Labor Participation Among Aging Immigrants in the United States

Haruna M. Fukui
Arizona State University

Background & Research Question

The United States, similar to various developed countries, is concurrently facing aging of population and continuous flow of immigration (Gefland 2003; Burr et al. 2009, Torres-Gil and Treas 2009). Immigration innately consists of flow and stock of people born abroad, and just as the native born population ages, so do many immigrants residing in the country. In general, however, aging and retiring segments of foreign born population, whose immigrant status label has considered to have receded throughout the years of living in the U.S. under the assumption of assimilation and integration to the receiving society, have received little attention. Whether this under-studied population, which is expected to increase as we speak, resembles native born population has not been fully explored empirically. As immigrants are clustered in the younger working age groups (U.S. Department of Homeland Security, Office of Immigration Statistics, 2010), it is especially true that we know very little about immigrants' participation in labor market in older ages.

In this paper, I will focus on the labor participation among the population age 50 and above with particular interest in the effects of aging and immigration status by time of arrival and country of origin. I intend to examine some of the mechanisms that may be driving one to remain in and depart from labor participation among today's aging population.

Brief Literature Review & Hypotheses

Previous studies on labor participation of immigrants are quite diverse. Various studies support

that due to non-transferable credentials of education and occupation, lack of language

proficiency or initial economic investment, and so forth, the great majority of immigrants land on

unfavorable job conditions in the secondary sector of dual economy as presented by Piore (1970).

The secondary labor market lacks stable jobs and possible loopholes to exit. As a result,

immigrants are unable to accumulate resources during their prime working years, and it is

expected that they will delay full retirement in order to compensate for the lack of sufficient

resources.

Other scholars proposed ethnic enclave as an alternative for immigrants (Portes and

Jensen 1987). Unlike mainstream economy, where immigrants lack competitive skills to per with

the native population, ethnic enclaves provided the source of economic support for newly arrived

immigrants. However, the nature of ethnic enclave involved dichotomous relationships between

entrepreneurs/employers and employees, just as in the mainstream economy, it was as

exploitative as, and sometimes more so than, the general economy (Sanders and Nee 1992; Light

and Gold 2000). As a result, only a small proportion of co-ethnics actually prospered while the

great majority of immigrants were neither able to accumulate resources nor advance

socioeconomically even within the ethnic enclave. Guided by these studies, it is also expected

that immigrants, particularly, those among the ethnic groups that have higher proportion of

ethnic clustering, will work longer even in older ages to support themselves.

On the other hand, the growing body of literature highlights recent older immigrants as

caregivers in immigrant family (Treas and Mazumdar 2002; Gilbertson 2009). They portray

aging immigrants as economically and socially dependant on their adult child and grandchild in

newly established multigenerational settings. Considering the general difficulty involved in finding jobs in older ages, recent immigrants who arrived at older ages are doubly disadvantaged. Aging immigrants who have arrived earlier, however, are less prone to such disadvantage. As a result, time of arrival is associated with labor participation among aging immigrants.

Furthermore, immigrants cast dual frame of reference (Shibutani and Kwan 1965; Suarez-Orozco 1989), which allows one to see segregated condition in more positive light. This optimistic trait of immigrant may enable them to take on the jobs that native born population are reluctant to take well into older age. However, the positive effect of dual frame of reference may become weaker within one generation as duration of residence in the U.S. prolongs without one's socioeconomic situation shifting towards the better. Therefore, it is predicted that immigrant status is positively associated with the participation in labor, but the effect is mediated by year of immigration.

Data & Methods

The data for the analyses comes from 3 year pooled sample of the 2006-2008 American Community Survey (U.S. Bureau of the Census, 2006-2008). It is based on 3-in-100 national random sample of the population, and contains all households and persons from the 1% American Community Survey samples for 2006, 2007, and 2008 (IPUMS USA, Minnesota Population Center). The sample for the study consists of population age 50 and above from these three-year pooled sample and includes those who are living in the group quarters (N= 9,174,557). The nature of this large nationally representative dataset allows researchers to examine a segment of population with specific characteristics and to assess ample cases to run various analyses.

