

FOR RELEASE MAY 31, 2024

The State of the Asian American Middle Class

Who is in it and key trends from 2010 to 2023

BY *Rakesh Kochhar*

FOR MEDIA OR OTHER INQUIRIES:

Rakesh Kochhar, Senior Researcher

Mark Lopez, Director, Race and Ethnicity Research

Tanya Ardit, Senior Communications Manager

202.419.4372

www.pewresearch.org

RECOMMENDED CITATION

Pew Research Center, May 2024, "The State of the Asian American Middle Class"

About Pew Research Center

Pew Research Center is a nonpartisan, nonadvocacy fact tank that informs the public about the issues, attitudes and trends shaping the world. It does not take policy positions. The Center conducts public opinion polling, demographic research, computational social science research and other data-driven research. It studies politics and policy; news habits and media; the internet and technology; religion; race and ethnicity; international affairs; social, demographic and economic trends; science; research methodology and data science; and immigration and migration. Pew Research Center is a subsidiary of The Pew Charitable Trusts, its primary funder.

© Pew Research Center 2024

How we did this

This report examines key changes in the economic status of the Asian American middle class from 2010 to 2023 and its demographic attributes in 2022. The historical analysis is based on data from the [Annual Social and Economic Supplements](#) (ASEC) of the [Current Population Survey](#) (CPS). The demographic analysis is based on data from the [American Community Survey](#) (ACS). The data is sourced from [IPUMS CPS](#) and [IPUMS USA](#), respectively.

The CPS, a survey of about 60,000 households, is the U.S. government's official source for [monthly estimates of unemployment](#). The CPS ASEC, conducted in March each year, is the official source of U.S. government [estimates of income and poverty](#). Data on Asian Americans alone is available in the CPS starting in 2003. Our analysis of CPS data starts with the 2010 CPS ASEC, which records the incomes of households in 2009. The latest available CPS ASEC file is for 2023, which reports on household incomes in 2022.

The public-use version of the ACS is a 1% sample of the U.S. population, or more than 3 million people. This allows for a detailed study of the demographic characteristics of the middle class, including its status in U.S. metropolitan areas. ACS data is [available only from 2005 onward](#). The latest available ACS data is for 2022.

In some instances, the demographic analysis uses data from [the 5-year ACS](#) for the period 2018-2022. This file contains data from the five ACS surveys conducted over this period and represents a 5% sample of the U.S. population, or more than 15 million people. We exclude the data for 2020 because the COVID-19 pandemic had a [significant impact on data collection](#) in that year. The resulting file with four years of data – about 12 million people – was used to study smaller demographic groups. [Refer to our methodology for more details.](#)

Terminology

Middle-income households are defined as those with an income that is two-thirds to double that of the U.S. median household income, after incomes have been adjusted for household size.

Lower-income households have incomes less than two-thirds of the median, and **upper-income households** have incomes that are more than double the median. When using American Community Survey (ACS) data, incomes are also adjusted for cost of living in the areas in which households are located.

Estimates of **household income** are scaled to reflect a household size of three and expressed in 2023 dollars. In the Current Population Survey (CPS), household income refers to the calendar year prior to the survey year. Thus, the income data in the report refers to the 1970-2022 period, and the share of Americans in each income tier from the CPS refers to the 1971-2023 period.

The **demographic attributes** of Americans living in lower-, middle- or upper-income tiers are derived from ACS data. Except as noted, estimates pertain to the U.S. household population, excluding people living in group quarters.

The terms **middle class** and **middle income** are used interchangeably in this report.

The terms **Asian** and **Asian American** are used interchangeably in this report to refer to people who self-identified with one or more Asian race or origin and are not Hispanic. **Households** are grouped by the race and ethnicity of the survey reference person, or the household head.

U.S. born refers to individuals who are U.S. citizens at birth, including people born in the 50 U.S. states, the District of Columbia, Puerto Rico or other U.S. territories, as well as those born elsewhere to at least one parent who is a U.S. citizen. The terms **foreign born** and **immigrant** are used interchangeably in this report. They refer to people who are not U.S. citizens at birth.

Occupations describe the broad kinds of work people do on their job. For example, health care occupations include doctors, nurses, pharmacists and others who are directly engaged in the provision of health care. **Industries** describe the broad type of products companies produce. Each industry encompasses numerous occupations. For example, the health care and social assistance industry provides services that are produced by a combination of doctors, managers, technology and administrative staff, food preparation workers, and workers in other occupations.

The State of the Asian American Middle Class

Who is in it and key trends from 2010 to 2023

The share of Asian Americans who are in the U.S. middle class has held steady since 2010. In 2023, 48% of Asian Americans lived in middle-class households, about the same share as in 2010, according to a new Pew Research Center analysis of government data.

But their economic status overall has improved since 2010. **The share of Asian Americans in the upper-income tier increased** from 27% in 2010 to 32% in 2023, and **the share in the lower-income tier decreased** from 26% to 21%. The share of Asian Americans in the lower-income tier in 2023 was less than [the share of Americans overall](#) (30%) in that tier, and their share in the upper-income tier was greater than among Americans overall (19%).

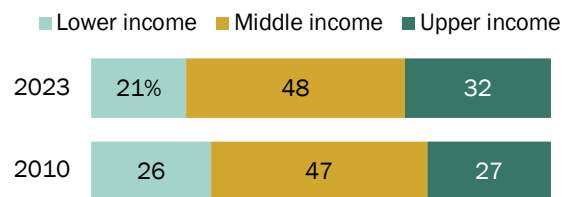
As Asian Americans moved up the income ladder, **household incomes also increased at a faster rate for those at the higher rungs of the ladder.** Consequently, the [share of the total income of Asian American households held by the middle class](#) has fallen since 2010, and the share of the upper-income tier has increased.

Our report focuses on the economic status of Asian Americans in the U.S. middle class. First, we examine changes in the financial well-being of those in the middle class and other income tiers since 2010. This is based on data from the [Annual Social and Economic Supplements](#) (ASEC) of the [Current Population Survey](#) (CPS), conducted in 2010 and 2023.

Then, we report on the attributes of Asian Americans who were more or less likely to be [middle class in 2022](#). Our focus is on their [origin group, age, gender, marital and veteran status, place of birth, education, occupation, industry, and metropolitan area of residence](#). These estimates are derived from [American Community Survey \(ACS\) data](#) and differ slightly from the CPS-based

Share of Asian Americans in the U.S. middle class has not changed since 2010, but upper-income share is higher

% of Asian Americans in each income tier



Note: People are assigned to income tiers based on their household incomes in the calendar year prior to the survey year, after incomes have been adjusted for the number of people living in each household. Shares may not total 100% due to rounding. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head.

Source: Pew Research Center analysis of the Current Population Survey, Annual Social and Economic Supplement (IPUMS), 2010 and 2023.

PEW RESEARCH CENTER

estimates. In part, that is because incomes can be adjusted for the local area cost of living only with the ACS data. (Refer to [the methodology for details](#) on these two data sources.)

This analysis is one in a series of reports on the status of America’s racial and ethnic groups in the U.S. middle class and other income tiers. An accompanying report focuses on [Americans overall](#). Forthcoming analyses will report on the state of the middle class among White, Hispanic, Black, American Indian or Alaska Native, Native Hawaiian or Pacific Islander and multiracial Americans, including subgroups within these populations. These reports are, in part, updates of [previous work by the Center](#). But they offer much greater detail on the demographic attributes of the American middle class.

Who is middle income or middle class?

