
*The New
Chinese America*

CLASS, ECONOMY,
AND SOCIAL HIERARCHY

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*Surviving Poverty in an
Ethnic Social Hierarchy*

BAOSHAN LI, A STOCKY, SELF-EMPLOYED construction worker in his mid-thirties, gained permanent resident status under the 1992 Chinese Student Protection Act. Nevertheless, he has not gathered the courage to apply for U.S. citizenship: the thought of being questioned by non-Chinese immigration officials is too intimidating. After twenty years in the United States, Li knows very little English, and he speaks Mandarin with a strong Cantonese accent. For that reason he is not entirely independent. Highly skilled in wood floor and ceramic tile installations, he gets work through Bob, the owner of a company selling carpet, wood flooring, and ceramic tiles. Like Li, Bob is also from China. Having immigrated to the United States from Guangdong province with his family as a teenager, he finished high school in California and graduated from a community college. His American education and the ability to communicate with people in English, Cantonese, and Mandarin give him the versatility that Li lacks. Starting as a construction worker himself a decade ago, Bob was able to get a job as a salesman for a building material company before going into business for himself. "You can say that I have been in the trade for a long time," he said. "To do well one needs to know the materials, the labor involved in installation, and the clients. Not everyone has that kind of knowledge; I had worked with all types of materials with my own hands."¹ In Diamond Bar in Los Angeles County, Bob's flooring materials have been in high demand since the boom of the housing market in the late 1990s. He is not Li's employer, but rather a labor contractor. Most of his merchandise is sold to homeowners, with labor performed by crews of construction workers like Li, and these workers give Bob a share of their earnings. Li thinks it is a fair

arrangement; it saves him the trouble of finding the work himself, and because he is a little shy, Li does not feel comfortable bargaining with the customers. The money Li makes is not bad, especially because most of it comes in cash. He lives in a rented room, goes to work in the morning in an old Toyota truck, and picks up take-out Chinese food for dinner in the evening. He sends money regularly to his parents in China and is saving more so that his brother there can get married. After that, Li said he might go home for a visit—his parents are eager to find him a bride.² That Li has a green card makes him a very eligible bachelor in China.

Li works at his customers' job sites, moving from one to another with his apprentice Lao Wu (old Wu), a former factory worker from Tianjin. The apprentice is about ten years Li's senior, but he treats Li with unquestionable respect, addressing him as "master" (*shifu*). The skinny Wu likes to talk, if the subject is not about himself; up to now, he is not sure whether the move to the United States was a wise one. To finance their trip, Wu and his wife Fei sold their own apartment and that of her parents, and they borrowed a substantial amount of cash from friends and relatives.³ The travel documents they purchased to gain entry to the land of opportunity have long expired. With neither marketable skills nor work permits, they depend entirely on jobs within the ethnic community. The couple went to New York City first, where Wu worked in restaurants. By the time they moved to Los Angeles two years later, he had made up his mind to never go back to restaurant jobs again. "Hardship I can endure," he said, "but at my age, being bossed around and bullied day after day is difficult, mentally. So here I am, learning a trade from Master Li, humbly."⁴

Wu's wife, Fei, is a *yuezi gong*—a live-in nanny for women with newborn babies. Chinese tradition requires women to be confined in bed for a whole month to recover after they deliver their babies. Middle-class women whose parents or in-laws are unavailable in the United States often hire domestic workers during this period, and undocumented women like Fei come in handy. A *yuezi gong* gets paid twenty percent more than a regular nanny and receives room and board for free. Even though she has to work around the clock seven days a week taking care of both the mother and the infant, Wei continues to do it because she needs the money badly. The main problem is that each job she gets lasts for only a very short period of time, forcing her to move often.

Fortunately, there is a high demand for her service in southern California. The employment services sometimes call her for interviews for new jobs before she finishes the previous one. However, Fei does not have job security of any kind. Once she took a job in an affluent neighborhood in Orange County. The pregnant woman was expecting in two weeks and promised to hire Fei for at least three months. But less than a week after Fei started, the employer's mother came from Hong Kong. The old lady was not happy about Fei's receiving a yuezi gong's wage before the baby was born, and she persuaded her daughter to hire an hourly paid maid instead. Fei was given a day's notice to leave.

It is ironic that Fei works as a yuezi gong taking care of other people's children, while she cannot even afford to take care of her own baby. A year after Fei came to America, she got pregnant unexpectedly with her second child; her twelve-year-old daughter was still in China with Fei's parents. Eager to go back to work, she paid a traveler \$1,000 to carry her then three-month-old son to board an airplane in Los Angeles, to be picked up by Fei's parents at Beijing International Airport. Three years after their arrival to the United States, Wu and Fei are still deeply in debt.

Li, who lives not too far away from Wu and Fei, has become the couple's closest contact. He offers Wu rides to work, and hands his own cell phone to Wu when Fei calls. He loaned the couple money when their son arrived. And when Fei gets fired, it is Li who comes to console Wu. "Don't worry," he said in a soft tone. "She has worked too hard. She deserves a break. I will drop her off at the employment service before we start to work tomorrow. It won't take her long to find another job. Don't worry too much; things will get better."⁵

The belief that things will get better keeps Wu and Fei going. Wu has good reason to anticipate improvement, but he also understands the limited possibilities and sets his goals practically and realistically. His dream is to become a master of his trade with a license like Li, to gain legal status in the United States (both he and Fei are waiting for asylum hearings), to clear all his debt, and to bring their children over. "As my wife put it," said Wu, "we would ask for nothing more if our children could attend colleges in the United States."

Wu and Fei's experiences, as well as Li's, are shared by hundreds of thousands of Chinese immigrants. Although many of them have

already improved their situation, middle-class status remains beyond their reach. The 2000 census calculates a national poverty rate of 12.4 percent. Although the 12.6 percent rate for Asian Americans is close to the national average, it is significantly higher than the 8.1 percent rate of non-Hispanic whites. Though more and more Chinese Americans have achieved social mobility, a decline in the poverty rate is yet to be seen.⁶ The Taiwanese American population in America has perhaps the highest rate of well-educated and well-off individuals among ethnic Chinese groups, but at the same time, the percentage of Taiwanese immigrant families below the poverty line is still much higher than that of non-Hispanic whites.⁷ Moreover, the actual poverty rate of the Chinese American population would probably be higher than the census reflects if all undocumented immigrants were counted. Though it is a rising tide full of opportunity, the Chinese ethnic economy clearly does not lift all boats equally.

