Hispanic Economic Outlook
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The Report of the Hispanic Economic Outlook Committee

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3. Engaging more Hispanic Americans to effectively participate in the economics profession.

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Did the Great Recession Discriminate? Hispanic Unemployment Rate Duration 2003-2010

Anita Alves Pena, Harvey Cutler, and Martin Shields∗

One of the downturns' lesser recognized, yet lasting effects was a significant and uneven increase in unemployment duration. Median unemployment duration in July 2012 was 15 weeks. Median duration in July 2002, for comparison, was only 8 weeks.

We use national-level monthly duration and employment data from 2003 to 2010 (years before, during, and after the Great Recession) and time series econometrics to examine changes in unemployment duration for Hispanics over the course of the most recent business cycle in relation to other racial and ethnic groups. We find evidence supporting (1) significant differences in unemployment duration patterns across racial and ethnic lines and (2) relationships between racial and ethnic concentrations and industry and occupational correlations. Specifically, we find that Hispanic unemployment duration is more sensitive to changes in US employment than are white, black, or Asian unemployment durations despite Hispanic unemployment duration being of a generally lower level than the other groups. Furthermore, these patterns can be attributed to concentrations of Hispanics in specific occupations, such as construction, that were especially affected during the Great Recession.

Literature on Unemployment and Ethnicity

Common theoretical explanations for persistent unemployment rate differences between Hispanics and other races and ethnicities include discrimination and segregation, and human capital differences. Kain's (1968) seminal work, for example, argues that chronic unemployment and poverty for minorities in many central cities is related to housing discrimination and transportation challenges that reduce probabilities that workers are matched with jobs. Farley (1987) finds that black and Hispanic unemployment rates are relatively higher than those of whites in places where employment opportunities are suburbanized and minority residents concentrated in inner cities. Furthermore, Verdugo (1992) demonstrates that earnings differentials unrelated to human capital differences persist across time for black and Mexican American workers, consistent with discrimination. In more recent work, Martin (2004) presents evidence of spatial separation of black residential and employment locations from 1980 to 1990 causing an increase in black unemployment rates.

Beyond discrimination, some authors have suggested that persistent unemployment rate differences are related to differences between labor market demand and the skill and educational attributes of "average" Hispanics and blacks. Abowd and Killingsworth (1984), for example, find that labor force differentials between whites and Hispanics "virtually disappear" after controlling for human capital and locational differences.

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In work on trends during recession, Defreitas (1986) finds that Hispanics disproportionately bear increases in unemployment rates and argues that this is related to sensitivity to aggregate demand changes. A 2010 report from the US Congress' Joint Economic Committee is consistent in that it suggests that Hispanics were hit hardest by the Great Recession because of overrepresentation in the construction sector and the housing market collapse. Furthermore, Hispanics were underrepresented in the few growing sectors at that time (e.g., education and health care).

The few papers on ethnicity and unemployment duration specifically include Dawkins, Shen, and Sanchez (2005) who conclude that "residential segregation affects racial differences in unemployment durations by exacerbating racial differences in job accessibility and neighborhood peer effects," and Rodgers (2008) who finds that an increase in the federal funds rate increases unemployment spell lengths. Blacks are disproportionately impacted, particularly at shorter durations.

Unemployment Duration and the Great Recession

There are several reasons why unemployment rates and duration may behave differently over the business cycle across race and ethnicity. For example, non-Hispanic whites and Asians are more likely to have a four-year degree than are blacks or Hispanics and this may reduce the likelihood of unemployment. However, data also suggests that unemployment duration increases with education, possibly due to longer job searches with higher education levels.

We combine data from the January 2003 through June 2010 Current Population Survey and calculate the median monthly unemployment duration for key racial and ethnic groups. We examine how this changes with total monthly employment from the Bureau of Labor Statistics Current Employment Survey. Particularly, we consider logged values for total US employment (LUSempl) along with median unemployment duration for those self-identified as non-Hispanic whites (LWHITE), non-Hispanic blacks (LBLACK), non-Hispanic Asians (LASIAN), and Hispanics (LHISPANIC). Figure 1 plots these series. Total employment rises until mid-2007 and then declines steadily with the recession until mid-2009. Unemployment duration numbers follow a slight downward trend from 2003 to 2007 and then rise. Beginning in 2007, unemployment duration increased more quickly for blacks and Asians than for Hispanics and whites.

Our empirical framework is based on standard time series econometrics. Our results indicate that all four unemployment durations are growing over time and therefore are considered to be "nonstationary" variables. A fifth variable that we introduce is total US employment, which also is nonstationary. Therefore, we use a technique called cointegration, which estimates the relationship between nonstationary variables. The underlying theory of our system focuses on how each of the four racial and ethnic group unemployment duration variables responds to changes in US employment. Specifically, an increase in US employment implies an expansion of the economy, which results in a decrease in unemployment duration, as workers find increased employment opportunities (and lower unemployment). During economic declines, unemployment duration rises and we find that racial and ethnic groups vary in response to changes in employment opportunities.

Our results indicate that Hispanics are most sensitive to the business cycle. As an example, when there is a decline in US employment, reduced employment opportunities lead to a larger increase in unemployment duration for Hispanics than for whites, blacks, and Asians. These results are obtained by using the statistical relationships from the cointegration approach. Simply, these results can be divided into two parts. First, we find that each of the unemployment duration variables separately is "cointegrated" with US employment. When two variables are

Figure 1. Natural Log of Unemployment Durations and Total US Employment

LASIAN

LBLACK

LHISPANIC

LWHITE
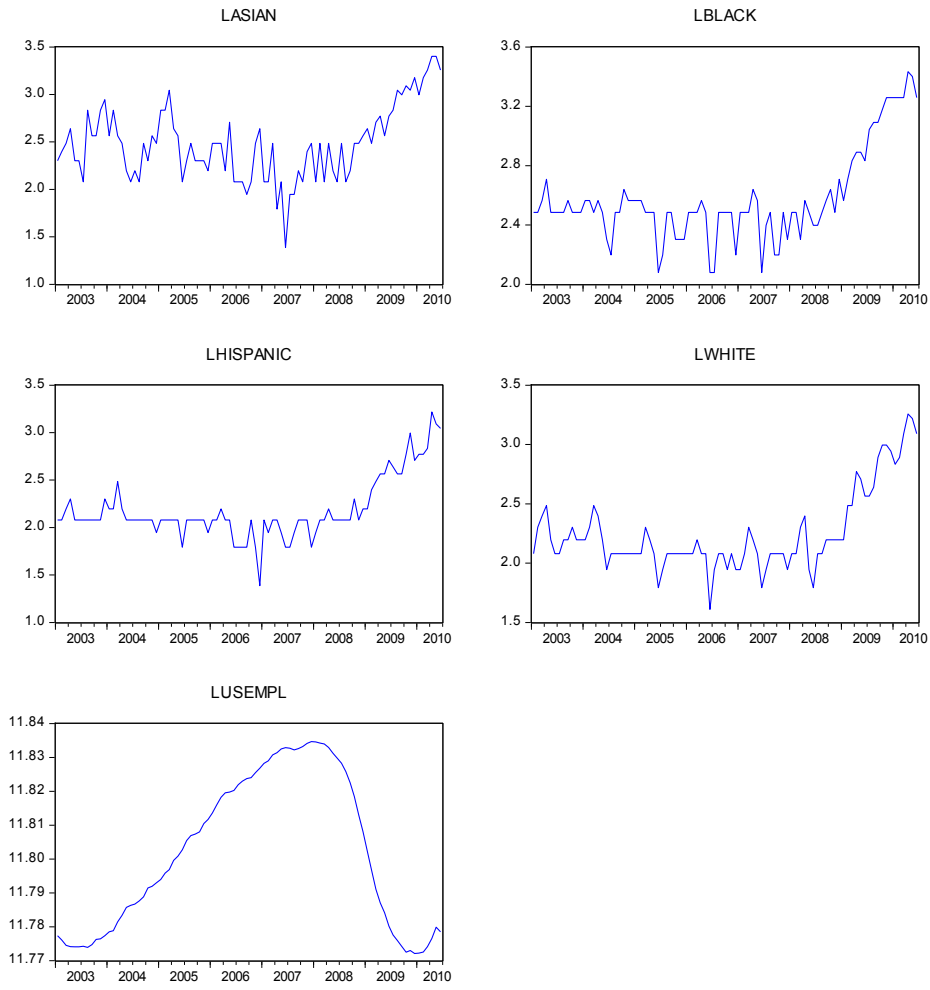
LUSEMPL

cointegrated, they are considered to be "in balance" since they grow together at the same rate. As an example, we find that increases in US employment are statistically related to downturns in Hispanic unemployment duration and vice versa. The second aspect of our empirical approach estimates how variables adjust when they become out of balance. As an example, if employment falls before there is a change in Hispanic unemployment duration, then the two variables are out of balance. Since the variables are cointegrated, at least one has to adjust to get back into balance. In our case, we find that Hispanic unemployment duration responds more quickly to changes in US employment than the other three groups in order to achieve balance.

The distribution of ethnic employment across major sectors in the economy can help explain our results. For example, data from the 2010 Current Population Survey shows that Hispanics comprise almost 29 percent of workers in construction and extraction occupations, compared to 14 percent of the overall workforce. The US Department of Labor (2011) reports that 1.1 million Latino jobs were lost during the Great Recession in construction, manufacturing, financial activities, and professional and business services. Hispanic unemployment duration therefore may reflect volatility in sectors in which Hispanics are highly represented. This supports the result that Hispanic unemployment duration is more volatile than that of other racial and ethnic groups. The Department of Labor presents a consistent story, stating that "among the most vulnerable workers in America are those who work in high-risk industries, particularly construction…these workers, many of whom are of Hispanic origin, are often hard to reach." (PLEASE INCLUDE CITATION, REFERENCE) Mobility differences by ethnic and racial groups may further explain unemployment duration patterns if Hispanics are more mobile than the comparison groups and therefore respond more quickly to differences in labor market conditions. Migrant streams from Mexico, to the extent that they are picked up in our data, therefore may further drive results.

Discussion and Conclusions

Increased unemployment duration is policy-relevant and has been the center of recent political debates revolving around the decision of whether or not to extend the length of time individuals can receive unemployment benefits. Although states set unemployment benefit programs, requirements such as eligibility guidelines come from the federal government. Unemployed persons are typically eligible for 26 weeks of benefits, which may be extended when the economy is suffering. During the Great Recession and the slow subsequent recovery, some individuals were eligible to receive benefits up to 99 weeks.

