

# Latinos in New Hampshire: enclaves, diasporas, and an emerging middle class

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## Executive Summary

This chapter looks at the demographic and socio-economic impact of Latinos in New Hampshire. Analyses are presented in the context of national demographic trends to elucidate their relevance, and include: traditional settlement in enclaves as the expected Latino geography; interstate and inter-metropolitan migration underpinning local growth; Diaspora regional and residential dispersal shaping an emerging Latino geography; summary Latino profiles in New Hampshire, including patterns suggesting the emergence of a Latino middle class.

## DEMOGRAPHIC TRENDS

The US Bureau of the Census<sup>2</sup> reports that New Hampshire had 20,489 Latinos<sup>3</sup> at the start of this decade: 1.7% of a state with a 95% non-Latino White population. Massachusetts next door had 430,000 Latinos. Why is this comparatively small Latino group in New Hampshire noteworthy?

Part of the answer lies in the almost total absence of Latinos in the state twenty years ago. New Hampshire was not a state of traditional Latino settlement. In 1980 New Hampshire was surpassed as the state with the *fewest* Latinos only by Maine, the Dakotas, and Vermont. By the year 2000, however, Latinos had quadrupled, and the state now hosts growing Latino enclaves. New Hampshire has become part of an emerging national pattern of Latino settlement characterized by branching regional dispersal from traditional areas of concentration into new enclaves in non-traditional states and cities. This dynamic is known as the *Latino Diaspora*.

A second consideration is that the *Latino Diaspora* in the state also shows a new secondary pattern of Latino residential dispersal away from central cities into suburbia, small towns and non-metropolitan areas. This pattern is discernible in the state given its lower urbanization and relatively recent Latino communities. But it has not been reported in other states even though some are likely to show this secondary Diaspora effect.

A third consideration is that the diversity in Latino residential settlement in New Hampshire also seems to involve a changing population *profile*. The traditional profile of Latinos in the Northeast has been that of urban working class immigrants, often from agricultural backgrounds, settled in enclaves within central cities. But the Latino settlement in New Hampshire is driven not by traditional direct immigration from the Caribbean, but by secondary migration from neighboring states. That is, these Latinos are much more likely to be migrants than immigrants. They are labor migrants, but from more diverse national origins. They are more fluent in English, more assimilated, and occupationally and economically diverse. A major element that emerges from this profile is a socio-economic diversity that suggests the emergence of a new Latino middle class.

A Latino middle class is a new development not only in New Hampshire but in New England. Therefore, New Hampshire may serve as a case study on the evolution of a Latino middle class. Not that a Latino middle class does not exist elsewhere --the dynamic Cuban enclave in South Florida is an example. But South Florida is a well-established Latino community. A middle class is a new phenomenon in communities of more recent formation that emerge from the Diaspora. In addition, this emerging middle class may drive some of the secondary residential dispersion evident in the Latino Diaspora. It is likely that a Latino middle class is emerging in other parts of New England, yet it is obscured by older settlements or a lack of focused analysis. An emerging Latino middle class has major political implications and can be expected to affect the relationship between Latinos and non-Latinos. The relatively small size of the Latino population in New Hampshire suggests that these effects will be gradual yet significant relative to population size.

The final considerations are contextual. First, New Hampshire is immersed in a dense northeast urban corridor stretching from Philadelphia through New York City, Southern New England to Southern Maine, and directly impacted by its dynamics. New Hampshire, at the edge of Northern New England, may serve as a barometer of changes expected in other formerly non-Latino Northern New England states like Maine and Vermont.

Similarly, understanding changes in Latino settlement, and its implication for economic and social participation, are becoming increasingly important. Latino kinematics are fueled by numbers. Early this Millennium, Latinos became the largest minority group in the US after a generation of relentless growth --a growth rate that accelerated in the 1990s. By the March 2002 Current Population Survey, Latinos grew by another two million, reaching 37.4 million (13.3% of the US).<sup>4</sup> If this trend holds, Latinos will grow by 67% this decade to 59 million in 2010. The changes from these emerging patterns will significantly impact millions of people and the communities where Latinos settle, which now include most of the US.

## Latino Enclaves

The most common form of Latino settlement is the *enclave*. Latinos, like most Americans since the 1950s, are an urban population. The areas of dense Latino concentration coincide exactly with the major US population centers. Latinos have typically settled in enclaves within the central cities of metropolitan areas,<sup>5 6</sup> in seven *traditional* states: California, Florida, Illinois, New Jersey, New Mexico, New York, and Texas.<sup>7</sup>

Historically, ethnic enclaves have aided in the settlement and assimilation of immigrants. Little Italy and Chinatown are examples of economic enclaves. Enclaves are self-organizing community economic development engines that emerged in major immigrations. Therein, immigrant families found housing, work without English proficiency, and a familiar way of life that buffered them and mediated their incorporation into American society. Often it was their children who learned English and moved into the mainstream.

