Networks and Context of Reception in Accumulation Strategies of Latinos in Rural Communities of the Midwest - A Quantitative Analysis

Cambio de Colores 2009
St Louis 2009

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Framework: Strengths Based Model: Livelihoods, Capitals, and the Context of Reception

Livelihood Outcomes
Building Assets: Economic and Social Wellbeing
Vulnerability: Mobility

Livelihood Strategies

Economic Capital
(Savings & Earnings)

Cultural Capital
(Identity & Institutions)

Human Capital
(Education, Skill, Language Proficiency, Health)

Social Capital
(Social Networks Bridging and Bonding)

Context of Reception

Integration
Marginalization

Incorporating Acculturation in Livelihood Strategies and the Analysis of Wellbeing

Acculturation and Adjustment

Berry’s Multidimensional Model

Integration
High
Assimilation
Low

Marginalization
Low
Separation

To understand the adjustment process and how it affects income generation and accumulation.

Acculturation SK & Climate

Three acculturation measures (Integration, Assimilation, and Separation), and cultural identity; and Individual characteristics - race, gender, and age.

Community characteristics (Z) include networks – a social capital index of the community. A community climate proxy is the disparity index, a measure of racial profiling reported by the Attorney General of Missouri.

Capitals and Community Climate

- Livelihoods – Capitals & acculturation:
  - Cultural capital: ethnicity, race, ability to speak a language other than English;
  - Human capital: work experience, employment, educational attainment, English ability, mobility, gender, and age;
  - Acculturation: interaction of capitals & values in the process of integration, three measures.
- Networks and CC – context of reception:
  - Community social capital index; and
  - Community climate proxy (racial profiling index).

Incorporating Acculturation in Livelihood Strategies and the Analysis of Wellbeing

Speaks English well and another language well at home
Integration
High

Speaks English well, no second language
Assimilation
Low

Does not speak English well
Separation
High

Does not speak English
Marginalization
Low

Speaks another language

LATINO

AMERICAN
Model of Income Capitals
Acculturation and Climate

Two specified: for Native (N) and for Foreign born (F):

\[ L(\text{Wage})_i = X_{ij}\beta_j + Z_t\delta + \sigma_j\lambda_j + \eta_{ij} \]

- \( L(\text{Wage}) \) is a logarithm of wages - earnings
- \( X \) is a vector of individual characteristics - capitals
- \( Z \) is a vector of community characteristics – networks and climate
- \( \lambda \) is the inverse Mill’s ratio
- \( \eta \) is an error term
- DATA: CENSUS 2000 for three regions in Missouri
  - AG Disparity Index 2000 for the corresponding regions

Regression Results - coefficients

<table>
<thead>
<tr>
<th>Variables</th>
<th>Origin</th>
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<tbody>
<tr>
<td></td>
<td>Natives</td>
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<tr>
<td>Work Experience</td>
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<tr>
<td>Acculturation-integration</td>
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<tr>
<td>Acculturation-assimilation</td>
<td>0.024*</td>
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<tr>
<td>Good English and Educ. cross effect</td>
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<tr>
<td>Able to speak another language</td>
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<tr>
<td>Racial profiling</td>
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<tr>
<td>Gender: Female</td>
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<tr>
<td>Mobility</td>
<td>0.022</td>
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<tr>
<td>Age</td>
<td>0.031</td>
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<tr>
<td>Education</td>
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</tr>
<tr>
<td>Social Capital index</td>
<td>0.174</td>
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</tbody>
</table>

- Only significant values presented
- # Not significant

Human Capital Findings

- Education and English ability combined have a positive effect on income
- A second language also has a positive effect on earnings
- Policies that value other languages and facilitate not only access to English but education will contribute to increasing the income earnings of Latinos
- These also contribute positive economic impacts to the receiving communities through the expenditure patterns, and the second generation

Social Capital Findings

- Social capital has a positive effect for both foreign-born and native Latinos
  - It is stronger for foreign born
  - Networks are sources of support and of information about the receiving community
  - => Support for bridging organizations and activities that foster connections

Acculturation Findings

While assimilation had only a positive effect on foreign born but not as strong as acculturation.
- The Integration Acculturation strategy had a positive effect on earnings of both native and foreign born.
- When compared to separation, marginalization had no significant effect on earning.
  - => Policies should foster or at least not hinder bilingualism as it contributes to income generation.
  - => Integration also has a positive impact on the second generation.

Mobility & Climate Findings

- Mobility findings are opposite to those in the dominant community, as moving does not improve income for foreign born.
- Racial profiling, an element of community climate, has a negative effect on the income of both native and foreign born, especially the later.
  - => concern in terms of economic impacts and development in the receiving communities – Long term effects.
Further Research

- Asset accumulation strategies in Missouri
- Acculturation – a measure of 24 indicators
- Mobility – beyond having moved in the last 5 years
- Social Capital – bonding, bridging and linking
- Context of Reception – through the eyes of the newcomers
- Three regions

THANK YOU!

QUESTIONS...

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http://cambio.missouri.edu
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