<Table 1. About Here>

The analysis employs logistic regression with the dependent variable being whether the respondent has worked sometimes within the last five years. This dependent variable has been recoded into a dichotomous variable from three categories. The labor participation experience includes working for profit, pay, or as an unpaid family labor during the previous year. For the preliminary analyses, several step-wise models are run including interaction terms.

Since the focus of the study is on aging population as they near retirement age and beyond, the lower bound for age is 50. One of the main independent variables of the study, age, is recoded into 10 year interval dummy variables. The effects of age as well as interaction terms are more readily interpretable with categorical measurement as compared to continuous variables.

The other focal variables of the study are the immigration status by time of arrival and country of origin. Previous studies as well as governmental statistics confirm that the characteristics of immigrants are highly associated with enacted immigration laws. As each immigration act had different emphasis, the preferences given to incoming immigrants varied accordingly. For example, Immigration and Nationality Act of 1965 abolished the quota system and also in conjunction with the termination of Bracero Program in 1964, not only changed the ethnic compositions of immigrants but also increased the undocumented migration in the following years (Philipp and Massey 1999). Similarly, Immigration Reform and Control Act of 1986 (IRCA) supposedly have emphasized the employer's sanction for knowingly hiring undocumented immigrants on the one hand while encouraging family reunification on the other. Immigration Act of 1990, to the contrary, expanded the number of legal immigrants to enter the U.S., and finally, 2001 marked the tightening of homeland security and immigration control after

September 11. Taking these legal-political events into consideration, I have coded the year of immigration into five groups (i.e., 1919-1964, 1965-1985, 1986-1989, 1990-2000, 2001-2008).

Six countries and geographic region from Asia and Latin America are selected for the preliminary analysis. They are China, India, Philippines, Mexico, Central America, and Cuba. These countries are selected for the relatively long and continuous history of migration to the U.S. They consist of majority of immigrant ethnic groups today. The country specific models are run using subsample that limits to foreign born population.

Control variables include sex, education, citizenship status, English speaking ability, race/ethnicity, and marital status. Race/ethnicity variables are included only in the models using entire sample, while citizenship status and English speaking ability are included only in immigrant specific models.

Preliminary Results

I ran two sets of analyses: (1) whole population sample, and (2) subsample of immigrant population.

<Table 2. About Here>

The preliminary results show that the foreign born aging population who arrived after 1965 and before 2001 are more likely than the US born counterparts to have worked in the last five years. The drastic difference in respondents' working history appears to be prevalent especially in their 50s and 60s. The immigrants in their 60s who arrived after a drastic shift in the immigration history (i.e., mid 1960s to 1980s) tend to be working about 35% more than the U.S. born counterparts. Furthermore, when compared with U.S. born population between age 60 and 69, the likelihood that an immigrant in their 50s who arrived after IRCA has worked in the last five

5

years is around 380% higher, while the US born population in the same age group have worked only around 230% higher than the reference group. As population ages, the magnitude of difference by nativity as well as timing of immigration is reduced although immigrants, and Post IRCA immigrants in particular, continue to show higher presence in the labor market well into their 70s than the U.S. born or other immigrant cohorts. On the other hand, in any age group, those who arrived after 2000 are less likely to have worked in the last five years.

Furthermore, variations across immigrant population were reported.

<Table 3. About Here>

Controlling for all other variables, immigrants from India, Philippines, Mexico, and Central America are more likely to have worked in the last five years than those from China. Recent immigrants are about 30% less likely to have worked when compared to those who arrived between 1965 and 1985. When country of origin, year of immigration, and age are considered altogether, in general, the relative difference in the odds of labor participation in the 50s between the reference group (i.e., Chinese immigrant age 60-69 who migrated between 1965 and 1985) and immigrants from Latin America is larger than between the reference group and immigrants from other Asian countries. Among immigrant population in their 60s, things start to look more complex. While 1965-1985 immigrant cohort from Latin America is less likely to have worked in the last five years when compared to Asian counterparts, the recent immigrants from Latin America are more likely to have worked net of other factors.

