Socioeconomic Attainments of Asian Americans

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Abstract
According to the majority-minority paradigm, racial and ethnic minorities have lower socioeconomic characteristics than whites owing to discrimination. Asian Americans defy this conventional view, however, at least on average. Asian Americans tend to have higher mean levels of educational achievements, and several recent studies indicate approximate parity with whites in most arenas of the labor market for those Asian Americans who were schooled in the United States. Their favorable socioeconomic outcomes stand in contrast to the widespread discrimination and labor market disadvantages that Asian Americans encountered during the earlier part of the twentieth century. The improved opportunities for Asian Americans suggest increasingly successful interrelations with whites in the post–Civil Rights era, with its more multicultural ethos. Less encouragingly, the favorable average socioeconomic profile of Asian Americans in the post–Civil Rights era in part reflects the rising significance of class resources and associated inequalities. The latter trend is evident in the notable socioeconomic variability within the racial category of Asian Americans.
Socioeconomic attainments: the ranked values on dimensions of scarce societal rewards including such indicators as educational attainment, occupational status, unemployment, wages, earnings, household income, and wealth.

Majority-minority paradigm: the perspective that views minorities as having lower socioeconomic characteristics because whites exploit minorities by maintaining racial and ethnic discrimination in society.

INTRODUCTION: ASIAN AMERICANS, THE NON-MINORITY MINORITY

Racial and ethnic minorities in the United States are so commonly associated with lower educational attainment and reduced economic welfare that the term minority in common parlance has come to connote socioeconomic disadvantage. In this regard, however, Asian Americans are perceived as distinctive because their socioeconomic circumstances are not substantially lower than whites, at least on average.

For example, many American universities promote recruitment, retention, and other special programs designed to enhance minority enrollment, but these initiatives typically exclude Asian Americans because they are not deemed to be notably disadvantaged. Although administrators may not find their restrictive bureaucratic use of the term minority to be problematic, instructors of Asian American Studies courses will invariably encounter the “Are we minorities?” question from Asian American undergraduates. The typical answer is that Asian Americans are a sociological minority that is often not officially classified as a minority because their socioeconomic attainments are not significantly lower than those of whites. The socioeconomic characteristics of Asian Americans are thus the critical issue that leads them to be popularly regarded as the non-minority minority.

From a scientific point of view, the socioeconomic distinctiveness of Asian Americans provides a source of rich variation that could be used for highly fruitful investigation. For example, despite being a disparate and politically weak group, Asian Americans have college attainments that by all accounts substantially exceed whites (Kao & Thompson 2003, Xie & Goyette 2004). By some accounts, Asian American enrollment at the most competitive universities (e.g., Harvard, Yale, Princeton, etc.) so greatly exceeds the population size of Asian Americans that an admissions rate of less than a factor of three is seen as evidence of possible racial bias (Arenson 2007). If one wishes to advance sociological knowledge about the sources of college enrollment, extending the analysis to include Asian Americans would be a highly rewarding research strategy.

Unfortunately, racial comparisons with Asian Americans are more the exception than the rule. Despite providing a rich source of naturally occurring variation, the socioeconomic attainments of Asian Americans have not been an especially popular topic in sociology. Although two eminent economists have explicitly called for further studies of the labor market outcomes of Asian Americans (Altonji & Blank 1999), we are not aware of any similar statements among sociologists despite the fact that only the latter group recognizes the study of race and ethnicity as an official subfield. The American Sociological Review has apparently never published a paper focusing on the educational attainments or incomes of Asian Americans nor have there been many funded research projects on these topics. Major surveys often oversample minorities in order to obtain adequate sample sizes, but Asian Americans are excluded from this practice. A research report on racial and ethnic inequalities is posted at the official Web site of the American Sociological Association for its series concerning “How Race and Ethnicity Matter,” but Asian Americans are hardly mentioned except occasionally to associate them incidentally with whites (Spalter-Roth & Lowenthal 2005). The logical implication of this report is that Asian Americans do not actually matter because their socioeconomic circumstances are not typically less favorable than those of whites. Partly as a consequence of this unfortunate lack of interest, knowledge about Asian Americans is highly incomplete and piecemeal, if not sometimes confused.

THE MINORITY-MAJORITY PARADIGM IN RACIAL AND ETHNIC RELATIONS

Generally speaking, the majority-minority paradigm has been the most popular intellectual approach in contemporary sociological...
studies of racial and ethnic inequalities. Although various versions of this perspective are widely available, a prototypical summary is provided by Eitzen & Zinn (1997, p. 221) in their discussion regarding “How to Think about Racial and Ethnic Inequality”:

Different racial and ethnic groups are unequal in power, resources, prestige, or presumed worth. Why are some groups dominant and others subordinate? The basic reason is differential power—power derived from superior numbers, technology, weapons, property, or economic resources. . . . The terms “majority” and “minority” describe differences in power. The critical feature of the minority’s status is its inferior social position in which its interests are not effectively represented in the political, economic, and social institutions of the society. The term “dominant” may be used as a synonym for “majority” and “subordinate” as a synonym for “minority.”

The socioeconomic attainments of Asian Americans do not easily fit into this paradigm because they are not obviously subordinate, at least in general. Indeed, they may often constitute “inconvenient facts” (Weber 1946 [1922], p. 147) for the majority-minority paradigm. Being overrepresented by a factor of three at universities such as Harvard is not indicative of an inferior social position. The relative lack of sociological interest in Asian American socioeconomic attainment may be a reflection of the considerable influence that this perspective has in contemporary studies of racial and ethnic relations.

Wilson (1987) describes how, following the controversy over the “Moynihan Report,” research has often sought to downplay or ignore observations that could be construed as negative aspects of the African American community because such observations seem to blame African Americans for their disadvantaged socioeconomic circumstances. However, in the case of Asian Americans, the majority-minority paradigm imposes the opposite agenda of highlighting the negative aspects of their socioeconomic attainments and downplaying their positive achievements. This approach seeks to make Asian Americans appear to be as much a conventional minority as possible (i.e., a socioeconomically disadvantaged group that can be construed to be exploited by the majority) in keeping with the majority-minority paradigm.

One way academics have tried to fit Asian Americans into the majority-minority paradigm is by highlighting their ethnic diversity. Researchers emphasize that positive socioeconomic outcomes are limited to only certain Asian American ethnic groups (Fong 2008, p. 72). Generalizations about Asian Americans’ positive achievements as a whole are said to be “misleading and damaging to ethnic groups that are extremely disadvantaged but happen to be classified under the rubric of Asian Americans” (Kao & Thompson 2003, p. 432). As stated by Kim & Mar (2007, p. 181), “Because of the diversity among Asians, economic outcomes vary tremendously by ancestry. . . . Cambodians, Hmong, and Laotians fare particularly badly, with half failing to earn high school degrees.”

