

Pepperdine University
Institute for Public Policy and
AT&T
with support from
the Catellus Development Corporation
present

The Emerging

Latino Middle Class



by Gregory Rodriguez
October 1996

Acknowledgments

Edited by Joel Kotkin
John M. Olin Fellow
Pepperdine University Institute for Public Policy

Pepperdine University's Institute for Public Policy wishes to thank the following corporate sponsors of the research report:



AT&T
Catellus Development Corporation

Pepperdine University's Institute for Public Policy wishes to thank the following individuals and corporate sponsors for their support of the research:

Mary Salinas Durón

First Interstate Bank/Wells Fargo Bank

David Friedman

Linda Griego

Hispanic Advisory Council
Pepperdine University

La Opinión

José de Jesús Legaspi
The Legaspi Company

McDonald's Corporation

Steve Moya
Moya, Villanueva & Associates

Parking Company of America

Robert Wood Johnson Foundation

Danny Villanueva

Morley Winograd



The Emerging Latino Middle Class

Explanation of Findings

This report examines the extent to which Latinos in Southern California have begun creating a stable middle class. It reevaluates the social mobility of a group that has been, more often than not, defined by its deficits or dysfunctions. The statistics herein provide the first portrait of this dynamic but still largely unrecognized sector of Southern California society. The data, derived primarily from the 1980 and 1990 U.S. Census Public Use Microdata Sample (PUMS), reveal the existence of a substantial and steadily growing Latino middle class in the five-county Southern California region.¹

Viewed as a group, the Latino middle class constitutes a largely young, hard-working, family-oriented population, increasingly adaptive to the changing economic conditions of Southern California. It is composed of two sectors—the U.S.-born and foreign-born—which, although distinct, nonetheless share many primary values and behaviors.

Now just more than half of all U.S.-born Latino households, the U.S.-born Latino middle class is rapidly achieving near parity with the overall Southern California population. They enjoy improving education levels and show definite signs of increasingly successful integration into Southern California's burgeoning white-collar economy.

Comprising almost a third of foreign-born Latino households, the more nascent foreign-born Latino middle class has only recently begun to create a toehold in Southern California's economic landscape. Yet if they follow the patterns of their native-born counterparts, they, and most importantly, their children, can also be expected to achieve even more considerable growth in the current decade.

Critically, the data suggest considerable social mobility among both U.S.-born and foreign-born Latinos. The longer immigrant families reside in the U.S., the more likely they are to become middle class. U.S.-born children and grandchildren of Latino immigrants fare considerably better than the immigrant generation.

Demographic and Historic Overview

Although California became Spanish territory in the 16th century and the presence of Spanish-speaking people has been continuous since the 18th century, the vast majority of Southern California's Latinos are not descendants of early settlers. In fact, by the early years of this century, Latinos, once the majority, had become a small, rather submerged portion of an increasingly Anglo-Saxon region.

Indeed, the overwhelming percentage of Southern California's Latino population derives from this century's two great waves of Latin American immigration. The first occurred amidst the chaos of the Mexican Revolution of 1910-1919, which drove thousands of Mexicans northward well into the 1920s. The second wave—several times larger than the first—came during the 1970s and the 1980s. Four of five Latino immigrants today in California arrived after 1970. All told, more than 8 in 10 of this state's Latinos took part in those two waves of immigration or are children of those who did. Currently, fewer than 15% of Latino adults are third-generation Americans or beyond. ²

In this sense, comparisons with the pre-1910 or pre-1970 populations are of little assistance in understanding both the contemporary Latino population and its burgeoning middle class. Today Southern California's Latinos bear little resemblance to what in 1970 was a small, beleaguered, culturally alienated minority. The region's Latinos are a relatively new population which merits study not on the basis of old myths, but in the light of new demographic, social, and economic realities.

Perhaps nothing better illustrates the persistence of the old mythology than the fact that there has been virtually no attempt by government, academia, or the media to focus on the progress of the Latino middle class. In fact, academic studies, in particular, have concentrated almost exclusively on the internal pathologies and external barriers impeding Latino social and economic ascendance. In addition, the perverse nature of the political spoils system has encouraged non-White politicians and activists to present their communities as profoundly disadvantaged, leading even well-meaning Latinos away from focusing attention on social mobility.

Instead, the political class, academia, as well as the print and electronic media often confuse the most marginalized parts of the Latino population for the whole. Gang members or angry activists are still favorite media subjects, while one prominent UCLA professor recently described the Latino immigrant population as "a quiescent mass that's ready to explode." ³

This perception has also been deeply felt among many Latino intellectuals who frequently have defined the essence of Mexican-American identity as working or lower class. Those "few" who constituted the Latino middle class were often seen as cultural traitors. Apparently, retaining one's "authentic" Latino ethnicity requires remaining in place both socioeconomically and geographically. Even the accomplished have often felt a need to feign "street-wise" mannerisms and humble roots.

A Different Path to Assimilation?

By itself, the phenomenal growth of Southern California's Latino population—450% in the five-county area over the past quarter century—suggests that it is time to go beyond the well-worn stereotypes. In 1970, Latinos made up only 14% of Southern California and were overwhelmingly of Mexican origin. Four in five were U.S.-born. The average Latino spoke only English and assimilation was synonymous with Anglicization. By 1996, this picture had changed dramatically. Latinos make up 44% of Los Angeles County and 38% of the five-county Southern California area. Two-thirds of the region's adult Latinos are now foreign-born. Hundreds of thousands of Central and South American immigrants seeking refuge from political turmoil and economic hardship diversified the region's Latino population in the 1980s. In 1990, Latinos in the five-county area comprised 21% of the nation's total Latino population.

The massive, continuing influx of new immigrants has complicated greatly the task of gauging Latino social mobility. High poverty rates for recent immigrants have the effect of weighing down overall Latino statistics—even in the light of substantial upward movement among both U.S.-born and more long-established immigrants. Fortunately, U.S. Census PUMS data allow us to differentiate between U.S.- and foreign-born Latinos as well as adjust for such critical factors as an immigrant's year of entry into the U.S. This breakdown gives us a more complete picture of the status of each group.

Mass immigration has done much more than leaven the numbers of Latinos in Southern California. It has fundamentally altered the internal dynamics of Latino-American culture. Having reached critical mass, the new Latinos have begun acculturating into American life differently than have previous waves of immigrants, including earlier migrations of Mexicans.

Large numbers, jumbo jets, and the persuasiveness of global electronic media have made the Spanish language, Latin-American cultures, styles, behaviors, and norms far more sustainable and viable on this side of the border than they have ever been before. What was once considered an inevitable, linear descent into Anglo-American culture has been replaced with a much more complex process of adaptation and integration.

The cultural assimilation of Latinos has slowed even as the anti-immigrant campaign—epitomized by both Proposition 187 and the recent welfare reform legislation passed by Congress—has pushed the rate of naturalization and political involvement to an all-time high. The role of Latinos, and particularly their expanding middle class, in the political, social, and economic life can be expected only to grow larger in the decade ahead.

Much of the current anti-immigrant mood stems from an understanding—not often counteracted by Latino activists and immigrant advocates—that the newcomers represent a lowering in the "quality," as defined by education and income levels, of the overall demographic standard. Rarely has the debate taken stock of the enormous potential of Latino cultural values—religious faith, family, and hard work—not only for this population, but for an overall society that often bemoans the erosion of such values among the native-born.