Next Steps

For the final analyses, first, I will include living arrangement focusing on the presence of multigenerational household and the characteristics of household members. The living

arrangement is an important factor to consider as the presence of younger adults mean substantially different from aging population living independently or living only with one's grandchild (i.e., skipping middle generation). Secondly, when dealing with an aging population, an important factor to consider is the disability status. This goes hand-in-hand with living arrangement as co-residence may result from physical or mental dependence. However, due to "substantial changes due to the layout and content of questions, the Census Bureau recommends that researchers not compare disability questions in 2008 and successive surveys to those in pre-2008 surveys" (IPUMS), analyses including disability measurement needs to be run single year samples. Thirdly, in order to investigate the nature of work and also the nature of participation in labor market among aging immigrants, I will include occupation related variables in our models.

Expected Limitations of the Study

There are two anticipated limitations of the study. One is related to the nature of work the respondents participated. The way it was originally coded, it is not possible to differentiate whether the work was paid or unpaid when looking at one's work history over the last five years. This becomes a bit problematic when using work history to infer accumulation of economic resources among aging population. For example, it is not possible to make an inference whether high probability of labor force participation among aging population living in the multigenerational household is due to actually accumulating economic resources to support other members or assisting family business out of necessity in the form of unpaid labor. One potential solution is to triangulate with personal income despite the fact that income is often a problematic measurement.

The other anticipated limitation is the selectivity of the immigrant sample. It is possible that those who arrived earlier and stayed over the years may be a highly selected group of immigrants who were more "successful"—economically, socially, physically—than those who returned home. However, immigrants may accommodate ones' living in the U.S. despite the condition being worse off. Furthermore, it is also possible that some immigrants simply do not have the means to return. Unless a multi-setting data that captures the returned migrants is available, the issue of selectivity in the destination will remain in the immigration research. That being said, it is worth understanding the phenomenon with the currently available data while we continue to explore various ways to track the situations in the origin.

Reference

Bailey, T. and R. Waldinger. 1991. "Primary, Secondary, and Enclave Markets, A Training System Approach." *American Sociological Review* 56: 432-455.

Burr, J. A., K. Gerst, N. Kwan, J.E. Mutchler. 2009. "Economic Well-Being and Welfare Program Participation Among Older: Immigrants in the United States." *Generations* 32: 53-60.

Gefland, D. E. 2003. *Aging and Ethnicity: Knowledge and Services, Second Edition*. New York, NY: Springer Publishing Company, Inc.

Gilbertson, G. "Caregiving Across Generations: Aging, State Assistance, and Multigenerational Ties Among Immigrants from the Dominican Republic." Pp.135-159 in *Across Generations: Immigrant Families in America*, edited by N. Foner. New York, NY: New York University Press.

Hondagneu-Sotelo, P. 1994. "Regulating the Unregulated?: Domestic Workers' Social Networks." *Social Problems* 41: 60-64.

Light, I. and S.J. Gold. 2000. *Ethnic Economies.* San Diego, CA: Academic Press.

Menjivar, C. 1994. "Salvadorian Migration to the United States in the 1980s: What Can We Learn about It and from It?" *International Migration Review* 32: 327-401.

Mahler, S. 1995. *American Dreams: Immigrant Life on the Margins*. Princeton, NJ: Princeton University Press.

Massey, D., R. Alarcon, J. Durand, and H. Gonzalez. 1987. *Return to Aztlan: The Social Process of Migration from Western Mexico*. Berkeley, CA: University of California Press.

Phillips, J. A. and D. S. Massey. 1999. "The New Labor Market: Immigrants and Wages After IRCA." *Demography* 36: 233-246.

Piore, M. J. 1970. "The Dual Labor Market: Theory and Implications." Pp.55-59 in *The State and the Poor*, edited by S. H. Beer and R. E. Barringer. Cambridge, M.A.: Winthrop Publishers.

Portes, A. and L. Jensen. 1987. "What's an Ethnic Enclave? The Case for Conceptual Clarity." *American Sociological Review* 52:768-71.

Sanders, J.M. and V. Nee. 1987a. "Limits of Ethnic Solidarity in the Enclave Economy." *American Sociological Review* 52:745-67.