Ethnic diversity is indeed an important aspect of the Asian American racial category. As shown in Table 1, for example, the poverty rate ranges from 6.5% for Filipinos to 29.7% for Hmong. The poverty rate for the former Asian American group is lower than for non-Hispanic whites, whereas the poverty rate for the latter Asian American group is higher than for African Americans (Takei & Sakamoto 2008b). Thus, as mentioned by Kao & Thompson (quoted above), ethnic diversity is a significant issue that should be acknowledged when generalizing about Asian Americans. Further results about ethnic variation in socioeconomic characteristics within the Asian American racial category are shown in Table 1.

Nonetheless, we note that the constant emphasis on the socioeconomic diversity of the Asian American population seems rather incongruent with how other racial categories are considered. By one common measure, inequality in household income among Asian Americans is only slightly larger than among
Table 1  Descriptive statistics for Asian American ethnic groups in the United States, 2005/2006

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Foreign born (%)</th>
<th>Age (years)</th>
<th>Years of schooling [age 25+] (years)</th>
<th>BA degree or more [age 25+] (%)</th>
<th>Poverty status (%)</th>
<th>Hourly wage—COLA ($)</th>
<th>Household income per capita ($)</th>
<th>Household income per capita—COLA ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asian American—single race</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chinese</td>
<td>70.6</td>
<td>36.9</td>
<td>14.2</td>
<td>51.9</td>
<td>13.6</td>
<td>37.4</td>
<td>37,169</td>
<td>35,196</td>
</tr>
<tr>
<td>Filipino</td>
<td>69.2</td>
<td>37.1</td>
<td>14.3</td>
<td>47.3</td>
<td>6.5</td>
<td>32.3</td>
<td>33,793</td>
<td>32,304</td>
</tr>
<tr>
<td>Asian Indian</td>
<td>75.0</td>
<td>32.0</td>
<td>15.4</td>
<td>68.3</td>
<td>9.1</td>
<td>38.5</td>
<td>41,708</td>
<td>40,345</td>
</tr>
<tr>
<td>Vietnamese</td>
<td>68.2</td>
<td>34.1</td>
<td>12.3</td>
<td>25.5</td>
<td>15.4</td>
<td>25.4</td>
<td>26,925</td>
<td>26,390</td>
</tr>
<tr>
<td>Korean</td>
<td>77.4</td>
<td>35.2</td>
<td>14.6</td>
<td>53.5</td>
<td>15.2</td>
<td>39.3</td>
<td>32,903</td>
<td>31,356</td>
</tr>
<tr>
<td>Japanese</td>
<td>42.2</td>
<td>45.3</td>
<td>14.5</td>
<td>45.2</td>
<td>10.5</td>
<td>41.1</td>
<td>42,162</td>
<td>39,954</td>
</tr>
<tr>
<td>Cambodian</td>
<td>62.6</td>
<td>29.9</td>
<td>10.2</td>
<td>13.1</td>
<td>21.7</td>
<td>22.5</td>
<td>18,642</td>
<td>17,887</td>
</tr>
<tr>
<td>Hmong</td>
<td>45.2</td>
<td>23.2</td>
<td>8.8</td>
<td>12.2</td>
<td>29.7</td>
<td>22.5</td>
<td>11,814</td>
<td>11,470</td>
</tr>
<tr>
<td>Laotian</td>
<td>62.8</td>
<td>30.9</td>
<td>10.3</td>
<td>11.8</td>
<td>15.9</td>
<td>19.5</td>
<td>18,256</td>
<td>18,082</td>
</tr>
<tr>
<td>Pakistani</td>
<td>72.1</td>
<td>30.0</td>
<td>14.3</td>
<td>55.9</td>
<td>15.3</td>
<td>40.5</td>
<td>28,080</td>
<td>27,348</td>
</tr>
<tr>
<td>Thai</td>
<td>78.8</td>
<td>37.2</td>
<td>13.6</td>
<td>40.4</td>
<td>16.6</td>
<td>26.1</td>
<td>32,456</td>
<td>31,705</td>
</tr>
<tr>
<td>Bangladeshi</td>
<td>76.6</td>
<td>29.6</td>
<td>14.2</td>
<td>51.5</td>
<td>24.4</td>
<td>19.6</td>
<td>22,360</td>
<td>21,722</td>
</tr>
<tr>
<td>Indonesian</td>
<td>77.8</td>
<td>34.0</td>
<td>14.6</td>
<td>48.4</td>
<td>15.7</td>
<td>24.2</td>
<td>28,843</td>
<td>27,527</td>
</tr>
<tr>
<td>Sri Lankan</td>
<td>83.6</td>
<td>35.7</td>
<td>15.3</td>
<td>53.6</td>
<td>12.2</td>
<td>30.9</td>
<td>32,098</td>
<td>31,382</td>
</tr>
<tr>
<td>Malaysian</td>
<td>87.1</td>
<td>32.4</td>
<td>15.2</td>
<td>56.6</td>
<td>13.9</td>
<td>30.7</td>
<td>35,723</td>
<td>34,919</td>
</tr>
<tr>
<td>Other Asian—single-ethnic</td>
<td>37.0</td>
<td>32.1</td>
<td>13.5</td>
<td>33.3</td>
<td>17.8</td>
<td>25.7</td>
<td>32,202</td>
<td>31,112</td>
</tr>
<tr>
<td>Multiple-ethnic group</td>
<td>38.7</td>
<td>27.0</td>
<td>13.7</td>
<td>41.9</td>
<td>11.2</td>
<td>50.5</td>
<td>33,044</td>
<td>31,373</td>
</tr>
<tr>
<td>subtotal (all single-race groups combined)</td>
<td>67.9</td>
<td>35.2</td>
<td>14.1</td>
<td>48.8</td>
<td>12.3</td>
<td>34.7</td>
<td>35,274</td>
<td>33,788</td>
</tr>
<tr>
<td><strong>Asian American—multiple race</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Biracial white-Asian</td>
<td>15.4</td>
<td>20.0</td>
<td>14.2</td>
<td>38.7</td>
<td>10.1</td>
<td>27.8</td>
<td>36,138</td>
<td>35,156</td>
</tr>
<tr>
<td>Biracial black-Asian</td>
<td>22.6</td>
<td>22.3</td>
<td>13.8</td>
<td>29.8</td>
<td>17.9</td>
<td>24.1</td>
<td>31,310</td>
<td>30,569</td>
</tr>
<tr>
<td>Other multiracial Asian</td>
<td>14.2</td>
<td>24.8</td>
<td>13.7</td>
<td>27.8</td>
<td>13.9</td>
<td>23.5</td>
<td>29,845</td>
<td>28,586</td>
</tr>
<tr>
<td>subtotal (all multiracial groups combined)</td>
<td>15.6</td>
<td>21.5</td>
<td>14.0</td>
<td>34.3</td>
<td>11.7</td>
<td>26.3</td>
<td>33,742</td>
<td>32,693</td>
</tr>
<tr>
<td>Asian American (all categories)</td>
<td>62.5</td>
<td>33.8</td>
<td>14.1</td>
<td>48.0</td>
<td>12.2</td>
<td>34.1</td>
<td>35,171</td>
<td>33,715</td>
</tr>
<tr>
<td>Non-Hispanic whites</td>
<td>4.6</td>
<td>39.4</td>
<td>13.7</td>
<td>29.9</td>
<td>8.3</td>
<td>33.0</td>
<td>35,206</td>
<td>34,795</td>
</tr>
</tbody>
</table>

