Hispanic/Latino Socioeconomic Status and Class

**Key Words:** Latino, Hispanic, Socioeconomic Status, Class, Inequality, Education, Poverty, Community, American

**Description:** This issue brief provides an analysis of the socioeconomic status of Hispanics/Latinos, the fastest growing ethno-racial group in the US. Outlined is the current state of Hispanic/Latino SES in regards to population data, causes of low levels of SES, implications of low SES, and the importance of addressing low SES moving forward.

**Key Points:**

- Socioeconomic status as an indicator of social standing, political influence, and quality.
- Socioeconomic status being stratified across ethno-racial lines, specifically detailing the Hispanic/Latino ethno-racial group.
- The importance of addressing low SES amongst the United State’s fastest growing ethno-racial demographic moving forward.
- Education and the allocation of resources being used as tools to help raise Hispanic/Latino SES.
- The importance of preparing the strikingly large Hispanic/Latino young population for successful careers in America’s future workforce.

**Brief:**

Socioeconomic status is a measurement that is often used to express a group or individual’s social rank or class within an overall population [1]. Quantitative levels of income, education, and employment determine socioeconomic status, or SES. Generally, a group or individual’s SES is directly related to their social privilege, political influence, and access to various resources. Poor SES largely corresponds with lower levels of education, wealth, and well-being. Societal SES is frequently
stratified across racial/ethnic lines, and discrepancies in SES result in imbalances in wealth distribution and overall qualities of life [1]. This notion can be observed when looking at the Hispanic/Latino American population. Further, considering that the Hispanic/Latino population is currently the fastest growing demographic within the United States it is imperative for U.S. policymakers make ardent efforts to bolster Latino American SES moving forward [5].

The US Office of Management and Budget defines Hispanic or Latinos as any person with origins in Mexico, Puerto Rico, South America, Cuba, Central America, or another Spanish speaking country [6]. According to data collected during the 2010 census, 50.5 million (16% of the overall population) Americans identified as being of Hispanic or Latino descent [3]. This Hispanic/Latino population boom saw an increase of 15.2 million citizens, or 43%, between the 2000 and 2010 censuses. The overall population of the United States experienced a 27.3 million increase during the first decade of the new millennium, making the growth of Hispanic/Latino Americans account for over half the total population growth nationwide [6]. The United States Census Bureau doesn’t foresee the rapid increase of Hispanics/Latinos to slow down any time soon, with projections of the demographic to reach 30% of the overall population by 2050 [5].

Marginalization of Hispanic/Latino minorities has made it difficult for a large portion of the demographic from breaking out of poverty and increasing their SES. Communities within the United States are commonly divided along SES bounds. These communities often foster environments that exacerbate the causes of low SES, which are tied to the emergence of various social inequalities. In fact, 75% of the
total Hispanic/Latino American population resides in the Western or Southern regions of the country [4]. These communities possess significantly fewer resources devoted to areas such as health care and education that are primary indicators of SES. As a result only about 15% of employed Latinos over the age of 25 carry a college degree, which is roughly half the number of their white counterparts [5]. Lower SES, availability of resources, and education has contributed to higher unemployment rates amongst Hispanics/Latinos when compared to whites. According to research conducted by the US department of Labor and the Bureau of Labor Statistics unemployment for Hispanics/Latinos in 2011 was around 11.5%, while unemployment was almost 4% lower at about 7.9% [5]. Disparate education levels were the largest contributing factor for Hispanics/Latinos having higher rates of unemployment. Additionally, a large portion of employed Hispanics/Latinos work in industries within the private sector that carry less influence and are less lucrative than other ethno-racial groups. Further, Hispanics/Latinos are significantly less likely to hold executive positions or jobs in government than whites. This is a result of both lower levels of SES but also the strikingly young composition of the fleeting Hispanic/Latino population growth. Soaring immigration numbers, high fertility, and low mortality rates all contribute to the youthfulness of the Hispanic/Latino population. According to the 2009 American Community Survey Sample, the median age of Hispanics/Latinos in the United States was just 27 years old [4]. Conversely, the median age of white citizens was 41 years old [4].
With no signs of the slowing of Hispanic/Latino population growth, it is increasingly important to bridge the education, employment, and thus the SES gap between them and other racial/ethnic groups.

The availability of quality education is the surest method to facilitate Hispanic/Latino SES growth and reduce inequality. According to a study conducted by the National Center for Education Statistics (2007), the high school dropout rate in 2005 amongst Hispanic/Latinos was the highest of any ethnic/racial group nationwide [5]. There is evidence that this trend seems to be reversing, as between 2009 and 2010 Hispanics/Latinos experienced a 24% increase in enrollment at higher education institutions. However, Hispanic/Latinos are still behind other ethnic/racial groups in overall college enrollment numbers [5]. Providing Hispanic/Latino communities the resources necessary to enhance areas of education, health care, and employment must become a priority for the United States as the youthful Hispanic/Latino population continues to swell. Special Interest groups and lobbyist must tirelessly bring attention to the needs of Hispanic/Latino communities, with an emphasis on educating young people and
preparing them to succeed. However, currently Hispanic/Latinos are significantly underrepresented in elected offices in relation to population percentages. Hopefully as the young population matures and education levels continue to increase the emergence of more Hispanic/Latino political and business leaders will serve as an indispensible tool in aiding the growth of their communities through both the allocation of resources and by serving as inspiration for young people to aspire to. In conclusion, combining quality educational resources with the emergence of influential leaders of Hispanic/Latino descent seems to be the formula to increase the ethno-racial group’s SES, close the inequality gap, and prepare the booming young Hispanic/Latino population for successful careers in the workforce.

Resources:
