other characteristics. The term AAPI is useful in many contexts, but it can also blur important differences within the Asian American and Pacific Islander communities. In the previous section, we reviewed the rapid expansion of the AAPI workforce from 1960 to the present. Much of the increase recorded in official statistics was the result of the large influx of AAPI immigrant workers, but an important part of the increase reflected the growing recognition on the part of government statistical agencies of the diversity of the AAPI community. In this section, we use the most recent available data to present a more complete picture of the full extent of the diversity of the AAPI workforce.

We focus here on several key dimensions of demographic difference within the AAPI workforce, including national and ethnic origin, citizenship status, geographical distribution around the United States, educational attainment, occupation (including self-employment), and industry (including public-sector employment).

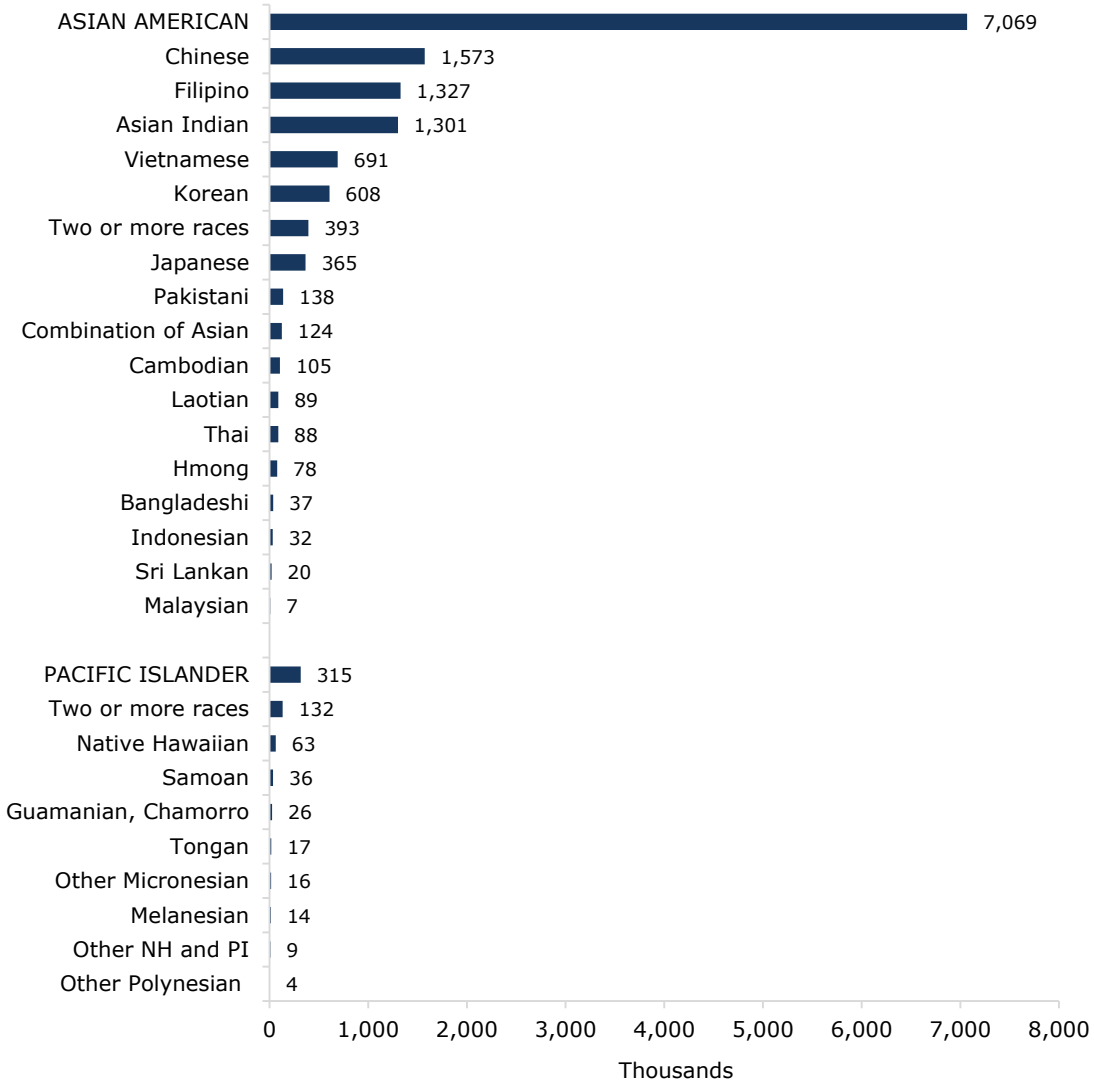
Ethnic and National Origin

According to the 2009 American Community Survey, the nation's 7.4 million AAPI workers make up 5.3 percent of the total U.S. workforce. About 7.1 million of these AAPI workers are Asian Americans; about 300,000 are Pacific Islanders (see **Figure 2.1** and **Table 2.1**).

The largest ethnic groups within the Asian American (AA) workforce are Chinese (1.6 million), Filipinos (1.3 million), and Asian Indians (1.3 million). Vietnamese (about 700,000), Koreans (about 600,000), and Japanese (about 400,000) are the next largest ethnic subgroups. Most AA workers are of East Asian origin, but South Asians, including Asian Indians, Pakistanis, Bangladeshis, and Sri Lankans are a growing share of the AA workforce. The Census Bureau classifies over 500,000 AA workers as "Asians of two or more races" or a "combination of Asian groups." While some of this mixing of Asians with non-Asians and with Asians outside their national or ethnic background happened before arriving in the United States, the data suggest that an important part of this ethnic mixing is a byproduct of immigrating to the racially and ethnically diverse United States.

Pacific Islanders (PI) make up a smaller share of the AAPI workforce. PI workers who identify as Native Hawaiians, Samoans, and Guamanians or Chomorros are the three largest ethnic groups of PI workers. But the single largest group of PI workers identifies as Pacific Islanders of two or more races, and many other PI workers (including Micronesians, Melanesians, and Polynesians) identify themselves as being of more than one race or ethnicity.

FIGURE 2.1
Distribution of AAPI Workers, by Ethnicity, Ages 16+, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

TABLE 2.1
Distribution of AAPI Workers, Ages 16+, by Ethnicity, 2009

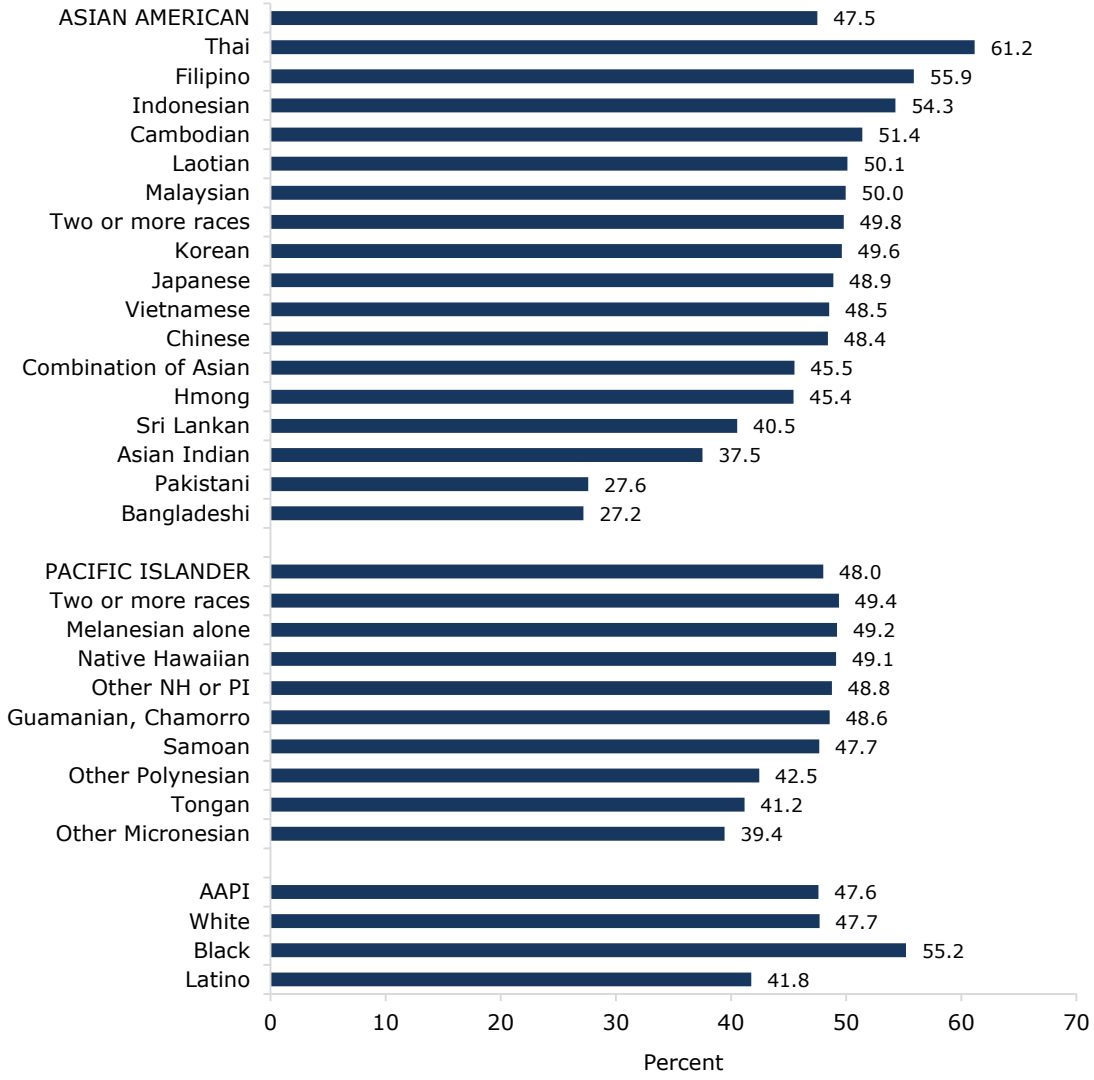
	Percent	Thousands of Workers
Asian and Pacific Islander		7,384
As share of total US workforce	5.3	
Asian	95.7	7,069
Chinese	21.3	1,573
Filipino	18.0	1,327
Asian Indian	17.6	1,301
Vietnamese	9.4	691
Korean	8.2	608
Two or more races	5.3	393
Japanese	4.9	365
Pakistani	1.9	138
Combination of Asian groups	1.7	124
Cambodian	1.4	105
Laotian	1.2	89
Thai	1.2	88
Hmong	1.1	78
Asian, not specified	0.9	65
Bangladeshi	0.5	37
Indonesian	0.4	32
Other specified Asian	0.4	29
Sri Lankan	0.3	20
Malaysian	0.1	7
Pacific Islander	4.3	315
Two or more races	1.8	132
Native Hawaiian	0.8	63
Samoan	0.5	36
Guamanian or Chamorro	0.4	26
Tongan	0.2	17
Other Micronesian (including mixed)	0.2	16
Melanesian (including mixed)	0.2	14
Other Native Hawaiian and Other Pacific Islander	0.1	9
Other Polynesian (including mixed)	0.1	4

Source: CEPR analysis of American Community Survey (ACS), 2009.

Gender

Just under half (47.6 percent) of AAPI workers are women. But, the gender composition of the AAPI workforce varies greatly by ethnic group (see **Figure 2.2** and **Table 2.2**). Women constitute a much smaller share of the workforce among South Asians: Bangladeshis (27.2 percent), Pakistanis (27.6 percent), Asian Indians (37.5 percent), and Sri Lankans (40.5 percent). Some Pacific Islander categories also have low shares of female employment. Women, however, are a majority of the workforce among Thais (61.2 percent), Filipinos (55.9 percent), Indonesians (54.3 percent), Cambodians (51.4 percent), and Laotians (50.1 percent).

FIGURE 2.2
Female AAPI Workers as Share of AAPI Workforce, by Ethnicity, Ages 16+, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

TABLE 2.2
AAPI Workers, Ages 16+, by Ethnicity and Gender, 2009
(percent of total workforce within each ethnic group)

	Male	Female
Asian and Pacific Islander	52.4	47.6
Asian	52.5	47.5
Asian Indian	62.5	37.5
Bangladeshi	72.8	27.2
Cambodian	48.6	51.4
Chinese	51.6	48.4
Filipino	44.1	55.9
Hmong	54.6	45.4
Indonesian	45.7	54.3
Japanese	51.1	48.9
Korean	50.4	49.6
Laotian	49.9	50.1
Malaysian	50.1	50.0
Pakistani	72.4	27.6
Sri Lankan	59.5	40.5
Thai	38.8	61.2
Vietnamese	51.5	48.5
Other specified Asian	67.8	32.2
Asian, not specified	56.7	43.3
Combination of Asian	54.5	45.5
Two or more races	50.2	49.8
Pacific Islander	52.0	48.0
Native Hawaiian	50.9	49.1
Samoan	52.3	47.7
Tongan	58.8	41.2
Other Polynesian (including mixed)	57.6	42.5
Guamanian or Chamorro	51.4	48.6
Other Micronesian (including mixed)	60.6	39.4
Melanesian alone (including mixed)	50.8	49.2
Other Native Hawaiian or Other Pacific Islander	51.2	48.8
Two or more races	50.6	49.4
White	52.3	47.7
Black	44.8	55.2
Latino	58.2	41.8

Source: CEPR analysis of American Community Survey (ACS), 2009.

Immigrants

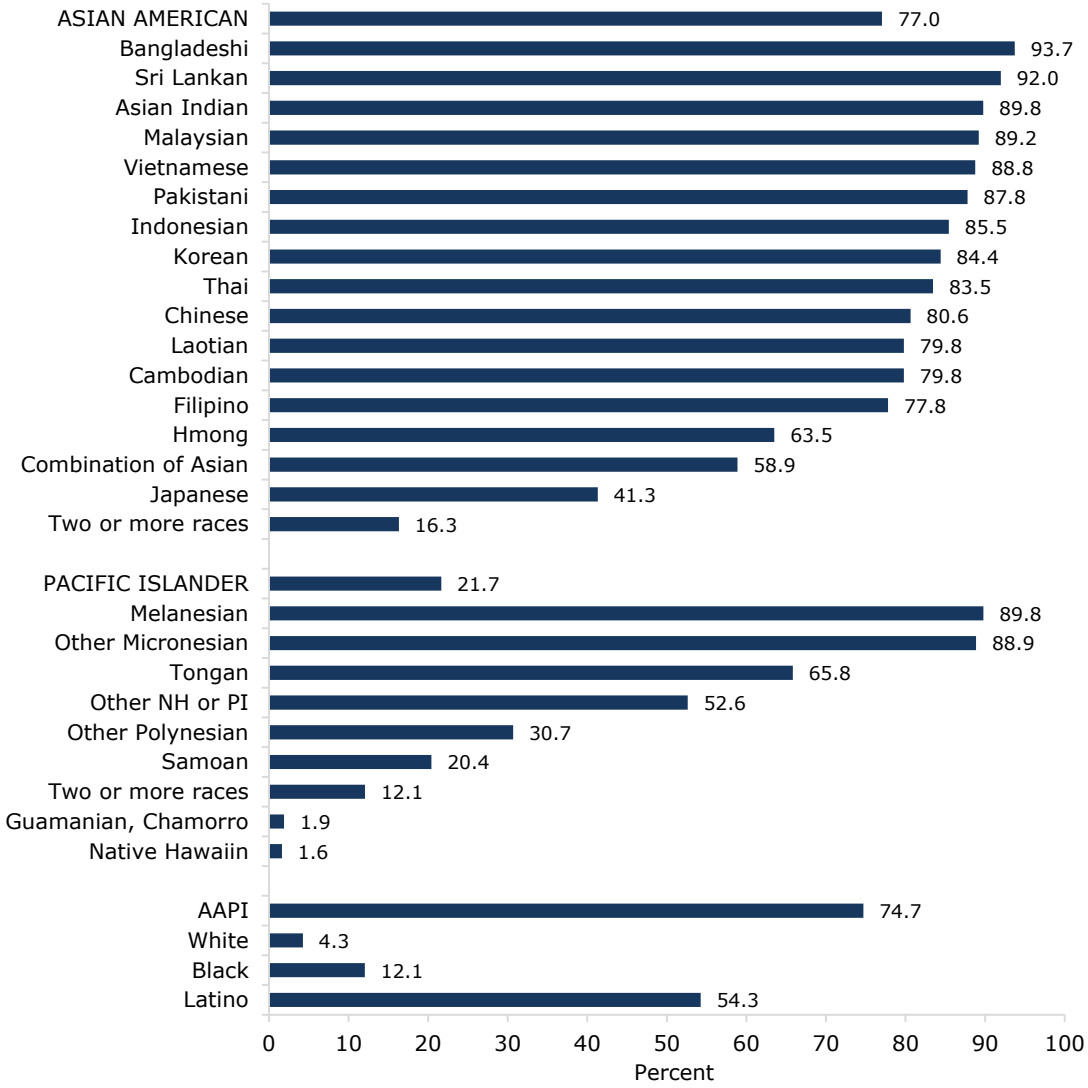
Three-fourths (74.7 percent) of all AAPI workers were born outside the United States. By comparison, only about half (54.3 percent) of Latino workers are immigrants. The immigrant shares are smaller for blacks (12.1 percent) and whites (4.3 percent).

Pacific Islanders are much more likely than Asian Americans to have been born in the United States (see **Figure 2.3**). Native Hawaiians and Guamanians or Chamorros, for example, have a greater likelihood of having been born in the United States than whites do. A large majority of AAPI workers who report to be of two or more races were also born in the United States.

Despite the high share of immigrants in the AAPI workforce, a large majority (71.4 percent) of AAPI workers are U.S. citizens (see **Figure 2.4** and **Table 2.3**). A higher share of white (98.1 percent) and black (94.7 percent) workers are citizens. But, AAPI workers are more likely than Latino workers to be U.S. citizens (62.2 percent).