The central concern of this chapter is the role of the ethnic economy in social mobility. Are individual Chinese Americans of various socioeconomic and legal backgrounds allowed the same opportunities to work within the system? If not, does the economy actually determine Chinese Americans' opportunities and encourage social hierarchy? I argue that the unconditional dependencies of laborers on their coethnic middle-class employers isolate the laborers from the mainstream job market. Instead of promoting mobility for everyone and narrowing class differences, the Chinese ethnic economy actually works to further polarize members of the community.⁸

HOUSING AND POVERTY

Researchers have defined poverty in different ways. The U.S. Bureau of the Census calculates the poverty rate based on family income in relation to the size of the household. This measurement is quite reliable for documented individuals and families with recorded income, but does little to include undocumented immigrants or reflect activities in the informal economic sector. Homeownership and neighborhood location offers an alternative measurement to differentiate middle-class Americans from impoverished ones. As Stephan Thernstrom discovered in his study on mid-nineteenth-century Newburyport, Massachusetts, middle-class families lived in their own houses, while the laboring-

class families rented.⁹ In *Class and Community*, Alan Dawley also found that nineteenth-century shoemakers in Lynn, Massachusetts, could not afford to purchase homes. With supplemental income from three older children and his wife, for example, one worker rented a seven-room house in a town of small and large factories.¹⁰ The development of urban neighborhoods along class or ethnic lines in late-nineteenth- and twentieth-century America has drawn much attention from researchers on race and poverty. In these studies, Chinatowns in San Francisco and other American metropolitan areas are described as filthy urban slums, similar to African American communities in New York's Harlem and Chicago's South Side.¹¹

Although still more urban than average Americans, the vast majority of Chinese Americans are no longer residents of inner-city ethnic enclaves. New York, San Francisco, Los Angeles, Honolulu, and San Jose are cities with large Chinese populations, but their proportion of Chinatown residents has declined significantly. New York City's Chinatown accommodates 14 percent of the Chinese population in the city, but only 8 percent of San Francisco's Chinese and 2 percent of Los Angeles' Chinese reside in Chinatowns.¹² More and more Chinese Americans are apparently suburban dwellers. Even the new Chinatowns developed since the 1980s, as some scholars have argued, are strikingly different from the old ones. No longer urban slums, these ethnic neighborhoods have suburban and middle-class outlooks, and they are an integral part of the multicultural and multiethnic American society. Geographer Wei Li terms these ethnic clusters "ethnoburbs" to make exactly this point.¹³

The geographic distribution of the contemporary Chinese American population allows scholars to reassess the new Chinese America in terms of its class compositions. Most amazing is the fact that a large number of new immigrants are able to disappear into the suburbs as soon as they arrive. Although the process of suburbanization of middle-class Chinese Americans began before 1965, immigrants' bypassing traditional primary centers of initial settlement is a relatively new phenomenon. Some scholars are quick to conclude that because the proportion of immigrants who have made their first homes in Chinatowns has shrunk over the years, most of the newcomers must have possessed sufficient resources to bypass the inner city and settle in affluent middle-class suburbs.¹⁴

Although housing and area of residence are important indicators of wealth or lack of wealth, neither homeownership nor residential location permits quick judgment of economic status for a population of complex backgrounds and social relations.¹⁵ It takes time for newcomers to purchase homes. A market of overpriced real estate properties in the late 1990s and early 2000s made the American dream of homeownership beyond reach for many middle-class families, while the instability of the American economy in more recent years probably encouraged some potential buyers to wait. In other words, it is not unusual for middle-class Chinese American individuals or families to rent their homes. Although it is logical to assume that poor Chinese Americans are less likely to own homes or rent in upscale residential areas, drawing conclusions along neighborhood boundaries overlooks the intricate ways that immigrant laborers find shelter. The multifarious relationships between middle-class Chinese Americans as employers and landlords on the one side, and their coethnic laborers and tenants on the other, require an exploration of the economic status of individuals and families beyond a quick glance of where they reside, for the realities of living patterns of immigrant laborers are far more complicated than they appear to be.

Individuals and families decide where to live for different reasons. For many newcomers, finding affordable housing is as important as finding a job. The income of a Chinese immigrant laborer at the beginning of the twenty-first century is not sufficient to cover rent for an entire house. In many areas, laborers are not making enough money to rent a whole apartment. Although middle-class families find suburban living more desirable, others are probably driven away from Chinatown housing simply because they cannot afford to live there. Government-subsidized housing units are so few in old Chinatown neighborhoods that even in the late 1970s qualified applicants would remain on the waiting list for five to six years before they could move in.¹⁶ To view old Chinatowns as urban slums is itself problematic, as the amenities of such ethnic neighborhoods have pushed real estate values up drastically in recent decades. Across the bay from San Francisco in Oakland's historic Chinatown, for example, modern apartment complexes erected since the late 1980s have attracted middle-class buyers who prefer to live in urban Chinatown than in the suburbs. Meanwhile, even as their

middle-class neighbors drive up the cost of renting in Chinatowns, easy access to jobs is still the main draw for Chinese laborers, so many live in overcrowded, old buildings.

The high cost of Chinatown housing compels laborers to share their living space with unrelated individuals or families. Baoshan Li, the master flooring installer, rents a bedroom in a small house. He has a television in his room with satellite cable to watch Chinese-language programs, and he shares the kitchen and bathrooms with two other families. "I snore loudly; nobody can stand it when I sleep," he said. Even so, until he paid off his debt he did not have a room of his own.¹⁷ To Jenny Yi, a hotel clerk who also holds a part-time job in a restaurant, having a room to herself is a big luxury: "I like to read a little in a peaceful place or talk to my mother privately. In my room, no one bothers me." Although the \$800 monthly rent consumes about half of her income, after working for twenty-five years in the United States, Yi felt it was important to enjoy a different lifestyle than the one she had in her early years in this country.¹⁸

To many laborers who do not have a stable income, the luxury of having their own room is beyond reach. A day laborer in his mid-thirties in Flushing, New York, shares a bedroom with another immigrant in a three-bedroom apartment. The other two bedrooms are taken by two unrelated families; each of them has a young child. He said, "My wife and son are not here so I don't need much space. I share a room with a guy from Dongbei (northeast China), which is not that bad. I don't cook much and rarely use the living room. It is better to make some room for the children. I am not eager to go home after dinner because it is noisy there until late at night."¹⁹ Ping, who works in two Los Angeles Chinese restaurants for sixty-five hours a week, makes about \$2,000 a month, but she tries to put some money aside just in case: "I got sick last spring and worked very little for almost three months. I almost had a mental breakdown at the time because I still had to pay \$400 rent each month. In L.A., no one in my shoes would pay \$1,000 for rent."²⁰

Working at two part-time jobs in southern California, a woman slept on the couch in the living room of a one-bedroom apartment for two years. The couple who rented the apartment paid \$1,100 each month and charged her \$450. That was about the cheapest housing she could get in a town of affluent middle-class Americans. Because the rental

agreement did not allow the couple to add additional tenants, she was told not to talk to the neighbors, and she was not allowed to have visitors. She knew she would have to move out once her husband and son came to the United States. Not knowing how much her husband would be able to make, she was horrified by the thought of having to pay rent by herself, and tried to get into a homeless shelter. She did rent eventually, but a few years later, after she and her husband were divorced and she moved to Arizona to start a new job, her seventeen-year-old son ended up in a homeless youth shelter.²¹

