

EXECUTIVE SUMMARY

Nearly 13 percent of the U.S. population, or 39.9 million people, were foreign born as of the 2010 Census. In the Atlanta Fed's district, which includes Alabama, Florida, Georgia, and parts of Louisiana, Mississippi, and Tennessee, it is as low as 2 percent in Mississippi and as high as 18.8 percent in Florida. Immigration shapes labor and housing markets, education systems, and more, and remains an important topic of discussion.

Examining these issues, Dowell Myers, professor in the University of Southern California's Sol Price School of Public Policy, spoke at the Atlanta Fed in February 2012. In a forum cohosted by the Bank and Georgia Tech's School of City and Regional Planning, Myers presented "The Great Immigration Turnaround: New Facts and Old Rhetoric."

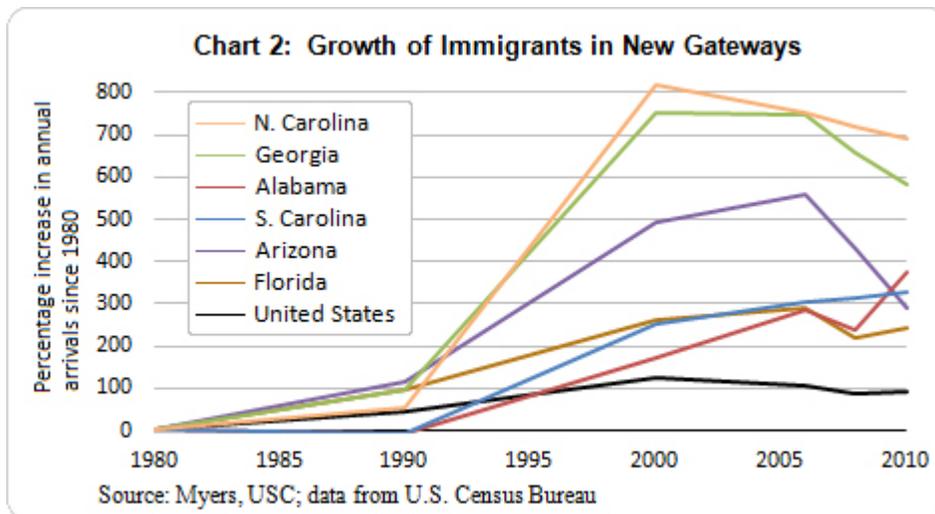
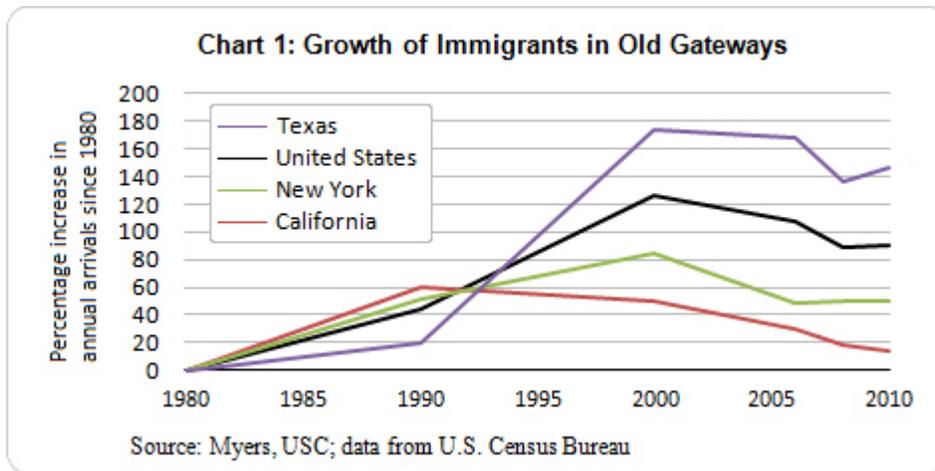
Myers debunked four immigration myths, which he explained were largely formed in the 1990s during the height of U.S. immigration. A lot has changed since then.

The four myths, as Myers described them, are:

- The number of immigrants is accelerating out of control.
- Immigrants are all newcomers.
- Immigrants are static—they don't change no matter how long they've been here.
- Immigrants are an unwanted burden, especially given the nation's fiscal problems.