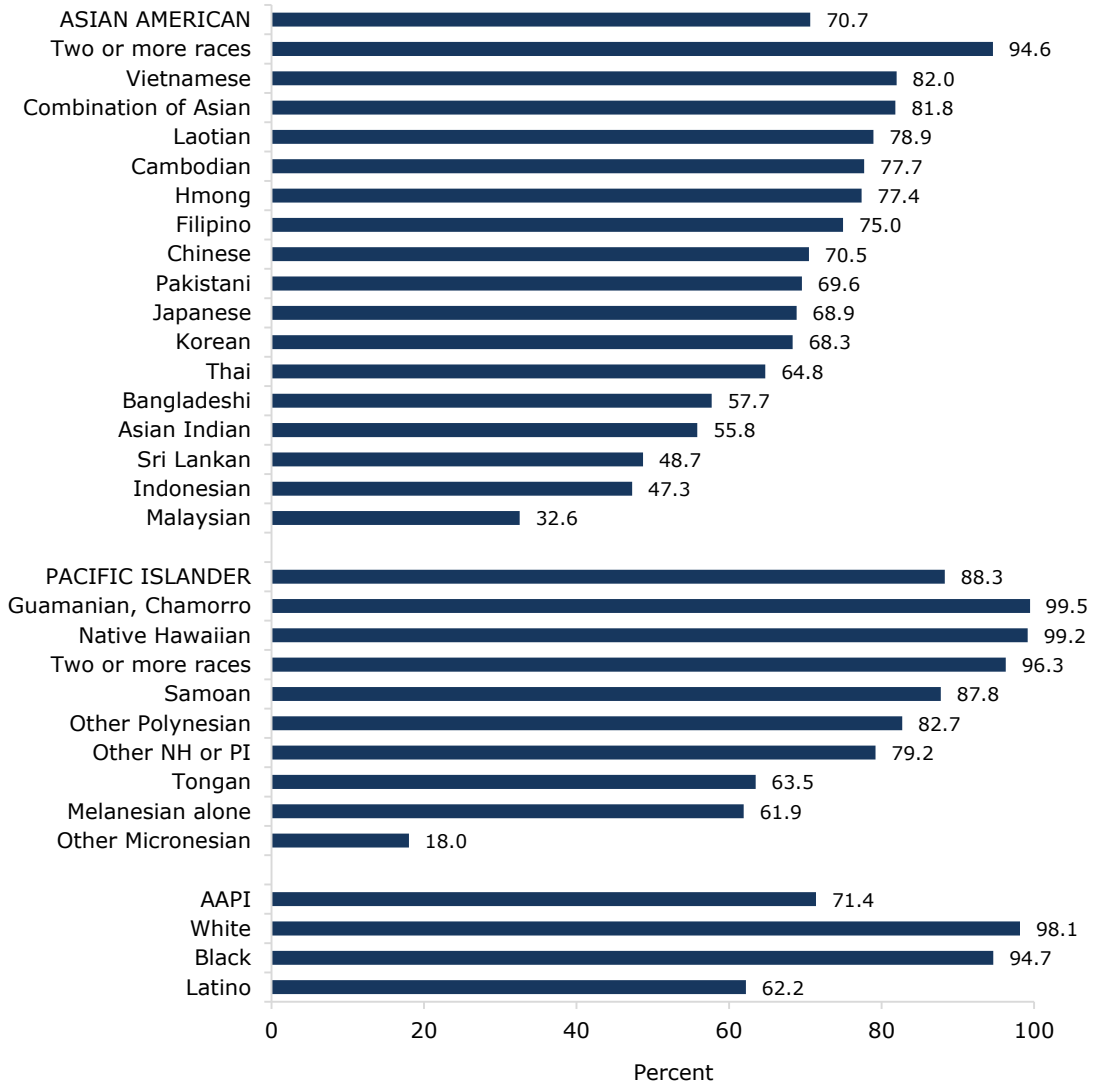
The United States is the country where the largest share of AAPI workers was born (23.3 percent). The Philippines (15.0 percent), India (13.6 percent), China (10.3 percent), Vietnam (9.6 percent), and Korea (7.2 percent) follow (see **Figure 2.5**).

FIGURE 2.3
Immigrant AAPI Workers as Share of AAPI Workforce, by Ethnicity, Ages 16+, 2009



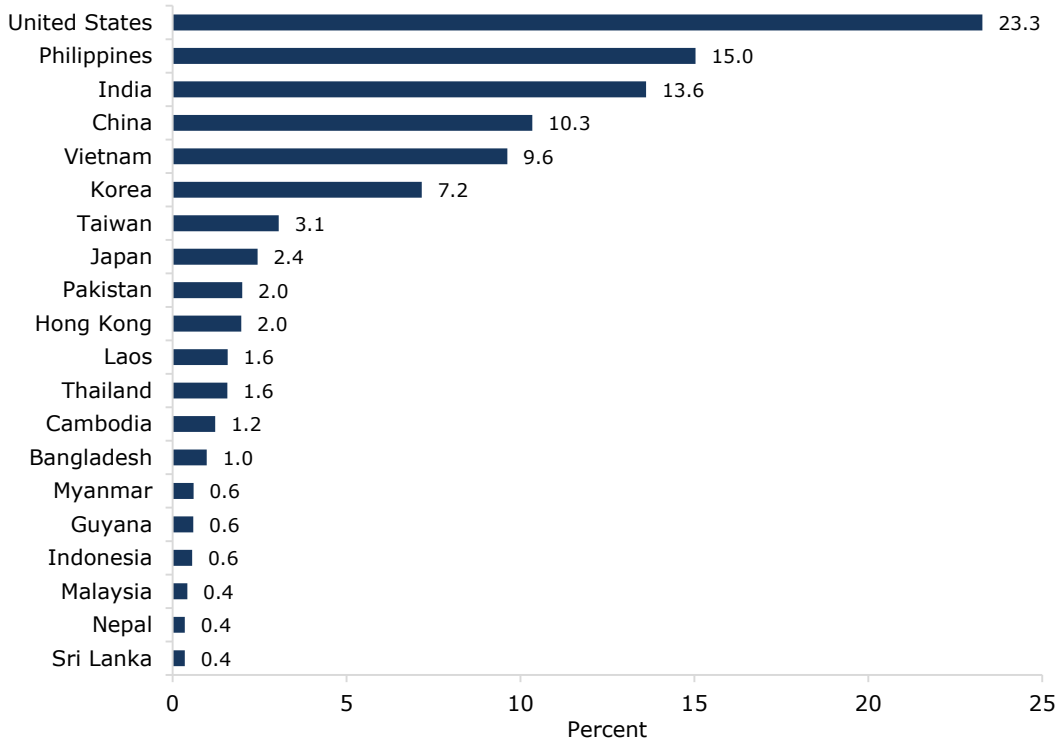
Source: CEPR analysis of American Community Survey (ACS), 2009.

FIGURE 2.4
U.S. Citizen AAPI Workers as Share of AAPI Workforce, by Ethnicity, Ages 16+, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

FIGURE 2.5
Top 20 Countries of Birth for AAPI Workers, Ages 16+, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009

TABLE 2.3
AAPI Workers, Ages 16+, by Ethnicity, Immigrant Status, 2009
(percent of workers within each ethnic group)

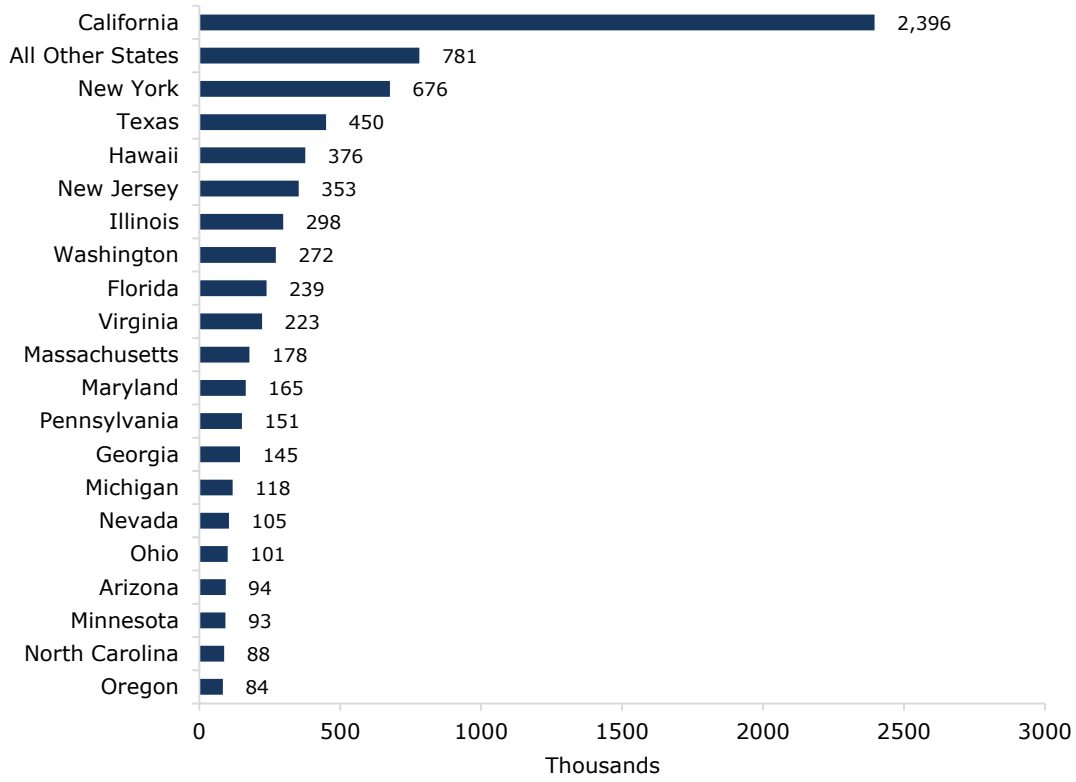
	Foreign Born	Share of Foreign Born Who are Naturalized US Citizens	Share of All Who are US Citizens
Asian and Pacific Islander	74.7	61.7	71.4
Asian	77.0	61.9	70.7
Asian Indian	89.8	50.8	55.8
Bangladeshi	93.7	54.9	57.7
Cambodian	79.8	72.1	77.7
Chinese	80.6	63.4	70.5
Filipino	77.8	67.8	75.0
Hmong	63.5	64.4	77.4
Indonesian	85.5	38.3	47.3
Japanese	41.3	24.6	68.9
Korean	84.4	62.5	68.3
Laotian	79.8	73.6	78.9
Malaysian	89.2	24.4	32.6
Pakistani	87.8	65.3	69.6
Sri Lankan	92.0	44.2	48.7
Thai	83.5	57.8	64.8
Vietnamese	88.8	79.7	82.0
Other specified Asian	92.5	33.3	38.3
Asian, not specified	77.7	38.5	52.3
Combination of Asian	58.9	69.1	81.8
Two or more races	16.3	66.9	94.6
Pacific Islander	21.7	45.9	88.3
Native Hawaiian	1.6	47.4	99.2
Samoan	20.4	40.0	87.8
Tongan	65.8	44.5	63.5
Other Polynesian (including mixed)	30.7	43.6	82.7
Guamanian or Chamorro	1.9	71.2	99.5
Other Micronesian (including mixed)	88.9	7.8	18.0
Melanesian alone (including mixed)	89.8	57.6	61.9
Other Native Hawaiian or Other PI	52.6	60.5	79.2
Two or more races	12.1	69.1	96.3
White	4.3	56.4	98.1
Black	12.1	55.6	94.7
Latino	54.3	30.4	62.2

Note: US Citizen includes US and foreign born.
Source: CEPR analysis of American Community Survey (ACS), 2009.

State of Residence

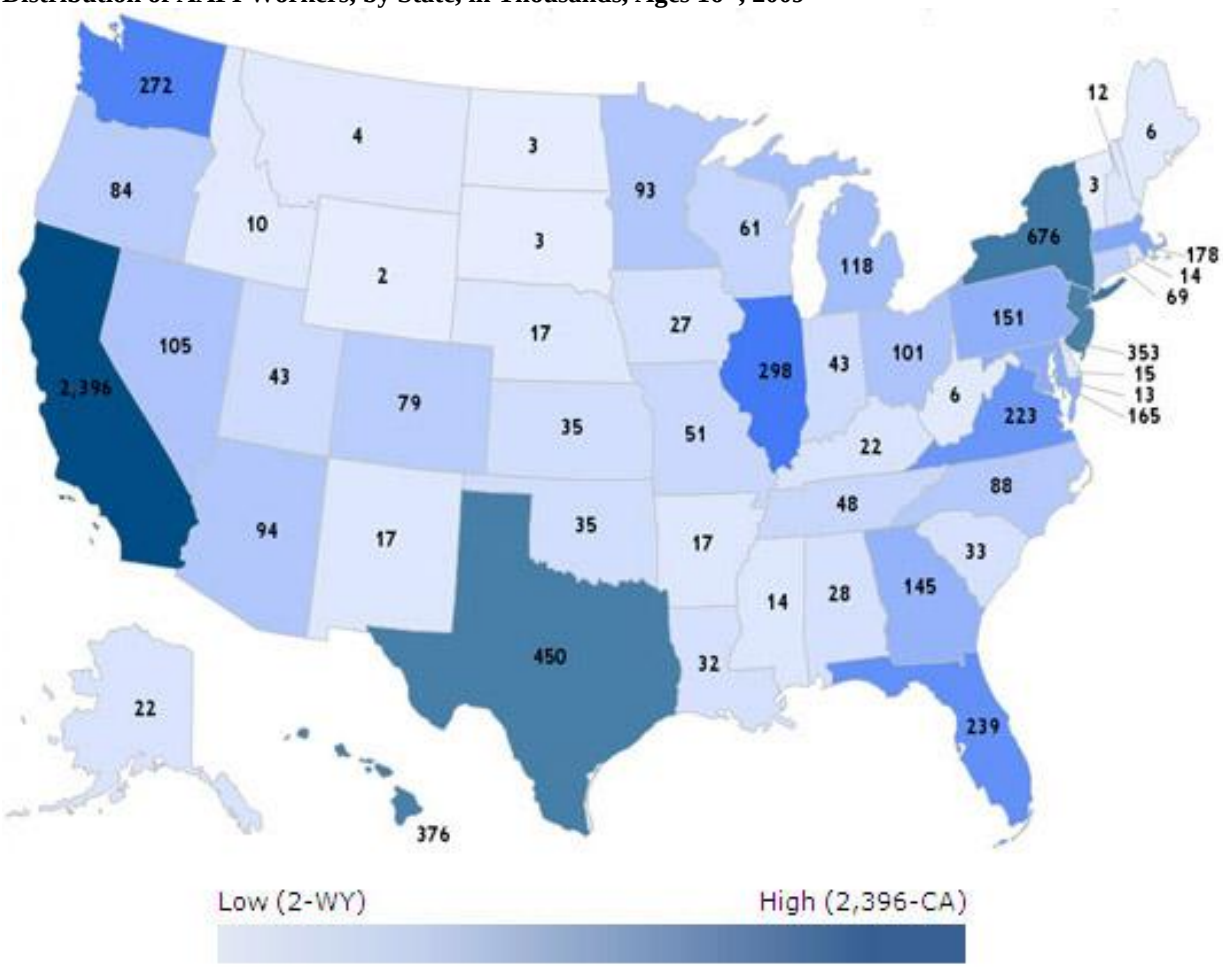
AAPIs work in all 50 states and the District of Columbia. The highest concentration of AAPI workers is in California, where almost 2.4 million AAPIs worked in 2009. New York (676,000), Texas (450,000), Hawaii (376,000), and New Jersey (353,000) made up the rest of the top-five states (see **Figure 2.6** and **Figure 2.7**).

FIGURE 2.6
Top 20 States of Residence for AAPI Workers, Ages 16+, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

FIGURE 2.7
Distribution of AAPI Workers, by State, in Thousands, Ages 16+, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

Educational Attainment

As a group, AAPIs have a higher level of educational attainment than whites, blacks, and Latinos (see **Figure 2.8** and **Figure 2.9**). Over half of AAPI workers (50.2 percent of women and 53.2 percent of men[10]) have a four-year college degree or more, compared to just over one-third of whites (35.0 percent of women and 34.1 percent of men), less than one-fourth of blacks (23.6 percent of women and 19.6 percent of men), and an even smaller share of Latinos (16.6 percent of women and 11.7 percent of men).

