

Community Transformation and the Formation of Ethnic Capital: Immigrant Chinese Communities in the United States¹

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In this article, we attempt to develop a conceptual framework of “ethnic capital” in order to examine the dynamics of immigrant communities. Building on the theories of social capital and the enclave economy, we argue that ethnic capital is not a thing but involves interactive processes of ethnic-specific financial capital, human capital, and social capital. We use case studies of century-old Chinatowns and emerging middle-class immigrant Chinese communities in New York and Los Angeles to illustrate how ethnic capital affects community building and transformation, which in turn influence the social mobility of immigrants. We also discuss how developments in contemporary ethnic enclaves challenge the conventional notion of assimilation and contribute to our understanding of immigrant social mobility.

IMMIGRANT CHINESE COMMUNITIES IN THE UNITED STATES have existed for more than one and a half centuries and have gone through tremendous changes in time and space. Recent studies of Chinese immigration and ethnic Chinese enclaves have shed fresh light on community transformation in important ways (Chen 1992; Fong 1994; Horton 1995; Li 1997; Tseng 1994; Zhou 1992; Zhou and Kim 2003). The most noticeable feature of this transformation is that contemporary Chinese immigrants are socioeconomically diverse, and the tangible economic resources which they brought with them — money, skills, and other assets — have become intertwined with intangible ethnic resources such as easy access to established ethnic and global networks and to foreign capital. These linkages have enhanced the value of individual holdings to create a new mode of immigrant

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incorporation in the form of ethnic and transnational entrepreneurship with overseas investments in the local economies of both sending and receiving countries. This mode of incorporation has altered the way ethnic enclaves operate and facilitated the integration of ethnic economies into the mainstream host economy that is itself becoming increasingly globalized. Furthermore, the size and economic power of the newcomers have propelled the rapid transformation of the socially isolated old Chinatowns into new ethnic enclaves while giving rise to visible suburban middle-class immigrant communities referred to as Chinese “ethnoburbs.”²

In this article, we attempt to develop the conceptual framework of “ethnic capital” in order to examine specific patterns of change in new immigrant Chinese communities in the United States. Building on the theories of social capital and the ethnic enclave economy, we argue that ethnic capital is not a thing but involves interactive processes of ethnic-specific financial capital, human capital, and social capital. We use case studies of century-old Chinatowns and emerging middle-class immigrant Chinese ethnoburbs in New York and Los Angeles to illustrate how ethnic capital affects, and is in turn affected by, community building and transformation. Specifically, we address the following questions: What are the new immigrant enclaves beyond the urban core like? How may community development in inner cities differ from that in the suburbs? What type of resources is necessary for community building? What are the consequences and prospects of this new type of community development? By focusing on community development of one immigrant group, we hope to develop a conceptual framework for studying ethnic enclaves across race and ethnicity. Overall, we seek to understand the ways in which new immigrant communities challenge the notion of assimilation and speculate how new forms of ethnic enclaves contribute to immigrant social mobility.

The Formation of Ethnic Capital: A Framework for Analysis

How do ethnic communities emerge, maintain, and transform themselves in time and space? We argue that the interplay of financial capital, human capital, and social capital within an identifiable ethnic community may be broadly conceptualized as “ethnic capital” in order to explain the causes and consequences of community development and transformation. Financial capital simply refers to tangible economic resources, such as money and liquidable assets. Human capital is generally measured by education, English proficiency, and job skills. Social capital is more complex, entailing social relations, processes, and access to resources and opportunities.

The concept of “social capital” has come into wide use in recent years. There has been considerable debate over how to define and measure it and how to locate it at different levels of analysis. Demographic characteristics, such as socioeconomic

status or race and ethnicity, may be part of the social capital process. Family educational background, family occupational status, and income are usually considered as forms of human or financial capital. However, family socioeconomic status can also connect individuals to advantageous networks (see Bourdieu 1985) and thus is related to social capital. The economist Glenn Loury (1977) has argued that social connections associated with varied class status and human capital give rise to differential access to opportunities. The sociologist James S. Coleman (1988) defines social capital as consisting of closed systems of social networks inherent in the structure of relations between persons and among persons within a group. For Coleman, the essence is a “dense set of associations” within a social group promoting cooperative behavior that is advantageous to group members. The sociologists Alejandro Portes and J. Sensenbrenner (1993) have defined social capital as “expectations for action within a collectivity that affect the economic goals and goal-seeking behavior of its members,” even if these expectations are not oriented toward the economic sphere. The sociologist Rob Sampson (2004) defines social capital as having different utility values pertaining to effective social action, arguing that not all social networks are created equal and that many lie dormant with little implications for effective social action, or with little utility in providing effective social support and social control. The political scientist Robert Putnam (1993) treats civic organizations as the main source of social capital because these organizations provide a dense network of secondary associations, trust, and norms in creating and sustaining “civicness,” or a sense of civic community to facilitate the workings of the society as a whole.

Despite variations in definition, there seems to be agreement among scholars that social capital is not lodged in the individual but in the structure of social organizations, patterns of social relations, or processes of interactions between individuals and organizations. That is, social capital does not consist of resources that are held by individuals or by groups but of processes of goal-directed social relations embedded in particular social structures. In our view, social capital inheres immediately in the social relations among individuals that are often determined and constrained by ethnicity; it is also embedded in the formal organizations and institutions within a definable ethnic community that structure and guide these social relations. Lodging social capital this way is important in two respects. First, social relations among immigrants have often been disrupted through the process of migration. Upon arrival, many immigrants, including those received into their preexisting ethnic community, are just as likely to be strangers as they would be were they to move from one place to another in their old homeland, despite sharing the same language and even same dialect. The unfamiliar social environment combined with the lack of language proficiency and human capital adds to the difficulty in social orientation. It is the ethnically familiar physical site that can bring new immigrants together, providing them with

opportunities to interact with members of their own group and to re-build social networks and a sense of community. These newly built social networks may be qualitatively different from what is commonly understood: they may not be as intimate and homey, yet they are instrumental. Secondly, ethnic social structures differ from other multi-ethnic or mainstream social structures in that they operate under common cultural parameters, most importantly, language. In theory, immigrants with proficient language skills can join and benefit from any social or civic organizations in the host society. But many of them are still blocked from participation in mainstream institutions, such as sports clubs or parent-teacher associations (PTAs), because of the language barrier. Moreover, ethnic organizations are relatively more sensitive than other types of institutions in the mainstream society to immigrants' needs and their particularistic ways of coping with and resolving certain types of bi-cultural problems.

