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100 Fillmore Street, 5th Floor
Denver CO 80206
303-385-8515

www.keenindependent.com

2018 SILICON VALLEY DICHOTOMY STUDY

Summary Report



Prepared for:

work2future
5730 Chambertin Drive
San José CA 95118

Prepared by:

Keen Independent Research LLC
100 Fillmore Street, 5th Floor
Denver CO 80206
303-385-8515, 303-522-7298
dkeen@keenindependent.com

Arizona offices:

701 N 1st Street
Phoenix AZ 85004

172 N. Washington Street
Wickenburg AZ 85390

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SUMMARY REPORT

2018 Dichotomy Study

For more than 100 years, researchers across the United States have examined the impacts of financial distress on limited-income populations and developed short-term and long-term strategies that might assist those households. Some of this work focuses on immigrant communities, including recent work in the Bay Area. Many Silicon Valley institutions serve different segments of this population today.

With this context, Keen Independent conducted research for work2future that leverages the knowledge available from existing studies and local experts to better understand issues facing limited-income Latino, Vietnamese American, Filipino American and African American households with a focus on young adults in the immigrant communities of those populations (groups are listed in descending order of size in Santa Clara County). For each of these groups, the Keen Independent research team examined: (a) challenges faced, (b) coping mechanisms in place, and (c) any gaps in services or access to services.

Background

The Keen Independent 2018 Dichotomy Study builds upon a 2017 study that BW Research completed for work2future.¹ The 2017 Dichotomy Study showed that nearly one-third of Santa Clara County households face issues of financial distress including living in poverty or below self-sufficiency standards. An additional 10 percent were estimated to be one unexpected \$400 bill away from similar circumstances. Based in part on the results of the 2017 study, work2future identified three segments of young adults as particularly at risk of financial distress and requiring a deeper look: Latinos, Vietnamese Americans and Filipino Americans, especially immigrants or children of immigrants. For the Keen Independent study, work2future expanded the study groups to include African American young adults. Keen Independent's 2018 study provides results for those four groups. Keen Independent presented preliminary findings to work2future in fall 2017.

Approach

In the 2018 assignment, Keen Independent reviewed the 2017 study results, compiled and synthesized what can be learned from other national and local studies, interviewed local service providers and other experts, and conducted phone and online interviews with members of the target populations. As these issues are complex and varied among economically-disadvantaged households, it is important to point out the limitations of what can be done within a relatively small research assignment. An important part of the research was to identify what is not known at the close of the research and important questions to be addressed in the future.

Community collaboration was integrated into the study from its outset. We involved local experts from the beginning and held working sessions to discuss preliminary results with these individuals

¹ See http://www.work2future.biz/images/SiliconValleyDichotomy_rel061517.pdf

before developing final study conclusions. This approach might best position work2future and the City of San José as stronger partners in addressing economic issues for the target groups.

Finally, this type of research project fails if it relies on stereotypes or resorts to blanket statements about different cultural groups. The study team included Keen Independent staff who were born in the Philippines and Mexico, staff who are children of immigrants from Vietnam and Mexico, and a staff member who grew up in an African American community in California. All team members had experience conducting research about barriers to opportunity for people of color in the United States. Language capabilities included Spanish, Vietnamese and Tagalog. The study team attempts to provide information about the experiences of individuals from different backgrounds in a culturally sensitive way. And, as demonstrated in this report, the commonality of these experiences is stronger than the differences when trying to cope with living in economic distress in Silicon Valley.

Study Scope and Definitions

Keen Independent, similar to the 2017 BW Research study, used certain definitions of economic distress and particular groups and geography to complete this study.

Economic distress. There are many possible income thresholds that might be used to define the level below which a household is at risk of being in economic distress, as discussed in Appendix B.

- The self-sufficiency standard for California, developed by a California nonprofit on a foundation of work from the University of Washington, is based on minimally adequate costs for housing, child care, food, transportation, health care, taxes and other miscellaneous needs.² The standard for a household of two adults, one preschooler, and one school-age child in Santa Clara County in 2014 was \$81,774.³
- Keen Independent sometimes had to use less-sophisticated definitions such as 200 percent of the official federal poverty line when using data sources such as the U.S. Census Bureau's American Community Survey.

It is important to recognize that any threshold or ceiling, although necessary for the research, is somewhat arbitrary and simplistic. And, people enter and exit poverty. In a study between 2009 and 2011, 32 percent of the U.S. population was in poverty for at least two months, but, only 4 percent of the population was in poverty for the entire study period.⁴ The cause of these differences in estimates of people in poverty is the length of time chosen to measure that poverty. By mostly using Census Bureau data for Santa Clara County, Keen Independent based its analysis on household income over one year.

Geographic focus. The study examines experience, coping mechanisms and assistance available to people living in economic distress. Across the United States, many researchers have produced studies

² For details about the methodology for the SSS for California, see <https://insightcced.org/wp-content/uploads/2015/08/MethodologyAppendix-2014.pdf>.

³ For 2014 self-sufficiency thresholds, see <https://insightcced.org/tools-metrics/self-sufficiency-standard-tool-for-california/>.

⁴ See Edwards, A. N. (2014). Dynamics of Economic Well-being: Poverty, 2009-2011. *Household Economic Studies, U.S. Census Bureau*, 70-137. <https://www.census.gov/prod/2014pubs/p70-137.pdf>.

about people living in economic distress. In its review of secondary research, Keen Independent reviewed some of the leading studies, especially when focused on study group populations or the San Francisco Bay Area. However, Keen Independent’s interviews were conducted with people living in Santa Clara County and the institutions that serve them. (We use “Silicon Valley” and “Santa Clara County” interchangeably in this study.)

This leaves a gap — people working in Santa Clara County but living in lower-cost areas outside the county are not included in the primary research. They may couch-surf or live in cars during a work week but make their homes outside the region. But for the high cost of housing in Silicon Valley, more of these workers and their families might be residents of the County. work2future and other organizations might view these in-commuters as “residentially-displaced” that would be local residents if they had the means or affordable housing was available. The absence of these individuals in the primary research should not minimize their importance to the community.

Young adults. The study focuses on young adults, defined as people ages 18 through 29. Keen Independent completed 40 online interviews with young adults living in households below certain income thresholds, mostly from immigrant families, who were Latino, Vietnamese American, Filipino American or African American. These online interviews were supplemented with eight telephone interviews. (See Appendix D for more details.)

Originally, the study team considered limiting young adults to those under 25 years of age, but national studies and the data on living arrangements of 25- to 29-year-olds in Santa Clara County suggested extending that definition to include individuals through age 29. Again, some individuals within these age groups are at a different stage of life than others, and these groupings are somewhat simplistic (see Appendices A and B).

Racial and ethnic groups. When examining Census data for Santa Clara County, “Latinos” include those reporting Hispanic ethnicity, and can be people of any race.⁵ Any grouping of people into a single ethnic or racial category has limitations, including failing to capture those with backgrounds from multiple groups. The Census data examined for Santa Clara County were the most recent available from the American Community Survey at the time of this research (years 2011 through 2015).

Immigrants. Census data are available for those who immigrated to the United States as well as those who are children of immigrants. Much of our discussion of Census data focuses on the first group, but Keen Independent also studied the experiences of young adults with parents who immigrated to the U.S.

Although most African Americans in the United States are descendants of people who were enslaved and forcibly brought to the country, a relatively large share of African Americans living in Santa Clara County (21% of those 18 and older) are recent immigrants. The study team researched experiences of African Americans who were born in the United States and those who were born in Sub-Saharan Africa and came to this country as children or adults.

⁵ Even with Spain’s history in the Philippines, few Filipinos identify as Hispanic ethnicity when completing U.S. Census questionnaires.

Language. Keen Independent examined three dimensions of language – whether a language other than English is spoken at home, whether the individual speaks English “less than well,” and whether the individual is viewed by others has “having an accent.” (Even though it is not a Census question, our qualitative research suggested that being considered to speak with a “foreign accent” by a potential employer or another individual in authority may be a disadvantage even if someone has about the same ability to speak, read and write in English as others in the community.)

Service providers. Keen Independent conducted in-depth interviews with 17 social service providers in Silicon Valley, which included many of the largest organizations and a cross-section of smaller groups serving people in economic distress in the study groups (see Appendix D for the groups interviewed).

Keen Independent also facilitated in-person roundtable discussions on similar topics with work2future staff and with area service providers. Other research on services provided supplemented the in-depth interviews and roundtable discussions.

Results

Keen Independent organized the analysis and results around seven key questions:

1. Are the results of the Keen Independent study consistent with what was reported in the BW Research study?
2. Did the Keen Independent research confirm the populations identified as at most risk of economic distress in the previous study?
3. What general characteristics of these populations are important to understand?
4. What are the stresses and coping mechanisms for young adults at risk?
5. Are there important differences between populations at risk?
6. Does the local network of assistance adequately serve these populations and are there barriers to receiving assistance?
7. What are the implications for work2future?

