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Practitioner Essay

## Asian American Pacific Islander Economic Justice

Paul M. Ong

### Abstract

This essay examines economic inequality and poverty among Asian Americans and Pacific Islanders (AAPIs) and their participation in safety-net programs. Income and wealth disparities have increased dramatically over the last few decades, reaching levels not seen since the 1920s. One of the consequences has been an inability to ameliorate poverty, particularly among children. While Asian Americans have been depicted as outperforming all other racial groups, they have not surpassed non-Hispanic whites after accounting for regional differences in the cost of living. Moreover, a relatively large proportion of AAPIs is at the bottom end of the economic ladder. Many impoverished AAPIs rely on antipoverty programs to survive, but most still struggle because of a frayed safety net. Many experts believe that inequality will persist or worsen; consequently, it is likely that the absolute number of poor AAPIs will grow over the next quarter century. Addressing the problems of societal inequality and AAPI poverty will require political action to rectify underlying structural and institutional flaws, and a renewed commitment to ensuring all have a decent standard of living.

### Introduction

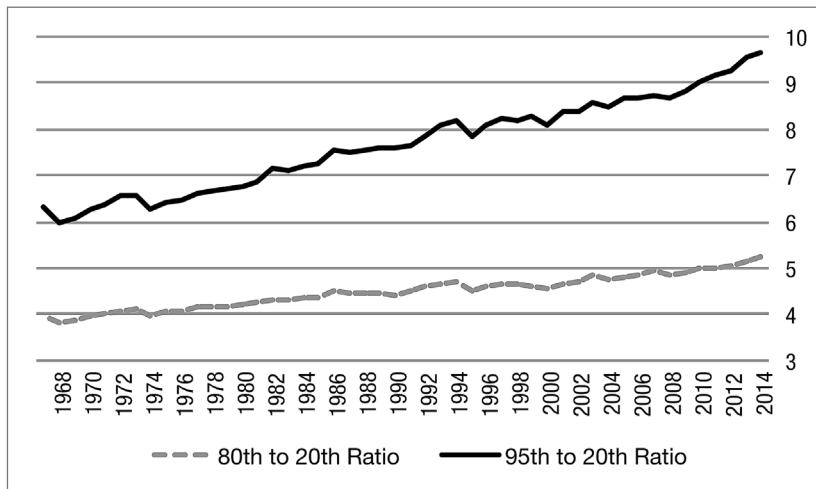
This essay examines issues of economic inequality and poverty among AAPIs, with an eye to economic justice policies, particularly those related to the safety net. The essay starts with a discussion of national trends related to the growing gulf between the rich and poor, and implicitly the stagnant and shrinking middle class. An inherent part of economic disparity is the existence of an impoverished segment, and the United States has had mixed results in ameliorating poverty. The next section examines the most recent version of the “model minority,” which takes the form of Asian Americans out-performing non-Hispanic

whites (NH whites). This overly simplistic notion is wrong conceptually and empirically, and it obscures an important reality of the relatively large proportion of AAPIOs at the bottom end of the economic spectrum. The subsequent sections provide insights into the nature of AAPIO economic inequality and poverty, in particular the relationship between poor AAPIOs and the safety net and the set of public and nonprofit programs designed to help the disadvantaged. Many poor AAPIOs still rely on these programs, despite the fact that the safety net is becoming more and more frayed. The essay concludes with some thoughts on the future of inequality and poverty, and the work that is needed to rebuild the safety net and address inequality.

### Inequality and Poverty

The last half century has witnessed a widening of the gap between the “haves” and the “have-nots” in the United States and globally. Despite overall economic growth, we are reaching levels of inequality not seen since 1928 (Saez, 2013; Stone et al., 2015). Figure 1 shows the growing economic disparity.

