New Asian Destinations: A Comparative Study of Traditional Gateways and Emerging Immigrant Destinations

Kenneth Kuk
Department of Policy Analysis and Management
Cornell University

* The author wishes to thank Daniel Lichter, Sharon Sassler, Douglas Gurak, and Keith Jenkins for their generous support; and those who have provided useful comments at the 75th Annual Meeting of the Population Association of America in Dallas, Texas. The author also wishes to thank the Bronfenbrenner Life Course Center at Cornell University for funding part of this research project.

I. Introduction

Previous literature on new immigrant destinations has been overwhelmingly dedicated to American's Hispanic population (Massey, 2008). Despite the large inflow of Asians in non-traditional settlement areas, virtually no work has been done to examine the evolution of Asian's settlement patterns. Other studies on housing market discrimination and residential segregation also focus mostly on Hispanic and African Americans (Zubrinsky & Bobo, 1996; Massey et al, 1987; Ross and Turner, 2005). Often known as the "model minority," Asian Americans, however, have not drawn the research attention that they deserve.

According to the *American Community Survey (ACS)* 2006-2008 3-year estimate, Asians constitute approximately 4.4% of America's population (US Census Bureau, 2009). Not surprisingly, Asians also make up a large part of the foreign-born population: 26.9% of America's foreign-borns comes from Asian countries, which makes Asians the second largest immigrant group in the United States (US Census Bureau, 2009). Asians are an interesting group to study not only because of their sizable population, but also because they are economically better off than the average American. The *ACS* 3-year estimates show that an average Asian household earns $91,270 annually, about 26.5% higher than the national average (US Census Bureau, 2009). Besides earning higher wages, Asians are also more educated than other racial groups: 49.4% of Asians in the US of age 25 or above hold a bachelor degree or higher compared to 27.4% of the national average (US Census Bureau, 2009). It is for this reason that the limited scope of literature on Asian Americans has usually focused on how and why Asians are more upwardly mobile than other racial minorities.

This paper seeks to understand more about Asian Americans beyond the scope of assimilation and socioeconomic attainment. In this paper, I examine Gordon's theory of straight-line assimilation within the context of Asian settlement patterns, as well as two of its variations: spatial assimilation and segmented assimilation (Gordon, 1964; Massey, 1985; Portes & Zhou, 1993). Essentially, America's migration patterns seem to have undergone significant changes over the past several decades. Contemporary migration has developed into a two-tier structure, where highly selected individuals and people of low social status are both entering the US (Alba & Nee, 2003). While the former are generally highly educated and have many job opportunities, the latter lack social and human capital to compete in the labor market, resulting in race-specific social polarization.

Though many Asian immigrants are college graduates with professional occupations, a lot of them, especially those who come from less developed parts of Asia, remain poor, uneducated, and jobless (Portes & Rumbaut, 1990; Ong, 2004). For instance, 14.6% of Asian Americans have not completed high school and 10.6% of them are currently living below the poverty line (US Census Bureau, 2009). The emergence of such a two-tier immigrant structure has brought enormous changes to Asian immigrants' settlement patterns. While the low-skill labor force is continually replenished by immigrants of lower social status, socioeconomically well off Asian immigrants has begun to explore new settlement areas. Such spatial expansion to the rural and suburban parts of the nation leads to a broader demographic question: how does residential location affect people's socioeconomic well-being? The emergence of these new immigrant gateways does not only suggest a change in settlement patterns, but also suggests a new spatial patterns of contemporary assimilation.

From a policy perspective, the evolution of minority assimilation and settlement patterns is of crucial importance for the purpose of policy formulation. For example, if large numbers of foreign-born Asians move into suburban areas originally dominated by Whites, local governments will have to adjust their policies, such as providing language education and housing, to accommodate the new populations. Alternatively, policymakers may be interested in Asian Americans' assimilation process because their success in integrating into the American mainstream could provide insights into how policies should be made to assist other racial minorities such as Hispanics. From a broader perspective, if residential setting has any effect on people's socioeconomic well-being, policymakers should be aware of the negative externalities that could arise in urban development programs, especially when these programs involve massive population displacement.

More specifically, this paper attempts to answer several important questions: Where are these new Asian settlement areas? Why do Asians move into these new neighborhoods? How are these neighborhoods different from the traditional gateways? Do any of the existing assimilation models explain this phenomenon? To address these questions, this paper is divided into four parts. The first part will explain some existing literature on the history of Asian immigration, Asian settlement patterns in America, different assimilation models, and the economic theories of human migration. Second, I will enumerate a list of hypotheses, together with a description of the data and the methodology of the study. Third, the results and findings will be tabulated, analyzed, and explained. Finally, I will conclude the paper by a discussion section that combines theoretical models, my findings, and the policy implications derived from the results.

II. Literature Review

A. History of Asian Immigration to the US

The entry of Asians into the US dated back to 1848, when a substantial number of Asians, particularly the Chinese, landed on the American continent shortly after the discovery of gold mines in California (Lin, 1998). After the Gold Rush, these early Chinese Americans chose to settle for economic opportunities, and became a significant source of labor for building the trans-continental railways (Mei, 1979). Other important sources of early Asian Americans included Japanese, Koreans, and Filipinos: Japanese first set foot in Hawaii in 1884, whereas Filipinos began to migrate into the US after the Spanish-American War in 1896 (Daniels, 1988; Daniels, 2002). Seeing the increasingly large Asian population as a threat to Americans' labor opportunities, Congress was pressured by the public to take action in preventing the influx of Asian immigrants, prompting the Chinese Exclusion Act of 1882 and the Gentlemen's Agreement of 1908 (Lin, 1998; Boyd, 1971; Lee, 2002). While the Chinese Exclusion Act (together with its follow-up legislative actions including the Scott Act of 1888[1] and the Geary Act of 1892[2]) excluded all Chinese skilled and unskilled laborers from entering the United States, the Gentlemen's Agreement was a documented informal agreement between Japan and the US that prompted Japan to stop granting passports to emigrants that were attempting to settle in America (Wong, 1995; Schachter, 1977).

---

[1] After the anti-Chinese riots in 1885-1886, the Chinese government called for protection of their people in America. In 1888, the Scott Act was passed, which prohibited Chinese laborers who left or planned to leave the country from returning, unless the laborers had assets worth at least $1,000 or immediate family living in America. In return, the United States government agreed to protect Chinese people and property.

[2] The Geary Act of 1892 required all Chinese residents of the United States to carry a resident permit. Chinese residents who failed to present resident permit could be subject to deportation. Any Chinese laborer who did not possess a valid certificate issued by the government was considered an illegal immigrant. These certificates eventually became immigrant identification cards, and were soon replaced by "green cards."

The Immigration Act of 1924 and the McCarren-Walter Act of 1952 both further curtailed the entry of Asians, in particular Chinese, Japanese, Filipinos, and Asian Indians (Boyd, 1974; Lee, 2002). It was not until the 1960s that restrictions on immigration were finally loosened after the passage of the Hart-Celler Act of 1965. As a direct result of this piece of legislation, the number of Asian immigrants skyrocketed, increasing by 600% between early and late 1960's. This was also when the United States witnessed immigration from Southern and Southeastern Asian countries such as Thailand, Burma, and Pakistan (Boyd, 1974). Followed by the outbreak of the Vietnam War, large numbers of Vietnamese, Cambodians, and Laotians entered the US as refugees (Stein, 1979; Rumbalt, 2001). Today, American's Asian population has become much more diverse, with people coming from atypical origins from different parts of Asia (Reeves & Bennett, 2004).

As suggested in the previous section, the two-tier social class structure of Asian immigrants divides the Asian population into two fundamentally different groups. While some groups, like Japanese and Asian Indians, have high socioeconomic attainments, others like the Cambodians and Laotians struggle in the lower tiers of society due to resettlement of Southeastern Asian refugees (Rumbaut, 2001). Nonetheless, Asian Americans, on average, are still doing much better than the average American (US Census Bureau, 2009). Sakamoto, Goyette, and Kim (2009) found that Asian Americans generally possess higher English proficiency, higher socioeconomic attainment, and are more likely to intermarry with non-Hispanic Whites when compared to Hispanics. In a comparative study between Asian and non-Hispanic White eighth graders, Kao (1995) found that Southeastern Asians have significantly higher grades than non-Hispanic

Whites after controlling for family characteristics. Moreover, she found that having an immigrant mother is associated with higher grades, suggesting that the cultural differences between immigrant and native-born parents might also play a role in determining children's educational attainment (Kao, 1995). Other studies also showed that Asians Americans in general have higher college attainments than non-Hispanic Whites (Kao & Thompson, 2003; Xie & Goyette, 2004).

In terms of socioeconomic status, Asians Americans are in general better integrated into the American mainstream than Hispanics and African Americans. Hirschman and Wong (1986) offered several plausible explanations to this phenomenon. They suggested that the limitation on Asian immigration since early 20th century has forced Asian Americans, particularly Chinese and Japanese, to invest in education for their children with their limited resources. Another plausible explanation to their relatively high educational attainments would be that Asian Americans tried to overcome occupational discrimination by increasing their social mobility (Hirschman & Wong, 1986). Although Chinese and Japanese immigrants were relatively less educated than the native population until recent decades, they tended to be highly motivated due to the selection mechanism of human migration and the costs associated with migration decisions, which will be discussed in subsequent sections. Alternatively, restrictions on property ownership in the early 20th century might have prompted sojourner immigrant groups from China and Japan to pursue the middleman minority strategy, meaning that these immigrant groups took advantage of their sojourner status and strong group ties to gain competitive business edge (Bonacich, 1973).

B. Assimilation Theories

Within the context of immigrants' experience in host societies, there is a clear distinction between acculturation and assimilation. Acculturation is the adoption of the cultural traits of host society followed by first-hand contact between cultures; whereas assimilation, or "structural assimilation" as coined by Gordon, is defined as "the entrance of the immigrants and their descendants into the social cliques, organizations, institutional activities, and general civic life of the receiving society" (Gordon, 1964).

Although most immigrants eventually acculturate to their receiving country as they adopt the new culture, for them to fully assimilate does not only depend on environmental factors, but also requires them to surrender part of their ethnic and cultural identity (Ting-Toomey et al, 2000). This notion is supported by Sanchez's (1993) study on Mexican American's diminishing Chicano culture in the Los Angeles area in the early 20th century. Of course, this certainly does not mean that assimilation requires immigrants to completely abandon their cultural heritage. For instance, Zhou and Bankston (1999) found that Vietnamese Americans have incorporated their refugee experience and cultural heritage into their American lifestyle. The emergence of ethnic enclaves also means that many immigrants are still strongly tied to the culture and lifestyle in their home country. The point is that immigrant experience and assimilation processes may vary across different groups of the population, which complicates our understanding of how assimilation theories can be applied in different contexts.

Essentially, the extent to which assimilation models can be applied is defined by the emergence of a series of interconnected theories. The canonical assimilation model, straight-line assimilation, suggests that social mobility of immigrants progresses across

generations (Warner & Srole, 1945; Gordon 1964). For example, second generations immigrants are typically native English speakers, and much more likely to intermarry with other ethnic groups than their parents. They are also likely to have higher educational attainments and English proficiency compared to first generation immigrants (Zhou, 1997). However, this model seems to have overemphasized the significance of nativity and have neglected other socio-demographic factors that can affect the assimilation process, prompting the need for further research. This model also fails to sufficiently explain the process of residential desegregation and dispersion of ethnic minorities in the US.

A variation of straight-line assimilation theory, the spatial assimilation model suggests that ethnic enclaves provide immigrants with opportunities for social upward mobility; immigrants will eventually move into more affluent and less segregated neighborhoods as a sign of residential assimilation (Massey, 1985; Massey & Denton, 1988). Before gaining enough social capital to assimilate, immigrants are more inclined to stay in immigrant communities, like Chinatown and Little Tokyo, for institutional support and employment opportunities. But once their socioeconomic situations improve, they tend to move to areas with more amenities, such as the suburbs (Logan et al, 2002). To understand this phenomenon, previous research has focused on the relationship between social and residential mobility. Evidence has shown that Asian Americans translate socioeconomic attainments into residential assimilation (White, Biddlecom, & Guo, 1993). This is consistent with the spatial assimilation theory that immigrants gain upward residential mobility as they accumulate social capital in segregated immigrant communities.

