Homeownership and Overcrowding among Asian American Households: Findings from the 2012-2016 American Community Survey

Long Abstract for PAA

Prior research demonstrates that Asian Americans as a whole (especially among the native-born) tend to have a favorable profile of socioeconomic status (e.g., education, incomes, hourly wages, and employment in professional and technical occupations) than other minority groups and even non-Hispanic whites (Kao and Thompson 2003; Sakamoto and Xie 2006; Sakamoto, Goyette, and Kim 2009; Takei, Sakamoto, and Powers 2012; Xie and Goyette 2004; Zeng and Xie 2004). However, homeownership, as another key dimension of economic well-being and wealth accumulation, is much less examined among Asian Americans. We also know little about their housing characteristics such as home values and crowding living conditions.

Owning a home is usually considered an important part of "American dream", which is also practically linked with general neighborhood amenities including school quality, public services, health and physical safety, as well as perceived attachment to the community and residential assimilation for immigrants (Alba and Logan 1992; DeSilva and Elmelech 2012; Kain and Quigley 1972; Myers and Lee 1998; Rohe, Zandt, and McCarthy 2002; Yinger 1995). Prior research is much concerned with housing disadvantages associated with being blacks and Hispanics; Asian Americans remains understudied, presumably due to their relatively small population size and recency as immigrants (Bianchi, Farley, and Spain 1982; Coulson 1999; Krivo 1995; for a review, see Flippen 2010). Furthermore, existing findings are inconclusive, unable to answer basic questions such as homeownership disparities between Asian Americans and whites (Coulson 1999; DeSilva and Elmelech 2012; Krivo and Kaufman 2004; Painter and Yu 2010, 2014; Painter, Gabriel, and Myers 2001; Yao 2016; Yu and Myers 2010).

In this respect, our primary research objective is to fill this gap by systematically investigating homeownership and overcrowded conditions of Asian American households in reference to non-Hispanic whites. Our analysis uses the 2012-2016 American Community Survey (ACS) to distinguishes between six largest subgroups of Asian Americans—Asian Indian, Chinese, Filipino, Japanese, Korean, and Vietnamese Americans. We choose to study homeownership and overcrowding together because Asian Americans' preference of purchasing homes seems to be at least partly derived from their traditional cultural norms of living in multigenerational and extended family households (Zhou 1992; Burr and Mutchler 1992; Kamo and Zhou 1994; Martin 1989; Speare and Avery 1993).

For our statistical models, we use logistic regression to separately analyze households headed by married/cohabiting adults and those headed by adults living alone.

Because Asian Americans are not randomly distributed in the U.S. and housing prices tend to vary substantially across cities, we also employed metropolitan fixed effects in our models, which controls for observed and unobserved heterogeneity of the top 100 most populous metropolitans according to the 2010 U.S. Census. The two dependent variables are dichotomous outcomes that refer to homeownership (i.e., owning a home versus not owning a house) and residential overcrowding (whether more than one persons per room not including closets, hallways, bathrooms, etc.). In the logistic regression models of both homeownership and overcrowding, the independent variables include householders' sociodemographic characteristics such as age, age-squared, gender, foreign-born status, duration of stay in the U.S., levels of education, as well as family/household characteristics such as linguistically isolated households, logged family income, presence of children, the number of workers in household, whether the person had changed residence since a reference point 1 year ago.

Our findings indicate that Chinese and Vietnamese are much more likely to own a home than their white counterparts. In contrast, Japanese, Filipinos, Asian Indians, and Koreans tend to be disadvantaged relative to whites in terms of homeownership, even after all covariates are controlled, with Koreans being the most disadvantaged. Furthermore, all Asians except for Japanese tend to living in an overcrowded home than whites. Net racial disadvantage is particularly high in the case of Filipinos. Our findings also show how linguistic isolation play a crucial role in the likelihood of owning a home and being exposed to crowded living conditions.