Figure 1. Income Inequality (Household Income Gap)



Source: DeNavas-Walt and Proctor, 2015

While there were minor year-to-year fluctuations, the overall secular trend has been upward. The 80th-20th ratio captures the income gap between the top fifth and bottom fifth of all households.<sup>1</sup> A larger ratio indicates a greater disparity. Between 1968 and 2014, that index increased

from 3.2 to 5.2. Even more troubling is the increase in income spread between the top 5 percent and the bottom fifth (95th-20th ratio), which climbed from 6.0 to 9.6. Much of the inequality we see is a result of disparities in earnings. An extreme but illustrative example of inequality can be seen in the CEO-to-worker pay ratio, which increased from 58 in 1989 to 352 in 2007 (Mishel and Sabadish, 2012).

An equally important element of economic inequality is wealth disparity, which is substantially more maldistributed than income. Financial and tangible assets have always been highly concentrated, and have become more so in recent decades. For example, the share of wealth held by the top 10 percent increased from 63 percent in 1963 to 73 percent in 2009, while the share held by the bottom half of the population fell from a low of 4 percent to only 2 percent, respectively (Kennickell, 2011). Recent data also show that the richest 5 percent of households control the majority of stocks (Wolff, 2012). Moreover, there is a pronounced racial dimension to the wealth gap, with minorities having markedly fewer assets than whites (Shapiro, Meschede, and Osoro, 2013).

Poverty represents the bottom end of inequality and has been of primary policy concern because being impoverished is defined as not having sufficient income to support a socially acceptable standard of living. Being in poverty status is defined as those falling below the federal poverty line (FPL), which is \$11,770 for an individual and \$24,250 for a family of four in 2016. The nation's ability to lift people out of poverty has been rather mixed. From 1959 to 1973, the poverty rate decreased by more than half, falling from 22.4 percent to 11.1 percent, due to a combination of trickle-down economics and antipoverty programs. Subsequent years, unfortunately, have witnessed a reversal, with the rate climbing to a high of 15.2 percent. Since then, the rate has fluctuated with the business cycle, and has hovered around 14 percent to 15 percent. The elderly have fared much better, with their poverty rate declining by more than two-thirds, from more than 35 percent in 1959 to less than 10 percent in recent years. Children have not fared as well. While their rates initially fell from 27.3 percent in 1959 to a nadir of 14 percent in 1969, the rate has increased, with about one-in-five living in poverty over the last decade (20 percent).

Poverty also has a spatial dimension. The poor have become increasingly segregated. Since 2000, the number of persons residing in poor neighborhoods (where more than 20 percent of the residents are below the FPL) increased by a third (Kneebone, Nadeau, and Berube, 2011), and there has been a corresponding increase for those living in

extremely impoverished neighborhoods (where more than 40 percent of the residents are below the FPL) (Aliprantis and Oliver, 2011; Bishaw, 2011). Research has shown that this spatial divide tends to persist over time and across generations (Sampson and Sharkey, 2008; Wilson, 1987).

### AAPIs' Problematic Economic Position

How AAPIs, particularly Asian Americans, fit into the structure of economic inequality has been contentious and overly simplified. Much of the debate has focused on racial disparities, with analysts and the media depicting Asian Americans as being the most successful, even more so than NH whites. Some have interpreted this purported accomplishment as evidence that the United States remains a land of opportunity, so long as one puts in the required personal effort and adheres to the correct cultural values, enabling this minority group to overcome racial discrimination.

The depiction of Asian Americans being at the top of the racial economic ladder has been widely portrayed by the media. For example, *The Atlantic* reported when breaking down census data by race, "Asian Americans continue to lead in household income" (Lam, 2014). The same images are used to depict racial differences in wealth. One Bloomberg article clustered Asian Americans with whites, opposite blacks and Hispanics, emphasizing that Asian Americans have performed better than all other groups (Sunstein, 2015). According to CNBC, this trajectory would eventually "eclipse whites as the wealthiest group of Americans" (Lee, 2015). Of course, these media reports are not simply an imagined stereotype, but are based on research conducted by reputable organizations such as the St. Louis Federal Reserve Bank (Boshara, Emmons, and Noeth, 2015) and Pew Research Center (Kochhar, Taylor, and Fry, 2011; Pew Research Center, 2013a; Pew Research Center, 2013b). In addition, these and other researchers have relied on data from the U.S. Census Bureau and other governmental agencies. This "model minority" stereotype is not new (Petersen, 1966, 180), and "model minority 2.0" has further elevated Asian Americans to a lofty pinnacle that has negative rhetorical implications for other minorities and socioeconomic policy.

