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Selected Poster 11935:

**Title:**

“The Role of Acculturation, Context of Reception and Capitals in the Economic Integration of Latino Newcomers to the Midwest in 2009”

By: Corinne Valdivia and Pedro Dozi  
University of Missouri – Columbia

*Poster prepared for presentation at the Agricultural & Applied Economics Association's 2010  
AAEA, CAES & WAEA Joint Annual Meeting, Denver, Colorado, July 25-27, 2010.*

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# The Role of Acculturation, Context of Reception and Capitals in the Economic Integration of Latino Newcomers to the Midwest in 2009



Corinne Valdivia and Pedro Dozi

Department of Agricultural and Applied Economics - University of Missouri

## Introduction

A significant economic factor in the growth of Latino immigration in rural areas during the 1990s (Lazos and Jeanetta) is the demand for labor from manufacturing and processing companies settled in the main beef, pork and poultry producing regions (Artz; Artz et al). This growth in non-metro regions has alleviated decades of population decline and contributed to the economic vigor of rural communities (Kandel & Cromartie, 2004). Knowledge of the factors that contribute to their process of integration is key to their wellbeing and the sustainability of rural communities. This study focuses on the factors that contribute to income earnings.

## Framework

The sustainable livelihoods model (Figure 1) the capitals context, and outcomes of strategies (Valdivia and Gilles), appropriate to the unique characteristics of Latino: ethnicity, being foreign born, often of rural origin, and varying levels of English ability, cultural norms of reciprocity and informal networks.

## Previous Findings & Hypotheses

Latino immigrants move in search of work mostly, and mobility has a negative impact on foreign born Latino's income (Valdivia and Dozi). The context of reception measures are hypothesized to have a negative effect on earnings (Dozi and Valdivia), while social capitals, education (Mincer; Chiswick and Miller), and acculturation (bicultural and assimilation) have a positive effect (Schaafsma and Sweetman; Zuiker et al.). Being a Latino woman is expected to have a negative effect on income earnings (Rabe; Nisic; Jacobsen and Levin).