More importantly, previous research has also found that the outcome of residential desegregation varies across ethnic groups (Sassler & White, 2000). For example, as suggested by Massey and Mullan (1984), the pace and degree of residential desegregation are different between Hispanics and African Americans. Similarly, these findings can also be applied to Asian immigrants because the social and cultural differences across Asian ethnic groups are enormous. And as suggested in previous sections, a lot of these differences are attributable to immigrant experiences. While groups like Chinese and Asian Indians came mostly for job opportunities, many Southeastern Asian immigrants like Vietnamese and Laotians came as refugees due to political stability or economic depression in their home country (Stein, 1979; Rumbaut, 2001). The remaining question is whether immigrants' experience in the host society has any effect on their socioeconomic outcome.

Although spatial assimilation seems to have adequately described America's migration and assimilation patterns, it fails to sufficiently explain the changes in the post-1965 era. Alba & Nee (2003) argued that the spatial assimilation model should be reviewed because in recent decades, immigrants no longer follow the same patterns as they integrate into the American mainstream. Suburbanization of ethnic minorities has provided new immigrants with the social connections to bypass ethnic enclaves and settle directly into suburban areas. An attempt to describe how migration patterns have evolved, the theory of segmented assimilation argues that immigrants' ethnic and socioeconomic background influences their experience in the host society, which in turn affects their socioeconomic outcomes (Portes & Zhou, 1993). Instead of focusing on the relationship between social and residential upward mobility, segmented assimilation theory suggests

that assimilation processes are much more complicated, and the process of assimilation has become less clear-cut and more uncertain (Portes et al, 2005). This theory also implies that immigrants' individual differences in socioeconomic attainments and cultural values from their home country may significantly alter immigrants' experience in the US and their assimilation processes.

C. Settlement Patterns of Asians in the U.S.

As is the case for other racial minorities, many Asian Americans, particularly the foreign-borns, reside in ethnic enclaves, which are characterized by substantially concentrated minority populations. Most of these Asian enclaves are located on the West Coast and in the Northeastern region (Logan, Alba, & Zhang, 2002; Min, 2006). For instance, the most prominent Chinatowns can be found in New York City and San Francisco. Because Asian ethnic groups, such as Koreans and Asian Indians, can be fundamentally different in terms of religion, culture, and socioeconomic attainments, Asian ethnic groups tend to residentially segregate themselves from one another, forming ethnic enclaves on the basis of national origin.

Previous research has shown that Asian residential segregation varies across national origin groups. Massey and Denton (1992) found that Vietnamese are the most segregated ethnic group among Asians, whereas Japanese are the most residentially integrated with non-Hispanic Whites. They also found that Asians are highly segregated from Blacks. In another study, White, Fong, and Cai (2003) discovered that Vietnamese and Asian Indians are the most segregated when compared to other Asian ethnic groups. Moreover, geographic factors may also affect the degree of segregation. For example, Frey and

Farley's (1996) study showed that Asians are least segregated in the West and most segregated in the Midwest using data collected in 1990.

Not surprisingly, ethnic enclaves are also the center of ethnic economic activities. The spatial assimilation model suggests that immigrants tend to move into self-contained minority settlement areas in order to gain social upward mobility. More specifically, these immigrants may be looking for social connections for employment opportunities. Sanders, Nee, and Sernau (2002) found that social ties with well-connected relatives and friends, though operating informally, are extremely important resources for immigrants seeking to accumulate human capital in the labor market. In Asian ethnic enclaves, the labor market is often fueled by extensive small-scale entrepreneurial activities, which are by and large supported by unskilled labor (Portes & Jensen, 1989). Constantly replenished by new immigrants, enclave labor markets tend to be extremely fluid. And due to high levels of labor supply, enclave businesses tend to pay lower wages (Sanders & Nee, 1992). As an extension to Sanders and Nee's study, Logan, Alba, and McNulty (1996) found that minority businesses in metropolitan areas are associated with low wages, low capitalization, low levels of unionization, and high proportion of female employees. The income differential between immigrant enclave workers and people who work in other sectors of the economy suggests that enclave economies are an inferior subset of America's primary economic activities. What is more, Wilson and Portes (1980) found that enclave economies and America's primary economic activities tend to be insulated from each other, meaning that interactions between the two are minimal. These findings certainly help explain why highly selected immigrants tend not to reside in traditional ethnic enclaves.

Consistent with spatial assimilation theory, upwardly mobile immigrants often move into more affluent and less segregated neighborhoods. Immigrant suburbanization in turn creates suburban ethnic enclaves, often known as “ethnoburbs,” that are fundamentally different from traditional ethnic enclaves (Li, 1998; Li, 2009). . For instance, the income and wealth gap between non-Hispanic Whites and ethnic minorities is substantially lower in suburban areas than in ethnic enclaves (Logan et al, 1996). Because of their relatively high socioeconomic attainments among ethnic minorities, Asians are more likely to move into more affluent neighborhoods (Logan & Alba, 1993; White & Sassler, 2000). Like other racial minorities, a significant income differential exists between Asians living in the cities and the suburbs (Logan, Alba, & Zhang, 2002). In the same study, Logan and his colleagues also found negative effects on education and language proficiency associated with residence in traditional ethnic enclaves (Logan et al, 2002). Consistent with these discoveries, Li (1998) found that suburban Chinese Americans are better educated and relatively affluent compared to those who reside in ethnic enclaves. Existing literature also seems to suggest that as a result of residential dispersion in recent decades, many Chinese and Asian Indians have become more spatially integrated suburban residents without conforming to the American mainstream (Skop & Li, 2005).

As previously suggested, the post-1965 immigrants are in many ways different from their predecessors. The emergence of substantial suburban ethnic enclaves seems to indicate a new era of Americanization, where immigrants have more choices about where and how to settle when they enter the country. In the Chinese case, while the influx of lower-class immigrants from Mainland China has expanded American’s inner city Chinatowns, the increasing number of middle-class and professional Chinese immigrants

has given rise to suburban Chinatowns in places like Monterey Park, Los Angeles (Min, 2006). As more Asians move into suburban ethnic neighborhoods, they provide substantial social networks for their relatives and friends to bypass city-based traditional enclaves and settle directly in suburbia. Essentially, the barriers to direct settlement in the suburbia have become much lower than before (Logan et al, 1999). Middle-class Hispanic and Asian immigrants are able to penetrate into previously White-dominated suburban neighborhoods, constructing a friendly environment for multiethnic cohabitation (Zhou et al, 2008). This is inconsistent with the classic spatial assimilation model, leading some to question whether it can still sufficiently explain America's immigration and assimilation patterns in the post-1965 era (Alba et al, 1999; Alba & Nee, 2003; Fong & Wilkes, 1999).

D. Settlement in New Destinations

While immigrant suburbanization has raised new questions about whether spatial assimilation can still be applied to explaining post-1965 assimilation patterns, the emergence of new immigrant destinations has created more questions as to why immigrants have shifted away from established immigrant gateway states to non-traditional states like Georgia, North Carolina, and Nevada (Massey, 2008). In fact, the number of immigrants entering non-traditional states has been growing at a fast pace. Singer (2004) found that one-third of immigrants choose to detour from the six traditional immigrant gateway states, namely California, Texas, New York, New Jersey, Illinois, and Florida. Sometimes, instead of having no history of minority settlement, new settlement areas can be places where one incumbent minority group is replaced by another.

Essentially, both Hispanic and Asian immigrants are moving into non-traditional states in the South and the Midwest (Waters & Jimenez, 2005). Although previous research has centered mostly on Hispanics, Asians are also contributing to growth in new immigrant destinations. Yet the literature on new Asian immigrant destination has been profoundly limited. In fact, almost all recent studies have been dedicated to understanding new Hispanic destinations. Recent research has found that Mexican families are not as concentrated in the Southwest as they used to be (Lichter et al, 2006). Over the past few decades, Hispanic populations in non-traditional Hispanic settlement states, such as Georgia, Iowa, and South Carolina, have witnessed substantial growth (Fry, 2008). In particular, it seems that new Hispanic immigrants are more likely to settle in rural counties than they used to (Jensen, 2006). There is also evidence that Hispanic immigrants are increasingly bypassing traditional enclaves and settling directly into new destinations. Nevertheless, new destinations gain population not only from immigration, but also from internal secondary migration. Immigrants who previously moved into the US migrate from either city-based enclaves or the suburbs to these new destinations (Lichter & Johnson, 2009). More often than not, such internal secondary migration is characterized by permanent settlement (Hernandez-Leon & Zuniga, 2000).

A major factor prompting the emergence of new Hispanic destinations is the restructuring of the meat-processing industry. Relocation of factories into rural America, especially the Midwest, leads to an increase in labor demand in these areas (Kandel & Parrado, 2005). With the growth of new employment opportunities in rural America, Hispanic immigrants have begun to settle communities where meat-processing factories are located. Moreover, some Hispanics move to the South for employment opportunities

and often compete with African Americans in the low-wage secondary labor market, creating tension between the two minority groups (Lichter et al, 2010). For these reasons, Hispanics in new destinations may be worse off than the average Latino American. This notion is supported by empirical evidence. Kandel and Cromartie (2004) found that Hispanics in areas that have rapid growth in Hispanic population are recent arrivals with lower education levels, weaker English proficiency, and are more likely to be undocumented than their counterpart in established settlement areas. Although Hispanics in new destinations are not as economically well off as their enclave counterparts, it is uncertain whether such patterns can be applied to Asians because the assimilation experience of these two racial groups is so different.

E. Economic Theories of Human Migration

From an economic standpoint, individual's decision to migrate presumably depends on marginal cost-benefit analysis. That is, individuals choose to migrate if the marginal benefits of moving exceeds the marginal costs with the emphasis on total lifetime earnings (Sjaastad, 1962; Borjas, 1989). This argument is based on the neoclassical economic assumption that individuals rationally maximize their utility. By contrast, the new economics of labor migration assumes that individuals leave their home country only because they are driven out of the labor market due to temporary labor market disequilibrium where there is an excess supply of labor (Stark & Bloom, 1985; Stark, 1991). Previous research has found mixed results when comparing these two competing theories (Constant & Massey, 2002). In the context of new immigrant destinations, new immigrants are characterized by high propensity of permanent residence in new

destinations, which supports the neoclassical economic theory (Hernandez-Leon and Zuniga, 2005). Essentially, if immigrants are driven from their home country due to temporary labor market disequilibrium, the peaks and troughs of migration flow should match those of the business cycle in the immigrant-sending countries. However, there is no evidence of such phenomenon.

No matter which economic theory prevails, individuals presumably make rational decisions that generate positive net value. Because migration is costly (e.g. the emotional difficulties of leaving one's home country), individuals only migrate if the total lifetime benefits of moving offset the costs (Sjaastad, 1962; Brojas, 1994). To overcome the costs associated with migration, immigrants tend to invest heavily in human capital due to the complementarity of foreign and U.S. human capital (Chiswick, 1978). Essentially, it is important to note that the value of human capital can be recognized even across national borders, though quite often discounted, prompting highly selected individuals to migrate for better living standards. On the other hand, low-skilled immigrants are also incentivized to invest on human capital because their opportunity costs are lower than that of the native-born population. They have lower destination-specific skills to earn high wages otherwise (Duleep and Regets, 1999).

The notion of immigrants investing heavily in human capital rests upon the assumption that human capital can eventually lead to better socioeconomic outcomes. This assumption is supported by empirical evidence: Chiswick (1978) found that immigrants are able to catch up with native-born in terms of income within 15 years, holding their demographic and socioeconomic characteristics constant. He also found that human capital levels are significantly correlated with the income differential, which

supports the notion that earnings differential between foreign-borns and native-borns can be partially explained by the differences in human capital (Chiswick, 1978).

Besides nativity, human capital investment decisions also depend on gender and race. Due to familial expectations, resource constraints, and workplace discrimination, women and African Americans are less incentivized to invest in education until recently (Coleman, 1988). This means that much of the sex and race wage gaps can be explained by differences in human capital level. For instance, the White-Black wage gap is virtually eliminated after controlling for education and familial background (O'Neill, 1990; Maxwell, 1994; Neal & Johnson, 1996; Altonji & Blank, 1999). As for gender, similar studies have found that the sex gap in wages can also be partly explained by differentials in education levels and other quantified ability measures (Blau et al, 1998; Paglin & Rufolo, 1990; Brown & Corcoran, 1997; Altonji & Blank, 1999). In immigrant enclaves, Zhou and Logan (1989) found that only male enclave workers benefit from investing in human capital, such as education, labor market experience, and English proficiency. These findings imply that the negative effects of gender and race on human capital investment may exemplify the negative effects of being foreign-born in suppressing wages among female and minority workers.