Strong nuclear and extended family structures play an important role in the steady inter-generational Latino social ascent. Not unlike other immigrant groups—most notably the Italians during the great migrations around the turn of the century—the Latino path to the middle class is marked less by rapid individual educational progress and more by nuclear or extended family members engaged in blue- to pink-collar labor pooling their money to improve the status of the whole family unit.

This path to upward mobility is often ignored or even derided by both academics and media, who often share a mechanistic, one-size-fits-all notion of upward mobility. Yet in reality, Latinos ascend not according to an education-based meritocratic formula—as is more common with Asians and Jews—but through a culturally derived tendency to share or contribute income amongst the whole household.

Consequently, this report measures economic well-being by household income and not individual wage earning or per-capita income. As Nobel prize-winning economist Gary Becker has argued, social scientists have often ignored cooperation within a household in favor of a more purely individualized approach to economic behavior.⁴ Indeed, a recent report by the U.S. Census Bureau found that maintaining stable households with multiple workers has become among the most effective means for Americans to improve significantly their economic status.⁵

Who's Middle Class?

Of course, there is no hard and fast definition of the American middle class. There are many ways of determining membership in what has become an almost mythic American ideal of familial and economic stability. Some economists have defined this sector by educational attainment. Others deem all American households within a certain percentage above or below the median income as middle class. In this study, middle class is defined as all those whose household incomes are above \$35,000 and/or who own their own homes.

By this standard, the most recent data suggest that this rapid movement into the middle class has continued unabated into the 1990s, beyond the scope of the PUMS data that provide the backbone of our findings. According to Latino home buying data prepared by Dataquick Information Systems, an estimated 220,239 Latinos bought homes in the five-county area from 1990-1995, indicating continued rapid growth in Latino ownership throughout this decade. ⁶

For this study, we use the 1990 median income (\$34,965) for Los Angeles County, which accounts for 61% of the region's households. The \$35,000 mark is also significant because it strongly mirrors homeownership rates. Certainly, homeownership can be considered an incontrovertible sign of relative economic stability and trust in the future.

At the same time, we stress that this is not a study of Latino wealth, educational, or occupational attainment as compared to other ethnic groups. Instead, it looks at the extent to which Latinos have managed to cross a significant economic threshold.

Though income is used here as an indicator of membership in the middle class, it is not the only, or even the best, way to view social and economic status in the contemporary setting. Aside from indicating that one is sufficiently divorced from the primary hardships imposed by poverty—none of the households above the median income are in poverty—middle-class status also implies a kind of stability which allows a family and its members to plan for future improvements.

Future-oriented behaviors—such as saving, working hard, and delaying gratification—create stability no matter what one's economic status. As the German sociologist Max Weber observed more than a century ago, these attitudes are arguably the most critical long-term determinants of self-improvement and upward mobility. ⁷

What it Means for Southern California

In the years following the Second World War, Southern California's leading social, political, and cultural institutions reflected the aspirations of the then-ascendant Anglo middle class, many of whom had migrated recently from other parts of the country. The vision of the *Los Angeles Times*, for instance, resonated with the energy and outlook of a hopeful, striving population.

Today the dreams of the emerging Latino middle class clash with a profound declinism that pervades most of our regional institutions as well as large parts of society itself. As late as September 1995, with the economy clearly on the rebound, most Californians, particularly in the Southland, had a generally dismal view of the state's future.⁸

Latinos, as well as many other heavily immigrant populations, by and large follow a distinct trajectory from other sectors of Southern California society. The native-born Anglo middle class, as stated in poll data and popular culture, has been experiencing a profound sense of its own decline; in contrast, the Latino middle class has continued to grow steadily. According to a survey conducted in July by The Field Institute, Latinos are more optimistic about the future than the larger statewide population. Half (50%) of Latinos in this state believe they will be better off a year from now versus 42% of all Californians. Very few Latinos (10%) expect to be worse off.⁹

Of course, not all Latinos believe themselves engaged in an upward progression towards the middle or even upper-middle class. But the propensity of both Spanish- and English-language media to identify a single, illusory "Latino community" has done little to broaden our perspective of a burgeoning, complex, and increasingly diverse population.

In reality, there is no single Latino community following any set cultural, economic, or political mold. Rather, there are thousands of distinct communities in which Latinos live and work, in virtually every corner of Southern California. Latinos make up what can best be described as a vast, dispersed, heterogeneous, multi-racial, multi-class, and multi-lingual population. This study refocuses on Latinos from the top down not in order to downplay the poverty in which many Latinos subsist, but to identify the very real, often ignored, story of Latino families improving their lot and achieving their "American dream."

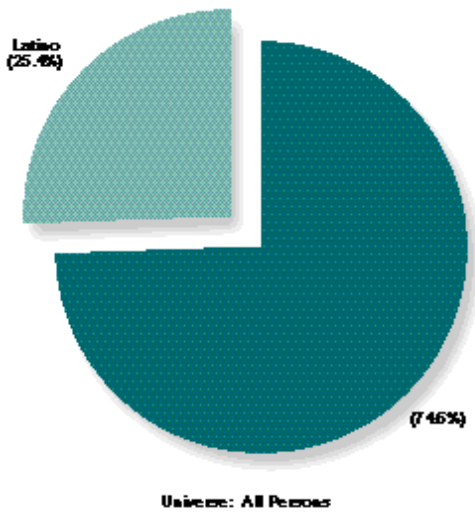
Finally, given the growing Latinization of Southern California, this study concerns far more than Latinos. Policy makers and the general public alike need to focus closely on the strengths and contributions of the population upon whose well-being the entire region depends. Plainly put, without a sizable Latino middle class, the region's economic, political, and social life will not be viable in the long run. Recognizing the presence and significance of this key, yet long-ignored, sector of our diverse population can prove the first step in shaping perspectives that can assure our region's continued success into the next century.

Statistical Analysis of PUMS Data, 1980-1990

The basic assertions and analysis in this report rest upon 1980 and 1990 PUMS data from the United States Census Bureau. These clearly show that Latinos constitute a large and growing portion of Southern California's middle class.

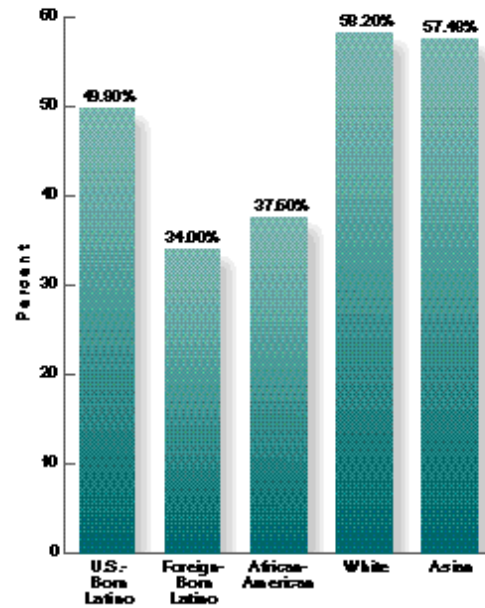
In 1990, Latinos made up more than one in four middle-class persons in the Los Angeles region. This is considerably larger than the combined African-American and Asian middle classes in the region.

Figure 1
The Five-County Middle Class 1990



The actual number of Latino-middle class households has expanded rapidly over the past three decades. Once relatively small, they have emerged as one of the major, if largely ignored, components of Southern California's middle class.

