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**OPINIONS OF ASIAN AMERICANS AND PACIFIC ISLANDERS:
DEFICIT REDUCTION, ECONOMIC PRIORITIES
AND THE FEDERAL BUDGET**

**SUPPLEMENT TO *THE POLICY PRIORITIES AND ISSUE PREFERENCES
OF ASIAN AMERICANS AND PACIFIC ISLANDERS (SEP 25, 2012)***



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EXECUTIVE SUMMARY

The National Asian American Survey (NAAS) conducted the first nationally representative survey of the policy priorities and issue preferences of Asian Americans in 2008. In 2012, we conducted a tracking survey of Asian Americans and Pacific Islanders, with even more ethnic groups than in 2008 (Hmong and Cambodian, in addition to Chinese, Indian, Filipino, Vietnamese, Korean, and Japanese) and with the addition of Pacific Islander groups such as Native Hawaiians and Samoans. This report presents the results of 4,755 interviews conducted between July 30, 2012 and October 21, 2012.

The data on public opinion among Asian Americans and Pacific Islanders about deficit reduction, economic priorities and the federal budget reveal that:

- 67% of AAPIs support raising taxes on high earners to reduce the deficit.
- Support for raising taxes on high earners is significant (62%) even among those with household incomes more than \$250,000.
- Among national origin groups, support is strongest among Korean Americans (79%), Vietnamese Americans (72%) and Chinese Americans (70%).
- Close to one in four AAPIs report being worse off economically than a year ago.
- College debt and the cost of elder care are among the most serious financial problems faced by AAPI households.
- The top budget priorities for AAPIs are: public schools, health care, economic assistance to needy people, and social security.

POLICY OPINION ON ECONOMIC ISSUES

Deficit Reduction

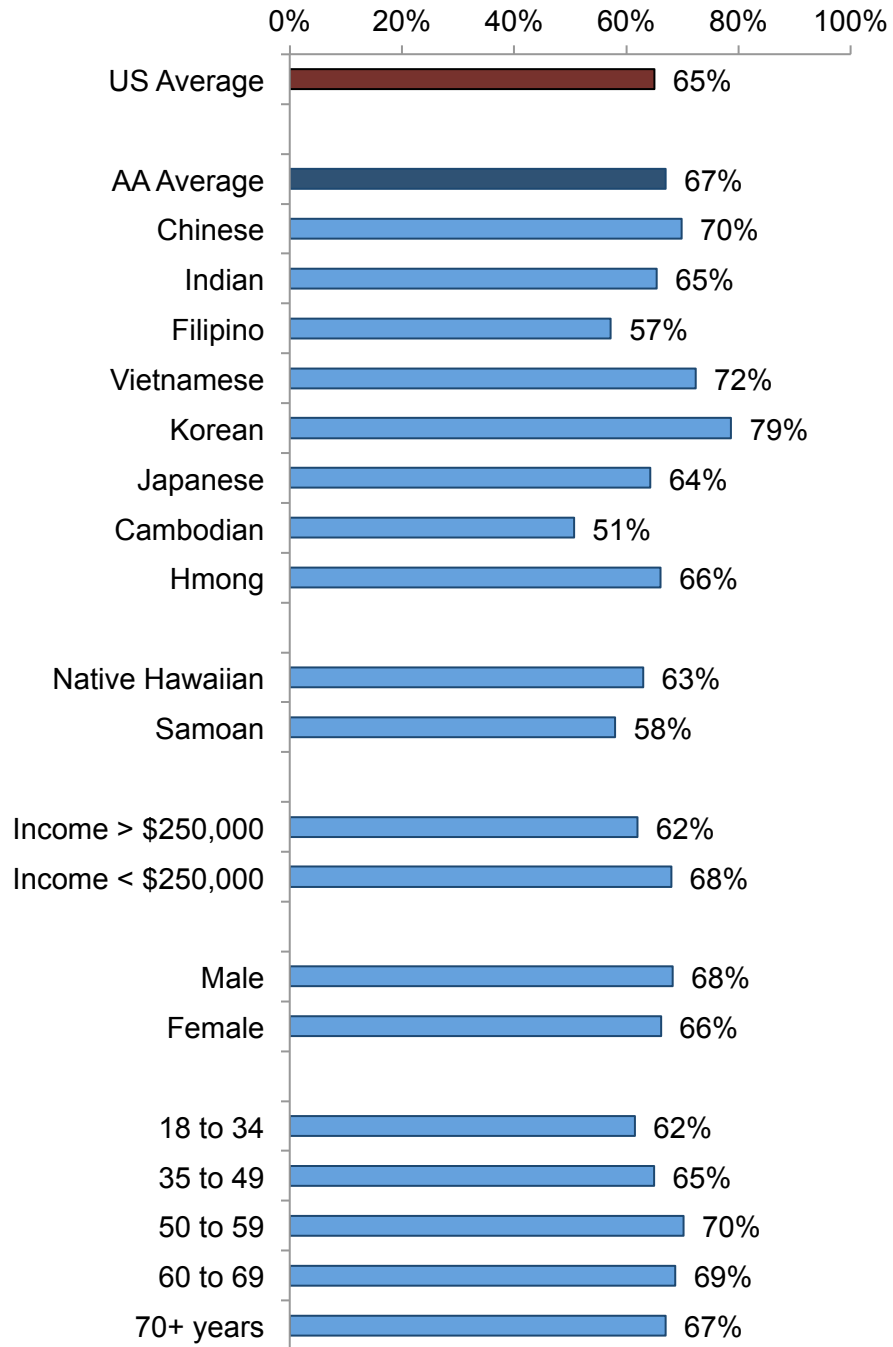
Deficit reduction policies are an important part of the lame duck Congressional session of 2012 and the early part of 2013, with the prospect of a so-called “fiscal cliff” of tax hikes and automatic spending cuts through sequestration. Much of the policy debate is defined by a clash of views over whether deficit reduction ought to be achieved primarily through revenue-generating policies, through cuts in existing programs, or some combination of both.