Our analysis of the national case is consistent with a sequential story in which business cycle characteristics cause a decrease in national employment, subsequently causing Hispanic unemployment duration to increase. We find magnitudes of effects to be consistent with industry-occupation patterns across racial and ethnic groups. The relative severity of unemployment duration increases for Hispanics is consistent with higher prevalence of this ethnicity in the relatively hard hit construction industry over the Great Recession period. Since the effect of the business cycle on unemployment duration differs across ethnic and racial lines, we also may expect effects on the distribution of unemployment benefit recipients. An implication therefore is that unemployment insurance take-up patterns may reflect our finding that Hispanic unemployment duration is more sensitive to the business cycle than are other ethnicity and race-specific durations.

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The Evolution of Intermarriage Among Hispanic Women

Fernando Lozano and Maria Zhu∗

The number of Hispanic women in the United States more than doubled during the last thirty years. As economists and demographers study the assimilation patterns of these new immigrants and of the US born second-generation immigrants, it is worth asking in what ways changes during the last 30 years in the rates of intermarriage are similar or different to those of other groups in the population. Fryer (2007) explores intermarriage rates among White, Black and Asian women. His results show that these rates increased during the second half of the twentieth century for White and Black women, but not so for Asian women. Yet, whether this is true also for Hispanics remains until now unexplored. Understanding the dynamics of intermarriage of Hispanic women is important, as Furtado and Theodoropoulos (2010) view intermarriage as a useful metric of immigrant assimilation. Furthermore, researchers are increasingly interested in the dynamics behind the association of social integration with socioeconomic outcomes of immigrants (for example Furtado and Trejo, 2012) In this article we use the 1980, 1990, 2000 Census and the pooled 2008, 2009 and 2010 American Community Survey[1] to document intermarriage trends among Hispanic women, paying attention to differences across different cohorts across these four decades. Within the sample, we are especially interested in the outcomes of Hispanic women. In their survey of Hispanic families, Landale and Oropesa (2007) emphasize the need to analyze change in family structure across time.

Our sample includes all women above the age of 14 years across all four Census data sets. We further divide all women into five different age cohorts: those born between 1935-1944, 1945-1954, 1955-1964, 1965-1974 and 1975-1984. Table 1 synthesizes the information of the cohort's composition, showing the age during each survey for the four survey decades in the data. Figure 1 shows the proportion of Hispanic women belonging to each age cohort, and in addition each marker includes the proportion of Hispanic foreign-born women. This graph shows that within each age cohort the proportion of women who are Hispanic increases across time, as represented by the positive slopes of each series, this is mostly due to new immigrants. In addition, this graph shows that across cohorts, younger cohorts tend to contain a higher proportion of Hispanic women than older cohorts, and this proportion increases monotonically across all cohorts. Finally, most of the increase of foreign-born Hispanic women occurred within the younger cohorts, as evidenced by the steeper slopes of the post 1964 cohorts. In summary, during the last forty years the composition of Hispanic women has become younger, and among these younger women, the composition is also more likely to be foreign-born.

Table 1

		(1) 1980	(2) 1990	(3) 2000	(4) 2010
Age at Survey	15-24	1955-1964	1965-1974	1975-1984	-
	25-34	1945-1954	1955-1964	1965-1974	1975-1984
	35-44	1935-1944	1945-1954	1955-1964	1965-1974
	45-54	-	1935-1944	1945-1954	1955-1964

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[1] In here we use the publicly available samples from the IPUMS website (IPUMS, 2010).
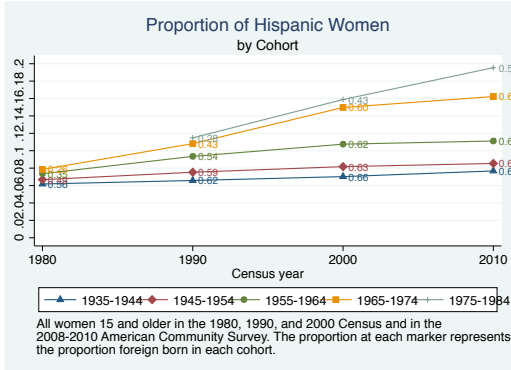
Figure 1

Proportion of Hispanic Women
by Cohort

All women 15 and older in the 1980, 1990, and 2000 Census and in the 2008-2010 American Community Survey. The proportion at each marker represents the proportion foreign born in each cohort.

Figure 2

Proportion Hispanic Women
Intermaried, Married and Divorced

All women 15 and older, non-widowed in the 1980, 1990, and 2000 Census and in the 2008-2010 American Community Survey.
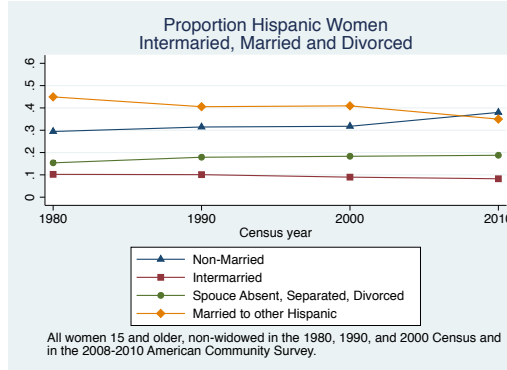
Figure 2 shows the proportion of Hispanic women who are (i) married, (ii) intermarried, or (iii) married with a spouse absent, divorced, and never married. In this article we define married as classified by the Census but excluding those with spouse absent. Intermarried is defined as the subset of those married whose husband reported not being Hispanic in the ethnicity question. The final category includes married but with spouse absent, separated or divorced. Three findings stand out in this figure: first, during this period, the proportion of women married to other Hispanics decreases, while the proportion of never married increases. Second, divorce rates increase slightly during this period. Finally, the proportion of intermarried Hispanic women stays fairly constant during this time, and if anything, this proportion observes a slight decrease in the last decade. This final result contrasts with other groups, for example intermarriage trends of Black and White women increased during this period (Fryer, 2007). In addition, and as Figure 3 indicates, intermarriage rates for Hispanic women are higher than intermarriage rates for White non-Hispanic or Black women, but similar to that of Asian women. How can we explain differences between the increasing rates of intermarriage of White and Black women, and not for Hispanic women?