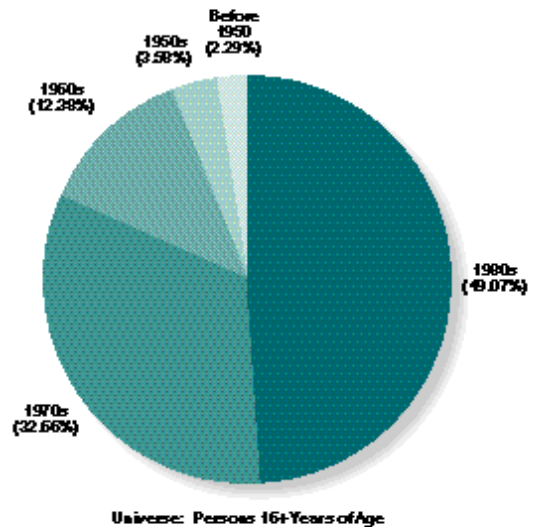
Figure 2
Percentage of Households Above the Median Income 1990
Five-County Area



The Foreign-Born Middle Class: An Overview

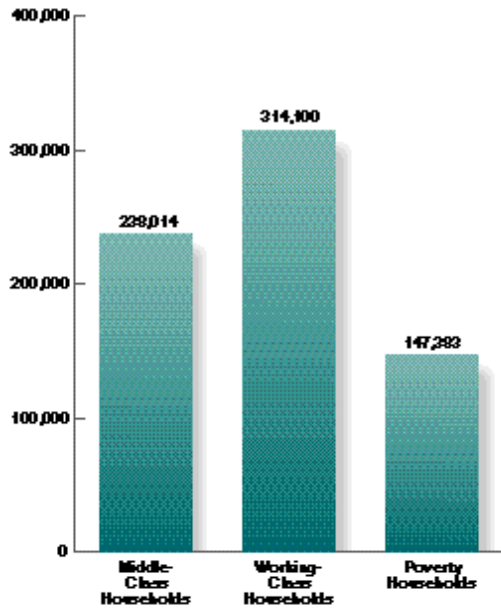
Foreign-born heads of household dominate the Latino population, making up better than two-thirds of all Latino householders in the five-county area. As stated earlier, nearly one-half of all Latino immigrants 16 years and older arrived in the 1980s.

Figure 3
Latino Immigrants by Decade of Entry 1990
Five County Area



Yet despite the high number of recent arrivals, immigrants already constitute more than 55% of all Latino middle-class householders in the region. This amounts to roughly one-third of all immigrant households. On the other hand, nearly half (48.3%) of the more than quarter million middle-class foreign-born Latino households earned in excess of \$50,000 annually. Perhaps more significantly, there were more than one and a half times more foreign-born Latino households in the middle class than living in poverty, although the largest group remained in the working class, above poverty levels but not quite at the median.

Figure 4
Number of Foreign-Born Latino Households 1990
By Income Category
Five-County Area



Although the foreign-born Latino middle class represents about one-third of all foreign-born Latino households, this group's upward mobility can be seen by the steady progression into the middle class when analyzed by year of entry. Contrary to assertions made by some analysts and the media, foreign-born Latinos tend to make steady advances over time, both in terms of escaping poverty as well as entering the middle class.

Figure 5
Percentage of Latino Immigrants in Poverty
By Year of Entry 1990
Five-County Area

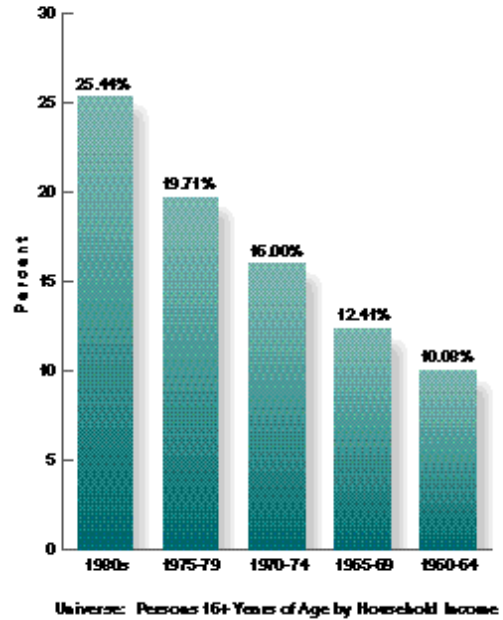
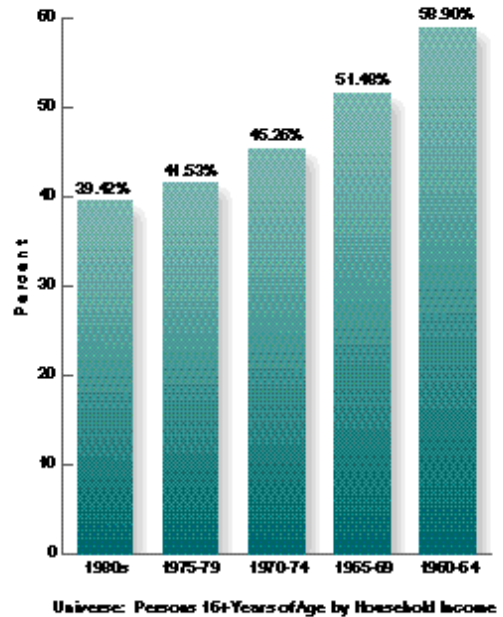


Figure 6
Percentage of Latino Immigrants in the Middle Class
By Year of Entry 1990
Five-County Area

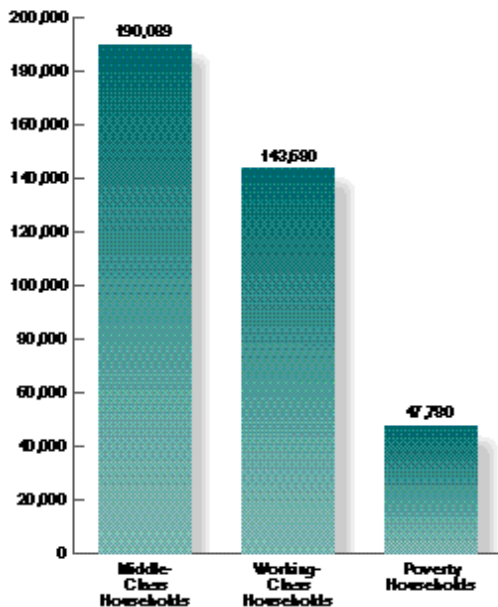


U.S.-Born Latino Middle Class: An Overview

The U.S.-born Latino middle class, by definition the group longest in residence in Southern California, also has made impressive strides. Almost half of all U.S.-born Latinos in the five-county area enjoy incomes above the median compared to roughly one third of all foreign-born Latinos. This percentage already is greater than that enjoyed by African-Americans, who are overwhelmingly U.S.-born, and is rapidly approaching levels enjoyed by both Anglos and Asians.