In our analysis, “middle-income” Americans are those living in households with an annual income that is two-thirds to double the national median household income. The income it takes to be middle income varies by household size, with smaller households requiring less to support the same lifestyle as larger households. It also varies by the local cost of living, with households in a more expensive area, such as Honolulu, needing a higher income than those in a less expensive area, such as Wichita, Kansas.

We don’t always know the area in which a household is located. In our two data sources – the [Current Population Survey, Annual Social and Economic Supplement \(CPS ASEC\)](#) and the [American Community Survey \(ACS\)](#) – only the latter provides that information, specifically the metropolitan area of a household. Thus, we aren’t able to adjust for the local cost of living when using the CPS to track changes in the status of the middle class over time. But we do adjust for the metropolitan area cost of living when using the ACS to determine the demographic attributes of the middle class in 2022.

In the **2023 CPS ASEC data**, which reports income for 2022, middle-income households with three people have incomes ranging from about \$61,000 to \$183,000 annually. “Lower-income” households have incomes less than \$61,000 and “upper-income” households have incomes greater than \$183,000.

In the **2022 ACS data**, middle-income households with three people have incomes ranging from about \$62,000 to \$187,000 annually, with incomes also adjusted for the local area cost of living. (Incomes are expressed in 2023 dollars.)

The boundaries of the income tiers also vary across years as the national median income changes.

The terms “middle income” and “middle class” are used interchangeably in this report for the sake of exposition. But being middle class can [refer to more than just income](#), be it education level, type of profession, economic security, home ownership or social and political values. Class also could simply be a [matter of self-identification](#).

Asian Americans represented 6% of the U.S. population in 2022. Following are some key facts about the state of the Asian American middle class:

1 Asian households in all income tiers had higher incomes in 2022 than in 2009, after adjusting for inflation. But gains for upper-income households were greater than the gains for middle- and lower-income households.

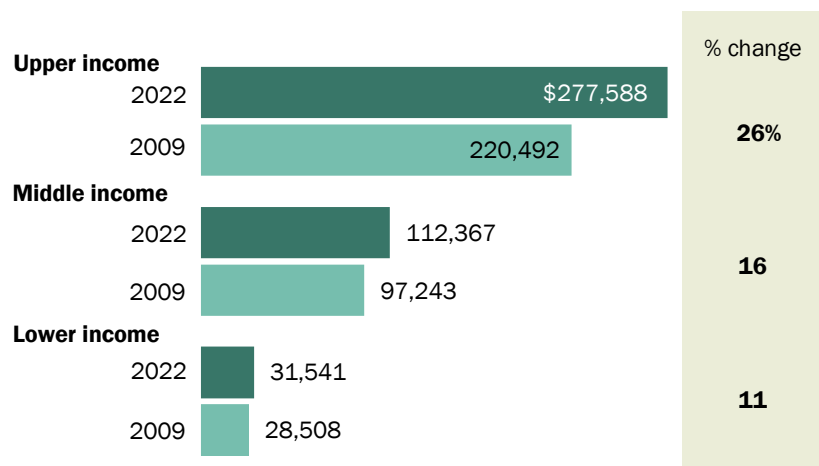
The median income of Asian households in the U.S. middle class increased from about \$97,200 in 2009 to \$112,400 in 2022, or 16%. Meanwhile, the median income of Asian households in the upper-income tier increased 26%, from about \$220,500 to \$277,600. (Incomes are scaled to a three-person household and expressed in 2023 dollars.)

The median income for lower-income Asian households increased from about \$28,500 in 2009 to \$31,500 in 2022, or 11%.

Thus, there is now more of a gap between the incomes of upper-income Asian households and those in other income tiers. In 2022, the median income of upper-income Asian households was 8.8 times that of lower-income households, up from 7.7 in 2009. It was 2.5 times the median income of middle-income households in 2022, up from 2.3 in 2009.

Incomes of Asian households in the U.S. upper-income tier increased the most from 2009 to 2022

Median household income of Asian Americans, by income tier, in 2023 dollars and scaled to reflect a three-person household



Note: Households are assigned to income tiers based on their incomes in the calendar year prior to the survey year, after incomes have been adjusted for the number of people living in each household. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head. Source: Pew Research Center analysis of the Current Population Survey, Annual Social and Economic Supplement (IPUMS), 2010 and 2023.

PEW RESEARCH CENTER

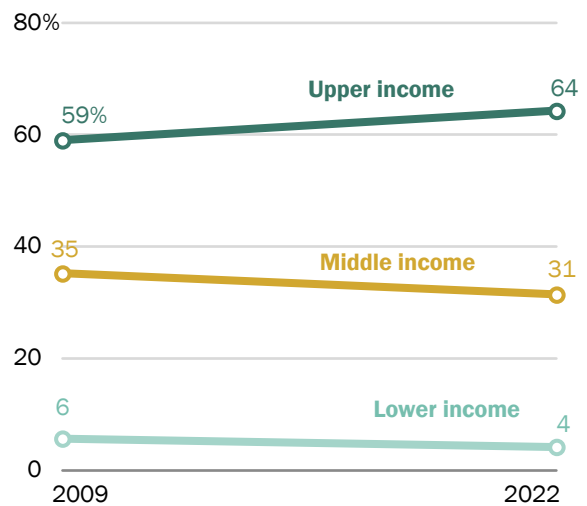
2 Among Asian households, the share of overall household income held by the middle class has fallen since 2009. In 2009, middle-income Asian households accounted for 35% of the total income of all Asian households. This share fell to 31% in 2022, despite no significant change in the share of Asian households who were in the middle class.

Over the same period, the share held by upper-income Asian households increased from 59% in 2009 to 64% in 2022. In part, this is because of the increase in the share of Asian Americans who are in the U.S. upper-income tier.

The share of the total income of Asian households held by lower-income households edged down from 6% in 2009 to 4% in 2022.

The share of the total income of Asian households held by upper-income households has increased since 2009

% of total income of Asian households held by lower-, middle- and upper-income households



Note: Households are assigned to income tiers based on their incomes in the calendar year prior to the survey year, after incomes have been adjusted for the number of people living in each household. Their unadjusted incomes are then summed to compute the share of total Asian household income held by each income tier. Shares may not total 100% due to rounding. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head.

Source: Pew Research Center analysis of the Current Population Survey, Annual Social and Economic Supplements (IPUMS), 2010 and 2023.

PEW RESEARCH CENTER

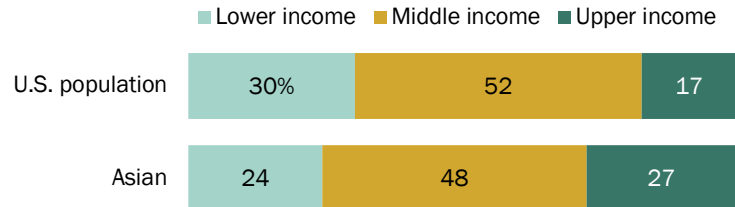
3 Asian Americans were considerably more likely than Americans overall to live in upper-income households in 2022.

In that year, 27% of Asian Americans were in the upper-income tier, compared with 17% of Americans overall.

Conversely, Asian Americans were less likely to be in the middle- or lower-income tier in 2022. Some 48% of Asian Americans were in the middle class in 2022 and 24% were in the lower-income tier. That compared with 52% and 30%, respectively, among Americans overall.

Asian Americans were more likely than Americans overall to live in upper-income households in 2022

% of the U.S. population and Asian Americans in each income tier, 2022



Note: People are assigned to income tiers based on their household incomes, after incomes have been adjusted for the number of people living in each household and the local area cost of living. Shares may not total 100% due to rounding. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head.

