Household Language Barrier, Community Language Resources, and Asset Ownership among Immigrants and Refugees in Western New York

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Immigrants and refugees: A growing population

- More than 40 million immigrants and refugees live in the United States (15% of the total population) in 2017. The population is projected to grow to 78 million by 2065 (Radford, 2019).

- The successful labor market integration and financial capability of new arrivals is crucial, not only for their own wellbeing, but for their host communities.

A Karen Burmese woman uses a backstrap loom at Stitch Buffalo

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Barriers to economic integration for immigrants and refugees

- Language barriers & low human capital (Paulson et al., 2006).
  - Low English proficiency, limited work experience and formal education.
- Non-transferrable professional credentials (Duleep, 2015).
- Lack of, or poor, credit history (Paulson et al., 2006).
- Limited familiarity with US financial systems (poor financial knowledge and management skills) (Paulson et al., 2006).
- Discrimination and exclusion (Paulson et al., 2006).
- Insufficient interventions from government and financial institutions (Paulson et al., 2006).

Language resources: A key to financial access

- Individual language resource: English proficiency.
  - Key predictor of homeownership and the accumulation of other assets (Fontes, 2011).
  - Facilitates access to needed information, financial services and products (Consumer Financial Protection Bureau, 2016).
  - Current research and policy focus mainly on an individual's ability to speak English (Fontes, 2011).
- Potential for community-level language resources.
  - Ethnic banking facilitates financial access (Dymski, Li, Aldana, & Ahn, 2010).
  - Assistance from co-ethnic members has positive impacts on collective economic success (Nawyn, Gjokaj, Agbenyiga, & Grace, 2012).

Conceptual Model
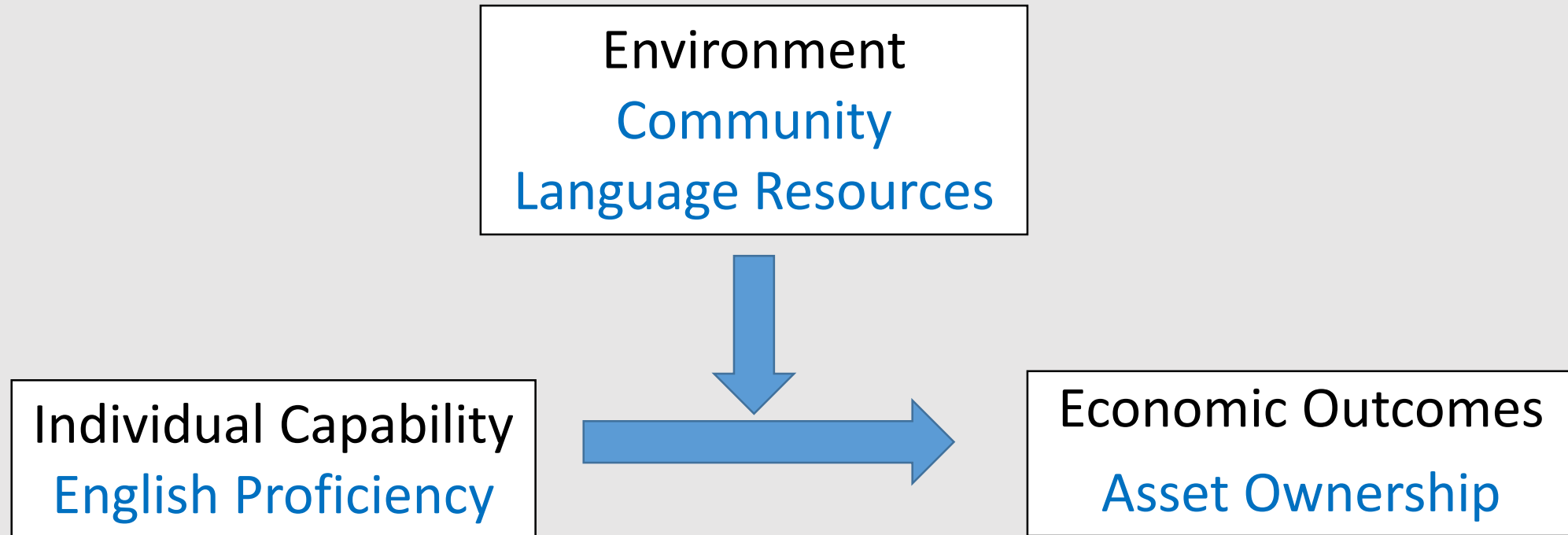
Immigrants and Refugees in Western New York

- Consisting of 5 counties in Western New York (Allegany, Cattaraugus, Chautauqua, Erie, and Niagara).
  - Urban, suburban, and rural settings.
- Immigrant population increased from 4.4% in 2000 to 6.0% in 2010 (+33%).
  - Refugee resettlement and secondary migration (low-educated & low-skilled populations) (Adelman et al., 2019).
  - Region attracts highly-educated immigrants in healthcare, life sciences, higher education, and professional services sectors (Adelman et al., 2019).
  - Ethnic and racial diversity.

Research aims & hypotheses

- This study aims to explore the association among household-level language barrier, community-level language resources and immigrants' and refugees' asset ownership.