In addition, human capital investments are also influenced by locational settings. Due to differences in economic structures across national borders, the same level of human capital can be essentially translated into different values depending on location-specific factors (Bowles, 1970). Like previously suggested, although foreign and US human capitals are to some extent complementary, the economic benefits may be discounted if human capital is realized in suboptimal locations (Chiswick, 1978). For

example, an immigrant's college degree will be worth a higher value in New York City than in inner city Baltimore due to the differences in economic structures because the immigrant is more likely to find a decent job in the former. This theory of locational returns to human capital, as coined by Logan and Alba (1993), offers an alternative illustration of how individuals' social and human capital can affect migration decisions.

Because human capital can be translated into higher values by optimizing the locational setting where an individual is situated, free flow of international migration will then lead to more efficient use of human capital (Stark & Wang, 2002). This further implies that individuals may be incentivized to invest more heavily in human capital when a person is situated at a location where human capital value can be maximized. The theory of locational returns to human capital reinforces the notion that immigrants are incentivized to invest in human capital in order to gain social upward mobility. As opposed to the case for Hispanics, the inflow of Asian immigrants into new settlement areas may imply that the locational returns to human capital for them are higher in these areas than in city-based ethnic enclaves or ethnoburbs. If this assumption holds, Asians in new settlement areas would have more incentives to consider receiving more education or gaining more labor market experience.

Residential and social mobility usually go hand in hand in the course of assimilation. While classic spatial assimilation model suggests that suburbanization is an indication of social upward mobility, the emergence of non-traditional immigrant settlement areas suggests the need for reevaluation of the relationship between migration and assimilation in the post-1965 era. Like Hispanics, Asian Americans have begun to move into non-traditional settlement areas over the past two decades. However, previous research

has largely overlooked the significant implications of new Asian destinations on human migration and assimilation patterns.

In light of the need for further research, this paper attempts to address the topic of Asian assimilation by: (1) identifying new and established Asian destinations; (2) providing socio-demographic profiles of these settlement areas; (3) comparing new and established Asian settlement areas in terms of their economic well-being; and (4) suggesting theoretical implications and making policy recommendations based on my findings. These findings will contribute to the literature by describing the post-1965 Asian settlement patterns, formally identifying new Asian settlement areas, and reexamining existing assimilation and migration theories.

F. Hypotheses

Based on the literature, I will test three hypotheses in this paper. *Hypothesis 1:* I expect to find new Asian destinations disproportionately concentrated in the Southern and Midwestern states, whereas established Asian areas more concentrated in the West and the Northeast. *Hypothesis 2:* I anticipate that there will be an income differential among Asians across new destinations, established settlement areas, and other Asian settlement areas. While the spatial assimilation model contends that high-achieving immigrants would actively move into more affluent and less residentially segregated neighborhoods for quality schooling and better living environment, segmented assimilation model suggests that immigrants' socioeconomic outcome is by and large determined by their original socioeconomic background and their experience in the host society. In terms of socioeconomic well-being of Asians in different types of areas, unlike the case for

Hispanics where they compete in the secondary market with African Americans in new immigrant gateways, I expect that the average household income in new Asian destinations will be significantly higher than that of established and other Asian settlement areas because Asians moving into new areas are typically highly selected as in the case of immigrant suburbanization.

Hypothesis 3: I postulate that locational setting itself has an effect on income net of the differences in county-specific economic structure. I expect Asians in new destinations to exhibit significantly higher levels of income relative to their urban and suburban enclave counterparts after controlling for socio-demographic variables and other contemporaneous factors. More specifically, I anticipate that there will be some residual effects on the location variables, meaning that new destinations benefit Asians independent of human capital level. I further posit that such differential can be partly explained by the theoretical model of locational returns to human capital.

III. Methodology

A. Data and Measures

To test these hypotheses, a county-level dataset is constructed using decennial censuses of 1990 and 2000, as well as *American Community Survey (ACS)* 3-year estimates (2006-2008). Only contiguous states and District of Columbia are included in the data to avoid Pacific Islanders being confused with Asians when classifying Asian settlement areas because the two racial groups fell under the same category in 1990. In the 1990 and 2000 decennial censuses, basic demographic data such as total populations and percentage of Asians in each county are available in the 100-percent summary files. As for *ACS* 3-year estimates, data are only sampled in counties with populations of 20,000 or more. To keep the dataset consistent, only counties that are sampled in *ACS* are included.

The first part of my dataset includes variables that are specifically created to identify different types of Asian areas among all counties in the US. These include county identification codes, general and Asian population measures at the 3 specific time points, growth rates of the general and Asian populations over time, and a measure of how fast the Asian populations have been growing with respect to the general populations. Based on the definitions that will be laid out in the following section, three dummy variables will be created, classifying each county into one of the following categories: (1) new Asian settlement areas, (2) established Asian settlement areas, or (3) other Asian areas. Because this study focuses on Asians and their settlement areas, counties with less than 500 Asians in 1990 or 1000 Asians in 2000 are deleted from the dataset.

I next perform a multivariate regression analysis to study how locational settings affect individual earning using a wide range of socioeconomic variables that describes the

populations in these counties. As a measure of people's economic well-being, logged median household income is used as the dependent variable. Median household income is logged to capture percentage changes because many of the control variables are measured in percentage terms. To capture the variation in household income across different types of counties, the area dummies created in the first part of this study will serve as the independent variable of interest, picking up the locational effects on income. And to separate out extraneous effects due to differences in demographic and socioeconomic structures across counties, the multivariate regression model also includes a variety of control variables.

B. Methods

Asian settlement areas are divided into three categories: new Asian destinations, established Asian areas, and other Asian areas. In terms of the geographic level being used in the classification process, studies on new Hispanic destinations have defined areas at different levels, including PUMAs, CPUMAs, counties, and places (Fischer, 2010; Lichter & Johnson, 2009; Lichter et al, 2010; Kandel & Cromartie, 2004; Kandel & Parrado, 2006). In the Asian context, however, PUMAs and C-PUMAs are too large to serve as the unit because Asian population is not only smaller, but also more spatially dispersed than Hispanics. On the other hand, using places as the measuring unit does not seem plausible either. As the Asian population is relatively small and spatially dispersed, many significant geographic areas may be omitted from the sample data because *ACS* estimates are only available for counties with large enough populations. Dropping out some of the data creates a selection bias that could potentially cause distortions to the

regression outcomes. Hence for these reasons, the dataset used in this study is constructed at county level. Another measure to prevent statistical distortions to the outcome is to eliminate all counties with less than 500 Asians in 1990 or 1,000 Asians in 2000 from the data because growth rates can be exaggerated by small population size. This restricts the analysis to counties with a measurable Asian population.

The first part of this research aims at identifying new and established Asian settlement areas. To qualify as a new Asian settlement area, a county's percentage of Asian population cannot exceed the national average in 1990, which is approximately 3%. Furthermore, the county has to have at least undergone a 200% growth in Asian population from 1990 to 2008 (as estimated in the *ACS* data), and the growth rate has to be at least 4 times higher than that of the general county population. The comparative measure is introduced to indentify new Asian destinations that are experiencing net growth in Asian populations. Locating these emerging Asian enclaves in non-traditional areas is important from a policy perspective because changes in population composition cannot be observed without in-depth demographic research. On the other hand, established Asian areas are counties with Asian populations that exceed the national average by at least 50% in 1990, and in either 2000 or 2008 (*ACS* 3-year estimates). This criterion ensures that marginal counties with Asian populations slightly lower than the benchmark in one of the two years will also be included in the sample. All remaining counties with more than 500 Asians in 1990 or 1000 Asians in 2000 are then defined as other Asian areas.

Next, a multivariate regression model estimates the association between economic well-being (measured by logged median household income) and residence in each type of

area. Due to inconsistency in data definition between the censuses and the *ACS*, only *ACS* data are used in the regression model. Below is a simplified expression of the model used in this study:

$$\boldsymbol{Ln(Income)_i = \alpha_i + \beta_1 New_i + \beta_2 Other_i + \gamma_{1k} HaveValue_{ik}}$$
$$\boldsymbol{+ \gamma_{2k}(HaveValue_{ik} * X_k) + \varepsilon_i}$$

In this model, subscript i denotes the county count. As the dependent variable, *Income* represents logged median household income of each county. *New* and *Other* stand for new Asian destinations and other Asian settlement areas respectively, leaving established Asian settlement areas as the reference group. *X* contains a number of control variables to account for the intrinsic differences across counties, whereas subscript k denotes the control variable count. To overcome data suppression problem, the controls consist of two components: (1) a dummy variable that takes on the value of 1 if the control has a value and (2) an interaction variable obtained by multiplying the dummy variable and the actual value of the control. This procedure creates dummy data for missing values without biasing the estimates.

Demographic controls include logged total county population and percentage of Asians in the county to control for size of the economy and metropolitan status. Median age is also taken into account because earnings profile changes across the life course. For example, areas with huge retired populations may have lower average household earnings when compared to places with younger populations. Moreover, percentage of Blacks and Hispanics are also controlled to capture a fundamental dimension of population composition.

As previously suggested, income differential can be partially explained by area-specific variation in economic structure. To account for these differences, the unemployment rate of each county is introduced to the model. Also, the percentages of population who fall under three specific occupational categories are introduced in the model. These occupational categories are (1) managerial and professional occupations; (2) production, transportation, material moving, and related occupations; and (3) farming, fishing, forestry, and related occupations. These three categories are selected primarily because they each represent a class of workers in society. Another reason for choosing these three groups is that the percentages of people who work in these fields appear to vary across different types of Asian settlement areas. Occupational distribution variables can also partially capture the ethnicity effects on income because Asians of different ethnic backgrounds tend to have dissimilar occupational niches.

Furthermore, the model includes the percentage of foreign-born among Asians because the literature in straight-line assimilation has suggested that nativity status plays a vital role in determining income levels. On the other hand, education level and marital status have also been found to be significantly correlated with a person's economic outcome. The models therefore include the percentage of Asians in the county who are married and the percentage of Asians with college degrees.

IV. Results and Findings

A. Different Types of Asian Settlement Areas

Based on my definitions of Asian settlement areas, out of 3,109 counties in the U.S. contiguous states and District of Columbia, 492 (15.8%) counties are categorized as Asian settlement areas. Of these 492 counties, 47 are defined as new Asian settlement areas, 40 are defined as established settlement areas, and the remaining 405 are considered other Asian areas. Consistent with my hypothesis, new Asian settlement areas are mostly located in Southern and Midwestern states, whereas established Asian settlement areas are concentrated in the West and the Northeast. New Asian settlement areas are dispersed across 20 states, and the most notable ones are Georgia and North Carolina (see Table 1 for a complete list of all new Asian destinations), which are both non-traditional Asian immigrant receiving states. Interestingly, a handful of new Asian destinations are located in Illinois, a state that has some history of Asian settlement. Over the past two decades, the large influx of Asian immigrants has changed the demographic composition of these states dramatically. In 1990, Asians only made up 1.3% of the populations in these 47 counties. In 2008, the number has risen to 4%.

Of all new Asian destinations, the Asian populations in Douglas County, Colorado, Henry County, Georgia, Scott County, Minnesota, Delaware County, Ohio, and Loudoun County, Virginia have all increased by at least 1000% from 1990 to 2008. In Scott County, Minnesota and Delaware County, Ohio, the Asian populations have grown almost 10 times faster than the overall populations. During the same period, Warren County, New Jersey and Bartholomew County, Indiana have also witnessed similarly astounding growth rates. These are all evidence of Asians forming residential clusters in

non-traditional Asian settlement areas. Among these new gateway states, North Carolina stands out to be the most notable one. From 1990 to 2008, the Asian populations in Burke County and Catawba County have both increased 14 to 16 times faster than the general populations. Besides North Carolina, Georgia seems to be just as popular. While the Asian populations in Fulton County and Henry County have both increased at a stunning pace, Gwinnett County has the largest number of Asians among all new destinations (72,209), with the percentage of Asians rising from 2.9% to 9.4% over the past two decades. In the South, Collin County, Texas and Loudoun County, Virginia are equally popular among Asian immigrants. In 1990, Asians only made up 2.8% of Collin County's population; in 2008, this number has risen to 9.8%. The same number has increased from 2.4% to 12.3% in Loudoun County over the same period. Together with Gwinnett County, these two counties are considered the three most prominent new Asian destinations in the US.