How is ethnic capital related to community building? In American sociology, the classical approach to studying ethnic communities stems from assimilation theories that perceive immigrant enclaves as a necessary first stop on the time-honored path to socioeconomic and residential mobility. The assimilationist approach assumes that the ethnic community and the host society are inherently conflicting and mutually exclusive; that there is a natural process by which diverse ethnic groups shed their cultural baggage and come to share a common culture and identity; and that, once set in motion, this process moves inevitably and irreversibly toward assimilation (Gordon 1964; Warner and Srole 1945). Thus, ethnicity and anything associated with it are implicitly or explicitly treated as liabilities rather than assets. New immigrants, with little human capital (English language proficiency and marketable or transferable skills) and little financial capital have to depend on social capital that they form through preexisting social networks. By clustering in ethnic enclaves upon arrival, the newcomers can find housing, jobs, and their way around and survive in the unfamiliar and often hostile foreign land. But they are expected to, and will, eventually move out of the enclave as they achieve socioeconomically. Assimilationist scholars maintain that an immigrant enclave and the organizational structure that emerges from it function in a non-linear fashion. Such enclaves function only to the point of meeting group members' survival needs and helping them establish a foothold in their new land. In the long run, however, these enclaves will become obstacles to assimilation as they, intentionally or unintentionally, discourage immigrants from learning English and the American ways, stifle their incentive to make contact with members of the dominant group and mainstream institutions, and trap them in permanent isolation. The out-movement of successful coethnic members, or assimilation, inevitably causes ethnic enclaves to decline or dissolve as there are no newer group members to replenish them. From the assimilationist perspective, social capital in ethnic enclaves serves immigrants' survival needs well but will

become increasingly “devalued” and eventually depleted as immigrants accumulate more and more human capital and financial capital.

The ethnic enclave economy theory, in contrast, offers a different view. Portes and his colleagues were among the first to develop the enclave economy concept, drawing on the dual labor market theory (Portes 1987; Portes and Bach 1985; Wilson and Portes 1980). In its original conceptualization, the ethnic enclave economy had a structural and a cultural component. As a distinct type of ethnic economy, it consisted of a wide range and diversity of economic activities that exceeded the limits of small businesses, trade and commerce, and traditional mom-and-pop stores, as well as ethnic social and civic institutions that mediated economic action, such as merchant associations, chambers of commerce, informal credit associations, and family/hometown associations. To a varying degree, it resembled some of the key characteristics of *both* primary and secondary sectors of the mainstream economy. Unlike the broader “ethnic economy” that includes almost every business under an ethnic umbrella, the “ethnic enclave economy” has several unique characteristics. First, the group involved has a sizable entrepreneurial class. Second, economic activities are not exclusively commercial, but include productive activities directed toward the general consumer market. Third, the business clustering entails a high level of diversity including not just niches shunned by natives but also a wide variety of economic activities common in the general economy such as professional services and production. Fourth, coethnicity epitomizes the relationships between owners and workers and, to a lesser extent, between patrons and clients. Last and perhaps most importantly, the enclave economy requires a physical concentration within an ethnically identifiable neighborhood with a minimum level of institutional completeness. Especially in their early stages of development, ethnic businesses have a need for proximity to a coethnic clientele which they initially serve, a need for proximity to ethnic resources, including access to credit, information and other sources of support, and a need for ethnic labor supplies (Portes 1987; Portes and Manning 1986).

The ethnic enclave economy also has an integrated cultural component. Economic activities are governed by bounded solidarity and enforceable trust — mechanisms of support and control necessary for economic life in the community and for reinforcement of norms and values and sanctioning of socially disapproved behavior (Portes and Zhou 1992). Relationships between coethnic owners and workers, as well as customers, generally transcend a contractual monetary bond and are based on a commonly accepted norm of reciprocity. Zhou’s study of the garment workers in New York’s Chinatown offers a concrete example (Zhou 1992). Immigrant Chinese women with little English and few job skills often find working in Chinatown a better option despite low wages, because the enclave enables them to fulfill their multiple roles more effectively as wage earners, wives, and mothers. In Chinatown, jobs are easier to find, working hours are more

flexible, employers are more tolerant of the presence of children, and private child-care within close walking distance from work is more accessible and affordable. Such tangible and intangible benefits associated with the ethnic enclave are absent in the general secondary labor market, where coethnicity is atypical of owner-worker relationships and reciprocity is not an enforceable norm. Likewise, ethnic employers who run businesses in non-coethnic neighborhoods or who employ non-coethnic workers can effectively evade the social control of the ethnic community while causing unintended consequences of heavier social costs such as interethnic conflicts.

In sum, the ethnic enclave economy is not any type of ethnic economies. The adjective “enclave” is not just there to invoke the concept of “ethnic economy,” but refers to a specific phenomenon, one that is bounded by an identifiable ethnic community and embedded in a system of community-based coethnic social relations and observable institutions. The central idea of the enclave economy concept is that the enclave is more than just a shelter for the disadvantaged who are forced to take on either self-employment or marginal-wage work in small business. Rather, the ethnic enclave possesses the potential to develop a distinct structure of economic opportunities as an effective alternative path to social mobility.

Drawing on the ethnic enclave economy theory, we argue that, within an ethnic enclave, community development is perpetuated by interactive processes of “ethnic capital” comprising social capital, human capital, and financial capital. Next, we use a comparative case study of old Chinatowns and new Chinese ethnoburbs in New York and Los Angeles to illustrate these interactive processes.

Ethnic Capital in Old Chinatowns: The Case of New York

The Chinese are the oldest and largest ethnic group of Asian ancestry in the United States. In the mid-nineteenth century, most Chinese immigrants arrived in Hawaii and the U.S. mainland as contract laborers, working at first in the plantation economy in Hawaii and in the mining industry on the West Coast and later on the transcontinental railroads west of the Rocky Mountains. These earlier immigrants were uneducated peasants and came almost entirely from the Siyi and Pearl River Delta areas of South China. Most intended to stay for only a short time to “dig” enough gold to take home, but few realized their “gold dream.” In fact, many found themselves easy targets of discrimination and exclusion. In the 1870s, white workers’ frustration with economic distress, labor market uncertainty, and capitalist exploitation turned into anti-Chinese sentiment and racist attacks against the Chinese. Whites accused the Chinese of building “a filthy nest of iniquity and rottenness” in the midst of American society and driving away white labor by “stealthy” competition; they called the Chinese the “yellow peril,” the “Chinese menace,” and the “indispensable enemy” (Chan 1991). In 1882, the U.S.

Congress passed the Chinese Exclusion Act, which was renewed in 1892 and later extended to exclude all Asian immigrants until World War II.