First we explore this issue by comparing different cohorts of Hispanic women during the last 30 years. It may very well be that the differences in Figure 1 are driven either by differences in cohorts, or by differences between immigrant and US born women. Figure 4 shows the proportion of all-Hispanic women who intermarry, by cohort and age when surveyed. In particular, we present five cohorts: those born between 1935 and 1944 (presented in the figure with a triangle), those born between 1945 and 1954 (presented with a diamond), those born between 1955 and 1964 (presented with a circle), those born between 1965 and 1974 (presented with a square), and those born between 1975 and 1985 (presented in the figure with a plus sign). Next we present the proportion of intermarried women for each age category within each cohort. The series in Figure 4 shows three important features regarding intermarriage rates for Hispanic women: first, intermarriage rates tend to be greater in general for all Hispanic women than for other groups, although no cohort in the sample shows more than 15 percent of the women married to non-Hispanics. Second, the relationship between intermarriage rates and age is concave, increasing in the early years as women get married and then decreasing slightly as some of these marriages dissolve. For example, Fu and Wolfinger (2011) find elevated rates of divorce for Hispanic intermarriages. Third, the peak rate of intermarriage for each cohort moves to the right among younger cohorts. That is, the peak of women intermarried occurs on the 25-34 age group for cohorts born before 1965, yet for women born after 1964 the peak occurs among those on the 35-44 age group. Yet, these last two patterns do not differ from Hispanic

women who married other Hispanic men. Figure 5 shows that marriage rates and age are concave among women who marry other Hispanics, and recent cohorts delay their marriage relative to earlier ones as well.
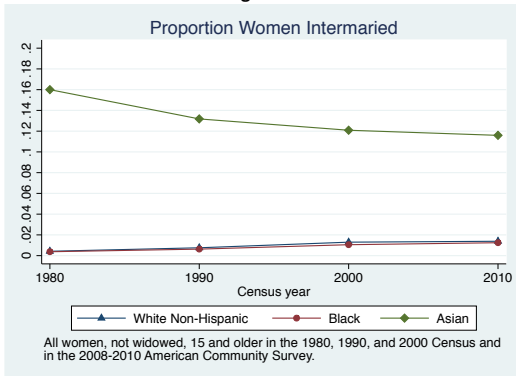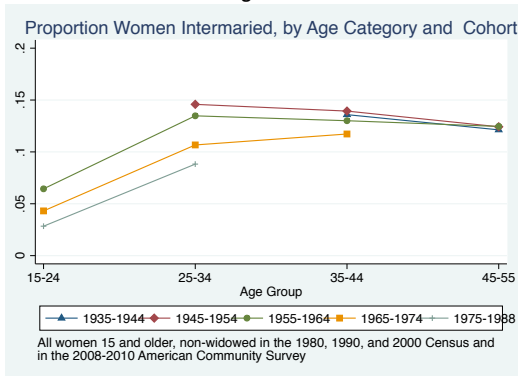
Figure 3

Proportion Women Intermaried

All women, not widowed, 15 and older in the 1980, 1990, and 2000 Census and in the 2008-2010 American Community Survey.

Figure 4

Proportion Women Intermaried, by Age Category and Cohort

All women 15 and older, non-widowed in the 1980, 1990, and 2000 Census and in the 2008-2010 American Community Survey

Figure 5

Proportion Women Married to Other Hispanic
by Age Category and Cohort

All women 15 and older, non-widowed in the 1980, 1990, and 2000 Census and in the 2008-2010 American Community Survey

Figure 6

Proportion Foreign Born Hispanic Women Intermarried
by Age Category and Cohort

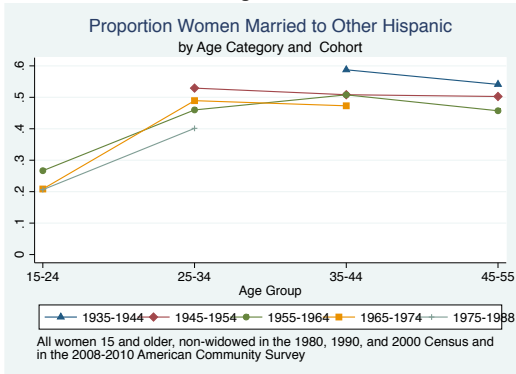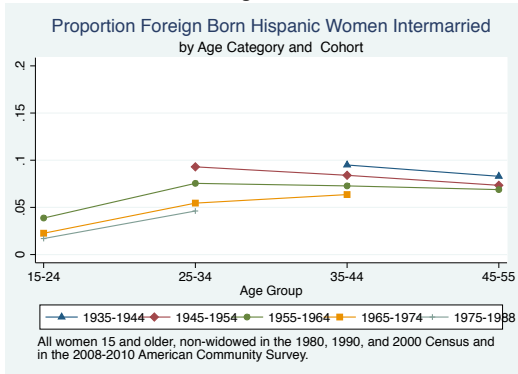All women 15 and older, non-widowed in the 1980, 1990, and 2000 Census and in the 2008-2010 American Community Survey.