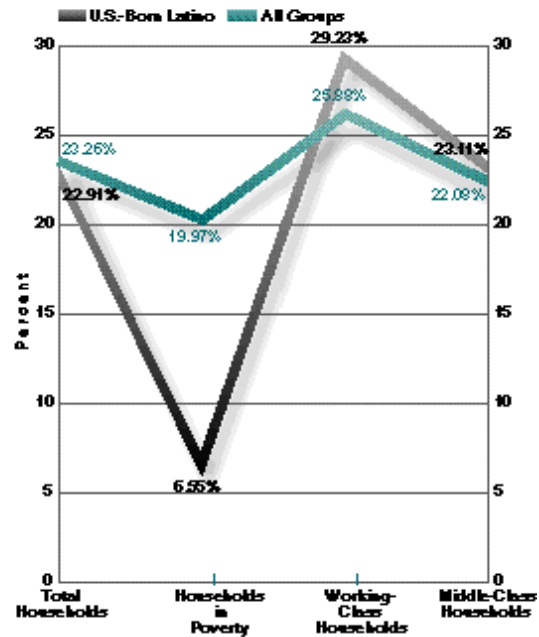
In sharp contrast to the image of U.S.-born Latinos as largely poor or economically dysfunctional, by 1990 there were nearly four times as many U.S.-native born Latino households in the middle class as there were in poverty. Over 58.6% of these middle-class households earned more than \$50,000 annually.

Figure 7
Number of U.S.-Born Latino Households 1990 By Income Category
Five-County Area



Between 1980 and 1990, the number of U.S.-born Latino middle-class households grew 23.11%, slightly faster than the growth in the total number of U.S.-born Latino households. The growth in U.S.-born Latino middle-class households was three and one-half times greater than the growth in poverty households. In fact, the rate of growth of middle-class households relative to the growth of total households was nearly 6% higher for U.S.-born Latinos than it was for the total population.

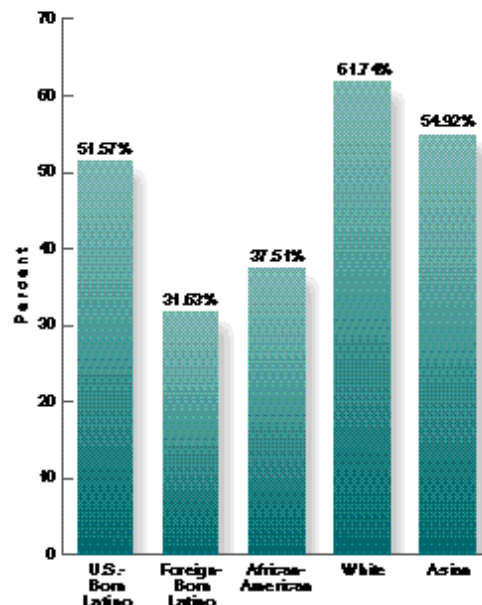
Figure 8
Percentage Growth of Households by Income Category
Five-County Area, 1980-1990



Homeownership

Rates of homeownership in the five-county area closely resemble the percentage of each group's households that are above the median income. Over 30% of foreign-born Latino households were owner-occupied. Although this is significantly less than for other ethnic groups, it is remarkably high for a group that includes a large portion of very recent immigrants, many of whom are clearly only now beginning to find their place in the region's economic firmament.

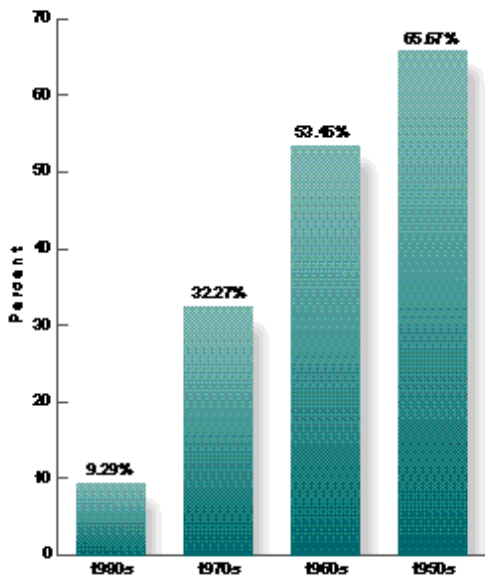
Figure 9
Percentage of Owner-Occupied Households 1990
Five-County Area



Indeed, despite the presence of a large, impoverished group among foreign-born Latinos—particularly among the most recently arrived—the 1980s saw a dramatic rise of 84.17% in the number of owner-occupied, foreign-born Latino households during the 1980s, an increase almost commensurate—only 2.92% less—with the huge increase in all foreign-born Latino households.

As in the case of income, homeownership among foreign-born Latinos rose dramatically with years of residence in the country. Foreign-born households who arrived in the 1970s, for example, are roughly three times as likely to be homeowners as those reaching the country in the 1980s.

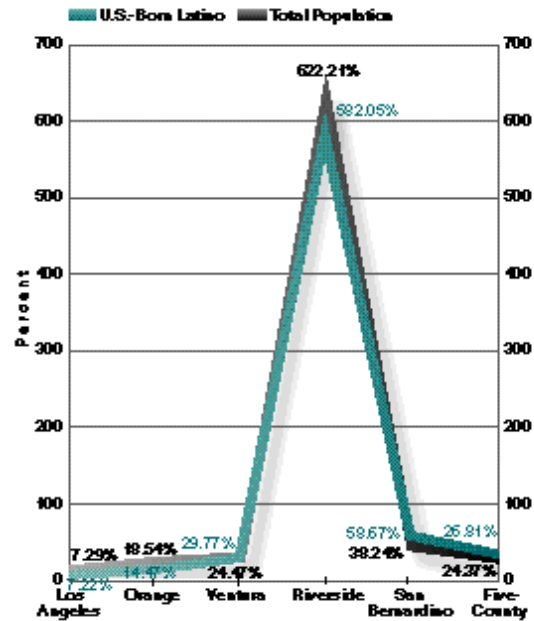
Figure 10
Percentage of Foreign-Born Latino Owner-Occupied Households
By Decade of Entry 1990
Five-County Area



Again tracking with patterns seen above, U.S.-born Latinos enjoy a far higher homeownership rate. In 1990, more than half of U.S.-born Latino households in the region were owner-occupied, a rate considerably higher than African-Americans and comparable to Asians, while somewhat lower than the generally older, better established Anglo population.

Critically, during the 1980s, the number of U.S.-born Latino owner-occupied households increased by 26.81%, 3.9% greater than the overall growth of all U.S.-born Latino households. During that same period, owner-occupied households grew by 24.37% for the total population. The rate of growth of owner-occupied households as compared to the growth in total households was 12.25% greater for U.S.-born Latinos than for the total population.

Figure 11
Growth in Owner-Occupied Households,
U.S.-Born Latino Versus Total Population 1980-1990

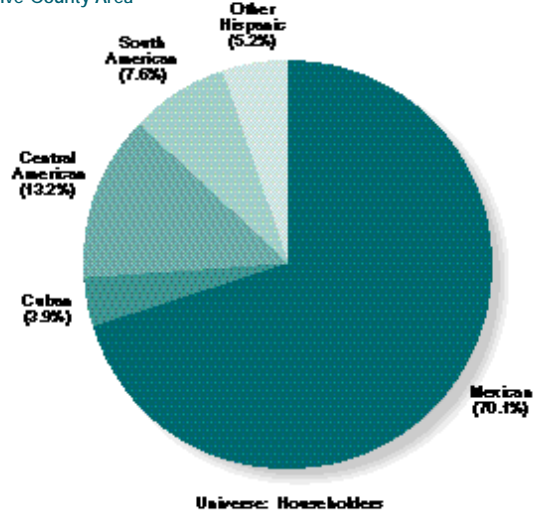


Social Indicators

The Hispanic origins of the foreign-born Latino middle class reflect the greater diversity among foreign-born Latino householders than among U.S.-born Latino householders. Mexicans still account for the greatest portion of foreign-born middle-class householders (70.1%), compared to 13.2% for Central Americans, 7.6% for South Americans, and 3.9% for Cubans.