The problem is not that the statistics are manufactured, but that reporters and researchers fail to adequately disaggregate the data (Ong, 1993, 1994; Watanabe, 2015). On a conceptual and theoretical level, the stereotype fails to recognize a crucial and pivotal factor. Asian American success is fundamentally rooted in the legal construction of the population, where immigration regulation and practices favored the highly

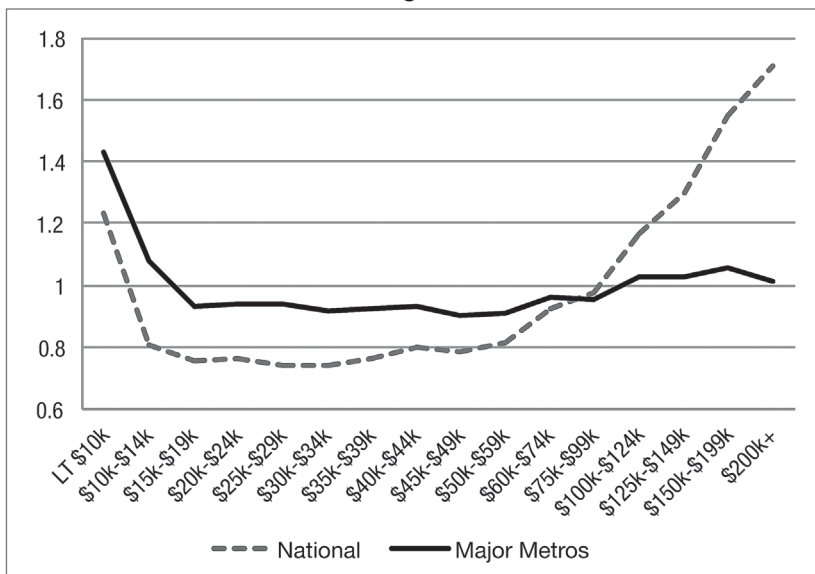
educated (Hing, 1993; Lee and Zhou, 2015; Ong, Bonacich, and Cheng, 1994). This creaming of the top echelon and educational elites of Asia translates into the development of an economically successful Asian American population. Moreover, the stereotype fails to acknowledge that many Asian Americans continue to face both wage discrimination (race and gender) and a glass ceiling.

A more careful analysis of the data reveals a much more nuanced picture. Geographic distribution is an important factor because AAPIs are highly concentrated in major urban areas. Nine consolidated metropolitan areas (Boston, Chicago, Honolulu, Houston, Los Angeles, New York, San Francisco Bay Area, Seattle, and Washington, D.C.) house more than three-fifths (60 percent) of AAPIs (alone) but only a little more than a quarter of non-AAPIs (26 percent). One important economic reality is that firms in these large metropolitan areas must offer higher compensating wages to offset higher cost of living, particularly higher housing cost (Renwick, 2011). Consequently, it takes more income in these locations to maintain the same standard of living. Average household income in these metropolitan areas is more than a quarter higher than for the nation (27 percent), but the cost of living is even higher. The net result is that comparing AAPI and NH whites at the national level is inherently biased. While median Asian American household income is about 25 percent more than median NH white household income using national statistics, it is on the average only 3.5 percent higher in the nine metropolitan areas. In Los Angeles and New York, which have the two largest Asian American populations, it is 3.7 percent and 4.5 percent lower. Pacific Islanders are even lower. Using national statistics, median Pacific Islander household income is 10 percent lower than that for NH whites. In the nine consolidated areas, it is 22.8 percent lower. The geographically adjusted statistics hardly show that AAPIs are “out whitening whites.”