While differences across cohorts may explain differences in the dynamics of intermarriage between Hispanic women and Black and White women, we next explore whether foreign-born Hispanic women are more or less likely to intermarry than US born Hispanic women. To do so, we replicate the cohorts in Figure 4 and Figure 5, but now we estimate the probability that a foreign born Hispanic women is intermarried. We present these probabilities in Figure 6. This figure shows that foreign-born Hispanic women are less likely to be intermarried than US born Hispanic women, and that the magnitude of intermarriage rates for Hispanic women born abroad are in general less than half the magnitudes for all Hispanic women. This aligns with the work done by Furtado and Theodoropoulos, (2010), which shows that nativity, plays a key role in assortative matching. Importantly, they also find that education matching is more important than ethnicity matching for native-born women rather than foreign-born minorities.

In summary, in this article we show that there are differences in the levels and the dynamics of intermarriage between Hispanic women, and White Non-Hispanic or Black women. We notice that the rates of intermarriages have increased for the latter yet they remain relatively small. This is not the case for Hispanic women, whose intermarriage rates, while greater in magnitude, have not increased across time. We argue that these differences are due to two phenomena particular to Hispanic women: first, that younger (most recent cohorts) Hispanic women are delaying their marriage age, and secondly that foreign born Hispanic women are less likely than US born Hispanic women to intermarry. As the number of foreign born women increased after 1990 (and particularly among younger cohorts) these new entrants into the sample will offset growth in the proportion of intermarriages.

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Health and Access to Health of Children of Hispanic Women

Mónica García-Pérez*

Children of minority groups have received increasing attention in recent years. Children of these families are the fastest growing segment of the US population under age 17. The US Census Bureau estimated in 2010 that of every 5 children one is immigrant or has immigrant family -at least one of the parents is immigrant. About 50.2 percent of babies under age 1 are white and not Hispanic, according to the 2010 Census. This is a sharp decline from 57.6 percent just 10 years earlier. In 2011, using ACS estimates, children of Asian, Black and Hispanic families represented 50.1 percent of less than 5 years old population.

The significant change in the US population demography has been accompanied by growing concerns about the cost of social services, with special attention to health services provided to this population. Simultaneously, it has also been discussed the low rate of utilization care by minority groups. Yet, there still a significant gap among these groups and children of White Non-Hispanic with regard to health care services. Economists have widely analyzed the impact of minority groups on the use of health care services and costs; however, the analysis on further generations and their children has fallen short.

Parents in general are an important element in the life of the development of any child. Almost all decisions during childhood will be taken by the child's parent. This connection explains how parents' decision, perception and status would affect children's health outcomes and access to care. A special attention has been taken on the association between the mother and the child health status and patterns of medical care use. This association may be stronger among children and their Hispanic parents because there are other elements that could affect a child of a Hispanic family. For instances, Hispanics are more likely to lack of insurance coverage compared to Whites because they also tend to be poorer and are excluded from Federal coverage, such as Medicaid, because a huge proportion of this group includes immigrants. On the other hand, a portion of the immigrant population is undocumented. This results in a complex mixture of groups of children of Hispanics: immigrant Hispanic children, US born children with Hispanic immigrant parents, and US born children with US born Hispanic parents. In this article, we focus our analysis on the maternal side of the kid and look separately at children of US White mothers, citizen children of US born Hispanic mothers, citizen children foreign-born Hispanic mothers, and non-citizen children of foreign-born Hispanic mothers.

Table 1 shows the percentage of children without health coverage, in poverty and the distribution of their family health expenditures. As noted in Table 1,[2] children of foreign-born Hispanic mothers are more likely to be uninsured versus native Whites and their native counterpart. However, citizen children of immigrants Hispanics are more likely to be eligible for welfare programs. Their position makes them susceptible to changes in enforcement laws and results in a reduction on the participation of their US-born kids in programs such as Medicaid.

Children of immigrant Hispanic mothers are much more likely to be below the poverty line (91-94% of the group) compared to children of US born Hispanic (77%) and White mothers (51%). This is highly related to family medical expenditures, where a larger proportion of foreign-born mothers spend less than $500 a year. Two completely opposite stories could explain this result. One, foreign born mothers do not spend much on health care because they and their kids might be relatively healthier than the rest. Non-citizen children of immigrant Hispanic mothers are less likely to have at least one visit to the doctor in the last year. Another potential reason could be that foreign born mothers receive some other type of health care service that is highly subsidized. For example, they may use community health centers and Hospitals' ER more often than other groups.

Table 1: Distribution of Child's Uninsurance, Poverty and Household Health Expenditures rates (%).

Children	all	Citizen		Non-citizen	ALL
Mother	US White	US Hispanic	FB Hispanic	FB Hispanic	
Uninsured	12.67	22.87	49.29	71.30	22.88
Poverty					
Below Poverty line	51.44	76.52	90.70	94.44	63.80
Above Poverty line	44.44	23.48	10.07	5.56	33.72
Household health expenditures					
Zero	6.20	18.87	19.08	16.67	10.76
less than $500	27.45	37.65	39.10	44.91	31.62
500-1999	33.18	27.48	27.61	23.15	31.04
2000-2999	12.34	7.13	7.35	8.80	10.54
3000-4999	8.16	4.96	4.03	4.17	6.80
5000 or more	8.55	3.91	3.50	2.31	6.75
Doctor Visits 1 +	95.92	91.30	87.56	70.37	92.97

Source: Author's calculations using IHIS 2011. (Weighted sample).