Source: Pew Research Center analysis of the American Community Survey (IPUMS), 2022.

PEW RESEARCH CENTER

4 The economic status of Asian Americans varies greatly across origin groups.

Over the period from 2018 to 2022, about four-in-ten Asian Indians (39%) and three-in-ten Chinese (29%) were in the upper-income tier.

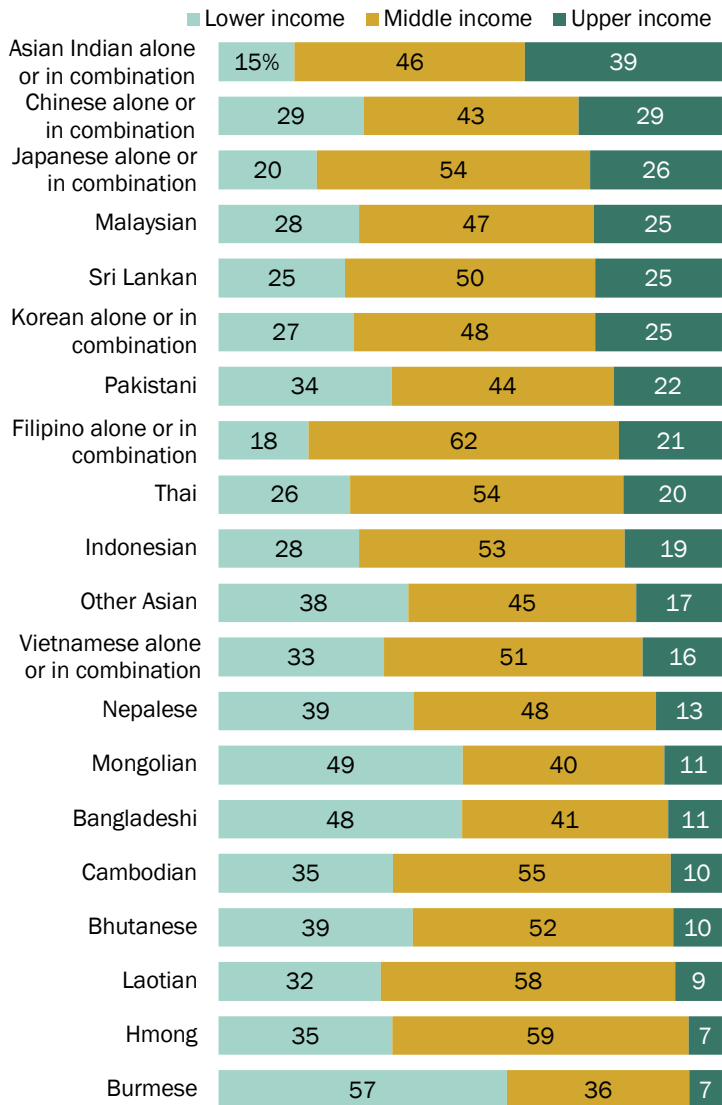
But while only 15% of Indians were in the lower-income tier, 29% of Chinese were in that tier. These two origin groups accounted for 48% of the Asian American population over the 2018 to 2022 period.

Among the Asian origin groups, the share of the population in the middle class among Filipino, Laotian and Hmong Americans was near 60%. There were three Asian origin groups – Mongolian, Bangladeshi and Burmese – among whom about half or more were in the lower-income tier from 2018 to 2022.

(In this section, references to *Asian Indian*, *Chinese* and *Filipino* include those who also identify as another race or origin. For example, Chinese include those who identified as “Chinese and Taiwanese.”)

Shares of Asian Americans in the U.S. middle class or other income tiers varied greatly across origin groups

% of Asian Americans in each income tier, by origin group, 2018-22



Note: People are assigned to income tiers based on their household incomes, after incomes have been adjusted for the number of people living in each household and the local area cost of living. Shares may not total 100% due to rounding. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head. Data for 2020 is excluded from the source 5-year ACS file. There is some overlap across groups. For example, “Chinese and Japanese” are included in both “Chinese alone or in combination” and “Japanese alone or in combination.” Source: Pew Research Center analysis of the 5-year American Community Survey (IPUMS), 2018-2022.

PEW RESEARCH CENTER

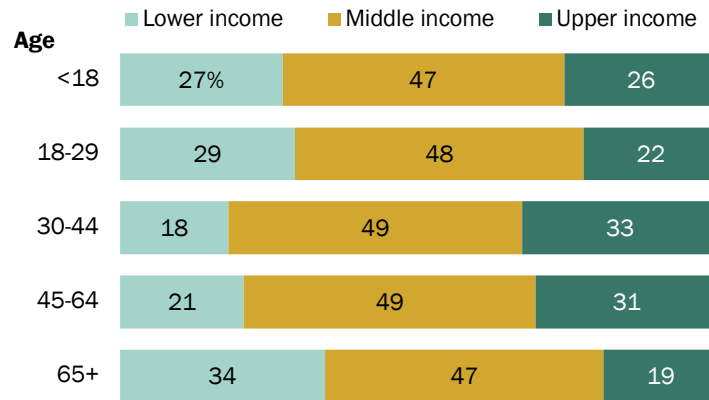
5 About a third of Asian adults 65 and older (34%) lived in lower-income households in 2022.

That compared with about one-in-five among Asian adults ages 30 to 44 (18%) or 45 to 64 (21%).

The share of Asian Americans in the U.S. middle class did not vary much by age – nearly half of each age group were in the middle class in 2022. But while about a third of Asian adults ages 30 to 44 and 45 to 64 were in the upper-income tier (33% and 31%, respectively), that was so for only 19% of those 65 and older.

Asian Americans 65 and older were more likely to live in lower-income households in 2022 than other ages

% of Asian Americans in each income tier, by age, 2022



Note: People are assigned to income tiers based on their household incomes, after incomes have been adjusted for the number of people living in each household and the local area cost of living. Shares may not total 100% due to rounding. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head.

Source: Pew Research Center analysis of the American Community Survey (IPUMS), 2022.

PEW RESEARCH CENTER

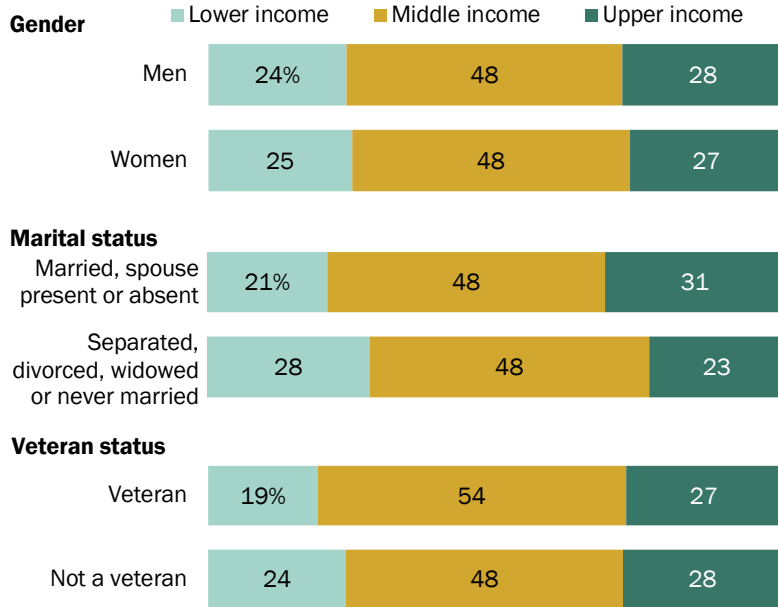
6 There was little difference in the economic status of Asian men and women in 2022. About equal shares of both lived in lower-, middle- and upper-income households in 2022.