*Statistics refer to means for continuous variables and percentages for dichotomous variables and are based on the data obtained by pooling together the 2005 and 2006 American Community Surveys. COLA refers to figures that have been adjusted for a measure of cost-of-living differences across the nine standard regions as defined by the U.S. Census Bureau.*
whites (Sakamoto et al. 2009a), and the most commonly noted disadvantaged groups (i.e., Cambodians, Hmong, and Laotians) represent only about 4% of Asian Americans (Sakamoto et al. 2009a). Furthermore, included in the U.S. Census classification of whites are a wide variety of groups who may have lower socioeconomic circumstances such as various Arab Americans and immigrants from the Middle East, some Latino-origin persons who identify as white but not as Hispanic, immigrants from Central Asia such as Ukrainians, and persons who identify themselves as Acadian, Amish, Appalachian, Cajun, Hutterite, Mennonite, Pennsylvania German, Romani, Southerner, or some other regional label. Although most of these groups admittedly do not receive much attention in contemporary sociology, by one account the U.S. population size of the Amish alone is about the same as that of the Cambodians or Hmong (Kraybill 2001). As for African Americans, nearly 16% (i.e., far more than the percentage of Asian Americans who are Cambodian, Hmong, or Laotian) are either foreign born or second generation, including many with British Caribbean, Canadian, or European origins who tend to have higher socioeconomic outcomes than third-generation and higher blacks (Kalmijn 1996, Sakamoto et al. 2009b). While some discussion of foreign-born African Americans can be found (Waters 1994, Massey et al. 2007), ethnic sources of socioeconomic variability within the white and black racial categories are nonetheless rarely mentioned—much less emphasized—as a rationale for questioning generalizations about average tendencies among Asian Americans or whites.

One reason the underscoring of Asian American ethnic diversity is so popular is that it helps to diffuse attention away from confronting the issue of whether their socioeconomic attainment can be adequately understood in terms of the majority-minority paradigm. According to that perspective, whites as the dominant group should have higher average socioeconomic circumstances than minorities. As shown in Table 1, however, mean per-capita household income among Asian Americans is very similar to that for whites. By emphasizing ethnic variation within the Asian American category, results such as those may be ignored as artificial, thus shielding the majority-minority paradigm from inconvenient facts about a minority category that generally does not have lower socioeconomic attainments than whites.

What researchers have not considered in this literature is that the very existence of Asian American as a legitimate racial category is being questioned when ethnic diversity is emphasized to the extent that generalizations about average tendencies among Asian Americans are suggested to be invalid (in contrast to generalizations about other racial groups). This view overlooks the significance of pan-ethnic Asian American identity (Espiritu 1992), which probably becomes more evident among native-born Asian Americans (Min 2002). Every broad racial category will invariably be characterized by a substantial degree of internal variability that may be associated with ethnic differentials of some sort. But if researchers wish to make generalizations about average patterns that constitute a racial hierarchy, then Asian Americans should not be ignored in this discussion simply because they happen not to fit the majority-minority paradigm.

Socioeconomic disadvantage among Asian Americans that is most consistent with the majority-minority paradigm tends to be most common among recent immigrants. Immigrants are heterogeneous, reflecting the wide array of their countries of origin as well as varying degrees of selectivity involved in their immigration circumstances (Feliciano 2005). For example, the low levels of education among Cambodians and Laotians noted by Kim & Mar (2007) in part arise because secondary school completion was relatively uncommon for older cohorts in Cambodia and Laos. Adult immigrants who completed their schooling in those countries decades ago do not primarily reflect the racial and ethnic stratification of educational opportunity in the United States. In fact, the U.S.-born offspring of Cambodians, Hmong, and Laotians are far more likely
Model minority myth (MMM): the contention that the positive portrayal of upward social mobility or high socioeconomic achievement among Asian Americans is misleading or highly exaggerated because racial and ethnic discrimination persists and many Asian Americans continue to be poor or disadvantaged to complete high school than their parents (Sakamoto & Woo 2007). Because most Asian Americans are foreign born (Xie & Goyette 2004, p. 7), heterogeneity in this racial category should not be construed as a direct indicator of racial and ethnic stratification in the United States because the socioeconomic characteristics of adult immigrants are substantially influenced by inequalities associated with their countries of origin.

Sakamoto & Yap (2004) as well as Zeng & Xie (2004) investigate only native-born Asian Americans and thereby eliminate the direct effects of immigration. The standard deviations reported by Sakamoto & Furuichi (2002) and Sakamoto & Yap (2004) indicate that levels of inequality in educational attainment, wages, earnings, and income-to-needs ratios are often lower among native-born Asian Americans than among native-born whites. This sort of evidence suggests that the purportedly greater socioeconomic heterogeneity of Asian Americans needs to be more carefully investigated as an important issue in its own right rather than being raised simply as a means to support the majority-minority paradigm.

Another way that the majority-minority paradigm has been defended in research on Asian Americans is by invoking what has come to be known as the model minority myth (MMM) (Sakamoto & Yap 2004). Reference to Asian Americans as the model minority began during the 1960s. Journalists and social commentators used the term to convey the stereotypic view that Asian Americans were becoming economically successful by persevering and overcoming economic disadvantages through hard work, thrift, and strong family ties and by emphasizing children's education (Kitano & Sue 1973). The term model minority obliquely suggested that Asian Americans were less prone to the sort of social problems that are often associated with low-income communities such as single-parent families, poor educational attainment, juvenile delinquency, crime, drug addiction, unemployment, and welfare dependency (Fong 2008). Many academics interpret the model minority term as implying that America is highly meritocratic and that the lower socioeconomic circumstances of minorities are the result of their own shortcomings (Min 1995). The MMM approach seeks to counter the portrayal of Asian Americans as the model minority (hence the image is deemed to be a myth).

