The New Eastern European Immigrants: Evidence from the 2000s

Contemporary immigration to the United States has experienced a phenomenal increase in the last decades. The foreign-born population grew from 19.8 million in 1990 (7.9% of population) to 32.5 million in 2002, representing 11.5% of the total U.S. population (Schmidley, 2003). While the growth of Asian and Latin American immigrants has been a central issue, the rapid growth of East European (EE) immigrants has received insufficient attention. During the communist regime, immigration from these former communist countries to the U.S. was extremely limited, with small waves of Russian Jewish refugees escaping religious persecution. Following the fall of the "iron curtain" in the late 1980s and early 1990s, EE countries have allowed their residents to emigrate. The number of Eastern European immigrants admitted for legal permanent residence grew from 18,260 in 1987 to 121,083 in 2001 (Migration Information Source, 2004; Schmidley, 2001). Systematic research on EE immigrants can help advance the current debate and development of assimilation theory (e.g., Alba & Nee, 2003) as well as develop culturally sensitive support programs and policies to help them adapt to the new society. The *goal of this study* is to examine the effects of education level and length of US residence on EE immigrants' adaptation. In order to better understand EE immigrants' adaptation, the project places EE immigrants in the larger context by comparing them with a Western European immigrant group and native whites.

Background

Human Capital

The Census 2000 data indicate that there are wide differences in EE immigrants' educational level (Robila, submitted). For example, countries sending a high percentage of people with graduate/professional degree are Bulgaria (32.8%), and Russia (27.8%). The countries with a low percentage of people with graduate/professional degree are Bosnia / Herzegovina (4.4%), Macedonia (5.4%), and Yugoslavia (8.2%). Whether the education is credible in the American labor market depends, to a large degree, on the educational system in the EE countries. Although the main schooling structure is similar (elementary, middle school, high school, college, and postgraduate), education was largely under the control of the central government, funded by the state (free tuition), and there was no private education under the communist regime. The admission to college was very competitive, based on tough entrance examinations, with relatively few admissions available each year. Because of differences in requirements (e.g., types of courses and number of credits), levels of technology, and economic systems, EE immigrants' education may be greatly discounted in the U.S. In addition, upon arrival in the U.S., EE immigrants have to translate their educational credentials into English. Many times, the translation does not reflect the true qualifications, contributing to the discounting of EE degrees.

Immigrants' Adaptation

The literature on recent EE immigrants' adaptation to U.S. is extremely limited. The following review is based on research conducted on other immigrant groups. The purpose is to summarize major indicators of the adaptation of the immigrant population as a whole, which will be used to measure the adaptation of EE immigrants. Immigrants' level of adaptation is usually indicated by their economic attainment, welfare dependency, and material well-being in the host society (Suárez-Orozco, C. & Suárez-Orozco, M., 2001;

Borjas 1994). The indicators of economic adaptation include income from earnings vs. public assistance, housing characteristics, and health insurance.

Immigrants are more likely than the native population to be engaged in unstable, low-paid jobs because of low skills or discounted skills and have lower income (Schmidley, 2001). Some families receive income from *public assistance programs*. Legal immigrants are entitled to the means-tested programs, the eligibility for which is based on income and assets. These programs include TANF / AFDC, Supplemental Security Income (SSI), Medicaid, public housing assistance, school breakfast and lunch programs, etc. While income indicates the resources at a family's disposal, material well-being may be a more direct measure of deprivation and adaptation (Meyer & Sullivan, 2004). *Housing characteristics*, such as owning or renting, are also important issues. Another indicator of wellbeing is the possession (or lack) of *health insurance*. Immigrants are much less likely to have health insurance than natives. Data from the 2002 Current Population Survey indicate that of the 33.5 million foreign–born people, 33% (11.2 million people) have no health insurance coverage compared with 13% for natives (Migration Policy Institute, 2004). This study will focus on these measures of EE immigrants' adaptation to the U.S. society.