Another major blind spot in the “out whitening whites” narrative is the enormous economic heterogeneity within the AAPI population, which in turn make AAPIs disproportionately overrepresented at the bottom relative to NH whites. This can be seen in Figure 2, which reports the parity index by household income categories nationally and for the major metropolitan areas. The index is calculated as the percent of AAPI households in that category divided by the percent of NH whites in that category. For example, 7.2 percent of all AAPI households in the nation and 5.9 percent of all NH white households in the nation had less than \$10,000 in annual income, and the corresponding parity index (AAPIs relative to NH whites) is 1.23. In other words, AAPIs are

overrepresented at the bottom end. National data also show that AAPIs are overrepresented at the high end. This duality can be interpreted as AAPIs being more bimodal in income distribution relative to NH whites. The numbers for the nine metropolitan areas reveal a different picture. AAPIs are overrepresented in the two bottom income categories and minimally overrepresented in the top categories. In Los Angeles and New York, AAPIs are on the average slightly underrepresented in the top categories.

Figure 2. AAPI-NH White Parity Index by Household Income Categories



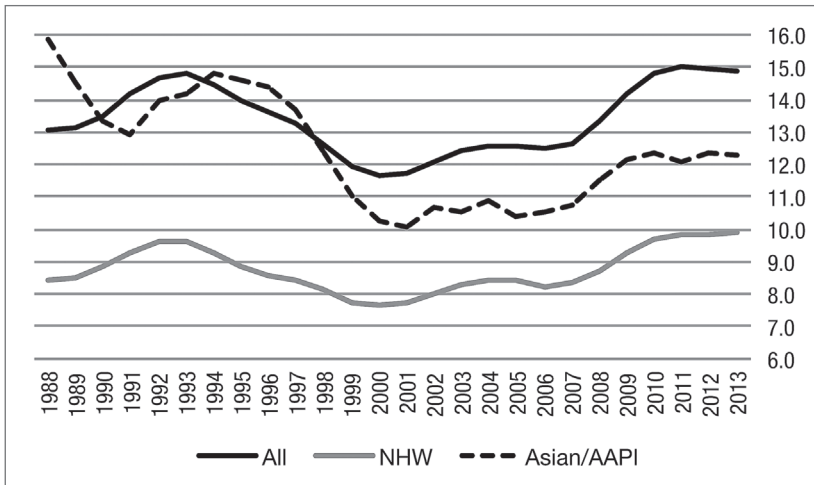
Source: Tabulations by author from 2011–2013 American Community Survey Data

Analyzing temporal change in household income reveals that the inequality among AAPIs has increased, much like that for the nation as a whole. This analysis uses the same income indicators introduced earlier in the essay to discuss inequality in the United States. The AAPI ratio between the 80th and 20th percentiles increased from 5.0 in 1999 to 5.36 in 2014, and the 95th to 20th ratio increased from 8.8 to 10.0.<sup>2</sup> The increase in disparity is due to a decline in the 20th percentile (-2.4 percent in constant dollars) and an increase in the 80th and 95th percentile (4.6 percent and 10 percent, respectively). In other words, the national trend in growing inequality is also taking place among AAPIs.

### AAPI Inequality and Poverty

Overrepresentation at the bottom end translates into an AAPI poverty rate that is higher than for NH whites, although lower than for the total population (see Figure 3). The higher rates for all are driven up by the extremely high poverty rates among African Americans and Latinos (26 percent and 23.6 percent, respectively). The net result is that AAPIs occupy a middle ground between the dominant NH white population and other people of color. Combining all AAPIs into a single group, however, obscures significant differences in economic status among ethnic groups.