DISENTANGLING THE EFFECTS OF CULTURE, CLASS, RACE, AND ETHNICITY ON EDUCATIONAL ACHIEVEMENT

From its beginning, the model minority image applied to Asian Americans has typically included references to the high educational attainment of Asian Americans who are schooled in the United States (Chan 1991). In general, this assessment continues to be evident in recent statistics for the central tendencies of several important educational outcomes. Compared with other racial groups, including whites, Asian Americans achieve higher standardized test scores, obtain better grades, and complete more advanced courses (Hsia 1988, Caplan et al. 1991, Sanchirico 1991, Zhou & Bankston 1998, Kao 1995, Fejgin 1995). Asian Americans are less likely to repeat grades (Xie & Goyette 2004). They are more likely to finish high school and to receive bachelor's and postgraduate degrees (Xie & Goyette 2004). As suggested earlier, Asian Americans are also overrepresented at first-tier universities (Xie & Goyette 2003). In short, the higher educational achievement of Asian Americans in the U.S. school system is not a myth but a generally observed empirical regularity, at least on average for this group as a whole.

There are two broad categories of explanations for Asian American educational achievement—cultural and structural. Early explanations for the educational achievements of
Asian Americans focused on cultural values in their specific countries of origin (e.g., Caudill & DeVos 1956, Kitano 1976). Researchers speculated that specific attitudes, values, and beliefs help Asian Americans succeed upon settling in the United States (Onoda 1976). Immigrant parents transmit these values, attitudes, and beliefs to their children, and Asian American communities reinforce them (Caplan et al. 1991, Fuligni 1997, Zhou & Bankston 1998).

One such group of beliefs that are said to influence Asian American achievement concerns the connection between effort and educational success. Researchers suggest that one legacy of Confucianism in many East Asian countries (notably China, Korea, Japan, and Vietnam) is the notion that human beings are perfectible if they work hard to improve themselves (Wong 1980, Schneider & Lee 1990, Nagasawa & Espinosa 1992, Stevenson & Stigler 1992, Barringer et al. 1993). Chen & Stevenson (1995) provide empirical support for this hypothesis by demonstrating that Asian American students view hard work as the primary avenue to achievement, whereas white students see ability as a major determinant of success. Peng & Wright (1994) argue that Asian American children spend more time doing homework because of this heritage. Researchers have cautioned, though, that not all Asian American ethnic groups share Confucian heritages, so this explanation cannot be generalized to all groups, particularly those from South Asia.

Asian Americans may also presume stronger rewards to education, both material and symbolic, than do whites and other minorities, based on beliefs originating in Asian societies. For example, in the case of contemporary Japan, Ono (2004) demonstrates the important long-run economic returns to graduating from a more prestigious university. The returns are so substantial that many students commonly spend a year or two of intensive study after completing high school so as to improve their scores on college entrance exams that will allow them to enroll in a more prestigious university.

While some studies have sought to identify the unique attitudes and values Asian Americans may hold toward education, other research infers cultural differences from educational expectations and parental practices. Research on Asian American educational expectations typically finds that both children and their parents expect that they will complete more years of schooling than whites and other minorities (Kao et al. 1996, Mau 1997, Hao & Bonstead-Bruns 1998, Goyette & Xie 1999, Cheng & Starks 2002). After controlling for family background characteristics, the difference between Asians and others is presumed to be, at least in some part, cultural. It is unclear, though, when measuring expectations, whether students and parents have high expectations because they carry unique values and beliefs from home countries, whether they are optimistic about their chances for educational success in the United States compared with their country of origin (immigrant optimism), or whether they are anticipating a structure of labor market opportunities in the United States that is racialized, for which they must be armed with educational credentials.

Parenting practices have also been considered to reflect different cultural orientations, but the extent to which these practices explain Asian Americans’ educational achievement is not always clear. Research shows that Asian American immigrant parents are more authoritarian and less permissive than white, native-born parents (Steinberg et al. 1992, Kao 1995, Pong et al. 2005). They tend to be less involved with children’s schooling at least in terms of attending fewer PTA meetings and contacting schools less on average than do native-born whites (Goyette & Conchas 2002). On the other hand, Sun (1998) reports that Asian American families are more likely to invest in children’s educational success by having a computer at home, enrolling children in cultural activities or classes, and saving a higher proportion of their income for their children’s college expenses.

The second category of explanation for Asian Americans’ high educational attainment is structural. The financial and educational...
resources of parents undoubtedly improve children’s educational outcomes for Asian Americans as well as they do for other racial and ethnic groups (Kao 1995, Sun 1998, Sakamoto & Woo 2007). Asian American parents tend to have higher levels of education (Sun 1998). Family income is usually at least as high among Asian Americans as among whites even after accounting for the larger family sizes of Asian Americans (Sakamoto et al. 2009a), and this financial capacity enables Asian Americans to provide more educational resources in the home for children (Kao 1995, Sun 1998). Asian American children are also more likely than white children to benefit from residing in a two-parent family.

Although often significant in explaining differences in test scores for some groups, social class variables do not adequately explain the high test scores of Vietnamese who often have low levels of parental education and income. These variables are also not able to account for the higher grade point averages of Asian Americans relative to whites (Kao 1995). In short, although social class factors provide many of the same advantages for Asian American children as for white children, those variables do not fully account for many of the higher educational outcomes of Asian Americans. As stated by Goyette & Xie (1999, p. 24), “The socioeconomic approach is unsatisfactory as a general framework for explaining the educational achievement of Asian American children.”

Just as structural factors alone cannot fully account for Asian American educational achievement, so too is the cultural approach inadequate as a mono-causal explanation (Sue & Okazaki 1990). Most researchers now seem to recognize that the cultural and the structural approaches are not mutually exclusive (Kao & Thompson 2003). In this regard, we would add that both of these views are further complicated by immigrant effects. Indeed, interactions between all these variables may partially explain the extraordinary achievements of Asian Americans at higher levels of educational competition (Fong 2008, pp. 76–77). That is, immigrant selectivity when combined with Asian family cohesiveness and favorable parental socioeconomic resources may help to propel advantaged Asian American children to very high levels of educational competitiveness (Takei et al. 2006).

Regardless of the underlying mechanisms, however, empirical evidence indicates that the Asian American advantage in educational achievement declines across the immigrant generations. Some studies find that by the third generation, Asian American educational profiles are not different from those of whites (Rong & Grant 1992, Goyette & Xie 1999, Yang 2004, Pong et al. 2005). The literature has not fully considered the theoretical implications of this pattern, but it would appear to stand in direct contrast to the straight-line expectations of improving socioeconomic attainment across the generations as described by the traditional assimilation view. Takei et al. (2006) further speculate that this pattern may partly reflect the waning of traditional Asian cultural influences (and associated childrearing practices) with increasing acculturation.

