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Dear Client:

The Austin area is undergoing a gradual cultural and demographic shift that has broad implications for the future – but not necessarily in the way you may be thinking.

The growth of the Hispanic demographic in the Austin metro has long been documented. It's important and will have a significant impact on how the area develops. But as we reported six weeks ago, **the increase in the Asian-American population in the metro is among the greatest percentage increase in the nation.** In fact, Austin is the only area in the Top Ten not located on either the East or West Coast. (Click on the "Archives" button at the top of this page to review the September 21st issue where we detailed this intriguing development).

How important is this to Austin's culture? Well, **Asian-Americans are the cultural opposite of the "slacker" demographic that contributed to Austin's laid-back reputation** in the last few decades. As an example, consider this summary of a massive study by the Pew Research Center released this summer:

"Asian-Americans are the **highest-income, best-educated** and fastest-growing racial group in the United States. They are **more satisfied than the general public with their lives, finances and the direction of the country**, and they place **more value than other Americans do on marriage, parenthood, hard work and career success.**"

"Asian-Americans have become the immigrant group that most embodies the American promise of success driven by will and resolve," wrote Lee Siegel in this past weekend's *The Wall Street Journal*. "They had risen to the top in the pursuit of the American dream," compared to other immigrant groups, Siegel continued.

While not massive in actual numbers in the 5-county Austin metro, **Asian-Americans have doubled their population in every official USCensus since 1990**, to reach a total of 82,000 in the 2010 census tally. Talk about a true trend.

For the purposes of demographic studies, Asian-Americans are defined as Chinese, Filipino, Indian, Vietnamese, Korean and Japanese. In Austin, Indians (29.9%) and Chinese (23.1%) are the largest groups. Check out the next item for **how this growing group of Central Texans may feel about politics**, involvement in the public spotlight, etc.

It may not be surprising that Asian-Americans are the fastest growing racial group in the US. But for the Austin metro to rank #10 in the nation in that growth is somewhat amazing. What are the implications of this surge in population in the heart of Texas?

Six of the Top Ten metros that saw the greatest percentage growth in Asian Americans are Asia-centric West Coast cities. The other three are New York, Boston and Philadelphia, as confirmed by the official 2010 USCensus. And rounding out the Top Ten is the 5-county Austin metro. While unusual, this does not appear to be an anomaly. **In fact, based on a steady 22-year Austin area growth trend, you can anticipate the influence of Asian-Americans to grow impressively.**

The logical question: **What does this “influence” look like?** The Pew Research Center’s massive national study is rich with information. For instance, the study says Asian-Americans vote mostly liberal. Author **Lee Siegel**, writing in this past weekend’s *The Wall Street Journal* says **“the fact that most Asian-Americans vote liberal might seem like a contradiction. After all, the GOP is the place where Asian-American values of family work and respect for authority thrive”** (see the previous item). So how does Siegel explain this?

“The Republican Party is still a **fairly monochrome entity, and one that is hardly as enthusiastic about immigration** – the precious origin of Asian-American existence – as the Democrats,” Siegel opined. While he didn’t mention it, the Top Ten cities for Asian-American growth during the past decade are all governed by a liberal-leaning, Democrat majority. Siegel also suggested that **“Asian-Americans are still in their infancy, politically speaking. Their alliances could change.”**

Some interesting stats from the study: Six in ten Asian-Americans say **American parents put too little pressure on their children to succeed in school** ... 49% of Asian-Americans age 25 or older hold a bachelor’s degree or more (28% all US, 31% whites) ... 69% of Asian-Americans believe that **hard work leads to success**, versus 58% of the general public ... the median household income of Asian-Americans was \$66,000 in 2010, compared to \$49,800 for the US and \$54,000 for whites.

What about involvement? Siegel says **“Asian-Americans have avoided allying themselves with unpopular social and political causes.”** He suggested this may have to do with being **“raised in cultures where authority has not been put in question** as it has in the United States.” He went on to add that **“Asian-Americans are more likely to do pro bono work as lawyers, or to serve in public clinics as doctors, than to appear behind a podium.”**

Obviously many of these conclusions are from a national perspective. But locally, you would be well-advised to keep this demographic/cultural trend uppermost, for now and the future.