H_1: Households with a language barrier are less likely to own assets than those without a language barrier

H_2: Community language resources are not expected to have an impact on asset ownership among households without a language barrier

H_3: The presence of community language resources is positively associated with asset ownership among households with a language barrier

Methods

Quantitative approach

- Primary

Qualitative approach

- Supplemental

Quantitative approach

- Data
  - Quantitative data: U.S. Census Bureau's American Community Survey (5-year compiled PUMS data, 2012 to 2015)
- Sample
  - Five counties in Western New York (Allegany, Cattaraugus, Chautauqua, Erie, and Niagara)
  - Immigrant households (Either head or/and spouse is an immigrant)
  - Sample size =1,287
- Analytical Approach: Probit Regression

Measures

Dependent Variables: Asset Ownership (Dichotomous)
- Homeownership
- Vehicle ownership
- Income-generating asset ownership

Control Variables
- Household head's characteristics (e.g. Age, Sex)
- Household composition (e.g. Household size)
- Other factors (e.g. County, Survey year)

Measures: Independent variables

Household language barrier
No adult speaks English very well or speak English only in a household (yes-no)

Community language resources
The % of adults within the PUMA who speak English very well among those speaking the same language as the head

Interaction
Household language barrier * Community language resource

Qualitative approach

- Data
  - Semi-structured interview data collected from June 2019 to June 2020
- Sample
  - Refugees living in the Buffalo metropolitan area (Erie County), NY
  - 3 criteria: Individuals who came to the US as refugees/asylees; >=18 years old; can speak Arabic, Burmese, Swahili, or English
  - N=20 (8 women and 12 men)

Qualitative Data analysis

- Focused on refugees' experiences of acquiring and managing assets, and their access to financial services.
- We leveraged qualitative interview data to interpret the quantitative data analysis results.

Bivariate analyses: Household language barrier and asset ownership

- Households with a language barrier have social & economic disadvantages (e.g. heads with low-education, disability) and low asset ownership rates.

	With Language Barriers	Without Language Barriers
Home**	37%	53%
Vehicle**	69%	83%
Income-generating assets**	12%	28%

** p<0.01; * p<0.05; + p<0.1

Probit regression: Homeownership

- HHs with a language barrier are less likely to own a home (*p*<.01).
- Interaction term: Community language resources increase homeownership among households with language barriers (*p*<.01)

	Coefficient	S.E.
HH Language barrier	-0.68**	(0.26)
Community Resource	0.03	(0.25)
Interaction	1.31**	(0.45)

Probit regressions: Vehicle & Income generating asset

- None of language resource variables (HH, community, and interaction) is statistically significant for vehicle ownership and income-generating asset ownership.

Qualitative Data Analayis Results

- Qualitative data confirm findings from the quantitative data analyses while deepening our understanding of refugees' financial experiences in the U.S.

The roles of language barriers in acquiring assets differ by the **type** of asset

Bank account/banking service

- English was rarely mentioned as a barrier in opening a bank account, perhaps due to resettlement services. Refugees experienced other barriers to banking services.

Example: Bank staff members did not know documentation requirements for refugees

"The first time when I opened a bank account, I had my employment card. The first bank I went to, it was AM bank (pseudonym). They refuse(d). They say I had to bring the green card. So, I went out to Flyer Bank (pseudonym) and they asked me to bring the employment card. So, they don't know what they're doing. So, I found out that there is misunderstanding with refugee and immigrant people. They don't know more about them. That's what I found out because you go somewhere, they say we need this, and you go somewhere (else) and they say, no, you're okay." [A Congolese woman in her 20s]

Vehicle ownership/purchasing experience

- A language barrier does not bar refugees from purchasing a vehicle; Multiple interviewees became victims of predatory car loans.

Example: A Congolese woman paid $28,000 for a car worth $14,000. It's a common problem in her community.

"I went to buy a car and the dealer told me on the phone that if I have $2000 down payment, he will give me a car, which is costing like $14,000. So, I had to pay $2000 down payment but what I never knew is about the interest. I never knew about it. I went out, I got the car, I went home. After some weeks, I got the bill costing me $28,000 but I am buying the car for $14,000… They lied to me… And many people in our community, with credit, everyone had an issue about that." [Congolese woman in her 20s]

Homeownership

- Homebuying is a complicated process, which is challenging to households with a language

Example: An Ethiopian man could purchase a house only after trying several years although he was college educated in his own country and fluent in English becoming to the US.

Example: An Iraqi woman who was not confident in her English relied on her son (a real estate agent) when she tried to buy a house. Also looked for help from her linguistic community when she needed assistance.

"It's the same thing as the bank in our country, (but in) different language, the only thing I was worried about and I still worry about it."

"He (My eldest son) is a real estate agent. He knows how to do it. That's easy for him... So, he did all this, like the process. And I asked him to help me with that. [Interviewer: Did you go to bank together to get mortgage or your oldest son helped...] Yeah, my son helped me out. He was with me for every step... Yeah, so he went with me because I need an interpreter and I don't trust anyone. [Iraqi woman in her 40s]

Discussion and Conclusions

- Community language resources matter in immigrant households' asset accumulation:
    - The probability of homeownership increases among households <u>with</u> a language barrier as community-level language resources increase.

- Findings from qualitative data deepened our understanding by showing why it would be hard for immigrants with a language barrier to buy a house or conduct other financial activities without language assistances from the community.

- Calling for policies and programs to build community resources, as well as individual capability.

Discussion and Conclusions

- Limitations:
  - Results in a Western New York sample are limited to this specific area, but call for similar study among a national sample
  - Refugee vs. other types of immigrants
- Implications:
  - Active policy and community interventions to mobilize language resources for immigrants/refugees with limited English proficiency
  - The language access mandatory should be expanded from health care sector to financial service sector
    - Financial institutions and government agencies should carry out education and outreach efforts in various language

Thank you!

Questions or Comments?
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Two women enjoying the World Refugee Day in Western NY event, summer 2019.

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