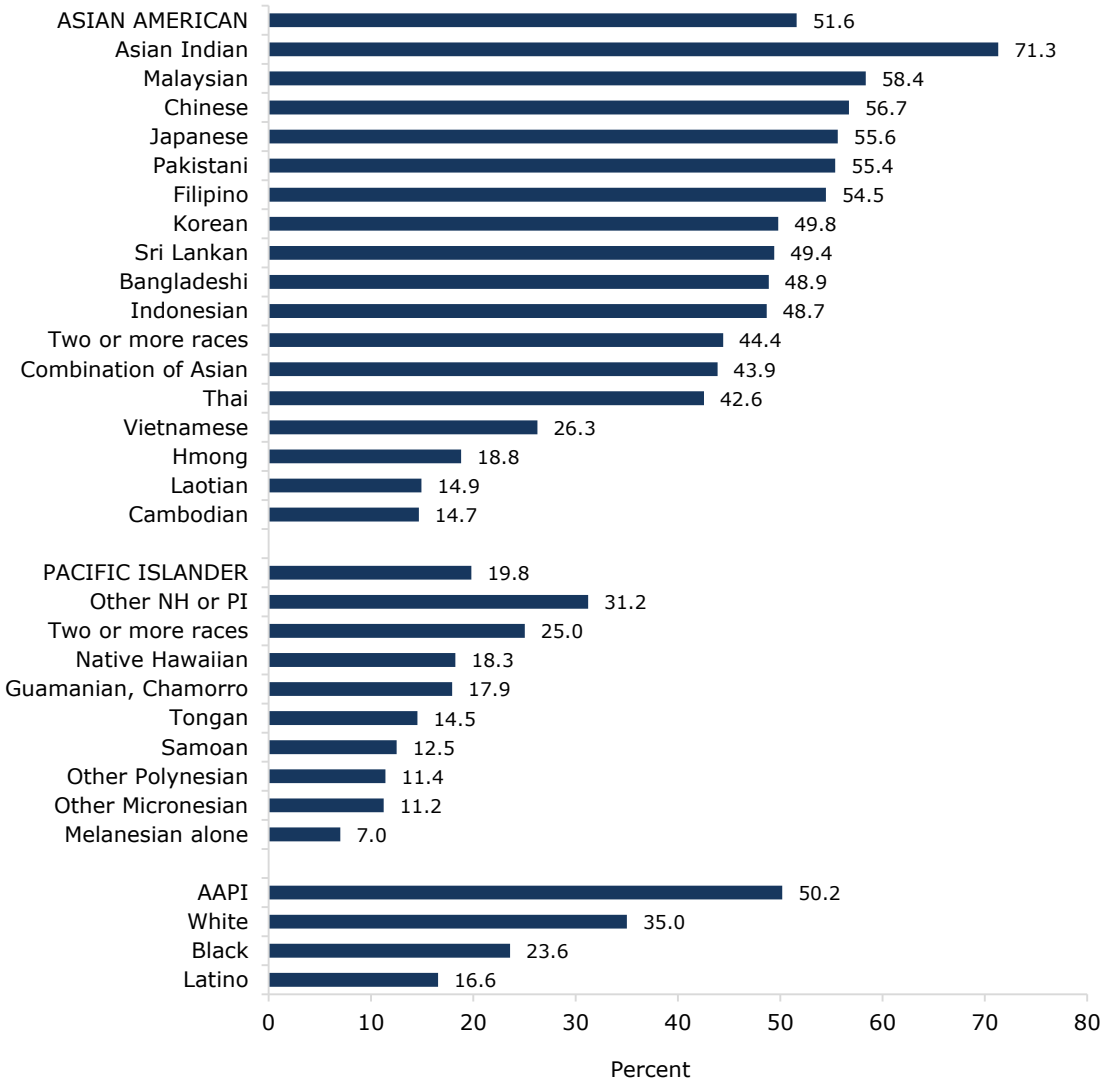
Educational attainment, however, varies across AAPI workers by ethnicity. More than three-fourths (76.6 percent) of Asian Indian men, for example, have a four-year college degree or more. Southeast Asian men, though, are much less likely to have finished the same level of schooling: Vietnamese (30.4 percent), Cambodians (13.6 percent), Laotians (13.6 percent), and Hmong (12.5 percent). Many Pacific Islanders also fall far behind the AAPI average for college and advanced education: Native Hawaiians (24.2 percent), Tongans (23.3 percent), Melanesians (19.8 percent), and Samoans (18.3 percent). A similar pattern holds for AAPI women, with 71.1 percent of Asian Indian women workers holding a college degree or more, compared to much smaller shares of Southeast Asian and Pacific Islander women.

AAPI workers are also the only one of the four major racial and ethnic groups where men are more likely than women to have a college degree or more. White, black, and Latino women are all more likely than their male counterparts to have a college or advanced degree. Across almost every AAPI ethnic group, however, men are more likely to have a college degree than women are. The only exceptions are: Filipinos, where women (54.5 percent) are much more likely than men (43.6 percent) to have a four-year college degree; Asians of two or more races (who are disproportionately born in the United States); Laotians; Hmong; and Pakistanis, where women and men have an equal likelihood of having a college degree or more.

At the same time, a high share of AAPI workers does not have a high school degree (see **Figure 2.10**, **Figure 2.11,** and **Table 2.4**). About 9.8 percent of AAPI women and 8.9 percent of AAPI men have not completed high school, compared to 5.2 percent of white women and 7.2 percent of white men. Among AAPI women, Southeast Asians have the highest shares of workers without a high school education: Cambodians (33.3 percent), Laotians (26.6 percent), Vietnamese (25.3 percent), Hmong (20.9 percent), and Thais (15.1 percent). For AAPI men, Laotians (27.4 percent), Cambodians (22.9 percent), Tongans (20.8 percent), and Vietnamese (20.3 percent) are the most likely to have less than a high school education.

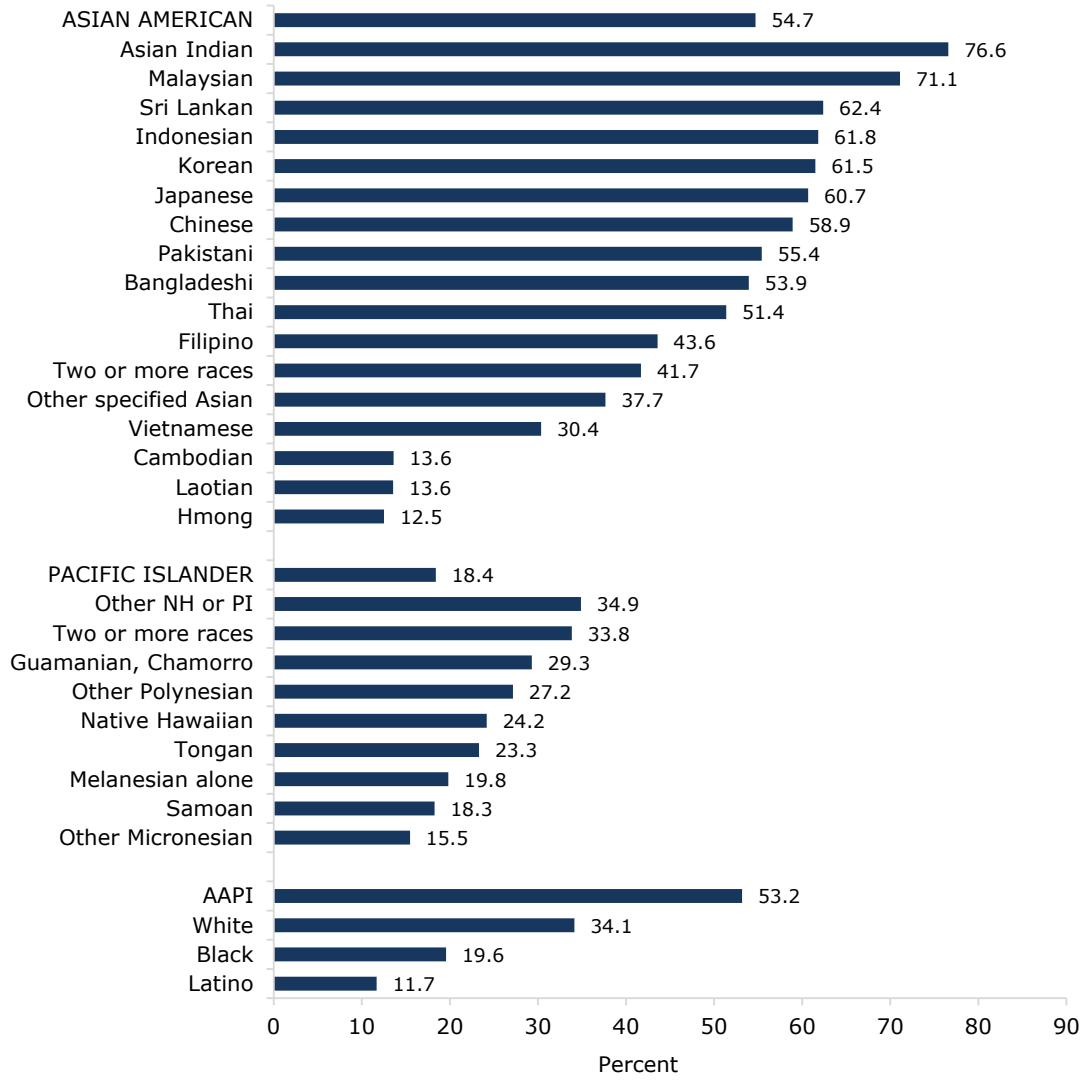
10 These totals may differ slightly from those in Table 3.4 due to rounding.

FIGURE 2.8
Female AAPI Workers with a College Degree or More, by Ethnicity, Ages 16+, 2009



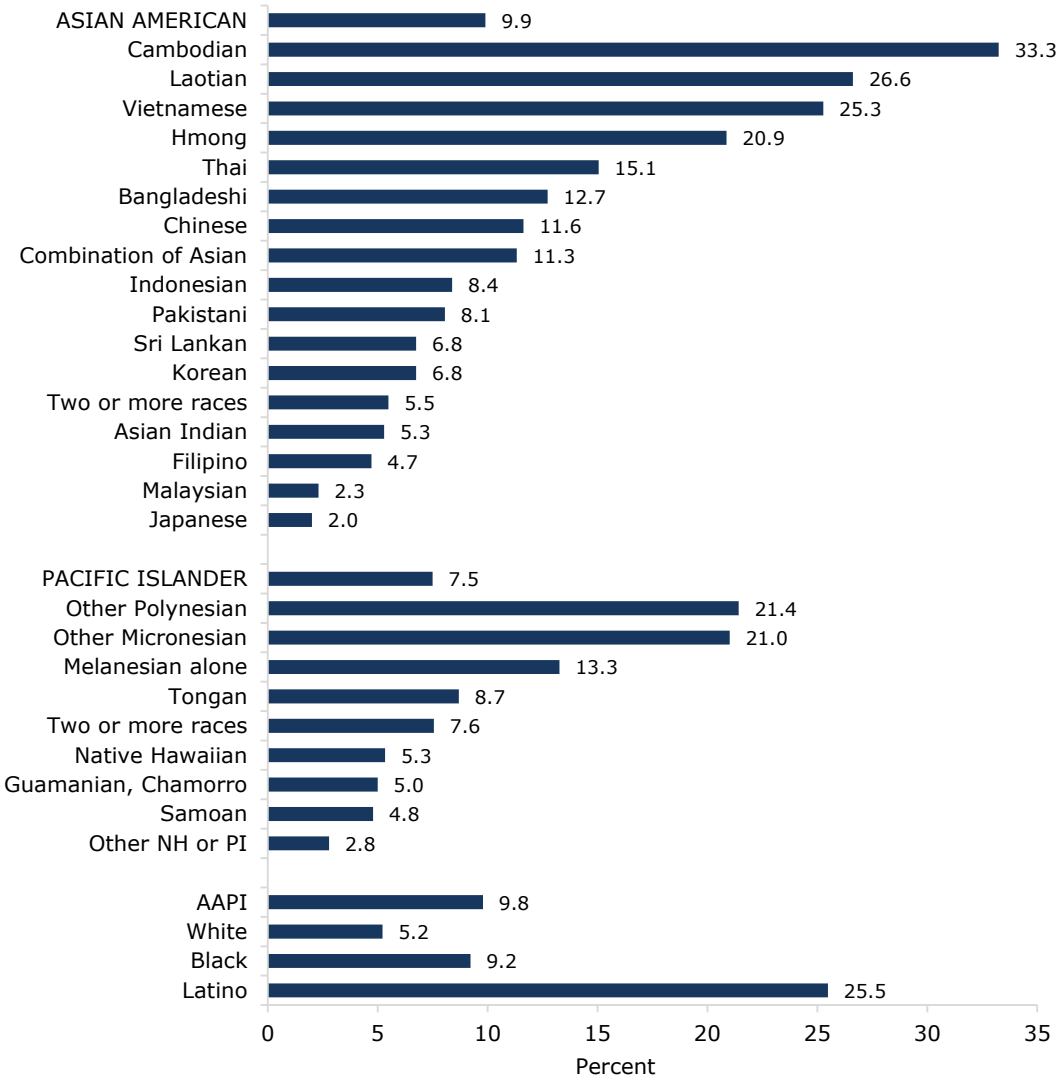
Source: CEPR analysis of American Community Survey (ACS), 2009.

FIGURE 2.9
Male AAPI Workers with a College Degree or More, by Ethnicity, Ages 16+, 2009



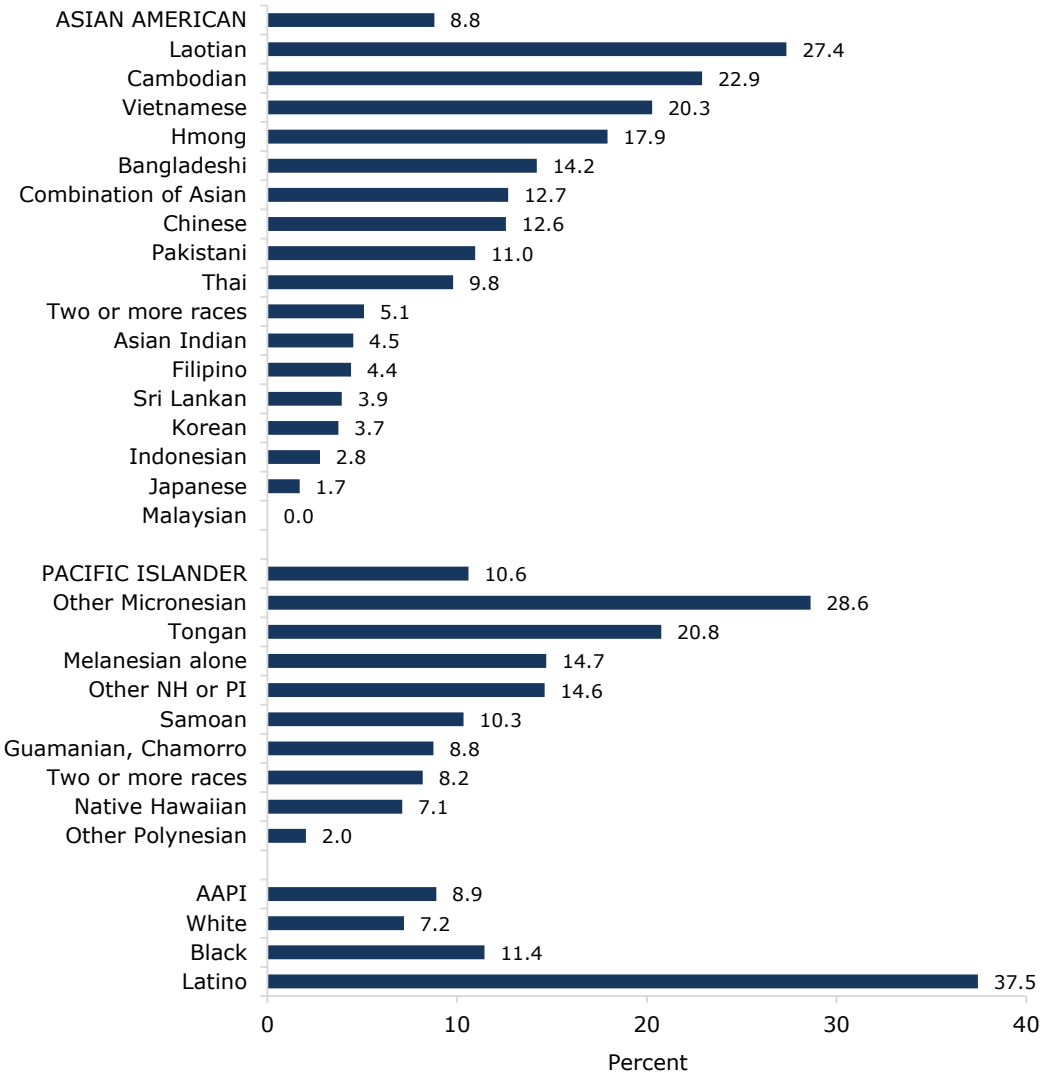
Source: CEPR analysis of American Community Survey (ACS), 2009.

FIGURE 2.10
Female AAPI Workers with Less than a High School Diploma, by Ethnicity, Ages 16+, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

FIGURE 2.11
Male AAPI Workers with Less than a High School Diploma, by Ethnicity, Ages 16+, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

TABLE 2.4
AAPI Workers, Ages 16+, by Ethnicity, Gender, and Educational Attainment 2009
(percent of all workers within each ethnic and gender group)

	Less than High School		High School		Some College		College		Advanced	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Asian and Pacific Islander	8.9	9.8	15.4	15.2	22.6	24.8	28.8	32.1	24.3	18.1
Asian	8.8	9.9	14.5	14.5	22.0	24.0	29.5	32.9	25.2	18.7
Asian Indian	4.5	5.3	8.2	8.2	10.7	15.2	31.9	35.0	44.7	36.3
Bangladeshi	14.2	12.7	12.8	16.4	19.0	22.0	27.1	27.0	26.8	21.9
Cambodian	22.9	33.3	31.9	25.5	31.6	26.6	10.6	11.0	3.0	3.7
Chinese	12.6	11.6	13.2	13.7	15.3	18.0	25.2	29.1	33.8	27.6
Filipino	4.4	4.7	16.3	11.6	35.7	29.2	36.1	45.7	7.5	8.8
Hmong	17.9	20.9	32.3	27.5	37.3	32.9	9.7	15.7	2.8	3.1
Indonesian	2.8	8.4	10.4	13.4	25.0	29.6	39.0	34.0	22.8	14.7
Japanese	1.7	2.0	12.9	12.3	24.8	30.0	38.1	37.3	22.5	18.3
Korean	3.7	6.8	14.8	19.2	20.0	24.2	35.5	33.1	26.0	16.7
Laotian	27.4	26.6	30.1	30.4	29.0	28.1	10.5	12.0	3.1	3.0
Malaysian	0.0	2.3	7.0	18.8	21.9	20.6	38.0	32.7	33.1	25.7
Pakistani	11.0	8.1	12.8	15.2	20.9	21.3	25.8	32.5	29.6	22.8
Sri Lankan	3.9	6.8	7.8	14.0	25.9	29.9	33.4	24.3	29.0	25.2
Thai	9.8	15.1	14.7	18.1	24.1	24.3	32.0	28.7	19.4	13.9
Vietnamese	20.3	25.3	20.4	21.9	29.0	26.6	22.8	19.8	7.6	6.4
Other specified Asian	24.9	19.9	22.2	15.1	15.2	17.2	24.4	30.1	13.2	17.7
Asian, not specified	6.9	13.3	19.0	14.6	23.5	26.6	25.5	27.5	25.2	17.9
Combination of Asian	12.7	11.3	15.0	16.3	26.7	28.5	30.5	28.8	15.2	15.1
Two or more races	5.1	5.5	18.4	15.0	34.9	35.1	28.2	30.1	13.5	14.3
Pacific Islander	10.6	7.5	35.8	31.1	35.2	41.6	13.3	14.3	5.2	5.5
Native Hawaiian	7.1	5.3	40.6	33.8	36.4	42.6	12.1	12.0	3.7	6.2
Samoan	10.3	4.8	47.4	30.0	29.2	52.8	10.1	8.2	3.0	4.3
Tongan	20.8	8.7	32.6	49.6	31.6	27.2	8.8	14.5	6.3	0.0
Other Polynesian (including mixed)	2.0	21.4	24.8	27.9	51.6	39.3	15.8	11.4	5.8	0.0
Guamanian or Chamorro	8.8	5.0	35.8	36.5	39.5	40.6	14.0	15.3	1.9	2.6
Other Micronesian (including mixed)	28.6	21.0	46.6	21.3	19.5	46.5	5.2	10.3	0.0	1.0
Melanesian alone (including mixed)	14.7	13.3	27.8	29.7	42.0	50.1	12.8	7.0	2.6	0.0
Other Native Hawaiian or Other Pacific Islander	14.6	2.8	26.3	12.0	37.3	54.0	14.0	20.9	7.9	10.3
Two or more races	8.2	7.6	31.1	29.6	36.7	37.9	16.2	17.6	7.8	7.4
White	7.2	5.2	27.0	23.9	31.6	35.9	21.8	22.3	12.4	12.7
Black	11.4	9.2	33.5	26.4	35.6	40.8	13.5	15.3	6.0	8.3
Latino	37.5	25.5	28.0	26.3	22.8	31.7	8.2	11.5	3.5	5.1

Source: CEPR analysis of American Community Survey (ACS), 2009.