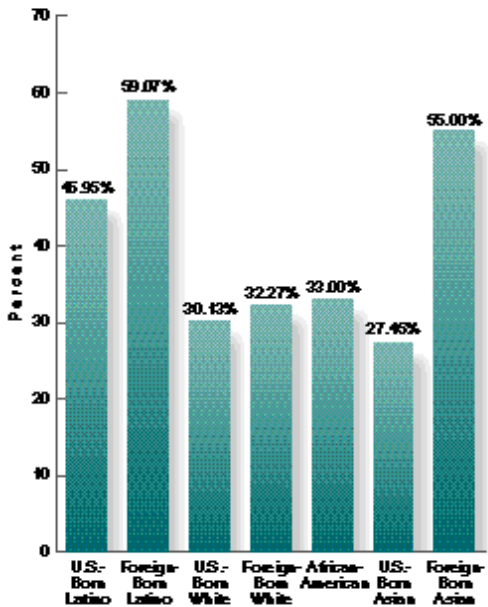
Cubans and South Americans were slightly more represented in the middle class than they were in the overall foreign-born Latino population—Cuban householders made up 3.0% of total foreign-born Latino householders and South Americans made up 5.4%. Central Americans were underrepresented among middle-class householders. The percentage of Mexican-origin middle-class householders was almost exactly proportionate to the percentage of Mexican-origin householders overall.

Figure 12
Foreign-Born Latino Middle Class 1990, Hispanic Origin
Five-County Area



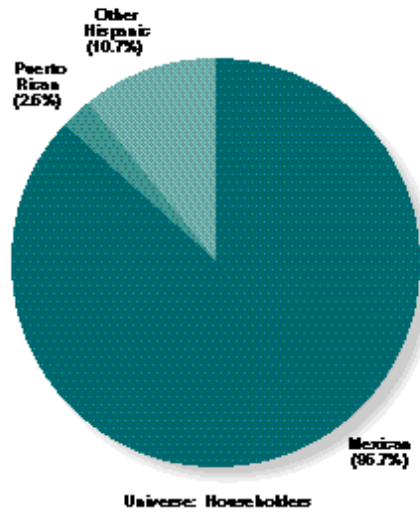
As stated earlier, Latino immigrants, including those in the middle class, display a strong tendency towards the formation of traditional mother-father-child families. Foreign-born middle-class households are the most likely of any middle-class group—foreign- or U.S.-born—to consist of a married couple with children. Fully 59.07% of foreign-born Latino middle-class households were mother-father-child households, compared to 55% for foreign-born Asian and 32.27% for foreign-born White.

Figure 13
Couple with Children Households 1990
The Middle Class
Five-County Area



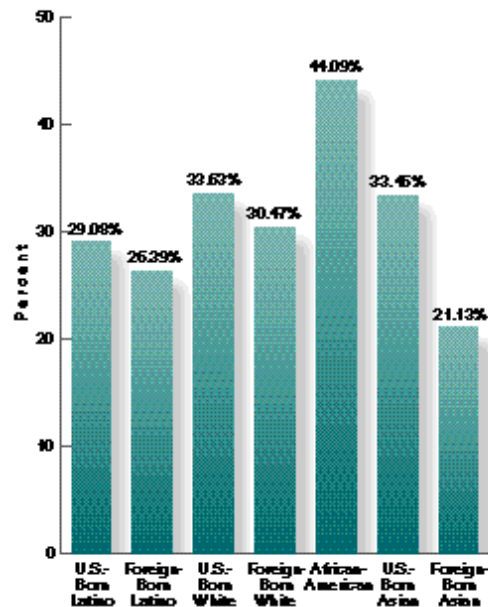
Middle-class U.S.-born Latinos share many social patterns with foreign-born middle-class Latinos although they are more overwhelmingly of Mexican origin than recent immigrants. The vast majority (86.7%) of the U.S.-born Latino middle class are of Mexican origin; 2.6% are Puerto Rican and 10.7% are divided among many other Hispanic countries of origin. These percentages correspond almost exactly to those for the overall U.S.-born Latino-householder population.

Figure 14
U.S.-Born Latino Middle Class 1990
Hispanic Origin
Five-County Area



Yet despite these and other differences, U.S.-born Latinos had the highest percentage of households composed of couples with children of any U.S.-born group in 1990. Like their foreign-born counterparts, relatively few of the U.S.-born Latinos live as primary single or other non-family arrangements. Indeed, only foreign-born Asians and Latinos are less likely to live outside of a traditional mother-father-centered household than U.S.-born Latinos.

Figure 15
Non-Family and Primary Single Households 1990
The Middle Class
Five-County Area



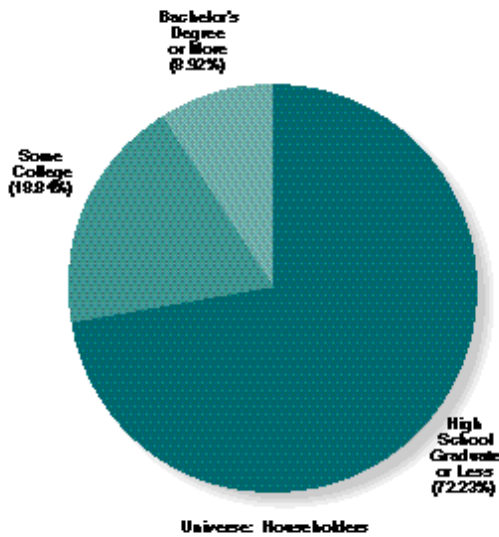
Family-Driven Mobility

For the most part, foreign-born middle-class Latino households do not reach the middle class through higher education or high-paying white-collar jobs. Instead, their path to the middle class is commonly characterized by multiple workers employed at middle-level, blue-collar and, increasingly, pink-collar (administrative support or sales) jobs; high labor force participation; and pooling of money.

As stated earlier, this path to upward mobility depends far more on hard work, family cohesion, persistence, and a willingness to defer gratification than the more conventional education-driven approach. Yet it is critical to remember that this same path has been taken many times by other immigrant groups to America.

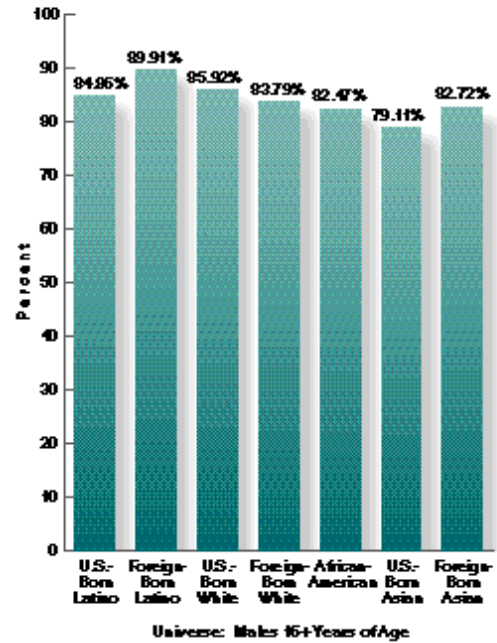
Middle-class foreign-born Latino householders are the least likely to have earned a bachelor's degree or more than any other group. Nearly three in four have a high school education or less. Less than one-fifth have some college. Foreign-born Whites are more than four times as likely to have a bachelor's degree than Latinos while Asian immigrants are more than six times as likely.