Marriage is associated with a move into the upper-income tier for Asian Americans. Among married Asian Americans, nearly a third (31%) were in the upper-income tier and 21% were lower income in 2022. In contrast, only 23% of Asian Americans who were separated, divorced, widowed or never married were in the upper-income tier, and 28% lived in lower-income households.

Asian veterans were less likely than nonveterans to be in the lower-income tier in 2022, 19% vs. 24%, respectively. The share of veterans in the middle class (54%) was also greater than the share among nonveterans (48%).

Married Asian Americans or veterans were less likely to live in lower-income households in 2022

% of Asian Americans in each income tier, by gender, marital status and veteran status, 2022



Note: People are assigned to income tiers based on their household incomes, after incomes have been adjusted for the number of people living in each household and the local area cost of living. Shares may not total 100% due to rounding. Marital status is estimated for people ages 15 and older, and veteran status is for people 17 and older. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head.

Source: Pew Research Center analysis of the American Community Survey (IPUMS), 2022.

PEW RESEARCH CENTER

7 Among Asian Americans, immigrants were a bit less likely than the U.S. born to be in the upper-income tier and slightly more likely to be in the lower-income tier.

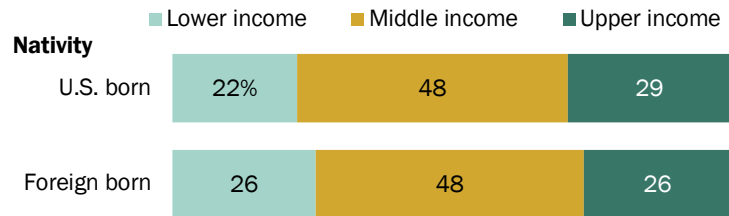
In 2022, equal shares (48%) of Asian immigrants and the U.S. born were in the middle class. Some 26% of Asian immigrants were in the lower-income tier compared with 22% of the U.S. born.

Meanwhile, the share of U.S.-born Asian Americans in the upper-income tier (29%) edged out the share of immigrants in that tier (26%).

Asian American immigrants accounted for 65% of the overall Asian American population in 2022.

Asian immigrants were less likely than the U.S. born to be in the upper-income tier in 2022

% of Asian Americans in each income tier, by nativity, 2022



Note: People are assigned to income tiers based on their household incomes, after incomes have been adjusted for the number of people living in each household and the local area cost of living. Shares may not total 100% due to rounding. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head.

Source: Pew Research Center analysis of the American Community Survey (IPUMS), 2022.

PEW RESEARCH CENTER

8 Asian Americans with a bachelor's degree or higher level of education were much more likely to live in upper-income households.

In 2022, 41% of Asian Americans ages 25 and older with at least a bachelor's degree were in the upper-income tier, compared with 16% or fewer among Asians without a bachelors' degree.

The share of Asian Americans in the middle class ranged from 46% among those who did not graduate from high school or had a bachelor's degree to 58% among those with some college education. But only 13% of Asian Americans with a bachelor's degree lived in lower-income households in 2022, compared with 46% among those without a high school diploma.

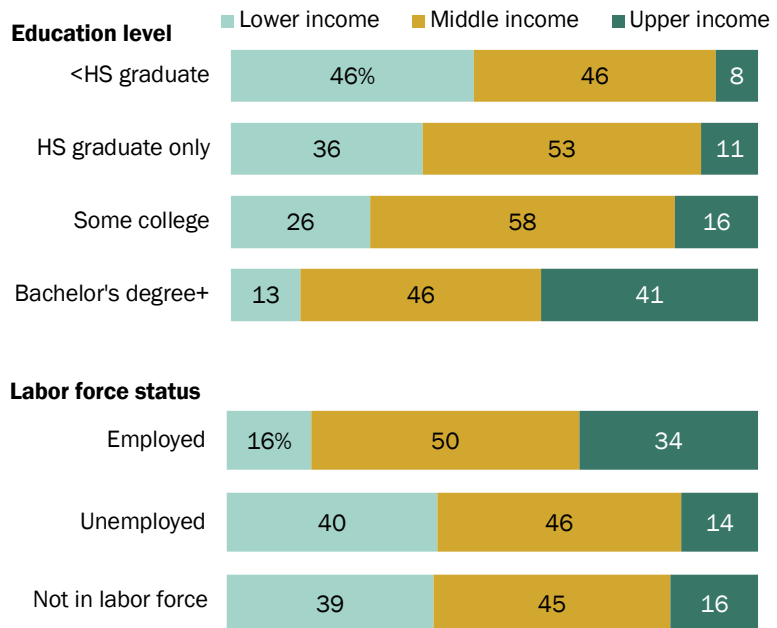
Not surprisingly,

employment is critical for

moving up the income ladder. Among employed Asian workers ages 16 and older, 50% were in the middle-income tier in 2022 and 34% were in the upper-income tier. Only 16% of employed Asian workers were lower income, compared with 40% of the unemployed.

Among unemployed Asian Americans and those who did not graduate from high school, 4 in 10 or more were in the lower-income tier in 2022

% of Asian Americans in each income tier, by education and labor force status, 2022



Note: People are assigned to income tiers based on their household incomes, after incomes have been adjusted for the number of people living in each household and the local area cost of living. Shares may not total 100% due to rounding. Education level is estimated for people ages 25 and older, and labor force status is for people 16 or older. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head.

Source: Pew Research Center analysis of the American Community Survey (IPUMS), 2022.

PEW RESEARCH CENTER

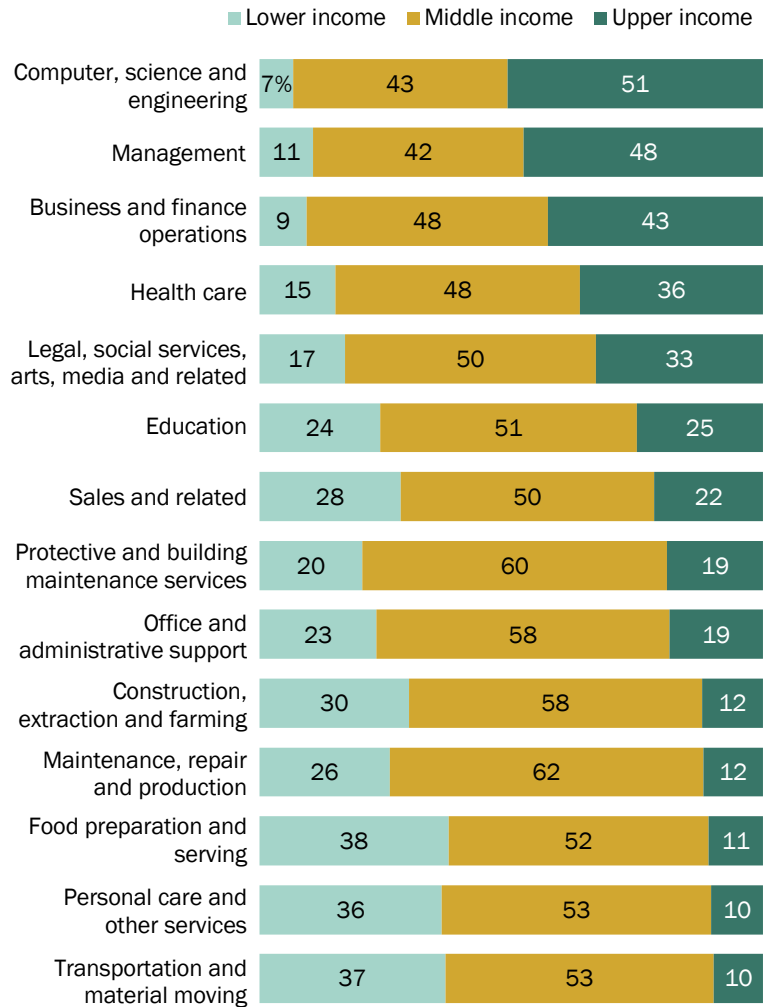
9 About half of Asian workers in computer, science and engineering (51%) or management occupations (48%) were in the upper-income tier in 2022, while only about one-in-ten or fewer were lower income. About a third or more of Asian workers in business and finance (43%), health care (36%) or legal and related occupations (33%) were also in the upper-income tier.