Occupation

AAPIs work across the full spectrum of occupations (see **Table 2.5**). Among AAPI women workers, the top 20 occupations include such typically high-paying jobs as doctors, computer software engineers, accountants and auditors, and managers, as well as a wide range of typically lower-paying jobs including maids, cashiers, retail salespeople, and wait staff.

A similar pattern holds for AAPI men. Many work in the same high-paying professions as AAPI women, with an even higher concentration in computing fields (computer software engineers, computer scientists, computer programmers, and information systems managers). But many AAPI men also work as cashiers, cooks, retail salespersons, truck drivers, wait staff, and janitors.

TABLE 2.5
Top 20 Occupations of AAPI Workers, Age 16+
(percent of all AAPI workers)

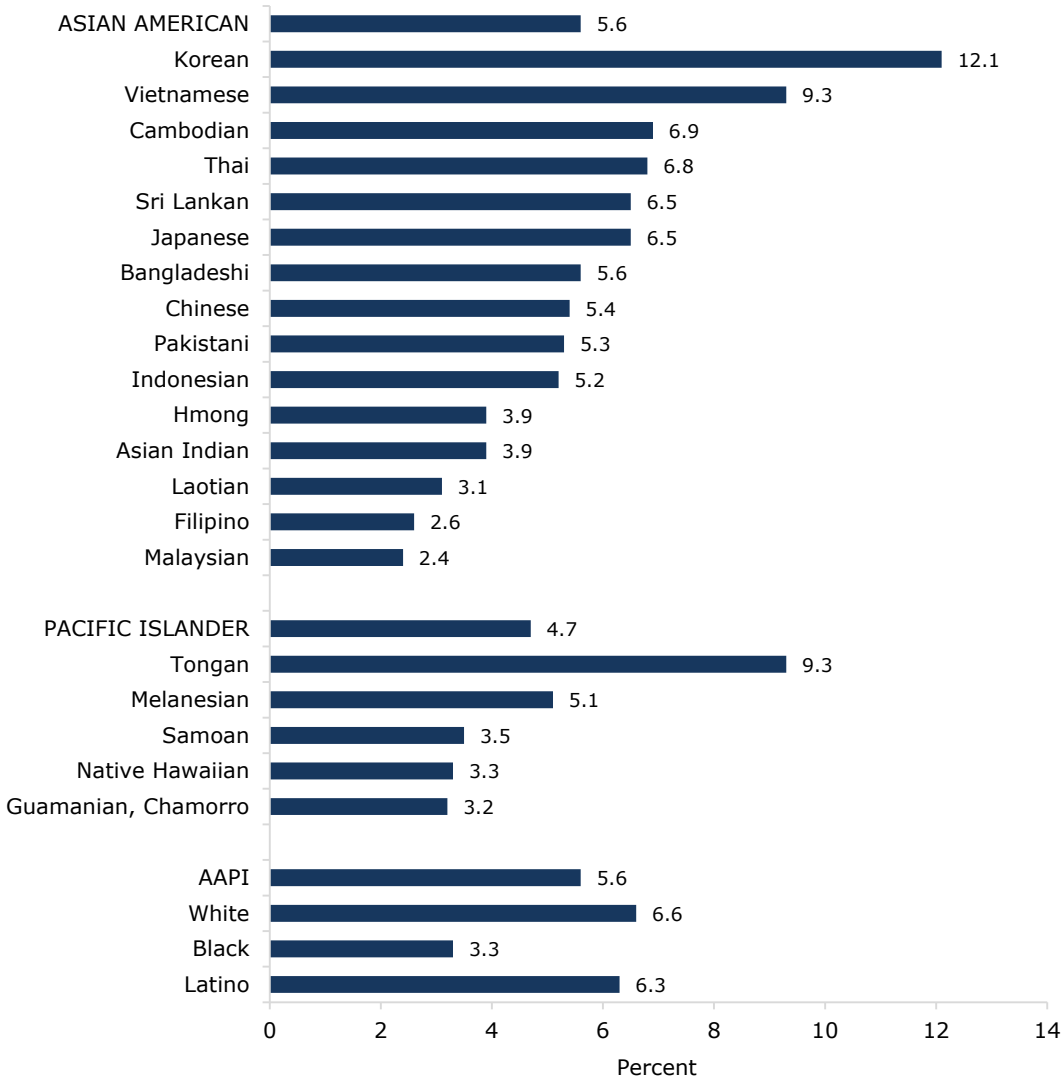
	Female	
1	Registered Nurses	5.7
2	Accountants and Auditors	3.9
3	Cashiers	3.6
4	Secretaries and Administrative Assistants	2.6
5	Misc. Personal Appearance Workers	2.6
6	Retail Salespersons	2.4
7	Waiters and Waitresses	2.3
8	Nursing, Psychiatric, and Home Health Aides	2.1
9	Elementary and Middle School Teachers	1.9
10	First-line Supervisors/Managers of Retail Sales Workers	1.8
11	Post-secondary Teachers	1.7
12	Computer Software Engineers	1.7
13	Personal and Home Care Aides	1.7
14	Physicians and Surgeons	1.7
15	Misc. Managers, including Postmasters and Mail Superindentents	1.7
16	Customer Service Representatives	1.6
17	Bookkeeping, Accounting, and Audit Clerks	1.5
18	Maids and Housekeeping Cleaners	1.4
19	Office Clerks, General	1.3
20	Child Care Workers	1.2
	Other Occupations, Total	55.9
	Male	
1	Computer Software Engineers	4.7
2	Misc. Managers, including Postmasters and Mail Superindentents	2.8
3	First-line Supervisors/Managers of Retail Sales Workers	2.7
4	Physicians and Surgeons	2.5
5	Post-secondary Teachers	2.3
6	Computer Scientists and Systems Analysts	2.3
7	Accountants and Auditors	2.1
8	Cashiers	2.0
9	Cooks	1.9
10	Retail Salespersons	1.8
11	Driver/Sales Workers and Truck Drivers	1.6
12	Food Service Managers	1.4
13	Computer Programmers	1.4
14	Chefs and Head Cooks	1.4
15	Janitors and Building Cleaners	1.3
16	Misc. Engineers, including Nuclear Engineers	1.3
17	First-line Supervisors/Managers of Non-Retail Sales Workers	1.3
18	Waiters and Waitresses	1.2
19	Computer and Information Systems Managers	1.1
20	Laborers and Freight, Stock, and Material Movers, Handlers	1.1
	Other Occupations, Total	61.8

Source: CEPR analysis of American Community Survey (ACS), 2009.

Self-employment

AAPI workers are less likely to be self-employed (5.6 percent) than whites (6.6 percent) and Latinos (6.3 percent), but substantially more likely to be self-employed than blacks (3.3 percent). The share of workers in self-employment, however, varies substantially by ethnic background (see **Figure 2.12**). Koreans are more likely to be self-employed than any other AAPI subgroup (12.1 percent), followed by Vietnamese (9.3 percent) and Tongans (9.3 percent). Cambodians (6.9 percent), Thais (6.8 percent), Sri Lankans (6.5 percent) and Japanese (6.5 percent) also have above-average rates of self-employment. Several groups, however, have self-employment rates well below the AAPI average: Samoans (3.5 percent), Laotians (3.1 percent), Native Hawaiians (3.3 percent), Guamanians or Chamorros (3.2 percent), Filipinos (2.6 percent), and Malaysians (2.4 percent).

FIGURE 2.12
Self-Employed AAPI Workers as Share of AAPI Workforce, by Ethnicity, Ages 16+, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

Industry

AAPIs also work across a wide range of industries (see **Table 2.6**). For AAPI women, health-care industries (hospitals, nursing care facilities, medical offices, and pharmacies) as a group are the largest employers. Education industries (elementary and secondary schools, and colleges and universities) are another major employer of AAPI women. Just over four percent of employed AAPI women work in nail and beauty salons.

The health care and education industries are also major employers of AAPI men. Typically higher-paying finance and computer-related industries also employ many AAPI men. But, the largest single industry for AAPI men is restaurants. Other lower- and middle-wage industries that employ large shares of the male AAPI workforce are construction, accommodation, and grocery stores.

TABLE 2. 6
Top 20 Industries of AAPI Workers, Age 16+
(percent of all AAPI workers)

	Female	
1	Hospitals	9.5
2	Restaurants and Other Food Services	6.9
3	Elementary and Secondary Schools	4.6
4	College and Universities, including Junior Colleges	4.4
5	Nail Salons and Other Personal Care Services	2.4
6	Banking and Related Activities	2.4
7	Computer Systems Design and Related Services	2.0
8	Insurance Carriers and Related Activities	1.9
9	Other Health Care Services	1.9
10	Nursing Care Facilities	1.8
11	Department and Discount Stores	1.8
12	Grocery Stores	1.8
13	Traveler Accommodation	1.8
14	Beauty Salons	1.7
15	Offices of Physicians	1.6
16	Other Amusement, Gambling, and Recreation Industries	1.4
17	Individual and Family Services	1.4
18	Electronic Components and Products, N.E.C.	1.4
19	Real Estate	1.4
20	Pharmacies and Drug Stores	1.3
	Other Industries, Total	46.6
	Male	
1	Restaurants and Other Food Services	7.8
2	Computer Systems Design and Related Services	5.8
3	College and Universities, including Junior Colleges	4.4
4	Hospitals	4.2
5	Construction, including Cleaning	3.8
6	Grocery Stores	2.3
7	Electronic Components and Products, N.E.C.	2.2
8	Architectural, Engineering, and Related Services	1.9
9	Banking and Related Activities	1.7
10	Securities, Commodities, Funds, Trusts, and Other Financial Investments	1.7
11	Traveler Accommodation	1.6
12	Elementary and Secondary Schools	1.5
13	Management, Scientific, and Technical Consulting Services	1.4
14	Insurance Carriers and Related Activities	1.3
15	Real Estate	1.3
16	Other Amusement, Gambling, and Recreation Industries	1.2
17	Other Health Care Services	1.1
18	Justice, Public Order, and Safety Activities	1.1
19	Office of Physicians	1.0
20	Postal Service	1.0
	Other Industries, Total	51.6

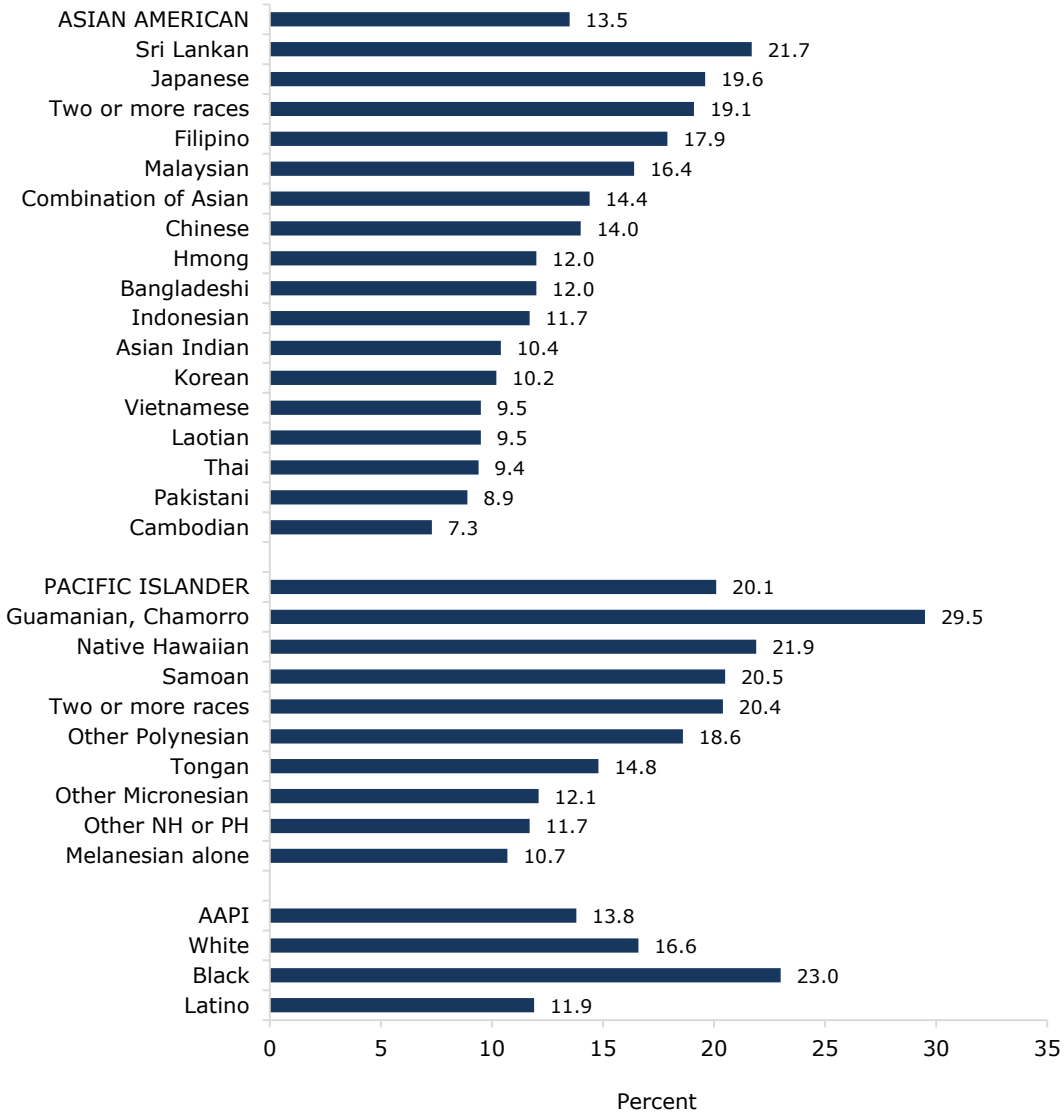
Source: CEPR analysis of American Community Survey (ACS), 2009.

Public-sector Employment

The public sector is a major employer of AAPI workers (see **Figure 2.13**). About 1-in-7 AAPI workers (13.8 percent) are in a public-sector job at the local, state, or federal level. To put this in perspective, the share of AAPI workers in the public sector is more than twice as high as the share of AAPI workers who are self-employed (5.6 percent).

The share of workers in the public sector varies significantly by ethnicity. In general, Pacific Islanders are more likely than Asian Americans to be public-sector workers. Of the five AAPI ethnic groups with the highest public-sector employment, four are Pacific Islanders: Guamanians or Chamorros (29.5 percent), Native Hawaiians (21.9 percent), Samoans (20.5 percent), and Pacific Islanders of two or more races (20.4 percent). Meanwhile, some AAPI groups are much less likely to work in the public sector: Vietnamese (9.5 percent), Laotians (9.5 percent), Thais (9.4 percent), Pakistanis (8.9 percent), and Cambodians (7.3 percent).

FIGURE 2.13
Public Sector AAPI Workers as Share of AAPI Workforce, by Ethnicity, Ages 16+, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

Section 3: Challenges

In this section, we review some of the most pressing economic challenges facing AAPI workers, from immediate issues related to the Great Recession (especially, high levels of unemployment) to longer-standing concerns (including rising inequality, access to health-insurance coverage, and linguistic isolation).

