

Wealth Disparities among Older Americans: the Cumulative Disadvantages of Minority Immigrant Elders

By

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Abstract

Population aging and increasing minority populations are two noteworthy demographic changes in the U.S. In particular, a large proportion of Hispanics and Asians are immigrants. This paper examines the cumulative disadvantages of minority immigrant elders at wealth accumulation. We test the multiple jeopardy hypotheses in this research. This hypothesis states the negative effects of being women, racial and ethnic minorities, and immigrants on wealth accumulation are amplified with aging. Elders have larger wealth differences by race, gender, marital and immigration status, compared to other adults. We use the 2008 Survey of Income and Program Participation (SIPP) Core Module, and Wave 2 and Wave 7 Topical Modules. We compare the differences in median net worth by gender, marital status, race/ethnicity, and immigration status among elders age 65 or older to the differences among other adults age 18 to 64. We also conduct OLS regression to test the interactive effects of being a senior and those negative factors on wealth accumulation.

American society is undergoing significant demographic changes. Population aging and increasing minority populations are two noteworthy demographic changes. In particular, a large proportion of Hispanics and Asians are immigrants. These three demographic factors, aging, race and ethnicity, and immigration could work together interactively to affect every aspect of our society, such as wealth inequality. This paper is intended to study the interactive effects of race/ethnicity and immigration status on wealth inequality among elders in the U.S.

We adopt the life course perspective to explore the cumulative disadvantages of minority immigrant elders at wealth accumulation. We compare wealth disparities among elders by gender, race and ethnicity, marital status, and immigration status to those differences among young and middle-aged adults. Our research is guided by the multiple jeopardy theory. This theory states the wealth disparities by gender, race and ethnicity, marital status and immigration status widen with aging. Elders become more heterogeneous, including wealth. People show larger wealth differences by race, gender, marital and immigration status, as they become older.

We analyze the 2008 Survey of Income and Program Participation (SIPP) Core Module, and Wave 2 and Wave 7 Topical Modules in this research. The combination of these three data sets provides information of net worth, gender, marital status, race/ethnicity and immigration status. We divide four categories for immigration status, including native-born citizens, naturalized citizens, permanent residents, and immigrants who are not permanent residents. We include the four major racial and ethnic groups,

whites, Blacks, Asians and Hispanics. We conduct a dichotomous study, that is, elders and other adults. Elders are composed of people age 65 or older. Other adults include people age 18 to 64. We expect to have larger differences in wealth by gender, race/ethnicity, marital status and immigration status in the elders groups, compared to the differences in the other adults groups.

We are going to report some key summary descriptive statistics. For both elders and other adults groups, the median wealth will be reported by gender, marital status, race/ethnicity, and immigration status. We then will make a t test to compare whether these medians are statistically different. We will also conduct OLS regression in which wealth is the dependent variable. Predictor variables include race/ethnicity, gender, marital status, household income, age, immigration status, employment type, and interactive factors for being elders with gender, race/ethnicity, marital status and immigration status.

The following a brief summary descriptive statistics table reports the median wealth by race and immigration status among elders and non-elder adults and the sample size for each category. The general pattern is that naturalized citizens are even better off at wealth than native-born citizens and elders own a greater amount of wealth than younger people, consistent with the life course perspective.

Non-Elder Adults' (18-64) Median Wealth by Race and Immigration Status

	White	Black	Asian	Hispanic
Native-born	\$119,500	\$8,573	\$112,614	\$16,057
N	29864	4730	525	2970
Naturalized	\$121,590	\$28,314	\$183,464	\$28,130
N	886	302	861	771
Permanent Resident	\$39,306	\$7,605	\$39,489	\$11,385
N	543	234	482	1117
Other Immigrant	\$10,978	\$5,810	\$13,885	\$3,588
N	163	56	160	752

Elder s' (65 or older) Median Wealth by Race and Immigration Status

	White	Black	Asian	Hispanic
Native-born	\$220,508	\$64,502	\$252,999	\$65,240
N	8989	1033	53	310
Naturalized	\$227,103	\$28,808	\$183,008	\$85,535
N	395	78	205	199
Permanent Resident	\$86,053	\$17,100	\$19,248	\$51,495
N	74	24	56	86
Other Immigrant	\$112,438	\$0	\$81,032	\$10,318
N	10	0	3	7