Shibutani, T. and K. Kwan. 1965. *Ethnic Stratification*. New York, NY: McMillan.

Suarez-Orozco, M. 1989. *Central American Refugees and U.S. High Schools: A Psychosocial Study of Motivation and Achievement*. Stanford, CA: Stanford University Press.

Torres-Gill, F. and J. Treas. 2009. "Immigration and Aging: The Nexus of Complexity and Promise." *Generations* 32: 6-10.

Treas, J. and S. Mazumdar. 2002. "Older People in America's Immigrant Families Dilemmas of Dependence, Integration, and Isolation." *Journal of Aging Studies* 16: 243-258.

Appendix

Table 1. Sample Statistics (Weighted)

	Worked in the Last 5 Years (%)	Did Not Work At All in the Last 5 Years (%)
Age Group		
G1 (50-59)	85.6	14.4
G2 (60-69)	63.9	36.1
G3 (70-79)	24.3	75.7
G4 (80-89)	8.6	91.4
G5 (90-99)	3.5	96.5
Us Born	59.5	40.5
Foreign Born by Immigration Year		
Y1 (1919-1964)	43.2	56.8
Y2 (1965-1985)	66.3	33.7
Y3 (1986-1989)	68.9	31.1
Y4 (1990-2000)	62.0	38.0
Y5 (2001-2008)	55.8	44.2
Country of Origin		
USA	59.6	40.4
China	55.1	44.9
India	64.1	35.9
Philippines	66.6	33.4
Mexico	61.5	38.5
Central America	65.4	34.6
Cuba	49.3	50.7
Other Countries	58.7	41.3
Sex		
Male	67.6	32.4
Female	52.5	47.5
Education		
N/A or No Schooling	30.2	69.8
Nursery school to Grade 4	32.7	67.3
Grade 5, 6, 7,	30.9	69.1
Grade 9	36.2	63.8
Grade 10	37.1	62.9
Grade 11	41.0	59.0
Grade 12	55.1	44.9
1 year of college	67.3	32.7
2 years of college	74.4	25.6
4 years of college	72.3	27.7
5+ years of college	77.4	22.6
U.S. Citizenship		
Yes	59.5	40.5

No	60.3	39.7
Speak English		
Yes	59.9	40.1
No	34.6	65.4
Race / Ethnicity		
White	59.6	40.4
Hispanic	59.3	40.7
American Indian/Alaskan Native	59.3	40.7
Asian	61.8	38.2
Black	57.3	42.7
Pacific Islander	61.7	38.3
Other Race	60.6	39.4
Marital Status		
Married, Spouse Present	66.0	34.0
Married, Spouse Absent	51.4	48.6
Separated	63.7	36.3
Divorced	70.2	29.8
Widowed	25.0	75.0
Single	61.3	38.7
N (Weighted)	5,453,348	3,721,209

Source: 1% American Community Survey samples for 2006, 2007, and 2008
(IPUMS USA, Minnesota Population Center)

Table 2. Logistic Regression Coefficients Predicting Having Worked in the Last Five Years for the Populations Age 50 and Over: United States, 2006-2008 (Weighted)