Also consistent with my hypothesis, established Asian settlement areas are mostly located in Pacific and Northeastern states. According to the data, the 11 traditional gateway states are California, Illinois, Maryland, Massachusetts, Minnesota, New Jersey, New York, Oregon, Texas, Virginia, and Washington (see Table 2 for a complete list of established Asian settlement areas). Over the three time points, these traditional Asian immigrant receiving areas have also experienced very rapid growth in their Asian populations. In 1990, Asians made up 8.6% of the populations in these 40 counties; in 2008, this number has risen to 13%. This upward trend seems to be universal nationwide. In all but one county (Monterey County, CA), the Asian populations grew between 1990 and 2008. The increase in Asian populations in these areas means that Asians are not

abandoning their ethnic enclaves. More likely, these areas have continued to serve as the center of ethnic economic activities as new immigrants constantly replenish the labor markets of these enclave economies.

Not surprisingly, with 17 counties classified as established Asian settlement areas, California stands out as the dominant state for Asian settlement. Santa Clara County and San Francisco County are unarguably the two most popular Asian settlement areas in the US; in both counties, Asians make up more than 30% of their populations. Thanks to its enormous population, Los Angeles County has the largest Asian population (1,271,962) in the US. On the East Coast, Queens County, New York and Middlesex County, New Jersey are the most prominent Asian settlement areas, with 21.42% and 18.48% of their populations being Asian respectively. Compared to California, the Asian populations in New Jersey and New York have been growing at a much faster pace, suggesting that enclave development in the Northeast seems to be more rapid than the West between 1990 and 2008.

The definition of different types of Asian settlement areas used in this study is certainly imperfect. In fact, any attempt to classify areas based on demographic composition is somewhat arbitrary because there exists no absolute theoretical benchmark. To compensate for such arbitrariness, I also examined “other” Asian areas to see whether my definitions have failed to capture some of the significant new and established Asian settlement areas. In 37 out of 405 other Asian areas, Asians constitute more than 5% of the counties’ overall populations. These areas are distributed across 17 states, yet most of them are located in 6 major states, namely California, New Jersey, New York, Pennsylvania, Texas, and Virginia. On the other hand, some counties in the

other Asian area group have also experienced very rapid growth in their Asian populations. More interestingly, a lot of these counties are in states that do not have any notable patterns of Asian settlement in the past. These states include South Carolina, Tennessee, Kentucky, Louisiana, Colorado, Alabama, New Mexico, South Dakota, and Arizona. It seems that spatial dispersion of Asians is likely to continue in these incipient new Asian destinations. In summary, these findings have shown that new Asian settlement areas are more spatially scattered than established Asian settlement areas, and are inclined to be concentrated in Midwestern and Southern states.

B. Socioeconomic profile of different types of Asian Settlement Areas

The summary statistics with detailed description of each variable are listed in Table 3. In 2008, the median annual income of Asian households in the sample is $63,031, about 20.81% higher than the national average but 9.54% lower than the earnings of the average Asian American household. In terms of education level, 49% of Asians residing in the sampled counties have a bachelor degree or higher, which is very close to the national average for Asians. Similarly, the marriage rate of Asians is roughly the same between the sample and the national mean, with about 60% married. Moreover, there is no significant difference in economic structure between the sampled counties and the rest of the country. In terms of nativity status, the percentage of foreign-born among Asians recorded in the sampled counties is also very similar to the national average. From these preliminary comparative analyses, the sampled counties appears to be a good representation of the nation except for the differences in income level.

While counties with large Asian populations tend to resemble the average American

county in most measures, the numbers become slightly different when summary statistics are tabulated by type of area (see Table 4 for the complete summary table of variables by type of area). Consistent with my hypothesis, income differentials exist across different types of Asian settlement areas. The median household income of Asians in established settlement areas is $71,514.4, slightly higher than the national average for Asians. The number is significantly higher in new Asian destinations, where the median annual household income of Asians is $79,476.35. Surprisingly, Asians living in other Asian areas are doing much worse when compared to their counterparts in the other two types of Asian settlement areas. The median annual household income of Asians in other areas is $60,261.6, which is significantly lower than the average Asian American household, yet still 15.5% higher than the national average.

Previous research has found that both marital status and education have strong effects on individual economic outcomes. For instance, the literature on human capital has suggested a positive correlation between educational attainments and earnings (Psacharopoulos & Patrinos, 2002; Card, 1999). And from the sample, this theory seems to hold as educational attainments are higher in new Asian destinations: while 55.1% of Asians have completed college education in new Asian destinations, only about 48% possess the same level of education other Asian areas. Marital status is also a potential factor. Previous research has found a positive correlation between being married and higher earnings (Hill, 1979). In the sample, there is a clear difference in marriage rate across counties. While the percentage of Asians married is 60% in established and other Asian settlement areas, the number is 67% in new destinations, which makes marital status another possible explanation to the income differential.

While educational attainments and marital status are both historically found to be correlated with income, this paper is interested in whether locational settings have any effect on Asians' economic outcome. In other words, net of all socioeconomic and demographic factors as suggested in the literature, does living in a specific area per se have any impact on income? There are several reasons to believe that location can have an effect on income. First, it could imply demographic or compositional differences across geographic areas. For instance, if an area is dominated by a particular Asian ethnic group, in accordance to the segmented assimilation model, socioeconomic outcomes can depend largely on how their cultural background influences their experience in the host society. Second, the locational income effect can also be explained by the theory of locational returns to human capital, which suggests that human capital can be translated into different values depending on where the individual is situated. To provide more insights into the subject, a multivariate regression model is created to estimate the association between locational setting and Asian household income.

C. Multivariate Regression Outcomes

Six models are created based on the variables described in preceding sections (see regression results in Table 5). In *Model 1*, logged median household income is only regressed on the type of area dummies. The results show that Asian households in new destinations are associated with 12.6% higher income, but the statistical correlation is only significant at the .1 level. In other Asian settlement areas, Asian households are associated with 16.3% lower income. The negative income effect of other Asian areas is supported by strong statistical evidence (t = -2.93); the correlation between other Asian

areas and income is significant at the .01 level.

Model 2 includes three new variables: logged total county population, percentage of Asians, and the median age of Asians in the county. As a proxy for metropolitan status, logged county population is associated with 5% higher median household income, suggesting that Asians in more populated areas tend to be economically better off. For the location variables, once these variables are controlled, the positive income effect of residing in new destinations becomes extremely significant (t = 4.7). The coefficient also rises significantly from .126 to .378. For other Asian areas, the coefficient has become positive but insignificant.

Model 3 introduces another two new variables that account for the differences in demographic characteristics and economic structures: percentages of Hispanics and Blacks with respect to total populations. Regression results reveal a negative correlation between minority (Hispanics and Blacks) percentage and Asian household income. While the income effect of other Asian areas remains insignificant, the new destination dummy retains a strong and positive effect on household income. Asian households in new destinations on average earn 35.5% more than those in established settlement areas.

In *Model 4*, more variables are introduced to control for the differences in economic structures across counties. While the strong, negative effect of unemployment is significant at the .1 level, median household income is also strongly correlated with the occupational distribution of the counties. Once these economic structures variables are controlled, however, the coefficient on the new destination dummy drops from .353 to .286, indicating that the locational income effect is reduced by the newly introduced controls. However, thanks to the relatively high standard error, the decrease is statistically

insignificant. This finding suggests that the income advantage of Asians in new destinations is not created entirely by the differences in the economic scale and labor market structure of the counties.

In *Model 5*, another control is introduced: percentage of foreign-borns among Asians. Not surprisingly, being foreign-born is associated with a significant effect on household income. Consistent with the literature and straight-line assimilation, foreign-born Asians have much lower income than their native-born counterparts. As for the locational income effect, Asians in new destinations are still associated with 29.3% higher income after controlling for nativity status. Such effect remains significant at the .01 level.

Finally, educational attainments and marital status are introduced in *Model 6*, with the hopes of explaining the effects of new destinations on earnings. As in previous research, higher percentages of college graduates and more people being married are positively correlated with median household income. The introduction of these two variables also accounts for a large part of the earnings effect of new destination, causing the coefficient to drop from .293 to .151. However, the new destination dummy coefficient is still positive and significant at the .05 level. This finding supports my hypothesis that location itself has a considerable effect on income; living in new destinations is associated with 15.1% higher income after controlling for demographic factors, county-specific economic conditions, nativity status, education level, and marital status. The statistical evidence presented here is fairly strong.

V. Theoretical Implications and Policy Recommendations

A. New Asian destinations and their theoretical implications

The findings in this paper are consistent with my three hypotheses. While new Asian destinations are disproportionately concentrated in the South and the Midwest, established Asian enclaves are mostly located in the West and the Northeast. Using a multivariate model, I find that Asian households in new destinations enjoy an income advantage over those in established enclaves. Essentially, locational setting has a significant effect on household earnings after controlling for the differences in demographic characteristics, economic conditions, and socioeconomic well-being. The rest of my paper discusses other potential sources of the income differentials across different types of Asian areas.

As America's Asian population grows at an increasing pace, evidence has shown that Asians have experienced spatial dispersion in their residential patterns. Many Asian Americans, either native or foreign-born, have moved into states and regions that are traditionally dominated by non-Hispanic Whites and other racial minorities, such as Georgia and North Carolina. However, Asians are certainly not abandoning their established ethnic enclaves. These developed ethnic settlement areas remain extremely popular among Asian immigrants, and have continued to serve as the center of ethnic economic activities. Although Asians are more spatially dispersed than they were several decades ago, most of the US Asian population still resides in densely populated, metropolitan, and well developed ethnic enclaves. And for this reason, these areas also serve as a hub where cultural heritage is preserved. On the other hand, a significant portion of Asian immigrants has bypassed ethnic enclaves and directly settled into

affluent neighborhoods in the suburbs. Some ethnoburbs have emerged to become as prominent as traditional enclaves, and will possibly share the burden of preserving Asian Americans' cultural heritage and supporting ethnic economic activities in the foreseeable future.

Although new Asian destinations are defined as places with increasingly concentrated Asian settlement, the conventional definition of ethnoburbs fails to sufficiently describe the profile of these areas. When Asian Americans first began to move into suburbs, residential amenities such as quality schooling, security, and higher living standards dominated the migration decision-making process. Economic factors were the primary drive that prompted their residential mobility. Because suburban Asians still relied on their cultural connections with enclave economies, conventional suburbanization tended not to involve movement across state boundaries. Yet unlike these suburban ethnic enclaves, new Asian destinations are disproportionately concentrated in nontraditional Asian receiving regions. Many of these areas are outside the cultured orbit of traditional Asian settlement areas, meaning that the lifestyle of Asians in these areas will be quite different than that of the ones living in ethnic enclaves. This implies that the assimilation processes can be completely different across areas. Without doubt, Asian Americans' spatial dispersion to non-traditional areas has signified a new change in Asian Americans' settlement patterns.

Moreover, many counties in the other Asian area category have been experiencing significant growth in their Asian populations. Many of these emerging Asian destinations are located in states that are not conventionally considered economically prosperous, such as Kentucky, New Mexico, and Tennessee. This trend may indicate that Asian Americans

are less economically driven than they were in the past. Essentially, the correlation between social and residential mobility has become more ambiguous among Asian Americans. In addition, this trend suggests that Asians may continue to settle into new areas across the nation, and may eventually penetrate neighborhoods now dominated by non-Hispanic Whites and other racial groups. New interracial interactions in these emerging gateway states will certainly further complicate conventional assimilation theories and their applicability in new Asian destinations.

As suggested previously, the emergence of new Asian destinations sheds some light on how classic assimilation theories should be interpreted. Essentially, it seems that both spatial assimilation and segmented assimilation are at work. While Asian Americans constantly translate social mobility into residential mobility by moving into neighborhoods where they can realize higher returns to their social and human capital, American's Asian population is constantly replenished by immigrants from different social classes. Immigrants' personal background influences their experience in the host society, which in turn affects their economic outcomes.