Whether the factors that underlie Asian Americans’ high educational attainment result primarily from cultural or structural variables, or from some combination of them, researchers consider Asian Americans’ educational attainment to be central to their labor market achievements. However, it is not only the level of educational attainment that distinguishes Asian Americans, but also their fields of study. Compared with students of other racial groups, Asian Americans are more likely to major in science, technology, engineering, and math (STEM), while they are less likely to pursue lower-paying preprofessional fields such as education, journalism, public health, or social work (Xie & Goyette 2003, Goyette & Mullen 2006, Kim & Sakamoto 2008b). Xie & Goyette (2003) suggest that Asian Americans choose these majors because they prefer occupations through which they can most effectively use their education to attain social mobility; that is, Asian American prefer careers in which higher education is a necessary requirement. Relatedly, the prospect of a high salary may be further motivating these educational choices. Song &
Glick (2004) find that Asian American females (though not males) prefer fields associated with occupations with high starting salaries. In sum, a high level of educational attainment and a concentration in economically rewarding fields of study (e.g., STEM and other majors that are more likely to promote greater career advancement) strategically facilitate social mobility or positive labor market outcomes for Asian Americans.

Recent work by Kim & Sakamoto (2008b) finds that the proclivity to major in STEM is especially pronounced among Asian Americans who completed high school in Asia but who immigrated to obtain an undergraduate or graduate degree in the United States (the so-called 1.25 generation). Compared with native-born Asian Americans, the 1.25 generation is numerically large, and fully 82% of them completed degrees in STEM versus 59% of native-born Asian Americans and 49% of non-Hispanic whites (at least among men). In addition to the economic incentives already noted, STEM may be especially attractive to the 1.25 generation because these fields place a premium on mathematical and technical skills that are less dependent on English language abilities. As immigrants who enter the job market only a few years after arriving in the United States, the concentration of the 1.25 generation in STEM minimizes the negative consequences of being less competitive in English language skills.

THE MODEL MINORITY MYTH AND LABOR MARKET RESEARCH

As noted above, the MMM approach seeks to counter the image of Asian Americans as the model minority. In the literature on labor force outcomes, the MMM usually argues that Asian Americans face a systematic racial penalty in the labor market, thus discrediting the politically conservative assumption of a meritocracy that does not discriminate against minorities (Takaki 1998, p. 475). The MMM instead promotes the view that whites maintain their dominant position in the racial hierarchy by limiting the labor market achievements of all minorities, including Asian Americans. The popularity of the MMM among sociologists is not surprising given its inherent compatibility with the majority-minority paradigm.

The seminal study in this literature is Hirschman & Wong (1984), who concluded that “Asian Americans approach socioeconomic parity with whites because of their overachievement in educational attainment” (p. 584). Hirschman & Wong noted that the average earnings and occupational attainments of Asian Americans did not differ very much from those of whites, at least in the data that they studied. However, because Asian Americans tend to have higher educational attainments, the labor market can be construed as discriminating against them in that they must make a higher investment in human capital to obtain the same socioeconomic rewards as whites. As stated by Hirschman & Wong (1984, p. 602), “The apparent equality between Asians and whites is largely a function of educational overachievement by Asians. If Asians experienced the same process of stratification as whites, their educational credentials would shift their (Asians’) occupational and earnings levels substantially above those of the majority population.” The argument that the labor market penalizes Asian Americans has become a cornerstone of the MMM approach, which has accepted Hirschman & Wong’s (1984) argument about the process by which Asian Americans are said to face a net racial disadvantage. We refer to Hirschman & Wong’s explanation—according to which education essentially serves as a suppressor effect on the association between minority status and earnings—as the overeducation view.

In their summary of Japanese Americans, Feagin & Feagin (1993, p. 354) succinctly reiterated the overeducation view by stating that “perhaps the clearest indicator of continuing discrimination is the fact that the incomes of Japanese Americans are lower than they should be, given this group’s high level of education.” Similar conclusions have been reached in the other discussions or analyses of specific Asian ethnic groups or for Asian
Although the MMM forcefully underscores the important issue of racial discrimination in the labor market, the MMM is less successful in articulating social stratification theory (Sakamoto & Yap 2004, 2006). Whether or not Asian Americans face a net racial penalty in the labor market, the American stratification system is complex, and inequality is multifaceted. The issue of the extent of (or the lack of) meritocracy cannot be clearly ascertained by simple status attainment models of Asian American and white men. For example, concluding that parity exists between them does not imply that the structural theory of poverty is entirely invalid, that the CEOs of large corporations are paid fairly, that salary inequalities need to be increasing to promote productivity, or that monopolistic elements in the labor market do not generate exploitation for a variety of groups (Sakamoto & Kim 2008, Kim & Sakamoto 2008c). Furthermore, owing to the historical, political, and demographic differences between Asian Americans and other racial and ethnic groups, the finding of parity between the wages of Asian Americans and whites does not necessarily imply that other minorities do not face any type of discrimination. Finally, the overeducation view harbors a latent human capital theory of the wage distribution that, in addition to being inaccurate in significant ways (Kim & Sakamoto 2008c), downplays the critical problem of rising inequality, particularly in terms of the growing socioeconomic divide between the college-educated versus others in the labor force (Farley 1996, Levy 1998, Gudrais 2008). Although greater integration between subfields in sociology is certainly desirable, the MMM oversimplifies the relations between stratification theory and the socioeconomic attainments of Asian Americans, thereby encouraging that the latter topic be viewed too narrowly.

**Political Correctness versus Statistical Correctness**

Prior literature on the socioeconomic attainments of Asian Americans has often been more successful in interpreting this topic in terms of the majority-minority paradigm than in developing an organized body of cumulative knowledge that is important in its own right. We argue that the experiences of Asian Americans should not be circumscribed to a particular theoretical framework if it is unable to explain or even recognize many of their most notable aspects. The socioeconomic attainments of Asian Americans are intrinsically meaningful and merit the serious commitment of an objective analysis. Careful and appropriate statistical methods need to be used because without them cumulative understanding of Asian Americans will be impeded.

As has been discussed elsewhere (Sakamoto & Furuichi 1997, Sakamoto et al. 2000, Sakamoto & Yap 2004), misspecified regressions have often been employed in many of the studies that have argued for the overeducation view. One frequent limitation in this literature is that immigrant and native-born workers are combined in the same regression model that does include any interaction terms. As clearly demonstrated by Zeng & Xie (2004), interaction effects by nativity are significant, especially in regard to whether educational attainment was obtained overseas. Foreign schooling has a systematically lower return across all racial and ethnic groups in the United States (Bratsberg & Ragan 2002). Particularly for the period from which the data used in most of the overeducation studies come (i.e., the 1970s and the 1980s), the population of Asian Americans was overwhelmingly foreign born. When estimating models without interaction terms, the results are heavily influenced by the comparison of native-born whites with foreign-born Asian Americans who are often disadvantaged as immigrants with overseas educational
degrees. Researchers promoting the overeducation view have argued that their results demonstrate the “persistence of race and ethnic differentials in late twentieth-century America” and “challenge conventional theories about the declining role of ascribed factors in the American stratification system” (Hirschman & Snipp 2001, p. 634), but these conclusions are overstated for Asian Americans given the frequent failure in these analyses to adequately account for interaction effects associated with immigration, particularly where one’s highest degree was attained.