Figure 3. Poverty Rates



Source: DeNavas-Walt and Proctor, 2015

The AAPI rubric is a panethnic construction that was established in part for the purpose of collecting and reporting statistics for major racial categories, but this approach has severe limitations. As other authors in this volume have argued, it is important to disaggregate the data in order to understand the systematic internal diversity. Median income for Asian Americans range from a high of more than \$98,000 (Asian Indians) to a low of about \$35,000 (Burmese), a ratio of more than three to one. The ethnic disparity among Asian Americans in terms of poverty is even greater, with the rate for the most impoverished group being approximately six times that of the least impoverished one (41.5 percent for Burmese vs. 7 percent for Filipinos). Overall, median income for Pacific Islanders is considerably lower than that for Asian Americans, a difference of nearly \$20,000 or 28 percent of the Asian American



median, and the Pacific Islander poverty rate is 1.6 times as high. The ethnic differences among Pacific Islander ethnic groups are not as great as the ethnic differences among Asian American ethnic groups, but are nonetheless substantial, particularly for poverty where the highest Pacific Islander rate (Microneasians) is three times that of the lowest Pacific Islander rate (Fijians and Melanesians).

It is important to note that the economic status of the most disadvantaged Asian American groups is a by-product of our immigration policies. Many Southeast Asians came as political refugees who experienced extensive war traumas and lacked education and transferable skills. While the United States initially promised resources to help them to become economically self-sufficient (The Indochina Migration and Refugee Assistance Act, 1975; U.S. Department of Health and Human Services, 2012), most were abandoned to the welfare system, which failed to provide the appropriate programs to help them transition to meaningful employment (Ong and Ishikawa, 2006; Truong, 2007). The problem is not just the impoverishment of the first-generation refugees. Many refugee populations are experiencing intergenerational immobility, with a disproportionately high proportion of the 1.5 generation (the refugees who came to the United States as refugees) and second generation being trapped in the lower economic strata (Portes and Fernandez-Kelly, 2008; Portes and Zhou, 1993; Zhou and Xiong, 2005).

There are two other salient characteristics of AAPI poverty. First, poverty rates not only vary by ethnicity but also by age (DeNavas-Walt and Proctor, 2015). The 2014 rate for AAPI elderly is nearly twice as high as that for NH whites and one-and-a-half times as high as for the total population (15 percent, 8 percent, and 10 percent, respectively). Poor AAPI elderly tend to be immigrants with minimal retirement benefits. Second, although the rate for AAPI children is roughly comparable to those for NH whites and lower than for the total population (12 percent, 12 percent, and 21 percent, respectively), there are pockets of very high poverty among Southeast Asian and Pacific Islander children, with well more than a quarter living below the FPL. Third, AAPI poverty has a spatial dimension. Nearly half (48 percent) of AAPIs in poverty reside in poor neighborhoods, areas where at least one-fifth of all residents fall below the FPL. One in eight (13 percent) reside in “underclass” neighborhoods, areas where at least two-fifths of all residents fall below the FPL.

### AAPIs and the Safety Net

The economic and social safety net is critical to ameliorating some

of the hardships faced by the poor. Over the last quarter century, some antipoverty programs faced dramatic fiscal cuts and others have been transformed, due in part to shifting ideology about the role of the state in helping the poor. A primary example is the change in public assistance. For example, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 transformed the preexisting entitlement program (Aid to Families with Dependent Children, or AFDC) into a transition-to-work program (Temporary Assistance for Needy Families, or TANF). The number of families on AFDC/TANF dropped from 5.05 million in 1994 to 1.75 million in 2013 (Falk, 2016), and benefit amounts have declined by about a fifth to levels below 50 percent of the FPL (Center on Budget and Policy Priorities, 2015). The transition-to-work programs have been problematic for many because TANF failed to provide adequate support to prepare recipients for meaningful employment, while they have limited lifetime income assistance to five years. This is particularly true for female-headed families (*ibid.*). At the same time, the government expanded the earned income tax credit (EITC), a tax provision targeted to employed low- and moderate-income taxpayers. EITC is designed as an incentive for low-income people to stay off welfare by working, and it has an important countercyclical effect: partially offsetting earnings losses during economic downturns (Jones, 2014). Started in 1975, it is now the nation's largest antipoverty program (Ault and Bucknor, 2014), covering more than 27.5 million tax filers in 2014, up from 19.5 million in 1996 (U.S. Internal Revenue Service, 2015). Twenty-six states and the District of Columbia have established their own EITCs to supplement the federal credit. The average amount, however, is not substantial, and the national average was about \$2,400 in 2014, roughly a tenth of the FPL for a family of four.