The worst living conditions are found in family motels. In Monterey Park, Los Angeles, Lao Wu and Fei take long-term shelter in a motel converted from a two-story single-family house. The owner of the property, a Chinese from Vietnam, resides two blocks away; the motel tenants are mostly from mainland China. For ten dollars a day, the couple gets a room that is big enough to squeeze a double-size mattress and a small television into, and they share a kitchen and two-and-half bathrooms with two dozen other tenants. At one point, Wu recalled, the house was occupied by thirty-two individuals. On his day off and when Fei is away, Wu likes to purchase a pound of shrimp. He waits for his turn to cook and enjoys his dinner and wine sitting on his bed; the bedroom is so small there is not even room for a chair.²²

According to an investigation by the *Shijie ribao*, there were many family motels in the Los Angeles area, especially in San Gabriel, Monterey Park, and Alhambra—areas that are considered suburban. Most managers of the motels were Chinese immigrants. They leased the properties, installed partitions, and built bunk beds for short-term tenants. Some were hired by property owners to do so. Flyers advertising these motels were posted on the walls of supermarkets and community centers, and on lamp posts and telephone poles, but most tenants learned about their services from friends, employment agencies, tourist bus drivers, immigration lawyers, and sometimes smugglers.²³

Family motels are especially popular in Los Angeles and New York, although these unlicensed businesses do not advertise officially. From the outside, a motel looks just like any single-family dwelling or apartment in the neighborhood. However, one homeowner in Monterey Park said that the house next door sometimes accommodates as many as twenty tenants:

These people must be new to this country. They are loud and they smoke. There are men and women, new faces all the time. Some will sit on the steps of the porch or simply squat there. Do you know in which part of China people squat like that? One day a stranger came knocking on our door holding a piece of paper. My husband looked at the address written on the paper; it was our neighbor's house. I peeked through a window of a room of the house once and saw four bunk beds. It's illegal, but my husband said we shouldn't bother them. He said we don't report on our neighbors.²⁴

In August 2004, police raided a family motel in Los Angeles and found that the 1,500-square-foot, three-bedroom and one-bath residence was partitioned into six rooms. Besides the kitchen and the bath, every room was filled with mattresses and bunks. In a complaint filed with the city government, the neighbors said that a few dozen people lived in the house and their cars took up all the parking spaces on the street.²⁵

Complaints against family motels have been especially loud in San Gabriel. In 2003, Ken Moy, a Chinese American, promised that if elected to city council, he would close the motels and bring peace to these neighborhoods. For more than a year after he came to office, Moy conducted several investigations with the cooperation of the city police and shut down a number of family motels. In August 2004, under pressure by local residents, the city of Monterey Park also launched a campaign to crack down on family motels. The mayor of the city and a number of council members visited several neighborhoods; they called the operation of family motels a violation of the rights of local residents and a disruption of municipal peace. To encourage people to come forward, the city installed a police hotline and solicited tips regarding illegal residential activities. Several family motels were exposed, and the police also went to some targeted areas and issued parking tickets for unclaimed cars. The locals, however, wanted more decisive measures. Some residents stormed a city council meeting and urged the government to report illegal business operations to immigration authorities. Alarmed, several family motel operators quickly evicted their tenants, and a few homeowners put their houses on the market.²⁶ The language used by local residents against the operation of family motels reminded Chinese Americans of a citywide effort to halt Chinese business expansion in the 1980s.²⁷

The persistence of family motels reflects the fluidity of the immigrant laborers. These motels are especially patronized by short-term visitors. Although Lao Wu and Fei have lived in the same room for two years, this is unusual. Because neither of them has job security, they are unwilling to sign a lease.²⁸ Deng Hong, an immigration lawyer in Los Angeles, said that many of his clients who come to Los Angeles to file petitions cannot afford to stay in regular motels. A tourist bus driver in New York said that he also referred young students visiting the city to family motels: "If they could save money, why not? Why should they pay over \$60 a night when they can get by for \$10 or \$20?"²⁹ But most tenants of the family motels are newcomers or laborers returning to the city in search of new jobs and medical treatment. Without access to cars, these individuals have to stay close to employment and ethnic services, and most family motels are in convenient locations near ethnic business clusters.

Although extremely crowded, family motels provide services unavailable elsewhere. In addition to shelter, motel operators help newcomers get started. Airport pickups and rides to employment services are crucial to the survival of immigrants who have no family or relatives in the United States. Sharing living spaces with people in a similar situation is both comforting and rewarding: some tenants gain critical knowledge from each other on how to make it in the United States.³⁰ The motel operators or managers are often recent immigrants themselves. With little capital investment, they can have a business of their own and draw a good income from rent, chauffeuring, and kickbacks from immigration lawyers and other ethnic service providers.³¹

While the possibility of sharing living spaces and the availability of family motels continue to attract immigrant laborers to urban ethnic neighborhoods in Los Angeles, New York, San Francisco, and Oakland, the search for more affordable housing also drives many newcomers away from these areas. To attract laborers to more remote areas or areas with a small Chinese American population, Chinese restaurant owners and employers of domestic helpers usually provide room and board for their employees. Jerry, who runs a big buffet restaurant in a small town in Wyoming, said that the only way for him to attract and keep his Chinese employees, including two chefs, one manager, and four waiters (the dishwashers and busboys are Mexican immigrants), is to provide

them with housing: "Why would they come here otherwise? If they have to pay rent, they would have preferred New York."³² As a busboy in his early years in America, Xiao Wen shared a house with his co-workers in Nevada. The two rooms upstairs were occupied by the chefs and their family members, while Xiao Wen and seven or eight others had their beds on the first floor.³³ One college graduate from Shanghai said that she worked as a live-in nanny for a female attorney who had a newborn baby so that her husband could finish graduate school. She stayed with the same employer for more than two years because housing was provided for both her and her husband.³⁴

Liyang, now a factory operator in San Jose, was a housemaid for several years in Lafayette, California. After her husband died of liver cancer it became especially important for her to provide a safe home for herself and her school-age daughter: "I took that job out of concern for my daughter. There was no other way I could possibly have afforded housing in a nice neighborhood like that. My late husband probably would not have approved of my working as a maid, but I think he would be happy to know that we were living in a safe place and that our daughter went to a good school."³⁵ It must be pointed out that although she lived under the roof of a mansion owned by her employers, Liyang's living standard and lifestyle were anything but middle class. Neither she nor her daughter was allowed to spend leisure time outside their living quarters in the basement, which consisted of a bedroom with a bath and the adjacent laundry area, where they cooked meals with an electric hot plate and a microwave oven. Although their living conditions were still better than that of most of the laborers cramped in inner-city Chinatown areas, residing in an upscale neighborhood was by no means an indication of their wealth. On the contrary, it is the level of their poverty that prevents laborers like Liyang from paying rent in the city, and pushes them to seek alternatives in the suburbs.