Since earlier, researchers have tried to explain the underutilization of health care services among ethnic/racial minority groups by concentrating on the financial barriers or obstacles that they may encounter when accessing the health care system, such as lack of insurance. However, some studies have shown that the ethnic/racial differences in utilization rates and access to care existing between Latinos and other minority groups and Withes cannot be completely accounted for by low socioeconomic status or other financial barriers to care.[3] As a result, researchers are now beginning to examine the influence of cultural factors on help-seeking services. A related but separate line of research has shown that Latinos tend to have lower rates of health care utilization than White Americans.[4]
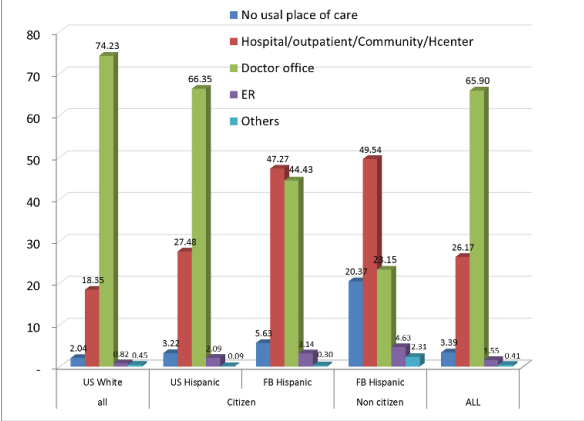
As Figure 1 shows, non-Citizen children of foreign born mothers are very unlikely of having a usual place of care, and more likely of using community health centers and emergency rooms for usual care than the rest of the groups. In general, when having a usual place of care, children of foreign born Hispanic mothers tend to use community health centers. This is probably a tendency that has appeared remarkably in the last 5 years. The

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[3] Andrea C. Weathers, Scott Novak, and Edward Norton. Parental nativity is an important factor associated with where children usually go for health care. *Maternal Child Health Journal*, 12: 499-508, 2008a.

[4] Cynthia S. MInkovitz, Patricia J. O'Campo, Yi-Hua Chen, and Holly Grason. Association between maternal and child health status and Patterns of medical care use. *Ambulatory Pediatrics*, 2(2), March-April 2002.

creation and promotion of health care centers in recent years around needed areas may be playing a role in this result. Once we look at children of native born (White and Hispanic) mothers, the trend is different. These kids are more likely to have a 'usual place of care' in a doctor's office.

Figure 1: Distribution Usual Place of Care (%)

Source: Author's calculation from IHIS 2011. Note: Multiple options result in a sum above 100 percent.

The lack of access to or use of primary care has major consequences in dealing with acute conditions. At the same time, this restriction or lack of use of primary care could also generate a lack of appropriate management that may transform the acute condition into a chronic condition. Therefore, having access to a regular provider facilitates continuity of health checkups and on-time treatment to future possible acute/chronic conditions. In general, the lack of access to preventive care, routine checkups, and immunizations increases the likelihood of transforming an easily treatable condition into an acute or chronic condition.

Any barrier to access this care should be analyzed and solved not only for the current population and new immigrants, but also for further generations.

As shown in Table 2, on average foreign born mothers perceived that the health of their kids is above good and excellent. If we look at the columns in Table 2, we could say that if we move from left to right we are moving from groups with more years in the country to new arrivals.[5] Keeping that in mind, we could put some context into the proportions presented in the table related to children's health status. For instance, even though a larger proportion of children of native born mothers experience asthmatic attacks (with a high proportion represented by children of Hispanic mothers), the proportion of those attacks ending in an emergency room is very small. Meanwhile, more than half, or all cases, of asthma attacks for children of foreign born mothers end in an emergency room. These numbers could be the result of a lack of preventive system for foreign born parents. This restriction ends up affecting directly their kids regardless of whether their kids are citizen or non-citizen.

With respect to body mass index (BMI), this general indicator shows that non-citizen children of immigrant Hispanic mothers have a higher body mass on average. However, the distribution across the different categories is almost even. This group has a higher proportion of kids in the normal category compared to the other groups. If we compare only citizen children, kids of US White mothers are more likely to be obese than kids of Hispanic mothers. The complexity of these results shows the intricacy behind the factors that influence adults' and children's health outcomes and use of health services. The behavioral health patterns demarcated by parents would probably affect the path that a child would follow. For instance, children of diabetic mothers have a higher

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[5] Most than 90% of foreign born Hispanic mothers of citizen children have been in the US for more than 10 years, compared more than 65% of foreign born Hispanic mothers of non-citizen children.

propensity to become diabetic and to have predisposed conditions. In our analysis, native Hispanic mothers are more likely to suffer high level of diabetes and to use insulin than the rest of the groups. In this group, Mexican, Puerto Rican, and Republican Dominican mothers are the most likely to use insulin.[6]

Table 2: Some indicators on Perceived Health and actual health among children (%)

Children	All	Citizen	Non-citizen	ALL
Mother	**US White**	**US Hispanic**	**FB Hispanic**	**FB Hispanic**	
Perceived Health					
Excellent-VG-Good	94.81	97.04	98.22	98.61	95.89
Fair -Poor	5.19	2.96	1.78	1.39	4.11
Asthma attack	4.51	8.09	3.67	1.39	4.75
Asthma attack sent to ER	1.30	3.48	1.54	1.39	1.65
BMI					
Underweight	69.41	76.17	75.12	39.35	70.70
Normal	18.46	14.26	14.04	33.80	17.39
Overweight	4.67	3.39	6.16	13.89	5.03
Obese	7.46	6.17	4.68	12.96	4.43
BMI (average)	20.30	20.50	21.15	24.39	24.20
Mother uses Insulin	0.52	1.13	0.41	0.46	0.58

Source: Author's calculations using IHIS 2011. (Weighted sample).