On the other hand, similar shares of Asian workers in occupations involving food preparation and serving (38%), personal care and other services (36%) and transportation and material moving (37%) were in the lower-income tier in 2022. Only about one-in-ten of these Asian workers were upper income.

About six-in-ten Asian workers in construction, extraction and farming (58%) or those providing protective and building maintenance (60%), office and administrative (58%), or maintenance, repair and production services (62%) were in the middle class in 2022.

About half of Asian workers in technology and management were in the upper-income tier in 2022

% of Asian workers in each income tier, by occupation, 2022



Note: People are assigned to income tiers based on their household incomes, after incomes have been adjusted for the number of people living in each household and the local area cost of living. Shares may not total 100% due to rounding. Estimates are for people ages 16 and older who had worked in the previous five years. Armed forces not shown because of small sample size. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head. Source: Pew Research Center analysis of the American Community Survey (IPUMS), 2022.

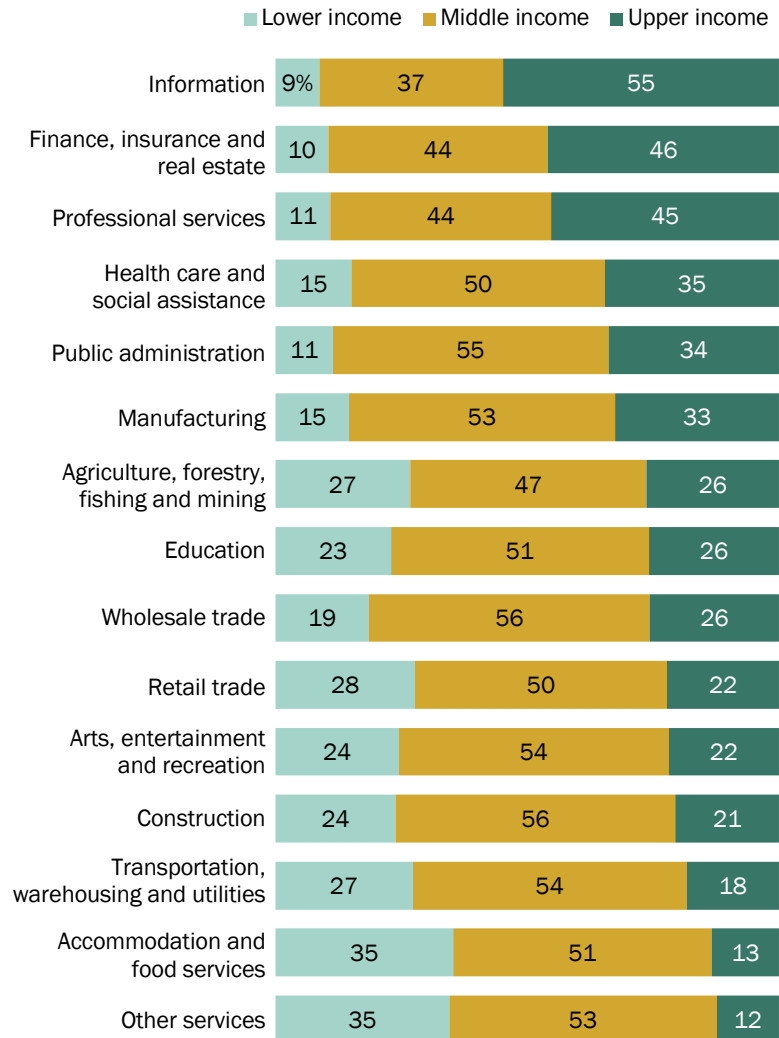
PEW RESEARCH CENTER

10 Some 55% of Asian workers in the information sector, 46% in the financial services sector and 45% in the professional services sector were in the upper-income tier in 2022. In these sectors, only about one-in-ten Asian workers were in the lower-income tier. More than eight-in-ten Asian workers in the health care and social assistance, public administration, or manufacturing sectors were in either the middle class or in the upper-income tier in 2022.

Accommodation and food services and the other services sectors are the only industries in which about a third or more of Asian workers were in the lower-income tier in 2022.

Asian workers in the information, financial and professional services sectors were more likely to be upper income in 2022

% of Asian workers in each income tier, by industry, 2022



Note: People are assigned to income tiers based on their household incomes, after incomes have been adjusted for the number of people living in each household and the local area cost of living. Shares may not total 100% due to rounding. Estimates are for people ages 16 and older who had worked in the previous five years. Military not shown because of small sample size. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head. Source: Pew Research Center analysis of the American Community Survey (IPUMS), 2022.

PEW RESEARCH CENTER

11 The share of Asian Americans who are in the middle class or in the upper- or lower-income tiers differs across U.S. metropolitan areas. But there seems to be little pattern to which metro areas have the highest shares of Asians in each income tier. (We first adjust household incomes for differences in the cost of living across areas.)

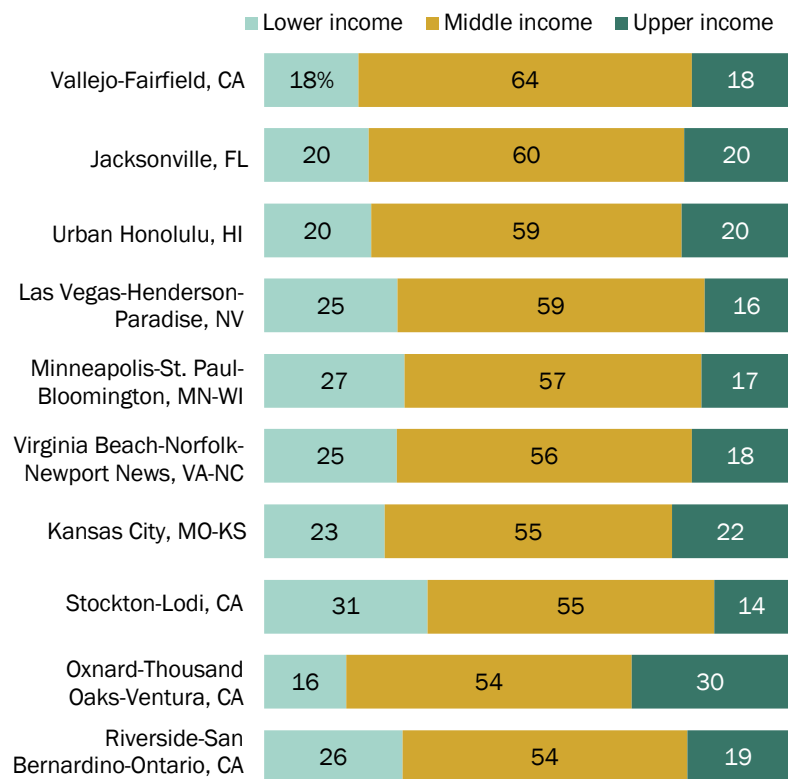
Most of the 10 metropolitan areas with the greatest shares of Asian Americans who are middle income are in coastal states.

