

Chapter 1

Asian Pacific Americans and Public Policy

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Economic changes over the last two decades have not been kind to the United States. Fluctuations in energy prices, growing international competition, and stagnant productivity have led to a restructuring that has displaced an enormous number of workers and has undermined economic growth that had previously raised the standard of living for each successive generation. The challenge facing us today is to overcome these problems by forging a new policy agenda that will reinvigorate this nation as we move into the 21st century.

Asian Pacific Americans can play a crucial and positive role in this process. During the period of harsh restructuring, this group has contributed greatly to the economy, interjecting much needed human resources and business investments. Their contributions can be readily seen in their sizeable presence among scientists, engineers and health professionals, and in their high rate of entrepreneurship. Increasingly, Asian Pacific Americans have become important in the arts and performing arts, producing plays and films that entertain and enlighten, and emerging as a force within America's premiere symphonies. With the right public policies, this growing population will contribute even more. In the drive to maximize the contributions of the highly-educated and highly-talented, we must not ignore the concerns of the segment that has been disadvantaged in our society. We must have policies that incorporate and balance the diverse issues facing all Asian Pacific Americans.

This book contains analytical studies and policy essays that form Asian Pacific American perspectives on key economic issues. This book shares the broader purpose outlined in an earlier publication, *The State of Asian Pacific America: Policy Issues to the Year 2020*, which is “to inform public discussions and shape public policy deliberations on major issues and concerns of the nation’s rapidly growing and diverse Asian Pacific American population” (Hokoyama and Nakanishi, 1993, p. xiii). That book lists three major recommendations (Ong and Hune, 1993, pp. xvii-xix):

1. Promote multiculturalism and intercultural sensitivity within existing legislation, programs, and agencies;
2. Modify the concept of civil rights so protection covers the types of discriminatory practices encountered by Asian Pacific Americans; and
3. Expand programs that help Asian newcomers adjust to U.S. society in order that they can contribute to America’s economic, political and social development to their fullest potential.

All three points pertain to economically oriented public policies related to upgrading the workforce, community development in the inner-city, work incentives for welfare recipients, health care reform, and research and development. There are distinct Asian Pacific American perspectives on these issues that need to be articulated.

One impetus behind this book is the phenomenal growth of the Asian Pacific American population over the last three decades. From 1960 to 1990, the numbers grew from about one million to over seven million, making Asian Pacific Americans the racial group with the highest growth rate. Projections from the Census Bureau indicate that the Asian Pacific American population will continue to grow in the following decades. By the year 2020, there will be approximately 23 million Asian Pacific Americans, comprising approximately more than 7 percent of the total population, up from 3 percent in 1990.

The perspectives of this rapidly growing group are shaped by their demographic and economic characteristics. The popu-

lation is predominantly immigrant. Between the 1940s and the 1960s, when immigration was minimal, the population became increasingly dominated by U.S.-born Asian Pacific Americans. This changed with the elimination of racially biased immigration quotas in 1965. During the 1970s, the foreign-born reemerged as a large majority. According to the last census, the number of foreign-born Asian Pacific Americans stood at 4.6 million, 64 percent of the total Asian Pacific American population. Over half of the immigrants have been in this country for no more than ten years. Even though the importance of immigration relative to births will decline over the next century, the foreign-born segment will still be a majority in the year 2020 (Ong and Hee, 1993a).

Immigration has diversified Asian Pacific Americans. In the past, one group — Japanese Americans — comprised a near majority, but there is now greater balance across ethnic groups. The Japanese American population has experienced the most dramatic change. As the single largest group in 1960, Japanese Americans comprised 46 percent of all Asian Pacific Americans, but three decades later their share fell to only 12 percent. While the absolute number of Japanese Americans has grown, the growth of the other groups has been far greater. According to the 1990 Census, 23 percent were Chinese, 19 percent were Filipino, 11 percent were Asian Indian, 11 percent were Korean, and 8 percent were Vietnamese. The remaining 16 percent were divided into 21 other categories. Despite the heterogeneity revealed by census data, the statistics understate the cultural diversity. For example, among the Chinese, there are major linguistic differences among those who came from China, Taiwan and Southeast Asia. Similar differences can also be found among Filipinos and Asian Indians.

Post-1965 immigration has created not only ethnic diversity but also economic diversity. The recent wave of Asian immigration is not limited to those with limited skills, for the 1965 Immigration Act opened the way for Asians to migrate based on their potential economic contributions to this nation. Those who entered under occupational preferences include a disproportionate high number of university-educated professionals, who, along with highly-educated U.S.-born Asian Pacific Americans, have formed the foundation of a significant middle

and upper-middle class. Given the diversity of background, Asian Pacific Americans can be found throughout the income spectrum of this nation.

