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Asian Americans and Pacific Islanders: Employment Issues in the United States

Marlene Kim

Summary

Asian Americans and Pacific Islanders (AAPIs) in the United States face problems of discrimination, the glass ceiling, and very high long-term unemployment rates. As a diverse population, although some Asian Americans are more successful than average, others, like those from Southeast Asia and Native Hawaiians and Pacific Islanders (NHPIs), work in low-paying jobs and suffer from high poverty rates, high unemployment rates, and low earnings. Collecting more detailed and additional data from employers, oversampling AAPIs in current data sets, making administrative data available to researchers, providing more resources for research on AAPIs, and enforcing nondiscrimination laws and affirmative action mandates would assist this population.

Introduction

Many people in the United States believe that Asian Americans are successful regarding their employment and thus are not in need of any type of assistance. However, this is a myth. Although it appears that Asian Americans fare well in terms of their employment and earnings, this is not true for many AAPIs. The following section examines these groups and shows that low earnings, working in low-paid jobs, and high unemployment and poverty rates continue to plague some AAPIs. In addition, as the subsequent section argues, AAPIs encounter employment discrimination in earnings and promotions. Unfortunately, lack of data prevents a complete understanding of AAPIs' employment barriers and needs. This paper concludes with a discussion of these problems, their remedies, and other public policies that would help AAPIs and their communities.

Deceiving Averages for a Heterogeneous Population

Although, on average, Asian Americans have higher earnings and lower unemployment rates than other workers in the United States, these measures are deceiving because the population of AAPIs is quite heterogeneous. Some Asian Americans from East Asia, such as those from Japan and India, are generally more prosperous, while others, such as NHPIs and those from Southeast Asia, do quite poorly in terms of their jobs and earnings (see Mar, 2005; Kim and Mar, 2007). Consequently, these latter workers have very high poverty and unemployment rates.

Cambodians, Hmongs, and Lao are among the most disadvantaged. As Table 1 shows, family and income per person is very low for Cambodians and Hmongs: income per person is \$11,000 for Hmongs compared to \$32,000 for whites and \$30,000 for all AAPIs. The result is high poverty rates. One-quarter of Hmong families are poor, including one-third of Hmong children. Laotians¹ also

Table 1. Income, Poverty, and Unemployment by Race and Ancestry

	Family Income Median Per Person		Poverty Rates				Unemploy- ment Rate
			Families All	Families with Children	People All	Children Only	
Non-Hispanic white	69,636	31,735	6.3	10.10	9.50	11.2	6.2
Asians, all	79,145	30,055	8.1	9.60	10.80	11.7	5.9
Chinese	81,323	32,173	9.5	9.90	12.20	10.9	5.5
Japanese	88,033	38,920	3.5	5.00	8.20	7.4	3.5
Korean	64,142	28,004	11.4	12.30	14.10	13.1	5.9
Asian Indian	98,509	37,686	4.9	5.60	7.80	7.3	5.6
Filipino	85,648	29,001	4.0	5.00	5.60	5.4	5.9
Vietnamese	59,129	22,263	12.1	14.00	13.80	16.8	6.6
Cambodian	49,226	16,913	13.9	21.30	18.60	25.5	9.6
Hmong	46,918	11,030	24.7	27.60	26.80	33.2	11.5
Native Hawaiian, Pacific Islander	60,515	20,286	12.9	16.70	15.60	20.3	9.9

Source: Author's calculations from the American Community Survey, 2007–09.

Note: All data are for non-Hispanics and for those of only one race or ancestry. The unemployment rate is calculated as the percent of the civilian labor force.