When the analysis is limited to the native born, the conclusions about the net racial effects are very different, even when using the same data set. For example, using the 1970 Public-Use Microdata Sample (PUMS) for native-born men, Chiswick’s (1983, p. 206) regression of earnings finds no statistically significant difference between Chinese Americans and whites. By contrast, Hirschman & Wong (1984, p. 594) report a 9% net disadvantage for Chinese American men using the same data set (because their study includes both the foreign born and the native born). Similarly, in their investigation of earnings in the 1980 PUMS, Ko & Clogg (1989, p. 268) state that “the basic conclusion is that native-born Chinese males appear to have reached parity with whites in terms of earnings...” This conclusion stands in contrast to that of Hirschman & Snipp (2001, p. 632) who report a substantial net racial disadvantage for Chinese American men in the 1980 PUMS.

Another frequent limitation in the literature is the opposite sort of problem of overcontrolling (i.e., including endogenous variables as covariates) in the regression model. The usual concern in these studies is to estimate the total labor market disadvantage of minority status net of educational credentials and productivity-related characteristics. In practice, though, some productivity-related characteristics observed in cross-section are themselves possibly affected by minority status. Researchers therefore commonly include only pre-labor market characteristics or demographic variables that are fairly stable (such as marital status) and are not closely connected with labor market outcomes at a given point in time.

During the earlier part of the twentieth century in the pre–Civil Rights era, native-born Chinese and Japanese American men had noticeably lower levels of occupational attainment compared with whites with the same levels of schooling and other basic demographic variables (Hirschman & Wong 1986, Zhou 1992, Sakamoto et al. 1998). For example, despite often having college degrees in an era when such credentials were relatively rare, many second-generation Japanese American (i.e., Nisei) men would not be employed by white-owned companies (Ichihashi 1932, Thomas 1952). Large proportions of Nisei men therefore ended up working as gardeners, grocers, and workers in related lower-status occupations (Broom & Riemer 1949, Levine & Montero 1973, Kitano 1976, Chin 2005). Controlling for occupation in a regression model of earnings during this period underestimates the total disadvantage of minority status in the labor market because these low levels of occupational attainment at least partly derive from racial discrimination in the first place.

Since that time, major changes in the occupations of Chinese and Japanese American men have occurred (Lyman 1974, King & Locke 1980, Nishi 1995). Owing to their higher levels of education as well as to more comparable returns to their human capital investments in the post–Civil Rights era (i.e., generally at least as high as whites), native-born Chinese and Japanese American men are now highly represented in professional and technical occupations (Sakamoto et al. 1998, 2006b; Qin 2008). The improvement in the occupational attainments of native-born Asian American men has been so dramatic in recent decades that young people today may not even be aware of the old stereotypes (i.e., of Nisei men as gardeners and Chinese American men as providers of laundry services).

Nonetheless, given the objective of estimating the total effect of minority status on
earnings, including occupation as a covariate in the regression model is still overcontrolling. Whether the analysis is for the pre–Civil Rights period or later, occupation is fundamentally a labor force outcome and is therefore not a premarket characteristic. Other factors that are sometimes used as independent variables in these studies but are also similarly related to the problem of overcontrolling include industry, labor market sector, and self-employment status.

Space limitations prevent us from detailing all the methodological problems in this literature (Sakamoto & Yap 2004), but the issue of functional form continues to be a noteworthy problem. Researchers have debated the use of raw-dollar earnings versus log-dollar earnings as the dependent variable in regressions, but recent studies have clearly favored the latter specification (Sakamoto & Furuichi 1997, Petersen 2004). Given the high degree of skew that is well known to characterize the distribution of residuals in the raw-dollar model, the results from this specification need to be viewed cautiously. For example, Snipp & Hirschman’s (2005) finding that native-born Japanese American men are substantially overpaid relative to white men may be a methodological artifact stemming from the use of the raw-dollars specification. Estimates of this racial differential are much smaller or are statistically insignificant in other results reported elsewhere (U.S. Commission on Civil Rights 1988, Duleep & Sanders 1992, Sakamoto & Furuichi 1997, Sakamoto et al. 2000, Takei et al. 2006, Kim & Mar 2007).

Model specification should be a more highly regarded topic in this literature. Labor market opportunity and discrimination are ultimately the key substantive concerns, but these processes are not directly measured. They are only indirectly inferred based on residual differences between groups. Because these residual differences depend on which control variables are included, model specification becomes a critical issue in assessing differentials in opportunities between groups (Cain 1991).

The Declining Significance of the Majority-Minority Paradigm for Asian Americans

In addition to careful attention to methodological issues, the development of cumulative knowledge about Asian Americans requires that researchers be more sensitive to the issue of temporal and historical change in the effects of race and ethnicity in the labor market. In this regard, the single most influential study is that of Wilson (1980), who proposes the thesis of the declining significance of race. In brief, Wilson (1980) argues that during the industrial period prior to the Civil Rights era, minority status was a greater liability in the labor market than social class. After the Civil Rights era, though, social class became more important than minority status in affecting labor market outcomes. Wilson’s view postulates that the direct effect of minority status is substantially attenuated in the contemporary labor market, thus indicating the declining significance of race relative to the industrial period.

Although Wilson’s focus is on African Americans, his thesis appears to apply to the Asian American case quite well (Sakamoto et al. 1998, 2000; Sakamoto & Kim 2003). The changes in occupational attainment discussed above provide strong support for Wilson’s argument. The discriminatory practices in employment against Asian Americans during the pre–Civil Rights era fit his description of the industrial period as being characterized by a split labor market that favored white workers. Indeed, part of Wilson’s theoretical model for this period is explicitly borrowed from Bonacich (1972), who focused on Chinese and Japanese Americans more than African Americans. The lack of any significant disadvantages for native-born Asian Americans in their occupational attainments in the post–Civil Rights era is consistent with Wilson’s description of the demise of the split labor market, the rise of the postindustrial economy, and the “progressive transition from racial inequalities to class inequalities” (Wilson 1980, p. 3). This conclusion is reinforced by a detailed analysis of wages (Sakamoto & Kim 2003), which provides
explicit empirical evidence to indicate that minority status is the greater disadvantage in the pre–Civil Rights labor market for native-born Asian Americans, whereas social class (operationalized in terms of educational level) clearly became the more important factor in the post–Civil Rights period.

The implication of these studies is that the majority-minority paradigm and the overeducation view are indeed important for understanding the socioeconomic attainments of Asian Americans, but mainly for the pre–Civil Rights era. By contrast, in the contemporary labor market, greater attention needs to be focused on class factors. The much emphasized ethnic diversity among Asian Americans and its associated socioeconomic heterogeneity may to a large extent derive from class factors associated with different immigration streams from Asia. An awareness of the importance of class also calls attention to socioeconomic heterogeneity within Asian American ethnic groups. Although Wilson’s (1980) thesis may be unpopular because it implies the declining relevance of the majority-minority paradigm, cumulative knowledge about Asian Americans will be forestalled if careful empirical analysis is neglected or broader historical change is ignored.