These areas include Honolulu to the west, where 59% of Asian Americans were in the middle class, and Virginia Beach-Norfolk-Newport News (in Virginia and North Carolina) to the east, where 56% were in the middle class over the period from 2018 to 2022. In Vallejo-Fairfield, near San Francisco, 64% of Asian Americans were in the middle class and 18% each were in the lower- or upper-income tier.

But in several of these 10 metro areas – such as Stockton-Lodi, California, and Minneapolis-St. Paul-Bloomington, which includes part of Wisconsin – about a quarter to a third of Asian Americans were in the lower-income tier from 2018 to 2022.

10 metropolitan areas with the largest shares of Asian Americans in the middle class, 2018-22

% of Asian Americans in a metropolitan area in each income tier, 2018-22



Note: People are assigned to income tiers based on their household incomes, after incomes have been adjusted for the number of people living in each household and the local area cost of living. Shares may not total 100% due to rounding. The ranking of metropolitan areas is based on 54 areas for which a sample of at least 500 Asian households was available. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head. Data for 2020 is excluded from the source 5-year ACS file.

Source: Pew Research Center analysis of the 5-year American Community Survey (IPUMS), 2018-2022.

PEW RESEARCH CENTER

Several of the 10 U.S. metropolitan areas with the highest shares of Asian upper-income residents have technology-driven economies, as is [the pattern for Americans overall](#). This group includes San Jose-Sunnyvale-Santa Clara, California, in which 48% of Asian Americans lived in upper-income households over the 2018-2022 period.

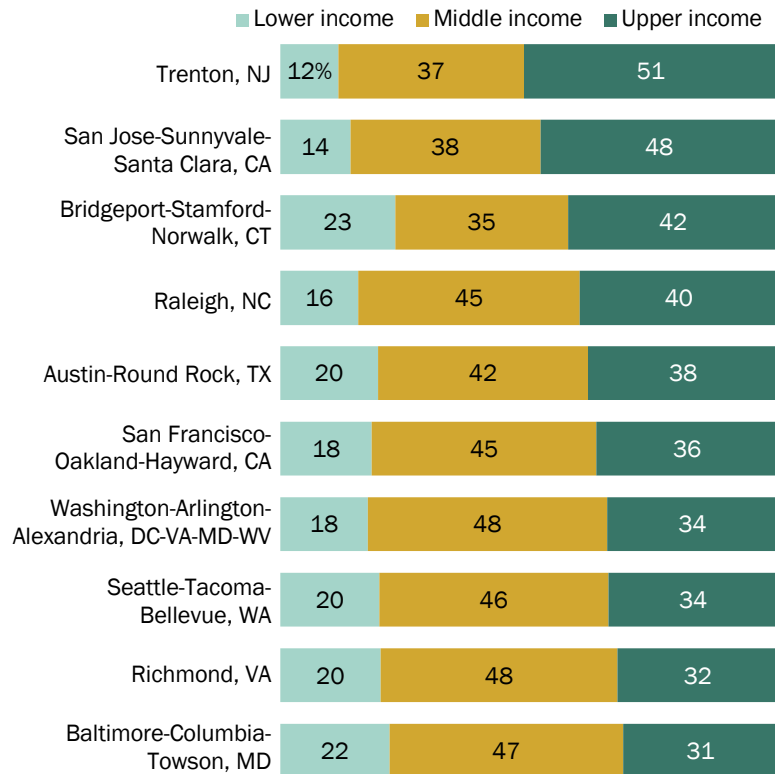
Other tech-driven areas on this list include Raleigh, North Carolina; Austin-Round Rock, Texas; San Francisco-Oakland-Hayward; and Seattle-Tacoma-Bellevue. Bridgeport-Stamford-Norwalk, Connecticut, is a financial hub.

Many of these areas are also home to major universities, research institutions and government centers, such as Trenton, New Jersey; Washington, D.C.-Arlington-Alexandria; and Baltimore-Columbia-Towson.

Overall, about a third to half of Asian Americans in these 10 metro areas were in the upper-income tier in the period from 2018 to 2022, and about one-in-five or fewer were lower income.

10 metropolitan areas with the largest shares of Asian Americans in the upper-income tier, 2018-22

% of Asian Americans in a metropolitan area in each income tier, 2018-22



Note: People are assigned to income tiers based on their household incomes, after incomes have been adjusted for the number of people living in each household and the local area cost of living. Shares may not total 100% due to rounding. The ranking of metropolitan areas is based on 54 areas for which a sample of at least 500 Asian households was available. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head. Data for 2020 is excluded from the source 5-year ACS file.

Source: Pew Research Center analysis of the 5-year American Community Survey (IPUMS), 2018-2022.

PEW RESEARCH CENTER

The 10 U.S. metropolitan areas with the highest shares of Asian lower-income residents include some of the nation’s most populous. From 2018 to 2022, 28% of Asian Americans in Los Angeles-Long Beach-Anaheim were in the lower-income tier, along with 30% of Asian residents in New York-Newark-Jersey City and 32% in Miami-Fort Lauderdale-West Palm Beach.

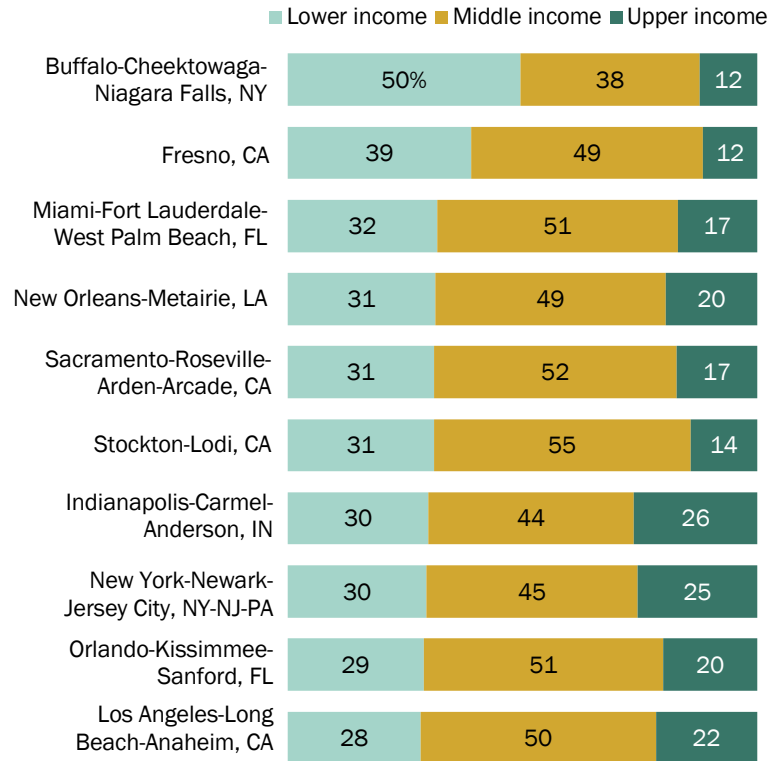
Buffalo-Cheektowaga-Niagara Falls, New York – where 50% of Asian Americans lived in the lower-income tier over the 2018 to 2022 period – stands out from the rest.

In several of these areas, such as Stockton-Lodi, about half or more of Asian residents were in the middle class over the 2018-2022 period.