The balance of the Summary Report presents answers to each question. Appendices A through D provide supporting information.

1. Are the Keen Independent results consistent with what was reported in the 2017 BW Research study?

It is hard to make ends meet in Silicon Valley, according to 80 percent of the young adults completing online interviews in the Keen Independent study. Many of Keen Independent’s conclusions match what was reported in the 2017 BW Research report.

a. Many people living in financial distress. According to BW Research, 30 percent of Santa Clara County households are in financial distress and another one-in-ten are financially insecure and at risk of being in financial distress. In total, four in ten Santa Clara County households were either in or at risk of being in economic distress.

The Keen Independent study team did not attempt to quantify the number of people at risk of being in economic distress as it did not include a broad survey of households. However, the Census data examined were consistent with the high percentage of Santa Clara households in financial distress.

- About 16 percent of non-Hispanic whites ages 18 or older in Santa Clara County were living in households with incomes at 200 percent of the official poverty line based on Census data for 2011 through 2015. This corresponds to \$32,674 for a family of two adults and one child.⁶
- Among Hispanic Americans, Vietnamese Americans and African Americans, one third of adults were living in households with incomes at or below 200 percent of the official poverty line.

From the telephone and online interviews conducted by Keen Independent, living on the edge is real in Santa Clara County. Many of the interviewees said they personally experience it or have friends and family who do. They were able to describe in detail what it means to live in financial distress, from living in a garage or closet to having to miss meals. “It is hard to make ends meet in Silicon Valley,” according to 80 percent of the young adults completing online interviews in the Keen Independent study.

Appendix B of the report summarizes studies on what it means to live in economic distress and Appendix D presents insights from Santa Clara County young adults.

b. Housing costs are a major reason. The high cost of local housing was a primary reason for living in economic distress, according to BW Research. For many households, much of what they earn from jobs goes to housing costs, with little left over for other needs. (Housing costs continued to rise during the course of the Keen Independent study.)

Interviews with people living in economic distress and representatives of service providers overwhelmingly cited high housing costs as the primary cause. “All of my money goes to having a place to live” was one of many comments from young adults of limited means who were interviewed by Keen Independent. This was a major part of almost every conversation Keen Independent had with young adults at risk of economic distress and service providers in Santa Clara County.

Appendices B and D have much more information about how local residents talk about the burden of high housing costs — most of this Summary Report is about how individuals attempt to cope with this situation.

⁶ U.S. Census Bureau. Poverty thresholds for 2015 by size of family and number of related children under 18 years.

c. Other high costs also contribute. Other costs in Santa Clara County are relatively high, which adds to the risk of living in economic distress.

- The high cost of child care was one example cited in the BW Research study. This was confirmed in the Keen Independent interviews with young adults and service providers.
- A 2016 study by the Mineta Transportation Institute found that the cost of transit is a concern for low-income immigrants living in the San Francisco Bay Area.⁷
- According to the 2016 Annual Report from the Second Harvest Food Bank serving Santa Clara and San Mateo Counties, increased food costs have made it difficult to access healthy foods for people who are struggling financially. The report notes that some people may not have access to cooking facilities due to living in “cramped apartments” and in “unconventional spaces like garages and sheds.”⁸ This can also increase the cost of feeding a household.

d. People with less education and training have limited pathways to good jobs. Education and training lead to better jobs throughout the country, but especially in Silicon Valley, according to the BW Research study. Related to this point, the high cost of day-to-day living makes it difficult to progress through career pathways, moving from lower-paying to higher-paying jobs, or to obtain the training needed for better jobs. Further, fewer middle-skill jobs means less opportunity to get out of economic distress.

The Keen Independent study found a “catch-22”: it takes more education and training to make a living wage in Silicon Valley, but young adults do not have the time and resources to obtain that education and training, especially since they need to keep working to afford to live in Santa Clara County. This makes it nearly impossible for many in financial distress to work toward the jobs that would get them out of financial distress.

Some of the young adults Keen Independent interviewed said that high levels of education were needed to find high-paying jobs.

- One said that he had such a job: a 29-year-old Latino reported, “I was lucky enough to land a high-paying job after school ... my own [family] finds no problem making ends meet.”
- But, a college degree does not guarantee a good job. An 18-year-old Vietnamese American from an immigrant family stated, “... in order to get a well-paying job that makes you ‘independently sustainable,’ a college degree is a necessity. Even ... a bachelor’s degree now doesn’t guarantee you a well-paying job right out of college it is so common for young adults to have a bachelor’s degree.”

⁷ Barajas, Jesus M., Daniel G. Chatman, and Asha Weinstein Agrawal. "Exploring Bicycle and Public Transit Use by Low-Income Latino Immigrants: A Mixed-Methods Study in the San Francisco Bay Area," Mineta Transportation Institute (2016). Published online <http://transweb.sjsu.edu/PDFs/research/1202-bicycle-and-transit-use-by-low-income-latino-immigrants.pdf>.

⁸ Second Harvest Food Bank. (2016). Second Harvest Food Bank 2016 Annual Report. *Second Harvest Food Bank*, 1. Retrieved from https://www.shfb.org/docs/aboutus/annualreport/2016_annualreport.pdf.

e. Many workers in Silicon Valley are underemployed and many work multiple part-time jobs. This is true nationally and in Santa Clara County, according to BW Research.

Keen Independent’s interviews confirmed that most young adults in financial distress are working, but in low wage positions that are often less than full-time. A number of interviewees were working two or more part-time jobs. Some interviewees said that it was difficult to find any job, but many young adults interviewed expressed difficulty finding a “good” job given their skills and experience.

f. Adults surveyed by BW Research indicated reasons for why it was difficult to get ahead. In the BW Research telephone survey of local households, many reported difficulties getting:

- The money and resources needed to invest in their career goals;
- The academic degree or certification needed for their career;
- Relevant work or industry experience;
- Technical training and technical skills and expertise; and
- Free time needed to focus on career goals.

Each of the above issues was cited in the interviews Keen Independent conducted with young adults in target populations. Representative comments were:

- A 22-year-old Latino immigrant family member stated, “Higher job skills make it difficult for us to adapt.”
- One 23-year-old Filipino American man commented, “Education [is] playing an important role in the [available] positions.”
- An African American woman (age 21) indicated that better-paying jobs were limited to high-tech, high-skills industries in Silicon Valley, making it difficult for workers outside those industries to survive. She said, “There are ‘too many’ high-tech companies in Silicon Valley.”

2. Did the Keen Independent research confirm the populations identified at most risk of economic distress in the previous study?

The BW Research study concluded that the specific populations most affected by financial distress included Latinos, Vietnamese and Filipino immigrants, as well as young adults. (Young adults were those 18 to 29 who were working.)

BW Research noted that many African American households were at risk of economic distress, but the sample size for African Americans in its survey of Santa Clara County residents was too small to draw meaningful conclusions. work2future added African Americans to the groups to be examined in the Keen Independent study.

One of the first steps in the Keen Independent study was to review whether the definition of populations most at risk was supported by more extensive review of secondary data. Keen Independent recommends a somewhat refined focus for populations at most risk of economic distress.

The Keen Independent study team concluded that:

- Young adults within immigrant families who are Latino, Vietnamese American and Filipino American as well as young adults who are African Americans are more useful definitions for study purposes of populations most affected by financial distress; and
- Filipino Americans from immigrant families should be included as a study population because of the large number of local residents, not because this group is at more risk of being in financial distress than other groups (which they are not, although they are at as much risk).

a. Focus on young adults who are Latino, Vietnamese American, Filipino American or African American. Young adults are more likely to be in financial distress than older adults, including young adults who are Latino, Vietnamese American, Filipino American or African American.

This was born out in the interviews conducted in Santa Clara County and analysis of the Census Bureau’s American Community Survey data. For example, when asked, “Is it harder for young adults (18-29) who live in Silicon Valley to make ends meet,” 38 out of 40 online interviewees answered “yes.” But, many interviewees additionally reported that young people who immigrated or have parents who immigrated face even greater challenges to making ends meet.

Figure 1 examines the percentage of individuals in each demographic group living in households at or below 200 percent of the official poverty line. This corresponds to an annual income of \$32,674 for a family of two adults and one child. People ages 18-24 are most likely of any 18+ age group to live below 200 percent of the official poverty line; 57 percent of African Americans, 46 percent of Vietnamese Americans and 45 percent of Latinos in that age group were in families below that income line in Santa Clara County in 2011–2015.

The target population is defined too broadly if it encompasses all young adults. While 18 percent of non-Hispanic whites ages 25 to 29 were in households below 200 percent of the poverty line, Latinos and African Americans within this age group were twice as likely to be living below this income level.