Discussion for further analysis

When we analyze second generations it is important to consider the likelihood of transferring specific ethnic culture identifiers through individuals. This is more relevant when we analyze second generations during their adult life. Nevertheless, when we talk about children it is natural to think that a major portion of their decisions and behavior is influenced almost directly by their parents. Therefore, the transferability of ethnic identity is not questioned often. Parents usually are the ones making decisions regarding their kids' health, such as doctor appointments, types of treatments, or even type of health service visited. Even more, parents would also affect children's behavior towards healthy or unhealthy practices (for instance, kids' choices of daily exercise vs. long hours of watching television). Also, eating habits are defined very early in the kid's life.

To make an analysis with policy implications it would be important to further analyze families, and not only the maternal side. In that set up, we would obtain mixed families. Mixed families would be defined by those where one of the parents is Hispanic and the other one is self-identified by a different ethnic/racial group (i.e. White Non-Hispanic, Black Non-Hispanic, Asian Non-Hispanic). Unfortunately, in our database mixed families are not large enough to be able to make relevant statistical analysis of the group separately. Furthermore, mixed families in our database mainly consist of a Hispanic and a White Non-Hispanic.

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[6] The distribution across country groups are not shown because samples are small.

Conclusion

In general, this study provides preliminary evidence of the importance of parental background when analyzing children health outcomes, with a special emphasis on the maternal side of the equation. Previous analysis focusing only on child's characteristics such as age, race, immigration status, and general background were incomplete. The analysis is more informative when we look at some health characteristics of a child's mother. Even though, mother's ethnicity plays an important role in determining children's health care use and health outcomes, children of US born mothers were very different to Children of foreign born mothers. The effect of entering a new culture, with a new language, and lacking of local knowledge seems to have an effect on how mothers use health care service and how their kids' health is.

Accordingly, the issue on children of Hispanic families health outcomes is not only one of access to care but also of how to actively incorporate these groups of families into the health system, leading to better health outcomes among their kids. Targeting the question of nativity, rather than only concentrating on the ethnicity background, allowed us to evaluate this matching outcomes almost completely ignored by the health disparity literature.

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Latin America in the World Trade Network

Javier A. Reyes and W. Charles Sawyer∗

The overriding problem of Latin America has been relatively slow economic growth. The exact reasons for this slow growth can be related to a troublingly long list of potential problems.[7]

In this article, we will show that part of the problem may be related to international trade. The positive link between trade and economic growth is a long established positive relationship.[8] In this regard, the region has consistently lagged the rest of the world. The standard measure of openness is defined as the addition of exports and imports as a share of GDP (X + M / Y). Using this measure, the average for Latin America is less than 0.50. This is considerably less than either the global average or the average for middle-income countries of 0.64 or 0.65, respectively. On the other hand, this ratio is higher than it has been through most of the economic history of the region. This presents a bit of a puzzle. If openness is positively related to economic growth and the region is becoming more open, then why has growth lagged? Obviously, the determinants of economic growth encompass far more factors than just international trade.[9] However, while the region is becoming more open it is not obvious that this is a primary driver of economic growth, as is the case for the more successful economies of Asia. As a result, the role of trade in Latin America is an incomplete story.

In this brief article, we would like to present some information on trade and Latin America that may shed some light on the issue. In order to do this, we will begin by returning to an old debate about trade and Latin America: the core and the periphery in world trade. By presenting some more quantitative information on this concept, we will show that a simple calculation of openness is masking a potential problem. We will then link this to a longstanding issue in Latin America: the role of commodities in the region's trade. The paper concludes with some tentative thoughts on how the information presented in the paper and the role of Latin America in world trade can be reconciled.

Latin American in the World Trade Network

In many types of social or economic relationships there is a network of relationships. Usually, the activities within the network are not evenly distributed. Sociologists and other social scientists have been studying the structure and development of networks for decades. Only recently have economists started applying the idea of a network to the complex web of world trade.[10] In this paper, we show the position of the countries of Latin America in the World Trade Network (WTN). The advantage of examining the WTN is that the rising level of openness of the countries of the region may be indicating more progress in integrating Latin America into the world economy than is perhaps the case.

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[7] For an excellent review of these issues see Eduardo Fernandez-Arias, Rodolfo Manuelli, and Juan S. Blyde, eds. *Sources of Growth in Latin America: What is Missing?* (2005) Washington, D.C.: Interamerican Development Bank.
[8] See Sebastian Edwards. (1993) "Openness, Trade Liberalization, and Growth in Developing Countries. *Journal of Economic Literature*, 31:3, 1358-1393.
[9] See Javier A. Reyes and W. Charles Sawyer. (2011) *Latin American Economic Development*. London: Routledge.
[10] For example see Raja Kali and Javier A. Reyes. (2010). "Financial Contagion on the International Trade Network." *Economic Inquiry*, 48(4), 1072-1101.