WORKING AND POVERTY

Newcomers who have no personal connections often find jobs in restaurants, garment shops, construction, and domestic service in the ethnic economy through network services. Forgoing the eye-catching bilingual or multilingual signs popular with banks, restaurants, markets, beauty salons, hotels, and other businesses in ethnic business clusters,

Chinese employment services advertise mainly in Chinese, and they work closely with immigrant laborers who have no access to the mainstream job market.

Those who cannot afford to be choosy have to start at the bottom, and sometimes in remote areas. When Tommy Tang first arrived in 1996, he visited an employment office in Los Angeles and was sent to work in a restaurant in Indiana. He recalled:

It took me only one trip to the employment office to find my first job. The agent said that I arrived at the right moment, for some restaurant in Indiana was looking for a guy to wash dishes for \$1,000 a month. Five or six people were hanging around in the office at the time; everyone seemed to be surprised: "Wow! Washing dishes for \$1,000 dollars! What a deal!" The agent handed me the phone and I talked to the restaurant owner. He told me that I could make an additional \$100 if I was willing to clean the bathrooms. The people in the office again showed their surprising faces. They said bathrooms in Chinese restaurants are tiny so the cleaning job ought to be easy. I couldn't figure out why I was so lucky and wondered why those who seemed to envy me didn't jump at the opportunity ahead of me. It took me years to understand that only a person fresh off the boat would accept a job thousands of miles away.³⁶

It turned out that Tommy was sent to a huge buffet restaurant: "I had never seen that many dishes in my life. My hands are fast, but no matter how quickly I put them away, there were always more to come. The bathrooms were big too, and I had to clean them several times a day for about \$3."

But Tommy was able to move up, one step at a time.³⁷ As sociologist Min Zhou argues, the new ethnic enclave not only provides opportunities for newcomers to find work and get started but it also allows them to learn entrepreneurial skills from employers of a similar ethos. In that sense, Tommy's first job was his first step toward social mobility.³⁸ Twenty-five years old at the time, Tommy was healthy, strong, and hard working. He later was promoted to bussing the tables and performing other tasks. It was in that restaurant that Tommy began his education in running a small business. When he returned to Los Angeles three years

later, he waited tables and learned to cook. He also made a short trip to China and returned with an immigrant visa, because by then his mother, who had remarried to a U.S. citizen, was eligible to sponsor him. Six years after he first arrived in the United States, at age thirty-one, Tommy and two friends bought a fast-food Chinese restaurant. And after he got married, he and his wife bought all shares from the other partners and operated their own business. He and his wife worked long hours to make ends meet and hired two part-time employees. "Look at the scars on my hands," he said, rolling up his sleeves. "Look here, and at the burns here! That's nothing in our trade. When I cut myself, all needed was a paper towel to stop the bleeding and I would go right back to work."³⁹

About a quarter million Chinese immigrants find jobs at fifty thousand Chinese restaurants scattered throughout the United States. A newcomer often starts as a dishwasher or simply a *dazade* (a worker who does everything). If promoted, he might move up to wait tables, which is considered skilled work. A dishwasher can receive \$1,000 a month working seven days a week, while a *dazade* might make as much as \$1,500. The income of a waiter/waitress is usually higher; when business is good the person might get \$100 in tips in a single evening. "I would not say that I liked the work," said one former waitress, "but counting tips in the evenings made me happy. I worked hard every day for that moment."⁴⁰

For some individuals, passing the initial test was difficult. Lao Wu, who came to the United States at age forty, for example, found it hard to adjust from being a factory worker in China to a restaurant worker in America. He said that he didn't mind hard work, but having someone always looking over his shoulder made him nervous: "Just as I finished mopping the floor—before putting away the mop—I could tell she [the boss] was right there to tell me to do something else. She would yell at me for the smallest mistake I made—like not picking up a tiny piece of paper on the floor or breaking a glass. And I was told constantly to speed up. In the factory, I operated the machines. In the restaurant, I was the machine."⁴¹ Eventually he got fed up and switched to construction.

Most construction workers have worked in restaurants before. In construction, they also have to start at the bottom, as day laborers. In New York, the San Francisco Bay Area, and Los Angeles, the day laborers gather on a particular street of ethnic business clusters in the mornings,

waiting for those who would employ them for the day. In Flushing, New York, one man from northern China said that he could not make it in a restaurant because most of the businesses in the city were operated by Fuzhou people who spoke a different dialect. Standing against a wall with a group of guys, his eyes fixed on the far end of the street, he was hoping the next approaching car would bring him a chance to work.⁴²

Standing next to this man was Xiao Liu, a young man wearing glasses and a baseball cap and carrying a backpack. Inside the backpack he said were gloves, masks, and first-aid gear. "I asked for gloves one day and the contractor looked at me as though I came from a different planet. Can you imagine they don't provide gloves for this type of work? These guys [his fellow day-laborers] do not care about their own lives any more, but I'm still in my twenties and I don't want to ruin my health. If I don't provide myself with some kind of protection, who will? Have you heard about the guy who was killed by a falling wall? No one even knows his name! That's extremely scary!" The subject brought silence to the group. Everyone looked away as if they had heard nothing. Asked what he had done for a living before coming to the United States, however, Xiao Liu dropped his head and paused. Pacing back and forth on the sidewalk, he became somewhat emotional:

I won't tell you what I did for living back in Shenyang [a city in northern China]. Why should anyone even ask? All I can tell you is that nothing I had done in the past was anywhere near what I am doing now, not a bit! I wielded a pen—you know what I mean? I made a living using my pen! How did I end up here on the streets of New York like this? Of course I was frustrated with my job. I needed to do research, but they didn't give me money to travel to Beijing. I thought I was treated unfairly. I was fed up and jumped at an opportunity to come here.⁴³

In the United States, Xiao Liu started in a restaurant and worked there for three months. One night after work he helped his boss clean and close up. "Just as I was about to say goodbye," he recalled, "he [the boss] told me that I didn't need to come back the next day. He said it in a low voice in such a casual way, as if he was telling me where I should go for dinner. It really hurt!" Since then, Xiao Liu has been a day

laborer. The job was hardly better, he said, but at least he was no longer worried about getting fired.⁴⁴

Being a day laborer means looking for work constantly, almost on a daily basis. On the street these workers gather in small groups of five to ten people. They share information about housing, and they talk about how much they were paid for their previous tasks. In the years of the housing market boom, these day laborers were in high demand by building contractors and homeowners with various building or remodeling projects. On a good day a lucky worker could pocket \$120 in cash after ten to twelve hours of work; and most thought they should not accept anything less than \$100 a day. One late morning in August 2005, a middle-aged building contractor stopped at Prince Street near Roosevelt Avenue in Flushing where about twenty-five men were still waiting. Two of them stood up immediately to greet him. "Master Wang (Wang *shifu*), what's up?" one of them asked hopefully. Wang said that he was looking for someone to demolish the interior of an old house and help install new drywall. The man who first approached him nodded and left with him. The other man lit a cigarette and sat down. Within minutes the guy who went with the building contractor returned to the group. "How come?" someone asked. The man shook his head: "\$90 a day. Not me. I am ready to take the day off!" Master Wang showed up again. He borrowed a cigarette from someone to light up his own. He didn't say a word, as if nothing had happened. A tall man who was sitting on the curb rose slowly and nodded at Wang, and the two left together. No one commented. It was after 9:00 am; obviously some of the workers would not be able to find work for the day.⁴⁵