Perhaps the most successful Latino economic enclave is the South Florida Cuban community. It is the counterpart of Little Italy and Chinatown on steroids. This is an ethnic economic enclave that started with small mom-and-pop businesses, but grew to acquire geopolitical significance. The 40-year old Cuban enclave is the strongest Latino economic base in the country. It works not only as a function of the Cuban-owned companies it hosts, but also the local, national and international Latino companies it attracts as it projects into Latin America. Its magnitude is evidenced by a 2003 report on the 500 largest Latino-owned US companies by *Hispanic Business*.<sup>8</sup> Florida, with one-fifth the Latino population of California, has as many firms in the Latino 500 as California, earning over twice the revenue (\$8.9 billion), and a third of national revenues for the Latino 500.

The Cuban enclave has also proven a powerful venue for the incorporation of Cuban immigrants. It was the primary mode of incorporation for 125,000 Cubans that arrived during the 1979 Mariel Crisis.<sup>9</sup> Participation in the Cuban enclave was instrumental for these new Cuban immigrants to join the economic mainstream, whereas for non-Cubans it is indistinguishable from employment in secondary sectors of the economy<sup>9</sup> –this preferential pattern is common to other US ethnic enclaves.<sup>6</sup>

Enclaves have been and remain an important settlement path for Latinos. Historically, Latinos settling in the Northeast first concentrated in New York and New Jersey. By 1980 southern New England had enclaves in Rhode Island, Connecticut, and Massachusetts. In Southern New England Latinos concentrated in established enclaves in cities like Boston and Hartford, and branched into newer enclaves in cities like Springfield and Lawrence. This has been the *expected geography* for Latinos in New England. Expected, because the established enclaves (e.g., Hartford) and the newer enclaves (e.g., Lawrence), follow a traditional pattern of settlement within the central

cities of metropolitan areas. Often, their number and concentration are sufficient to forge basic economic enclaves that, while not as diversified or powerful as the South Florida enclave, host a foundation of businesses, jobs, and the rudiments of an internal economy.

In New Hampshire, Hillsborough is the largest county with 31% of state residents and the largest concentration of Latinos (59%); followed by Merrimack, Rockingham, and Strafford, which share 25% of Latinos.<sup>10</sup> Their border with Massachusetts may account for higher migration and high concentrations of Latinos. Hillsborough County includes the two largest municipalities in the state, Manchester and Nashua, with half of all Latinos. Manchester and Nashua are new Latino enclaves and follow the traditional pattern of settlement within central cities.

### **Latino Diasporas**

Historically, the children of immigrants emerge from enclaves to join the economic and social mainstream. Demographic evidence suggests that Latinos may be emerging from their enclaves. But the picture is mixed. Unabated Latino growth is driving an inter-regional population expansion into non-traditional areas by growing new enclaves. Meanwhile, more acculturated Latinos may be mainstreaming, as suggested by residential dispersal away from enclave settlements.

The 2000 US Census shows the first trend: Latino concentrations in every state. This is not a change as traditional enclaves remain, but a branching from traditional states into new enclaves in non-traditional states and cities. Using US Census 2000 returns, analysts<sup>11</sup> noted that Latinos are settling into non-traditional areas at very high rates. New Latino communities arose in the South, North-Central, Northwest and Northeast regions --just about everywhere we do *not* expect Latinos. This dramatic regional expansion is known as the new *Latino Diaspora*.

*Latino Diasporas* represent an *unexpected geography* for Latinos. That is, Latino settlements outside traditional Latino states. The most pronounced US Latino growth is now concentrated in these non-traditional areas.<sup>12</sup> Diaspora kinematics are particularly strong in the eastern US, and may represent population expansion west to east and south to north.<sup>12</sup>

Non-traditional states experienced dramatic Diaspora growth. For example, Atlanta, Georgia, grew a new Latino enclave that includes large numbers of Latinos not traditional to the East Coast --e.g., Mexicans/Chicanos, formerly found mostly in the Southwest and West. Non-traditional cities in traditional Latino states also experienced the effect: e.g., dramatic Puerto Rican growth in Orlando, Florida. As a result, Latinos are now the largest minority in a majority of counties across the US, and also show dramatic growth in areas where they are not the largest minority (e.g., the deep South).<sup>12</sup>

**The Role of Growth.** Latino Diasporas are driven by growth. Historically, Latino growth is a function of high birth rates, and net (im)migration.<sup>13</sup> But New England Latino growth is fueled by net interstate and inter-metropolitan migration. Latino population settlement in New Hampshire is an extension of antecedent Latino growth in Massachusetts and other states.

New England Latinos grew over the last decade at a pace ten times faster than the general population. Latino growth in the Northern New England states of New Hampshire and Vermont topped overall population growth in every county.<sup>11</sup> Researchers at Northeastern University's Center for Labor Market Studies in Boston report that all 1990-2000 growth in the New England labor force was from immigrants, particularly Latinos.<sup>14</sup> Research predicts that strong Latino growth will continue.<sup>15</sup> New England is now home to 875,000 Latinos; three-quarters of a million now live in Massachusetts and Connecticut --a group larger than the population of Vermont.