Legal exclusion, in addition to extralegal persecution and anti-Chinese violence, effectively drove the Chinese out of the mines, farms, woolen mills, and factories on the West Coast. As a result, many Chinese laborers lost hope of ever fulfilling their dreams and returned permanently to China. Others gravitated toward San Francisco's Chinatown for self-protection, either because they could not afford the return journey or because they felt ashamed to return home penniless. Still others traveled eastward to look for alternative means of livelihood. Chinatowns in the Northeast, particularly New York, and the mid-West grew to absorb those fleeing the extreme persecution in California (Lee 1960; Lyman 1974; Tchen 1999). Consequently, the proportion of Chinese living in California decreased drastically and the number of new immigrants arriving in the United States from China dwindled from 123,000 in the 1870s to 14,800 in the 1890s, and then to a historically low number of 5,000 in the 1930s. This demographic trend did not change significantly until Congress reformed the immigration legislation in the mid-1960s. From the passage of the Chinese Exclusion Act of 1882 to its repeal in 1943, Chinese immigrants in the United States were largely segregated in Chinatowns in major urban centers such as San Francisco, Los Angeles, New York, and Chicago. In this sense, Chinatown is an American creation, a direct outcome of racial exclusion. As Portes points out in his foreword to Zhou's book *Chinatown* (1992), "The fact that Chinatowns were not the outgrowth of deliberate entrepreneurial initiative but an adaptive response to harsh realities in the host society had a decisive effect in their subsequent development."

Prior to World War II, Chinatown was typically a socially-isolated enclave and a self-governing and self-sustaining community. New York City's Chinatown started as a bachelor society in the late nineteenth century as excluded workers moved eastward to New York in the hope of fulfilling their "gold dream" (Zhou 1992; Tchen 1999). By the 1940s, New York's Chinatown, still a bachelors' shelter with a sex ratio of 603 men per 100 women, had grown into a ten-block ethnic enclave, accommodating almost all Chinese immigrants in the city. In old Chinatown, immigrant workers could speak their own language, eat their own food, play their own games, exchange news from home, and share common experiences with fellow countrymen day in and day out. The lack of human capital and financial capital, intertwined with legal exclusion in the host society and the lack of a long-term settlement orientation among sojourning Chinese, constrained the development of the ethnic enclave; the old Chinatown remained as just a means of survival. Industries, such as the restaurant and laundry businesses, were the backbone of the enclave economy. These industries were characterized by intensive labor, low wage, poor working conditions, long working hours, low profit returns, and few opportunities for upward social mobility. For the Chinese,

small businesses grew out of two main reasons. On the one hand, legal exclusion and labor market discrimination prohibited them from being hired in the mainstream economy and pushed them into small businesses in their own enclave where they sought occupational niches unwanted by the natives. On the other hand, ethnic concentration created a tremendous demand for goods and services from the excluded coethnics and also the supply of low-wage labor for the emerging ethnic economies. Thus, small businesses grew to meet the needs of the bachelor society by creating jobs that would enable both Chinese owners and workers to avoid competition with the larger society. The Chinese laundry business and restaurant business emerged from such circumstances. Early twentieth-century Chinese went into the laundry business in such large numbers that by 1920 well over a third of the Chinese workers in New York (38 percent) were occupied in laundry work, and by the late 1950s, over 300 restaurants and tea houses had opened in the ten-block area of Chinatown, serving meals for Chinese laborers, most of whom had no families with them, as well as exotic food to non-Chinese tourists (Zhou 1992). Although ethnic businesses within the enclave may have been short-lived and may have lasted only one generation, they nonetheless opened up a unique structure of opportunities that corresponded to the sojourning goals of early Chinese immigrants who were mostly poor, uneducated peasants and enabled disadvantaged coethnics to gain a foothold in society.

When an ethnic group is legally excluded from participating in mainstream host society, effective community organizing can mobilize ethnic resources to counter the negative effects of adverse conditions. During the exclusion era, various ethnic institutions also arose to meet the sojourning needs of immigrants. The strength of community organization can be measured by the density and diversity of community-based institutions and establishments. In addition to businesses in the ethnic enclave economy, there were various ethnic organizations in Chinatown. Among them, these were the most visible and influential: family, clan or kinship associations, district or regional associations, and merchants' associations, also called "tongs" (Kuo 1977; Wong 1979; Zhou and Kim 2001). The Chinese Consolidated Benevolent Association (CCBA) served as an apex organization, also referred to as Chinatown's quasi government representing some 60 different family and district associations, guilds, tongs, the Chamber of Commerce, as well as the Nationalist Party (Kuo 1977). Community-based organizations functioned primarily to meet the basic needs of sojourners, such as helping them obtain employment and offering different levels of social support, and organizing economic activities. Powerful tongs controlled most of the economic resources in the community, and some formed underground societies to profit from such illicit activities as partitioning territories, extortion for business protection, gambling, prostitution, and drugs (Dillon 1962; Kuo 1977). Such a diverse organizational structure produced tangible resources in the form of

employment and self-employment opportunities and family-oriented and children-oriented services. It also provided a physical site for coethnics from diverse socioeconomic backgrounds to reconnect to one another in multiple ways and form social networks that, in turn, produced both tangible and intangible benefits.

In pre-World War II Chinatown in New York as well as in other major American cities, most residents were supported and controlled by family, clan, or district associations. They depended heavily on an ethnic economy that was highly concentrated in restaurant and laundry businesses along with small businesses catering to the basic needs of coethnics. The level of coethnic interaction was high, conducted almost entirely through ethnic organization and ethnic networking within the enclave. For example, even though the ethnic-language media in Chinatown served to provide advertisements for ethnic businesses, information about goods and services and business or employment opportunities was transmitted primarily through word of mouth and face-to-face interaction. The owner of a popular restaurant was likely to be the head of a family association and was inclined to hire his own relatives and friends who in turn spread the word about his restaurant. A laundry worker was likely to shop at the same place as his neighbors who could share shopping tips and exchange information about the pricing and quality of goods and services in the neighborhood. As a result, business owners and workers often found one another through direct interpersonal contact and could meet their respective needs without having to step outside Chinatown.

In old Chinatown, despite a severe lack of human capital and financial capital, social capital was relatively abundant. Chinese immigrants living there created bounded solidarity by virtue of their shared cultural bonds and shared experiences of being treated as foreigners, which in turn heightened their awareness of common symbols, values, and obligations, and fostered an enforceable trust among immigrants. Chinese entrepreneurs raised financial capital and mobilized other economic resources to establish businesses not simply through family savings or overseas investment, but also through bounded solidarity and enforceable trust. More specifically, Chinese entrepreneurs during the exclusion era relied on sentimental and instrumental ties to the social structures of the ethnic enclave and the access to family labor and coethnic labor. Many immigrant enterprises, especially labor-intensive grocery and food stores, restaurants, and garment factories, depended on unpaid family labor and low-wage immigrant labor. The access to low-cost coethnic labor gave ethnic entrepreneurs a clear competitive edge.