Asked whether it was difficult to find work, Guang Wu, who was in construction for more than two years, said that it had to do with supply and demand. Whenever there was a surplus of labor, it was difficult to bargain for higher wages. "If you insist on getting paid no less than \$100 a day, some days you just can't get hired. If you don't mind getting as little as \$60, there will be plenty of work."⁴⁶ "Every day I come here telling myself I will not work for less than \$100 a day," said Xiao Liu. "But after sitting around for two or three days, you look at things differently. That's the way it is."⁴⁷

Construction work is dominated by men, while garment shop and domestic service work fall on the shoulders of women. Due to interna-

tional trade agreements and the increasing domestic pressure to improve working conditions in garment factories, the number of Chinese-operated factories has declined significantly since the late 1980s.⁴⁸ Some of the small garment shops, however, still operate outside government or union regulations. Chinese novelist Bing Ren, who came to Los Angeles to research the lives of Chinese immigrants, found that women who remain in the trade work in conditions much worse than those in garment factories in China.⁴⁹ At the same time, the demand for domestic service has increased significantly since the late 1990s, and employment agencies offer middle-class employers a variety of choices. One can request a house maid who cooks a particular type of regional food, a nanny who speaks a particular Chinese dialect, or a care provider who comes from a particular region of China, Hong Kong, Taiwan, Indonesia, or the Philippines.

When Yamei first arrived in Los Angeles, an employment agent tried to talk to her into taking a domestic job after learning that she was alone, and she was told that people from Shanghai were not considered desirable for restaurant work because they had a reputation for being too clever to follow orders. Yamei hesitated, but she gave in after waiting for two weeks without work. She was called in to meet a prospective employer, a middle-aged man looking for a maid to work in his house. Yamei followed him to his house in a hilly neighborhood overlooking city streets. Her main duty was to take care of the man's eighty-two-year-old father, who was terminally ill. Yamei was expected to feed, bathe, and dress him and administer his medicines. The elderly man's legally blind wife needed assistance as well. Yamei's responsibilities would include cooking and cleaning for the household. She would be paid \$1000 a month, plus free room and board. Yamei needed to work desperately, but she did not take the job. More troubling than the heavy work load was realizing how vulnerable she would be in that type of working environment. "What could I do if this man [the middle-aged employer] tried to take advantage of me? If something happened to me, no one would ever find out. My husband would not be happy if he knew that I was living in the same house with a single man like that."⁵⁰ To Yamei, safety was the main concern, since she had no family or friends. Her fake travel documents not only made her ineligible to work but they also prevented her from seeking assistance from law enforcement agencies.

The only protection available to her would be offered by the ethnic community. For that reason, she wanted to work in a restaurant where other workers would be around.

The demand for domestic servants is so high that employment agencies have to push female job seekers to take such positions. One agent in New York said that she talked many women into these jobs: "People are careful about whom they will hire to work in their houses; they like women who are neat, capable, honest, educated, and have no family around. I have good eyes for these women. Some of them were former teachers, office clerks, or nurses back in China. I understand it is hard for them to think of themselves as servants. But when they are new to this country they often have few other choices."⁵¹

Some domestic care providers chose the work because the people they take care of depend on them. A woman in her late thirties said that her employers were usually kind to her because they wanted her to take good care of their children: "When the lady of the house is away at work, I am the one in charge. As long as I take good care of the small children, I can do whatever I want."⁵² Lanlan, a yuezi gong, felt her job was important to her employers: "When the lady came back from the hospital, she was tired and her body was weak, and she needed me around to help her and take care of the baby. I gave her advice on how to take care of the baby, and both she and her husband respected my suggestions. Even the visitors are nice to me."⁵³ Yuanmin, who has taken care of an elderly woman in Los Angeles for more than four years, said that she did not look for other jobs because the woman's children wouldn't know what to do if she quit. "They are all busy with their work and families," she said. "They basically begged me to stay. The old lady's hands and legs do not work well. She needs help with cooking and washing and she cannot go out by herself. When I told the lady that my son was coming [from China], her daughter-in-law immediately said that he could stay in the house too. I can't say 'no' to them; they knew they wouldn't be able to keep me otherwise."⁵⁴

But others have had different experiences. Some women said they had to swallow their pride and often endured insults, which is not always easy to do. Liying, for example, said that after each grocery shopping trip, her employer would go over every item on the receipt before paying her back. "She never trusted me. She always acted as if I

would steal," she said.⁵⁵ Another domestic worker, who was a former government official in China, said that her mistress, whose husband owns a car dealership in Los Angeles, was simply rude. "Let me give you an example. Once she was angry at me because I gave her seven-year-old son orange juice before dinner. I explained that the child asked for it, but she snapped, 'Would you give him shit if he asked for it?' You see, this is someone who has not had a good upbringing. No one ever talked to me like that."⁵⁶

POVERTY AND MOBILITY

Most immigrant laborers try hard to make as much money as possible and save more whenever they can, but moving up is easier said than done. For people who live in poverty, there seem to be many obstacles that prevent them from improving their economic status, and wages in the informal sector of the ethnic economy have not increased much in the past two decades. Betty, a domestic worker, blamed new immigrants, especially undocumented immigrants, for bringing down wages: "There are too many of them, which makes it impossible to bargain."⁵⁷ As domestics, the workers are never paid by the hour. Betty's day starts at 6:30 in the morning, when she gets up to cook breakfast and pack lunch for her employers. She takes care of two preschoolers during the day, in addition to cleaning the house and cooking meals. Her chores will not be finished until after 8:30 in the evening. In 2007 she received a flat payment of \$1,800 a month, which was considered very good for a domestic worker within the Chinese American community at that time. Counting the hours that she puts into the work, her pay was much lower than the minimum wage. "I can take a break when the family goes to visit friends over the weekend. Families take vacations too, but in that case they usually send the nannies home and find a replacement when they return."⁵⁸

Within the ethnic economy, wages increase at a very slow rate. One factory operator in Houston said that she gets an hourly wage increase of twenty-five cents each year.⁵⁹ It is common for restaurant workers to be paid below the minimum wage because their employers are counting the tips. Undocumented workers have to accept less than those with work permits, "Not that I don't know there is such a thing as minimum wage," said one of them. "Giving me a job is a huge deal because there

is a risk on his [the boss's] side. Whether I am happy about what I am getting is irrelevant. I am sensible enough to not bring this up."⁶⁰

Even though they tried hard to spend as little as possible on rent, food, and other necessities, saving money seems almost impossible for many immigrant workers because of unexpected expenses. Lao Wu and Fei, for example, thought they could be debt free after working for two years in America, but because of Fei's pregnancy and the birth of their son, they had accumulated even more debt by that time. In addition to their low income, unemployment and illness (most of those working within the ethnic economy do not have health insurance) are major obstacles when it comes to making ends meet. Many newly arrived undocumented immigrants are deeply in debt because the cost of purchasing travel documents has gone up significantly in the past few years. Meanwhile, the higher cost of living in the United States has made it even more difficult for these individuals to advance. Therefore the undocumented immigrants are most likely to remain at the bottom of the social ladder.