**Other Recent Labor Market Studies**

Most studies of native-born Asian Americans using recent data and the log-dollar model specification do not find that they face any substantial and systematic disadvantage in the contemporary labor market when controlling for highest educational level completed and other basic demographic variables (Ko & Clogg 1989; Iceland 1999; Sakamoto & Furuichi 1997, 2002; Sakamoto et al. 2000; Sakamoto & Kim 2003; Xie & Goyette 2004; Zeng & Xie 2004; Takei et al. 2006; Kim & Mar 2007). This general conclusion seems to apply not only to Asian Americans as a racial category but also to particular ethnic groups such as Asian Indians (Sakamoto et al. 2007) as well as Cambodians, Hmong, Laotians, and Vietnamese (Sakamoto & Woo 2007). In making this overall assessment, we hasten to add that racial and ethnic discrimination may persist to some degree in highly specialized labor markets (e.g., for fashion models or college presidents) that are too small to monitor accurately with national-level survey data. Nonetheless, analyses of recent data for native-born Asian Americans indicate that the most common patterns for the labor market as a whole are more consistent with Wilson’s (1980) description of the post–Civil Rights era than with the overeducation view of Hirschman & Wong (1984).

This conclusion continues to be evident in a recent analysis that also takes into account the greater concentration of Asian American men with degrees in STEM. As discussed above, Asian American men are more likely to major in those fields, which are generally associated with higher earnings than are other types of degrees. The multivariate analysis of Kim & Sakamoto (2008b) finds that college-educated, native-born, and 1.5-generation Asian American men have earnings that are approximately the same as college-educated, native-born, non-Hispanic white men after accounting for degrees in STEM and other educational, family background, and basic demographic characteristics. Kim & Sakamoto (2008b) also report, however, that college-educated, 1.25-generation Asian American men have about 11% lower earnings than college-educated, native-born, non-Hispanic white men who are measurably similar in terms of these variables (including degrees in STEM). Whether this latter disadvantage reflects reduced English language skills or discriminatory barriers for 1.25-generation Asian American men merits further research (Zeng 2004).

Another noteworthy result from Kim & Sakamoto (2008b) is the finding that college-educated, native-born Asian American men have 8% lower earnings than college-educated, native-born, non-Hispanic white men after controlling for educational variables (including STEM), family background, basic demographic variables, and region of residence. As has long been noted, Asian Americans disproportionately reside in regions where the costs of living
are higher, such as California, Hawaii, and New York (Hurh & Kim 1989). Kim & Sakamoto (2008b) demonstrate that, when controlling for detailed measures of educational attainment, also controlling for region of residence results in a net disadvantage for native-born Asian American men, but this finding is not evident in prior studies that do not include information on degrees in STEM. Kim & Sakamoto (2008b) note that, to the extent that region of residence should be considered to be a necessary control variable, then college-educated, native-born Asian American men have yet to reach full wage parity with whites. Similarly, Table 1 shows that mean per-capita household income among Asian Americans lags slightly behind whites after adjusting for regional differences in the cost of living.

But as further discussed by Kim & Sakamoto (2008b), contemporary American society is characterized by a high degree of geographic mobility particularly among the college educated (Farley 1996), who are disproportionately Asian American. Even among low-skilled workers whose supply has increased in recent years because of immigration from Latin America, Borjas et al. (1996) and Borjas (2003) find that native-born workers and immigrant workers relocate fairly quickly to places where their labor market returns are greater. Workers may be increasingly locating to places where the combination of labor market opportunities, regional characteristics, and cost of living most suit their preferences. Region of residence in the contemporary labor market may thus no longer resemble a pre-labor market factor.

Asian Americans may have greater preferences for living in high-cost areas such as California because of personal proclivities and family ties that are associated with being more likely to have previously lived in those areas. In keeping with traditional Asian cultural norms, Asian Americans may be more concerned than are whites with residing near or with aging parents (Kamo 2000, Xie & Goyette 2004). Because of this preference, Asian Americans may not be maximizing their cost-adjusted earnings to the same extent that whites do. The Asian American regional distribution may not derive from a lack of labor market opportunities nation-wide but rather may reflect the tendency of Asian Americans to prefer to live in places such as California despite their higher costs (Sakamoto et al. 2009a). In sum, region of residence probably entails a higher cost of living for Asian Americans than for whites, but the extent to which this pattern may be interpreted as indicating racial and ethnic discrimination requires further investigation.

Another aspect of Asian American socioeconomic attainment that may not reflect parity relative to whites is managerial authority. This issue is known in the literature as the glass ceiling (Woo 2000) and refers to the hypothesis that Asian Americans are less likely to become higher-level managers in administrative hierarchies. Although there is some evidence to support this claim (Kim & Mar 2007), more research needs to investigate this topic owing to the great heterogeneity of occupations that are classified as managerial and the difficulty of identifying higher-level managers using existing survey data. Furthermore, the issue of the endogeneity of region of residence is also a significant issue that seems to affect the findings on this topic (Sakamoto et al. 2006b). Nonetheless, a recent study that investigates a direct indicator of managerial authority finds that Asian American men supervise about 14% fewer employees than do comparable white men (Takei & Sakamoto 2008a). To the extent that this differential does not derive from differential preferences among Asian American men for such employment, then the managerial hierarchy may be one portion of the labor market where racial and ethnic disadvantages against Asian American men are still problematic.

Finally, wealth accumulation and home ownership are typically fostered by labor market success, and in recent years researchers have become more interested in assessing racial differentials in these socioeconomic outcomes (Keister 2000a). Unfortunately, Asian Americans are often excluded from these studies in part because of small sample sizes. A few studies that do investigate Asian Americans find
that they are generally similar to whites in terms of wealth or home ownership after taking into account age, education, immigrant status, and incomes, which contrasts with the situation for African Americans (Coulson 1999, Painter et al. 2003, Krivo & Kaufman 2004). In this regard, a well-developed Asian banking sector seems to have a positive impact for Asian Americans in acquiring loans for home purchases (Dymski & Mohanty 1999, Dymski et al. 2006). These conclusions should be considered tentatively, however, because of the limited number of studies and the methodological complexities of this relatively new field of research. For example, while there is one study that claims that Asian Americans lag somewhat behind whites in terms wealth acquisition on average (Ong & Patraporn 2006), another simulation analysis concludes that Asian Americans are overrepresented in the top 1% of households (Keister 2000b).