Human capital theory explains immigrants' economic adaptation by level of educational attainment (Borjas 1990; Urban Institute 2003). Immigrants' level of education and length of US residence are important factors of immigrants' economic outcomes and adaptation. The transfer of human capital of immigrants is imperfect for two reasons. First, because immigration to a new country involves acculturation, such as learning a new language and customs (Massey et al, 1998), labor market skills, including professional skills, may not be perfectly transferable unless English is proficient. Second, the educational degrees that immigrants obtained in their home countries might not be transferable in the new host society (Hao and Ozgur 2004).

The "glass ceiling" hypothesis for Asian Americans and immigrants suggests that the rate of returns to education can differ between whites and Asians with two confounding causes: racial discrimination and transferability of foreign education. Before the large influx of EE immigrants, Asian countries were the major sending countries of professionals. The resurgence of EE immigrants, many of whom are highly educated, provides researchers an unprecedented opportunity to perform a clear-cut test of education transferability. Comparisons among EE nationality groups, between EE immigrants and Western European immigrants, and between EE immigrants and native whites will offer a deeper understanding of returns to the place of education.

Data and Methods

Data

The study draws data from the 2002-2004 March Supplement of Current Population Survey (CPS). We take advantage of the March CPS information on country of birth, human capital, and economic activities to study EE immigrants in the larger context of immigrant and native population. The units of analysis are adults aged 16-64 years old. Our analytic sample includes immigrants from Romania (N = 129), Hungary (N = 89), Czech/Slovak Republics (N = 123), and Yugoslavia (N = 223). For comparative reasons we also include immigrants from England (N = 890) and a random sample of native whites (N=1000).

Measures

The CPS March Supplement instrument contains questions that operationalize key concepts such as country of origin, human capital, and adaptation, as well as demographics. We measure human capital using educational attainment. To measure adaptation we used income, participation in public assistance, possession of health insurance, and housing tenure (renting / owning)

Data Analysis

Descriptive Analysis. The study provides detailed descriptions about the contemporary EE immigrants, including their origin country conditions, human capital, and adaptation, which are understudied in the literature. Because EE immigrants are heterogeneous, we emphasize the disparities among origin-country groups, between EE immigrants and Western European immigrants, and between EE immigrants and native whites

Results from Preliminary Analysis

Descriptive Statistics

Descriptive statistics are presented in Table 1. The mean age for all groups is around 40 years, the youngest for Yugoslavians (37) and oldest for Hungarians (45). The gender distribution is almost even. The mean length of residence varies between 12 years for Yugoslavians and 22 for Hungarians. It can be observed that the mean length of Hungarians and Czech/Slovakians is higher than that of the Yugoslavians and Romanians. A couple of reasons are in order. First, Romania was the most closed society among the four eastern European ones studied here, the immigration laws being very rigid during the communism. Second, many people from Yugoslavia came during the conflict in Serbia and Bosnia in early 1990s.

Education levels are presented in Table 2 and it can be observed that they are relatively high, majority of the respondents having at least high school education, many of them having a college degree (e.g., Hungarians 32%) or postgraduate degree (e.g., Czech/Slovak 21%). The group with the lowest educational levels is the one from Yugoslavia (61% have high school or less). Many of the people from Yugoslavia are coming as refugees while the other eastern European groups are mainly coming on job-sponsored visa which requires high educational attainment.

The data indicate that the *level of unemployment* is very low (2.7%). An index has been created measuring *labor market skills training* (e.g., attending a job search program, learning about resume writing). The results indicate that only a very limited number of EE immigrants had this type of training (1%). Several explanations are possible. On one hand, many of the EEI were admitted on the employment basis, which require an advanced degree (and therefore they do not need additional training). On the other, for those with limited educational levels (who may come for family reunification or as refugees) these job training programs might not be available. It may also be an underreport issue: the question asks about participation in job training programs refers to the year before the interview (and some may have participated the previous years).

The indicators for the *adaptation* levels were income, receiving public assistance, possession of health insurance, and housing (owning, renting). *Income levels* were measured with a 5-point Likert scale (see Table 3). The data indicate that majority of people had incomes lower than $50,000. Among the eastern European groups, Yugoslavians have the lowest income level, 70% having less than $25,000 per year, and Romanians have the highest income levels, 23.29% having more than $50,000. People

from England have higher incomes, 30% have more than $50,000. This is expected given the longer and different immigration history.