It’s important to note that because of sample size limitations, we were only able to study the economic status of Asian Americans in 54 out of about 280 metro areas identified in the source data.

10 metropolitan areas with the largest shares of Asian Americans in the lower-income tier, 2018-22

% of Asian Americans in a metropolitan area in each income tier, 2018-22



Note: People are assigned to income tiers based on their household incomes, after incomes have been adjusted for the number of people living in each household and the local area cost of living. Shares may not total 100% due to rounding. The ranking of metropolitan areas is based on 54 areas for which a sample of at least 500 Asian households was available. Asian Americans reported one or more Asian race or origin and are not Hispanic. Households are grouped by the race and ethnicity of the household head. Data for 2020 is excluded from the source 5-year ACS file.

Source: Pew Research Center analysis of the 5-year American Community Survey (IPUMS), 2018-2022.

PEW RESEARCH CENTER

Acknowledgments

This report was written by Rakesh Kochhar, senior researcher.

Editorial guidance for the report was provided by Mark Hugo Lopez, director, race and ethnicity research.

Guidance on the communications strategy and outreach was provided by Tanya Ardit, senior communications manager.

The report was number checked by Gracie Martinez and Mohamad Moslimani, research assistants. Sara Atske, digital producer, produced the report. David Kent, senior copy editor, copy edited the report.

Find related reports on [our topic page about the middle class](#).

Methodology

The data for the historical analysis in this report is derived from the [Annual Social and Economic Supplements](#) (ASEC) of the [Current Population Survey](#) (CPS), which are conducted in March of every year. The specific files used in this report are from March 1971 to March 2023 and contain data on the annual income of households from 1970 to 2022. Conducted jointly by the U.S. Census Bureau and the Bureau of Labor Statistics, the CPS is a monthly survey of about 60,000 households and is the source of the nation's [official statistics on unemployment](#). The ASEC survey in March typically features a larger sample size (about 75,000 in recent years) and is the source of the annual [income and poverty estimates](#) reported by the Census Bureau.

The historical analysis for Asian Americans is limited to CPS data for 2010 and 2023. That is because Asian Americans alone were not identified in the CPS until 2003. Prior to that year, and starting only in 1988, the CPS reported data for Asians and Native Hawaiians and Pacific Islanders (NHPI) combined. But the sample size for the NHPI population is only about 300 households in 2010 and 2023. For that reason, we do not report historical trends for the NHPI population. We also do not report historical trends for American Indian and Alaska Native (AIAN) or multiracial populations. These two populations are not uniquely identified in the CPS.

[Methodological and other revisions](#) to the CPS may have an impact on estimated trends. For example, the 2015 ASEC introduced a [redesigned set of income questions](#), and definitions of key socioeconomic categories, such as [race](#) and [educational attainment](#), have changed over time.

The demographic analysis is principally based on the data from the 2022 [American Community Survey](#) (ACS). The public-use version of the ACS is a 1% sample of the U.S. population, or more than 3 million people. It is designed to collect the detailed information previously collected in the long form of the decennial census. But the ACS data are [available only from 2005 onwards](#) and are less suitable for long-run historical analyses.

The ACS is conducted in every month of the year, with data collected from about one-twelfth of the total sample in each month. The monthly responses are combined to form an annual portrait of the nation and of smaller geographic units. Because of its large sample size, the ACS is a better source than the CPS for analyses of subnational or subgroup demographic and income data. Nonetheless, we do not report the distribution of NHPI workers across income tiers by occupation and industry because of small sample sizes.

In some instances, the demographic analysis uses data from [the 5-year ACS](#) for the period 2018-2022. This file contains data from the five ACS surveys conducted over this period and represents

a 5% sample of the U.S. population, or more than 15 million people. We exclude the data for 2020 because the COVID-19 pandemic had a [significant impact on data collection](#) in that year. The resulting file with four years of data – about 12 million people – was used to study smaller demographic groups, such as Korean Americans or Pakistani Americans. But we are still limited in the extent to which we can analyze the distribution of the AIAN and NHPI populations across income tiers in U.S. metropolitan areas.

The CPS and ACS microdata used are the Integrated Public Use Microdata Series ([IPUMS](#)) provided by the University of Minnesota. The IPUMS assigns uniform codes, to the extent possible, to data collected in the CPS and ACS over the years. More information about the IPUMS, including variable definition and sampling error, is available at [IPUMS CPS](#) and [IPUMS USA](#).

Income

Household income is the sum of incomes earned by all members of the household ages 15 and older. Income is defined as money income received (exclusive of certain money receipts, such as capital gains) before payments for such things as personal income taxes, Social Security, union dues and Medicare deductions. Noncash transfers such as SNAP benefits (food stamps), health benefits, subsidized housing and energy assistance are not included. More detail on the measurement and collection of income in government data can be found in the [documentation of the CPS](#) or in the [documentation of the ACS](#).

The CPS collects data on income received by the household in the *calendar year preceding the date of the survey*. The ACS is a rolling monthly survey, and the household income data refer to income received during the *12 months preceding the survey month*. In other words, a household surveyed in January 2022 is expected to report income received from January 2021 to December 2021, a household surveyed in February 2022 is expected to report income received from February 2021 to January 2022, and so on. Households surveyed in December 2022 report income received from December 2021 to November 2022. Thus, in the 2022 ACS, the income data refer to the period from January 2021 to November 2022, a span of 23 months.

Because the income data collected in the ACS does not refer to a calendar year, the Census Bureau provides an adjustment factor that converts reported incomes to the levels they would have been had they been earned during a calendar year. Although this [adjustment factor has its limits](#), we apply it to the income data in the 2022 ACS to convert reported incomes to their projected levels in the 2022 calendar year. In the 5-year ACS files, the reported incomes have already been standardized by the Census Bureau to dollars as valued in the final year of data included in the file.

The data on income are adjusted for inflation and reported in 2023 dollars in this report. We use the price index series published in the [Census Bureau's 2022 income report](#). From 2000 to 2022, this series is the same as the [Chained Consumer Price Index for all Urban Consumers](#) (C-CPI-U) published by the Bureau of Labor Statistics (BLS). From 1978 to 1999, this series is the BLS's [Consumer Price Index for all Urban Consumers Retroactive Series](#) (R-CPI-U-RS). For years prior to 1978, the Census Bureau uses an experimental price index series from the BLS known as the CPI-U-X1. We apply the C-CPI-U from the BLS to extend the Census Bureau's price index series from 2022 to 2023.

The choice of a price index does not affect the allocation of households into lower-, middle- or upper-income categories at a point in time. That is because the same price index applies to the incomes of all households and does not affect their income-based rank. However, the choice of a price index does affect measures of absolute progress over time. For example, from 2000 to 2023, the price level rose either 78% (R-CPI-U-RS) or 67% (C-CPI-U). This means that someone who earned \$10,000 per year in 2000 would need to earn either \$17,800 (using the R-CPI-U-RS) or \$16,700 (using the C-CPI-U) in 2023 to be just as well off as in 2000.

Households in census data

The Census Bureau defines a household as the entire group of persons who live in a single dwelling unit. A household may consist of several persons living together or one person living alone. It includes the household head and all of their relatives living in the dwelling unit and also any lodgers, live-in housekeepers, nannies and other residents not related to the head of the household.

Adjusting income for household size

Household income data reported in this study are adjusted for the number of people in a household. That is done because a four-person household with an income of, say, \$50,000 faces a tighter budget constraint than a two-person household with the same income. In addition to comparisons across households at a given point in time, this adjustment is useful for measuring changes in the income of households over time. That is because [average household size in the U.S.](#) decreased from 3.1 persons in 1970 to 2.5 persons in 2023, a drop of about 20%. Ignoring this demographic change would mean ignoring a commensurate loosening of the household budget constraint.