In order to more clearly see the position of Latin America in the WTN, we utilize complex network analysis. The appeal of using this type of analysis for the study of economic integration emerges from the fact that a network approach is able to recover the whole structure of trade interactions. When using the aforementioned trade to GDP ratio, only the most simple trade interactions of a country are captured. Complex network analysis allows for the consideration of international trade at a much more detailed manner. For example, it is possible to specify the countries that have a trading relationship (and their intensities) among themselves but that also trade with another common country; assess the length of trade chains; and characterize the importance of a country or region in the trade network. Thus, a network approach to analyzing international trade can produce a much more complete picture of trade relationships.

As will be discussed below, we will be presenting results based on the overall trade of Latin America as well as regional trade adjusting for commodity exports. While this will produce some interesting results, it will limit our analysis to comparing two years: 1980 and 2000.[11] Also, we are defining Latin America as the 27 countries (LATER, YOU MENTION 17, IS IT 17?)of Mexico, Central America, and South America. There are various choices that can be made when using network analysis. We are using a relatively simple set up where we consider both the number and intensity of trade relationship for the countries of the region. More complex set ups are possible. However, complex network analysis is normally quite robust to different assumptions concerning the structure of the network. As a result, a somewhat different type of network analysis would produce results that would not differ from those being reported by a meaningful amount.

Figure 1 shows the simplified version of the results of a complex network analysis of the WTN for all commodities in 2000. Countries that are more intensely connected to the network are closer to the center while less connected countries are further away. To more easily see the position of Latin America, the countries of the region are shown as purple triangles. OECD countries, the developing countries of Asia, and a group of middle income countries are shown as blue rectangles, green rectangles, and orange circles, respectively. The results are as one might expect. The core of the network of world trade is accounted for by the OECD countries and the higher-income countries of Asia. Some of the larger economies of Latin America such as Argentina, Brazil, Colombia, and Peru are not part of the core of the WTN but clearly are not part of the periphery.

Given the reforms implemented during the Lost Decade and the general movement towards freer trade, one would assume that the position of the countries of Latin America in the WTN would have changed considerably. The results paint a somewhat different picture. As a region, the countries of Latin America have not made substantial progress from moving from the periphery of the WTN to the core. Of the 17 countries, 6 have not moved closer to the core from the periphery since 1980.[12] Even worse, 8 of the countries have moved further away from the core. Only three countries of the region have moved closer to the core: Chile, Venezuela, and Mexico. Mexico appears to have accomplished the unprecedented in Latin America, it now appears to be part of the core of international trade. In at least one sense, NAFTA seems to have worked.

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[11] The comparison of overall trade and trade without commodities necessitates the use of the trade database developed by Feenstra. The last available data with the necessary detail is for 2000.

[12] Results for 1980 and for non-commodity trade are included in a longer version of the paper available on request.

Figure 1. The World Trade Network for All Commodities in 2000
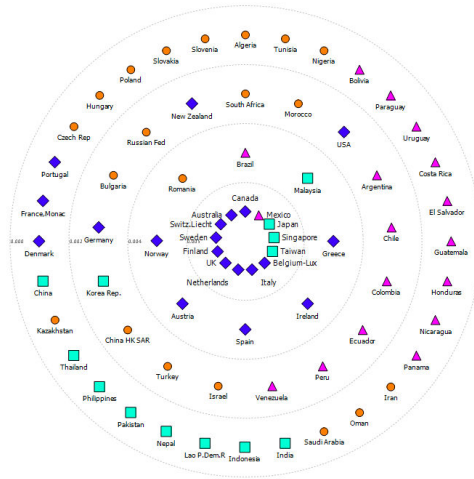
Summary and Conclusions

As a region full of developing countries, Latin America has an obvious interest in becoming more integrated into the world trade network (WTN). The region is seemingly making progress in this regard as the ratio of trade to GDP has been rising. In this paper we have shown that this progress perhaps is somewhat misleading. Using complex network analysis, most of the countries of the region are not more integrated into the WTN than they were at the start of the Lost Decade (1980s). Since two-thirds of the regions exports are commodities, we further examined the integration of Latin America's trade in other products. Unfortunately, a similar result holds for the region's trade in products other than commodities. For all types of trade, the countries of the region are still closer to the periphery of world trade than the core.

The reasons for this lack of progress clearly need more study. As a result, any conclusions based on this exercise are tenuous at best. However, there are only two countries that have made noticeable progress integrating into the WTN: Chile and Mexico. Although not well understood, there would appear to be a link between trade agreements and the integration of a country into the world economy. The aggressive policy of Chile in signing free-trade agreements plausibly is connected to the results shown above. Further reinforcing this thought are the results for Mexico. The North American Free Trade Agreement is clearly an important driver of Mexico's integration into the WTN. Less well-known are the other Free Trade Agreements Mexico has signed, particularly with the European Union. The results above remind one that the history of protectionism in the region has a long shadow. While less overtly protectionist than in the past, the reluctance to pursue more liberal trade seems to be retarding the integration of the region into the WTN and the world economy in general.

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Formed in early 2009, this Committee was designed to monitor and report on a host of Hispanic economic issues on a quarterly basis. Contributions from other ASHE members are also contained in these reports. The views expressed in these reports are those of the authors, and do not necessarily represent the views of their respective employers or of ASHE. All errors in fact or interpretation belong to the authors.

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