What are Asian Americans and Pacific Islanders' views on this issue? The 2012 NAAS asked two questions relevant to this debate. Respondents were asked, “In order to reduce the national deficit” whether the federal government should “raise taxes on those earning more than \$250,000 a year” or whether it should “rely only on cutting existing programs.” Mirroring a general national sentiment, two-thirds of NAAS respondents (67 percent) “somewhat” or “strongly” agreed with raising taxes on the rich (See **Figure 1** next page).¹ By contrast, only about one-third (35 percent) “somewhat” or “strongly” favored an approach that relied only on cutting programs (See **Figure 2** next page).

The support for deficit reduction by levying taxes on the wealthy is widespread across ethnic groups, gender, and age groups. Notably, even 62% of Asian Americans who reported earning a household income of more than \$250,000 in the last year supported this option, with 45 percent strongly supporting it and 18 percent somewhat supporting it. The “all-cuts” approach is broadly unpopular across income groups, gender, and ethnic origin. The one discernible pattern here is that elderly (70 years or older) Asian Americans are about twice as likely to support cutting programs (46%) as their 18 to 34 year old counterparts (24%).

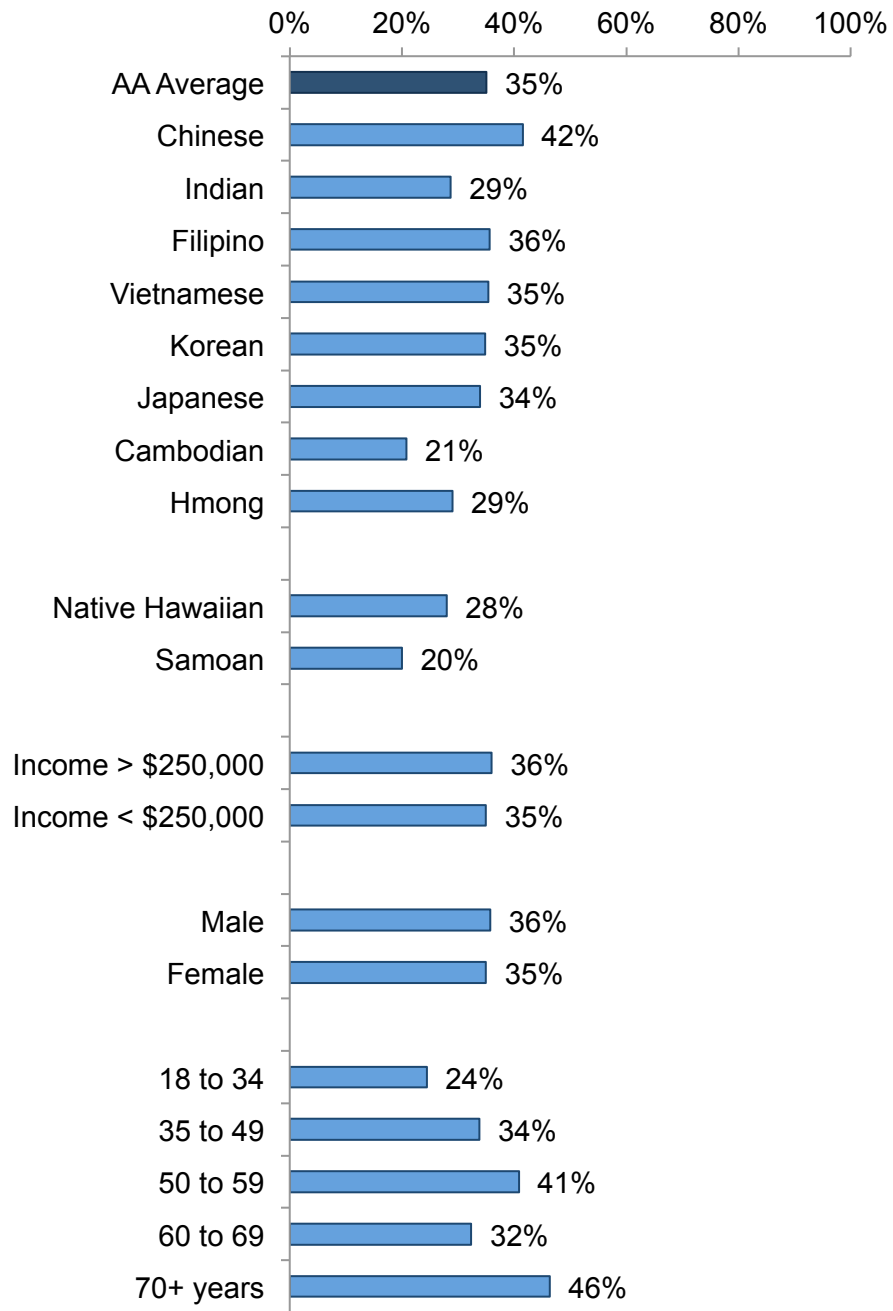
¹ In August 2012, a Washington Post/Kaiser Family survey indicated that 63 percent of Americans supported raising taxes to increase for households with incomes of \$250,000 or more. *The Washington Post-Kaiser Family Foundation Dimensions of Partisanship Survey*, August 2012. Accessed online September 2012 at <http://www.kff.org/kaiserpolls/8341.cfm>.

Figure 1: Support for Raising Taxes on High Earners to Reduce Budget Deficit²



² *The Washington Post-Kaiser Family Foundation Dimensions of Partisanship Survey*, August 2012, <http://www.kff.org/kaiserpolls/8341.cfm>.

Figure 2: Support for Reducing Deficit With Spending Cuts Only



Federal Budget Priorities

Part of the “fiscal cliff” debate involves questions about the spending priorities of Americans on matters ranging from defense to health care. Where do Asian Americans and Pacific Islanders stand on these issues?

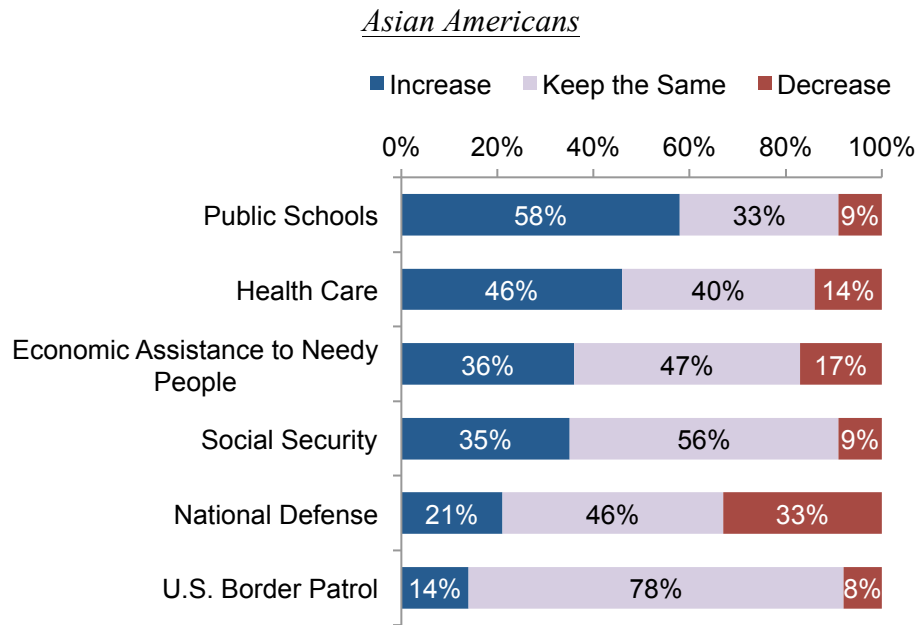
To get a better picture of federal spending priorities, we replicated questions that have been asked of the general population by the Pew Research Center. In February 2011, a Pew survey asked “If you were making up the budget for the federal government this year, would you increase spending, decrease spending or keep spending the same...” on 19 different programs, ranging from energy and scientific research to veterans benefits and environmental protection.

We used the same wording in our survey, but limited our inquiry to 6 program areas: 1) Social Security, 2) Health Care, 3) National Defense, 4) Public Schools, 5) The U.S. Border Patrol, and 6) Economic Assistance to Needy People. We present the results in **Figure 3** (see next page), with comparisons to priorities of the overall U.S. population where applicable.

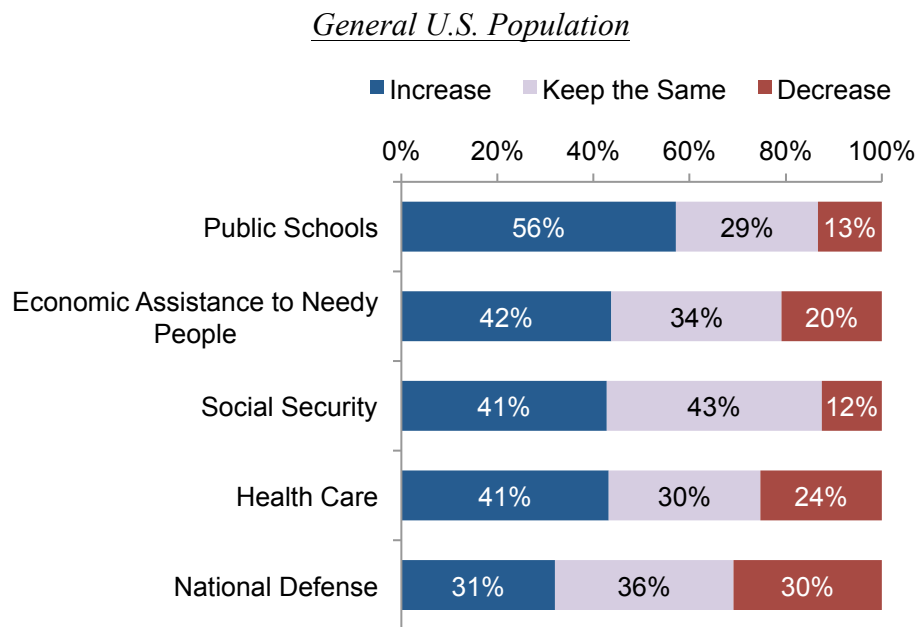
The top budget priorities for AAPIs are: public schools, health care economic assistance to needy people, and social security, with increases in education and health care spending receiving especially strong support (56% and 46%, respectively).

When comparing to the general public, we find that Asian American budget priorities at the federal level are similar when it comes to spending on public schools, with a nearly identical proportion wanting to increase spending (58% for Asian Americans, 56% for the general public). Asian Americans are more likely than the general public to prefer increases in federal spending on health care (46% vs. 41%, respectively). Asian Americans are slightly less likely than the general public to favor increases in spending on economic assistance for needy people and on social security. The biggest difference, however, is on matters of defense spending. Asian Americans favor decreasing defense spending over increasing it by a 33% to 21% ratio, while the general public is evenly split between increasing and decreasing spending on defense.

Figure 3. Federal Budget Spending Preferences



Source: 2012 National Asian American Survey



Source: Pew Research Center, *Changing Views of Federal Spending*, Feb 10, 2011

There are also some significant national-origin differences on these budget priorities:

On Social Security, Filipino Americans are most likely to favor an increase in spending (49%), while Korean Americans are the least likely to do so (24%).

On health care, Indians are the most likely to favor more spending (55%), while Vietnamese and Korean Americans are the least likely to do so (37% each).

On public schools, Korean Americans (37%) and Vietnamese Americans (44%) are less likely than the rest of the Asian American population to favor increases in federal spending, where support ranges from 57% among Chinese Americans to 71% among Hmong and Indian Americans.

Support for increasing government spending on assistance for the needy is higher among Hmong (46%) than the average for Asian Americans noted in Figure 1 (36%).

Finally, opinion among Native Hawaiians and Pacific Islanders (NHPIs) is similar to the averages for Asian Americans, with the exception of a higher preference for increasing spending on national defense (33%), Social Security (42%), and public schools (69%).

Personal Financial Situation And Effects Of Great Recession

At the very top of the list of issue priorities for Asian Americans and Pacific Islanders is the economy in general and unemployment and jobs more specifically.³ There are good reasons for concern about the differential effects of the Great Recession on minority populations. A recent study from the Economic Policy Institute, for instance, found higher rates of change in unemployment among Asian Americans with advanced degrees compared to their white counterparts.⁴ The 2012 NAAS asked its respondents a standard way of gauging personal economic well-being in surveys: “We are interested in how people are getting along financially these days. Would you say that you (and your family) are better off, worse off, or about the same as you were a year ago?”

Table 1. Personal Financial Situation Compared to One Year Ago⁵

	Better	Worse	Same
Asian Americans	19%	21%	60%
Chinese	18%	23%	59%
Indian	19%	14%	68%
Filipino	21%	19%	59%
Vietnamese	19%	27%	54%
Korean	15%	28%	58%
Japanese	19%	17%	64%
Cambodian	17%	19%	64%
Hmong	18%	32%	50%
Native Hawaiian	21%	23%	56%
Samoan	22%	21%	58%

Table 1 shows that -- notwithstanding the differential effects of the Great Recession -- most Asian Americans held their ground financially between 2011 and this year. Of those who did not report getting along “about the same” as last year, a modestly higher proportion (21 percent) reported worse conditions than the number reporting better conditions (19 percent). There are some noticeable differences between ethnic groups in how well Asian Americans are surviving through the Great Recession: Hmong, Korean, and Vietnamese Americans are most likely to report worsening financial times,

³ See our national report from September 25 *The Policy Priorities And Issue Preferences Of Asian Americans And Pacific Islanders*: <http://naasurvey.com/resources/Home/NAAS12-sep25-issues.pdf>

⁴ Algernon Austin, “Hidden Disadvantage: Asian American Unemployment and the Great Recession,” Economic Policy Institute Issue Brief #277 (May 28, 2010). Accessed online in September 2012 at http://www.epi.org/publication/hidden_disadvantage/

⁵ Don’t Know and Refused responses excluded

with 32, 28, and 27 percent, respectively, reporting that they were worse off than a year ago. The proportion of Native Hawaiians and Samoans reporting that they are worse off is about the same as for the Asian American population.

To delve more fully into the impact of the Great Recession on Asian Americans and Pacific Islanders, the 2012 NAAS also asked respondents if they had experienced a home foreclosure or been laid off or lost a job “since the economic crash in 2008.” Table 2 shows that one out of every 20 Asian Americans in our survey reported a home foreclosure and one in seven reported a job loss or lay-off. When the two measures are combined, 17 percent of Asian Americans either lost their house or their job since 2008, with about 2 percent losing both.

Some groups here are clearly hit harder: about 10% of Filipino Americans and 11% of Hmong Americans reported home foreclosures since 2008; job losses weigh most heavily among Cambodians (23 percent) and Hmong (20 percent). Hmong and Cambodians are also most likely to have been hit twice with setbacks: 5 percent of Hmong and 3 percent of Cambodians report having lost *both* their jobs and their homes since 2008. For Native Hawaiians and Samoans, the proportion reporting job loss is comparable to Asian Americans. For foreclosures, Samoans reported far higher rates than for Asian Americans (12%).

Table 2. Experiences with Foreclosure and Job Loss since 2008

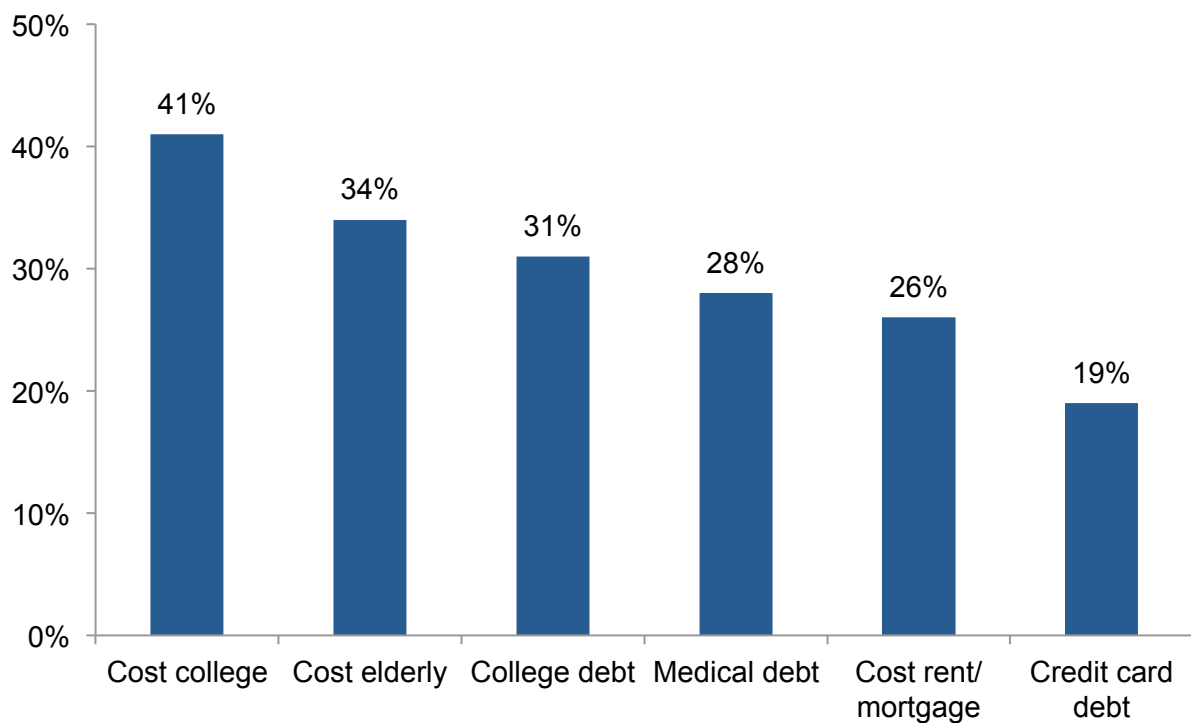
	Foreclosure	Job Loss
Asian American	4.9%	14%
Chinese	4.2%	17%
Indian	3.8%	11%
Filipino	10%	14%
Vietnamese	2.6%	12%
Korean	3.6%	14%
Japanese	0.9%	10%
Cambodian	8.5%	23%
Hmong	11%	20%
Native Hawaiian	5%	18%
Samoan	12%	14%