From the point of view of coethnic workers, ethnic businesses offered material and symbolic compensations that could not be accounted for simply in dollar terms. Although jobs in ethnic enterprises were characterized by low wages, long working hours, and poor working conditions, immigrant workers were provided with a familiar work environment in which they were effectively shielded from the disadvantages resulting from their deficiencies in language, education, and

general knowledge of the larger society. They could obtain first-hand information on employment and business opportunities through their family members, kin, and coethnics to avoid the expensive cost of time and effort involved in finding “good jobs” in the larger market. They were able to work longer hours to quickly accumulate family savings for future plans. They could gain access to rotating credit, and turn to clan associations and the family for financial support and resource mobilization (Zhou 1992). Moreover, they could get job training and cultivate an entrepreneurial spirit at work, and possibly prepare themselves for an eventual transition to self-employment (Bailey and Waldinger 1991). Many garment factory and restaurant owners built their businesses on family savings accumulated from wages earned in the garment industry (Zhou 1992).

Bounded solidarity and enforceable trust, however, did not inhere in the moral conviction of the individual or the culture of origin; rather, they interacted with structural factors in the host society to help immigrants organize their social and economic lives in disadvantaged or adverse situations (Portes and Zhou 1992). For many new immigrants, low-paid menial work was a part of the time-honored path to economic independence and upward mobility of their families in America. It was the ethnic solidarity and mutual trust between coethnic workers and entrepreneurs, combined with human and financial capital that facilitated ethnic entrepreneurship among Chinese Americans. The above analysis suggests that social capital formation in old Chinatown has several distinct features: (1) interpersonal relations in old Chinatown were formed primarily on ties of blood, kin, and place of origin; (2) economic organizations in old Chinatown were embedded in an interlocking ethnic social structure consisting of a range of ethnic organizations which guided and controlled interpersonal and interorganizational relations; and (3) the ethnic enclave as a whole operated on the basis of ethnic solidarity internally and interethnic exclusivity externally. Table 1 illustrates the interactive processes of ethnic capital in old Chinatowns.

Social capital, formed through a common origin, a common language, and a common fate along with intimate face-to-face interaction and reciprocity within the enclave, provided the basis for economic and social organization, which in turn facilitated the accumulation of human capital in job training (and to a lesser extent in children’s education) on the one hand, and the accumulation of financial capital in ethnic entrepreneurship and family savings on the other. The process of human

Table 1. Interactive Processes of Ethnic Capital in Old Chinatowns

Components	Strength	Relations
Social capital	Strong	Basis
Human capital	Weak	Outcome
Financial capital	Weak	Outcome

and financial capital accumulation based on strong social capital resources in old Chinatown also heightened the significance of ethnic institutions. The relationships between various associations and individuals, between associations and the CCBA, and between the elite and the masses in old Chinatowns were interdependent, and the power structure was relatively unified, for several reasons. First, the early Chinese immigrants came from a few tightly-knit rural communities in South China. Although there were variations in dialects and bases of the networks, most of the immigrants were Cantonese who came from similar socioeconomic backgrounds and arrived in America in groups as contract laborers doing similar jobs. They lacked human capital, English language proficiency and information on employment, and as such were dependent on a small group of coethnic labor brokers or merchants, and later on, coethnic organizations. Second, most of them were sojourners who did not intend to settle in the United States. Without their families, they were highly dependent on one another for social support and companionship. Third, the hostility of the host society and legal exclusion from the larger society meant few were able to venture beyond their own ethnic enclaves. These structural constraints strengthened the immigrant networks, created opportunities for community organization, and gave rise to a relatively uniform and interdependent organizational structure. As a result, old Chinatown's development under legal exclusion tended to reinforce ethnic segregation, constraining outward development and community transformation.

Ethnic Capital in New Chinese Ethnoburbs: Flushing, New York and Monterey Park, California

Contemporary Chinese Immigration

“Ethnoburbs” refers to new ethnic suburbs with a concentration of immigrants and immigrant businesses (Li 1997), a phenomenon perpetuated by post-1965 immigration. In 1965, the US Congress passed the Immigration Act (Hart-Cellar Act) to abolish the discriminatory national-origins quota system in admitting immigrants to the United States and to promote family reunification and skilled worker migration.³ Chinese immigration has been positively affected by the 1965 Immigration Act and by various US immigration laws that were passed thereafter. According to the U.S. Citizenship and Immigration Services (USCIS), 347,564 immigrants were admitted to the United States from China, Hong Kong, and Taiwan as permanent residents between 1961 and 1980; and 973,855 more were admitted between 1981 and 2000 (USCIS 2002, Table 2).⁴ China has been on the list of the top 10 immigrant-origins countries in the United States since 1980. The U.S. Census also attests to the big part played by immigration. As of 2000, the ethnic Chinese population increased more than tenfold from 1960 (from 237,292 in 1960, to 1,645,472 in 1990, and to nearly 2.9 million in 2000). Much

of this tremendous growth is primarily due to immigration, as foreign-born Chinese currently account for more than two-thirds of the ethnic Chinese population in the United States.

Contemporary Chinese immigration to the United States is thus a post-1965 phenomenon. Since the 1970s, the ethnic Chinese population has not only increased many times in absolute numbers, but also become culturally, linguistically, and socioeconomically diverse. Contemporary Chinese immigrants differ generally from the old timers in several remarkable respects. They are, first of all, extraordinarily diverse in their places of origin. Instead of coming primarily from the Siyi and the Pearl River Delta areas of Guangdong Province, today's immigrants have arrived in America from various regions in mainland China, as well as from the greater Chinese diaspora — Hong Kong, Taiwan, Vietnam, Cambodia, Malaysia, and the Americas. However, Chinese immigrants from different origins do not necessarily speak the same language (dialect), even though they share a single unified Chinese written language (in traditional or simplified version). Most immigrants from the traditional sending regions of mainland China and those from Hong Kong and some parts of Southeast Asia speak Cantonese — the Yue dialect — that is not easily understood by Mandarin speakers. Those from other regions in China and Taiwan tend to be fluent in Mandarin (the official language of mainland China and Taiwan), even when they speak a variety of dialects at home, such as Min, Hakka, Shanghainese, and so forth. Today, while Cantonese continues to be the dominant dialect spoken in old Chinatowns, as well as in cities such as San Francisco and New York, Mandarin has become more and more frequently heard. Despite the various spoken dialects, the great majority of new immigrants are proficient in written Chinese.

Contemporary Chinese immigrants have also been extremely diverse in their socioeconomic backgrounds. Unlike the old timers who were mostly uneducated peasants, today's immigrants have been disproportionately drawn from the urban, highly educated, and professional sectors of the populations in the respective sending regions. In the United States, for example, 65 percent of the foreign-born Chinese between ages 25 and 34 have attained four or more years of college education, compared to 30 percent of native-born non-Hispanic whites as of 2000; and immigrants from Taiwan have significantly higher educational attainment than those from the mainland and Hong Kong. It is worth noting that the influx of highly-educated, highly-skilled immigrants from mainland China into the United States is a direct result of the June 4 Tiananmen incident in 1989, which was considered by the U.S. government as a pro-democracy student movement. Legislation was passed to grant permanent residence status to Chinese students, visiting scholars, and other visitors who were in the country during the time of the incident. In the United States, for example, more than 60,000 Chinese on non-immigrant visas, most of whom on J-1 (for official exchange visitors) or

F-1 (for students) visas, were granted permanent residence, or the so-called “June 4 green card” (Zhou 2001). This influx has not only led to a more diverse crop of immigrants from the Chinese mainland in terms of places of origin, and a new trend of transnational movement between the United States and China in which immigrants return to their homeland to seek better economic opportunities, but also has profound implications for the development of the ethnoburbs and suburban ethnic economies.