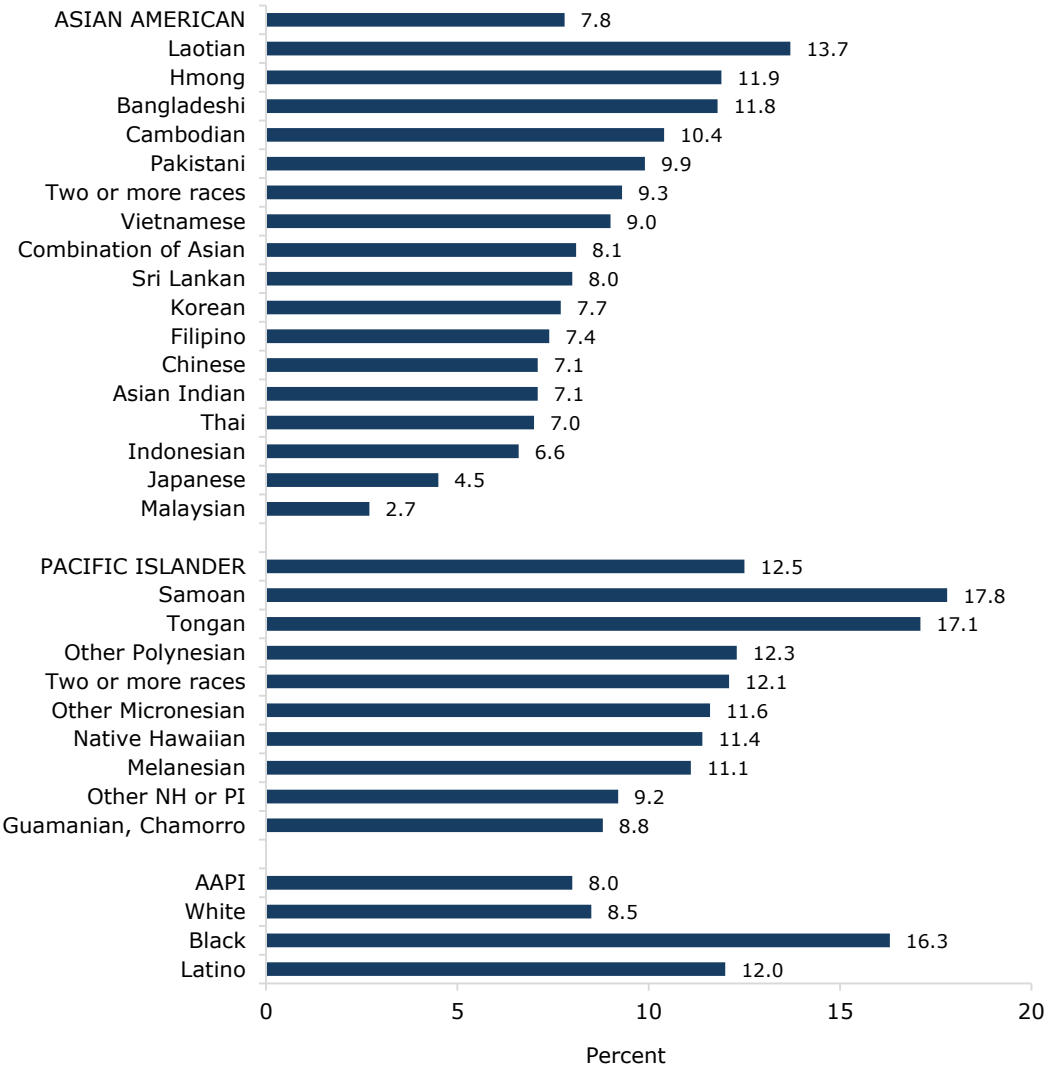
The many challenges we document here suggest that the common portrait of AAPIs as a "model minority" is misleading. The "model minority" myth is a set of assumptions – created largely through U.S. media and culture from the 1960s through the 1990s – that depicts all AAPIs as an ideal ethnic minority group that has largely attained the "American Dream."[11] In reality, as we noted in the preceding section, there is a tremendous diversity of experience within the AAPI community. We will see below that many AAPI workers face high unemployment (even in good times), experience working poverty, have problems obtaining health insurance, and struggle with disabilities and language difficulties that impede upward mobility. The "model minority" myth also obscures the reality that AAPI workers have been subject to the same economic forces that over the last three decades have eroded the economic security and standard of living for many workers at the middle and bottom of the U.S. economic distribution. AAPI workers have suffered alongside the broader workforce as wages have stagnated, benefits have declined, and economic inequality and insecurity have been on the rise.

Unemployment

In 2009, the worst year of the Great Recession, the unemployment rate for AAPI workers was 8.0 percent (using data from the American Community Survey), just below the unemployment rate for white workers (8.5 percent). But the average unemployment rate for AAPI workers masks substantial differences in unemployment across AAPI ethnic groups. The unemployment rate for Pacific Islanders as a group was 12.5 percent, with particularly high rates for Samoans (17.8 percent) and Tongans (17.1 percent). Meanwhile, Laotians (13.7 percent), Hmong (11.9 percent), Bangladeshis (11.8 percent), and Cambodians (10.4 percent) were all above ten percent. (See **Figure 3.1** and **Table 3.1**.)

11 According to *Yellow: Race in America Beyond Black and White* by Frank H. Wu (2001): "As well-meaning has it may be, the model minority myth ought to be rejected for three reasons. First, the myth is a gross simplification that is not accurate enough to be seriously used for understanding 10 million people. Second, it conceals within it an invidious statement about African Americans along the lines of the inflammatory taunt: 'They made it; why can't you?' Third, the myth is abused both to deny that Asian Americans experience racial discrimination and to turn Asian Americans into a racial threat." Another source about the model minority myth is *The Myth of the Model Minority: Asian Americans Facing Racism* by Rosalind S. Chou and Joe R. Faegin (2008).

FIGURE 3.1
Unemployment Rate, AAPI Workers, by Ethnicity, Ages 16+, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

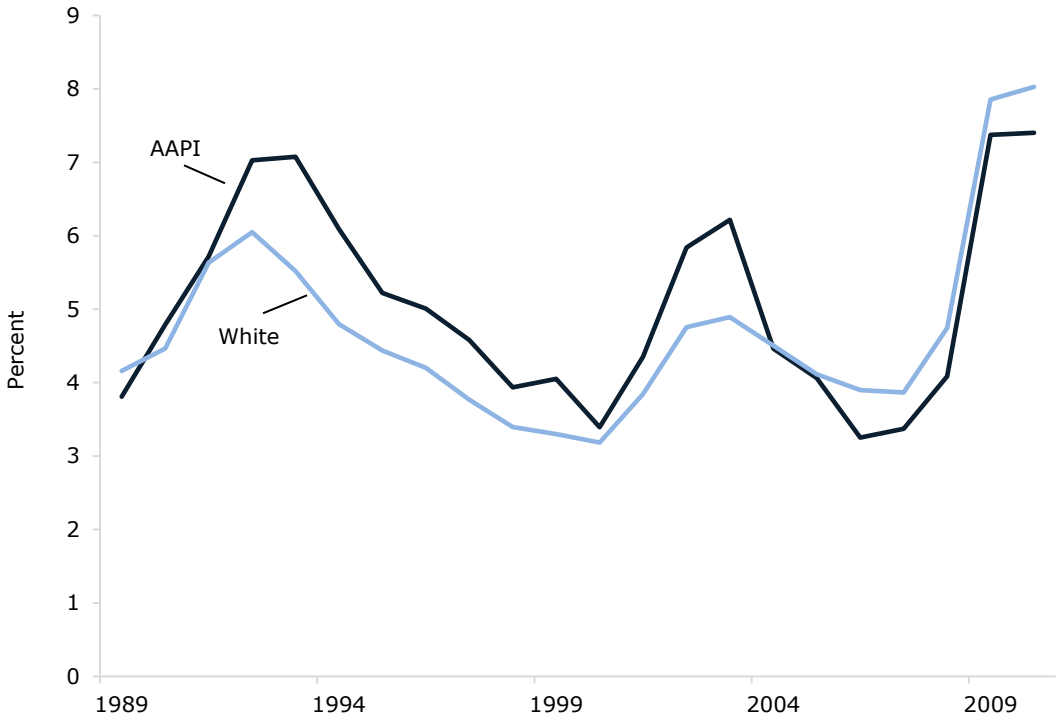
TABLE 3.1
Unemployment Rate, AAPI Workers, Ages 16+, by Ethnicity and Gender, 2009
(percent)

	All	Male	Female
Asian American and Pacific Islander	8.0	7.9	8.1
Asian American	7.8	7.6	7.9
Asian Indian	7.1	5.8	9.3
Bangladeshi	11.8	9.8	16.9
Cambodian	10.4	14.0	6.7
Chinese	7.1	7.0	7.2
Filipino	7.4	8.9	6.2
Hmong	11.9	12.3	11.5
Indonesian	6.6	5.6	7.5
Japanese	4.5	4.5	4.5
Korean	7.7	7.2	8.3
Laotian	13.7	12.9	14.6
Malaysian	2.7	0.0	5.3
Pakistani	9.9	7.2	16.3
Sri Lankan	8.0	7.0	9.5
Thai	7.0	5.7	7.9
Vietnamese	9.0	9.8	8.3
Other specified Asian	10.5	9.3	13.0
Asian, not specified	11.4	10.4	12.7
Combination of Asian groups	8.1	7.5	8.9
Two or more races	9.3	9.6	9.0
Pacific Islander	12.5	12.4	12.6
Native Hawaiian	11.4	11.3	11.4
Samoan	17.8	16.9	18.8
Tongan	17.1	15.6	19.2
Other Polynesian (including mixed)	12.3	13.6	10.5
Guamanian or Chamorro	8.8	6.6	11.1
Other Micronesian (including mixed)	11.6	5.5	19.6
Melanesian (including mixed)	11.1	14.2	7.7
Other Native Hawaiian or Other Pacific Islander	9.2	14.7	2.5
Two or more races	12.1	12.7	11.4
White	8.5	9.4	7.4
Black	16.3	18.7	14.2
Latino	12.0	11.9	12.1

Source: CEPR analysis of American Community Survey (ACS), 2009.

Over time, the unemployment rate for AAPI workers closely follows the rate for whites (**Figure 3.2**). The unemployment rate for AAPI and white workers rose sharply in the aftermath of the 1990-91, 2001, and (especially) the 2007-09 recessions. In the most recent years, the unemployment rate for AAPI workers has been slightly lower than the rate for whites, but for most of the period since 1989, AAPI workers had somewhat higher unemployment rates.

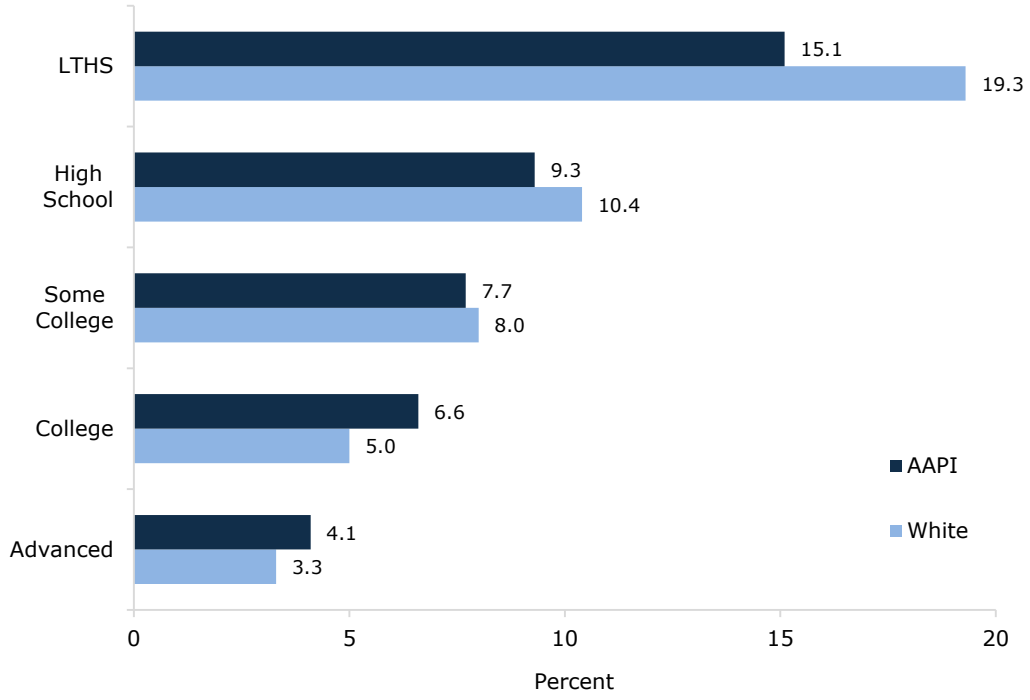
FIGURE 3.2
Unemployment Rate, AAPI and White Workers, Ages 16+, 1989-2009



Source: CEPR analysis of Current Population Survey Outgoing Rotation Group (CPS ORG).

The official unemployment rate, however, doesn't tell the full story for AAPI workers. As we showed in the preceding section, AAPI workers are, on average, better educated than white workers. All else constant, we expect workers with higher levels of education to have lower unemployment rates. This is, in fact, true for workers of all races and ethnicities, including AAPIs and whites (**Figure 3.3**). As a result, AAPI workers' higher level of formal education has the effect of lowering their unemployment rate relative to other, less-educated racial and ethnic groups.

FIGURE 3.3
Unemployment Rate by Educational Attainment, AAPI and White Workers, Ages 16+, 2010



Note: "LTHS" indicates less than a high school diploma.
Source: CEPR analysis of CPS ORG, 2010.

However, as Algernon Austin of the Economic Policy Institute[12] has demonstrated, better educated AAPI workers have higher unemployment rates than whites with a comparable level of education. According to Austin's analysis, when AAPI and white workers are placed on a comparable educational footing, the unemployment rate for AAPI workers is actually higher than it is for whites. These findings provide support for the view that AAPI workers often face a "glass ceiling," which puts them at a disadvantage relative to white workers, despite their educational qualifications and work experience.[13]

In addition, at a recent hearing of the U.S. Equal Employment Opportunity Commission,[14] Austin testified that in the second quarter of 2010, Asian Americans had the highest long-term unemployment rate of America's major racial and ethnic groups. According to his analysis, over half (51.7%) of unemployed Asian Americans had been unemployed for more than six months, and almost 4-in-10 (39%) had been unemployed for more than a year.

12 Austin (2010).
13 For a review of recent evidence on the glass ceiling facing AAPI workers, see Kim and Mar (2007).
14 Austin (2011).

Employment Rates

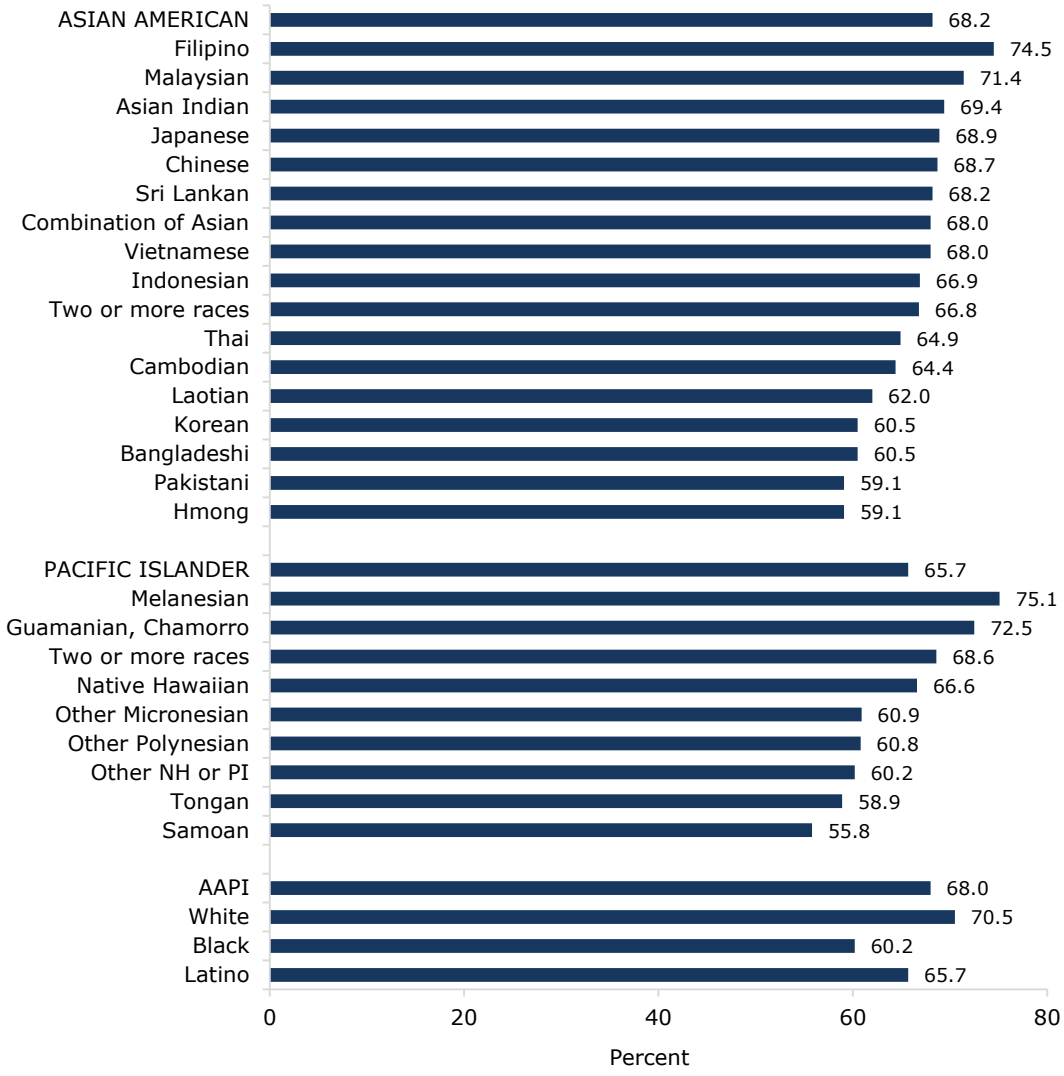
The unemployment rate is probably the best known indicator of labor-market health. But, economists also rely heavily on a second labor-market statistic, the employment-to-population rate, which gives the share of the working-age population that has a job at a particular point in time.

AAPIs between the ages of 16 and 64 are somewhat less likely to have a job (68.0 percent) than whites in the same age range (70.5 percent). (See **Figure 3.4.**) But, employment rates vary widely among AAPIs. Melanesians (75.1 percent), Filipinos (74.5 percent), Guamanians or Chamorros (72.5 percent), and Malaysians (71.4 percent) all have employment rates above those of whites. Meanwhile, Samoans (55.8 percent), Tongans (58.9 percent), Pakistanis (59.1 percent), Hmong (59.1 percent), Koreans (60.5 percent), and Bangladeshis (60.5 percent) have employment rates close to those for blacks (60.2 percent).