New Hampshire is the fastest growing state in New England and all eastern states north of Delaware. Hillsborough County, where Latinos grew over 100% last decade, and two other southeastern counties, drove the state's growth boosted by a net 1995-2000 gain in domestic migration of 28,000, including many Latinos.<sup>16</sup> New Hampshire Latinos had the second highest growth rate in New England (81%) --far higher than the national Latino average (58%). New Hampshire has been slow to recognize this growing Latino presence; a pattern common to other New England states with rapid Latino growth.<sup>7 17</sup> Latino growth in New Hampshire will continue unabated, driving a local Latino Diaspora.

**Residential Dispersal.** *Latino Diasporas* may also involve a secondary pattern of enhanced residential dispersal away from central cities and into suburbia, small towns and non-metropolitan areas. This dispersal may represent more acculturated Latinos mainstreaming away from the enclave. The pattern is discernible in New Hampshire but it has gone unnoticed or has not been reported in other states, even though the evidence suggests that at least some areas should show this secondary Diaspora effect.

For example, US Census data show Latino residential dispersal. The 2002 Current Population Survey shows that Latinos in the US are now evenly divided between those that live inside and outside central cities.<sup>4</sup> Similarly, in 2000 Latinos dispersed across most counties in New England; in Northern New England many Latino groups are small (under 1000 residents) and settled in counties that have no central cities, only townships.<sup>18</sup> In Greater Boston, a new study by Harvard's Rappaport Institute<sup>19</sup> (using 2000 Census data) shows that Latinos settled in large and disproportionate numbers in satellite cities outside the urban core. The typical Latino lives on a block that is 46% Latino. The author speculates that this may reflect "a significant immigrant network effect: people come and seek places where there are

people from their country” (p. B4), and wondered how much it may be affected by real estate agent practices.

The secondary Diaspora effect is evident in New Hampshire. The twelve municipalities with the most Latinos account for 66% of all Latinos; the cities of Manchester and Nashua in Hillsborough County host half of all Latinos.<sup>10</sup> The rest live in non-metropolitan areas and small townships in every county. This residential dispersal is depicted in Exhibit 1.

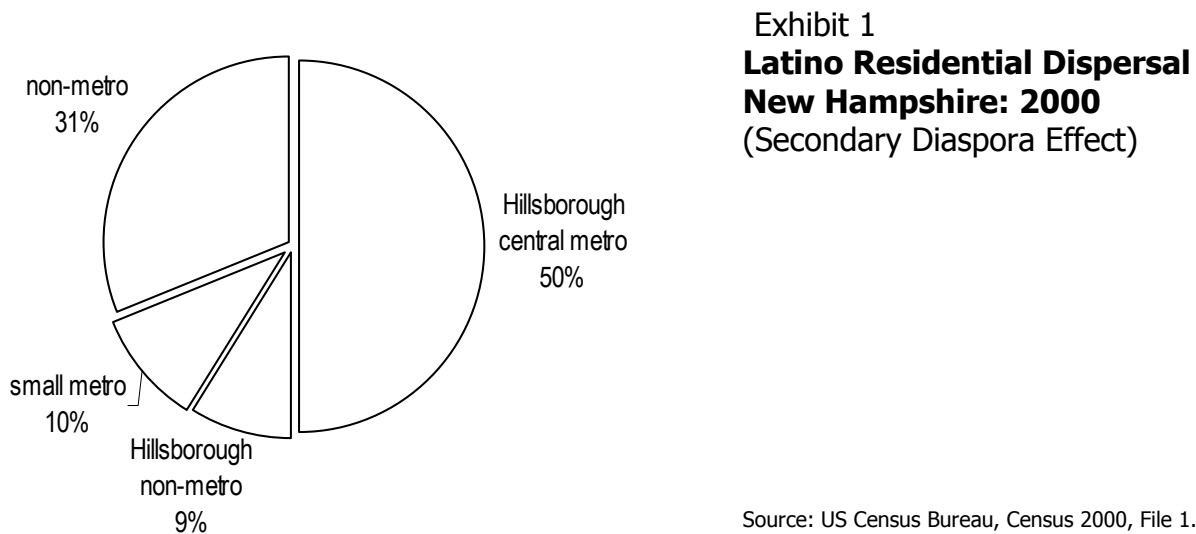


Exhibit 1 shows the secondary residential dispersal effect of the Diaspora. Half of Latinos in New Hampshire live in enclaves in the central cities of Hillsborough County (Nashua and Manchester). Nationally, the proportion of Latinos living in central cities is 46%<sup>4</sup> which suggests a very similar pattern of enclave settlement between New Hampshire and national Latinos. Another 46% now reside outside the central cities. However, Nashua and Manchester are small and do not have a sprawling metropolitan area outside the central city like New York City or Boston; the areas outside Hillsborough central cities are non-metropolitan. But the residential dispersal pattern for New Hampshire, if defined as Latinos residing outside central cities, would be 50%, thus similar to national data. One difference is that New Hampshire has four times the national proportion of Latinos in non-metropolitan areas. While this reflects the lower density and less urbanized character of the state, the fact remains that 40% of New Hampshire Latinos followed a dispersal pattern different than those that preceded them and typical for their counterparts in other parts of the country. A question that emerges is whether these Latinos are different in some way (e.g., higher acculturation or socio-economic status, as shown below). Be that as it may, these Latino residents are strongly representative of the secondary residential dispersal effect proposed for the emerging Latino Diaspora.