Differences in linguistic and socioeconomic backgrounds lead to variations in settlement patterns. Historically, Chinese immigrants were highly concentrated in gateway cities such as San Francisco, Los Angeles, and New York. This traditional pattern of regional concentration has continued. In the United States, for example, over half of the ethnic Chinese population is concentrated in just three metropolitan regions — New York, Los Angeles, and San Francisco.⁵ Within each of these metropolitan regions, however, the settlement pattern tends to be bi-modal where ethnic concentration and dispersion are equally significant. Currently, only 14 percent of the Chinese in New York, eight percent in San Francisco, and two percent in Los Angeles live in old Chinatowns. The majority of the Chinese American population is spread out in outer areas or suburbs in traditional gateway cities as well as in the new urban centers of Asian settlement across the country, and half of all Chinese Americans live in suburbs. Mandarin-speaking coethnics from mainland China, those from Taiwan, and those of higher socioeconomic status tend to stay away from Cantonese-dominant old Chinatowns. Once settled, they tend to establish new ethnic communities, often in more affluent urban neighborhoods and suburbs, such as the “second Chinatown” in Flushing, New York, and “Little Taipei” in Monterey Park, California (Chen 1992; Fong 1994; Zhou and Kim 2003). As a result of the tremendous influx of contemporary Chinese immigrants, old Chinatowns in the United States are being transformed in ways unimaginable in the past. The Chinatown as a transplanted village of shared origins and culture has evolved into a full-fledged family-based community with a new cosmopolitan vibrancy transcending territorial and national boundaries. Within this context, many new Chinese enclaves have also sprung up in cities beyond the geographic boundaries of old Chinatowns and in middle-class suburbs. New York’s Flushing and California’s Monterey Park are two prime examples of the emerging Chinese ethnoburbs.

(a) Flushing, New York

Flushing is not a suburb, but an outer borough in north-central Queens in New York City. Before 1970, Flushing was mainly a white, middle-income working class area, whose residents were of Jewish, Irish, Italian, and German ancestry. In 1960, 97 percent of the population was non-Hispanic white. Prior to the 1970s, non-whites were not welcome in the neighborhood. In the more affluent parts of

Flushing, there were incidents of neighborhood action attempting to block Chinese families from moving into the area in the 1950s. A long-time Chinese resident, who was married to a white American, had arrived from China in 1946 to join him in Jamaica, Queens. When they decided to move to Flushing she had to send her husband to look for housing. She explained, "... because they [the whites] didn't want to see Chinese here. At that time, there were few Chinese around in the community. I was not the only one, but there weren't many ...". According to this resident, the business district in Flushing had only one Chinese restaurant and one Chinese laundry in the early 1960s.⁶

Today's Flushing has a different face. It is often referred to as the "second" Chinatown, the "satellite" Chinatown, or "Little Taipei." However, Flushing does not match Old Chinatown in ethnic density. Also, the ethnic label, whether "Chinatown" or "Little Taipei," is highly controversial as Flushing is not dominated by a single ethnic group. In demographic terms, it is clearly a neighborhood that has experienced rapid transition and that contains a variety of ethnic and racial groups. Between 1970 and 1990, in the general Flushing area (defined as Queens' Community District #7), the non-Hispanic white population fell by 31 percent, while the area's total population increased by five percent.

The local economy of Flushing was dominated by an amalgam of small specialty shops and services. There was a mix of furniture and appliance stores, restaurants, and discount establishments, most of which were operated as typical "mom and pop" stores; there were also a small number of large department stores. New York's overall economic recession in the early 1970s hit the Flushing business community heavily, causing many small shops and commercial enterprises to close down, commercial vacancy rates to increase, and property values to drop. The same structural disadvantages that plagued the New York metropolitan area — a significant net loss of manufacturing jobs — was also encountered in Flushing. This trend, however, has been dramatically reversed with the arrival of immigrants from different parts of Asia since the 1970s. With the injection of massive amounts of immigrant capital and entrepreneurship from Taiwan, and to a lesser extent, Korea and India, Flushing is well-positioned to play host to an urban economy dominated by the service, commercial, and consumption sectors. Since 1975, new retail and office development has sprung up regularly in Flushing's downtown area — a significant sign of the neighborhood's rejuvenation. Property values in Flushing increased by 50 to 100 percent during the 1980s, and commercial vacancy rates plummeted from seven percent in the late 1970s to less than one percent in the early 1990s (Parvin 1991: 22).

Reflecting national trends, Flushing's Chinese immigrants come from three major regions: Taiwan, mainland China, and Hong Kong. Although most Taiwanese prefer Los Angeles — only 16 percent of the Taiwanese immigrants in the United States live in New York City — they are very visible in Flushing.

Among Chinese immigrants, a high proportion of those from Taiwan are in professional occupations. Many Taiwanese immigrants first came to Flushing because they did not identify with Manhattan's old Chinatown, which is dominated by the Cantonese and by Cantonese culture. Moreover, Taiwanese had the educational backgrounds and economic resources to build their own enclave away from the existing centers of Chinese settlement (Chen 1992; Zhou and Logan 1991). The arrival of the Taiwanese in Flushing has been followed by that of other Chinese, and after a while a new type of immigrant enclave has emerged that includes many newcomers from the mainland as well.

But Flushing is not quite a new Chinatown. Its commercial core is also filled with Korean, Indian, Pakistani, and Bangladeshi restaurants and stores, packed into shop fronts along the main streets. Korean, Indian, Pakistani, and Bangladeshi immigrants think of Flushing as their own community, just as the Chinese view Flushing as a distinct Chinese community. Suburban Chinese come to the neighborhood for multiple purposes. For example, many suburban Chinese families take their children to Flushing's Chinese Cultural Center for Saturday afternoon language classes and recreation. While children are at the Center, their parents usually shop at the local grocery and specialty stores. Others come to Flushing to study or browse in the crowded municipal public library that holds books, magazines, and newspapers in different Asian languages, staying afterward to do some shopping and perhaps eating at one of the many ethnic restaurants.