Differences in gender norms influence employment rates. For some AAPI ethnic groups, a low employment rate for women accounts for most or all of the group's low overall employment rate (**Table 3.2**). For example, ethnic Bangladeshi men (78.5 percent) are more than twice as likely as ethnic Bangladeshi women (37.4 percent) to have a job. Differences in age structure and immigration rates also have an important impact on employment rates. Young, immigrant workers tend to have high employment rates, often regardless of gender. Young, non-immigrants are more likely to be in school in their late teens and early twenties, reducing their employment rates. Many women in their twenties and thirties leave the labor force temporarily to raise children, and then return to paid work later in life. And as workers age, their likelihood of having a job tends to fall for many reasons including health problems, so ethnic groups that are, on average, older tend to have lower average employment rates.

The Great Recession has hit AAPI workers hard. **Figure 3.5** shows the employment-to-population rate for AAPIs, whites, blacks, and Latinos, ages 16 to 64, from 1989 through 2010, based on data from the Current Population Survey. Over the full period, the employment rate for AAPIs is consistently higher than it is for blacks and Latinos, but consistently lower than it is for whites. All four groups suffered steep declines in employment between 2007 and 2010. In 2007, the employment rate for AAPIs was 70.8 percent; by 2010, it had fallen almost 5 percentage points, to 66.1 percent.

FIGURE 3.4
Employment-to-Population Ratio, AAPI Workers, by Ethnicity, Ages 16-64, 2009



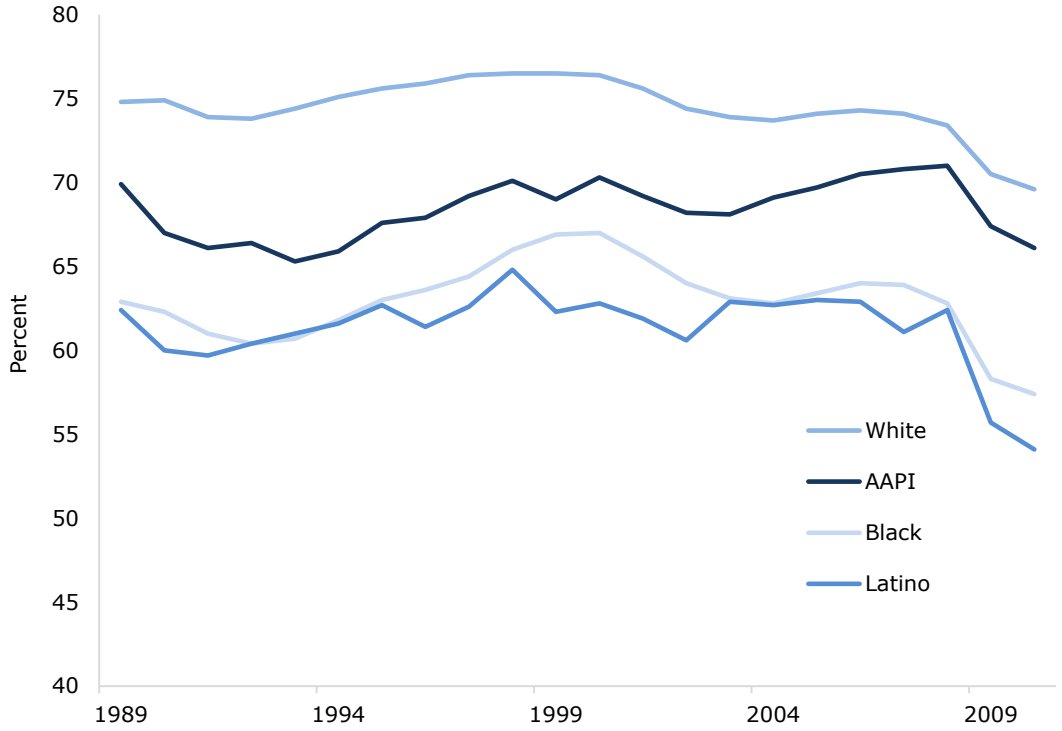
Source: CEPR analysis of American Community Survey (ACS), 2009.

TABLE 3.2
Employment-to-population Ratio, AAPI Workers, Ages 16-64 by Ethnicity and Gender, 2009
(percent)

	All	Male	Female
Asian American and Pacific Islander	68.0	74.4	62.2
Asian American	68.2	74.6	62.2
Asian Indian	69.4	81.2	56.0
Bangladeshi	60.5	78.5	37.4
Cambodian	64.4	65.6	63.3
Chinese	68.7	74.1	63.7
Filipino	74.5	75.8	73.5
Hmong	59.1	62.2	55.7
Indonesian	66.9	77.0	60.5
Japanese	68.9	79.3	60.5
Korean	60.5	68.8	54.0
Laotian	62.0	64.8	59.4
Malaysian	71.4	73.6	69.3
Pakistani	59.1	77.3	36.9
Sri Lankan	68.2	75.9	56.9
Thai	64.9	70.5	61.8
Vietnamese	68.0	71.3	64.9
Other specified Asian	65.2	75.4	50.5
Asian, not specified	64.7	71.6	57.5
Combination of Asian groups	68.0	73.3	62.6
Two or more races	66.8	69.0	64.6
Pacific Islander	65.7	69.3	62.2
Native Hawaiian	66.6	68.2	65.0
Samoan	55.8	60.2	51.7
Tongan	58.9	65.4	51.2
Other Polynesian (including mixed)	60.8	70.2	51.7
Guamanian or Chamorro	72.5	80.1	65.8
Other Micronesian (including mixed)	60.9	77.2	46.1
Melanesian (including mixed)	75.1	75.7	74.6
Other Native Hawaiian or Other Pacific Islander	60.2	65.9	55.2
Two or more races	68.6	70.0	67.2
White	70.5	74.2	66.8
Black	60.2	58.8	61.3
Latino	65.7	73.7	57.1

Source: CEPR analysis of American Community Survey (ACS), 2009.

FIGURE 3.5
Employment-to-Population Ratio, by Major Racial/Ethnic Groups, Ages 16-64, 1989-2010



Source: CEPR analysis of CPS ORG, 1989-2010.

Annual Earnings

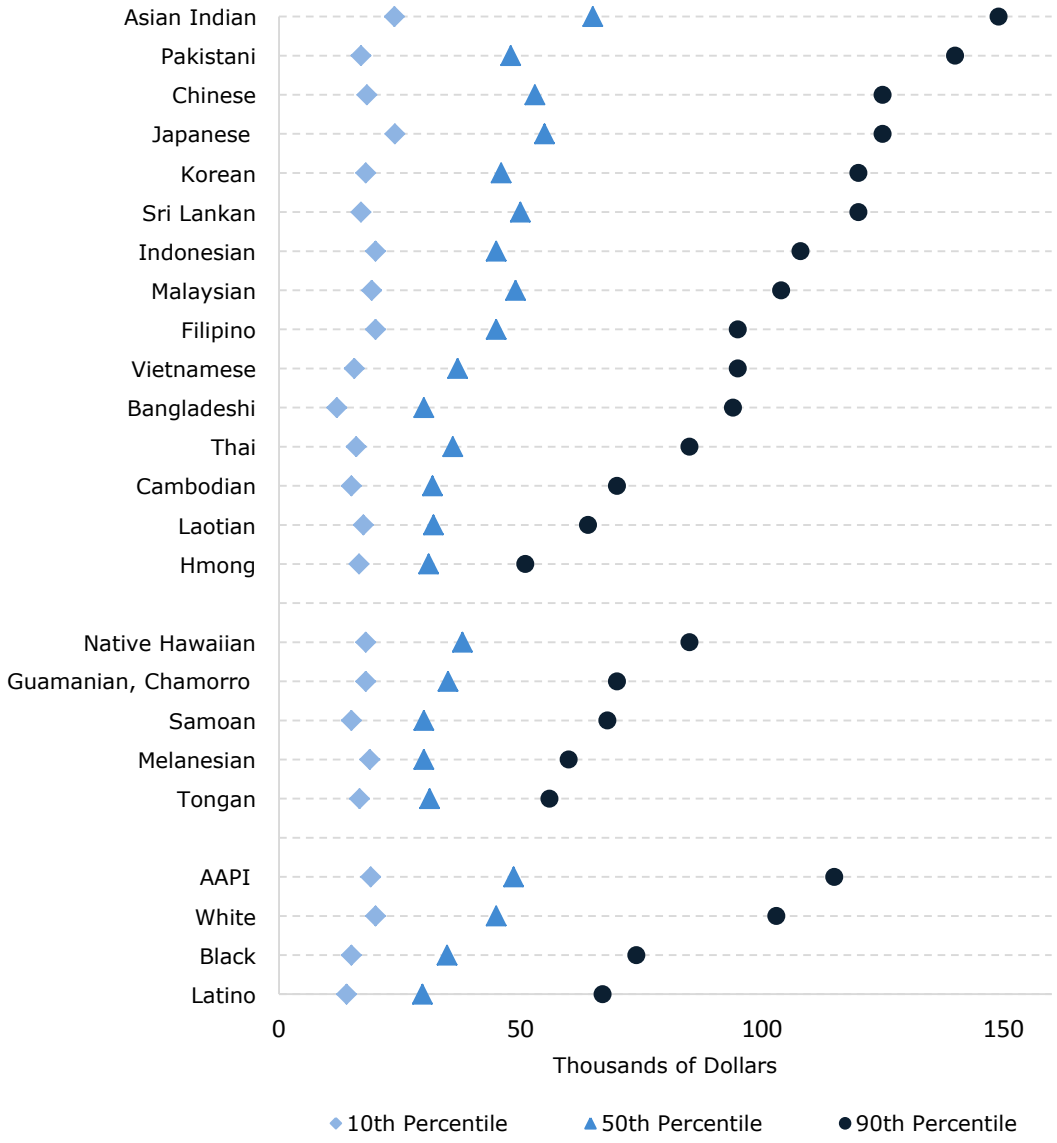
Earnings inequality is higher for AAPI workers than it is for workers from other racial and ethnic groups. Since 1989, and perhaps for longer, inequality has also increased more for AAPI workers than it has for other workers.

One common measure of inequality is the difference in earnings between a typical high-wage worker and a typical low-wage worker. Economists often use a worker in the 90th percentile of the pay distribution to represent a high-wage worker, and a worker in the 10th percentile of the distribution to represent a low-wage worker. The 90th percentile worker makes more than 90 percent of workers, but less than 10 percent of workers; the 10th percentile worker makes more than only 10 percent of workers and less than the other 90 percent of workers. (The 50th percentile worker is the one exactly in the middle, earning more than half of all workers and less than half of all workers.)

By this measure, earnings inequality is much higher for AAPI workers than it is for white, black, or Latino workers. The ratio of a high-paid to a low-paid AAPI worker is about 6-to-1, compared to about 5-to-1 for whites, blacks, and Latinos. (See **Figure 3.6** and **Table 3.3**, which show data on annual earnings from work from the American Community Survey.) Within many ethnic AAPI groups, including Asian Indians, Pakistanis, Chinese, and Japanese, inequality is even higher. Inequality is generally lower among Pacific Islanders. For AAPIs as a whole, as well for the separate AAPI ethnic groups, the main driver of inequality is the high earnings of those at the top. Low-wage AAPI workers have earnings that are similar to those of low-wage white, black, and Latino workers.

Since at least 1989, and perhaps starting earlier, wage inequality has increased substantially more for AAPIs than it has for other workers. **Figure 3.7** shows changes over time in the gap between the hourly wages of the 90th and the 10th percentile AAPI and white workers from 1989 through 2010, using data from the Current Population Survey. Over those two decades this measure of inequality increased about 5 percent among whites, but about 15 percent among AAPI workers.

FIGURE 3.6
Annual Earnings of Full-Time, Full-Year AAPI Workers, by Selected Wage Percentiles and Ethnicity, Ages 16+, 2009



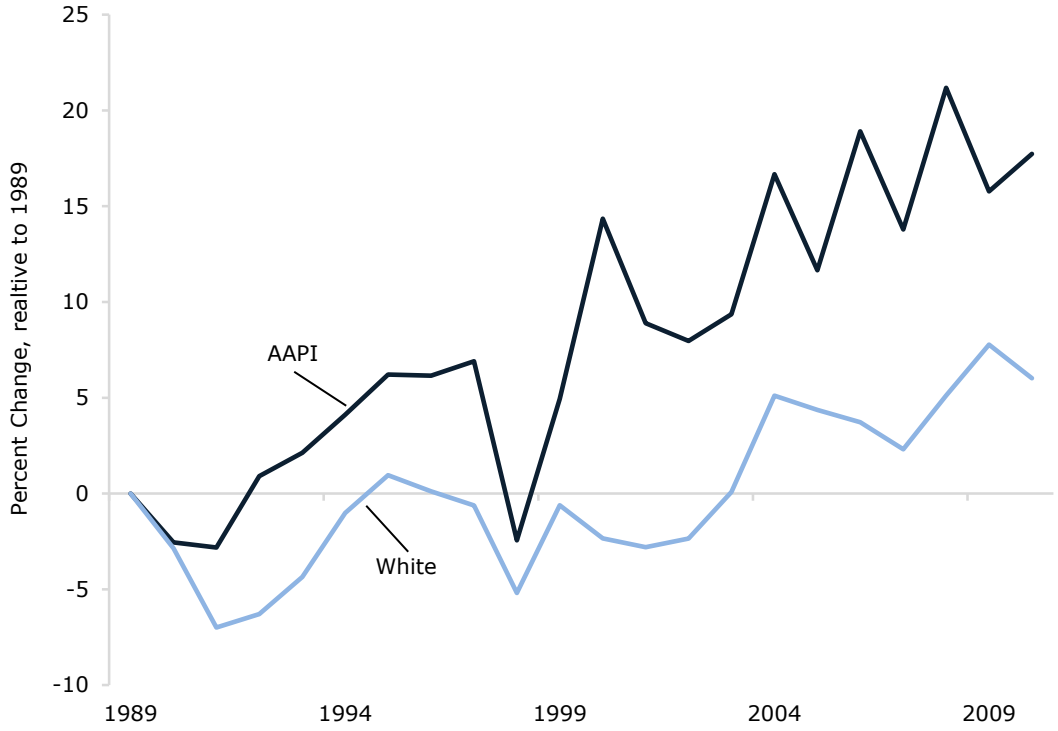
Source: CEPR analysis of American Community Survey (ACS), 2009

TABLE 3.3
Annual Earnings of Full-Time, Full-Year AAPI Workers, Ages 16+ by Wage Percentile, 2009
(thousands)

	10th	50th	90th
Asian American and Pacific Islander	19.0	48.6	115.0
Asian American	19.0	50.0	118.0
Asian Indian	23.9	65.0	149.0
Bangladeshi	12.0	60.0	94.0
Cambodian	15.0	31.8	70.0
Chinese	18.2	53.0	125.0
Filipino	20.0	45.0	95.0
Hmong	16.6	31.0	51.0
Indonesian	20.0	45.0	108.0
Japanese	24.0	55.0	125.0
Korean	18.0	46.0	120.0
Laotian	17.5	32.0	64.0
Malaysian	19.2	49.0	104.0
Pakistani	17.0	48.0	140.0
Sri Lankan	17.0	50.0	120.0
Thai	16.0	36.0	85.0
Vietnamese	15.6	37.0	95.0
Other specified Asian	15.0	30.0	82.0
Asian, not specified	16.0	39.0	100.0
Combination of Asian groups	20.0	44.3	100.0
Two or more races	21.0	47.0	109.0
Pacific Islander	18.0	36.0	79.0
Native Hawaiian	18.0	38.0	85.0
Samoan	15.0	30.0	68.0
Tongan	16.7	31.2	56.0
Other Polynesian (including mixed)	21.1	55.0	120.0
Guamanian or Chamorro	18.0	35.0	70.0
Other Micronesian (including mixed)	12.0	27.8	48.0
Melanesian (including mixed)	18.8	30.0	60.0
Other Native Hawaiian or Other Pacific Islander	12.0	45.0	90.0
Two or more races	18.0	40.0	82.5
White	20.0	45.0	103.0
Black	15.0	34.8	74.0
Latino	14.0	29.7	67.0

Notes: Self-employed (unincorporated) workers excluded from this analysis.
Source: CEPR analysis of American Community Survey (ACS), 2009

FIGURE 3.7
Growth in the Wage Gap between High - and Low-Wage Workers, AAPI and White, 1989-2010