Laborers receive very little protection, not only from their jobs but also from the services they get from the ethnic economy. To use the services of an employment agency, a laborer is subject to a fee of 10 percent of his or her estimated first-month's wage, which is due before the person starts the job. If the worker gets fired any time during the month, he or she is not entitled to a refund from the employment agency. In early 2000, as more and more undocumented immigrants were looking for jobs, and job security became a serious for many, some employment services began to charge a piece rate of \$45 for each job recommendation. Although the fee was lower, many noticed that some agents were no longer finding long-term jobs for them. Sometimes the workers were sent to jobs that lasted only a couple of days, putting them in a more tenuous situation. According to one news report, on June 20, 2004, the Singapore Employment Service in New York's Chinatown referred a woman named Gao Xiaoqing to a restaurant job in Alabama. Gao, who had just arrived in the United States, accepted the job and agreed to leave for the South that afternoon. Within ten minutes of her taking the offer and paying the \$45 fee, the restaurant owner called back to say she was no longer needed. However, the employment agent refused to give her a refund, arguing that she had already entered into

a contract. Several people who witnessed the situation had had similar experiences and expressed sympathy for Gao.⁶¹

The lack of security and protection causes tremendous stress and frustration in the laborers, who often have no place to go to file their grievances. In early 2002, a young man named Zhao Yongding was sent by an employment agent in New York to work at the Lucky Wok restaurant in Florida. He moved to Florida at his own expense, but the owner, upon learning that Zhao did not possess a work permit, told him he would be paid \$200 less each month. The two got into an argument and the owner's wife, who was from Malaysia, called the police and immigration authorities. According to a report in a Chinese language newspaper, the immigration officer was sympathetic to Zhao and sent him back to New York. There Zhao learned from his lawyer that he had little chance of winning his asylum appeal. With \$40,000 of debt and no way to get out, Zhao jumped in front of a fast-moving subway train.⁶²

Although legal status is crucial to social mobility, attempts to change status can be difficult, expensive, or even dangerous. A lucky asylum petitioner might win a case within a few months for as little as \$5,500. But should the petitioner's credibility become an issue of concern at any stage of the process, he or she can be arrested and deported. Some asylum cases are pending for many years, even over a decade at times. After failing two interviews, a twenty-five-year-old asylum seeker named Peter had no confidence of winning his final appeal. He said his attorney made a strong case, claiming he was a victim of religious persecution in China, but Peter performed poorly during the hearings because he was uneasy about the situation: "How could I not fail? I couldn't find the courage to make eye contact with the official when I was lying. He [the official] could see it, and the judge was no fool either." Peter appealed again, but only to avoid immediate deportation; he can work legally as long as his case is pending, and he wants to save enough to return to China. Even though he holds two jobs and works almost eighty hours a week, saving money is extremely hard because he has to pay high legal fees.⁶³ Widespread rumors about police arrests outside immigration courts have also stirred up so much fear that some individuals simply cannot gather enough courage to go to the hearings, which means they have completely given up hope of gaining legal status.⁶⁴

Some individuals also question the morality of filing for political asylum, which requires them to denounce the Chinese government by portraying themselves as victims of various persecutions. Restaurant manager David said he would rather go back to China than make false accusations against his homeland. First arriving as a short-term worker from Sichuan province in China in 1991, David and the majority of his group did not return after their contracts expired. In Los Angeles he progressed from dishwasher to waiter and then to a managerial position in a big Chinese restaurant. He could save more than \$1000 a month because the restaurant owner provides free housing and food, but instead he lets a large part of his hard-earned money disappear during his monthly trips to Las Vegas. He now has a girlfriend and wants to settle in the United States permanently, but seeking asylum is still out of the question. He said: "I am staying here for personal reasons. I had no home to go back to at the time [his contract expired] because my wife and I were divorced. I am not a political person; the truth is that China had done me no harm. To make false accusations against the country would be against my nature and my religion. I am a big man, I can't do that."⁶⁵ The company that hired David when he first arrived is willing to help him out by putting his name back on the company's payroll, but the lawyer, who charged him \$6,000 in fees, did not manage the case properly. David eventually switched to another lawyer and paid additional fees, and he is still waiting anxiously to find out how his fate will be determined.⁶⁶

Successful asylum seekers are not always proud of what they have been able to accomplish. Those who are open enough to share their stories often say they simply followed the advice of their lawyers and did what needed to be done to win their cases, which is crucial to their survival in America. The asylum program was established to give aliens who are "refugees," as defined by law, permanent resident status. Those that build a case for refugee status try to show that they have suffered from persecution or fear persecution if returned to their native country. What is regarded as grounds for granting asylum is discretionary; the criteria, which change from time to time, are determined by the attorney general of the United States through asylum officers and immigration judges. This means that it is not enough for someone to simply convince the government that he or she is unwilling to return to his or her home

country due to prior ill-treatment or a well-founded fear of future persecution; to win a case the petitioner's claim has to fall into a category for which asylum would be granted. Assistance from those who know the process is crucial under the circumstances, and legal service advertisements in Chinese-language newspapers and other sources keep their potential clients informed of what works and what does not, depending on policies and practices of the government. In the early 1990s it was relatively easy for individuals to obtain asylum based on claims against China's one-child birth-control policy. Many petitions were rejected by the courts in the late 1990s, however, as the U.S. government realized that pursuing such a policy would make an entire generation of Chinese from the PRC eligible for asylum. Legal experts have since explored new avenues for their clients within the framework of the legal system, and many petitioners file their claims accordingly.⁶⁷

As discussed in chapter 1, the dubious actions of individual petitioners are often taken because of some of the problems with the asylum program. For example, Yamei, who claimed religious persecution, would have felt more comfortable claiming that she was a victim of China's one-child birth-control policy, but had she done so, her petition might have been denied. For that reason she felt fortunate that she had followed her lawyer's advice. Some immigrants feel there is nothing wrong with using the asylum provision to gain legal status, even though they have made false claims. One asylum seeker told a news reporter that using the efficacious petition, instead of the accurate one, showed the person's wisdom (*zhihui*) and knowledge of the United States. Huang Keqiang, the president of the Lin Zexu Foundation in New York, sharply criticizes American immigration policies. He points out that the system itself is to blame: "All one has to do is to make up a false but touching story. Even if the immigration officer knows it is a lie, asylum may still be granted, while honest people are often treated in the opposite way."⁶⁸