In new destinations, the Asian populations can be essentially classified into three categories: (1) native-born Asians, (2) foreign-born Asians who used to live elsewhere in the US, and (3) foreign-born Asians who recently entered the US. Of these three types, native-born Asians embody how straight-line assimilation theory can be applied to contemporary migration: from one generation to the next, ethnic minorities will eventually attain higher social and human capital to assimilate. On the other hand, foreign-born Asians who have moved from another part of the US may have moved for better quality of life, serving as a perfect example of spatial assimilation theory. Finally,

the fact that some recent immigrants are settling into new destinations as they enter the country agrees with the theory of segmented assimilation that immigrants' original socio-ethnic background matters when determining residential outcomes. Instead of suggesting that classic theories are no long applicable in the post-1965 era, the findings seem to show that they complement one another, providing a fuller understanding of how Asian settlement patterns have evolved over time.

B. Locational effects on income and future research

Regression results have shown that there is an income differential across different types of Asian settlement areas even after controlling for human capital investment and county-specific economic structure. While schooling and marital status are certainly two key determinants of individual economic well-being, the regression models yield a significantly positive coefficient on the new destination dummy. Consistent with my hypothesis, locational setting seems to have a significant effect on income.

One plausible explanation to the locational differences in household earnings is that the affinity of Asian Americans as a racial group is much weaker than their ethnic identification. This implies that Asians as a group is poorly defined because Asian cultures are so different across ethnic groups. And for this reason, instead of considering themselves as a larger racial group, Asian Americans tend to have strong affiliation to their ethnic-specific culture, and are more likely to cluster in ethnic-specific residential areas. This is consistent with Skop and Li's (2005) finding that Chinese and Asian Indians tend to cluster in separate residential areas because they are more concerned about maintaining cultural cohesion and solidarity.

It is possible that Asians in new destinations earn higher wages because they belong to an ethnic group that historically does better than others. For instance, if a new destination is dominated by Asian Indians, Asian median household income is likely to be substantially higher than in areas dominated by historically disadvantaged ethnic groups, such as Laotians and Hmongs. Although such differences can be attributed to human capital indicators such as education level and labor market experience, unquantifiable socio-ethnic factors may also play a role.

Asian ethnic groups do not randomly select locations to develop ethnic communities. In most cases, they are either passively resettled like the case for Vietnamese and Laotian refugees, or actively look for areas that are optimal given their ethnic-specific skill sets. For instance, many Vietnamese are in the coastal areas of Texas and Louisiana because they run very successful shrimping businesses. Differences across Asian ethnic groups should be at least in part captured by the demographic and economic variables. Also, many of the unquantifiable cultural differences may also be indirectly reflected by other variables such as education level and marital status. For instance, some Asian cultures encourage children to get married in their adolescence (Singh & Samara, 1996). Therefore, it is uncertain whether ethnic differences alone can explain the residual income effect in new Asian destinations.

Another plausible explanation is that foreign-born Asians moving into new destinations are mostly secondary migrants who have settled into other regions in the US before realizing their residential mobility. Holding education level constant, secondary migrants are better adapted to the American culture and likely to possess higher English proficiency. Of course, human capital is not perfectly substitutable across national

borders. For instance, the value of labor market experience in Asia would be discounted when being realized in the US for various reasons including differences in working style. Hence, secondary migrants may earn higher wages not only because they are better adapted to the American environment, but also because they have gained their social and human capital domestically. Although the three types of Asian settlement areas have similar proportions of foreign-born Asian populations, and the literature has suggested that more immigrants are moving directly into rural areas, it is uncertain whether new destinations have attracted the same number of primary and secondary migrants. And in accordance to spatial assimilation, new destinations may attract mostly secondary migrants who have accumulated sufficient social and human capital elsewhere.

However, the theory is not tenable either because it fails to explain why secondary migrants with potentials of achieving high socioeconomic attainments would move into less developed areas. While one can argue that it is an outcome of residential integration, highly selected immigrants really have no social and economic incentive to move into these areas. Indeed, the opportunity costs of moving may be too high for individuals who would still enjoy high socioeconomic status in ethnic enclaves and ethnoburbs. Ideally, it would be useful if the multivariate model included measures that separated primary and secondary migrants. However, these measures are not available in the *ACS* data.

Both theories presented previously have failed to sufficiently explain the locational income differential. In light of this, I hereby argue that the theory of locational returns to human capital provides a better theoretical explanation to the question of why Asians have better economic outcomes in new destinations. As previously suggested, the same college degree can be translated into different values depending on the physical

environment. Consider the following example where two graduates from the same top-tier law school have decided to start their careers in different parts of the country. While lawyer A could earn up to $300 per hour working at a prestigious Wall Street law firm in New York City, lawyer B may be prompted by familial concerns and choose to work at a local law firm in his hometown making $60,000 a year. Assuming that the two lawyers have similar ability (since they graduated from the same school), the earnings differential is attributable to both individual preferences and the intrinsic differences between the two places in which each person works. For instance, lawyer A might be influenced by New York City's stressful environment and work much harder than he would otherwise if he chose a career path like lawyer B.

The theory of locational returns to human capital is well illustrated in this example. According to this theory, value of human capital is not constant. The same level of education can be translated into different values depending on the differences across individuals as well as locational settings. And depending on how individuals interact with one another and with the environment in which they are situated, value of human capital may vary over time. If this theory holds, the residual effect remained in the coefficient on the new destination dummy can be interpreted as the outcome of higher degree of economic efficiency being realized in new Asian destinations. More specifically, because new destinations are generally not as developed as their counterpart in metropolitan areas, they provide ample opportunities for highly selected Asian Americans to fully utilize their skills. For instance, the property rents in these areas may be substantially lower than in ethnic enclaves and ethnoburbs, allowing highly motivated Asian Americans to realize their entrepreneurial aspirations (Aldrich & Waldinger, 1990).

C. Policy implications

The emergence of new Asian destinations in non-traditional immigrant receiving states has far-reaching policy implications at both national and local levels. The changes in demographic composition require federal and local governments to formulate policies ensuring that immigrants have sufficient support to integrate to the American mainstream both socially and economically.

In terms of education, local governments in new destinations should be aware that many immigrant children do not speak English as their first language. Education policies should be adjusted so that these non-English speaking children can quickly cope with the new learning environment and develop social connections with their peers. An example would be to provide remedial language sessions after regular school hours and in the summer (Hakuta, Butler, & Witt, 2000). By the same token, local governments should also ensure that there are resources available for adult immigrants to learn English so that they can blend into local communities more easily. This is particularly a concern for places that are historically dominated by non-Hispanic Whites because local governments tend to have little experience in governing multiethnic communities. Also, people in these places are likely to be more xenophobic because they are not accustomed to living in a multiethnic environment. In such instances, the governments should take a more proactive approach in promoting racial harmony.

On the other hand, although residential desegregation may effectively facilitate assimilation, local governments should be cautious when introducing policies that involve involuntary population displacement. In the Asian American context, different ethnic subgroups tend to maintain very strong social ties among their own groups and

may prefer living in quasi-segregated neighborhoods. This is certainly not to say that racial segregation should be encouraged. However, local governments should be aware of the fact that housing programs that aim at desegregating residential areas may create conflicts among various ethnic groups if social infrastructures are not well developed.

Essentially, maintaining racial harmony is an important challenge in new Asian destinations that are previously dominated by non-Hispanic Whites and other racial minorities. Even today, ethnic antagonism still exists in many parts of the country, especially in places with no history of minority settlement until recent decades. The most important source of ethnic antagonism is the belief of a split labor market, which argues that there is a huge differential in price of labor between native-borns and immigrants (Bonacich, 1972). According to Bonacich, differentials in price of labor create a three-way conflict between businesses and the two labor groups. But this theory seems to fall short in explaining the relationship between Asian Americans and non-Hispanic Whites because unlike Hispanics, Asians are characterized by high socioeconomic attainments. Another theory suggests that native-borns are hostile against immigrants because even when both groups seek to earn similar wages, the increase in labor supply would bring wages down. However, previous research has found that such effects depend largely on individual levels of social and human capital (Friedberg & Hunt, 1995). The bottom line is that ethnic antagonism still persists; and to maintain racial harmony, the only solution is to educate the public. Local governments should acknowledge that Asians are diffusing across the country so that they can consciously formulate policies that facilitate racial integration. As in the case of the EU, state authorities actively provide support to minority interest groups by giving them additional resources in influencing the

political agenda (Hix, 1999). Applying this to the US context, local governments can promote racial integration by providing financial support to non-governmental organizations that work to raise awareness of racial conflicts. In essence, public education is the key to promoting racial harmony.

More broadly, the emergence of new Asian destinations also provides insights into how immigration policies should be made. In the context of new Asian destinations, some suggest that the federal government should consider relaxing restrictions on immigration of high-skill workers because according to the theory of locational returns to human capital, the value of human capital can be maximized through free flow of migration if migration is costless. On the other hand, admitting high-skill workers may generate more tax revenues to ease federal deficits. In the Swedish case, Storesletten (2000) suggests that the Swedish government should admit 1.6 million 40- to 44-year-old immigrants annually so as to increase tax revenues. However, this does not seem applicable in the US context: Borjas (2005) finds that the influx of foreign doctorate students will eventually lead to lower wages among high-skill occupations due to increased labor supply. Also, if the federal government relaxes its immigration policies, the native population might be resentful due to their fear of increased competition in the labor market. Therefore, the government has to be extremely careful when reviewing and evaluating immigration policies.

In summary, local governments should make considerable effort in making sure that immigrants can socioeconomically integrate into the American mainstream by adopting measures like after-school remedial language programs for non-English speaking children. Yet they should be refrained from introducing housing programs that involve involuntary

residential desegregation. In counties with no history of minority settlement, local governments should be prepared to educate the public and focus on maintaining racial harmony. In a broader sense, the emergence of new Asian destinations suggests that barriers to migration should be removed if the theory of locational returns to human capital holds. However, it involves many political concerns when considering adjusting immigration policies due to its political sensitiveness. Essentially, policymakers should avoid arousing xenophobic sentiments among the public as America's population becomes more diverse.

VI. Conclusion

This paper identifies different types of Asian settlement areas and evaluates the locational income effects across geographic areas among Asians. Results show that Asians have been moving into non-traditional Asian areas over the past two decades. These areas are disproportionately concentrated in the South and Midwest, characterized by rapid Asian population growth and higher median household incomes. Moreover, Asians are not abandoning their ethnic enclaves and ethnoburbs. While new destinations continue to gain Asian populations, so do traditional ethnic settlement areas. But as a general pattern, Asians have become much more spatially dispersed than in the past.

The discovery of new Asian destinations is accompanied by another important finding: after controlling for human capital and location-specific economic structure, Asians in new destinations enjoy an income premium over their counterparts in established and other Asian settlement areas. This paper illustrates three plausible explanations to this phenomenon, and suggests that the theory of locational returns to human capital is most consistent with previous literature, existing economic theories, and my hypotheses. According to this theory, individual human capital can be translated into different values depending on the locational setting in which the individual is situated.

In addition, the results provide a basis for revisiting some of the classic assimilation theories. In new destinations, Asian in-migrants can be classified into three types: native-borns, new immigrants, and secondary migrants. Their different settlement experiences in the US supports the notion that straight-line assimilation, spatial assimilation, and segmented assimilation theories are complementary in explaining contemporary Asian settlement patterns. This is consistent with the existing literature on

new Hispanic destinations, in which many researchers have suggested that immigration in the post-1965 era has become much more complicated than it was, and that assimilation patterns can no longer be explained by a single theory.

Besides theoretical implications, this paper also provides some meaningful insights into how policies should be formulated and implemented to accommodate the evolving population. At the local level, governments should be aware that Asians are dispersing into new destinations, especially places that have no history of minority settlement. Therefore, policymakers should proactively promote racial harmony through education and outreach programs. School environments should be carefully managed so that children of different races learn how to respect one another. On the other hand, in places that have recently witnessed substantial growth in their Asian populations, the governments should adjust their education policies to help non-English speaking children quickly adapt to the new learning environment. For adult immigrants, the government should provide more social support within communities to facilitate socioeconomic integration. This includes revitalizing public spaces like community centers. Local governments can also sponsor local non-profits to organize community events so that immigrants and non-immigrants can bond. In a broader sense, immigration policies should be reviewed with caution because the pro-immigration policies can create resentful sentiments among the native population. The emergence of new Asian destinations signifies a new era of contemporary migration and raises many unanswered questions. Why are Asians moving? Why are Asians in new destinations doing better? What does this mean for other racial groups? These questions are yet to be fully answered.

References:

Alba, Richard and Victor Nee. 2005. *Remaking the American Mainstream: Assimilation and Contemporary Immigration*. Cambridge: Harvard University Press.