Participants reported their participation in *public assistance* and receipt of welfare benefits. The data indicate that very few respondents participate in these programs (less than 2%). An index has been created to measure the *possession of health insurance* either from Medicare, Medicaid, private or employer. The results are presented in table 4. *Housing characteristics* was examined by considering renting or owning. Majority of people surveyed own (or are in the process of buying) their houses: 61% of Czech/Slovakians, 58% of Hungarians, 66.7% of Romanians, 54% of Yugoslavians, and 75% of English.

Further Analysis

In a multivariate framework, we will estimate the effects of the following factors on adaptation simultaneously. Country of origin captures the unique home country conditions, immigrants' arrival cohort captures the structural conditions of the host society, refugee status captures the motivation of migration, naturalization and length of U.S. residence capture the stage and speed of assimilation, education received in the home country captures education transferability. We take adaptation as a construct that encompasses income and material well-being (welfare participation, housing and health care). Special attention will be placed on the potential differential effect of education among the 4 EE groups, between EE and English immigrants, and between EE immigrant and native whites.

Table 1. Descriptive Statistics

Variable	Czech / Slovak		Hungarian		Romanian		Yugoslavian	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD
Sex (F =1)	.58	.50	.62	.48	.53	.50	.46	.49
Age	43.50	12.07	45.22	12.20	39.65	13.02	37.04	12.26
Residence (y)	22.66	13.56	22.89	17.51	15.67	9.29	12.05	12.11

Source: 2002 - 2004 March Supplement of the Current Population Survey

Table 2. Education levels

Education	Less than high school		High school		Some college / Associate		BA/BS		MA/Ph.D.		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
	1		2		3		4		5			
Czech/Slov.	4	0.8	45	36.6	22	17.9	29	23.6	26	21.1	123	100
Hungarian	4	4.5	24	27	20	22.5	29	32.6	12	13.5	89	100
Romanian	1	0.8	46	35.7	29	22.5	32	24.8	21	16.3	129	100
Yugoslavian	20	9.0	117	52.5	46	20.6	20	9.0	20	9.0	223	100
England	8	0.9	263	29.6	257	28.9	240	27.0	122	13.7	890	100

Note. Source: 2002-2004 March Supplement of the Current Population Survey.

Table 3. Income levels

Income	$9,999 or less		$10,000 – $24,999		$25,000 – $49,999		$50,000 - $74,999		75,000 - $100,000		Total	
	1		2		3		4		5			
	N	%	N	%	N	%	N	%	N	%	N	%
Czech/ Slov.	46	37.4	25	20.3	25	20.3	17	13.8	10	8.1	123	100
Hungarian	34	38.2	20	22.5	19	21.3	8	9.0	8	9.0	89	100
Romanian	40	31.0	28	21.7	31	24	15	11.6	15	11.6	129	100
Yugoslavian	89	39.9	69	30.9	44	19.7	16	7.2	5	2.2	223	100
England	246	27.6	162	18.2	208	23.4	136	15.3	138	15.5	890	100

Note. Source: 2002-2004 March Supplement of the Current Population Survey.

Table 4. Health Insurance

Insurance	Medicare		Medicaid		Employer based		Private		No insurance	
	N	%	N	%	N	%	N	%	N	%
Czech/ Slov.	2	1.6	3	2.4	38	30.9	82	66.7	38	30.9
Hungarian	4	4.5	7	7.9	36	40.4	63	70.8	13	14.6
Romanian	3	2.3	9	7.0	50	38.8	79	61.2	37	28.7
Yugoslavian	4	1.8	20	9.0	89	39.9	151	67.7	52	23.3
England	11	1.2	30	3.4	453	50.9	730	82.0	118	13.3

Note. Source: 2002-2004 March Supplement of the Current Population Survey. Note that the total N and percentages exceed the number of people from each country and 100% because some people have more than one insurance type.