Figure 16
Foreign-Born Latino Middle Class Education 1990
Five-County Area



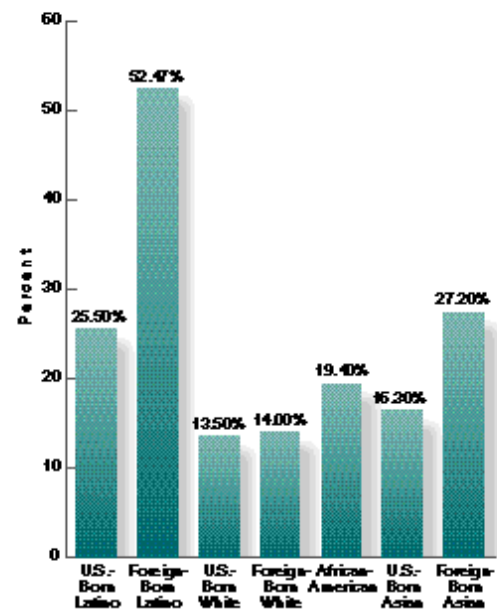
Middle-class foreign-born Latino males have the highest labor force participation—nearly 90%—of any other group, although Latinas tend to have a slightly lower rate, presumably in part due to traditional living arrangements and the presence of children.

Figure 17
Male Labor Force Participation
The Middle Class 1990
Five-County Area



Yet despite the lower rate of labor participation among Latinas, foreign-born Latino households have a strong tendency to have more than one income. In fact, a majority of these households have three or more workers, roughly twice the rate of Asian immigrants, the second most likely group to have so many workers per household. Clearly the pooling of incomes—between children and parents, siblings, and cousins—plays a critical role in achieving middle-class status and its ultimate symbol, homeownership.

Figure 18
Households with Three or More Workers
The Middle Class 1990
Five-County Area

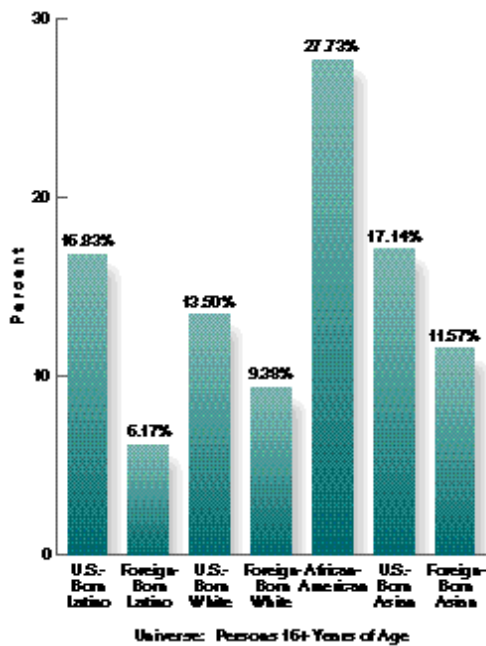


Middle-class foreign-born Latino workers are heavily employed in blue-collar jobs. In 1990, one-fifth of middle-class foreign-born Latino workers were employed as machine operators, assemblers, or inspectors while another 16% were employed in precision production, craft, and repair occupations. Only 15.01% were in service occupations, and 10.33% were in administrative support positions.

In contrast to all other groups, middle-class foreign-born Latino workers are most remarkable for their level of involvement in the private-sector economy. Whereas other groups, particularly African-Americans, have found employment in the public sector as a key means of upward mobility, Latino immigrants have a remarkably low level of dependence on public-sector jobs.

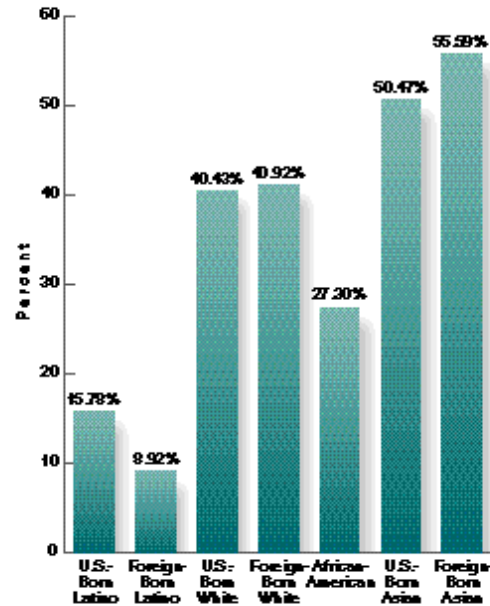
U.S.-born Latinos in Southern California share many of the labor force characteristics of their immigrant counterparts. Their households, as seen in Figure 18, have a higher propensity for three or more workers than any group except Asian and Latino immigrants. Similarly, they are less likely to work for government than U.S.-born Asians or African-Americans although far more likely than foreign-born Latinos.

Figure 19
Percentage Employed in Government 1990, The Middle Class Five-County Area



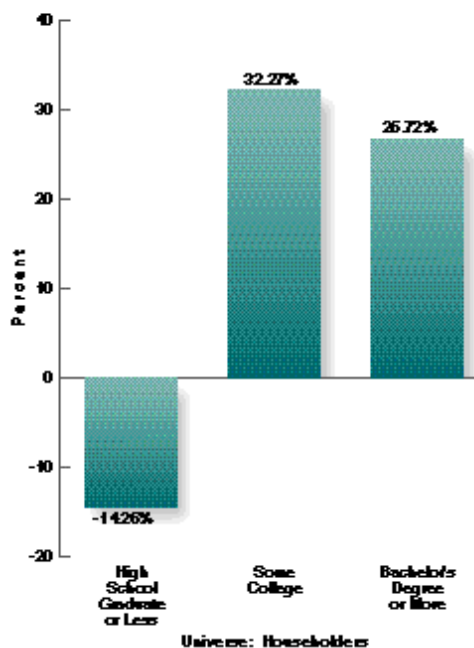
Again, like the immigrants, U.S.-born Latinos historically have not used education as their primary means of upward mobility. Less than two in five of U.S.-born Latino middle-class householders have some college, and under one-half have earned a high school diploma or less. In fact, middle-class U.S.-born Latinos are far less likely to hold a bachelor's degree than other U.S.-born groups, including African-Americans.

Figure 20
Percentage of Middle-Class Householders with a Bachelor's Degree or More 1990 Five-County Area



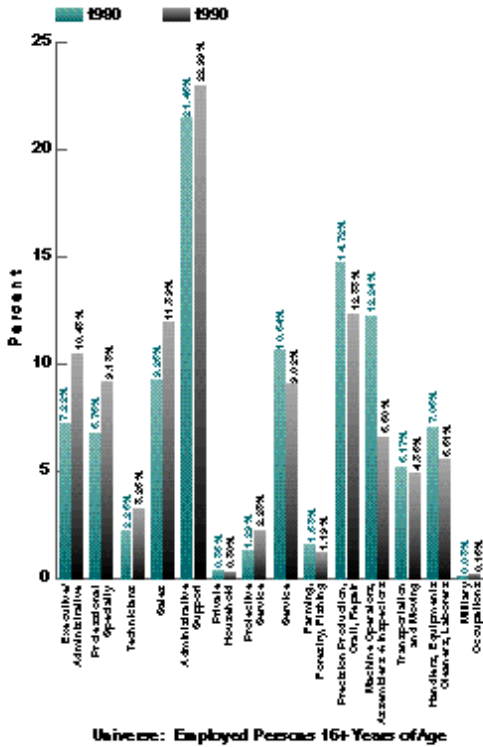
In recent years, however, there have been encouraging signs of increased educational and occupational mobility among U.S.-born Latinos. Between 1980 and 1990, for example, the percentage of U.S.-born Latino householders with bachelor's degrees or more increased by more than a quarter while the percentage of U.S.-born Latino householders with at least some college increased by almost one-third during that same period. Conversely, the percentage of U.S.-born Latino householders who were high school graduates or less decreased by almost 15% in the 1980s.