The post-2008 effects are also keenly felt in specific financial challenges and risks faced by Asian Americans. 2012 NAAS respondents were given a list of issues “people have mentioned as challenges they face” and then asked to assess “how serious of a problem each is for you and your family.” The list included the following sources of economic uncertainty -- the affordability of college, student loans or college debt, the cost of taking

care of the elderly, medical bills, credit card debt, and the cost of rent or mortgage. Worries about these various sources of financial stress are widespread.

As we can see in Figure 4, Asian American adults were most likely to identify their ability to afford college as a “very serious” problem (41%), with concerns about the cost of elderly care (34%), payment of student loans (31%), and medical bills (28%) following closely behind. Relatively fewer Asian Americans identified the affordability of rent or mortgage (26%) or credit card debt (19%) as “very serious” problems for them or their families.

Figure 4. Very Serious Problem Facing Household (Asian Americans)



APPENDIX

Methodology

This report is based on data collected from 4,269 telephone interviews of adults in the United States who identify themselves as Asian American, which in the broadest sense includes people with any family background from countries in Asia. We also conducted 486 interviews with Pacific Islanders. Interviews were conducted by telephone from July 30, 2012 through October 21, 2012.

The breakdown of the sample by ethnic background is as follows:

Cambodian	283
Chinese	706
Filipino	576
Hmong	264
Indian	797
Japanese	514
Korean	613
Vietnamese	516
Native Hawaiian	395
Samoan	91

Respondents were offered a choice of language to be interviewed in English, Mandarin, Cantonese, Hindi, Hmong, Japanese, Khmer, Korean, Thai, Tagalog, and Vietnamese. 41% of the sample was interviewed in a language other than English.

The randomly drawn list sample was obtained from TargetSmart with ethnicity coded by Ethnic Technologies (and Catalist for the Hmong sample, for which TargetSmart does not have an ethnic classification). The listed samples include those not registered as well as those who are registered. Registered voter lists are obtained from state registrars, matched to consumer information data, and updated for address changes. The party registration characteristics of our survey sample are in line with estimates from previous studies of Asian Americans in particular states. The survey was conducted by Interviewing Services of America, Inc. (ISA) of Van Nuys, California, under the supervision of Francine Cafarchia, John Roses, and Frank Weimer. Mobile phones were included in the dialing procedure. Interview translations were conducted by Accent on Languages of Berkeley, California, and audited by a team of bilingual staff in partner organizations.