The economic diversity is one of the most important features we need to understand in formulating public policy, but unfortunately, the image that has influenced how most decision makers view Asian Pacific Americans is the “model minority” stereotype. The “success” is overstated, as discussed in Chapter 3. After accounting for differences in regional distribution and household size, the purported economic advantage of Asian Pacific Americans relative to non-Hispanic whites disappears. Nonetheless, Asian Pacific Americans enjoy a noticeable degree of success relative to other minority populations. This latter comparison has been the basis for the pernicious “model minority” thesis, and the political implications flowing from its use and misuse are enormous.

The “model minority” argument emerged during an era that witnessed the growth of civil rights activism and minority pride. At a time when scholars and activists were arguing that a deep-seated racism caused social inequality and urban unrest, Asian Pacific Americans evoked an image of a group that had achieved extraordinary success in American society despite experiencing a long history of racial discrimination. Some have interpreted the accomplishments as validating the belief that the United States remains a land of unbounded opportunity for minorities. Implicit in the “model minority” thesis are the assertions that the way for minorities to succeed is through hard work, adherence to “traditional values,” and maintenance of the family rather than relying on governmental intervention and public “hand outs.” These arguments are wrong because the comparison of Asian Pacific Americans to other minorities is misleading.

The vast majority of Asian Pacific Americans, who are immigrants, have not suffered from continuous exposure to the corrosive effects of pervasive overt racism over several generations. This is not to argue that Asian Pacific Americans had not been victims of past racism. In fact, anti-Asian movements of the 19th century and early 20th century were pervasive and violent. This population was subjected to many of the same racist laws that subordinated other minority groups.

As Don Mar and Marlene Kim argue in Chapter 2, Asian Pacific Americans were the scapegoats of the economic problems of this country, particularly in the West, and were forced into narrow and less desirable occupational niches. This history of anti-Asian movements is important to understanding this country's history but is not a factor that directly defines the personal historical experience of most Asian Pacific Americans today.

The majority of today's Asian Pacific Americans have their immediate roots in the sending country, where their values and expectations were formed. Many of their social institutions are transplanted from abroad, rather than being the product of American history. The consequence of this is that the population has been isolated from the cumulative historical process that undermines the family, community institutions, and values in other minority populations. Moreover, as stated earlier, recent immigration laws and regulations have creamed the elite from Asian countries, thus producing a highly-educated and highly selected population.

Rather than focusing on the "model minority," this book illustrates the economic diversity of Asian Pacific Americans. Chapter 3 by Paul Ong and Suzanne J. Hee provides an overview. Despite the accomplishments as measured by aggregate economic measures (e.g., average household income), Asian Pacific Americans are not a homogenous group. Diversity within the Asian Pacific American population has meant sizeable affluent and impoverished segments, the "haves" and "have nots." In many ways, this population has experienced the increasing income polarization that has afflicted this nation. Chapter 3 discusses the diversity among Asian Pacific Americans by examining three major segments of the population: the highly-educated, the disadvantaged, and the entrepreneurs.

The thesis of economic diversity is further illustrated by the collection of chapters in Part II, which covers issues ranging from the inner-city poor to more advantaged professionals.¹ Chapter 5 examines four Asian Pacific American urban neighborhoods: San Francisco and New York Chinatowns, Los Angeles Koreatown, and the Cambodian community in Long Beach, also known as New Phnom Penh. The residents are predominantly immigrants or refugees. A high poverty rate is

common, despite a high employment rate in three of these neighborhoods. Many are a part of the working poor, with a quarter of the employed earning less than \$4.00 (1989\$) per hour. The ethnic-based subeconomy, which is present in these neighborhoods, is a double-edged sword. While providing employment for at least one-third of the workers, it creates deplorable conditions: wages are low, basic benefits such as health insurance are often absent, and unfair labor practices are all too common.

Chapter 6 by Paul Ong and Evelyn Blumenberg examines Southeast Asians on welfare. Asian Pacific Americans as a percent of those on Aid to Families with Dependent Children (the nation's single largest welfare program) grew from less than 1 percent in 1975 to nearly 3 percent in 1990. Although the Asian welfare population is diverse, Southeast Asians comprise a large majority of those on public assistance and exhibit welfare usage rates that reach over 50 percent. Most of those on welfare find it difficult to find meaningful employment because they possess very limited formal education and English-language ability. Worse, programs designed to end welfare dependency appear to have limited effectiveness.

Chapter 7 by Paul Ong and Tania Azores examines health care professionals in the inner-city. While Asian Pacific Americans comprise 3 percent of the total population, they comprise over 4 percent of the registered nurses and nearly 11 percent of the nation's practicing physicians. These professionals provide a disproportionate share of the crucial services to the urban poor, particularly through public hospitals in our largest metropolitan areas. Unfortunately, they have not moved into management positions in the same proportions. There is no simple explanation for this discrepancy, but nonetheless, this pattern suggests that a change in personnel practices is in order.