## **POPULATION PROFILE**

*Latino* is a term used to describe a group of nationalities that share common linguistic and cultural roots. Some people readily identify as Latinos and most accept the description, but many Latinos identify by national origin. National Latino groups originate in Mexico (and US states formerly part of Mexico), Puerto Rico, Cuba, the Dominican Republic, Central and South America. Historically, New England Latinos are mostly from the Caribbean: Puerto Rico, the Dominican Republic, and Cuba. This changed over the last decade. The origin of Latinos in New Hampshire is addressed by looking at migration, immigration, and fertility.

### **Migration**

New Hampshire Latinos are overwhelmingly migrants: 70% were born in the US or to American parents, and thirty percent are immigrants.<sup>20</sup> The predominance of native-born Latinos denotes a major change. Two-thirds of these migrants originate from New England states. This is consistent with the notion of a regional Latino Diaspora.

Latino growth in New Hampshire responds to net migration, and indirectly to antecedent Latino growth in Massachusetts and other New England states. Massachusetts is the largest source of migrants to New Hampshire. Its 1995-2000 migration into New Hampshire was 60,731 persons; the largest outflow from New Hampshire was also to Massachusetts, resulting in a net migration to New Hampshire of 27,159 persons.<sup>21</sup> Latinos are part of this migration. Informants<sup>22</sup> suggest that many Latinos move from dense population enclaves in areas like Lawrence, to less congested and affordable communities in Southern New Hampshire.

New Hampshire native-born Latinos fall into 3 groups: 27% born in New Hampshire; 53% in another state; and 20% outside the US to American citizens (87% Puerto Ricans).<sup>20</sup> Among the 80% born in the mainland, two-thirds were born in the Northeast and one-third in other regions. Among Latinos born in the Northeast, two-thirds moved to New Hampshire from New England states, others from Northeast areas like New York and New Jersey. New Hampshire is experiencing vibrant migration from surrounding states and from other regions of the US.

The migration status of school-aged and older residents is calculated based on respondents' 1995 place of residence --i.e., this is an index of relatively recent settlement that yields both migration and immigration data. Among New Hampshire Latinos in 2000, 63% were already state residents in 1995:<sup>20</sup> 30% lived in the same house, 26% in a different house but the same county, and 7% in a different county. This shows significant Latino

residential stability and suggests that growth is taking place around a Latino community that is growing roots in New Hampshire.

**Why New Hampshire?** While there is reliable information on where Latinos originate, there is little research on why they choose the state. Anecdotal evidence<sup>22</sup> shows one *pull* factor is affordable rental housing. Some Latinos are driven by rising rents in Massachusetts, and look to New Hampshire for housing affordability; both for lower cost rental housing and an opportunity to save and buy a home. In some cases they first settled in a southern New England city like Boston then moved to a city in Northern Massachusetts like Lowell. Other economic *pull* factors include better employment opportunity, and affordable cost of necessities like food and car insurance.

Another pull factor is *family reunification*. Some Latinos move to join relatives already in the state. Often, these relatives praise the area's quality of life and job opportunities, describing New Hampshire as a good place to raise a family. This promotes immigration directly from the home country. Other family pull factors include reports of better schools, good municipal services like fire and police, and low crime. Anecdotal evidence also suggests some consistent downsides. These include unaccustomed rural and semi-rural settings ("boring"), few minorities, unfamiliar surroundings, and experiences with racism and discrimination.

## **Immigration**

Less than a third of Latinos in New Hampshire are immigrants, mostly from non-traditional countries. The predominance of immigrants from non-traditional countries denotes a major change. It also suggests that direct immigrant paths are established into new Latino communities, which may fuel enclaves created by the Latino Diaspora.

In the 2000 US Census, twenty-nine percent of New Hampshire Latinos were immigrants. Trends suggest that the proportion of immigrants is decreasing in favor of native-born. For example, migration status data for 1995-2000 show that 9% of New Hampshire Latinos were immigrants<sup>20</sup> –an 18% Latino growth over a decade. New Hampshire Latinos grew by 81% last decade. Therefore, less than one quarter of growth derived from new immigrants and over three-quarters from migrants. This rate of growth from immigration will not sustain a 29% population share. Native-born Latinos will increasingly predominate in New Hampshire.

New immigrants fuel existing enclaves. Most new immigrants (81%) settled in the Nashua and Manchester enclaves. Conversely, this suggests that the residential Diaspora dispersal effect that involves some 40% of state Latinos may occur primarily among more established US-born or naturalized Latinos.

Latino immigrants to New Hampshire originate in three regions. The historically-expected group from the Caribbean now only accounts for 31% of the total. Of these, over half are from the Dominican Republic, a group also over-represented in Northern Massachusetts (e.g., Lawrence, Lowell). This suggests that these cities are important sources of migrants to New Hampshire, and the existence of an established immigration link with the Dominican Republic, driven by family reunification and similar dynamics. The other Caribbean-origin immigrants are historically-expected groups from Puerto Rico (37%) and Cuba (11%).<sup>20</sup>

Most Latino immigrants to New Hampshire are not traditional to the Northeast: 41% are from South America and 28% from Central America. Most Central Americans are from Mexico (65%). This suggests new in-flow links between New Hampshire and the Western US and Mexico. There are smaller proportions of immigrants from other Central American countries like Honduras, Salvador, Guatemala and Nicaragua. Most South American immigrants are from Brazil (35%) and Colombia (30%), which also suggests new immigration links with those countries. There are also groups from Argentina, Venezuela, Peru, Guyana, and Ecuador.<sup>20</sup> The resulting national diversity is extensive, and more typical of larger cities. It suggests well-established immigration paths and predicts ongoing immigration.