To get legal status through a false marriage, an alien, documented or undocumented, has to pay a standard fee of \$30,000, half of which goes to the citizen partner as soon as the marriage certificate is issued; the remaining is due when the alien partner gets a permanent resident status, which requires the couple to stay married for at least three years. Should the citizen partner decide not to fulfill his or her obligation, which happens often, the other partner would lose the money and

probably face deportation. In recent years immigration authorities have tightened their control over such cases. A marriage involving an alien and a citizen is subject to investigation, and the couple would be asked to present joint bank accounts and photos, as well as evidence indicating that they are indeed living together. Investigators sometimes also check each partner's associations outside the marriage to see whether any of them continue to have bank accounts with others who might be their actual girlfriend or boyfriend, or whether anyone is still listed as single in their Facebook profiles, or whether the citizen partner has received money from the alien partner. If a marriage is found to be fraudulent, the alien partner might be arrested when the couple go for the scheduled interview, but the citizen partner can still keep the money.⁶⁹

In most cases, the struggle to escape poverty does not end with gaining legal status. Many years of working within the ethnic economy have hindered such individuals from entering the mainstream job market. Jenny Yi, who came from Shanghai in 1988 at the age of nineteen, has never found the time to go to school because she works such long hours. As a motel clerk in New York, she makes \$8 an hour and receives no benefits. Although the motel serves free continental breakfasts, the employees are not allowed to eat it. She spends about half of her income to rent a room in a three-bedroom apartment and another quarter of it to pay a Christian therapist after breaking up with a boyfriend of five years. But Jenny does not think of herself as being at the bottom of society. The fact that she has legal status (gained under the 1992 Chinese Students Protection Act) makes her feel good. She emphasized the fact that she did not share a room with anyone—a luxury not many laborers in New York can afford. The decision to see a therapist also makes her feel special; in a way she is spending money like middle-class Americans. Although Jenny does not think she will become rich, she said she was not too concerned about saving money because as a U.S. citizen she would be entitled to social security and medical benefits in the future.⁷⁰

Like many immigrant laborers, Jenny finds consolation in religion. She considers the church she joined when she first came to New York as the only home she has in the United States. Every Friday evening she shares her own thoughts with God and her Bible study group, where she hangs out with several laborers, half of them undocumented. She believes strongly that God created her for a reason and put her where

she is for a purpose. The greatest thing about having a Christian faith, she and her Bible study classmates said, was to have the power not to think much about what they could or couldn't acquire, for material possession is a very small aspect of one's life: "I gave myself to God; God will take care of me."⁷¹

Of those immigrant laborers do gain social mobility, most climb up slowly within the ethnic economy and remain in the trades where they started on the bottom rung. A day laborer may become a self-employed skilled worker, a garment shop worker may become a subcontractor, and a restaurant worker may attain mobility by purchasing a business of his own. More often, however, small business owners who rise from their position as manual laborers cannot make ends meet without utilizing the unpaid labor of family members. Although the children of these immigrants have more opportunities to advance into the mainstream job market through education, because many of them grew up working in their family's own business, they too remain disproportionately concentrated in the occupations of their parents.

POVERTY WITHIN AN ETHNIC SOCIAL HIERARCHY

The large impoverished immigrant population within Chinese America has become a solid foundation upon which the ethnic social hierarchy is built. To some extent this factor offers some not-often-mentioned answers to a frequently asked question: Why are the Chinese in America able to advance so rapidly? The economy and the supporting networks are built to benefit middle-class entrepreneurs and employers. With the assistance of ethnic networks, Chinese business owners and middle-class families throughout the United States are given easy access to immigrant laborers and immigrant clients, allowing them risk-free opportunities to maximize business profits and improve the quality of their lives.

The operation of employment agencies offers a good example of how the ethnic networks serve clients of different classes simultaneously. The laborers have to pay fees to get the service that is provided to their potential employers free of charge. Even though the income of the employment service comes entirely from the job seekers, the agents are completely oriented toward supplying what the employers are looking

for. Acknowledging that her fee was determined by the wage scale of her labor clients, one agent specializing in domestic service in New York said that the success of her business depended on the employers' satisfaction rather than that of the nannies, because the former were the ones who provided the jobs. For that reason she often finds herself trying to persuade immigrant women to accept low wages. "Most employers come to us because we give them cheap labor, although most would say that they are looking for someone who could cook Chinese food or speak a certain dialect," she said. "We would have no business if our workers asked for what American domestics are getting. I will tell a client the going rate for a certain type of work and let them know higher pay is expected if the nanny doesn't get weekends off, but I do have to be flexible because if I'm not, they can go to other agents. Not many people can afford full-time domestics these days."⁷²

Although a hire is not completed until the two parties reach an agreement through an employment agent, the employers are not obliged to keep their promises. The agent will ask only the employee to sign a piece of paper stating that the fee is not refundable, while the employer does not have to sign anything. It is common for the laborers to find out after they start work that they have to do more than they agreed. When the employers find excuses to reduce their wages, there is little room for the laborers to negotiate. Asked whether he worried about workers quitting their jobs, one restaurant owner said this happened all the time, and he was only concerned when replacements were hard to find. However, he did say that the problems could not be solved by increasing workers' wages: "We keep the business going by offering quality food at a low price. More money paid to the workers means we have to raise prices, which would drive the customers away." In any case, he does not worry about not being able to find enough people to work at low wages: "If not enough Chinese are willing to work for us, I can go for Mexican laborers."⁷³

To business owners or middle-class families, the employment services are simply magic. One restaurant owner said she always got what she wanted. Once when she was looking for a waiter and called in advance, she arrived to find five guys waiting to be interviewed. During another trip to Los Angeles for a medical appointment, she and her husband stopped by an employment office to see if they could find a good chef.