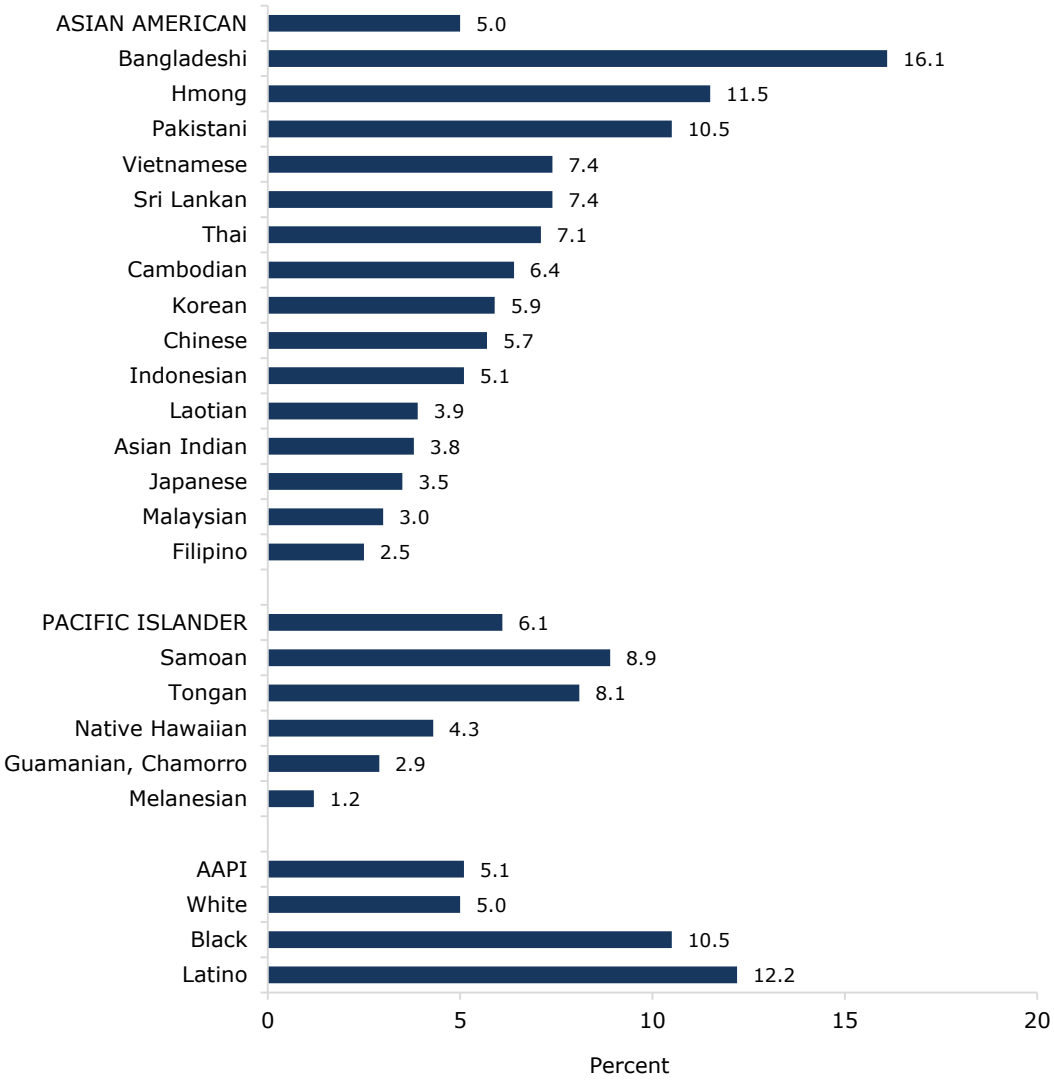
Note: "High-wage" workers defined as those in the 90th percentile, and "low-wage" as those in the 10th percentile, of the pay distribution.
Source: CEPR analysis of CPS ORG, 1989-2010

Working Poverty

About one of every 20 AAPI workers (5.1 percent) lives in a household with income below the official poverty line. This rate of working poverty is close to that of whites (5.0 percent) and less than half of the rate for blacks (10.5 percent) and Latinos (12.2 percent). (See **Figure 3.8**.) For some ethnic AAPI groups, working poverty rates, however, are much higher than the average. About 1-in-6 Bangladeshi workers (16.1 percent) are in the working poor; about 1-in-9 Hmong workers (11.5 percent); and about 1-in-10 Pakistani workers (10.5 percent). Working poverty is also high for some Pacific Islander groups: Samoans (8.9 percent) and Tongans (8.1 percent).

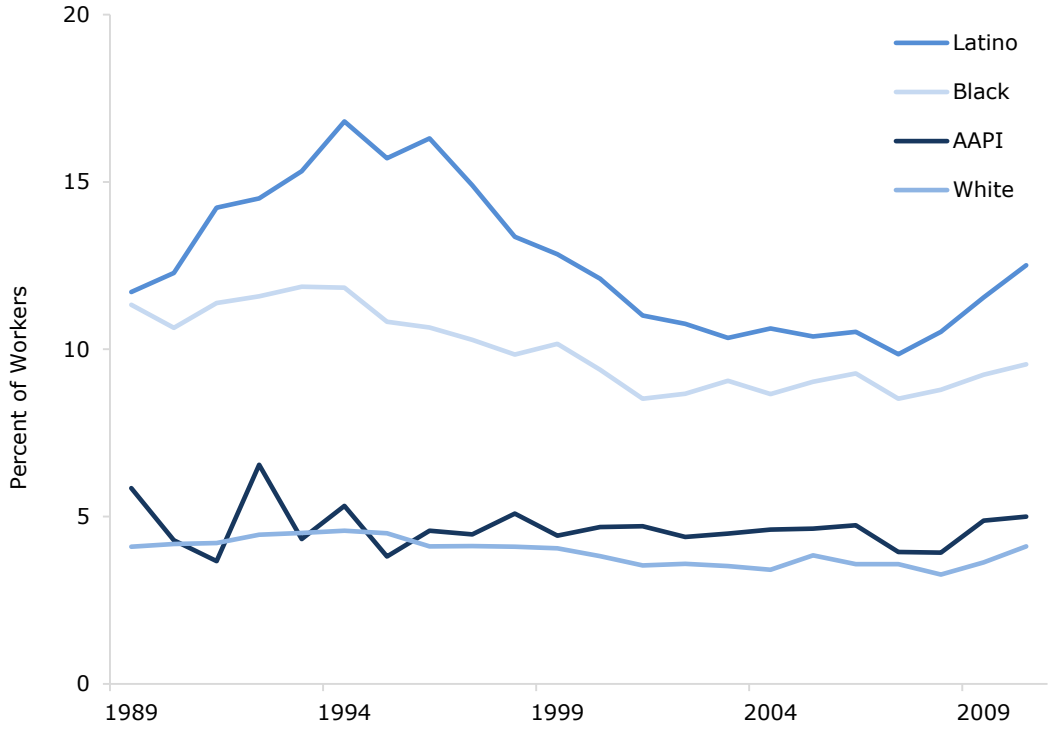
Over the last decade, the working poverty rate has been consistently somewhat higher for AAPIs than for whites (see **Figure 3.9**).

FIGURE 3.8
AAPI Workers in Poverty, by Ethnicity, Ages 16+, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

FIGURE 3.9
Workers in Poverty, by Major Racial/Ethnic Groups, Ages 16+, 1989-2010



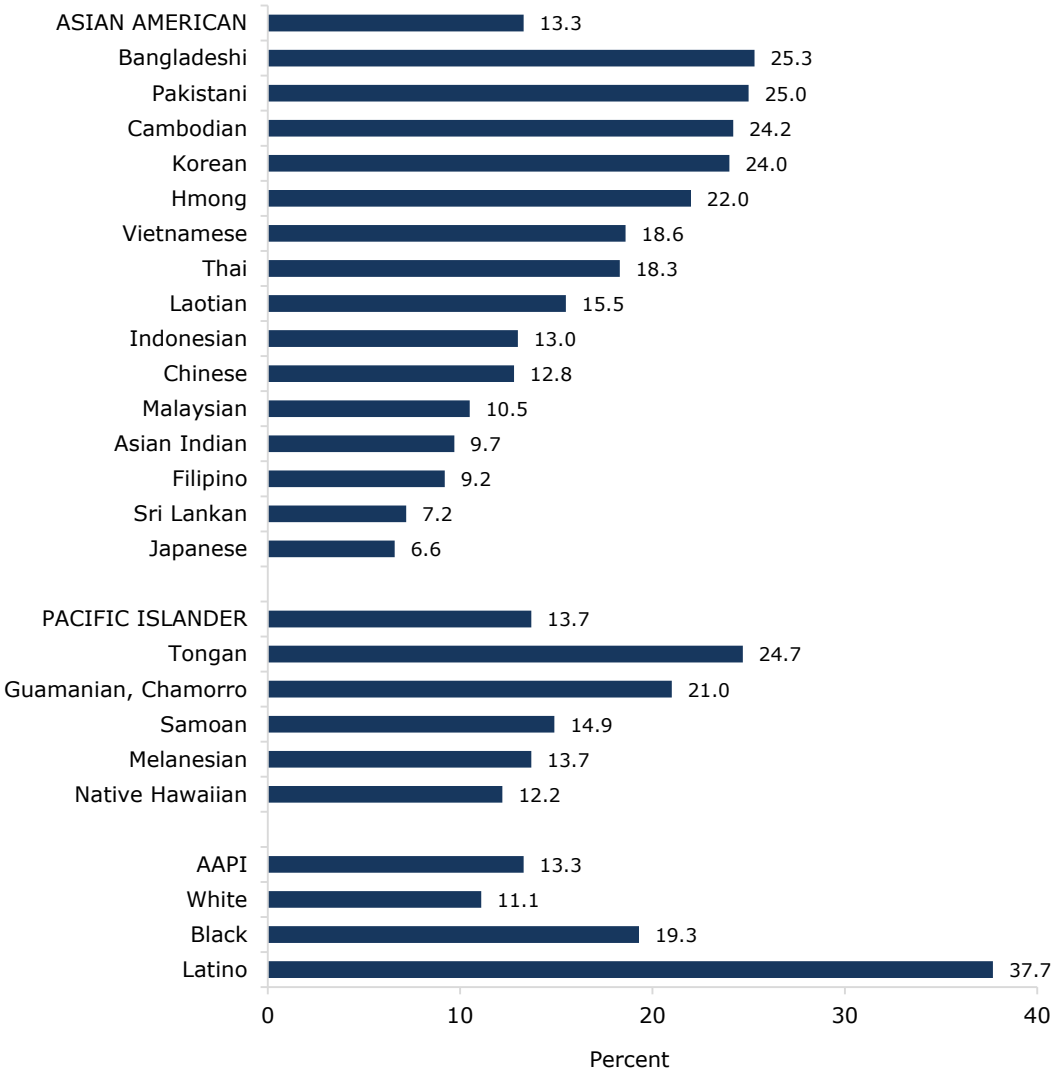
Source: CEPR analysis of March Current Population Survey (CPS), 1989-2010.

Health Insurance

Access to health insurance is a critical problem for many AAPI workers: more than 1-in-8 AAPI workers (13.3 percent) have no health insurance of any kind. **Figure 3.10** shows the share of workers without health insurance from any source, based on data from the American Community Survey for 2009. The share of AAPI workers without health insurance is higher than it is for whites (11.1 percent), but below rates for blacks (19.3 percent) and Latinos (37.7 percent). Lack of health insurance is a particular problem for workers in several AAPI ethnic groups: Bangladeshis (25.3 percent), Pakistanis (25.0 percent), Tongans (24.7 percent), Cambodians (24.2 percent), Koreans (24.0 percent), Hmong (22.0 percent), and Guamanians or Chamorros (21.0 percent).

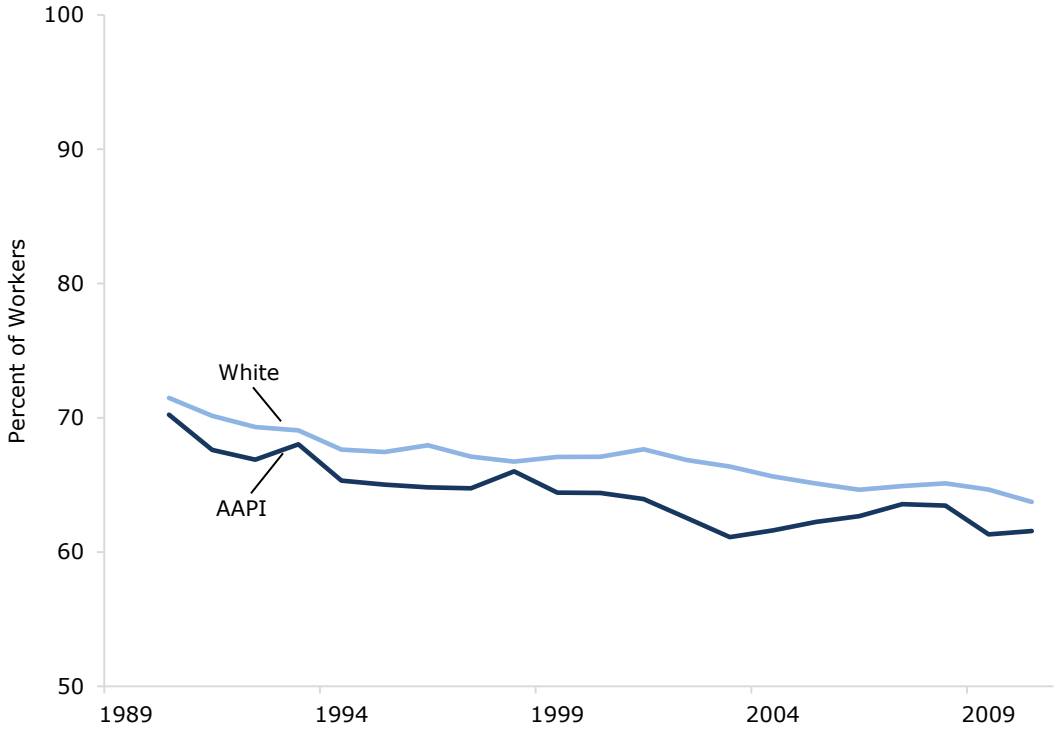
AAPI workers have suffered with the rest of the workforce as employer-provided health insurance has been on the decline. **Figure 3.11** shows the share of AAPI and white workers with employer-provided health insurance over the period from 1989 through 2009. (The figure uses data from the Current Population Survey, adjusted to reflect changes in the survey design over time using a procedure described in Rho and Schmitt, 2010.) Over the whole period, AAPI workers were less likely than white workers were to have employer-provided coverage. In 1989, about 70.2 percent of AAPI workers had employer-provided coverage; by 2009, the share of AAPI workers with employer-provided coverage had fallen to 61.6 percent.

FIGURE 3.10
AAPI Workers Lacking Health Insurance, by Ethnicity, Ages 18-64, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

FIGURE 3.11
Workers with Employer Provided Health Coverage, AAPI and White, Ages 16-64, 1989-2010



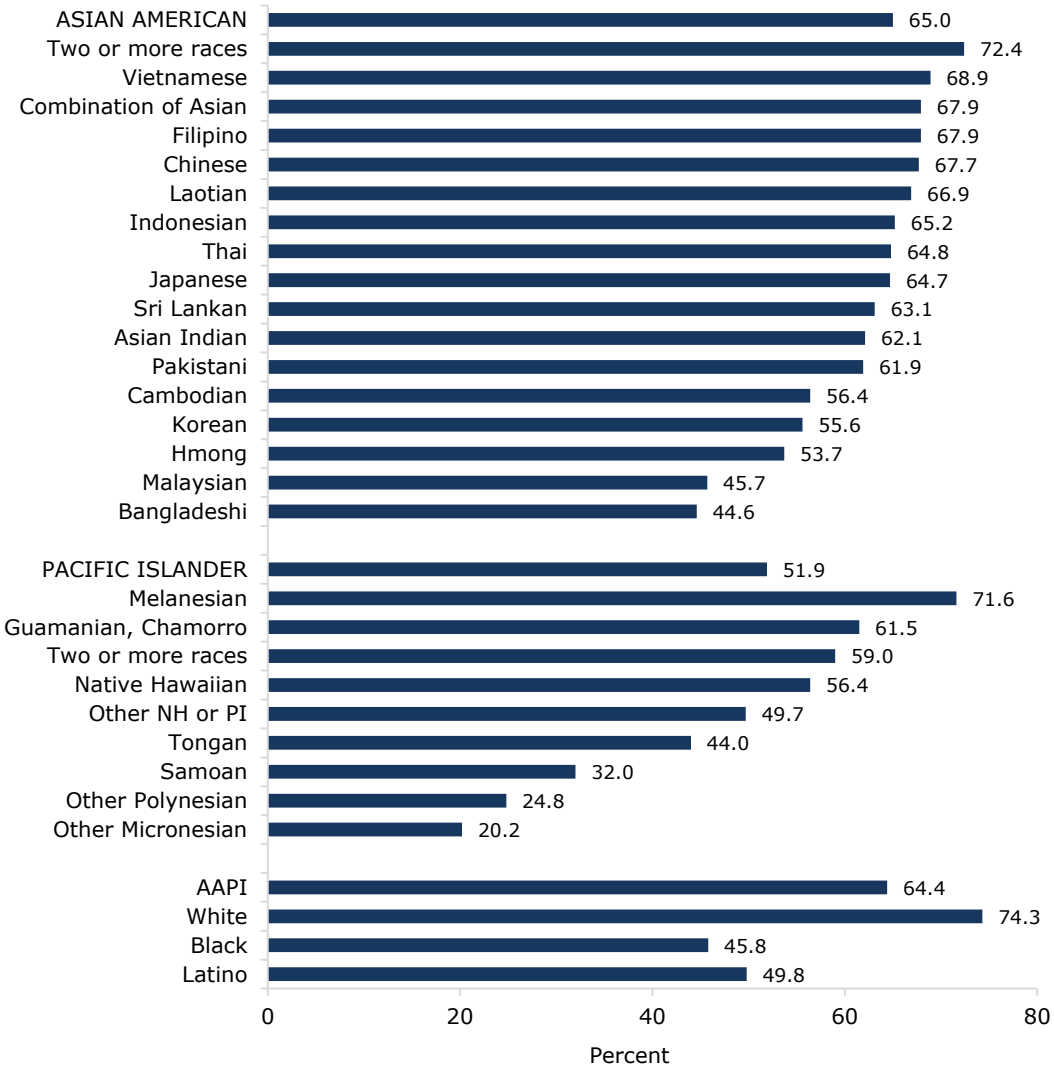
Source: CEPR analysis of March Current Population Survey (CPS), 1989-2010

Home Ownership

AAPI workers are substantially less likely to own their house (64.4 percent) than white workers are (74.3 percent). The gap in home ownership rates is so large that no ethnic AAPI groups have a home ownership rate that is as high as the average rate for whites (see **Figure 3.12**). Home ownership rates are particularly low for Pacific Islanders (51.9 percent), with many PI groups below a 50 percent rate.

AAPI workers face several barriers to home ownership. One important hurdle for many is their immigrant status, which can make it more difficult to obtain a mortgage or the earnings necessary to purchase a home. Another obstacle is the concentration of AAPI workers in parts of the country where home prices are especially high, including California, New York, Hawaii, and New Jersey.