	Model1		Model 2		Model 3		Model 4	
	Coefficient	Std.Error	Coefficient	Std.Error	Coefficient	Std.Error	Coefficient	Std.Error
Age Group (ref = G2 (60-69))								
G1 (50-59)	1.234 ***	0.002	1.240 ***	0.002	1.225 ***	0.002	1.204 ***	0.002
G3 (70-79)	-1.714 ***	0.002	-1.718 ***	0.002	-1.680 ***	0.002	-1.669 ***	0.003
G4 (80-89)	-2.925 ***	0.004	-2.934 ***	0.004	-2.780 ***	0.004	-2.759 ***	0.004
G5 (90-99)	-3.923 ***	0.013	-3.934 ***	0.013	-3.606 ***	0.013	-3.627 ***	0.014
Year of Immigration (ref = US Born)								
Y1 (1919-1964)			-0.095 ***	0.005	-0.044 ***	0.005	-0.117 ***	0.008
Y2 (1965-1985)			-0.099 ***	0.004	0.175 ***	0.004	0.192 ***	0.006
Y3 (1986-1989)			-0.021 **	0.009	0.337 ***	0.010	0.420 ***	0.016
Y4 (1990-2000)			-0.252 ***	0.006	0.066 ***	0.006	0.090 ***	0.010
Y5 (2001-2008)			-0.719 ***	0.008	-0.383 ***	0.009	-0.666 ***	0.014
Male					0.620 ***	0.002	0.621 ***	0.002
Education (ref = Grade 12)								
N/A or No Schooling					-1.055 ***	0.008	-1.059 ***	0.008
Nursery school to Grade 4					-1.005 ***	0.009	-1.017 ***	0.009
Grade 5, 6, 7,					-0.875 ***	0.004	-0.881 ***	0.004
Grade 9					-0.776 ***	0.006	-0.779 ***	0.006
Grade 10					-0.636 ***	0.005	-0.639 ***	0.005
Grade 11					-0.571 ***	0.005	-0.572 ***	0.005
1 year of college					0.320 ***	0.003	0.319 ***	0.003
2 years of college					0.488 ***	0.004	0.491 ***	0.004
4 years of college					0.529 ***	0.003	0.530 ***	0.003
5+ years of college					0.899 ***	0.003	0.900 ***	0.003
Race / Ethnicity (ref = White, Non-Hispanic)								
Hispanic					0.083 ***	0.004	0.077 ***	0.004
American Indian/Alaskan Native					-0.361 ***	0.008	-0.358 ***	0.008

	Model 1		Model 2		Model 3		Model 4	
	Coef.	SE	Coef.	SE	Coef.	SE	Coef.	SE
Asian					-0.158 ***	0.005	-0.153 ***	0.005
Black					-0.201 ***	0.003	-0.200 ***	0.003
Pacific Islander					-0.014	0.024	-0.013	0.024
Other Race					0.088 ***	0.006	0.081 ***	0.006
Marital Status (ref = Married, Spouse Present)								
Married, Spouse Absent					-0.278 ***	0.006	-0.283 ***	0.006
Separated					-0.160 ***	0.006	-0.158 ***	0.006
Divorced					0.155 ***	0.003	0.157 ***	0.003
Widowed					-0.211 ***	0.003	-0.209 ***	0.003
Single					-0.445 ***	0.003	-0.442 ***	0.003
Interaction G1 x Y1							0.271 ***	0.015
Interaction G1 x Y2							0.046 ***	0.008
Interaction G1 x Y3							-0.053 **	0.021
Interaction G1 x Y4							0.164 ***	0.013
Interaction G1 x Y5							0.549 ***	0.018
Interaction G3 x Y1							0.108 ***	0.012
Interaction G3 x Y2							-0.159 ***	0.012
Interaction G3 x Y3							-0.325 ***	0.032
Interaction G3 x Y4							-0.605 ***	0.021
Interaction G3 x Y5							-0.074 **	0.033
Interaction G4 x Y1							-0.161 ***	0.020
Interaction G4 x Y2							-0.339 ***	0.028
Interaction G4 x Y3							-0.323 ***	0.064
Interaction G4 x Y4							-0.888 ***	0.052
Interaction G4 x Y5							0.889 ***	0.059
Interaction G5 x Y1							0.163 **	0.054
Interaction G5 x Y2							0.259 ***	0.065
Interaction G5 x Y3							0.477 **	0.181
Interaction G5 x Y4							-0.138 ***	0.183
Interaction G5 x Y5							-4.606 ***	4.938
Intercept	0.575	0.001	0.597	0.001	0.882	0.027	0.882 ***	0.027
-2 Log Likelihood	8,817,139.20		8,806,386.40		8,291,714.70		8,287,521.50	
Weighted N	9,101,286							

Source: 1% American Community Survey samples for 2006, 2007, and 2008 (IPUMS USA, Minnesota Population Center)
***$p<0.001$, **$p<0.05$, *$p<0.1$

Table 3. Logistic Regression Coefficients Predicting Having Worked in the Last Five Years for the Immigrant Populations Age 50 and Over: United States, 2006-2008 (Weighted)