Figure 21
Percentage Change in U.S.-Born Latino Educational Status 1980-1990 Five-County Area



This increase in educational status may account for the simultaneous and dramatic shift in occupational levels for U.S.-born Latino middle-class adults. In 1980, the U.S.-born Latino middle class was much more actively employed in blue-collar jobs than in 1990. The 1980s saw a significant shift towards more pink-collar—administrative support or clerical—and even white-collar jobs.

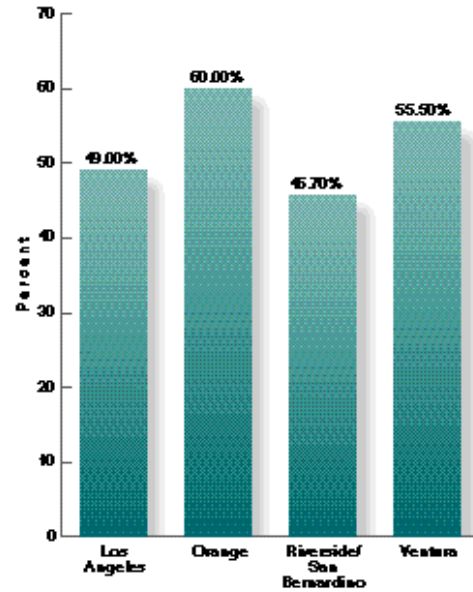
Figure 22
U.S.-Born Latino Middle Class, Occupation Level 1980-1990
Five-County Area



Regional Differences

Los Angeles County has the greatest number of U.S.-born Latino middle-class households, followed by Riverside/San Bernardino, Orange, and Ventura Counties. The proportion of U.S.-born Latino households that have entered the middle class or who own their homes varies significantly from county to county. U.S.-born Latino households in Orange County were more likely to be middle class in 1990 than in any other county. However, U.S.-born Latino households in San Bernardino County were the most likely to be owner-occupied.¹⁰

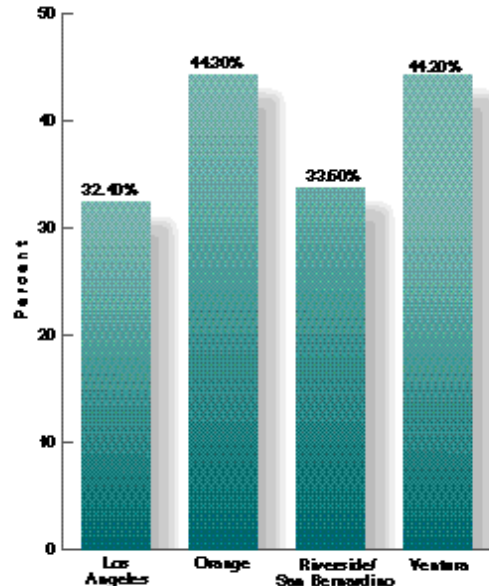
Figure 23
Percentage of U.S.-Born Latino Households in Middle Class 1990 By County



In the 1980s, Riverside County saw the highest overall increase in the number of U.S.-born Latino owner-occupied households. Riverside/San Bernardino Counties experienced the greatest overall increase (123.50%) in the number of middle-class U.S.-born Latino households in the 1980s. In Los Angeles and Ventura Counties, the rate of growth of middle-class households relative to the growth of total households was 50.26% and 6.85% higher for U.S.-born Latinos than it was for the total population.

As with the U.S.-born Latino middle class, Los Angeles County has the greatest number of foreign-born Latino middle-class households. Orange County, however, has the second most of such households, followed by Riverside/San Bernardino and Ventura Counties. Orange and Ventura Counties have the greatest—and almost identical—proportions of foreign-born Latino households in the middle class. Yet, as with U.S.-born Latinos, foreign-born Latino households in San Bernardino County were the most likely to be owner-occupied.

Figure 24
Percentage of Foreign-Born Latino Households in Middle Class 1990 By County

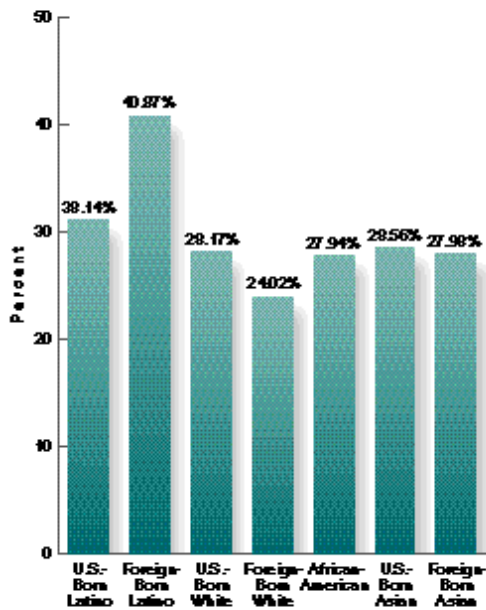


In Ventura County, the number of foreign-born Latino middle-class households actually grew 24.55% faster than the growth of foreign-born Latino households overall. In fact, in Ventura County, the rate of growth of middle-class households as compared to the growth of total households was 19.78% higher for foreign-born Latinos than it was for the total population. Riverside County experienced a phenomenal 1531.39% increase in the number of foreign-born Latino owner-occupied households between 1980 and 1990. Ventura County, however, was the only county in which the increase in foreign-born Latino owner-occupied households actually outpaced the increase in the number of foreign-born Latino households overall, by 1.01%.

Looking Ahead: The PUMS Data and Beyond

It would be difficult to overestimate the importance of a growing Latino middle class for the future development of Southern California. Middle-class Latinos represent a dramatically younger population than other sectors of the region's middle-class population. Roughly two out of five Latino middle-class householders are 35 years of age or less, compared to well under one-third for all other ethnic groups.

Figure 25
Percentage of Householders 35 Years Old or Less
The Middle Class 1990
Five-County Area

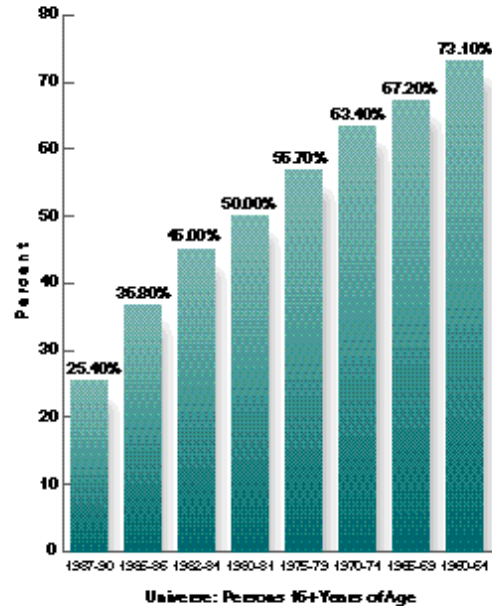


This relatively young and growing middle-class population is likely to put a lasting imprint on the nature of the region's social, cultural, and political, as well as economic, structure. From evidence in the PUMS data, it is clear that this group will likely neither fit the old "melting pot" model, where old cultural identities are obliterated over time, or any of the widely discussed formulations suggesting ever-greater ethnic balkanization.