### **Age & Fertility**

Natural Latino population growth due to fertility and age, both major contributors to population growth and predictive of strong growth in the state, may not be as important a contributor as it was in New England.<sup>7 17</sup> Net migration is a higher contributor.

The median age of Latinos in New Hampshire is 25; and 39 for non-Latino whites. The New Hampshire Latino age distribution is bimodal, with a bulge of children and youth under 18, and adults from their early twenties to late forties.<sup>10</sup> The bulge of children likely reflects the impact of natural growth, while the larger bulge of adults suggests migration of singles and families in their prime working years. Latino fertility rates are comparable to the US after World War II --the parents of today's baby boomers. The fertility rate of more highly educated Latinas is virtually identical to non-Latinos. This is a caveat to growth, as there is a high rate of college-educated Latinas in New Hampshire. These data suggest continued Latino natural population growth. However, new births will be surpassed by net migration, and possibly matched by new immigration.

### **Growing Diversity**

The traditional profile of Latinos in the Northeast reflects the enclave: urban working class or poor immigrants, often from agricultural backgrounds, settled in enclaves within central cities in traditional Latino areas. While this

profile has often been true, the traditional Latino (im)migrant is changing. Puerto Rican migrants, once characterized by Oscar Lewis as farmers displaced by corporate agriculture into urban slums like *La Perla*, have changed. For over a decade, Puerto Rican college-educated migrants moved to the US after the island's higher education industry exceeded the capacity of their local labor market. Regional instability has driven immigration waves from Cuba, Nicaragua, El Salvador and, more recently, from Colombia and Venezuela. While a poor urban core remains, new Latino (im)migrants to New Hampshire are more diverse.

**Citizenship.** Most Latinos in New Hampshire were born US citizens (70%), and 37% of the foreign-born are naturalized.<sup>20</sup> The Latino naturalization rate exceeds the US average, and is higher than that of Latinos with over 20 years of tenure in the US. This 81% citizenship rate predicts well for political development. For example, in 2000 there were 16,497 Latino citizens, of which 62% were adults. Therefore New Hampshire had 10,228 prospective Latino voters. While it is unlikely that these prospective Latino voters concentrate in the Nashua and Manchester enclaves, and many are residentially dispersed, they represent a large and growing electoral force.

**Language.** Given the high rate of citizenship among New Hampshire Latinos, it is not surprising that language is not a problem: 38% speak only English, which suggests a high level of assimilation; of the 60% who speak Spanish, four-fifths speak English well to very well, and only a small minority (12%) don't speak English well.<sup>20</sup> The rates of assimilation and acculturation suggested by these data are high (88%).

## **AN EMERGING MIDDLE CLASS**

A profile of New Hampshire Latinos shows a broad spectrum of education, occupations, and income, enhanced home ownership, a strong business community and entrepreneurial practices. Core components of socio-economic status show evidence supporting the notion that the new Diasporas also encompass a residentially dispersed Latino middle class.

### **Socio-economic Status**

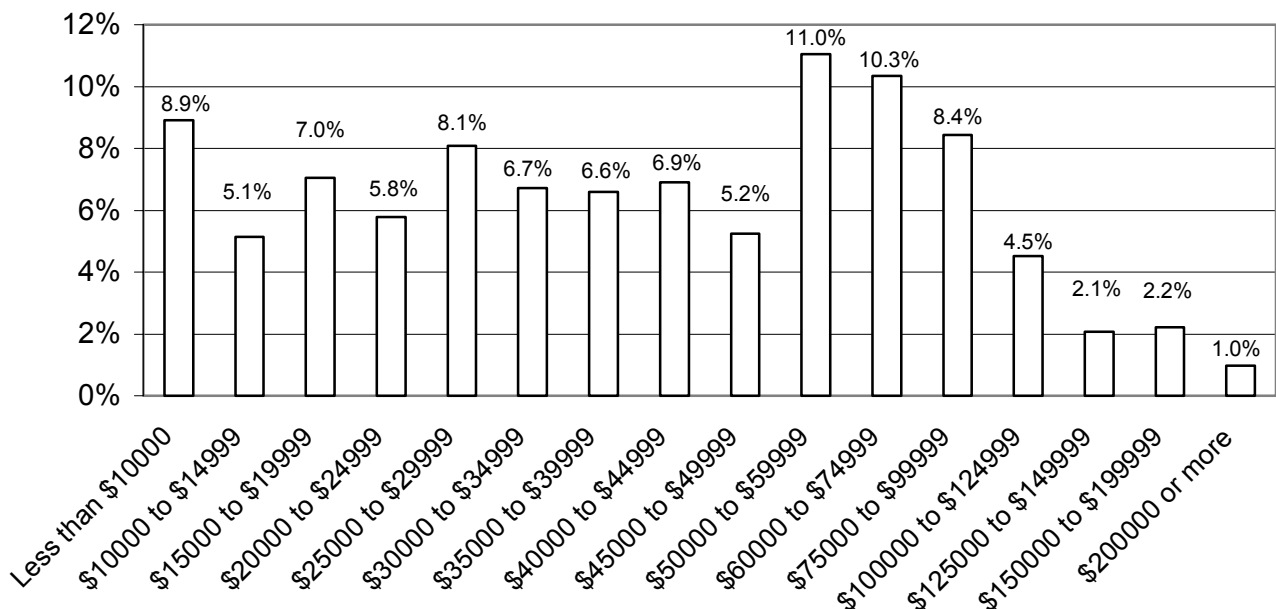
**Education.** The proportion of college-educated Latinos in New Hampshire is over twice that of the national average:<sup>23</sup> 23% are college graduates or professionals compared to 11% of US Latinos. This rate is also close to the average of all adults in the state (29%) and of US adults (27%). The state's rate of Latino college graduates also outpaces all national Latino groups:<sup>24</sup> Cubans (19%), Central and South Americans (17%), Puerto Ricans (14%), and Mexicans (8%). A high level of college-educated Latinos supports the notion of an emerging middle class. Moreover, the disproportionate number