Sampling error of the groups reported in this survey are as follows:

Overall sample of Asian Americans: +/- 2%

Overall sample of Pacific Islanders: +/- 5%

Asian Americans:

Chinese +/- 4%

Indian +/- 4%

Filipino +/- 5%

Japanese +/- 5%

Korean +/- 5%

Vietnamese +/- 5%

Cambodian +/- 6%

Hmong +/- 6%

Native Hawaiians +/- 5%

Samoans +/- 11%

Sampling error from the size of our sample is only one type of error possible in surveys like the 2012 NAAS. Findings may also be subject to variation from question wording, question order, and the time and date when the survey was conducted.

The sampling frame was drawn primarily from commercial vendor lists of “very likely” and “likely” Asians. We used Census data from the 2010 decennial census and the 2010 American Community Survey to set sample targets for ethnic sub-groups. Ethnic sub-group targets were set to provide adequate representation for the largest Asian American groups, but also to provide as much statistical power to as many groups as possible.

The findings in this report are weighted statistically to account for any demographic differences of interest between the sample and population parameters for analyses of the national Asian American population, as well as for subgroups of the population, on the following dimensions: size of group within a state, educational attainment, gender and nativity. Nativity was not included in the post-stratification weight calculations for Pacific Islanders, given the rarity of foreign-born NHPs in the population, and in our survey.

The National Asian American Survey is the collaborative effort of Karthick Ramakrishnan at University of California-Riverside and Taeku Lee at University of California-Berkeley. Questions about sample design should be directed to Karthick Ramakrishnan at karthick@ucr.edu.

Glossary of Terms and Concepts

Ethnic subgroups

Respondents in our survey were asked: “What is your ancestry or ethnic origin?” Those that specified an ancestry or ethnic origin to a prior question on racial identification were assigned that ancestry or ethnic origin. For response choices, we used the U.S. Census classification system of Indian, Chinese, Filipino, Hmong, Japanese, Korean, Vietnamese, and other national origins such as Bangladeshi, Cambodian, etc. Based on the distribution of responses in our survey, we report data on Chinese, Indian, Filipino, Vietnamese, Korean, Japanese, Cambodian, and Hmong.

For Pacific Islanders, we report data on the two largest groups for whom we have adequate sample sizes: Native Hawaiians and Samoans. We also targeted Tongans for interviewing, but do not have sample sizes large enough to report the data reliably.

ABOUT THE AUTHORS

This report, and all other reports and data from the National Asian American Survey are available online at <http://www.naasurvey.com/>.

Karthick Ramakrishnan is associate professor of political science at the University of California, Riverside. His research focuses on civic participation, immigration policy, and the politics of race, ethnicity, and immigration in the United States. Ramakrishnan directs the National Asian American Survey and is writing a book on the rise of state and local legislation on immigration over the past decade.

Ramakrishnan received his Ph.D. in politics from Princeton University, and has held fellowships at the Russell Sage Foundation, the Woodrow Wilson International Center for Scholars, and the Public Policy Institute of California. He has received several grants from sources such as the James Irvine Foundation and the Russell Sage Foundation, and has provided consultation to public officials at the federal and local levels. His articles and books on immigration and politics can be found at www.karthick.com.

Taeku Lee is Professor and Chair of Political Science and Professor of Law at UC-Berkeley. He has authored and edited numerous books on race and ethnic politics, immigration, political parties, and public opinion. Lee serves on the American National Election Studies Board of Overseers and on the Council of the American Political Science Association.

Lee studies political partisanship among Asian Americans as they compare to partisanship for whites, Latinos, and African Americans. He also specializes on the role that identity and civic engagement play in bringing Asian Americans into the political arena. Lee's work has earned him three book awards and several fellowships.

Together, Ramakrishnan and Lee have had extensive experience in survey design and analysis and expertise on public opinion and racial politics. They have collectively written 7 books and dozens of articles on racial/ethnic politics, and have conducted 17 surveys, eight of which have included multiple language support for Asian Americans. They have also overseen several successful research projects and their dissemination to policy-relevant audiences.