Alba, R. D., J. R. Logan, B. J. Stults, G. Marzan, and W. Q. Zhang. 1999. Immigrant Groups in the Suburbs: A Reexamination of Suburbanization and Spatial Assimilation. *American Sociological Review* 64, (3) (JUN): 446-60.

Aldrich, Howard E. and Roger Waldinger. 1990. Ethnicity and Entrepreneurship. *Annual Review of Sociology* 16, 111-135.

Altonji, J. G. and R. M. Blank. 1999. Race and Gender in the Labor Market. *Handbook of Labor Economics* 3, (3): 3143-259.

Blau, F. D., P. Simpson, and D. Anderson. 1998. Continuing Progress? Trends in Occupational Segregation in the United States over the 1970s and 1980s. *Feminist Economics* 4, (3) (FAL): 29-71.

Bobo, L., and C. L. Zubrinsky. 1996. Attitudes on Residential Integration: Perceived Status Differences, Mere In-group Preference, or Racial Prejudice? *Social Forces* 74, (3) (MAR): 883-909.

Bonacich, Edna. 1972. A Theory of Ethnic Antagonism: the Split Labor Market. *American Sociological Review* 37, (OCT): 547-59.

-----. 1973. A Theory of Middleman Minorities. *American Sociological Review* 38, (OCT): 583-94.

Borjas, G. J. 1989. Economic Theory and International Migration. *International Migration Review* 23, (3) (FAL): 457-85.

-----. 1994. The Economics of Immigration. *Journal of Economic Literature* 32, (4) (DEC): 1667-717.

-----. 2005. The Labor Market Impact on High Skill Immigration. *The American Economic Review* 95, (2): 56-60.

Bowles, S. 1970. Migration As Investment - Empirical Tests of Human Investment Approach to Geographical Mobility. *Review of Economics and Statistics* 52, (4): 356-62.

Boyd, M. 1971. Oriental Immigration - Experience of Chinese, Japanese, and Filipino Populations in United States. *International Migration Review* 5, (1): 48-61.

-----. 1974. Changing Nature of Central and Southeast Asian Immigration to United States 1961-1972. *International Migration Review* 8, (4): 507-19.

Brown, C., and M. Corcoran. 1997. Sex-based Differences in School Content and the Male-female Wage Gap. *Journal of Labor Economics* 15, (3) (JUL): 431-65.

Card, David. 1999. The Causal Effect of Education on Earnings. *Handbook of Labor Economics* 3: 1802-59.

Chiswick, B. R. 1978. Effect of Americanization on Earnings of Foreign-born Men. *Journal of Political Economy* 86, (5): 897-921.

Coleman, J. S. 1988. Social Capital in the Creation of Human Capital. *American Journal of Sociology* 94: S95-S120.

Constant, A., and D. S. Massey. 2002. Return migration by German Guest Workers: Neoclassical versus New Economic Theories. *International Migration* 40, (4): 5-38.

Daniels, Roger. 1988. *Asian America: Chinese and Japanese in the United States since 1850*. Seattle: University of Washington Press. New York:

-----. 2002. *Coming to America: A History of Immigration and Ethnicity in American Life*. New York: HarperCollins Publisher.

Duleep, H. O., and M. C. Regets. 1999. Immigrants and Human Capital Investment. *American Economic Review* 89, (2) (MAY): 186-91.

Fischer, Mary. 2010. Immigrant Education Outcomes in New Destinations: An Exploration of High School Attrition. *Social Science Research*: forthcoming.

Fong, E. and R. Wilkes. 1999. The Spatial Assimilation Model Reexamined: An Assessment by Canadian Data. *International Migration Review* 33, (3): 594-620.

Frey, W. H., and R. Farley. 1996. Latino, Asian, and Black segregation in US Metropolitan Areas: Are Multiethnic Metros Different? *Demography* 33, (1) (FEB): 35-50.

Friedberg, R. M. and J. Hunt. 1995. The Impact of Immigrants on Host Country Wages, Employment, and Growth. *The Journal of Economic Perspectives* 9, (2): 23-44.

Fry, Richard. 2008. *Latino Settlement in the New Century*. Washington, DC: Pew Hispanic Center.

Gordon, Milton M. 1964. *Assimilation in American Life: the Role of Race, Religion, and National Origins*. New York: Oxford University Press.

Hakuta, Kenji, Yuko Goto Butler, and Daria Witt. 2000. How Long Does It Take English Learners to Attain Proficiency? *The University of Calitornia Linuistic Minority Research Institute Policy Report 2000-1*.

Hernandez-Leon, R. and V. Zuniga. 2000. "Making Carpet by the Mile": The Emergence of a Mexican Immigrant Community in an Industrial Region of the U.S. Historic South. *Social Science Quarterly* 81, (1) (MAR): 49-66.

Hill, Martha S. 1979. The Wage Effects of Marital Status and Children. *The Journal of Human Resources* 14, (4): 579-94.

Hirschman, C., and M. G. Wong. 1986. The Extraordinary Educational Attainment of Asian Americans - A Search for Historical Evidence and Explanations. *Social Forces* 65, (1) (SEP): 1-27.

Hix, Simon. 1999. *The Poltiical System of the European Union*. New York: Palgrave MacMillan.

Jensen, L. 2006. New Immigrant Settlements in Rural America: Problems, Prospects, and Policies. *Reports on Rural America* 1, (3): 2006.

Kandel, W. and E. A. Parrado. 2005. Restructuring of the US Meat Processing Industry and New Hispanic Migrant Destinations. *Population and Development Review* 31, (3) (SEP): 447-71.

-----. 2006. Rural Hispanic Population Growth: Public Policy Impacts in Nonmetro Counties. *Population Change in Rural Society*. Netherlands: Springer.

Kandel, W. and J. Cromartie. 2004. New Patterns of Hispanic Settlement in Rural America. *Rural Development Research Report*. United States: Department of Agriculture.

Kao, G. 1995. Asian-americans As Model Minorities - A Look at Their Academic Performance. *American Journal of Education* 103, (2) (FEB): 121-59.

Kao, G., and J. S. Thompson. 2003. Racial and Ethnic Stratification in Educational Achievement and Attainment. *Annual Review of Sociology* 29: 417-42.

Lee, Erika. 2002. The Chinese Exclusion Example: Race, Immigration, and American Gatekeeping, 1882-1924. *Journal of American Ethnic History* 21, (3): 36-62.

Li, W. 1998. Anatomy of a New Ethnic Settlement: The Chinese Ethnoburb in Los Angeles. *Urban Studies* 35, (3) (MAR): 479-501.

Li, W. 2009. *Ethnoburb: The New Ethnic Community in Urban American*. Honolulu: University of Hawaii Press.

Lichter, Daniel T., Martha Crawley, and Zhenchao Qian. 2006. Beyond Gateway Cities: Economic Restructuring and Poverty among Mexican Immigrant Families and Children. *Family Relations 55*: 345-360.

Lichter, Daniel T. and Kenneth M. Johnson. 2009. Immigrant Gateways and Hispanic Migration to New Destinations. *International Migration Review 43,* (3): 496-518.

Lichter, Daniel T., Domenico Parisi, Michael C. Taquino, and Steven Michael Grice. 2010. Residential Segregation in the New Hispanic Destinations: Cities, Suburbs, and Rural Communities Compared. *Social Science Research* 39, (2): 215-230.

Lin, J. 1998. *Reconstructing Chinatown: Ethnic Enclaves, Global Change*. Minneapolis: University of Minnesota Press.

Logan, J. R., and R. D. Alba. 1993. Locational Returns to Human Capital: Minority Access to Suburban Community Resources. *Demography* 30, (2) (MAY): 243-68.

Logan, J. R., R. D. Alba, T. Mcnulty, and B. Fisher. 1996. Making a Place in the Metropolis: Locational Attainment in Cities and Suburbs. *Demography* 33, (4) (NOV): 443-53.

Logan, J. R., R. D. Alba, and W. Q. Zhang. 2002. Immigrant Enclaves and Ethnic Communities in New York and Los Angeles. *American Sociological Review* 67, (2) (APR): 299-322.

Massey, D. S. 1985. Ethnic Residential Segregation - A Theoretical Synthesis and Empirical Review. *Sociology and Social Research* 69, (3): 315-50.

-----. 2008. *New Faces in New Places: the Changing Geography of American Immigration*. New York: Russell Sage Foundation.

Massey, D. S., and B. P. Mullan. 1984. Processes of Hispanic and Black Spatial Assimilation. *American Journal of Sociology* 89, (4): 836-73.

Massey, D. S., and N. A. Denton. 1988. Suburbanization and Segregation in United States Metropolitan Areas. *American Journal of Sociology* 94, (3) (NOV): 592-626.

-----. 1992. Residential Segregation of Asian-origin Groups in United States Metropolitan Areas. *Sociology and Social Research* 76, (4) (JUL): 170-7.

Maxwell, N. L. 1994. The Effect on Black-White Wage Differences of Differences in the Quantity and Quality of Education. *Industrial & Labor Relations Review* 47, (2) (JAN): 249-64.

Mei, J. 1979. Socioeconomic Origins of Emigration: Guandong to California 1850-1882. *Modern Chin, 5, (4):* 463-501.

Min, P. G. 2006. *Asian Americans: Contemporary Trends and Issues*. Thousand Oaks: Pine Forge Press.

Neal, D. A., and W. R. Johnson. 1996. The Role of Premarket Factors in Black-White Wage Differences. *Journal of Political Economy* 104, (5) (OCT): 869-95.

Oneill, J. 1990. The Role of Human Capital in Earnings Differences between Black and White Men. *Journal of Economic Perspectives* 4, (4) (FAL): 25-45.

Ong, A. 2004. Cultural Citizenship as Subject-making: Immigrants Negotiate Racial and Cultural Boundaries in the United States. *Life in America: Identity and Everyday Experience*. Ed. Lee D. Baker. Oxford: Blackwell Publishing.

Paglin, M., and A. M. Rufolo. 1990. Heterogeneous Human Capital, Occupational Choice, and Male-female Earnings Differences. *Journal of Labor Economics* 8, (1) (JAN): 123-44.

Portes, A., P. Fernandez-Kelly, and W. Haller. 2005. Segmented Assimilation on the Ground: The New Second Generation in Early Adulthood. *Ethnic and Racial Studies* 28, (6) (NOV): 1000-40.

Portes, A., and L. Jensen. 1989. The Enclave and the Entrants - Patterns of Ethnic Enterprise in Miami before and after Mariel. *American Sociological Review* 54, (6) (DEC): 929-49.

Portes, A., and M. Zhou. 1993. The New 2nd-Generation - Segmented Assimilation and Its Variants. *Annals of the American Academy of Political and Social Science* 530, (NOV): 74-96.

Portes, A. and R. Rumbaut. 1990. *Immigrant America: A Portrait*. Los Angeles: University of California Press.

Psacharopoulos, G. and Harry A. Patrinos. 2004. Returns to Investment in Education: A Further Update. *Education Economics* 12, (2) (AUG): 111-34.

Reeves, T. J. and C. E. Bennett. 2004. We the People: Asians in the United States. *Census 2000 Special Reports*. United States: Department of Commerce.

Ross, S. L., and M. A. Turner. 2005. Housing Discrimination in Metropolitan America: Explaining Changes between 1989 and 2000. *Social Problems* 52, (2) (MAY): 152-80.

Rumbaut, Ruben G. 2001. Vietnamese, Laotian, and Cambodian Americans. *The New Immigrant and Language* Ed. M. Suarez-Orozco, C. Suarez-Orozco, D. Qin-Hilliard. New York: Routledge. 232-70.

Sakamoto, Arthur, Kimberly A. Goyette, and Chang Hwan Kim. 2009. Social Attainments of Asian Americans. *Annual Review of Sociology 35*: 255-76.

Sanchez, George. 1993. *Becoming Mexican American: Ethnicity, Culture, and Identity in Chicano Los Angeles 1900-1945*. New York: Oxford University Press.

Sanders, J. M., and V. Nee. 1992. Problems in Resolving the Enclave Economy Debate - Comment. *American Sociological Review* 57, (3) (JUN): 415-8.

Sanders, J. M., V. Nee, and S. Sernau. 2002. Asian Immigrants' Reliance on Social Ties in a Multiethnic Labor Market. *Social Forces* 81, (1) (SEP): 281-314.