Figure 1.

Percentage of study group adults who live in households with incomes at 200% of the official poverty line or below, Santa Clara County, 2011–2015

	18-24	25-29	30-64	65+	Total 18+
Hispanic American	45 %	38 %	35 %	36 %	37 %
Vietnamese American	46	27	29	49	33
Filipino American	30	17	13	21	17
African American	57	37	29	28	33
Non-Hispanic white	38	18	11	20	16

Source: Keen Independent Research from 2011–2015 American Community Survey (ACS) Public Use Microdata samples. The raw data extract was obtained through the IPUMS program of the MN Population Center: <http://usa.ipums.org/usa/>.

b. The experience of young adults born in the United States to immigrant families is similar to those who immigrated as children. These native-born individuals should be included in the target population.

Many of the young adults who are at risk are children of immigrant parents but are not immigrants themselves. They appear to face many of the same barriers as young adults who might have been born in other countries and came to the United States as a child (assuming both groups are U.S. citizens).

Although the rate of being in financial distress is high for Latinos ages 18 to 24, only 22 percent of Latinos living in Santa Clara County were born outside the United States. In terms of poverty, native-born Hispanic American young adults with immigrant parents might share experiences with those born outside the U.S. and brought to the country as a child.

Figure 2.

Percentage of study group adults who were foreign-born, Santa Clara County, 2011–2015

	18-24	25-29	30-64	65+	Total 18+
Hispanic American	22 %	42 %	57 %	51 %	49 %
Vietnamese American	41	66	96	98	88
Filipino American	38	51	84	97	78
African American	17	24	23	13	21
Non-Hispanic white	9	16	19	15	17

Source: Keen Independent Research from 2011–2015 American Community Survey (ACS) Public Use Microdata samples. The raw data extract was obtained through the IPUMS program of the MN Population Center: <http://usa.ipums.org/usa/>.

Understanding immigration and potential influences on young adults extends beyond whether the individual was born in the United States. To learn more, Keen Independent examined the percentage of native-born young adults in each group whose parents were born in other countries using 2016 Current Population Survey, Annual Social and Economic Supplement:

- Most Vietnamese Americans had one or more parents who were immigrants.
- There were more Filipino Americans who had a least one immigrant parent than those with both parents born in the U.S.
- Among Hispanic American young adults, about as many people had at least one immigrant parent as those who had both parents from the United States.

It appears that young adults who are children of an immigrant parent comprise much of the local population of Hispanic Americans, Vietnamese Americans and Filipino Americans. Keen Independent concludes that young adults with at least one immigrant parent should be included with young adults who are immigrants themselves when researching those at risk of economic distress.

c. Inclusion of Filipino American young adults as a focus might be warranted by the size of the population at risk. Among young adults, Filipino Americans are less likely to be living at or below 200 percent of poverty line than other groups, including non-Hispanic whites (see Figure 3). Even so, there are nearly 4,000 young adults who were Filipino American living in households at or below 200 percent of the official poverty line in Santa Clara County in 2011–2015.

Appendix A describes economic conditions for Filipino Americans and Appendix C describes how circumstances for immigrants from the Philippines are very different from other groups, including other Asian Americans. The Philippines was a U.S. territory for 47 years until independence in 1946, and U.S. immigration policy sometimes differed from that for other Asian groups. Nearly all Filipino immigrants spoke English before leaving the Philippines, a prevalent language spoken in addition to the national language (Tagalog). Use of the English language was promoted throughout the United States’ history of involvement in the Philippines, and continues to be used in schools, government, religious institutions and commerce. (See Appendix B.)

Filipino Americans are not a population especially vulnerable to being in economic distress. Solely because of the size of the group, Keen Independent continued with the research for Filipino Americans in Silicon Valley.

Figure 3.
Number of adults living in households with incomes at 200% of the official poverty line or below, Santa Clara County, 2011–2015

	18-24	25-29	30-64	65+	Total 18+
Hispanic American	26,155	15,677	73,712	10,957	126,501
Vietnamese American	5,041	2,261	19,900	7,146	34,348
Filipino American	2,651	1,052	6,259	2,349	12,311
African American	2,851	1,421	6,620	1,174	12,066
Non-Hispanic white	17,757	6,918	36,124	24,292	85,091

Source: Keen Independent Research from 2011–2015 American Community Survey (ACS) Public Use Microdata samples. The raw data extract was obtained through the IPUMS program of the MN Population Center: <http://usa.ipums.org/usa/>.

d. It is important to recognize that histories of most African American families are very different from other groups at risk of being in economic distress, but that, in Santa Clara County, a portion of African Americans are immigrants. The number of African Americans living in Santa Clara County is small. In 2015, African Americans were 3 percent of County population) compared with 13 percent of the U.S. population and 7 percent of the state.⁹

There are factors other than living in immigrant households affecting opportunities for African American young adults in Santa Clara County. The history of slavery and 150 years of discrimination against black people after Emancipation affect many African Americans today.

⁹ American Community Survey (ACS), 2015.

Even so, the immigrant experience is relevant to some black people in Silicon Valley. Immigrants from Africa are a fast-growing segment of the U.S. population.¹⁰ As discussed in Appendix A, 21 percent of African Americans in Santa Clara County are foreign-born and relatively few of those immigrants reported difficulties speaking English. In general, most African immigrants in the United States come from Nigeria, Ethiopia, Ghana and Kenya. Many African immigrants are highly-educated when compared to other foreign-born immigrant groups: one-third holds a college degree, whether obtained in their native country or in the United States.¹¹

Despite high levels of educational attainment, immigrants from Africa may find themselves underemployed in the United States or face high unemployment rates due to factors such as cultural challenges and racial discrimination. Appendix A provides additional data and Appendix C reviews research about recent immigrants from Africa.

e. It is unhelpful to over-generalize the experiences within immigrant groups. Keen Independent’s research identified a broad range of experiences within each of the groups that were a focus for the study. Each group has families who have achieved economic success as well as those who live in poverty. And, the immigration experience of one household may tremendously differ from another. One should be careful to “see the individual” and avoid any sweeping generalizations.

This is not a criticism of the BW Research study and its results. However, in the Keen Independent research, there were more commonalities than differences among the experiences and needs of young adults from different cultural groups. Understanding general cultural nuances is one of many tools to better serving these individuals. Policy-makers and staff from service providers should be careful to not assume that one person’s situation will be the same as another individual based solely on their shared cultural group.

3. What general characteristics of these populations are important to understand?

Demographic characteristics are discussed throughout the Summary Report. The following tables provide some basic information about the size of the study groups in Santa Clara County.

Total adult population. Figure 4 examines the number of adults (people ages 18+) living in Santa Clara County for each of the study groups in 2011–2015 (including all income ranges). The first two columns of the table show the number of people in target age groups for this study: 18-24 and 25-29. Figure 4 also presents the number of people ages 30 to 64 as well as 65 and older.

Of the approximately 164,000 people ages 18 to 24 living in the county, about 58,000 were Latinos and almost 11,000 were Vietnamese Americans. There were about 9,000 Filipino Americans and about 5,000 African American adults in this age range living in Santa Clara County based on American Community Survey (ACS) data for 2011–2015.¹²

¹⁰ Anderson, Monica, “African Immigrant Population in U.S. Steadily Climbs,” Pew Research Center (2017). Retrieved from <http://www.pewresearch.org/fact-tank/2017/02/14/african-immigrant-population-in-u-s-steadily-climbs/>.

¹¹ Anderson, Monica, “Statistical Portrait of the U.S. Black Immigrant Population,” Pew Research Center (2015). Retrieved from <http://www.pewsocialtrends.org/2015/04/09/chapter-1-statistical-portrait-of-the-u-s-black-immigrant-population/>.

¹² Note that Figure 4 combines “race” and “ethnicity.” Any in the ACS who identified themselves as Hispanic or Latino are counted as Hispanic American in the table. All other groups are limited to those who identified as those particular racial and

Latinos and Vietnamese Americans were also the largest study groups among people ages 25 to 29 (about 41,000 and 8,000, respectively).

Note that Non-Hispanic whites only account for less than one-half of local residents, except for those in the oldest age group.

Figure 4.
Adult population by age group, Santa Clara County, 2011–2015

Total population	18-24	25-29	30-64	65+	Total 18+
Hispanic American	58,109	41,441	209,204	30,039	338,793
Vietnamese American	10,890	8,391	68,627	14,716	102,624
Filipino American	8,955	6,322	47,405	11,399	74,081
African American	5,023	3,886	22,978	4,153	36,040
Non-Hispanic white	46,253	39,050	321,712	118,757	525,772
Other groups	<u>34,742</u>	<u>39,296</u>	<u>237,515</u>	<u>43,593</u>	<u>355,146</u>
Total	163,972	138,386	907,441	222,657	1,432,456

Source: Keen Independent Research from 2011–2015 American Community Survey (ACS) Public Use Microdata samples. The raw data extract was obtained through the IPUMS program of the MN Population Center: <http://usa.ipums.org/usa/>.