of college-educated Latinos settling in New Hampshire --higher than the expected share from any Latino nationality-- also supports the notion that a new middle class is emerging from and perhaps driving the Latino Diaspora.

**Employment.**<sup>20</sup> New Hampshire Latinos are economically active, with high labor force participation and low unemployment. Among Latinos 16 years and older in 2000, 69% were in the labor force; 93% of those in the labor force were employed and 6.4% unemployed. The dependency ratio was .55 - -the non-working population is about half the size of the working population, which reflects the large number of children. There are seasonal employment dynamics and some 20% did not work for about 10 weeks in the year, suggesting some problems of seasonal underemployment.

**Income.**<sup>20</sup> Median individual earnings of full-time Latino workers in New Hampshire were \$26,682. Median earnings are much higher for families (\$41,071) and households (\$39,985). These data suggest that in New Hampshire Latino families, typically comprised of three persons, both adults work outside the home. A number of Latinos are poor or working poor. But Latino poverty is lower in New Hampshire: 21% of US Latino families in 2002 lived in poverty<sup>4</sup> compared to one-third fewer New Hampshire Latino families (14%). Most Latino poor in the state are children; primarily preschool and elementary school children.

Exhibit 2. **Distribution of Latino Family Income: NH 2000**



Source: US Bureau of the Census, Census 2000, Summary File SF 3; population sample data.

The distribution of family income shows strong evidence of an emerging Latino middle class. Exhibit 2 presents Latino annual family income ranging from below poverty to over \$200,000. This exhibit shows a bulge in the \$50,000 and higher range. Over 40% of New Hampshire Latino families had annual earnings over \$50,000. Given the state's cost of living, this should propel many families to home ownership and the middle classes. The distribution of family income in New Hampshire presents persuasive evidence of an emerging Latino middle class.

### **Asset Development**

A summary review of key economic development indicators suggests that Latinos in New Hampshire are developing assets commonly associated with intergenerational transfer of wealth (e.g., home and business ownership). This too is consistent with an emerging Latino middle class.

**Business Development.** Small business growth and self-employment are driving Latino economic development nationally. Latino-owned businesses are 40% of all minority-owned firms. The Hispanic Chamber of Commerce reported 1.5 million Latino businesses in 1999 (up 76% in 5 years) and estimated their revenues at \$160 billion;<sup>15</sup> by 2003 this number grew to 1.63 million firms.<sup>25</sup> In New Hampshire, the ranks of Latino-owned businesses are also growing. About one-fifth have employees and show solid revenues. The most recent available data are from the US Economic Census of 1997<sup>2</sup> now superseded by Latino growth. However, while the numbers are an undercount, business patterns should remain relatively accurate.

Most New Hampshire Latino firms are in *service* (42%), *construction* (11%) and *retail* (9%). These 735 Latino firms generated \$117 million in 1997 revenue, employed 1,043 workers (not including owners), and paid them \$26 million in wages. Many of these firms were sole proprietorship start-ups with no employees besides the owner. Statewide, 122 Latino firms (17%) had employees, generated \$98 million in receipts, and paid average wages of \$24,687 per worker; their average revenue was \$804,402 each, whereas sole proprietorships averaged \$30,276 each.