Sassler, S. and M. J. White. 2000. Judging Not Only by Color: Ethnicity, Nativity, and Neighborhood Attainment. *Social Science Quarterly* 81, (4) (DEC): 997-1013.

Schachter, Oscar. 1977. The Twilight Existence of Nonbinding International Agreements. *The American Journal of International Law* 71, (2) (APR): 296-304.

Singer, Audrey. 2004. The Rise of New Immigrant Gateways. *Living Cities Census Series, the Brookings Institution*.

Sjaastad, L. A. 1962. The Costs and Returns of Human Migration. *Journal of Political Economy* 70, (5): 80-93.

Skop, E., and W. Li. 2005. Asians in America's Suburbs: Patterns and Consequences of Settlement. *Geographical Review* 95, (2) (APR): 167-88.

Stark, O. 1991. *The Migration of Labor*. Oxford: Basil Blackwell.

Stark, O., and D. E. Bloom. 1985. The New Economics of Labor Migration. *American Economic Review* 75, (2): 173-8.

Stark, O., and Y. Wang. 2002. Inducing Human Capital Formation: Migration as a Substitute for Subsidies. *Journal of Public Economics* 86, (1) (OCT): 29-46.

Stein, Barry N. 1979. Occupational Adjustment of Refugees: the Vietnamese in the United States. *International Migration Review* 13, (1): 25-45.

Singh, Susheela and Renee Samara. 1996. Early Marriage Among Women in Developing Countries. *International Family Planning Perspectives* 22, (4) 148-157.

Storesletten, K. 2000. Sustaining Fiscal Policy through Immigration. *Journal of Political Economy* 108, (2): 300-323.

Ting-Toomey, Stella, Kimberlie Yee-Jung, Robin Shapiro, Wintilo Garcia, Trina Wright, and John Oetzel. 2000. Ethnic/Cultural Identity Salience and Conflict Styles in Four US Ethnic Groups. *International Journal of Intercultural Relations* 24, (1) (JAN): 47-81.

U.S. Census Bureau. 2009. American FactFinder.

Waters, M. C., and T. R. Jimenez. 2005. Assessing Immigrant Assimilation: New Empirical and Theoretical Challenge. *Annual Review of Sociology* 31: 105-25.

Warner, W. L. and L. Srole. 1945. *The Social Systems of American Ethnic Groups*. New Haven: Yale University Press.

White, M. J., A. E. Biddlecom, and S. Y. Guo. 1993. Immigration, Naturalization, and Residential Assimilation among Asian Americans in 1980. *Social Forces* 72, (1) (SEP): 93-117.

White, M. J., E. Fong, and Q. A. Cai. 2003. The Segregation of Asian Origin Groups in the United States and Canada. *Social Science Research* 32, (1) (MAR): 148-67.

Wilson, K. L., and A. Portes. 1980. Immigrant Enclaves - An Analysis of the Labor Market Experiences of Cubans in Miami. *American Journal of Sociology* 86, (2): 295-319.

Wong, Morrison G. 1995. Chinese Americans. *Asian Americans* Ed. Sage Focus Editions: 110-45.

Xie, Yu and Kimberly A. Goyette. 2004. A Demographic Portrait of Asian Americans. *The American People: Census 2000, Russell Sage Foundation*.

Zhou, M. 1997. Segmented Assimilation: Issues, Controversies, and Recent Research on the Second Generation. *International Migration Review* 31, (4): 975-1008.

Zhou, M., and J. R. Logan. 1989. Returns on Human Capital in Ethnic enclaves – New York City Chinatown. *American Sociological Review* 54, (5) (OCT): 809-20.

Zhou, Min, Yen-Fen Tseng, and Rebecca Y. Kim. 2008. Rethinking Residential Assimilation: The Case of a Chinese Ethnoburb in the San Gabriel valley, California. *Amerasia Journal* 34, (3): 55-83.

Zhou, Min and Carl Bankston III. 1999. *Growing Up American: How Vietnamese Children Adapt to Life in the United States*. New York: Russell Sage Foundation.

Table 1A:

List of new Asian destinations

Count	County	State	% Asians 90	% Asians 00	% Asians 08	Growth (90-08)*
1	Washington County	AR	0.92%	1.54%	2.24%	315.34%
2	El Dorado County	CA	1.95%	2.13%	4.54%	223.94%
3	Placer County	CA	2.20%	2.95%	5.61%	389.83%
4	Douglas County	CO	0.84%	2.51%	3.60%	1,817.32%
5	Broward County	FL	1.36%	2.25%	2.99%	206.51%
6	Hillsborough County	FL	1.36%	2.20%	2.99%	207.41%
7	Barrow County	GA	0.77%	2.20%	2.98%	770.18%
8	Cobb County	GA	1.77%	3.06%	4.11%	257.03%
9	Fulton County	GA	1.29%	3.04%	4.18%	393.63%
10	Gwinnett County	GA	2.90%	7.20%	9.39%	606.62%
11	Henry County	GA	0.56%	1.76%	2.75%	1,445.59%
12	Kane County	IL	1.41%	1.81%	3.07%	241.31%
13	Lake County	IL	2.44%	3.90%	5.74%	222.20%
14	McHenry County	IL	0.71%	1.45%	2.64%	540.91%
15	McLean County	IL	1.26%	2.05%	3.10%	211.70%
16	Will County	IL	1.34%	2.21%	3.81%	434.01%
17	Bartholomew County	IN	0.96%	1.90%	2.76%	237.70%
18	Hamilton County	IN	1.09%	2.44%	3.76%	724.29%
19	Johnson County	KS	1.64%	2.83%	3.77%	238.72%
20	Frederick County	MD	1.01%	1.67%	3.58%	430.20%
21	Anoka County	MN	1.20%	1.69%	3.71%	310.94%
22	Carver County	MN	0.93%	1.56%	2.49%	395.05%
23	Dakota County	MN	1.69%	2.89%	4.08%	242.24%
24	Scott County	MN	0.92%	2.17%	5.07%	1,094.76%
25	Washington County	MN	1.13%	2.14%	4.36%	496.48%
26	Hillsborough County	NH	1.14%	2.00%	3.12%	227.44%
27	Atlantic County	NJ	2.13%	5.06%	6.49%	261.04%
28	Hunterdon County	NJ	1.29%	1.92%	3.31%	207.93%
29	Warren County	NJ	0.82%	1.22%	2.53%	271.22%
30	Schenectady County	NY	1.22%	1.97%	4.09%	237.82%
31	Burke County	NC	1.05%	3.48%	3.36%	276.45%

32	Catawba County	NC	0.70%	2.93%	2.76%	416.87%
33	Durham County	NC	1.78%	3.29%	4.23%	234.40%
34	Guilford County	NC	1.07%	2.44%	3.25%	303.73%
35	Mecklenburg County	NC	1.65%	3.15%	3.90%	297.75%
36	Delaware County	OH	0.58%	1.54%	3.52%	1,367.27%
37	Warren County	OH	0.55%	1.26%	2.95%	855.34%
38	Chester County	PA	1.08%	1.95%	3.20%	280.96%
39	Brazoria County	TX	1.02%	2.00%	4.38%	553.85%
40	Collin County	TX	2.83%	6.92%	9.79%	855.61%
41	Williamson County	TX	1.32%	2.64%	3.91%	687.76%
42	Henrico County	VA	2.00%	3.60%	5.02%	232.72%
43	Loudoun County	VA	2.44%	5.35%	12.34%	1,529.89%
44	Roanoke County	VA	0.81%	1.61%	2.23%	211.32%
45	Harrisonburg City	VA	1.53%	3.11%	4.41%	311.73%
46	Skagit County	WA	0.98%	1.49%	2.37%	252.30%
47	Waukesha County	WI	0.89%	1.49%	2.44%	241.65%

*** Indicates real Asian population growth from 1990 to 2008**

Table 2:

List of established Asian settlement areas

Count	County	State	% Asians 90	% Asians 00	% Asians 08	Growth (90-08)*
1	Alameda County	CA	15.05%	20.45%	24.60%	86.16%
2	Contra Costa County	CA	9.58%	10.96%	13.37%	76.54%
3	Fresno County	CA	8.58%	8.05%	8.68%	35.84%
4	Los Angeles County	CA	10.77%	11.95%	12.94%	33.26%
5	Merced County	CA	8.48%	6.80%	6.79%	9.39%
6	Monterey County	CA	7.83%	6.03%	6.39%	-7.02%
7	Orange County	CA	10.34%	13.59%	16.10%	92.87%
8	Sacramento County	CA	9.25%	11.03%	13.48%	93.18%
9	San Diego County	CA	7.94%	8.88%	10.18%	52.26%
10	San Francisco County	CA	29.13%	30.84%	31.29%	18.43%
11	San Joaquin County	CA	12.42%	11.41%	13.78%	54.10%
12	San Mateo County	CA	16.82%	20.04%	23.68%	52.47%
13	Santa Clara County	CA	17.46%	25.56%	31.29%	100.77%
14	Solano County	CA	12.76%	12.75%	13.88%	30.10%
15	Sutter County	CA	9.44%	11.26%	12.44%	86.61%
16	Yolo County	CA	8.44%	9.85%	12.00%	95.40%
17	Yuba County	CA	8.44%	7.50%	7.15%	4.11%
18	Champaign County	IL	4.64%	6.45%	8.09%	93.83%
19	DuPage County	IL	5.07%	7.88%	11.21%	129.69%
20	Howard County	MD	4.32%	7.68%	11.21%	277.17%
21	Montgomery County	MD	8.19%	11.30%	13.13%	99.77%
22	Suffolk County	MA	5.05%	7.00%	7.49%	62.01%
23	Ramsey County	MN	5.10%	8.77%	9.14%	83.87%
24	Bergen County	NJ	6.64%	10.67%	14.08%	129.06%
25	Hudson County	NJ	6.65%	9.35%	11.35%	83.35%
26	Middlesex County	NJ	6.68%	13.89%	18.48%	222.69%
27	Somerset County	NJ	4.39%	8.38%	12.46%	279.84%
28	Kings County	NY	4.84%	7.54%	9.08%	107.38%
29	New York County	NY	7.44%	9.40%	10.70%	57.06%
30	Queens County	NY	12.21%	17.56%	21.42%	104.78%
31	Richmond County	NY	4.47%	5.65%	7,55%	115.29%

32	Tompkins County	NY	5.47%	7.19%	10.04%	96.35%
33	Multnomah County	OR	4.68%	5.70%	5.94%	51.95%
34	Washington County	OR	4.31%	6.68%	8.12%	214.47%
35	Fort Bend County	TX	6.36%	11.20%	14.48%	413.46%
36	Arlington County	VA	6.76%	8.625	8.91%	57.95%
37	Fairfax County	VA	8.47%	13.00%	15.83%	129.67%
38	Fairfax City	VA	7.18%	12.17%	15.56%	157.13%
39	King County	WA	7.88%	10.81%	13.02%	102.87%
40	Whitman County	WA	5.45%	5.55%	8.23%	60.56%

*** Indicates real Asian population growth from 1990 to 2008**

Table 3:

Summary of variables in the regression model

Variables (n=492)	Total		
	Observations	Mean	Standard Deviation
Dependent			
Median household income	482	63,031.45	20,904.92
Logged median household income	482	10.9947	0.3466
Demographics			
Total Population	490	448,297.7	679,364.7
Total Population (logged)	490	12.5515	0.8863
Percentage of Asians	492	3.5604	3.6449
Median Age of Asians	492	33.3181	4.7158
Percentage of Blacks	464	0.1224	0.1381
Percentage of Hispanics	490	0.1202	0.1257
Education & Marital Status			
% of college grads or higher among Asians	460	0.4889	0.1623
% of Asians that are married	427	0.6052	0.0904
Economic Structure			
Unemployment rate	492	0.0469	0.0147
% of people in managerial or professional occupations	476	0.3576	0.0670
% of people in production or related occupations	476	0.1181	0.0408
% of people in farming or related occupations	476	0.0914	0.0223
Nativity Status			
% of Asians that are foreign born	481	0.6819	0.0656

Table 4:

Summary of variables in the regression model, by type of area

	New Destinations			Established Destinations			Other Asian Areas		
Variables (n=492)	Obs.	Mean	s.d.	Obs.	Mean	s.d.	Obs.	Mean	s.d.
Dependent									
Median household income	46	79,476.35	21,839.12	40	71,541.4	24,188.9	396	60,261.6	19,327.16
Logged median household income	46	11.2426	0.2978	40	11.1166	0.3687	396	10.9536	0.3353
Demographics									
Total Population	46	379,166.9	331,518.9	40	1,097,039	1,614,526	404	391,937.2	499,991.9
Total Population (logged)	46	12.5379	0.7959	40	13.272	1.2207	404	12.4817	0.8257
Percentage of Asians	47	4.06	1.9679	40	13.028	6.0207	405	2.5674	1.521
Median Age of Asians	47	32.0106	3.7769	40	34.22	5.018	405	33.3807	4.7634
Percentage of Blacks	46	0.0989	0.1071	40	0.0895	0.0687	404	0.1256	0.1314
Percentage of Hispanics	45	0.0958	0.0685	39	0.2202	0.1284	380	0.1155	0.1414
Education & Marital Status									
Percentage of college grads or higher among Asians	45	0.5514	0.1811	39	0.5042	0.1712	376	0.4798	0.1576
Percentage of Asians that are married	41	0.67	0.0623	39	0.5767	0.0977	347	0.6007	0.0892
Economic Structure									
Unemployment rate	47	0.041	0.0123	40	0.0491	0.018	305	0.0474	0.0145
% of people in managerial or professional occupations	45	0.3966	0.0647	37	0.4151	0.0966	394	0.3478	0.0593
% of people in production or related occupations	45	0.1067	0.0445	37	0.094	0.0329	394	0.1217	0.0401
% of people in farming or related occupations	45	0.0033	0.006	37	0.0127	0.0271	394	0.0065	0.0149
Nativity Status									
% of Asians that are foreign born	47	0.6875	0.0697	40	0.6667	0.071	394	0.6828	0.0646

Table 5:

Regression table of the effects on logged median household income by county

Variables	**Model 1**	**Model 2**	**Model 3**	**Model 4**	**Model 5**	**Model 6**
n = 492	482	482	482	482	482	482
Adjusted R-squared	0.0669	0.2542	0.2755	0.3445	0.3743	0.508
Intercept	**11.1166	**10.1499	**10.1504	**10.2861	**10.0835	**10.5962
	[0.0529]	[0.2436]	[0.2407]	[0.2478]	[0.2510]	[0.2325]
New Destination Dummy[a]	*0.1260	**0.3783	**0.3533	**0.2855	**0.2927	*0.1512
	[0.0724]	[0.0843]	[0.0836]	[0.0816]	[0.0797]	[0.0721]
Other Asian Area Dummy[a]	**-0.1630	-0.0940	0.0846	0.0669	0.0758	0.0373
	[0.0556]	[0.0799]	[0.0793]	[0.0765]	[0.0748]	[0.0664]
Total population (logged)		**0.0497	**0.0659	**0.0730	**0.0787	*0.0458
		[0.0172]	[0.0186]	[0.0200]	[0.0196]	[0.0184]
Percentage of Asians with respect		**0.0189	**0.0177	0.0035	0.0015	0.0079
to total population		[0.0062]	[0.0062]	[0.0063]	[0.0061]	[0.0055]
Median age of the Asian		**0.0264	**0.0271	**0.0305	**0.0348	**0.0253
population		[0.0031]	[0.0031]	[0.0031]	[0.0032]	[0.0034]
Percentage of Blacks with respect			**-0.4084	†-0.2238	-0.1571	0.0032
to total population			[0.1126]	[0.1207]	[0.1196]	[0.1071]
Percentage of Hispanics with respect			*-0.2569	0.0712	-0.0464	-0.0023
to total population			[0.1116]	[0.1332]	[.1302]	[0.1165]
Unemployment rate				†-2.1056	*-2.4995	†-1.9375
				[1.2296]	[1.2113]	[1.0889]
Percentage of people in the managerial				**2.1972	**2.4234	**1.4292
or other professions				[0.3590]	[0.3538]	[0.3491]
% of people in production, transportation,				**1.9728	**2.2082	**1.8043
or related occupations				[0.5076]	[0.4982]	[0.4472]
Percentage of people in farming,				1.3924	1.0508	1.4930
fishery, or related occupations				[1.0695]	[1.0472]	[0.9349]
Percentage of Asian population					**-0.9629	**-1.5621
that are foreign born					[0.2112]	[0.1996]
Percentage of Asians of age 25						**0.6208
or above with bachelor or higher						[0.1005]
Percentage of Asians of age 15						**1.4654
or above that are married						[0.1643]

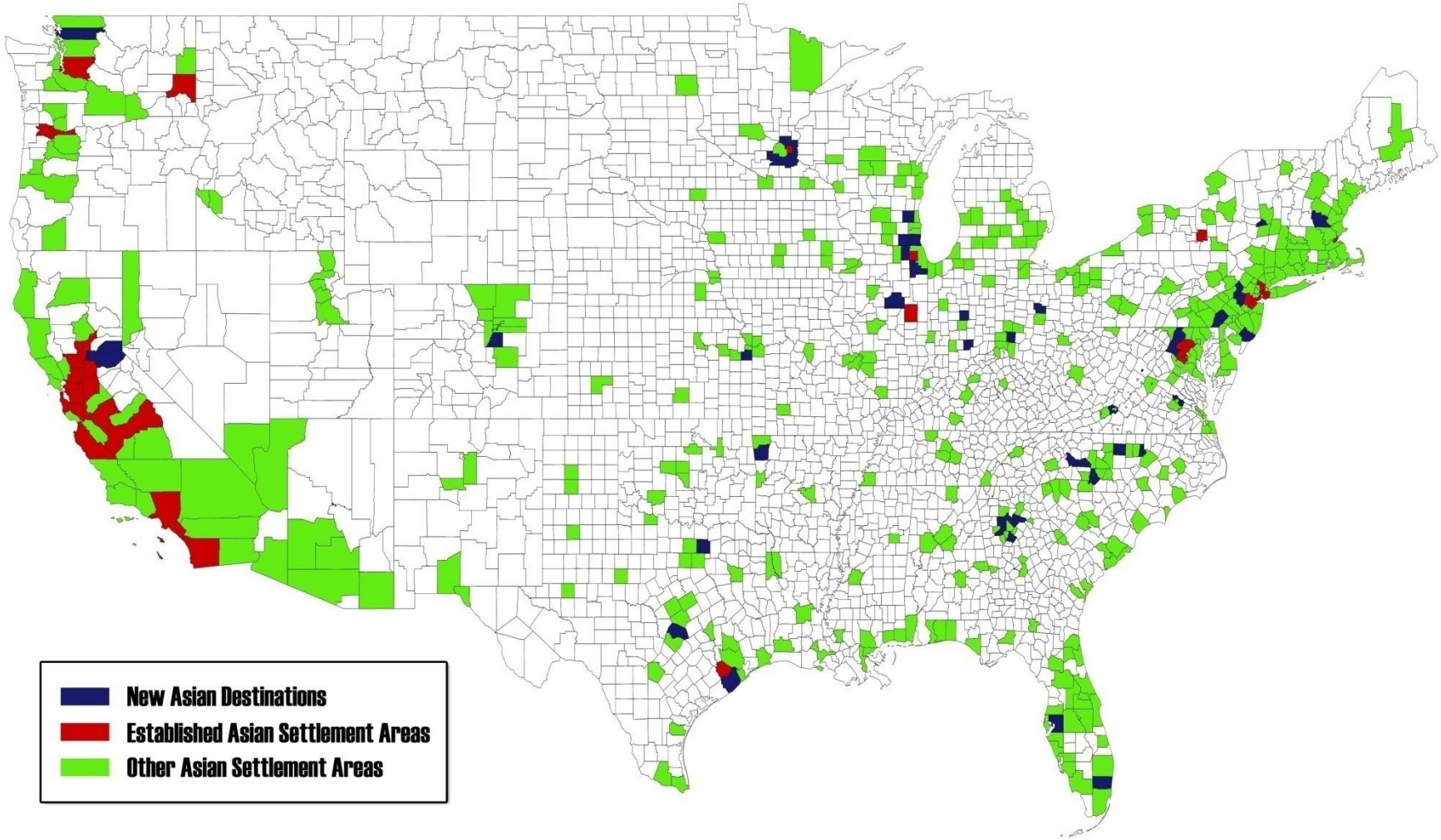
†Significant at .1 level; * Significant at .05 level; ** Significant at .01 level

Numbers in parentheses are standard errors

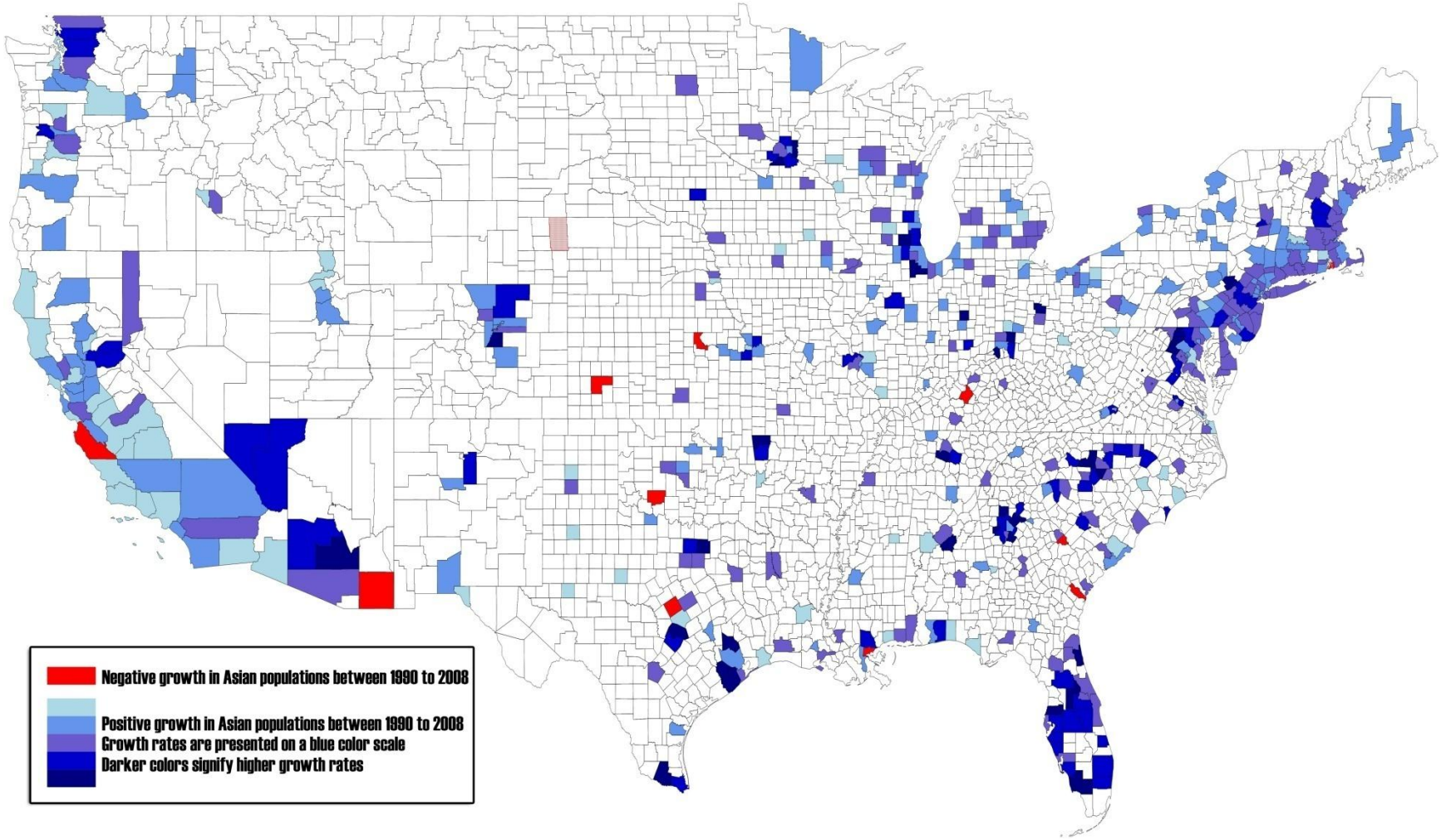
[a] Established destination as reference group

All coefficients presented in the table are the interaction variables (*HaveValue * X*).

Appendix I: US County Map by Type of Area



Appendix II: US County Map by Asian Population Growth Rate 1990-2008



Appendix III: US County Map by Asian Population Growth with respect to Total County Population Growth 1990-2008