FIGURE 3.12
AAPI Worker Home Ownership Rates, by Ethnicity, 2009

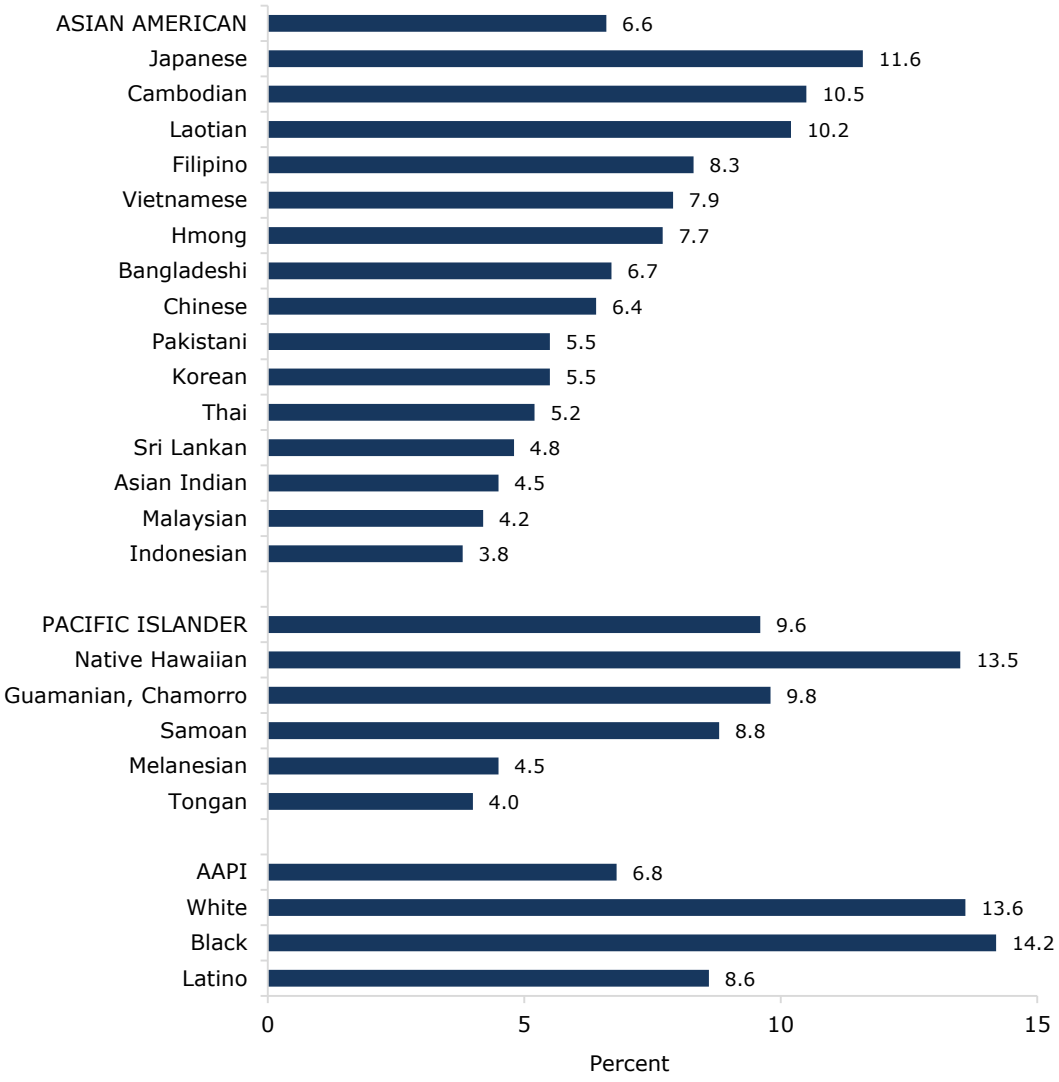


Source: CEPR analysis of American Community Survey (ACS), 2009.

Disabilities

According to the American Community Survey, about 6.8 percent of AAPI workers have some kind of disability. The ACS classifies a person as having a disability if that person has "serious difficulty": hearing; seeing; walking or climbing stairs; dressing or bathing themselves; concentrating, remembering, or making decisions; or living independently (such as visiting a doctor's office or shopping). While the overall rate of disability is lower for AAPIs than for white, blacks and Latinos, disability rates are high for workers from several AAPI ethnic groups: Native Hawaiians (13.5 percent), Japanese (11.6 percent), Cambodians (10.5 percent), and Laotians (10.2 percent). (See **Figure 3.13**.)

FIGURE 3.13
Share of AAPI Workers with a Disability, by Ethnicity, 2009



Source: CEPR analysis of American Community Survey (ACS), 2009.

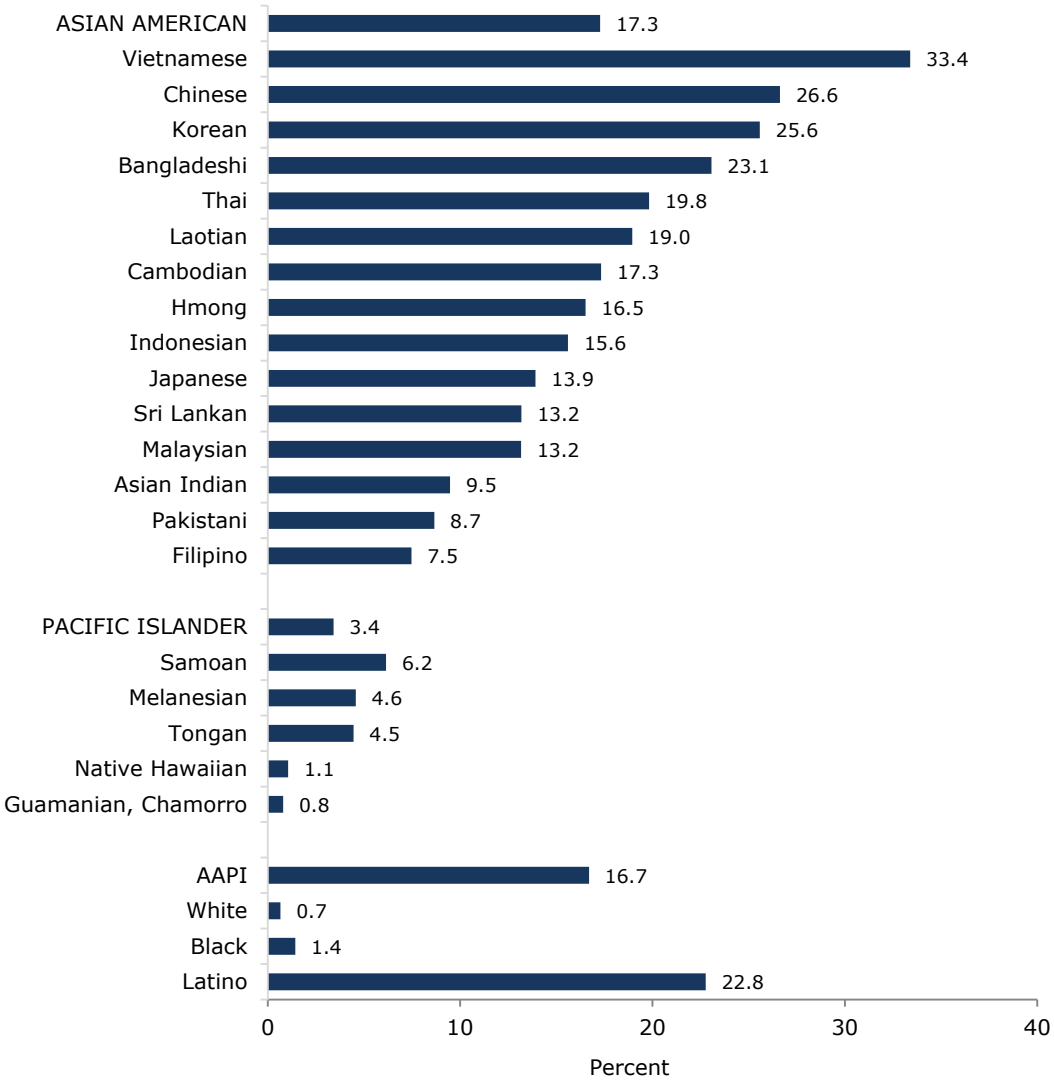
Language Barriers

Given that three-fourths of AAPI workers were born outside the United States, it is not surprising that a significant share of AAPI workers face language barriers. The ACS designates a household as "linguistically isolated" if all of the adult members of a household speak English less than "very well."

According to data from the American Community Survey for 2009, about 1-in-6 AAPI workers (16.7 percent) live in a household that is linguistically isolated (**Figure 3.14**). Asian American workers have an even higher rate of linguistic isolation (17.3 percent). Fewer than 1-in-20 Pacific Islander workers (3.4 percent) and only about 1 percent of white (0.7 percent) and black (1.4 percent) workers live in linguistically isolated households.

Linguistic isolation among AAPI workers in the aggregate is not as high as it is among Latino workers (22.8 percent), but several ethnic AAPI groups have higher rates of linguistic isolation than Latinos do: Vietnamese (33.4 percent), Chinese (26.6 percent), Korean (25.6 percent) and Bangladeshi (23.1 percent).

FIGURE 3.14
Share of AAPI Workers in Linguistically Isolated Households, by Ethnicity, Ages 16+, 2009



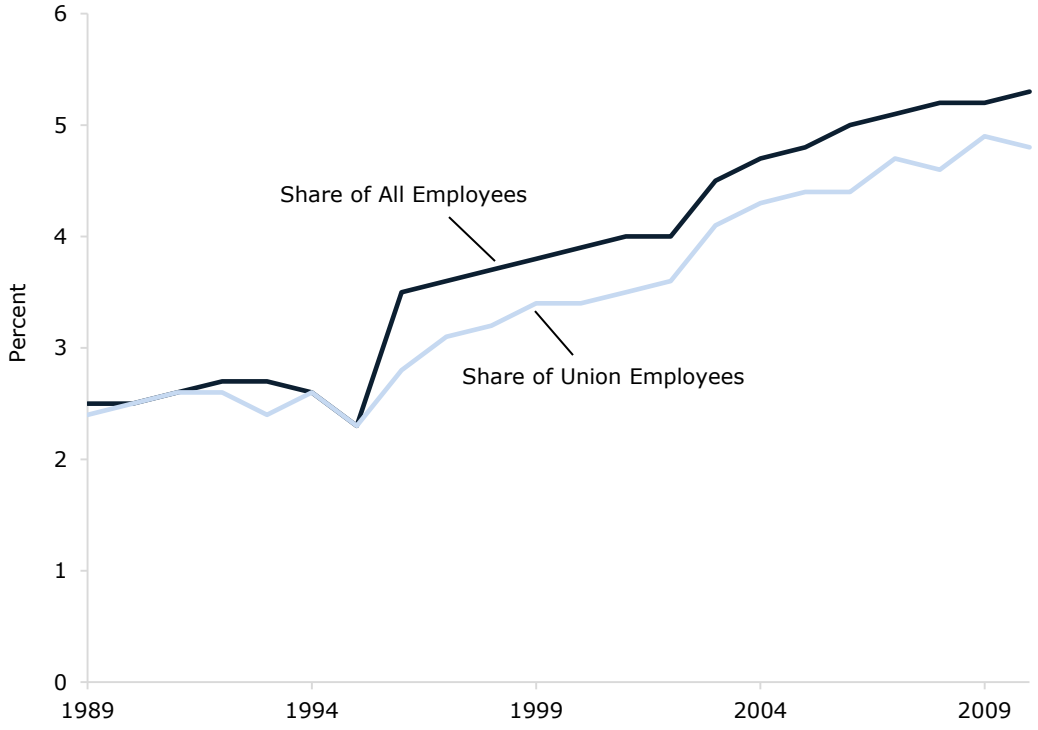
Source: CEPR analysis of American Community Survey (ACS), 2009.

Section 4: The Union Response

Asian Americans and Pacific Islanders have responded in many ways to the challenges discussed in the preceding section. AAPIs have formed community and political organizations, immigrant-rights groups, and established their own local and national news media in English and many other languages. AAPIs have also added their voice to already existing organizations with broader constituencies in all of these areas. In this final section, we present data on AAPI workers' efforts to organize as workers.

AAPI workers are, with Latinos, the group with the fastest growing share in the unionized workforce. In 2010, one of every 20 U.S. union workers was Asian American or Pacific Islander, up from 1-in-40 two decades earlier (see **Figure 4.1**). (The only source of data on unionization rates by demographic characteristics is the Current Population Survey, and the CPS only tracks unionization on an annual basis from 1983 forward, and only identifies AAPI workers from 1989 on.) More than twice as many AAPI workers are in unions than are self-employed. An important share of unionized AAPI workers is in the public sector. As we noted in Section 2, about 1-in-7 AAPI workers have a public sector job.

FIGURE 4.1
Share of AAPI Workers in Overall and Union Workforce, Ages 16+, 1989-2010



Source: CEPR analysis of CPS ORG, 1989-2010.

Unionized AAPI workers earn higher wages and are much more likely to have employer-provided health insurance and a retirement plan than AAPI workers who are not in unions. Even after controlling for a range of workers' characteristics, unionized AAPI workers earn about 14.3 percent

(about $2.50 per hour) more than non-union AAPI workers with similar characteristics (see **Table 4.1**). Unionized AAPI workers are also about 16 percentage points more likely to have health insurance; this translates to about a 28 percent increase in health coverage (from about 56 percent for the average non-union AAPI worker to about 72 percent after unionization). For retirement plans, unionized AAPI workers are about 22 percentage points more likely to have coverage, which translates to about a 52 percent increase in retirement plan coverage (from about 40 percent for the average non-union AAPI worker to about 62 percent after unionization). The union wage premium and health insurance and retirement plan advantages are large for both men and women, as well as for workers in otherwise low-wage occupations.

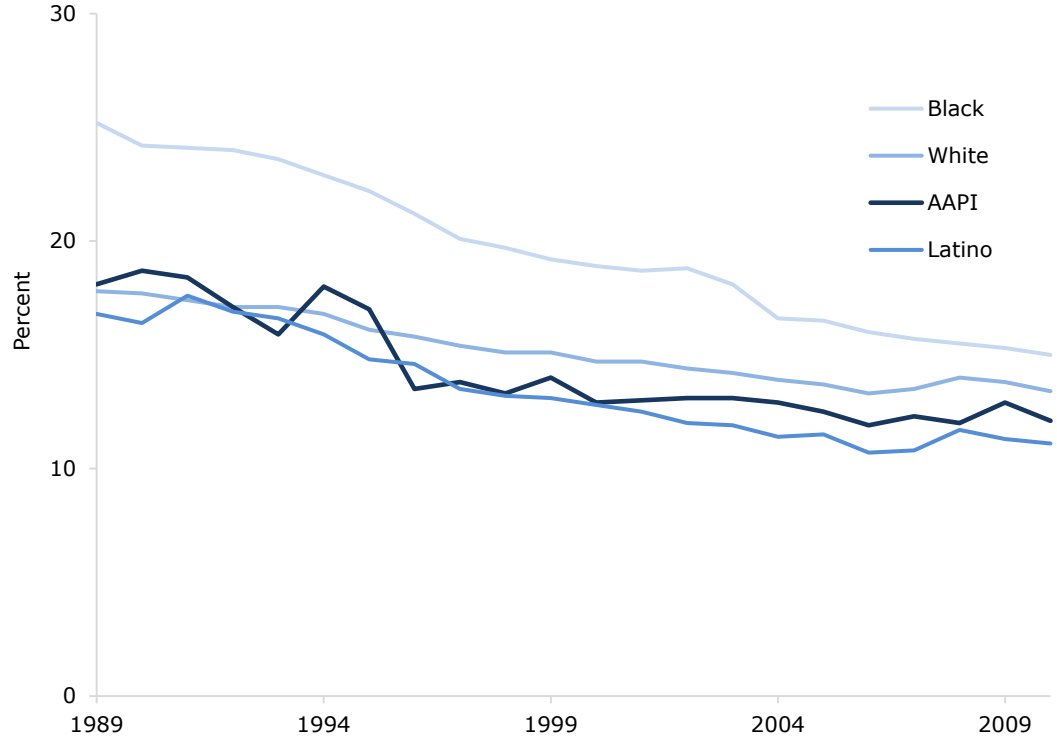
TABLE 4.1
Regression-Adjusted Union Wage, Health, and Pension Premiums for AAPIs, 2003-2009

		Hourly wage	Health-insurance coverage		Retirement plan	
	Unionization rate (percent)	Union premium (percent)	Union premium (p.p.)	Coverage increase (percent)	Union premium (p.p.)	Coverage increase (percent)
All Asian American and Pacific Islanders	12.5	14.3	16.0	27.5	22.0	51.6
Men	12.2	13.5	14.4	22.8	22.5	52.2
Women	12.8	14.5	16.8	31.5	21.4	50.8
In low-wage occupations	14.1	20.1	23.2	61.1	26.3	109.1

Notes: All regressions include controls for age, education, gender (where appropriate), state, and two-digit industry. Union wage premiums in percent are converted from log points; all are statistically significant at, at least, the one-percent level. Union-health insurance and pension coverage figures are the percentage-point (p.p.) increases associated with union coverage or membership; all estimates are significant at the one-percent level. Increases in coverage are from the current coverage rates for non-union workers. Union refers to union membership or union coverage. Health insurance refers to participation in an employer- or union-sponsored plan where the employer pays some or all of the premium. Pension refers to participation in an employer-sponsored plan, with or without employer contribution.
Source: CEPR analysis of CEPR extract of the Current Population Survey Outgoing Rotation Group and Unicon extract.

Nevertheless, the share of unionized AAPI workers has been falling for decades, mirroring the long steady decline in unionization rates for all U.S. workers (see **Figure 4.2**). In 2010, about 12.1 percent of AAPI employees were in a union, down from about 18.1 percent in 1989 (the earliest year for which we have comparable data). Reversing the decline in unionization rates is as much a challenge for AAPI workers as it is for the rest of workforce.

FIGURE 4.2
Unionization Rates, by Major Racial/Ethnic Groups, Ages 16+, 1989-2010



Source: CEPR analysis of CPS ORG, 1989-2010.

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