At its simplest, adjusting for household size could mean converting household income into per capita income. Thus, a two-person household with an income of \$50,000 would have a per capita

income of \$25,000, double the per capita income of a four-person household with the same total income.

A more sophisticated framework for household size adjustment recognizes that there are economies of scale in consumer expenditures. For example, a two-bedroom apartment may not cost twice as much to rent as a one-bedroom apartment. Two household members could carpool to work for the same cost as a single household member, and so on. For that reason, many researchers make adjustments for household size using the method of “[equivalence scales](#).”

A common equivalence-scale adjustment is defined as follows:

$$\text{Adjusted household income} = \text{Household income} / (\text{Household size})^N$$

By this method, household income is divided by household size exponentiated by “N,” where N is a number between 0 and 1.

Note that if N=0, the denominator equals 1. In that case, no adjustment is made for household size. If N=1, the denominator equals household size, and that is the same as converting household income into per capita income. The usual approach is to let N be some number between 0 and 1. Following [other researchers](#), this study uses N=0.5. In practical terms, this means that household income is divided by the square root of household size – 1.41 for a two-person household, 1.73 for a three-person household, 2.00 for a four-person household and so on.

One issue with adjusting for household size is that while demographic data on household composition pertain to the survey date, income data typically pertain to the preceding calendar year or the preceding 12-month period. Because household composition can change over time, for example, through marriage, divorce or death, the household size that is measured at the survey date may not be the same as that at the time the income was earned and spent.

Once household incomes have been converted to a “uniform” household size, they can be scaled to reflect any household size. The income data reported in this study are computed for three-person households, the closest whole number to the average size of a U.S. household since 1970. That is done as follows:

$$\text{Three-person household income} = \text{Adjusted household income} * [(3)^{0.5}]$$

Adjusting for household size does [have an effect on trends in income](#) since 1970. However, it is important to note that once the adjustment has been made, it is immaterial whether one scales

incomes to one-, two-, three- or four-person households. Regardless of the choice of household size, the same results would emerge with respect to the trends in the well-being of lower-, middle- and upper-income groups.

Adjusting income for the cost of living in metropolitan and other areas

In our analysis of the ACS data, “middle-income” Americans live in households with incomes that are two-thirds to double the national median, after incomes have been adjusted for household size and the cost of living in their area. Their area of residence may be in a known metropolitan area, an unidentified metro area or outside of a metro area.

A metropolitan area consists of at least one urbanized area with a population of 50,000 or more people, plus neighboring areas that are socially and economically integrated with the core. Metropolitan areas may cross state boundaries, such as the Washington-Arlington-Alexandria, DC-VA-MD-WV area.

Our analysis of the state of the middle class for all Americans encompasses 222 of 381 metropolitan areas in the United States, as [defined by the Office of Management and Budget](#) in its 2013 classification of metro areas. The 222 metropolitan areas included are the maximum number of areas that could be identified in the ACS (IPUMS) data that also had a sample of at least 500 households. Together, these areas accounted for 72% of the nation’s population in 2022. Overall, the 2022 ACS identifies 248 metro areas.

The cost-of-living adjustment for all areas is based on price indexes published by the U.S. Bureau of Economic Analysis. These indexes, known as [Regional Price Parities](#) (RPP), compare the prices of goods and services in an area with the national average prices for the same goods and services. The latest available estimates are for 2022.

RPPs are available for three types of areas. The [RPPs for metropolitan areas](#) were used to adjust the incomes of households in metro areas identified in the ACS data. [RPPs for the metropolitan portions of a state](#) were used to adjust the incomes of households known to live in a metro area in that state but for whom the identity of the metro area was not known. Finally, RPPs for all nonmetro areas in a state were used to adjust the incomes of households located in nonmetro areas in that state.

Race, ethnicity, nativity, educational attainment and marital status

In our analyses, *White, Black and Asian Americans, American Indians or Alaska Natives, and Native Hawaiians or Pacific Islanders* are people who identified with a single major racial group

and who are not Hispanic. *Asian* includes people who identified with more than one Asian race or origin, e.g., Japanese and Filipino. *Native Hawaiians or Pacific Islanders* include people identifying with more than one Micronesian race. *Multiracial* includes people who identified with more than one major racial group, e.g., White and Black, Black and Korean, or Chinese and Hawaiian, and are not Hispanic. Hispanics are of any race.

U.S. born refers to individuals who are U.S. citizens at birth, including people born in the 50 U.S. states, the District of Columbia, Puerto Rico or other U.S. territories, as well as those born elsewhere to at least one parent who is a U.S. citizen. The terms *foreign born* and *immigrant* are used interchangeably in this report. They refer to people who are not U.S. citizens at birth.

High school graduate refers to those who have a high school diploma or its equivalent, such as a General Education Development (GED) certificate, and those who had completed 12th grade, but their diploma status was unclear (those who had finished 12th grade but not received a diploma are excluded). Adults with *some college* include those with an associate degree and those who attended college but did not obtain a degree. In the estimates for 1971, adults with a bachelor's degree or higher level of education are those who completed at least four years of college.

Unmarried includes never married, divorced, separated and widowed. *Married* includes those whose spouse may be absent.

Region of birth and ancestry

Region of birth is defined using traditional geographic boundaries as identified in the [IPUMS USA variable BPL](#). *North America and U.S. territories* includes the U.S., American Samoa, Guam, Puerto Rico and the U.S. Virgin Islands, Canada, and Atlantic Islands. *Central America and the Caribbean* includes Mexico, the rest of Central America and Caribbean islands. *South America* is all countries in South America, and *Europe* is all countries in Europe, including Russia. *Asia* is geographic Asia, including the Middle East, and *Africa* refers to all countries on that continent. *Oceania* encompasses Australia, New Zealand and various Pacific Islands.

Ancestry refers to a person's self-reported ancestry or ethnic origin and is based on the [IPUMS USA variable ANCESTR1](#). Respondents may provide more than one ancestry. We use the first-reported ancestry in our analysis. *North American* refers to U.S. or Canadian origins and American Indian and Alaska Native tribes. *Central and South American and other Hispanic ancestry* refers not only to places of origin, such as Mexico, Puerto Rico and Peru, but also to ethnic origins, such as Mexican American, Spaniard and Hispanic. *Caribbean* includes the West Indies and non-Hispanic Central and South America.

South Asian includes origin groups from Afghanistan, India and neighboring countries, except Burma. *Other Asian* encompasses groups from Burma to the countries on the Pacific rim of Asia. *Middle Eastern & North African* origin groups are from countries ranging from Morocco to Iran. *Sub-Saharan African* groups are from Africa, excluding countries in North Africa. *Pacific Islanders* trace their origin to Australia, New Zealand and Pacific Islands, including Hawaii. *Western European* and *Soviet or Eastern European* ancestries are defined along familiar geographic classifications of these regions, except that the latter category also includes Europeans not elsewhere classified in the source data.

Statistical significance

Comparisons between most estimates are tested for statistical significance using the replicate weights in the source data. These tests for statistical significance are conducted using 95% confidence intervals. However, replicate weights are not available in the CPS for years prior to 2005. Thus, when comparisons are made between CPS estimates from 1971 and 2023, or in other instances where replicate weights are not available, the standard errors are determined using the “pweight” option in Stata, and tests of significance are conducted using 99% confidence intervals.

© Pew Research Center 2024