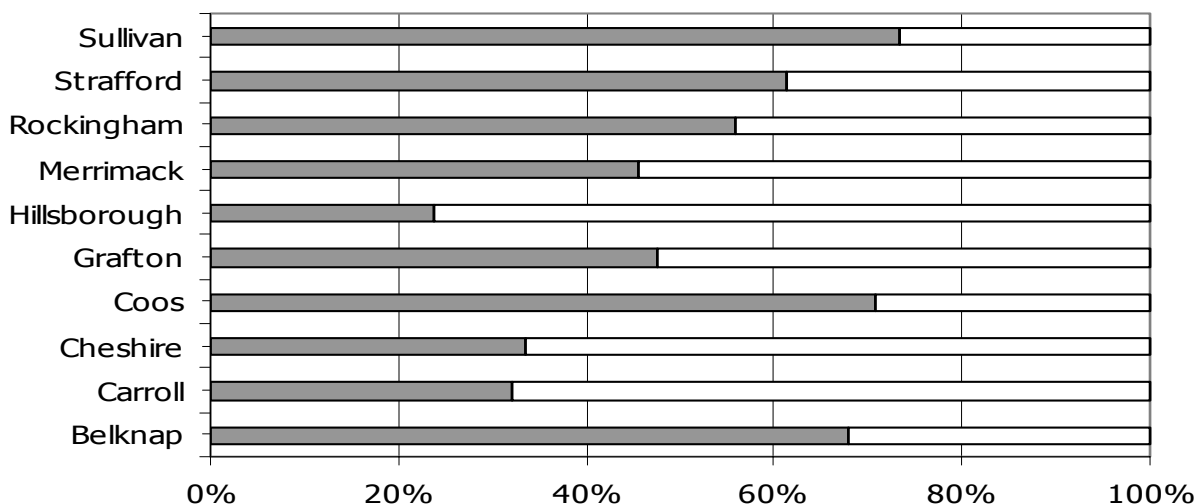
Industry details show a growing business sector of some weight. Latino businesses also seem to pay above average annual wages, and even self-employed sole proprietors seem to do fairly well. The most common Latino *service* firms offer business services, professional services like accounting or engineering, health & social services, educational services, and automotive repair. Those with employees averaged 1997 revenues of \$348,000; professional service firms averaged revenues of \$365,429 and paid higher wages: \$61,200 per employee. *Construction* included a few construction firms and many independent trade contractors (e.g., plumbers, electricians). Those with employees generated \$1.4 million each and paid average wages

of \$36,898. Latino *Retail* firms are mostly miscellaneous retail, bodegas, restaurants, car dealers or gasoline stations. Retail firms with employees averaged \$470,000 each; sole proprietors averaged \$111,000 each. These data depict the emergence of a core Latino business community and entrepreneurial practices that sustain an emerging middle class.

**Homeownership.** A major New Hampshire attraction is affordable housing. Latino settlement in enclave neighborhoods of urban centers like Nashua and Manchester is facilitated by available affordable rentals and ownership housing. Median monthly rent statewide was \$642, which represents a manageable 26% of 1999 household income (median monthly cost of home ownership was about 22% of household income).<sup>20</sup> Assuming a 35% benchmark (i.e., rents under 35% of household income are affordable), 70% of Latino households had affordable rents in 1999, while 30% paid too much. Since housing costs in Southern New Hampshire where most Latinos reside have increased, the number of Latino households paying too much in rent may also have increased.

The 2000 Census identified 5457 Latino households in New Hampshire. Of these, 3472 were rentals (64%) and 1985 were owned (36%). Latino home ownership rates are lower in central cities. The Manchester and Nashua Latino home ownership rate is about half the Latino state-wide average. Since these two cities include half of the Latino population in the state, the Latino home ownership rate outside of central cities is far greater.

Exhibit 3. **Latino Owners & Renters by County: New Hampshire 2000**



Source: U.S. Bureau of the Census, Census 2000 Summary File SF 3; population sample data.

Exhibit 3 shows Latino owner-occupied (shaded bar) vs. renter-occupied rates by county using 100% bars. Hillsborough County, where the major

Latino enclaves of Nashua and Manchester are located, has the lowest Latino ownership rate in the state. Latino ownership rates are highest (over 70%) in Sullivan, Coos and Belknap; followed by Strafford, Rockingham and Merrimack (the counties of highest Latino concentrations after Hillsborough). All these are areas of residential dispersal away from Latino enclaves. The higher rates of Latino home ownership in dispersal areas are strongly suggestive of a difference in the character of enclave and Diaspora Latinos, and offer persuasive evidence supporting the notion that Diaspora Latinos include an emerging Latino middle class.

## **DISCUSSION**

The prevailing evidence shows that New Hampshire has become part of a new national pattern of Latino settlement --the *Latino Diaspora*. The state shows branching regional migration from traditional Latino areas in New England neighbors, into new enclaves in Nashua and Manchester. This is enhanced by multiple immigration paths into these new enclaves. These in-flows underpin local growth and are strongly predictive of continued growth. Data show a new secondary Diaspora pattern of intrastate and interstate Latino residential dispersal away from central cities into New Hampshire's small towns and non-metropolitan areas. This secondary dynamic seems to include a somewhat different group of Latinos; a group that may represent more acculturated Latinos mainstreaming away from the enclaves.