The "glass ceiling" limiting upward mobility to management is also a problem in the technical fields. Chapter 8 by Paul Ong and Evelyn Blumenberg examines Asian Pacific Americans in the scientific and engineering fields, where they accounted for 7 percent of the workforce in 1990. One in five of those with doctorate degrees is Asian Pacific American. Wages of Asian Pacific American scientists and engineers are roughly

comparable to those of their non-Hispanic white counterparts, but Asian Pacific Americans have experienced considerable difficulties entering top managerial positions. One interpretation for this centers on cultural and language handicaps; however, it is not clear that these factors adversely affect managerial ability. Regardless of the reason, the outcome is undesirable.

Collectively, the five analytical chapters provide insights into the breadth of the Asian Pacific American experience in the economic sphere. The authors find that this group has made enormous contributions but also faces many unresolved problems. The empirical analyses raise issues that should be addressed by public policy.

Linda C. Wing in Chapter 4 offers the broadest set of policy recommendations. Asian Pacific Americans can greatly benefit from the current effort to "reinvent" labor force policies, which include transition-to-work programs for those who do not go on to college, government-funded training programs for the unemployed and for lifelong learning for all, and private-sector training programs that are crucial for improving productivity and competitiveness. How well these programs will serve Asian Pacific Americans depends on whether their unique problems are addressed. The Asian Pacific American perspective, however, is not limited to demanding fair access to programs. Wing rightfully argues that this group has "a special vantage point from which to exercise leadership in translating the rare conceptual accord regarding the common good of education and training into concrete policies that will benefit all workers."

The four chapters in Part III offer additional policy insights. Chapter 9 by Dennis Arguelles, Chanchanit Hirunpidok and Erich Nakano examines the newly-emerging urban policy, which includes proposals to revitalize the inner-city through "Empowerment Zones" and "Enterprise Communities," greater enforcement of the Community Reinvestment Act, strengthening of community-based organizations, and partnerships with philanthropic foundations. These ventures should include the significant number of poor Asian Pacific Americans in the inner-city. Given the unique characteristics of their ethnic enclave and the role of Asian Pacific American merchants in

other minority neighborhoods, programs must be structured to address ethnic-specific concerns and to take advantage of the potential contributions of Asian Pacific Americans in renewing American cities.

Chapter 10 by Joel F. Handler and Paul Ong examines the current debate over welfare reform. President Clinton promises "to end welfare as we now know it" by making public assistance a transitional program to employment for able-bodied adults. This approach has the potential of promoting economic self-sufficiency among Southeast Asians. Given the unique characteristics of Southeast Asian communities, the authors argue that strategies should go beyond targeting individual behavior to tapping collective resources found in community-based institutions, and go beyond jobs to address other forms of economic activities such as self-employment. Unfortunately, the proposal under consideration does not address the concerns of this population, thus the prevailing dismal conditions are likely to persist through neglect.

Chapter 11 by Geraldine V. Padilla and Bonnie Faherty examines the potential impacts of health care reform on Asian Pacific Americans. The authors identify four relevant issues: access to and utilization of health care services, cost of care, quality of care, and culturally sensitive care. The major recommendations, which are based on a summary of positions put forth by various Asian Pacific American organizations, include the following: provide universal access to health care for all American citizens, legal residents, undocumented workers, and illegal aliens; avoid undue financial burdens on Asian Pacific small business; increase support for community-based health agencies; and establish training and retraining programs to ensure the cultural sensitivity and relevancy of health services and consumer education.

Chapter 12 by Sheridan M. Tatsuno examines high-technology policies. With the close of the Cold War and the rise of Asian economies, this nation must rethink its technological policy. There is an opportunity to shift scarce resources to research and development that can help the United States to remain a global leader in technology and to use the technology to ensure our competitiveness in the world economy. This can be accomplished through assisting private-sector firms, and

through increasing the size and improving the quality of the labor force in the technical fields. Given their sizeable presence in the scientific and engineering fields, Asian Pacific Americans can play an enormous role in helping this country achieve its technological objectives for the next century.

While the policy essays contain ethnic-specific recommendations, the authors also recognize that the Asian Pacific American perspective on public policy should not be based solely on staking a claim to public resources and programs. There is an underlying concern with policies that enable this nation to achieve the broader goal of creating a multiethnic society that recognizes the importance and dignity of everyone.

Notes

1. Unfortunately, other important topics and issues could not be covered given our limited resources. The reader might want to consult two other sources for more information and data: *1990 Census of the Population, Asian and Pacific Islanders in the United States* by the U.S. Bureau of the Census (1993) and *Asians and Pacific Islanders in the United States* by Herbert Barringer, Robert Gardner and Michael Levin (1993).