Immigrant population. Figure 5 provides Census data on the number of residents in Santa Clara County who emigrated from other countries. For example, the Census Bureau data indicate about 13,000 Latinos ages 18 to 24 who were born in another country.

Figure 5.
Number of adults who were foreign-born, Santa Clara County, 2011–2015

Foreign-born population	18-24	25-29	30-64	65+	Total 18+
Hispanic American	12,553	17,587	119,621	15,171	164,932
Vietnamese American	4,421	5,505	65,578	14,484	89,988
Filipino American	3,433	3,216	39,952	11,015	57,616
African American	866	915	5,368	540	7,689
Non-Hispanic white	4,344	6,151	62,520	18,326	91,341
Other groups	<u>13,349</u>	<u>25,830</u>	<u>195,758</u>	<u>35,677</u>	<u>270,614</u>
Total	38,966	59,204	488,797	95,213	682,180

Source: Keen Independent Research from 2011–2015 American Community Survey (ACS) Public Use Microdata samples. The raw data extract was obtained through the IPUMS program of the MN Population Center: <http://usa.ipums.org/usa/>.

4. What are the stresses and coping mechanisms for young adults at risk?

Keen Independent’s research identified both stresses and coping mechanisms for young adults at risk of being in economic distress. In some instances, the stressor and coping mechanism were the same.

native country backgrounds who did not indicate they were Hispanic. In Santa Clara County, very few Vietnamese Americans, African Americans, and Filipino Americans identified themselves as Hispanic or Latino.

Stresses. Keen Independent’s research of the literature, discussions with service providers in Silicon Valley and interviews with young adults identified the following stresses for young adults at risk of economic distress.

a. Most young adults at risk are working, but do not have good jobs. Most of the young adults in the study population have one or more jobs. Among young adults interviewed online, 39 of the 40 interviewees were employed.

The ACS asks individuals, “Last week, did this person work for pay at a job (or business)?” Counting anyone responding “yes,” Figure 6 examines the percentage of adults by age group who were working.

- About six in ten Filipino Americans and Hispanic Americans ages 18 to 24 were working, about the same percentage as for non-Hispanic whites.
- Vietnamese Americans and African Americans in this age group were somewhat less likely to be working. The high percentage of Vietnamese American 18- to 24-year-olds attending school (78%) might explain some of this difference.

About the same percentage of adults ages 25 to 29 are employed as those ages 30 to 64 in Santa Clara County. However, only Filipino Americans had rates of employment equal to those of non-Hispanic whites. (Within each study group, there was no consistent pattern of whether a greater proportion of immigrants versus native-born individuals were working.)

Figure 6.

Percentage of study group adults who were employed, Santa Clara County, 2011–2015

	18-24	25-29	30-64	65+	Total 18+
Hispanic American	61 %	74 %	74 %	16 %	67 %
Vietnamese American	44	74	72	11	60
Filipino American	56	82	80	19	68
African American	48	72	70	19	61
Non-Hispanic white	58	81	76	19	62

Note: The ACS asks individuals, “Last week, did this person work for pay at a job (or business)?” The above figure counts anyone responding “yes” as “employed.”

Source: Keen Independent Research from 2011–2015 American Community Survey (ACS) Public Use Microdata samples. The raw data extract was obtained through the IPUMS program of the MN Population Center: <http://usa.ipums.org/usa/>.

Many of the young adults interviewed in the study reported low incomes from their jobs that contributed to economic hardship. Comments revolved around five issues:

- Low hourly pay;
- Low pay relative to the cost of living;
- Not having a full-time job or stable work;
- Not having enough job opportunities; and
- Not having the skills needed for a high-paying job.

Appendix D describes these results in more detail.

b. Many of the young adults interviewed reported that employers might see them as unqualified and untrustworthy.

Many young adults reported that they faced a lack of trust by potential employers based on their age and limited work experience. There appeared to be additional barriers if the young person were among the study populations. Examples of comments include:

- A 28-year-old Vietnamese American female immigrant family member stated, “It is difficult for young people to gain trust.” She continued that immigrant young adults are even “treated more unfairly.”
- A 25-year-old Filipino American immigrant family member emphasized, “Young people looking for work will be more questioned and despised.” He added that for young immigrant adults, “It is hard to get ‘trust.’”
- Regarding trust, a Latino (age 21) from an immigrant family reported that the “younger generation” needs “more compassion and ‘less judgement’” from employers.
- For a 27-year-old Filipino American male immigrant family member, “Immigrant young people are ‘misinterpreted.’”
- A 24-year-old Vietnamese American female immigrant family member commented, “It is hard for young people to gain ‘trust.’” She added that young immigrants “will inevitably face discrimination” and fewer job opportunities as a result.
- Another interviewee reported that young adults have to “prove” themselves to gain job entry. The 22-year-old African American man stated, “Young people try to prove themselves, but few employers are willing to bear the risk of lack of experience of young people.”
- The 26-year-old Vietnamese American female immigrant family member reported “a lack of ‘confidence’ in young people” among employers.
- One 27-year-old Vietnamese American male immigrant family member reported, “Few people believe in the ability of young people to work.” He declared that, additionally, “[immigrant] young people have fewer job opportunities.”

- The Vietnamese American male member of an immigrant family (age 25) indicated that “young people are usually eliminated because of lack of experience” adding that young immigrant adults are “excluded first.”
- One Vietnamese American female immigrant family member (age 26) commented that “it is difficult for young people to gain recognition because of lack of work experience.” She added that “young people with immigrant backgrounds are faced with ‘xenophobia,’ making it harder for them to find jobs.”

c. There is some evidence that employment opportunities are unequal based on race and immigrant status. Some interviewees reported “discrimination” or “unfair treatment” faced by immigrants living in Silicon Valley that exacerbated economic hardship. These comments were made by Latino, Vietnamese American, Filipino American and African American interviewees as well as service providers.

Interviewees commented on exclusionary practices and fewer opportunities for immigrants seeking work in Silicon Valley:

- When explaining why immigrants face added challenges in making ends meet, a Vietnamese American female immigrant family member (age 25) stated, “People with immigrant backgrounds are often ‘excluded’ from work, so they are in a difficult situation.”
- One Filipino American male immigrant family member (age 27) specifically commented that “immigrant discrimination” limited job opportunities for immigrants living in Silicon Valley.
- A Vietnamese American male immigrant family member (age 27) stated, “There are fewer job opportunities and fewer jobs for immigrants [in Silicon Valley].”
- A 21-year-old Latino immigrant family member reported, “Immigrants are challenged the most because of the hardships they face when it comes to finding opportunity. It is always possible, but the path to success is significantly harder to achieve as an immigrant.”
- A 23-year-old Latina immigrant family member indicated that, as an immigrant, “People give you less hours or expect you to work for less money.”
- A 25-year-old African American man who observed that “immigration status is relatively sensitive, often subject to unfair treatment” reported that [finding] a job is even more difficult [for immigrants living in Silicon Valley].”

Some interviewees from immigrant families said that competition from non-immigrants seeking jobs made it difficult for immigrants to obtain employment. Appendix D provides more information about this issue.

d. Young adults' "time deficit" can be as important as any monetary deficits. Some young adults from immigrant families indicated that "not having enough time" limited opportunities for balancing work, education and "what life has to offer." They also reported not having enough time to access the assistance services they need. Examples of comments include the following.

- An 18-year-old Latino who works while attending school indicated that it was particularly difficult "to balance study time with work to pay for [college]."
- One African American man (age 25) indicated, when asked what are the barriers to seeking assistance, "Time is the biggest barrier."
- A 28-year-old Filipino American female immigrant family member interviewed emphasized that young adults she knows go through the day unable to "take advantage of what life has to offer," because they are "so busy making money [typically, at multiple part-time jobs] to survive life."
- Some service providers indicated that multiple jobs require multiple commutes for many in economic distress. Adding to this is the challenge that many workers balance long commutes from outlying communities where housing is less expensive. Many stated, therefore, that commuting contributes to a "real" time-deficit for individuals living in economic distress in Santa Clara County.

Lack of adequate transportation is linked to the time deficit, as there may be more commuting trips but less access to personal vehicles or other transportation. A 2016 study by the Mineta Transportation Institute found, "Low-income immigrants were less likely than those with higher incomes to have access to a motor vehicle, and were less likely than higher-income immigrants or the U.S.-born of any income to have access to a bicycle or a bus pass".¹³ (See Appendix B and Appendix C for additional information on this issue.)

e. There are different types of language barriers. Although most young adults in the study populations speak English, not all speak it well. (This issue is discussed under Part 5 of the Summary Report.)

f. Many young adults and their families make too much money to qualify for assistance, and some types of assistance are in short supply. As discussed later in this Summary Report, some families make too much money to qualify for programs even though, in Silicon Valley, they are in economic distress.

