

**Title:** The Role of Social Ties in Accounting for Racial Inequality in Labor Market as Experienced by Asian Americans

## **Backgrounds**

Social capital inequality theory (Lin, 2000) argues that racial minorities experience disparities in social capital, and that those disparities negatively affect the upward socioeconomic mobility of racial minority young-adults. To date, studies in this area have mostly focused on the ethnic social capital of the first-generation Asian immigrants and its role in facilitating acculturation and economic mobilities. Social capital and its impact on socioeconomic status has not been investigated among 1.5 generation and 2<sup>nd</sup> generation Asian Americans (AAs) whose main socioeconomic activities lie in the mainstream labor market. The perpetual foreigner stereotype and current hostile atmosphere against AAs create obstacles to building social connections in mainstream American society. This dissertation therefore examines:

- (1) labor market disparities between AAs and White Americans (WAs),
- (2) disparities in social connections that facilitate labor market outcomes, and
- (3) relationship between race, labor market outcomes, as well as the social connections using mediation and moderation models.

## **Data/Methods**

This study uses first, third and fourth waves of the National Longitudinal Study of Adolescent to Adult Health (Add Health). The labor market outcome variables in young adulthood are annual personal earnings and hierarchy positions in supervisory positions. The main explanatory variable is operationalized to measure both race and immigration generation. The reference group is third generation and higher WAs, the groups of focus are 1.5 generation AAs and second-generation AAs. The social connections studied are whether one had a mentor

in adolescence, closeness to the mentor, type of mentor (weak tie vs. strong tie), the number of friends, and the homogeneity of friends' network.

## **Results**

After controlling for educational backgrounds and in-labor market characteristics, second-generation AA men earn less, and 1.5 generation AA men are lower in the supervisory hierarchy in comparison to WAs, while female AAs do not show disparities. In terms of social connections, AAs are less likely to have a mentor, but the closeness to and type of mentor do not differ among those with mentoring relationship. During adolescence, AAs have a smaller number of friends, but in young adulthood, they have as many friends as WAs. AAs' friends-networks are highly homogeneous and are composed of mostly other AAs while WAs' are also homogenous but with other WAs. The effect of large friends-networks on earning is positive among WAs but is not significant among AAs, showing the relationship between the size of friends-networks and earning is moderated by race.

## **Discussion and Practice Implication**

This study disputes the model minority stereotype by empirically showing labor market disparities for AAs in the mainstream labor market. It is noteworthy that the domain of disparities varies depending on the immigration generation. The social connection part of this study contributes to the literature as it empirically tests Lin's models among Asian Americans. The results imply that AA adolescents need programs that facilitate the building of mentoring relationships—particularly in light of their benefits beyond labor market outcomes. Further research is needed to better understand why AAs do not benefit from having mentors and larger friends-networks.

## Reference

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