	Model1		Model 2	
	Coefficient	Std.Error	Coefficient	Std.Error
Age Group (ref = G2 (60-69))				
G1 (50-59)	1.317 ***	0.005	1.313 ***	0.005
G3 (70-79)	-1.808 ***	0.007	-1.811 ***	0.007
G4 (80-89)	-3.046 ***	0.014	-3.063 ***	0.014
G5 (90-99)	-3.434 ***	0.038	-3.451 ***	0.038
Year of Immigration (ref = Y2 (1965-85))				
Y1 (1919-1964)	-0.043 ***	0.006	-0.004	0.007
Y3 (1986-1989)	0.186 ***	0.010	0.053 ***	0.013
Y4 (1990-2000)	0.006	0.007	-0.058 ***	0.009
Y5 (2001-2008)	-0.385 ***	0.009	-0.446 ***	0.011
Country of Origin (ref = China)				
India	0.158 ***	0.024	0.592 ***	0.037
Philippines	0.319 ***	0.007	0.407 ***	0.010
Mexico	0.327 ***	0.011	0.268 ***	0.015
Central America	0.373 ***	0.012	0.339 ***	0.016
Cuba	0.079 ***	0.012	-0.106 ***	0.018
Male	1.062 ***	0.005	1.068 ***	0.005
Education (ref = Grade 12)				
N/A or No Schooling	-0.658 ***	0.011	-0.649 ***	0.012
Nursery school to Grade 4	-0.762 ***	0.012	-0.769 ***	0.012
Grade 5, 6, 7,	-0.521 ***	0.008	-0.523 ***	0.008
Grade 9	-0.562 ***	0.014	-0.572 ***	0.014
Grade 10	-0.450 ***	0.015	-0.447 ***	0.015
Grade 11	-0.322 ***	0.019	-0.309 ***	0.019
1 year of college	0.315 ***	0.009	0.310 ***	0.009
2 years of college	0.520 ***	0.012	0.523 ***	0.012
4 years of college	0.293 ***	0.008	0.294 ***	0.008
5+ years of college	0.735 ***	0.009	0.730 ***	0.009
US Citizen	0.063 ***	0.001	0.065 ***	0.001
Speak English	0.694 ***	0.008	0.743 ***	0.008
Marital Status (ref = Married, Spouse Present)				
Married, Spouse Absent	0.074 ***	0.010	0.070 ***	0.010
Separated	0.039	0.013	0.019	0.013
Divorced	0.354 ***	0.008	0.354 ***	0.008
Widowed	-0.246 ***	0.008	-0.241 ***	0.008
Single	0.051 ***	0.010	0.051 ***	0.010

Interaction India x Y1				-1.160	***	0.079
Interaction India x Y3				-0.153	*	0.083
Interaction India x Y4				-0.595	***	0.066
Interaction India x Y5				-1.557	***	0.089
Interaction Philippines x Y1				-0.528	***	0.037
Interaction Philippines x Y3				0.143	***	0.043
Interaction Philippines x Y4				0.096	***	0.029
Interaction Philippines x Y5				-0.495	***	0.034
Interaction Mexico x Y1				-0.152	***	0.017
Interaction Mexico x Y3				0.551	***	0.027
Interaction Mexico x Y4				0.205	***	0.018
Interaction Mexico x Y5				0.471	***	0.026
Interaction Central America x Y1				-0.416	***	0.033
Interaction Central America x Y3				0.197	***	0.040
Interaction Central America x Y4				0.546	***	0.035
Interaction Central America x Y5				0.251	***	0.053
Interaction Cuba x Y1				0.128	***	0.028
Interaction Cuba x Y3				0.280	***	0.082
Interaction Cuba x Y4				0.307	***	0.036
Interaction Cuba x Y5				1.194	***	0.048
Intercept	-0.745	***	0.010	-0.777	***	0.011
- 2 Log Likelihood				1113487		
Weighted N				1,266,700		

Source: 1% American Community Survey samples for 2006, 2007, and 2008 (IPUMS USA, Minnesota Population Center)

***$p<0.001$, **$p<0.05$, *$p<0.1$