¹³ Barajas, Jesus M., Daniel G. Chatman, and Asha Weinstein Agrawal. "Exploring Bicycle and Public Transit Use by Low-Income Latino Immigrants: A Mixed-Methods Study in the San Francisco Bay Area," Mineta Transportation Institute (2016). Published online <http://transweb.sjsu.edu/PDFs/research/1202-bicycle-and-transit-use-by-low-income-latino-immigrants.pdf>.

g. Many young adults face a “catch-22”: the time and money needed for the education to get ahead are instead spent working and paying for housing. Some of the interviewees saw the need for more education and training, but could not afford the time and money it would take to pursue that training. They had short-term needs and could not wait for that long-term payoff. Some comments emphasized the urgency of their job needs, often mentioning words like “rescue.”

- “More rescue mode” was one response from a young adult.
- “Learn new skills as soon as possible” was another response.

h. Some young adults and their families are reluctant to seek assistance from services providers. As discussed in more detail later in this Summary Report, some of those interviewed in the study expressed a reluctance to seek assistance from government agencies or large not-for-profit organizations, or believed that the available assistance would not amount to much. However, there did not appear to be major cultural differences to seeking assistance among the young adults interviewed.

i. Economic distress can lead to health issues, including mental health issues and substance abuse. Living in economic distress can lead to severe health issues, based on national studies.

- Limited access to food, especially healthy food, has serious ramifications. Hunger is associated with lethargy and limited cognitive functioning, meaning that children facing hunger are likely to do worse in school, and adults may have difficulty considering actions and making decisions.¹⁴ Even if individuals have enough to eat, low quality and unhealthy food can lead to a variety of nutritional deficits that have long-term consequences.
- The national literature on living in economic distress also links such conditions to subsequent mental health and substance abuse issues. One service provider in Silicon Valley noted growing mental-health issues, such as a rise in domestic violence.

Appendix B and Appendix D have more information about these issues.

Coping mechanisms. The Keen Independent study team also researched coping mechanisms for young adults at risk of being in economic distress. They include the following.

a. Working multiple low-wage jobs. Some interviewees said that they could not secure full-time jobs and had to work multiple part-time jobs. This adds to the time and cost of commuting to work. Other interviewees reported taking on a second job or temporary work to make ends meet. Several service providers also reported clients working “under the table” to survive.

Some interviewees said “hard work” was a coping mechanism, but some said that working harder wasn’t enough to achieve self-sufficiency.

¹⁴ See Schilbach, F., Schofield, H., & Mullainathan, S. (2016). The psychological lives of the poor. *American Economic Review*, 106.5, 435-440. <http://doi.org/10.1257/aer.p20161101>.

As just one example, an in-depth study of 235 low- and moderate-income households showed that the income of a two-parent, one-child California household fluctuated between \$1,175 and \$5,279 per month due to coping mechanisms to address the mismatch between monthly income and expenses. In this household, the husband supplemented his salaried construction job with extra remodeling work while his wife undertook babysitting and sold jewelry, clothing and flowers.¹⁵

b. Living with parents. Those who cannot afford to live on their own in Silicon Valley, especially if they are attending school, often live with their parents.

About two-thirds of the 40 online interviewees reported living with parents. Several reported challenges when parents were not nearby or parents were unsupportive. Some of those without parents in the community indicated more difficulty making ends meet. However, some young adults are forced, for economic reasons, to live with parents who require them to work to help support the family, which may limit educational and training opportunities. Some said that young adults in Silicon Valley have to postpone getting married because they cannot make ends meet on their own. (See Appendix D for additional information.)

Nationally, more than one-half of individuals 18 to 24 live with their parents. As shown in Figure 7, three-quarters of Vietnamese Americans in that age group in Santa Clara County live with their parents and about two-thirds of Filipino Americans in the county reside with their parents, much higher than found for non-Hispanic whites. However, less than one-half of 18- to 24-year-old African Americans living in Santa Clara County live with parents.

Although the percentage of young adults living with their parents drops considerably for people 25 to 29 years of age, one-half of Filipino American young adults in that age group live with their parents. The percentage of Vietnamese Americans living with their parents drops to 38 percent for the 25-29 age group, 28 percent for Latinos, and 25 percent for African Americans in the county. For each of these groups, the percentage of adults ages 25 to 29 who live with their parents exceeds that of non-Hispanic whites.

Sometimes multiple generations live under one roof to cope with high housing costs. For example, a Vietnamese American woman reported living in a five-person household including her mother, son, sister and nephew.

It appears that living with parents is a coping mechanism for many young adults in Silicon Valley, especially for Vietnamese Americans and Filipino Americans.

¹⁵ Cohen, P. (2017). Steady Jobs, With Pay and Hours That Are Anything But. *The New York Times*. Retrieved from https://www.nytimes.com/2017/05/31/business/economy/volatile-income-economy-jobs.html?smid=tw-share&_r=0; Study available at <http://www.usfinancialdiaries.org/issue1-spikes>.

Figure 7.
Percentage of study group adults living with parents,
Santa Clara County, 2011–2015

	18-24	25-29	30-64
Hispanic American	58 %	28 %	7 %
Vietnamese American	74	38	6
Filipino American	64	50	9
African American	45	25	7
Non-Hispanic white	50	22	5

Source: Keen Independent Research from 2011–2015 American Community Survey (ACS) Public Use Microdata samples. The raw data extract was obtained through the IPUMS program of the MN Population Center: <http://usa.ipums.org/usa/>.

There were downsides of living with parents, however, that were reported in the interviews. For some, there were pressures to financially help their family members that limited their opportunities to go to school or get more training.¹⁶

c. Shared living in a single dwelling unit. Some of the young adults interviewed by Keen Independent reported sharing homes with unrelated adults as a way to cope with high housing costs. “Doubling” and “tripling up” families under one roof was often mentioned in the interviews.

- An 18-year-old Filipino American male from an immigrant family said it is “common for a whole family to rent out a room or stay in very rundown places” to cope with economic distress.
- One interviewee stated that “most young people have roommates because the rent for a one bedroom is so expensive ... as much as \$2,500 to \$4,000 per month [even in a marginal neighborhood].” He described, for example, knowing of two couples, living on a limited income, sharing a two-bedroom apartment.

Local studies suggest that Latinos are particularly likely to live in overcrowded households.¹⁷

d. Other creative living arrangements. Some interviewees reported that it was common for people in economic distress to seek unconventional living spaces, from sleeping on couches to living in closets or garages of homes. And some cannot afford any housing and sleep in their cars. One service provider said that “informal living spaces” were the norm for many young adults and families.

¹⁶ Pressure to support family members extends to some young adults who do not live with their parents. One local service provider indicated being aware of immigrant families, residing in parts of the state where there are limited opportunities for making money, who relied on young family members to move to Silicon Valley to make money and send it back home. He indicated that these young job-seekers “get crushed” by this level of responsibility and often jump from “couch to couch” to survive or become “homeless.” Another service provider in Silicon Valley reported that immigrants with families outside the United States often use much of the money they earn as remittances.

¹⁷ Santa Clara Board of Supervisors (2012). Status of Latino/Hispanic Health: Santa Clara County 2012. Published online at https://www.sccgov.org/sites/scphd/en-us/Partners/Data/Documents/Latino%20Health%202012/LHA_Vol_1_oct1_2012.pdf.

e. Support from family and friends. “Depending on family and friends is the main way immigrants are surviving” was a common response when asked how people in economic distress cope with the situation.

f. Help from assistance providers. Many of the young adults interviewed said that people are aware of assistance opportunities and they sometimes actively seek it. Comments included:

- A 24-year-old African American man stated, “If you are low income you know where to go to get help.”
- One 29-year-old Latino indicated, “I see [assistance] publicized everywhere and by ‘word-of-mouth’ as well”
- A Latina (age 23) from an immigrant family said, “If you reach out to churches they will steer you to what you need.”
- For a 25-year-old Filipino American female immigrant family member, “hoping to get government assistance” was her way to cope with economic distress.
- An African American woman (age 29) indicated “waiting for government assistance” as a coping mechanism for economic hardship.
- One 26-year-old Vietnamese American female described coping as “more efforts to find part-time work, seek government relief.”

g. Investing less in education and training. Many interviewees said that education and obtaining more skills were the ways to get jobs that would pay well enough to be able to live in Silicon Valley. However, some said that they did not have the time (because of their jobs) or the money to pursue advanced education.

h. Cutting back on non-housing, goods and services. A few interviewees mentioned cutting back on other expenses such as food in order to afford housing.

i. Multiple coping mechanisms. Most young adults interviewed in the study cited multiple sources of assistance, including family, friends and other resources. No one source was sufficient. Examples of comments included:

- A 25-year-old Latina from an immigrant family reported multiple coping mechanisms: “Get extra jobs, ask help from family and community centers, take out loans, government assistance.”
- A Vietnamese American woman reported a “collective community” of Vietnamese Americans offering assistance and support to Vietnamese immigrants.