According to comments from Hewlett-Packard's CEO, H-P will increase its presence in Austin in the next few years, saying her plan is to grow the company's footprint in the state.

Meg Whitman is charging full-steam-ahead in her multiyear effort to turn around the troubled computer giant. And to some extent, she is returning to a key element in Hewlett-Packard's past as she seeks to resurrect the Palo Alto California-based company: **a major presence in Texas.** You'll recall H-P acquired Compaq Computer in Houston in 2001, as those two companies were locked in a battle with Round Rock-based Dell Computer.

Whitman brings an interesting background to the task. **The 56-year-old executive was a super successful CEO of eBay.** She ran as the Republican nominee for governor of California, losing to Democrat **Jerry Brown** in 2010. Speaking of her H-P job: **"this is more work than running eBay, but less work than running for governor of California"** (she spent \$140 million of her own money in the losing campaign).

Part of her H-P turn-around plan involves the state of Texas and specifically, Austin. **"What I appreciate about Texas are the work ethic, the talent pool and the great universities,"** she told *The Dallas Morning News*.

Austin is currently the home of hp.com and many of the company's internal IT executives. She plans to expand that presence. **Whitman compared Austin to California's Silicon Valley and said a lot of University of Texas graduates never want to leave, which is why it's a good place to recruit.**

Speaking about Austin's technology industry, she told the *Dallas News*: **"I'm impressed by what's going on there."**

Houston and Dallas are also part of Whitman's expansion plans. But she has said that it could take five years to turn around Hewlett-Packard. In fact HP recently announced it would cut 29,000 jobs around the world, but Whitman also said **"my clear objective is to grow our footprint in Texas, not shrink it."**

Speaking of jobs, the Austin area's amazing run of creating jobs and filling them continues at a relentless pace, dropping to levels not seen in almost four years.

Despite a surge in population, **unemployment dropped to its lowest point since December 2008 in the latest totals.** This has got to have other cities and states around the nation shaking their heads in disbelief. But the numbers tell the story.

Quick example: **the unemployment levels in the 5-county Austin metro in September dipped to 5.3%.** This is a huge drop. It was 7.0% September a year ago. Impressive.

Many Texans – well, at least *some* – feel this weekend starting today (Friday) should be declared a holiday. After all, they argue, it is the opening weekend of the Texas deer hunting season. Here’s what those avid hunters can expect as they trek to their deer blinds.

Not only is this a highly-anticipated event for hunters, it is a **big economic weekend for counties in the Hill Country to the west of Austin where white-tailed deer abound.** Pickup trucks and camouflage gear will be in abundance in counties such as Llano and Burnet. The hunters will spend money on food, drink and supplies, for a nice little economic kick to the small towns in the region.

The Texas Parks and Wildlife Department (TPWD) predicts **Texas hunters should see deer in good condition and above average numbers of mature bucks.** “Despite the drought of 2011, deer appeared to come through the season in fair shape, which I think in part is a tribute to **hunters and landowners doing a better job of managing deer populations and the native habitat** across the state,” observed TPWD white-tailed deer program leader, **Alan Cain.**

The **abundant forage**, critical to help deer meet nutritional demands, will help bolster fawn production as well as antler quality, according to TPWD. **Late summer rains** should help bucks bulk up and insure good fat reserves to make it through the rigors of rut and improve overall survival this winter.

The only downside to the late summer rains is **deer may not readily come to feeders or food plots** early this fall so **hunters may have to change their strategies** to bag a deer during the first weekend or two of general season.

But the deer are there. Cain says “one thing is for sure, we are blessed with **the largest white-tailed deer herd in the nation, approximately 3.3 million deer,** and opportunity can be found in nearly every region of the state.”

Dr. Louis Overholster points out nothing is fool-proof to a sufficiently talented fool!

Sincerely



Editor/Publisher