Figure 1. Strengths Based Model

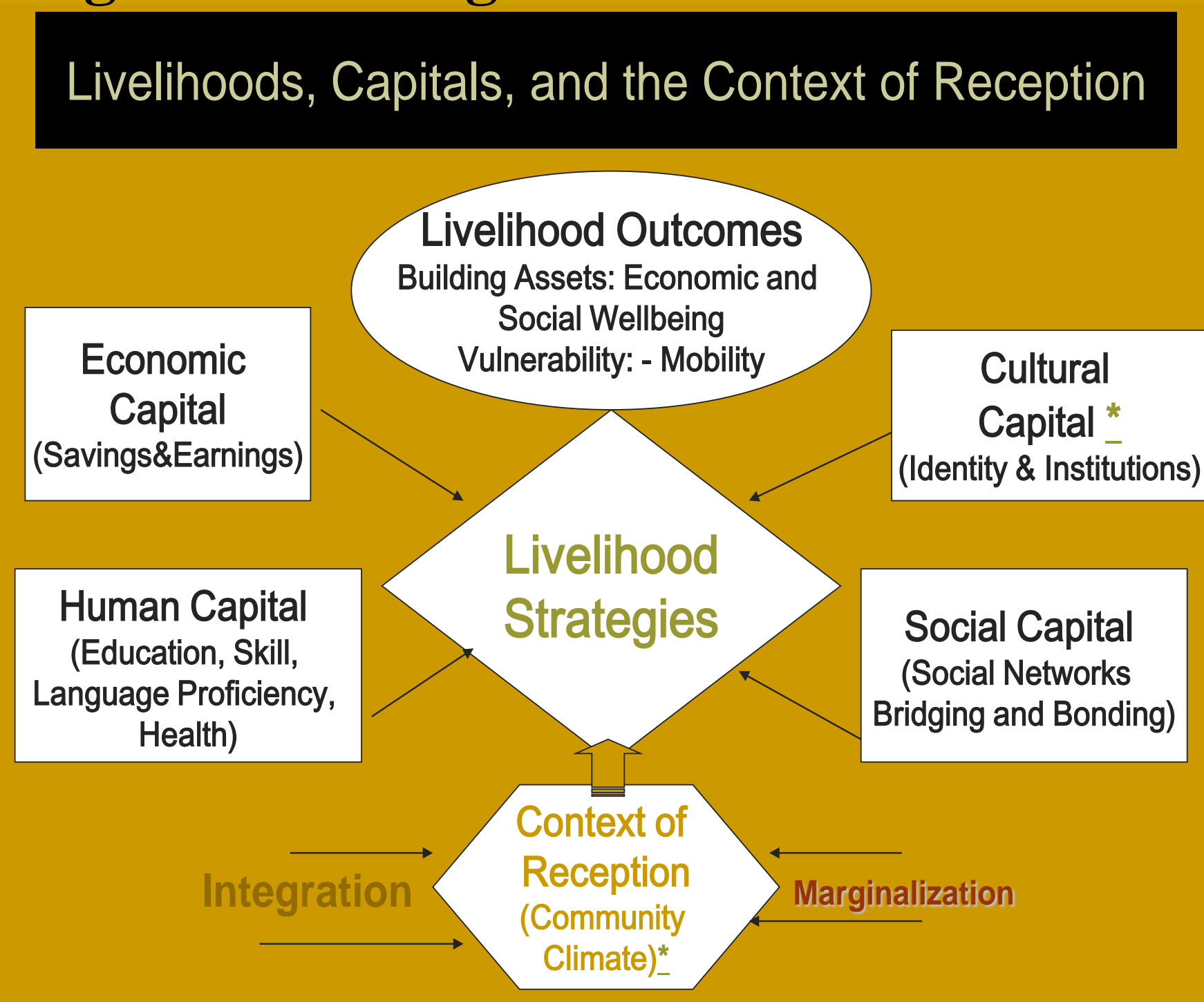


Table 1 Variables used

Variables	Description
Household income	Household yearly income \$, the contribution of all working members dollars
Age	Householder's age; measured in years
Gender	Householder's gender; 1 = Male; 2 = Female modeled
ResStatus	Residential status; self-reported – citizens modeled
Education	Householder's education; measured in years of schooling
Anglo Acculturation	Anglo acculturation; measures the Latinos affinity with Anglo culture in terms of language proficiency, use and media in English
Latin Acculturation	Latino acculturation; measures the Latinos affinity with own culture in terms of proficiency, use, and media in Spanish
Socio-Environment	Questions that measure how Latinos perceived the social environment in the community; average of 12 items
Racism and Discrimination	Questions to measure Latinos perceived experiences with discrimination and racism; average of 7 items.
Language Pressure	Questions assessed how Latinos perceived context of reception in terms of pressure to learn/use English; average of 6 items.
Bonding Social Capital	Strong ties; if they used their strong ties to access resources
Bridging Social Capital	Weak ties; if they used their friends to access resources
Linking Social Capital	Upward ties; if they used community resources for personal gain
Mobility	Householders who have moved; number of times moved in the US
IMR	Inverse Mill's Ratio; to correct for selectivity bias.

## The empirical model

$$Hi = \beta SC + \alpha Z + \gamma X + \varepsilon$$

Where:

$Hi$  is the income earnings of household  $i$

$SC$  is a vector containing three types of respondent's social capitals: (a) bonding; (b) bridging; and (c) linking accessed for emergencies, transport, job search, and lodging.

$Z$  is a vector of characteristics that include cultural capital (acculturation, identity, human capital, employment, age, gender and education)

$X$  a vector of three measures of the perceived Context of Reception;

$\varepsilon$  is random error term;

A semi-log OLS model is estimated with data from a survey of 460 households from three rural communities interviewed between 2008 and 2009.

Table 2 Regression results\*

Variable	B	SE	Beta	t	Sig
Constant	3.877	1.005		3.859	.001
Bicultural	.346	.199	.089	1.738	.081
Age	.027	.008	.169	3.523	.001
Mobility	-.082	.044	-.047	-1.864	.067
Anglo Acc	.710	.187	.181	3.803	.000
CR Racism Disc	-.090	.051	-.065	-1.764	.076
Bonding SC	.200	.074	.058	2.703	.029
Bridging SC	.409	.207	.117	1.974	.049
Female	-.089	.029	-.174	-3.111	.002

F = 5.053 ; Sig < .000; Adj R<sup>2</sup> = .120; N = 444; \* Only significant variables reported

## Results and discussion

Table 2 presents the results. Age has a positive effect on income. Mobility, as expected, has a negative effect on income, and so does one of the measures of context of reception, racism and discrimination. Being a Latina woman means earning less. Social capital –bonding and bridging– has a positive effect on income.

The results indicate that Anglo acculturation contributes to an increase in income earnings in this population, while Latino has no effect. Bridging and bonding capitals have a significant positive effect on income earnings. The results point to a positive role for networks in access to resources that impact on income earnings of the household. Additionally, it could be suggested that networks facilitate economic integration by providing temporary support for extended job search or suggesting better living and working places.

## Conclusions

In this study, we assessed the importance of context and capitals on economic integration of Latinos. The significance of Anglo acculturation points to the importance Latinos place on being part of the community. The impact of racism and discrimination points to the economic gains of addressing prejudice toward people of different culture. Social networks are alternative ways Latinos use to access resources. Policy makers and community members should take into account the economic impacts of these mechanisms if they are to improve economic integration of newcomers.

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Corinne Valdivia is associate professor, and Pedro Dozi is doctoral candidate & graduate research assistant, Department of Agricultural and Applied Economics, and Fellows of MU Cambio Center. Acknowledgement: This project was supported by National Research Initiative Grant no. 2006-35401-17429 from the USDA Cooperative State Research, Education, and Extension Service Rural Development Program, (AFRI at National Institute for Food and Agriculture). We are thankful to the communities and individuals that collaborated in this project "Asset Accumulation in 3 New Settlement Communities in the Midwest."