5. Are there important differences between populations at risk?

The commonality of experiences of young adults is stronger than cultural differences when trying to cope with living in economic distress in Santa Clara County. There are some overall patterns in the coping responses of young adults of different backgrounds, however.

a. Attending school and obtaining a college degree. Compared with other groups, a much higher percentage of young adults who are Vietnamese Americans and Filipino Americans have a college degree or are attending school. The study team examined educational attainment also using 2011–2015 ACS data.

Figure 8 presents the share of adults in each age group with a bachelor’s degree or higher degree (combined). Among non-Hispanic whites in Santa Clara County who are ages 25 to 29, 59 percent had at least a bachelor’s degree. About one-half of Vietnamese Americans in this age group had that level of education, as did 41 percent of Filipino Americans.

About 29 percent of African Americans and 16 percent of Latinos ages 25 to 29 had a college degree.

Figure 8.

Percentage of study group adults who have a bachelor’s degree+,
Santa Clara County, 2011–2015

	18-24	25-29	30-64	65+	Total 18+
Hispanic American	5 %	16 %	14 %	11 %	13 %
Vietnamese American	17	47	32	14	29
Filipino American	11	41	49	38	42
African American	9	29	33	33	29
Non-Hispanic white	22	59	58	46	52

Source: Keen Independent Research from 2011–2015 American Community Survey (ACS) Public Use Microdata samples. The raw data extract was obtained through the IPUMS program of the MN Population Center: <http://usa.ipums.org/usa/>.

As further discussed in Appendix A, for some groups, there were strong differences in the likelihood of having a college degree between native-born individuals and immigrants. About 62 percent of native-born Vietnamese Americans ages 25 to 29 had a college degree (compared with 57% of native-born non-Hispanic whites). Among Vietnamese American immigrants in this age group, 39 percent had college degrees. Still focusing on 25- to 29-year-olds, the same pattern was found in the share of people with a college degree for:

- Filipino Americans who are native-born (46%) and immigrants (35%); and
- Latinos who are native-born (22%) and immigrants (9%).

On the other hand, 70 percent of non-Hispanic white immigrants in this age group had college degrees, higher than the native-born population. Figure 9 shows the percentage of foreign-born people in each age group who have college degrees.

Figure 9.
Percentage of immigrant population who has a bachelor's degree+,
Santa Clara County, 2011–2015

	18-24	25-29	30-64	65+	Total 18+
Hispanic American	3 %	9 %	11 %	10 %	10 %
Vietnamese American	13	39	30	14	27
Filipino American	6	35	48	38	43
African American	8	27	40	42	35
Non-Hispanic white	29	70	69	39	61

Source: Keen Independent Research from 2011–2015 American Community Survey (ACS) Public Use Microdata samples. The raw data extract was obtained through the IPUMS program of the MN Population Center: <http://usa.ipums.org/usa/>.

In the American Community Survey respondents were asked, “At any time in the last 3 months have you attended school or college?” and were further instructed that the answer was for schooling that leads to a high school diploma or a college degree.

- The percentage of study group populations attending school was highest for adults ages 18 to 24 who are Vietnamese Americans (78%) and Filipino Americans (67%).
- About 63 percent of African Americans and 64 percent of non-Hispanic whites in this age group attended school. One-half of Hispanic Americans ages 18 to 24 attended school. (Note that these figures include high school attendance.)

A much smaller share of people ages 25 to 29 attend school. Figure 10 presents these results.

Figure 10.
Percentage of study group population attending school,
Santa Clara County, 2011–2015

	18-24	25-29	30-64
Hispanic American	50 %	15 %	4 %
Vietnamese American	78	32	6
Filipino American	67	22	4
African American	63	24	9
Non-Hispanic white	64	20	4

Source: Keen Independent Research from 2011–2015 American Community Survey (ACS) Public Use Microdata samples. The raw data extract was obtained through the IPUMS program of the MN Population Center: <http://usa.ipums.org/usa/>.

Results were very similar for young adults who are immigrants, except for Hispanic Americans (see Appendix A).

Several young adults from immigrant families reported being skeptical of what a college degree or other higher education could offer. Those interviewees reported barriers such as time commitment, low retention rate, high cost of tuition, loan debt and no guaranteed job upon graduation. Comments included:

- A 21-year-old Latino from an immigrant family stated, “Considering college students who are drowning in debt, it’s safe to say that college graduates not only struggle in paying back their loans, but finding jobs isn’t as simple as it may seem.”
- One 18-year-old Vietnamese American from an immigrant family expressed that having a bachelor’s degree is increasingly common, but “doesn’t guarantee a well-paying job.”
- A service provider serving African immigrant groups reported, “While young Africans have been accepted at San José State University, they have difficulty completing the program, [there is] low retention.”
- An area service provider serving the Vietnamese community stated that a major barrier for young Vietnamese American adult college students is that they must rely on part-time jobs and loans to consider going to college. He reported that he “rarely sees [their] parents financially assisting their children to pay for tuition.”
- Among 18- to 24-year-olds in Santa Clara County, 18 percent of Latinos and 13 percent of African Americans did not have a high school diploma in 2011–2015.
- About 5 percent of Vietnamese Americans and Filipino Americans in this age group did not have least a high school degree.

Keen Independent also examined the percentage of each age group that did not have a high school diploma, which is discussed in Appendix A.

b. Prevalence of language barriers. Interviewees reported that language skills are important to getting a job. First, an individual who does not speak English has very limited opportunities, according to interviewees.

- A 25-year-old Filipino American man reported, “Young people who immigrated can’t make enough money because of limited job experience and poor language skills.”
- Another Vietnamese American woman reported on the importance of having English-language skills. Regarding job-seeking, she stated that speaking English well advantaged some Vietnamese American young adults over those with limited English-language skills.
- One 25-year-old Latina observed that immigrants challenged by a “language barrier” experience “more limitations to the help they can get, the type of job they would qualify [for].”

Although more than one-half of Santa Clara County residents speak a language other than English at home, inability to speak any English is rare, especially among young adults. The issue affecting a greater share of the population is the ability to “speak English well” or speak with an American accent.

Combining those unable to speak English and those not speaking it well in the ACS, about 6 to 7 percent of Vietnamese Americans and Hispanic Americans in Silicon Valley ages 18 to 24 do not speak English well.

Figure 11 shows that, among immigrants, the share of young adults unable to speak English well reaches 45 percent for Hispanic Americans and 19 percent for Vietnamese Americans ages 25 to 29.

Figure 11.
Percentage of study group adults who were foreign-born, who do not speak English well, Santa Clara County, 2011–2015

	18-24	25-29	30-64	65+	Total 18+
Hispanic American	27 %	45 %	43 %	57 %	43 %
Vietnamese American	14	19	38	76	42
Filipino American	3	5	6	22	9
African American	0	10	5	22	6
Non-Hispanic white	1	2	5	23	8

Source: Keen Independent Research from 2011–2015 American Community Survey (ACS) Public Use Microdata samples. The raw data extract was obtained through the IPUMS program of the MN Population Center: <http://usa.ipums.org/usa/>.

“Speaking English well” or without an accent was frequently discussed by young adults interviewed in the Keen Independent study. (Note that Keen Independent did some interviews in native languages.)

- A 23-year-old Latina said, “People want to hire native ‘English’ people.”
- A service provider indicated that African immigrants with limited English proficiency were particularly disadvantaged when seeking opportunities in Silicon Valley.
- An area service provider reported increasing demands by employers for workers who “speak English” well.

An 18-year-old Hispanic man from an immigrant family said, “Very young immigrants ... have a chance to learn English and ... get ahead. Most agree that being fluent in English is ‘key’ to making it in this country.”