Table 2. Selected Industries for Foreign-Born Workers by Ancestry

	Finance, Insurance/ Real Estate	Arts/Entertain- ment Recreation/ Accommodation	Construc- tion	Manufac- turing	Military	Professional/ Scientific Management	Transportation/ Warehousing
Non-Hispanic White							
men	6.91	5.78	7.82	23.74	0.53	12.14	5.19
women	11.46	5.81	1.30	14.26	0.13	11.63	2.42
Asians, all							
men	5.99	8.57	2.63	26.4	0.84	13.73	5.34
women	9.52	7.68	0.60	21.29	0.12	9.25	3.04
Chinese							
men	6.99	14.09	2.11	24.38	0.17	13.43	4.71
women	10.99	8.44	0.57	22.77	0.05	11.93	3.48
Japanese							
men	7.95	10.65	1.61	26.60	0.33	12.02	4.25
women	9.56	10.33	0.63	15.16	0.00	16.52	5.98
Korean							
men	6.75	6.37	3.88	17.65	1.03	11.36	5.02
women	8.43	9.75	0.74	17.23	0.17	8.56	4.22
Asian Indian							
men	6.56	4.73	2.01	21.52	0.17	23.48	4.43
women	10.58	4.49	0.60	15.42	0.10	13.50	2.62
Filipino							
men	6.45	7.75	3.13	19.58	3.32	9.89	9.23
women	9.86	7.41	0.62	12.60	0.24	6.15	2.76
Vietnamese							
men	3.07	6.30	3.00	46.15	0.35	7.41	3.34
women	6.63	5.83	0.70	40.19	0.01	6.71	2.06
Cambodian, Hmong, Lao							
men	1.90	5.74	2.59	56.90	0.36	4.83	3.56
women	5.50	6.58	0.23	52.72	0.10	4.18	1.73
Native Hawaiian, Pacific Islander							
men	4.13	11.84	8.50	19.73	2.56	9.01	13.73
women	10.13	16.19	0.34	14.69	0.46	7.27	3.35

Source: Kim and Mar, 2007, Tables 7.8a–7.8d. Calculated from U.S. Census 2000 data, IPUMS, 5% sample.

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Table 3: Hourly Earnings by Ancestry, Race, and Nativity

	U.S.-Born		Foreign-Born	
	Men	Women	Men	Women
Non-Hispanic White	\$21.88	\$15.78	\$26.4	\$17.55
Asians, all	23.14	18.86	22.92	17.22
Chinese	27.42	22.43	23.97	18.5
Japanese	24.67	19.64	35.83	16.85
Korean	23.58	20.43	21.97	15.9
Asian Indian	24.95	18.84	28.26	20.05
Filipino	19.77	16.84	19.08	17.67
Vietnamese	19.26	15.02	17.73	13.96
Cambodian, Hmong, Lao	N/A	N/A	14.18	11.13
Native Hawaiian, Pacific Islander	17.41	14.24	15.67	13.26

Note: Data are for full-time year-round workers.

Source: Kim and Mar, 2007, Tables 7.8a–7.8d. Calculated from U.S. Census 2000 data, IPUMS, 5% sample.

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face high poverty rates and low income levels (Kim and Mar, 2007) so that among Cambodians, Hmongs and Lao, one-third are poor and more than half are near-poor (living below 200% of the poverty level; Kim and Mar, 2007). Unemployment rates are very high among these populations—at 10 percent or greater (see also Rho et al., 2011; Kim and Mar, 2007).

When employed, this population is almost entirely absent from professional, technical, scientific, and managerial jobs. Instead, they work in lower-paying production and manufacturing jobs (see Table 2). Consequently, their hourly and annual earnings are very low—\$14.18 per hour for men and \$11.13 for women (in comparison, foreign-born white men earn \$26.40; Asian men, \$22.92; white women, \$17.55; and Asian women, \$17.22 per hour) (see Table 3; see also Mar, 2005).