Despite the decline in and transformation of the safety net, antipoverty programs are nonetheless important to poor AAPIs. Participation varies across both ethnic groups and programs. While there are no comprehensive statistics, it is possible to derive an overall sense of the phenomenon by mining several data sources. The American Community Survey provides information on cash assistance (welfare, primarily TANF) and food stamps. Eight percent of Asian American households and 22 percent of Pacific Islander households participate in food stamps, with rates varying by ethnicity, from a low of 7 percent to a high of 45 percent. Not surprisingly, food-stamp usage is correlated with the poverty rate, with a few exceptions due to cultural, linguistic, and eligibility barriers. The proportion receiving cash assistance is remarkably

low relative to poverty—2 percent of Asian American households and 6 percent of Pacific Islander households—not surprising given the re-trenchment associated with TANF. There are tremendous ethnic differences, corresponding to poverty rates, as well as other factors such as refugee status and exclusion due to exhausting lifetime benefits.

The 2015 March Supplement of the Current Population Survey provides information on EITC and the National School Lunch Program (NSLP). According to one estimate for the 2013 tax year, more than one million Asian American workers with 1.5 million children filed for EITC, with refunds averaging about \$1,400 (Center on Budget and Policy Priorities, 2015). Overall, 16 percent of Asian American households and 25 percent of Pacific Islander households reported having EITC income, compared with a national average of 16 percent. Not surprisingly, the rates vary systematically by ethnicity. NSLP lunches are provided free or at a reduced price for students from low-income households (for a family of four for the 2014–15 school year, below \$23,850 for free meals and below \$44,123 for reduced meals, with slightly higher thresholds for Alaska and Hawaii) (U.S. Department of Agriculture, 2014). This program is considered vital to learning because a hungry child is less attentive, with the additional benefit of improving children’s overall health. Roughly 8 percent of Asian American households and 18 percent of Pacific Islander households have at least one child participating, compared with a national average of 9 percent. Again, there are significant ethnic variations.

Another essential need is subsidized housing. Among Asian American households in poverty, 74 percent do not own a home, and the corresponding figure for Pacific Islander households is 80 percent. Among poverty renters, 67 percent of Asian Americans and 82 percent of Pacific Islanders pay more than 30 percent of their income for housing, and 54 percent and 61 percent pay more than 50 percent. Although accurate counts of the homelessness are elusive, the U.S. Department of Housing and Urban Development’s (HUD’s) Point-in-Time unduplicated count of sheltered and unsheltered homeless persons provides some insights. Asian Americans accounted for only 1.1 percent of those enumerated in 2015, far below its (Asian American alone) 5.5 percent of the total population. What is astonishing is that Pacific Islanders accounted for 1.6 percent, eight times the Pacific Islanders share of the total population (0.2 percent for Pacific Islanders alone). Equally disturbing is the fact that homeless Pacific Islanders are more likely to be “unsheltered” than all homeless persons (43 percent and 31 percent, respectively).

HUD provides rental housing assistance for about 4.7 million low-income families, elders, and persons with disabilities through three main programs: Section 8 housing choice voucher (HCV) (2.4 million), project-based rental assistance (1.2 million), and public housing (1.1 million). The HCV program provides subsidies to households renting from participating private landlords. The HCV program is considered a tenant-based program, allowing households the opportunity to select from available market units. For project-based subsidized housing, HUD contracts with nonprofit and for-profit housing developers to supply units to needy households, therefore subsidies are tied to units and housing sites, which limit locational choice. Public housing is rental housing owned and managed by public housing authorities, with units usually located in large multiunit complexes. For all three programs, households generally pay 30 percent of their income on housing, and the difference is subsidized. AAPIs do participate in all three programs. According to statistics from HUD, non-Hispanic AAPIs comprise 3 percent of those in public housing, 3 percent of those receiving HCVs, and 5 percent in project-based housing. Although participation has eased the housing burden on these AAPI households, we do not know if they are proportionately represented among subsidized residents (U.S. Department of Housing and Urban Development, 2016c). Moreover, it is likely that there are many more in need but unable to secure a unit. Housing needs far outstrip the number of subsidized rental units, thus forcing applicants to wait months and even years (Quigley, 2007; U.S. Department of Housing and Urban Development, 1999).