The agent asked them to wait, and two candidates came in within twenty minutes.⁷⁴ Jennifer, an accountant who was confined to her bed for two years due to an illness, recalled a similar experience. "All I wanted at the time was someone who could help with household chores and administer shots, but the agent asked a number of questions: 'Do you want a Mandarin speaker or a Cantonese speaker? What type of cuisine do you prefer? Do you mind if the person is young?' They are very thoughtful. My husband went to the office over the weekend and returned with Xiuhua. She was only twenty-eight years old, and a nurse back in China."⁷⁵

Paying only a fraction of what their non-Chinese compatriots would have to pay, middle-class Chinese Americans can enjoy a lifestyle that not many Americans in a similar financial situation can afford. For \$1,000 a month, Jennifer had her own nurse who gave her shots, baths, medicine, and massages, on top of doing daily chores such as cooking, cleaning, and laundry.⁷⁶ Paying her only \$600 a month because her daughter also needed to live in the house, Liying's former employers gained a lot of leisure time and used their residence for parties and gatherings. When the husband was away at work, the lady of the house would spend most of her time taking care of her own skin, exercising, shopping, and socializing with friends. She hosted mahjongg games at home twice a week, and the guests were served tea and hors d'oeuvres during the break, along with dinner after the game. Bigger parties were held on weekends, and Liying was responsible for all the cooking and cleaning. When the family had house guests, Liying baby-sat young children and did everyone's laundry in addition to her regular duties. Sometimes she would be asked to wash the guests' cars. She was never paid extra for doing extra work (she was hired to take care of a two-person household) and was told not to accept tips from the guests. "They would have to pay thousands of dollars to get what I did for them if they got a non-Chinese service provider. But what can I say? All I heard before we moved out was that they found a Chinese nurse to replace me; that the woman could give the lady massages on top of all the tasks that I performed. There are too many desperate people looking for jobs and housing. I was not surprised by what they could find."⁷⁷

Business owners often take advantage of the fact that some of their immigrant laborers are well educated and have various skills. Few well-

educated individuals would work as menial laborers or domestics, but downward mobility is a common experience shared by many Chinese immigrants. One waitress who has a science degree from a college in China said that her boss often took her home to tutor his teenage son: "I overheard that he used to pay \$20 an hour for tutoring, but now he gets away with paying me only \$8."⁷⁸ Timmy, an artist, was often asked by his boss to teach painting to her and her children. "She told everyone she did not have the heart to watch me use my hands to do the dishes. She asked me to teach them drawing once or twice a week, as if it was a favor to me, but she paid me a dishwasher's wages."⁷⁹

Dealing with clients who have no permanent residences or stable income, ethnic businesses often require payment in cash before the service is provided. A simple asylum petition case, for example, is paid in three installments. The lawyer will not start to work on a case until he receives the first payment. Once the case is prepared, the second payment is due. The third payment is due when a hearing is scheduled. The outcomes of these cases have a huge impact on the future lives of the petitioners, but the lawyers are paid regardless of the results. In the late 1990s and early 2000s, asylum petitions—a very small portion of the legal services immigration lawyers provide—generated about one hundred million dollars each year, attracting more and more legal professionals to work for their coethnic clients.

This is the case in just about every sector of the ethnic economy that involves the participation of both immigrant laborers and middle-class Chinese Americans. As long as a substantially large number of Chinese immigrants remain at the bottom of the ethnic economy, middle-class Chinese Americans are going to have a much higher quality of life than their compatriots of other racial or ethnic backgrounds. They can maximize their profit margin by utilizing low-cost immigrant labor; they can benefit from offering services to these laborers; and they can enjoy affordable goods at the market and gain access to child care and other domestic service at a cost way below the market value. The end result is the image of Chinese Americans as a "model minority" group, yet the countless individuals who make this possible are all but invisible.

To outside observers, the Chinese are doing well and manage to get ahead by sticking together. The growing number of ethnic banks, shopping centers, supermarkets, eateries, real estate agencies, accounting

offices, law firms, and other businesses in American metropolitan areas as well as nearby suburbs show the vigor of the Chinese ethnic economy; their ability to attract laborers, entrepreneurs, and consumers of various socioeconomic backgrounds is more than impressive. Although one can hardly deny the fact that the ethnic economy is mutually beneficial to all parities involved, and that many immigrant newcomers simply cannot survive without the assistance of their ethnic networks, equal opportunities for all participants have yet to be developed. This is not to blame the Chinese American middle class; most Chinese American business owners, employers of domestics, and professional service providers are ordinary Americans who work hard to improve the quality of their own lives and get ahead. If many middle-class Chinese Americans indeed have done well for themselves, their success also contributes to the economy of the United States. But certain aspects of the ethnic economy, upon which the ethnic social hierarchy is built, have also worked to perpetuate poverty and widen the gap between rich and poor. As Chinese Americans continue their struggles for equality and civil rights in the United States in the twenty-first century, a critical examination and reevaluation of economic activities and social relations within their own community is urgently needed.

CHAPTER 5 SURVIVING POVERTY IN AN
ETHNIC SOCIAL HIERARCHY

1. Interview with the author, June 25, 2002.
2. Interview with the author, July 8, 2002.
3. The concept of private homeownership is relatively new in mainland China. Until the 1990s, almost all real estate properties in urban areas were owned by the government. Peasants in the countryside could build houses in the villages for their own families, but they were not allowed to do so for commercial purposes. Residents in government-owned housing units in the cities were required to pay a nominal fee each month. Lao Wu and his in-laws never had any real estate properties; what they sold was the occupancy rights of these apartments.
4. Information about Li, Bob, Lao Wu, and Fei are from interviews with the author between July 5 and July 8, 2002.
5. Observations of Li and Lao Wu also took place between July 5 and July 8, 2008.
6. Roger Daniels, *Guarding the Golden Door* (2004), 160.
7. U.S. Census Bureau Special Report, May 2003; the poverty rate for Taiwanese families in the United States was 11.2 percent in 1990. See Eric Lai, "A People of Their Own: Taiwanese Americans," in *The New Face of Asian Pacific America*, edited by Eric Lai and Dennis Arguelles (2003), 43–44.
8. Peter Kwong suggests this tendency in his study on New York's Chinatown. Other scholars also reveal the disadvantages of Chinese laborers employed in ethnic businesses. See Kwong, *The New Chinatown* (1987); Jimmy Sanders and Victor Nee, "The Limits of Ethnic Solidarity in the Enclave Economy" (1987), 745–767; Paul Ong, "Chinatown Unemployment and the Ethnic Labor Market" (1984); Donald Mar, "Chinese Immigrant Women and the Ethnic Labor Market" (1984).
9. He found that the laborers were unable to accumulate enough surplus income to purchase a home. An ordinary worker often paid \$60 to \$100 a year to rent an apartment or a small house for his family. See Stephan Thernstrom, *Poverty and Progress* (1964), 28–29.
10. Alan Dawley, *Class and Community* (1976), 129.
11. Charles Nordhoff, *California, for Health, Pleasure and Residence* (New York: Harper & Brothers, 1873), 82.
12. Min Zhou, "Once Excluded, Now Ascendant" (2003), 41–43.
13. Wei Li, "Spatial Transformation of an Urban Ethnic Community" (1997) and "Anatomy of a New Ethnic Settlement" (1998). Also see Timothy P. Fong, *The First Suburban Chinatown* (1984).
14. Min Zhou and Rebecca Kim, "The Paradox of Ethnicization and Assimilation" (2006).
15. Zhou, "Once Excluded, Now Ascendant," 42.
16. Victor G. Nee and Brett De Bary Nee, *Longtime Californ' (1973)*, 320.
17. Interview with the author, July 8, 2003.
18. Interview with the author, August 11, 2004.
19. Interview with the author, August 10, 2004.
20. Interview with the author, March 1, 2004.
21. This information is based on an email circulated within the community asking for help for the young student, who was kicked out of the shelter