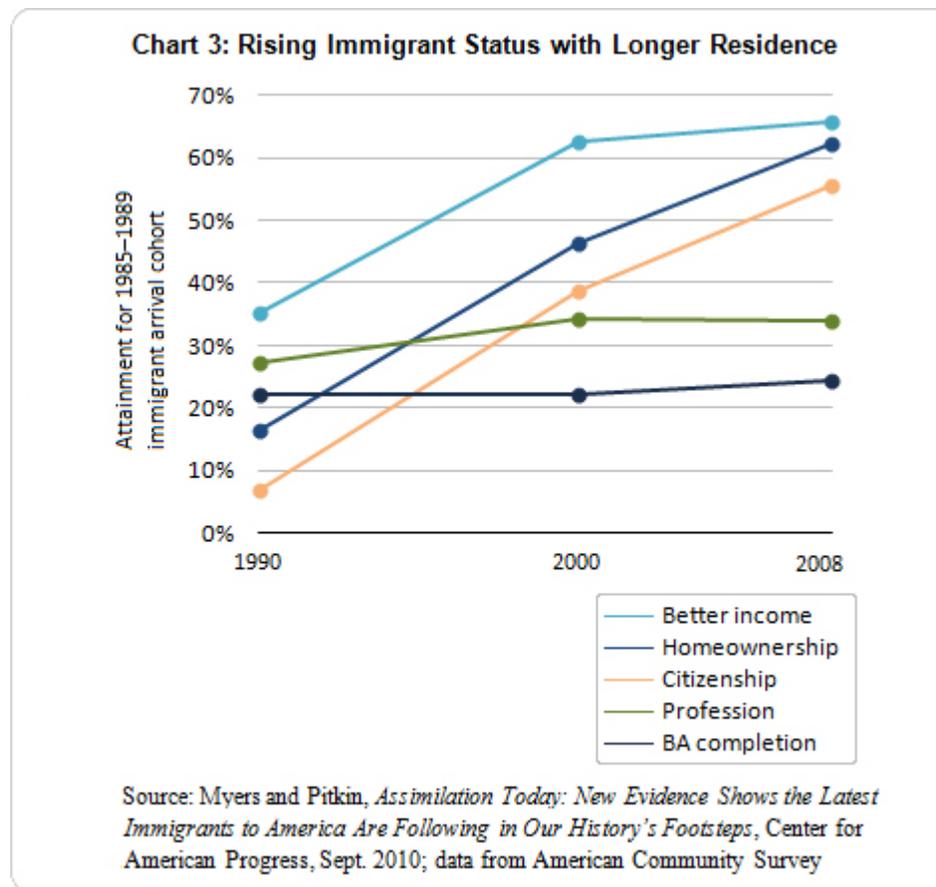
So, is immigration spiraling out of control? With a foreign-born population of 39.9 million, U.S. immigration is at a record high, Myers explained. But the rate of growth has slowed dramatically, falling from 57 percent growth in the 1990s to about 29 percent growth in the 2000s.

The so-called immigration gateways have also shifted. Historically California, New York, and Texas experienced a tremendous increase in immigrants, but California peaked in 1990 with about a 60 percent increase in annual arrivals (see chart 1). Newer gateways, like North Carolina, Georgia, and South Carolina, experienced annual increases in the number of immigrants ranging from about 700 percent in North Carolina to over 300 percent in South Carolina (see chart 2).



A large share of newcomers are settling in such states as the Carolinas, Arizona, and Florida. For example, more than half of South Carolina’s immigrant population arrived between 2000 and 2008, compared to just 20 percent in California—one of the old gateways. Differences in the share of newcomers affect attitudes about immigration, Myers explained, with new immigrants being characterized as a greater burden than immigrants who have been in the country for some time.

And as for the belief that immigrants are static—well, that’s not true either, he said. Indeed, immigrants who arrived from 1985–1989 show striking gains in income, homeownership, and citizenship. For example, homeownership for immigrants who arrived between 1985 and 1989 started at about 17 percent. Within less than 20 years, the homeownership rate for this cohort exceeded 60 percent, approaching the national homeownership rate (see chart 3). English proficiency rose, too, especially for those who arrived at a younger age.



Finally, as for the last myth—that immigrants are an unwanted burden—the opposite is true. The United States needs immigrants, Myers said, pointing to the impending retirement of millions of baby boomers. An increase in the senior ratio—the number of seniors (ages 65 and older) relative to the working-age population—will affect many pressing concerns such as Social Security and Medicare, workforce growth, and the housing market. Some businesses will have a hard time hiring workers to replace the retiring boomers. Myers estimated that immigrants can help reduce the rise in the senior ratio by 29 percent in 20 years and 47 percent in 40 years.

Immigration in Georgia

The forum also featured a presentation by Matt Hauer, who leads the Applied Demography Program at the University of Georgia. He discussed Georgia-specific immigration trends, noting that the state's fastest-growing counties have seen a rapid increase in Hispanic populations, including Forsyth, Paulding, and Henry counties. He also noted that the counties of Henry, Gwinnett, Fulton, and Cobb are the main Georgia gateways for Asian immigrants, with Henry experiencing a 1,700-plus percent change in its Asian population from 1990 to 2010. Hauer also pointed out that the Georgia Hispanic population grew by 96.1 percent from 2000 to 2010.

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Exploring the labor market dynamics, Hauer showed the top industries employing Hispanics. At the top of the list was construction, providing employment for 26 percent of Hispanics in Georgia, followed by restaurants at 9 percent, and landscaping at 3.5 percent.

Immigration trends raise important issues for effective community development—from financial services access to appropriate and affordable housing to workforce development and entrepreneurship. Myers and Hauer’s research provides useful information for financial institutions and community-based organizations to make decisions about existing and future services and programs.

Sponsor:

The Federal Reserve Bank of Atlanta’s Community and Economic Development Group and Georgia Tech’s School of City and Regional Planning

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Presentations of Myers and Hauer are available for download @ frbatlanta.org