Flushing's Chinese community is relatively free from the constraints of traditional social structures in Old Chinatown. In recent years, the immigrant Chinese in Flushing have become more actively involved in local politics, mostly through direct political participation (Chen 1992; Lin 1998). For example, they have formed various civic organizations, the most prominent being the Chinese American Voters Association, that work closely with ethnic businesses and other non-Chinese community-based organizations. However, even though the Chinese are a visible presence in Flushing's economy and are the largest immigrant group, they have not been able to muster enough clout to exert much political influence. In two local elections in the 1990s, for example, City Councilwoman Harrison was twice challenged by Asian American candidates — one Korean and one Chinese — but won both elections in the 1990s (Dugger 1996; Lii 1996). As they become more numerous, however, the Chinese are expected to participate in local politics in greater numbers but their chances of success would depend more on pan-Asian coalition than Chinese solidarity.

(b) Monterey Park, California

Unlike Flushing, which is an urban neighborhood on the outskirts of a large city, Monterey Park, though a part of the Los Angeles Metropolitan area, is an incorporated suburban municipality with its own elected city council. From the

beginning of World War II until 1960, Monterey Park prospered as the wartime economy brought new people from across the country to southern California (Fong 1994). In the early days, Monterey Park was one of the most affordable suburban bedroom communities — a cozy town with various single family homes, tree-lined streets, and spacious green lawns. Like Flushing, postwar Monterey Park was predominantly white. But due to its cozy middle class suburban atmosphere and proximity to downtown Los Angeles, Monterey Park began to draw upwardly mobile Mexican Americans from neighboring East Los Angeles, Japanese Americans from the Westside, and Chinese Americans from Chinatown (Fong 1994; Horton 1995). By 1960, Monterey Park's ethnic makeup was 85 percent non-Hispanic white (down from 99.9 percent in 1950), 12 percent Hispanic, three percent Asian, and 0.1 percent black. Many of the Asians and Hispanics arriving in Monterey Park during the 1950s and 1960s were educated, acculturated, and middle-class second- or third-generation immigrants who were driven by the American dream of upward mobility and suburban life. By 1970, Asian and Hispanic Americans were well represented in the community (34 percent and 15 percent, respectively), yet white Americans still held a majority (51 percent). The process of ethnic integration was fairly smooth since most of the new residents were not perceived as a threat to existing white political and institutional dominance (Horton 1995).

Drastic demographic change, however, was set off by the arrival of immigrants and investors from Taiwan and the Pacific Rim, and an influx of foreign capital. The sheer demographic impact was dramatic. By the mid-1980s, the city had been completely transformed from a white bedroom town into a community with an Asian majority and a visible presence of immigrant Chinese. Non-Hispanic white residents declined rapidly from 51 percent in 1970 to 26 percent in 1980, to 12 percent in 1990, and further to only seven percent in 2000. In contrast, the proportion of Asian residents increased from less than 15 percent in 1970 to 34 percent in 1980, 56 percent in 1990, and 62 percent in 2000. Monterey Park became the first and only Asian-majority city in the United States in 1990. The majority (67 percent) of Asian Americans are of Chinese ancestry and the rest are mostly U.S.-born Japanese Americans. In 1980, 31 percent of the Monterey Park population was foreign-born, and by 1990, the foreign born population had increased to 51 percent. Not surprisingly, 73 percent of those in Monterey Park spoke a language other than English at home. Clearly, this suburban city has been transformed into a middle-class immigrant community.

Beginning in the early 1970s, newcomers and foreign capital from Taiwan brought drastic economic changes to Monterey Park. In contrast to the tradition of immigrants starting out from the bottom of the socioeconomic ladder, many wealthy Taiwanese investors poured money into the suburb's real estate development and lured wealthy immigrants from Taiwan and potential emigrants in Taiwan to

buy into the best neighborhoods immediately upon arrival, or even prior to arrival (Tseng 1994). As more Taiwanese immigrants arrived in the 1980s, housing prices increased with a clear surge in both residential and commercial properties. Commercial development in Monterey Park also experienced drastic changes beginning in the early 1980s, with the arrival of many Taiwanese realtors, developers, investors, entrepreneurs, and later the mainland Chinese “*nouveau riche*.” These wealthy immigrants and transnationals played a crucial role in reinvigorating a formerly inactive economy and boosting real estate values. In many cases, profits were not the focus. Many investors and entrepreneurs were willing to take losses to secure a place in the United States. Opening businesses and establishing settlement enabled Chinese newcomers to obtain immigrant visas or non-immigrant visas, which could later be upgraded to permanent residence. The heavy infusion of foreign capital investment, rapid economic growth, and sudden influx of affluent immigrants from Taiwan and mainland China stirred up the once tranquil bedroom community, transforming it into a cosmopolitan hub of the Asian Pacific where property prices skyrocketed and various Chinese-owned businesses sprang up along main streets with visible Chinese-language signs, replacing old and familiar diners and specialty shops.

The Chinese ethnic economy in Monterey Park cannot be assessed in traditional terms. While many Chinese-owned businesses still resemble those in Chinatowns such as “mom and pop” or “husband-wife” restaurants, gift shops, food stores, and other small scale services, newly sprung-up business establishments are bigger and more Westernized. Many of them are upgraded and improved by the combination of ethnic and Western skills in selling Asian products and services. Much of Monterey Park’s economic development has been fueled by foreign capital investment from Taiwan, and to a lesser extent and at a later date, from Hong Kong and mainland China. Another important source of economic development has been the family assets and savings that immigrants brought to their new country. Real estate development is perhaps Monterey Park’s most notable economic activity, followed by transnational investment in advertising and marketing abroad. The constant flow of foreign capital into real estate and land development has stimulated a tremendous demand for residential and commercial space, not only from immigrant Chinese who are already in the United States, but also from potential immigrants abroad, as local real estate brokers and developers capitalized on the highly specialized immigrant market. Much of the development has been absorbed by Chinese-owned businesses and financial and professional institutions, but home and business investments in Monterey Park and its neighboring areas have become a viable channel for immigration and transnational economic development. Consequently, many potential immigrants are attracted to Monterey Park due to the availability of new and affordable homes and a business environment favorable not only to local development but transnational ventures as well.