NHPIs also suffer from relatively low family incomes and income per person (income per person is approximately \$20,000;

Table 4: Selected Industries for U.S.-born Workers by Ancestry

	Finance, Insurance/ Real Estate	Arts/Entertain- ment Recreation/ Accommodation	Construc- tion	Manufac- turing	Military	Professional/ Scientific Management	Transportation/ Warehousing
Non-Hispanic White							
men	5.83	3.44	9.24	23.67	1.32	8.23	6.38
women	11.34	4.67	1.68	12.99	0.22	8.98	2.61
Asians, all							
men	8.21	5.98	4.76	14.96	2.09	12.06	6.72
women	12.31	5.82	1.43	9.00	0.53	12.17	3.57
Chinese							
men	10.55	4.32	2.21	15.06	0.85	14.26	6.41
women	14.37	3.46	1.41	8.91	0.21	15.04	3.13
Japanese							
men	7.31	5.51	5.21	14.31	1.15	10.87	6.08
women	11.85	5.14	1.52	7.89	0.56	11.06	3.62
Korean							
men	11.00	5.03	4.44	13.75	3.88	15.81	3.69
women	10.60	5.62	1.93	8.56	0.47	17.82	0.92
Asian Indian							
men	12.09	4.61	2.41	19.95	0.78	15.72	4.09
women	10.63	4.02	0.40	11.37	0.00	15.61	0.78
Filipino							
men	7.00	8.16	4.43	15.62	3.84	11.77	7.35
women	12.37	6.70	1.49	9.96	0.67	11.94	3.49
Vietnamese							
men	7.42	7.50	6.32	27.76	0.67	13.71	3.45
women	9.22	8.13	0.93	22.36	0.00	7.08	4.78
Native Hawaiian, Pacific Islander							
men	5.58	7.39	9.87	13.40	3.89	9.07	9.51
women	11.11	10.11	1.46	8.26	1.02	8.44	5.50

Source: Kim and Mar, 2007, Tables 7.8a–7.8d. Calculated from U.S. Census 2000 data, IPUMS, 5% sample.

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see Table 1). Consequently, one-fifth of these children are poor and two-fifths of NHPI families are near-poor (see Table 1 and Kim and Mar, 2007). NHPI workers also have very high unemployment rates—of 10 percent (see Table 1). When employed, they, too, are mostly absent from higher-paying professional, managerial, scien-

tific, and technical jobs, instead working in lower-paying industries such as in entertainment, manufacturing, and construction (see Tables 2 and 4). The result is relatively low earnings among these workers (see Table 3; see also Mar, 2005).

Vietnamese Americans also have relatively low incomes per person (\$22,000) and high poverty rates—17 percent of children are poor and more than one-third of Vietnamese families are near poverty (see Table 1, Kim and Mar, 2007). Although U.S.-born Vietnamese men have been able to attain higher-paying jobs working with computers and math, all Vietnamese—foreign- and U.S.-born, men and women—are overrepresented in production, manufacturing, and office support jobs, leading to low earnings among the Vietnamese (see Tables 2–4; see also Mar, 2005). Rho and colleagues (2011), using more recent data, find similar patterns by ancestry regarding earnings.

Moreover, not all measures indicate that Asian Americans are successful in employment. Poverty rates among AAPIs are higher than that of whites. The most recent data show poverty rates of 12.5 percent compared to 9.4 percent for non-Hispanic whites (U.S. Census, 2010). Although their unemployment rates are now currently lower than average (in June 2011 the AAPI unemployment rate was 6.8% compared to 8.1% for white workers²), their long-term unemployment rate is higher. In 2010, among workers who were unemployed, AAPIs had among the highest long-term unemployment rates: half were unemployed for longer than half a year (Kim, 2011).

Employment Discrimination

Research suggests that AAPIs experience employment discrimination because of their race. Numerous studies find that Asians earn less than white Americans who are similar in terms of their education level, work experience, geographical distribution, and other characteristics (Mar, 2005; see Kim and Mar, 2007, for a summary of these). Foreign-born Asians are more likely to face discrimination and greater wage penalties because of their race than are the native-born. Scholars also are more likely to find evidence of discrimination against men more than against women. In addition, the existence of discrimination varies by ancestral group, with studies finding discrimination more likely among the Vietnamese, Cambodian, Hmong, Lao, and NHPIs than among those from East

Asia and India. Finally, much evidence shows discrimination “at the top”—among workers with the highest levels of education³ (Duleep and Sanders, 1992; Sakamoto and Furuichi, 2002; U.S. Commission on Civil Rights, 1988; Yamane, 2002).