Diasporas are newer than enclaves, and are not well understood. The New Hampshire data and evidence from other areas<sup>19</sup> suggest that *Latino Diasporas* may include two patterns: a growth-driven expansion from traditional states into non-traditional states and cities; and a secondary pattern of enhanced residential dispersal away from central cities and into suburbia, small towns and non-metropolitan areas. It is not clear whether this secondary residential dispersal is a function of job opportunities (i.e., labor migration), gentrification, cost of living or quality of life opportunity, of growing socio-economic diversity leading to mainstreaming, driven by the aspirations of an emerging Latino middle class, or a combinations of these. This analysis suggests that increased socio-economic diversity and the enhanced aspirations of an emerging Latino middle class are a new factor. Analysts agree that these dispersal trends are important.<sup>11</sup> As Latinos grow and disperse, their impact on communities will increase both as a function of their size and the larger number of communities impacted. Whatever its governing dynamics, Diasporas pose important yet differential implications for communities as they seek to adjust to Latino kinematics.

Summary population analysis shows a changing Latino profile. Latinos no longer fit a monolithic description as poor immigrants from agricultural backgrounds settled in central-city enclaves. Most of these Latinos are

migrants, fluent in English, more assimilated, and occupationally and economically diverse. Summary profiles in higher education, workforce, homeownership, business and economic development strongly suggest a diverse, capable population, and an emerging Latino middle class.

An emerging middle class is a new phenomenon in communities of more recent formation arising from the Diaspora; it is a new development not only in New Hampshire but in New England. It is unlikely that New Hampshire is an exception in this regard. A Latino middle class is likely emerging in other parts of New England. This emerging middle class is a factor in driving some of the secondary residential dispersion in New Hampshire, as evidenced by home-ownership data. An emerging Latino middle class also has political implications. It will increase voter registration and participation, and help support Latino candidates and enhanced social participation by Latinos.

Over the next generation Latino demographics will change the US labor force and the political landscape. A Latino middle class may help soften these changes and buffer some conflictive reactions to Latino expansion, which is seen with alarm by those who fear that an immigrant minority may become a national majority. This fear is often framed as a threat to *American* culture with an anti-immigrant slant. Harvard's Samuel Huntington argues in a new book<sup>26</sup> that Latino immigration threatens to fracture America's cultural identity; that Latinos are more hostile to American traditions of assimilation than other groups, and encroaching Mexican immigrants are tantamount to a *demographic reconquista* of former Mexican territory annexed by the US in the 1800's (i.e., he fears Chicanos may try to return Southwestern states to Mexico!). He declares the challenges of this immigration are overwhelming -- bilingualism, multiculturalism, religious diversity, dual citizenship-- and cautions that "white nativist movements" (defined not as extremist militias or the *Ku Klux Klan* but those who fear a minority as the national majority) are a plausible response, particularly in times of economic hardship.

Huntington's views may seem biased nostalgia for Anglo-Protestantism, and he fails to treat American history realistically --it is more characteristic of American tradition that the US not only survives immigration but flourishes as a result.<sup>27</sup> Yet his themes resonate with *English Only* and anti-immigrant movements. Clearly, Latino growth causes tensions and raises questions about the Latino character that are loaded and unanswerable.

But an emerging Latino middle class and profiles like New Hampshire's may act as an antidote to anti-immigrant alarmism. Are Latino immigrants as successful as past immigrants adopting the American creed? Seemingly yes. Many New Hampshire Latinos are assimilated, and most are fluent in English (acculturated); this hardly fits Huntington's image of Latinos hostile to American traditions. There are no encroaching Mexicans trying to return Southwestern states to Mexico --if anything they kept the Southwest and are

busy colonizing the east coast. Bilingualism is prevalent, as a flow of new arrivals preserves language and a core culture, but it does not detract as a language barrier. The residential dispersal of Latinos seeking enhanced quality of life for their children is a mainstream American creed, and familiar to non-Latino American families. Huntington's assimilationist mono-cultural *Melting Pot* has not materialized, perhaps because it never has before. Instead, US consumers are adopting Latino tastes (music, dance, food) without undue conflict,<sup>25</sup> and quintessential American baseball is becoming a game between Dominicans. But creedal assimilation is evident among Latinos.<sup>27</sup> Creedal assimilation precedes cultural assimilation and may prove the more valuable contributor to American culture and identity in the long run.

## NOTES

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<sup>1</sup> The authors are faculty at the School of Community Economic Development, Southern New Hampshire University. This chapter is part of a larger study by the authors, who gratefully acknowledge the work of Marucha Omwenga and Charles Rand on data analyses.

<sup>2</sup> The authors relied on summary file data and reports by the U.S. Bureau of the Census (Economics and Statistics Administration, U.S. Department of Commerce), including:

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(2003, October) *Population Estimates and Projections*, 2000 Census of Population and Housing.

(2003, August) *Domestic Migration Across Regions, Divisions, and States: 1995 to 2000*. Census 2000 Special Reports. Downloaded July 2004 from [www.census.gov/prod/2003pubs/censr-7.pdf](http://www.census.gov/prod/2003pubs/censr-7.pdf)

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(2001, October) *Hispanic-Owned Businesses: 1997*. Survey of Minority Owned Business Enterprises, Census Brief.

(2001) *Economic Census 1997: Minority- and Women-Owned Businesses* (New Hampshire). Downloaded July 2004 from [www.census.gov/epcd/mwb97/nh/NH.html#Hispanic](http://www.census.gov/epcd/mwb97/nh/NH.html#Hispanic)

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