Given the spatial concentration of many poor AAPIs in economically disadvantaged neighborhoods, place-based antipoverty programs can complement the people-based strategies listed earlier. This is a community development strategy that targets resources, financial incentives, and capacity-building efforts to some of the most disadvantaged areas (Ong and Loukiatou-Sideris, 2006). The goal is to improve more immediate economic opportunities for adults and long-term educational achievements for children. At times, this approach incorporated efforts to increase civic and political engagement with the objective of giving residents more control. The place-based approach has been used by government in the form of model cities in the 1960s and early 1970s, and more recently as Empowerment Zones, Enterprise Communities and Promise Neighborhoods (Arnstein, 1969; Moynihan, 1969; U.S. Department of Education, 2016; U.S. Department of Housing and Urban Development, 2016a and 2016b). Private foundations have also supported

place-based efforts, starting with the Ford Foundation's pioneering "Gray Area" project in the 1950s and 1960s (O'Connor, 1996), and more recently by The California Endowment's "Building Healthy Communities" initiative, in 14 neighborhoods (The California Endowment, 2016).

AAPIs can benefit from place-based programs because they are in some of the targeted neighborhoods. For example, the Los Angeles Promise Zone includes Thai Town and the Thai Community Development Center (CDC) is a participating organization (City of Los Angeles, 2014). Over a quarter (26%) of the residents in the Saint Paul Promise Neighborhood are Asian Americans (Regan, 2012). Several of The California Endowment "Building Health Communities" sites contain substantial number of AAPIs. For example, they comprise about a fifth of the population in the San Diego and Long Beach target areas. The latter contains Cambodia Town, home to nearly 18,000 Cambodian (Pastor, Ito, and Perez, 2014). There is, however, a caveat. While AAPIs may be a part of place-based sites, they may not be participating at rates proportionate to their share of the population (Regan, 2012). Meaningful participation requires active cross-racial collaboration, a strategy that is challenging but very much needed.

### Future of Economic Justice

Although it is impossible to predict the future course of economic inequality and poverty, many experts and the general public do not foresee a bright future. The high level of inequality will continue and may even increase. This will create a crisis of the middle class due to the inability to maintain their previous standard of living (Erickson, 2014). There is also a belief that future generations will not be better off (Jones, Cox, and Navarro-Rivera, 2014). Growing inequality will trickle down to those at the bottom. According to Nielsen Media Research Firm, the near poor—households with less than 1.5 (times) the poverty line—will grow by more than 10 percent from 2009 to 2020, and by nearly 70 percent by 2050 (Anderson, 2009). According to one of the foremost experts on poverty projects: "the share of poor persons who are elderly will rise . . . many men will confront poverty in the years to come because of poor labor market prospects" and poverty will geographically disperse beyond the inner city (Plotnick, 2016). Even if income and wealth disparities do not increase, they are already at levels not healthy for society.

AAPIs will be trapped in this inequality trajectory. As we have seen, economic disparities and poverty are present within this population. If the current poverty rate continues, then the number of AAPIs

(alone) in poverty will grow from an estimated 2.2 million in 2015 to 3.7 million in 2040. Of course, this is extremely speculative, and many factors will alter the trajectory and future composition. There will be some improvements over the next few decades from continued economic assimilation of immigrants and the educational achievements of their children, but they may be swimming upstream against the larger economic current reproducing inequality. AAPI millennials are not immune from the forces that undermine the ability to do better than the previous generation, and older AAPIs face an uncertain prospect when they reach retirement age. While trying to precisely project is impossible, the number of poor AAPI will grow, and regardless of the future number, having so many impoverished is unacceptable for a wealthy nation that pledges “justice for all.”