Perhaps the most compelling data derive from linguistic patterns. Nearly 95% of the foreign-born Latino middle-class households use Spanish as the household language. Yet this does not mean that they are monolingual: More than half of all foreign-born middle-class Latinos speak English well or very well, while less than one out of five is completely monolingual Spanish.

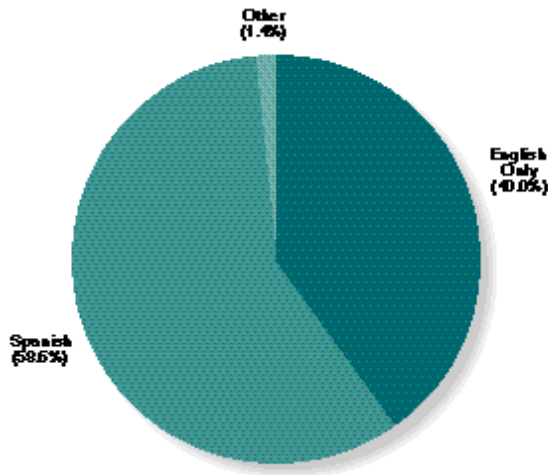
More importantly, foreign-born middle-class Latinos show a marked tendency to become increasingly adept at English with length of residence. Indeed, even taking into account non-middle-class Latinos, the tendency towards assimilating English is incontrovertible, increasing from 25% among those arriving after 1987 to almost twice that percentage from those who entered the country around 1980.

Figure 26
Ability to Speak English Well or Very Well
Foreign-Born Latinos 1990
By Year of Entry
Five-County Area



This tendency to speak English, of course, is far more pronounced among U.S.-born Latinos. Virtually all U.S.-born Latinos 16 years of age and older are completely fluent in the nation's primary language. Yet at the same time, U.S.-born Latino middle-class households show a strong tendency to retain bilingualism, with more than one-half still speaking at least some Spanish within the home.

Figure 27
U.S.-Born Latino Middle Class 1990, Household Language
Five-County Area



Yet if Latinos are retaining some linguistic and cultural continuity with their countries of origin, they are not doing so in isolated, ethnically segregated communities. In fact, only 37% of the group's middle class live in majority Latino areas; the majority reside in predominately middle-income communities where they still often constitute a minority. This is less true in Los Angeles County, where there are a growing number of majority-Latino middle-class areas.

Middle-class Latino households are located in all corners of the five-county Los Angeles region. There are middle-class Latinos in established middle-class areas, and there are those in more poor or working-class areas, where they play a significant role in stabilizing the region's lower-income Latino-dominant neighborhoods.

As we saw earlier, more recent data—supplied by Dataquick Information Systems for this report—find middle-class Latinos in virtually every affluent neighborhood and middle-class suburb in the region. (See maps on back cover.)

Nothing better illustrates the cosmopolitan nature of this new middle class than their tendency to intermarry. Foreign-born middle-class Latino males tend to marry outside their group slightly more than their Asian counterparts. But the most arresting data come from U.S.-born middle-class Latinos: Nearly a third marry outside the group, by far the largest percentage of any ethnic group.

Figure 28
Intermarriage in the Middle Class 1990, Married Males
Five-County Area

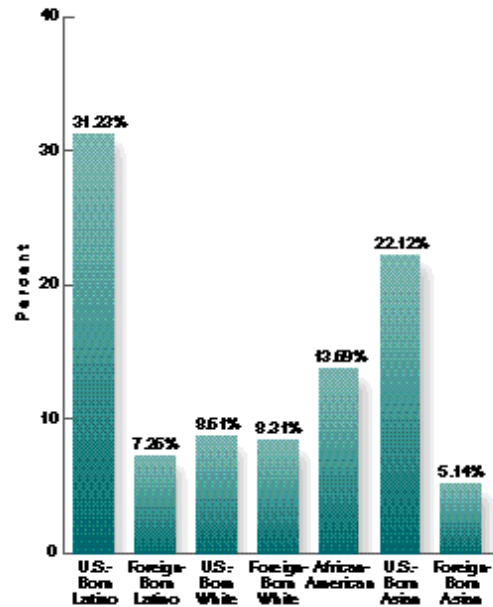
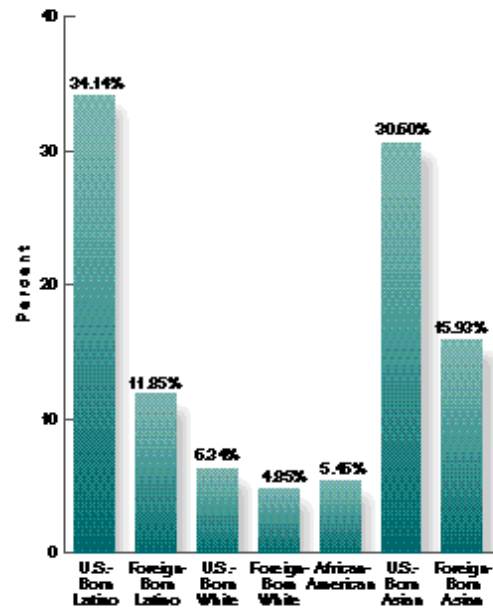


Figure 29
Intermarriage in the Middle Class 1990, Married Females
Five-County Area



Rather than a question of balkanization, the long-term prospectus tends to move towards one that may be described as regional *mestizo*-ization, that is, a tendency towards the integration of Latinos racially, socially, and economically into the broader regional society. Recent rapid increases in naturalization rates, as noted earlier, also suggest that this population will soon have increasingly profound political impacts as well.

Ultimately, all Southern Californians need to recognize that the fate of the Latino population, and particularly the middle class, will increasingly mirror that of the entire region. As demonstrated in this report, that may well bode far better for Southern California's future than many now commonly believe.



- ¹ Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties.
- ² Aida Hurtado, et al, "Redefining California: Latino Social Engagement in a Multicultural Society," from California Identity Project, UCLA, Chicano Studies Research Center, 1992, p. 9.
- ³ Celia W. Dugger, "Immigrant Voters Reshape Politics," *The New York Times*, March 10, 1996, p. 1.
- ⁴ Gary Becker, *A Treatise on the Family*, Harvard University Press, 1981, p. 20.
- ⁵ Wilfred Masumura, "Dynamics of Economic Well-being: Income 1992-1993, Moving Up and Down the Income Ladder," U.S. Census Bureau, 1996.
- ⁶ Dataquick Information Systems, La Jolla, California, 1996.
- ⁷ Max Weber, *Economy and Society*, edited by Guenther Roth and Claus Wittich, volumes one and two, University of California Press, 1978.
- ⁸ Patrick Lee and Don Lee, "Consumers Downbeat About the State's Future," *Los Angeles Times*, September 19, 1995.
- ⁹ The Field Institute, "The Future of Work and Health," September 2, 1996.
- ¹⁰ U.S. Census PUMS data combines Riverside and San Bernardino Counties. Housing tenure data, however, is separated by county.

The following individuals were instrumental in the preparation of this report:

David E. Hayes-Bautista

Aizita Magaña

Paul Smilanick