A Glass Ceiling

Research also indicates the existence of a glass ceiling for Asian Americans. Although Asians are able to obtain professional occupations because of their higher education levels, they are less likely than white Americans to advance to management positions, even after their age, education levels, nativity status, and other characteristics that can affect their advancement are accounted for (see Kim and Mar, 2007; Mar, 2005; Ong, 2000; U.S. Commission on Civil Rights, 1992).

Why are Asians unable to advance? Numerous studies cite the presence of subtle biases. Implicit bias studies indicate that most people perceive Asians as foreign, as two-thirds of this population are indeed immigrants. But this perception can cause problems in career advancement. Those who are promoted into higher management are trusted and groomed by their predecessors. These tend to be workers who are similar in socioeconomic backgrounds—by race, gender, class, religion, and educational upbringing (Kim, 2010). Thus if Asians are perceived as foreign and outsiders, as most are, they are less likely to be promoted. In addition, although Asians are seen as good workers and technically proficient, they are perceived as followers rather than good leaders and thus are not considered to be management material (Ong and Hee, 1993; Takaki, 1989; Tang, 1997; U.S. Commission on Civil Rights, 1992; Woo, 2000).

Data Availability

The data available to study employment issues severely restrict the types of inquiries one can make about AAPIs. The largest data set is the decennial census. These data allow analysis of earnings, income, occupation, poverty, and employment by ancestral group, gender, and nativity, all of which are important factors in employment and economic outcomes. But these data are updated only every ten years, and obviously, more frequent updates are needed. In addition, there is limited data on welfare participation, assets, and wealth, and there is no information on work history.

The Current Population Survey (CPS) provides alternative data because it is issued every year and contains detailed information on employment, unemployment, welfare participation, work hours, and earnings. But the sample size is small for AAPIs, so researchers who have used this survey have had to combine several years of data in order to obtain an adequate sample size. In addition, information on wealth is very limited, and ancestral origin is not collected for AAPIs. This is problematic because employment and economic outcomes vary tremendously by ancestral origin.

The American Community Survey (ACS) contains ancestral information and some labor force data, but this data set has limited information on wealth and welfare participation. Its labor-market indicators are not as extensive as the CPS. The number of weeks of continuous unemployment, job search methods, and reasons for leaving a job, being part-time employed, or being without work or not looking for work are omitted. In addition, to analyze small subsets of AAPIs, such as NHPIs, several years of data must be analyzed in order to obtain adequate sample sizes.

The Longitudinal Employer Household Dynamics includes data by area (state or census area) on the number of jobs by industry, age, earnings, race, and education. But there are no reported data on nativity or ancestry, and permission is needed in order to gain access to the microdata (the data available by people, rather than areas).

Other data sets, such as the National Longitudinal Survey (NLS), Survey of Income and Program Participation (SIPP), Panel Study of Income Dynamics (PSID), and the Survey of Consumer Finance (SCF) have a plethora of data on wealth, employment history, socioeconomic status of parents, health, schooling history and achievements, and welfare participation history. However, the sample of AAPIs is too small to examine any of these topics in any meaningful way except when calculating group averages on overall measures (e.g., median wealth of AAPIs). Thus using the microdata to study such topics such as the causes of wealth disparities between AAPIs and whites, how welfare history affects employment, how the socioeconomic status of parents affect AAPIs, and how bouts of unemployment affect AAPIs is not possible given the limited sample sizes. Analysis by ancestry is also not collected in some (SIPP and SCF) of these surveys.

Policy Implications and Recommendations

There are several important implications from these findings. First, discrimination against AAPIs should be identified and remedied. To do this, gathering additional data is necessary in order to uncover where the problems occur. The Equal Employment Opportunity Commission (EEOC) can alter its reporting requirements for employers so that it can more easily detect and remedy discrimination. Currently, the EEOC mandates that employers report to it the number of workers by race and gender who work in ten broad occupational groups: executives and senior managers, midlevel managers, professionals, technicians, sales workers, administrative support, craft, operatives, laborers and helpers, and service workers. But these occupations are often too broad to assess job segregation by race. The EEOC can expand the number of occupations reported, such as those in two-digit occupational census classifications, so it can determine whether job segregation by race (and gender) exists. Changing the law so that these EEO-1 reports are available to the public (currently they are kept confidential) would allow employees and researchers to assess if discriminatory hiring practices are occurring within firms.