(See Appendix A for additional discussion of this issue.)

c. Living with family (but perhaps less difference than one might expect). As discussed previously in the Summary Report, if they live in Silicon Valley, many young adults are living with their parents. This is especially true for people ages 18 to 24, overall, and for Vietnamese Americans and Filipino Americans.

d. Potential for employment discrimination. From the comments of African American, Latino, Vietnamese American and Filipino American young adults interviewed, there is evidence that there is not a level playing field for people of color, especially those who are immigrants, when seeking jobs in Silicon Valley. Although young adults in each race and ethnic group in the study may experience these disadvantages somewhat differently, the comments crossed racial and ethnic groups.

e. Historical context. Appendix C explains the different historical context for each study group. Immigration patterns are markedly different for each group, and most African Americans in Silicon Valley are descendants of people forcibly brought to the United States. For example:

- Most Latinos in the San José area are of Mexican origin. California was a territory of Mexico from 1822 to 1848 and part of Spain before then. After California became part of the United States, there was relatively little immigration of Mexicans into the state until the early 1900s. In the mid-twentieth century, millions of Mexicans were invited to perform low-paying agricultural work in the United States under a federal program to fill labor shortages during World War II. Soon after, an annual quota was put on the number of Mexicans that could legally come to the United States to work. Demand for labor in the United States as well as poverty and lack of well-paying job opportunities in Mexico drove Mexicans to migrate even if this meant coming to the United States without legal authorization to do so. In the twenty-first century, the same push/pull factors contribute to Mexican migration to the United States.
- Vietnamese immigration to the United States did not begin in large scale until immediately after the end of the Vietnam War. Between 1975 and 2002, about 760,000 Vietnamese immigrants came to the United States as refugees.¹⁸ About 130,000 Vietnamese refugees came to the United States to participate in resettlement programs immediately after the end of the war. These immigrants tended to be highly skilled and highly educated. Immigrants arriving later, the late 1970s onwards — beginning with the so-called “boat people” fleeing the fallout of the Vietnam War — tended to have less formal education.
- From 1899 to 1946, the Philippines was a U.S. territory and immigrants to California and other parts of the United States came as U.S. nationals. Changes in federal policy throughout the twentieth century constrained or relaxed restrictions on immigrants from Asia, which affected those in the Philippines as well. Most immigrants spoke English and had often attended American-style schools in the Philippines. Today, Filipinos, many with high educational attainment and advanced skills, continue to migrate to the United States.

¹⁸ Zong, Jie, and Jeanne Batalova, “Vietnamese Immigrants in the United States,” Migration Policy Institute (2016). Retrieved from <http://www.migrationpolicy.org/article/vietnamese-immigrants-united-states>.

- The transatlantic slave trade forcibly brought hundreds of thousands of Africans to what is now the United States from the sixteenth century to the nineteenth century. Voluntary migration from Africa to the United States is a more recent phenomenon. Although recent African immigration is not as large as immigration from other regions such as Latin America and Asia, it is a fast-growing segment of the U.S. population.¹⁹ As discussed in Appendix A, 21 percent of African Americans in Santa Clara County are foreign-born, many from English-speaking countries.

The above populations are anything but homogeneous. Reasons for immigrating, levels of educational attainment, understanding of English and U.S. cultural norms, and citizenship status vary between and among these groups. These characteristics can influence socioeconomic conditions, job opportunities and help-seeking behaviors for immigrants. For instance, coming from a country where English is spoken or having earned a college degree in one’s home country (before immigrating) can be assets for immigrants when seeking a job. As another example, one’s status as an undocumented immigrant may deter that person from seeking assistance with public agencies, or make that person ineligible for certain assistance. (Appendix C for further discusses cultural issues.)

f. Some coping options not available to undocumented immigrants. For undocumented residents, assistance options are more limited, and there is more reluctance to seek assistance.

- Some service providers indicated increasing difficulty reaching and serving undocumented immigrants living in Santa Clara County. These service providers reported that “fear” precluded some immigrants from seeking the services they needed, as some immigrant families may have one or more undocumented family members.
- Several service providers indicated that undocumented immigrants are the most at-risk for not securing the services they need.
- A Latino (age 18) from an immigrant family reported, “The gaps are [in] the lack of support for undocumented immigrants. They have a hard time getting by because they can’t make use of any types of assistance. This affects them and their children who may or may not have been born in the United States.”

6. Does the local network of assistance adequately serve these populations and are there barriers to receiving assistance?

There is a broad local network of assistance for groups at risk of financial distress in Santa Clara County. Appendix C provides examples of the programs offered by federal, state and local governments, not-for-profit organizations and other groups. There are also service providers that focus on African Americans, Vietnamese Americans, Filipino Americans and Hispanic Americans in need. Some of those organizations have programs that target young adults.

¹⁹ Anderson, Monica, “African Immigrant Population in U.S. Steadily Climbs,” Pew Research Center (2017). Retrieved from <http://www.pewresearch.org/fact-tank/2017/02/14/african-immigrant-population-in-u-s-steadily-climbs/>.

Examples are:

- African American Community Service Agency;
- Bill Wilson Center;
- Center for Employment Training (CET);
- Center for Training and Careers;
- Filipino Advocates for Justice;
- Hispanic Foundation of Silicon Valley;
- My Brother's Keeper: San José; and
- San José Job Corp; and
- Vietnamese Voluntary Foundation (VIVO).

Given the extensive local network of assistance, one might ask why there would be any unmet needs for people in financial distress in Silicon Valley. Keen Independent examined whether this network was working for study populations, and whether there were any barriers for groups most at risk of being in financial distress.

Results from the 2000 "Bridging Borders in Silicon Valley: Summit on Immigrant Needs and Contributions" provided a starting point for this assessment. That report noted that the largest barriers to obtaining services and education were:

- No time;
- Not enough English;
- Scheduling problems;
- No affordable childcare;
- Lack of information;
- Immigration status;
- Services/education too expensive;
- No transportation;
- Being a caregiver;
- Don't trust providers for help; and
- Fear of government.²⁰

Although that study is now 18 years old, many of the same barriers to accessing assistance still exist.

²⁰ "Bridging Borders in Silicon Valley Summit on Immigrant Needs and Contributions," Santa Clara County Office of Human Relations/Citizenship and Immigration Services Program (2000), Published online at <http://www.immigrantinfo.org/borders/index.html>.

a. Many at risk of financial distress make too much money to qualify for certain assistance.

A number of service providers discussed that pay in Silicon Valley often disqualifies workers from getting the assistance they need to reach self-sufficiency.

- For example, one service provider reported knowing of a young woman who was working for \$15 per hour. This pay rate made the woman “ineligible for a child care subsidy program.” Because her earnings were not enough for her to afford child care; she had to quit her job.
- Another service provider stated, “Services have restrictions and eligibility criteria which make it more difficult to access.”

b. There are insufficient resources given the number of people in need, or total assistance is otherwise constrained or precluded.

A large part of the answer to the question, “given the network, why are there unmet needs?” is that the sheer size of the need outpaces the available resources. According to a 2005 United Way Silicon Valley survey of local non-profits, only 14 percent said that the funding the organization receives “is adequate to directly serve all the non-English speaking immigrants” who use the organization’s services.²¹ Especially for housing, there is more demand for assistance than what is available, based on Keen Independent’s research.

Those who need assistance may perceive it as too little to make a difference. Some young adults interviewed said that assistance was available, but it was “very little help” and not worth the effort.

Sometimes, the total amount of assistance available from a source is capped for an individual. For example, Temporary Aid to Needy Families (CalWORKS in California) provides financial assistance to parents of children 18 or younger or pregnant women who are near the federal poverty line and have very limited assets. There is a maximum of 60 months of TANF assistance within one’s lifetime, and certain work or continued education requirements apply for adults receiving this benefit.

Another major barrier for some immigrants in the Bay Area is lack of citizenship. The United Way estimates that for Latino households living below the Self-Sufficiency Standard, 52 percent of heads of households are not U.S. citizens.²² Lacking citizenship can make one ineligible for many government assistance programs, or can make it substantially more complicated to qualify. Non-citizens, especially people who are undocumented, may also have less information about available assistance and support, and be less comfortable and confident in seeking resources.

²¹ “Santa Clara County Trends and Needs Assessment Report,” United Way Silicon Valley (2005), 171. Published online at http://s3.amazonaws.com/zanran_storage/www.uwsv.org/ContentPages/43734256.pdf.

²² “Struggling to Make Ends Meet in the Bay Area: Financial Self-Sufficiency Report 2015,” United Way Bay Area (2015), 13. Published online at https://uwba.org/files/galleries/Making_Ends_Meet_2015.pdf.

c. For some young adults, there is limited knowledge of available assistance or commitment to seek that help. Some interviewees said they had limited knowledge about the local assistance available to those in economic distress. For example:

- One 23-year-old Latina immigrant family member stated, “Many people I know don’t have any kind of assistance. If they don’t hear about it they don’t know.”
- The 28-year-old Filipino American female immigrant family member indicated that, when living in economic distress, day-to-day survival made finding out about available services difficult. For example, she stated that the reason for limited awareness was that “people with financial distress are so preoccupied on what to do next with their lives.”
- For a 21-year-old Latino immigrant family member, “Some people aren’t informed that there are sources available to them that will help guide them to a better form of stability. We either lack the knowledge or the commitment to look for that help.”

d. Some young adults say that they do not feel welcomed or trusted by assistance providers. Although very few young adults interviewed in the study identified a stigma with receiving assistance, some young adults reported not being “respected” by service providers.