When immigrants with strong economic resources form a numerical majority, city politicians cannot possibly ignore them. Unlike Flushing, Monterey Park is an independent municipality. The shrinking white population, along with the decreasing influence of the old white conservative elite, has created an opportunity for young multiethnic businessmen, minorities, immigrants, women, multiculturalists, as well as nativists to engage in politics, thus opening up a new political order in Monterey Park (Horton 1995). In 1983 when Lily Lee Chen, a Chinese American, was inaugurated as mayor, Monterey Park's five-member city council was truly multi-ethnic with one white, two Mexican Americans, one Filipino American, and one Chinese American.⁷ Growing resentment against demographic, cultural, and economic changes relating to the Chinese newcomers, however, soon swept the minority incumbents out of office. In 1986, three of the city council members were replaced by long-established white residents, returning the city council to white control in pursuit of anti-immigrant campaigns in the name of defending Americanism: "English, the family, God, the nation, and the neighborhood" (Horton 1995: 95). The backlash against ethnic politics in the mid-1980s was short-lived, however, as more and more immigrant Chinese became naturalized citizens and mobilized into participation in local politics. In 1988, Judy Chu, a Chinese American was elected to the city council and served as mayor. In 1990, Samuel Kiang, a China-born naturalized citizen, was elected to the city council. There were severe setbacks for Chinese American political participation, however. In 1999, for example, all four Chinese American candidates out of 11 on the ballot lost their bid for the three city council seats. Even though none of the Chinese American candidates won, that local election indicated the greater political maturity of Monterey Park's Chinese American community. Despite the losses, Chinese Americans in Monterey Park are using their increasing demographic presence and electoral and economic power to challenge the traditional white domination in the city council. Today, the Asian constituency extends beyond Monterey Park to other Chinese communities in the San Gabriel Valley, and recognizes the election of a Chinese or Asian candidate as supporting the overall "development of Chinese and Asian American power in Los Angeles, California and the United States" (Horton 1995: 108). The formation of the West San Gabriel Valley Asian Pacific Democratic Club and the burgeoning of immigrant political organizations in the 1980s have further strengthened the political power base of Chinese Americans.

Ethnic Capital in Chinese Ethnoburbs

In such Chinese ethnoburbs as Flushing and Monterey Park, the processes of ethnic capital formation are quite different from those witnessed in old Chinatown. As Table 2 illustrates, the interactive processes of ethnic capital in new Chinese ethnoburbs require strong financial capital and strong human capital. Social

Table 2. Interactive Processes of Ethnic Capital in New Chinese Ethnoburbs

Components	Strength	Relations
Financial capital	Strong	Basis
Human capital	Strong	Basis
Social capital	Weak	Outcome

capital formation through ethnic interaction and organization comes *after* the formation of ethnoburbs. Compared to old Chinatowns, social capital formation in ethnoburbs has several distinct features: (1) interpersonal relations are less likely to be formed on strong ties defined by blood, kin, and place of origin but more on secondary weak ties defined by common socioeconomic status or other economic and professional characteristics; (2) economic organizations are less embedded in a locally-based interlocking ethnic social structure but more diversified in types and more connected to the mainstream economy and to the global economy; and (3) the ethnic enclave economy in ethoburbs as a whole operates on the basis of bounded solidarity and enforceable trust defined by a common ethnicity but does not necessarily preclude interethnic cooperation and social integration.

It should also be noted that in the wake of large-scale contemporary Chinese immigration, old Chinatowns have undergone tremendous transformation too. For example, many old organizations have found themselves constrained by broader structural factors, as well as by their own limitations. First, membership bases have been eroded by the aging of old-timers, the out-movement of the second generation, and the diversity of socioeconomic backgrounds of the newcomers. Second, the structures of traditional organizations built on service to illiterate or semi-literate, low-skilled, and socially-excluded sojourners are insufficient for accommodating settlement needs and helping to incorporate members into the mainstream society. Third, new ethnic organizations and service-oriented ethnic businesses provide alternative sources of support for the various settlement needs of both old and new immigrants. Consequently, many family and district associations are experiencing decline and some have already been reduced to mere symbolic status, serving as informal card/chess/mah-jong clubs for old-timers. So Chinatown's current development tends to be more like that in Chinese ethnoburbs, as illustrated by Table 2, because of the gradual erosion of the original ethnic capital basis.

Discussion and Conclusion

The rapid transformation of immigrant Chinese communities in the United States has occurred under the broader contexts of post-1965 Chinese immigration and

globalization. Unlike old immigrant ghettos, which had been stereotyped as an unruly den of exploitation, iniquity, and a trap of permanent poverty, old Chinatowns have been transformed and new Chinese ethnoburbs have been formed to facilitate, rather than prevent, group members' eventual assimilation into mainstream host society. Flushing and Monterey Park may be unique cases. However, middle-class immigrant Chinese communities are growing, and they are growing very rapidly and visibly not only in New York and Los Angeles, but also in San Francisco, San Jose, Boston, Houston, and other major immigrant-receiving metropolitan areas. Similar developments are also evident in Toronto and Vancouver in Canada. In both Flushing and Monterey Park, the pattern of ethnic succession is distinct from that of the past. Rather than an ethnic minority that arrives to bring down the average economic level of the populace, it involves an incoming ethnic minority that arrives with higher than average education, economic resources, and the capability of creating its own ethnic economy. Broadly speaking, these two modern Chinese enclaves share certain common characteristics with old Chinatowns, but are distinct from Chinatowns in many ways; they also differ from each other. Like old Chinatowns, new middle-class immigrant communities serve the needs of new arrivals unmet in the mainstream society and provide opportunities for self-employment and employment. But unlike old Chinatowns, they are better connected to the outside world in economic, social, and political terms. Moreover, they can no longer be narrowly defined as the "ethnic enclave" or "staging places" just for the poor and the unacculturated.

New Chinese ethnoburbs are also different from old Chinatowns in a number of specific ways and face problems or challenges that are uncommon to old immigrant enclaves. First, Flushing and Monterey Park both draw coethnic members from diverse socioeconomic backgrounds as a consequence of growth. Ethnoburbs have started out with the hard work of affluent and educated immigrants, investors, and professionals; but as time goes by, the pioneers begin to send for their relatives who may not be as resourceful. Many family-sponsored immigrants, especially those from mainland China, are of urban working-class backgrounds, and most lack English language proficiency and transferable job skills. They have come to Monterey Park or Flushing to join their families. Also, many low-skilled immigrant workers are drawn to new Chinese ethnoburbs because the expanding ethnic enclave economy needs their cheap labor and because they can easily find housing through relatives and friends. Gradual class diversity has implications for both immigrants and natives. For Chinese immigrants, class segmentation would mean greater social service burdens and a high risk of bearing a dual stigma — that of foreigner and that of the poor. As a way to avoid association with working-class coethnics, the more affluent Chinese immigrants are under pressure to out-migrate. Several immigrant Chinese business owners in Monterey Park whom we interviewed told us that they had moved out of Monterey

Park to avoid “over-crowdedness” and “gangs in schools.” Some newcomers even expressed a reluctance to settle in Monterey Park. A Chinese home buyer from New York told us, “I wouldn’t want to buy into Monterey Park ... because it’s so congested, crowded, and so many [poor] Chinese.”⁸ Interestingly, these feelings mirror those of established residents. For the natives, the influx of working-class immigrants would mean a disruption of middle-class lifestyles and the threat of importing inner-city or Third World social problems.