CONCLUSIONS

The implications of our analysis differ somewhat from the influential study by Okihiro (1994). He argues that the most significant endeavor of Asian Americans is their quest for civil rights. The battle that Asian Americans wage against racial discrimination and in defense of democratic principles not only promotes their own well-being, but also reinforces similar efforts by other minorities. Although a comparatively small group, Asian Americans engaged in the struggle for civil liberties are affirming some of the highest ideals of American society and are thereby establishing themselves as being symbolically central to the progress of the nation. Okihiro’s thesis directly relates to our concerns because racial discrimination in the labor market is a key abrogation of civil liberties that has traditionally compromised the social mobility and well-being of minorities, including Asian Americans.

Okihiro (1994) discusses an intriguing selection of historical incidents, but they are mostly from the pre–Civil Rights era. As we have discussed, labor market discrimination against Asian Americans was indeed substantial during that period, and in this regard our findings are consistent with Okihiro’s discussion. His thesis dovetails with the majority-minority paradigm, and together these views provide a broader understanding of the historical and sociological context underlying the split labor market discussed by Bonacich (1972) and Boswell (1986) in their descriptions of the pre–Civil Rights era.

Going beyond those studies, however, our findings suggest that the significance of Okihiro’s thesis needs to be reconsidered for the post–Civil Rights era, which did not receive adequate analysis in his study. The empirical results as summarized in our review indicate that Asian American children as a whole tend to score higher on most indicators of educational achievement than white children. Recent labor market studies further show a marked decline in the extent of discrimination against Asian Americans relative to the time period discussed by Okihiro. For the most critical labor market outcomes, the attainments of Asian Americans appear to have reached parity with whites at least among those who were schooled in the United States. As younger cohorts of native-born Asian Americans mature into the labor force or gain additional work experience, and as the significance of education increases in the stratification system, Asian Americans will continue to have favorable socioeconomic circumstances, at least in general.

In the context of such trends, the significance of the majority-minority paradigm is declining. Although critical for appreciating a noteworthy aspect of Asian American history, Okihiro’s (1994) thesis is less relevant to understanding the situation of contemporary Asian Americans. In the post–Civil Rights era when racial discrimination is legally outlawed and has limited impact on the socioeconomic attainments of Asian Americans, the struggle for civil rights is a much less central concern in the everyday lives of Asian Americans who are in general benefiting from the opportunities of the contemporary United States. The fact that the vast majority of Asian Americans [i.e., approximately 86% (Yang 2004)] are either post-1965
immigrants or their second-generation offspring further underscores the contention that the consideration of Asian Americans should not be limited to the issues of the pre–Civil Rights era. Thus, the favorable socioeconomic attainments of Asian Americans are suggestive of generally successful relations with whites in the post–Civil Rights period rather than the oppressive domination of pervasive racial discrimination that Okihiro (1994) assumes persists from the pre–Civil Rights period.

Whether the relations between whites and other nonwhite minorities can be further improved remains to be seen, but the overall situation between Asian Americans and whites suggests that a positive multiracial society is feasible in contemporary America. Asian Americans and whites have a high level of intermarriage (Qian & Lichter 2007), which is consistent with structural assimilation, as described by traditional assimilation theory. The more multicultural ethos of the contemporary period is further reflected in the extensive social and economic integration that has been achieved even though most Asian Americans are still only first or second generation. Thus, an important ramification of the experiences of Asian Americans in the contemporary United States is that they demonstrate the feasibility of a multiracial society in the twenty-first century. Given the extensive racism against Asian Americans and other minorities in American history, this is a major societal change that needs to be recognized.

The other major implication of the socioeconomic attainments of Asian Americans is the less sanguine reality of the increasing significance of class resources and market competition (Sakamoto & Kim 2003). Whereas Du Bois (1903) referred to the twentieth century as being focused on “the problem of the color-line,” we suggest that the more salient problem of the twenty-first century is likely to be rising class inequalities. Conflict may occur along various cleavages of class groupings (Wright 2005), but we also acknowledge the more generic competition for favored market situation that individuals and organizations exploit for their own advantage, which results in higher levels of inequality and exploitation (Frank & Cook 1996, Kim & Sakamoto 2008c, Sakamoto & Kim 2008). The socioeconomic heterogeneity of Asian Americans as well as their generally higher average attainments relative to whites probably reflect the heightened levels of class competitiveness (rather than the maintenance of a racial hierarchy) in contemporary American society.

In terms of future research directions, these two ramifications of the experiences of contemporary Asian Americans could be further illuminated in various ways. For example, to understand better the assimilation processes and the development of a more multicultural society, additional studies of Asian American racial and ethnic identity would be beneficial, especially in regard to persons who are native born, multiracial, or third and higher generation. As for issues pertaining to class competitiveness and inequalities, additional studies of the sources of Asian American educational achievement are needed on such topics as the social psychology of Asian American families, childrearing practices, kin networks, and neighborhood influences. Further research is also warranted on the labor force outcomes of Asian American women as well as the nexus of processes relating to region of residence, migration, and earnings.

**SUMMARY POINTS**

1. Racial and ethnic inequalities have been investigated primarily in terms of the majority-minority paradigm.

2. The majority-minority paradigm explains the high level of labor market disadvantage among Asian Americans in the pre–Civil Rights era.
3. The socioeconomic attainments of Asian Americans in the post–Civil Rights era, however, do not appear to be adequately explained in terms of the majority-minority paradigm and therefore have not been a popular research topic.

4. On most conventional measures of educational attainment, Asian Americans in the U.S. school system achieve higher average levels than do whites in the post–Civil Rights era.

5. Although still sometimes disputed or ignored owing to its incompatibility with the majority-minority paradigm, the bulk of the most persuasive empirical studies for the post–Civil Rights era indicate approximate parity with whites in most arenas of the labor market at least for those Asian Americans who were schooled in the United States.

6. These favorable socioeconomic outcomes suggest that the significance of the majority-minority paradigm is declining and that Asian Americans are thereby an important and noteworthy example of relatively successful race relations in the post–Civil Rights era with its less discriminatory labor market.

7. At the same time, the post–Civil Rights era is also characterized by the increasing significance of class resources and market advantage that are associated with rising inequalities and exploitation, which often transcend racial boundaries.

8. The variability of socioeconomic attainments within the racial category of Asian Americans in part reflects the variation in class resources associated with different immigration streams from Asia, and many Asian Americans continue to be disadvantaged in the labor market as immigrants who were not schooled primarily in the United States.

FUTURE ISSUES

1. Assimilation processes related to racial and ethnic identification among persons with Asian American ancestry who are native born, multiracial, or third generation need further study.

2. Sources of Asian American educational achievement should be examined further, including household structure, the social psychology of Asian American families, childrearing practices, kin networks, and neighborhood characteristics.


4. Researchers should address processes relating to the simultaneous determination of region of residence, migration, and earnings.

DISCLOSURE STATEMENT

The authors are not aware of any biases that might be perceived as affecting the objectivity of this review.

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