In addition, requiring employers to collect and report additional data on hiring (including the number of job applications and those hired by race and gender), promotions (the number of promotions into professional, managerial, and higher management jobs by gender and race), and training by race and gender—and making these data public—would help identify racial discrimination and where it occurs, so that equal opportunity remedies can be implemented.

Second, because AAPIs are very heterogeneous, a one-size-fits-all policy does not meet the needs of this community. Certainly, the high poverty rates, low earnings, and low-paying jobs of Southeast Asians and NHPs merit consideration in affirmative action policies. But many employers and universities count only NHPs as affirmative action candidates, if even these. Given the obstacles that other Asian groups face, acknowledging that some Asian Americans face great difficulties is important, and having the Office of Federal Contract Compliance include them as a group that needs affirmative steps in employment would allow these workers to receive the assistance that they need.

Third, in order to properly identify and target Asian populations in need, it is critical to oversample the AAPI population in the data that are already collected. There is much we do not know about AAPIs because of data limitations, much of which is already known about other racial groups: How is wealth accumulated? What is the role of neighborhoods and family backgrounds in regard to future earnings and careers? How much career mobility do AAPIs have? How does long-term unemployment vary by ancestry? Is wealth transmitted intergenerationally among AAPIs?

Thus the Department of Commerce, U.S. Census Bureau, and Bureau of Labor Statistics should oversample AAPIs in current data sets, such as the ACS, CPS, SIPP, PSID, and NLS.

The NLS already oversamples African Americans and Hispanics, so that detailed information can be analyzed, including work histories, job training, and family and neighborhood backgrounds. If the same were performed for Asians, researchers could study AAPIs in much more detail, improving our knowledge about their socioeconomic conditions and barriers in employment over their lifetimes.

Oversampling Asian Americans in the PSID, which is sponsored by several agencies, including government-funded ones,⁴ would also lead to important information about AAPIs that is currently missing, including wealth disparities and how these may arise. Currently, a Ford Foundation study is underway to conduct a survey of minority groups, including Asian Americans, in order to assess racial wealth disparities because the current data sets do not allow for us to examine this issue.

Fourth, administrative data that are already collected should be available to researchers, conditional on ensuring confidentiality. This includes the microdata (data on individuals) in the Longitudinal Employer Household Dynamics, which is a potentially rich source of longitudinal data on employment patterns. These data should be enhanced so that U.S.-born and immigrant workers can be differentiated.

Finally, providing more resources to study issues of race and ethnicity is important. The government and private foundations should provide grants to study race so that researchers have the necessary resources with which to investigate important issues in the AAPI community.

Thus collecting additional and more detailed employer data, oversampling AAPIs in current data sets, opening administrative data to researchers, providing resources to investigate issues of race, and responding to workplace discrimination through enforcing nondiscrimination, affirmative action, and equal opportunity public policies will assist AAPI workers and communities.

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Notes

1. The ACS data used in Table 1 produced unreliable statistics for the Lao due to small sample sizes, so these are omitted from this table. The analysis of Lao rely on more reliable data from the 2000 census used in Kim and Mar (2007).
2. Bureau of Labor Statistics, 2011. Table A-2. Employment Status of the Civilian Population by Race, Sex and Age. <http://www.bls.gov/news.release/empsit.t02.htm> (accessed July 15, 2011). Data not seasonally adjusted (seasonal adjustments not available for AAPIs).
3. However, see Yamane (2011), who finds more discrimination among foreign-born Vietnamese workers with lower, rather than higher, education levels.
4. These include the National Institute on Aging, National Science Foundation, Department of Agriculture, Department of Health and Human Services, National Institute of Child Health and Human Development, and the Department of Housing and Urban Development.

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