Second, both Flushing and Monterey Park have a strong ethnic enclave economy that goes beyond the traditional model of small business and, instead, follows a mixed model of “East Meets West” development driven by the market and economic globalization. Rapid economic growth propelled by the influx of foreign capital and immigration creates opportunities but causes pains associated with soaring real estate prices, over-crowding, noise, traffic congestion, and crime. Some long-time residents in Flushing lamented that the new Flushing “looks like hell ... It’s really a disaster. There is too much traffic, filth and chaos.”⁹ Monterey Park residents would echo these sentiments. A Japanese American on his return to Monterey Park complained, “Damn it, Dad, where the hell did all these Chinese come from? Shit, this isn’t our town any more” (cited in Horton 1995: 10). Among established residents in Monterey Park, there is a deep-seated fear that their neighborhoods are turning into Chinatowns or microcosms of Taipei, Shanghai, or Hong Kong, which as they imagine, are among the most crowded, congested, and polluted cities in the world. While established residents voice their concerns with a sense of nostalgia for small-town life and resentment of an “Asian invasion,” more established Chinese immigrants also cite these problems as their primary reasons for leaving Monterey Park.

Third, Flushing and Monterey Park have become increasingly multi-ethnic and unlikely to be dominated by a single national-origins group. Diversity at the local level has turned intra-ethnic and inter-ethnic relations into key community issues. Among coethnic members, the mixing of coethnics from different class backgrounds gives the community the power and vitality to combat the trends of ghettoization and social isolation encountered in the inner city, but simultaneously turns the place into another type of “staging place” for the more affluent immigrants. Living side by side with other ethnic group members provides an opportunity for intimate social contact, but also gives rise to potential tension. It is interesting to note that Flushing has not witnessed any explosive ethnic tensions. When conflicts do surface, however, Flushing’s multi-ethnic immigrant groups may have relatively little solidarity to mobilize politically because the power of ethnic immigrants is fragmented in New York’s municipal politics. In contrast, conflicts are much more overt in Monterey Park, often focusing on growth control movements and pro-Official English resolutions, but ethnic mobilization seems more effective because native-born Asian and Hispanic Americans tend to join

hands with immigrant Chinese to act on racial issues in a city where minority groups form the numerical majority.

Fourth, immigrants in Flushing and Monterey Park both tend to maintain extensive cultural, social, and economic ties with the homelands. Transnational ties, however, are distinct from those of earlier sojourning immigrants in that they no longer facilitate eventual return to the homeland but emerge as an alternative mode of incorporation into mainstream American society. Both Flushing and Monterey Park can be referred to as global enclaves — multi-ethnic and transnational, but they nonetheless show some significant differences. Flushing is global in terms of its diverse immigrant national origins as well as the presence of all major racial minority groups. The natives are either whites or blacks, while Asians and Hispanics are predominantly foreign born. Monterey Park is diverse in a different sense. The immigrants are overwhelmingly Chinese who are from different sending sources.

Finally, while Flushing and Monterey Park are both middle-class immigrant communities, they differ in the kind of residential mobility that each stimulates. Monterey Park originally served as a relatively permanent place of settlement for middle-class immigrant Chinese. Even though secondary migration is occurring, the community is still the important center for the ethnic economy and the settling immigrants. Most of the residential out-movement from Monterey Park does not seem to be associated with significant improvement in socioeconomic status. Flushing, in contrast, has always served as a staging place for the out-movement of socioeconomically-mobile Chinese immigrants to more affluent suburbs.

In conclusion, Chinese immigrants have transformed Flushing and Monterey Park physically, culturally, and economically, in the same way that the earlier waves of European immigrants had transformed inner-city neighborhoods. However, what is distinctive about new immigrant enclaves is that they represent a new model of socioeconomic adaptation. While many new immigrants continue to converge in the central city as their first stop in the journey to attain the “American Dream,” a significantly large number of new arrivals has bypassed the traditional staging place, moving directly into suburban middle-class communities and situating themselves quite comfortably on the middle or upper-middle rungs of the mobility ladder. This would be unimaginable in the old days for both immigrants and natives. Of course, there is tremendous intra-group diversity within the immigrant Chinese population. Because of the differences in socioeconomic backgrounds, places of origin, and settlement patterns, ethnic capital processes at the level of sub-groups, such as mainlanders, Hong Kongers, and Taiwanese, would understandably be quite different. At the level of the greater Chinese immigrant community, nonetheless, these processes would tend to converge rather than diverge in the long run.

As we have already seen, Chinese immigrants of today are increasingly more likely than those of the past to settle in America's middle class suburbs rather than in Chinatowns. Some of these new arrivals may not speak English very well and may not be accustomed to American ways, yet they seem to have settled into a comfortable suburban life almost immediately upon arrival. How have they achieved this level of economic success? Where would they go from there? What will be the pattern of assimilation for new suburban middle-class Chinese immigrants — will they assimilate into the host society or will they change American cities to meet their cultural needs like what is seemingly happening in Chinese ethnoburbs? The answers to these questions require a reconceptualization of the process of immigrant adaptation. Unfortunately, the classical approach of residential assimilation provides no account of why this outcome should have transpired among some groups but not all groups. Neither does it explain why resegregation should have occurred in predominantly white middle-class suburbs. This is a conceptual gap that our framework of ethnic capital attempts to fill. We maintain that old Chinatowns have been, and will continue to be, instrumental in facilitating immigrant adaptation, as their strong social capital repertoire supports the formation and accumulation of human capital and financial capital. The Chinese ethnoburbs also function to facilitate immigrant adaptation as they provide newer sites and opportunities for coethnic members to reconnect and rebuild social networks conducive to upward social mobility. Thus, the concept of ethnic capital opens up an alternative way of approaching and studying contemporary immigrant enclaves.

Notes

- ¹ The main idea developed in this article is drawn from two published papers: Zhou and Kim 2003; Zhou and Lin 2004.
- ² "Ethnoburb" is a term developed by the geographer Wei Li to capture the emerging phenomenon of immigrant concentration in middle-class suburbs in the United States, representing a reversed trend of ethnic concentration and succession (the normal trend being suburban dispersion) in predominantly white middle-class suburban communities (Li 1997).
- ³ The U.S. Immigration Act 1965 was passed in 1965 but did not take effect until 1968. The Act abolished the national-origins quota system, in favor of admittance based on skills and family unification, and established seven preference categories of preference for admittance: (1) unmarried adults whose parents are U.S. citizens; (2) spouses and unmarried offspring of permanent residents; (3) gifted professionals, scientists, and artists; (4) married offspring of U.S. citizens; (5) siblings of adult citizens; (6) skilled/unskilled labor needed in the U.S. economy; and (7) refugees.
- ⁴ Formerly Immigration and Naturalization Service (INS).
- ⁵ The "three metropolitan regions" refers to the Consolidated Metropolitan Statistics Areas (CMSA) of New York-Northern New Jersey-Long Island, Los Angeles-Anaheim-Riverside, and San Francisco-Oakland-San Jose.

- ⁶ Personal interview, May 1993.
- ⁷ Mayors are not elected in Monterey Park. Instead, council members become mayors for nine months on a rotating basis. Lily Lee Chen was hence concurrently mayor and Chinese American council member.
- ⁸ Personal interview, March 1999.
- ⁹ Personal interview, May 1993.

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