- For instance, a Latina (age 24) identified a need for service providers to have “respect for ‘all’ ... since most people can be afraid or even embarrassed to get assistance.”
- A number of young adults (across groups) reported not “being trusted” when seeking help.
- An area service provider indicated that African immigrants often do not seek services because they are made to feel “unwelcome.” There are also barriers for families that include undocumented immigrants.
- There can also be language barriers for some individuals who need assistance.

Examples of young adults’ advice for organizations such as work2future included the following.

- “Treat people like human beings” was a common theme expressed by young adults when asked how service providers can be more sensitive to cultural differences or understanding young adults. Many responded that making the effort to get to know someone as a person was the best approach. “Don’t prejudge” and “judge based on talent” were other examples of these comments.
- “Having respect to all will be the most ideal way to go about it since most people can be afraid or even embarrassed to get assistance and that would be nice if some organizations are ‘more friendly.’”
- “Get to know individuals in depth because many might not know what can be offered to them.”
- “Ask more questions ... everybody’s problems are different.”

e. Not having enough “time” was mentioned as a barrier to seeking assistance. For many across groups, time was a barrier to seeking services. Many reported not being able to take advantage of services because of the extended wait time standing in “long lines” and “queues.” Some indicated that they could not get time off or could not afford time away from work to go to assistance providers.

f. work2future was mentioned by some young adults. Unsolicited, some young adults completing online interviews mentioned work2future by name. (This is a positive sign for work2future.)

7. What are the implications for work2future?

There are many implications for work2future from the Keen Independent study of young adults at risk of economic distress. We focus on the five below.

a. There is support for a business demand approach. Young adults in the study populations want good jobs and understand that they need education, training and experience to get them. They want to know about these jobs and how to enter these career pathways.

- Young adults understand that they need pathways to good jobs; and
- Some say “college” (generically) is the answer, but they cannot obtain it.

There is support in this study for the business demand approach to providing workforce assistance to these young adults. But, there is a need for work2future and its partners to:

- Meet these young adults where they are rather than expect them to come to the assistance provider;
- Recognize that these young adults may not have the time to research and discover resources such as work2future; and
- Understand that assistance from work2future is best when coming from staff who look like them (and perhaps speak their language).

There is a feeling among some young adults in the study populations that service providers do not understand or trust them, and their time deficit and limited knowledge of available resources make it unlikely that they will show up on work2future’s doorstep.

work2future and its partners need to reach out to these young adults through communications tailored to 18 to 29-year-olds from diverse backgrounds in Silicon Valley. And, as much as possible, work2future should have staff who can empathize with the opportunities and challenges these young adults are facing.

b. There is still a need for job readiness and gaining early experience. Even with the current high demand for workers in Silicon Valley, some of the young adults interviewed said that they have difficulty getting a foot in the door. Without relevant work experience, they cannot get experience.

- Some young adults say they do not know how to talk and act around people who can hire them; and
- Some say that employers see them as inexperienced and untrustworthy.

It appears that through direct programs or by adding value to others' programs, work2future's efforts to generate job-readiness and experience for youth and young adults may be extremely valuable. And, without this foundation of initial work experience, additional training might be of less value.

c. When delivering assistance, it is important for organizations like work2future to remember young adults' "catch-22." A common theme from the research with young adults was the "catch-22" of not having the skills to obtain a quality job, but not having the time to gain those skills because they had to work multiple low-wage jobs to survive in Silicon Valley. It is important for work2future and its partners to remember that:

- Young adults in the study groups face time and money deficits;
- There are potential child care needs for young adults at risk of financial distress; and
- Young adults in the study populations need income while gaining skills.

Assistance delivery models will be more successful if they accommodate those constraints.

d. There is a need to help employers recognize unintended biases when hiring. Can work2future or others help? There is substantial evidence from the interviews that young people of color, especially from immigrant families, do not face a level playing field in the Silicon Valley job market. There are disadvantages because they are young and because they may not look like those who make employment decisions.

Although these biases on the part of employers may be unintended, they are very real to many young adults interviewed in this study. work2future and others might join those who are leading discussions about how employers can remove barriers to employment based on race and ethnicity.

e. Economic distress in Silicon Valley cannot be addressed without affordable housing, which limits the impact work2future can have. Keen Independent's study did not focus on the high cost of housing in the Bay Area and the steps necessary to address it. However, the level of income necessary to pay for local housing affects all aspects of young adults' lives in Silicon Valley. Organizations such as work2future will have limited success in helping young adults at risk of being in economic distress if this challenge continues to grow.

Those involved with work2future and its partners should remember that better jobs for young adults is only one part of the solution to the severe economic dichotomy in Silicon Valley.

Next Steps

Keen Independent sought to assess the initial results of the 2017 BW Research Dichotomy Study for work2future, refine the analysis of target populations, and further explore stresses and coping mechanisms for these groups.

As noted in Section 6.f, above, there is already sufficient awareness of work2future in the community that several respondents to the online survey mentioned work2future without being asked about it. Nonetheless, community awareness is neither static nor something that should be taken for granted, so work2future must continue to promote its resources in the community. Its communications should always keep in mind how target populations are trying to cope with economic distress.

The scope of Keen Independent's 2018 study did not extend to recommending culturally-specific communications strategies for study populations or designing new programs and delivery models for these young adults. These are logical next steps for work2future and its partners to explore.

In doing so, work2future need not start from scratch. It can build on a foundation of platforms that already target at-risk youth and young adults, using as guidance the findings of this study and the implications for work2future that the authors cite in Section 7 above.

- **San José Works:** Begun as a summer youth employment pilot project four years ago, San José Works (SJ Works), with strong support from the City's mayor and council, has evolved into a year-round, though still summer-focused, program that will have provided about 1,000 youths and young adults between the ages of 16 and 29 with paid internships or work-experience opportunities with local employers in the 2017-18 cycle alone. SJ Works also provides supportive services such as career counseling and work readiness preparation, transportation assistance through bus passes, and financial literacy training.

Both the City and employers fund the stipends or wages of youth in the program. The core partners for SJ Works are work2future, the City's Parks, Recreation and Neighborhood Services Department, and The Silicon Valley Organization's Strive Program. work2future has also begun a partnership with San José Promise, a scholarship program affiliated with the San José Evergreen Community College District, to enable select SJ Works graduates to work towards Associate degrees with all their college costs covered.

SJ Works has also taken steps to meet students where they are by establishing offices in nine high schools in San José's East Side and at two community-based organizations that serve as hubs for youth and young adults.

- **TOP:** work2future oversees the Trades Orientation Program, a pre-apprenticeship training program operated by Working Partnerships USA (WPUSA). An economic justice advocacy organization founded by CBOs, labor unions, and faith-based organizations, WPUSA works to improve work and pay conditions for those on the lowest rungs of the Silicon Valley economy. Built around the building trades' Multi-Craft Core Curriculum, the program helps disadvantaged populations, especially at-risk

youth, women and veterans, position themselves to compete for career opportunities in the construction industry. Over the course of three years, TOP has had 175 graduates and has placed many of these in trades apprenticeships or non-apprenticeship construction employment. About 60 percent of participants have been people of color. In addition to work2future and WPUSA, TOP partners include the regional Building Trades Council, the trades-operated Joint Apprenticeship Training Center and the San José Evergreen Community College District.

- **WIOA Youth Program:** The Youth Program serves primarily out-of-school, at-risk youth and young adults between the ages of 18 and 24. In the 2016 program year, the program transitioned from a model focused on helping participants to find what was often their first “real” job—usually an entry-level position in retail, hospitality or food services—to one that focuses on helping youth prepare for entry opportunities linked to career pathways in one of the region’s priority in-demand sectors such as advanced manufacturing.

Most recently, the Youth Program has embarked on a pilot partnership with PeopleShores, an IT-focused business services social enterprise.

The programs mentioned above are just three examples of the strategic changes called for in work2future’s new Local Plan and Regional Plan. Both plans identify a shift away from trying to help as many people as possible be better prepared to find a job — any job. The new emphasis is to help employers in the region’s priority growth sectors find the talent they need to prosper by helping individuals, especially at-risk individuals, prepare to compete effectively for career-path-focused opportunities with those employers. This strategy can achieve incomes that will provide a reasonable degree of economic self-sufficiency in Silicon Valley.

Implicit in that change is a shift in emphasis from the quantity of outputs to the quality of outcomes consistent with trying to respond to the challenges of the Silicon Valley Dichotomy. While it acknowledges that work2future cannot solve the dichotomy for everyone in its service area, it commits work2future to working with each individual that it does serve to be better able to overcome the dichotomy for him/herself and his or her family.