Tackling poverty and other inequality challenges will require developing strategies that address the specific needs of AAPIs, while also embracing a broader social justice agenda. The following recommendations are based on both objective economic realities and normative values.

One, we rebuild the safety net. This is necessary to being a compassionate and fair society. As Mahatma Ghandi stated, “A nation’s greatness is measured by how it treats its weakest members.” This requires a commitment to redistribution to ensure a socially acceptable minimum standard of living, not because of pity, but because it is a form of social justice that we would want for ourselves in the absence of privilege. It is likely that AAPIs will continue to have unique needs, particularly among the elderly and children of AAPI ethnic groups who experience significantly high poverty rates.

Two, we expand opportunities by enhancing individual capabilities. On the long run, we must provide the skills and knowledge that enable all people to pursue meaningful careers and to provide for their families. This includes providing training for the most disadvantaged AAPI immigrants—particularly among the refugee groups—and ensuring equal access to quality education for all children.

Three, we directly address group-based inequality. Economic disparity is not defined solely as differences among individuals. Instead, it is structured along socially constructed groups, including along racial and ethnic lines (Omi and Winant, 2015). Social hierarchies are reinforced by a systematic and institutionalized web of mutually reinforcing discrimination in economic markets. Dismantling this system requires a commitment to policies rectifying past wrongs and protecting against biases.

Four, we reinstitute a more progressive tax system. The United States has one of the least progressive income tax rates among Western economies, and today's rates for the most affluent are significantly lower than in the 1970s (Greenstone and Looney, 2012). The purpose is to tax according to the ability to pay. Moreover, this approach is based on the belief that the economically successful should have an obligation to give back to the society that enabled them to become affluent.

Finally, we support policies that directly address the fundamental forces that have created the current unacceptable level of economic inequality. Not all forms of income and wealth are unacceptable, but there are market imperfections and regulatory failures that enable a few to unjustly accumulate unearned income and wealth. The magnitude and consequences of these structural problems are very evident in the financial gains made by Wall Street before the Great Recession and the devastation that was inflicted on millions during the foreclosure crisis. We should not allow this to happen ever again.

The preceding changes can only come about through concerted political action to move the policy needle. The nation is at a pivotal juncture where inequality, selective stagnation, and uncertainty about the future have created anxiety and anger among the majority of the populous. There is a real danger that demagogues will exploit this economic angst by targeting domestic and international scapegoats. Such a political movement could very well harm AAPIs. As a minority, we can find strength by aligning with others who adhere to a progressive agenda that honors an inclusive and just society. AAPIs should bring their concerns and priorities to the table, but we must go beyond narrow self-interest. The struggle will be hard, and we need to take advantage of the nation's democratic principles despite its plutocratic practice, particularly after the U.S. Supreme Court's "United Citizens," which has opened the political floodgate for the economically powerful to disproportionately influence elections. We and others must be the countervailing force, and this will materialize when we are strategically decisive.

### Acknowledgement

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## Notes

1. The 80th-20th ratio is calculated by dividing the income for a household at the 80th percentile (the amount that separates the most affluent top fifth or richest 20 percent from all other households) by the income for a household at the 20th percentile (the dollar amount that separates the poorest fifth from all other households). Data for 2014 can be used to illustrate how the ratio is calculated. For that year, the 80th percentile was \$112,262, and the 20th percentile was \$21,432, resulting in a ratio of 5.2. The 95th-20th ratio is calculated in a similar fashion using the income for a household at the 95th percentile to capture the economic status of the richest 5 percent of all households. In 2014, the amount was \$206,568, so the corresponding 95th-20th ratio is 9.6.
2. The ratios are based on analysis of the 2000 Decennial PUMS and 2014 ACS PUMS by author.

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