



Immigration Vitalizes US as Native-born Population Ages

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President elect Donald Trump’s “Make America Great Again” campaign slogan was a not so thinly veiled advocacy for a far less diverse nation than exists today. Trump’s egregious treatment of women, negative stereotyping of non-white immigrants, and insensitive mocking of people with disabilities during the campaign made this evident. And his being embraced of by the Alt-Right Movement and ex-KKK Grand Dragon David Duke reinforced this view.

Rejecting our diversity is the wrong path to take if the U.S. is to remain globally competitive. Trump must now make the case for embracing our demographic diversity and help the country and Congress understand the strong demographic connection between population aging and international migration. At present, federal policy makers are unable or unwilling to recognize how synergistic policies affecting our aging Americans and global migrants will positively influence U.S. prosperity in the years ahead.

Most people recognize the U.S. population is aging as demonstrated in ongoing debates about the long-term viability of Social Security, Medicare and Medicaid. Yet political discourse about comprehensive immigration reform suggests most do not understand the link between an aging U.S. native-born population and immigration. We simply can't thrive and prosper in a global economy if we close our borders to new talent and fail to find a place for the 11.5 million unauthorized immigrants who are already live on our shores. Nor do they seem to understand, by extension, that if we are not globally competitive, we can't build the economy needed to sustain the social safety net programs that serve seniors and other vulnerable populations.

Several forces are driving the aging process and amplify the need for immigration reform.

First, U.S. fertility rates have declined sharply, especially among native-born, non-Hispanic white women over the past quarter century. The decline is related, in part, to the growing role of women in the paid workforce. Some women have responded to increased opportunities to work by delaying marriage and/or childbearing until they are well established in their careers. For others, career goals and aspirations have overshadowed marriage and/or childbearing altogether. Whatever the reason, the percentage of U.S. women between the ages of 40 and 44 choosing not to have children doubled between the mid-1970s and the mid-2000s.

As a consequence of this demographic dynamic, the non-Hispanic white total fertility rate – a statistical measure of the number of children a woman is likely to have – has fallen below the replacement level of 2.1 for almost two decades. In part for this reason, and despite the fact that aging boomers and pre-boomers are living longer, “deaths exceeded births among non-Hispanic white Americans for the first time in at least a century” during the year ending July 1, 2012.

Second, these two demographic forces – declining fertility and population aging – are threatening the future fiscal and economic viability of many U.S. communities, further fueling the necessity for immigration reform. Between 2010 and 2015, 21 percent of the nation's metropolitan areas (79) and 52 percent of the nation's 536 micropolitan areas (277) lost population. In nearly all of these communities, deaths exceeded births and internal migration was not sufficient enough to offset natural population loss. Bereft of mainstream employment opportunities, these communities are literally dying as young adults leave in search of opportunity.

The critical role that immigration can and will have to play in their revival is evident. An even larger number of U.S. metropolitan areas would have lost population were it not specifically for the influx of immigrants between 2010 and 2015. Immigrants are breathing new life into these communities, fostering population, economic and employment growth through their entrepreneurial acumen. Across the nation, immigrant newcomers were critical drivers of growth in almost all of the metropolitan areas and micropolitan areas that gained population between 2010 and 2015.

Third and perhaps most importantly, given the aging of our native-born population, we must recognize that immigration is highly selective of young people, who are much more likely to move. There is, for example, a 15-year differential between the median age of native born non-Hispanic whites (42) and Hispanic immigrants (27) in the U.S. Taking this age differential into account, it is a strategic imperative for our nation to move beyond our preoccupation with fiscal

impacts – the short-term costs and benefits associated with immigrants – and focus instead on the broader and longer term economic impacts of immigration.

Even if the short-term fiscal impacts are negative, these costs are often offset or overshadowed by the direct and indirect impacts of immigrant consumer spending in local communities. Our studies of the economic impact of immigrants in North Carolina and Arkansas before and during the Great Recession revealed, for example, that these two states received in return for every dollar invested in K-12 education, health care and corrections between \$6 (AR during the recession) and \$10 or \$11 (North Carolina and Arkansas, respectively, prior to the recession) in business revenue and taxes from their immigrant populations. Moreover, through their consumer expenditures, the immigrant newcomers were responsible for the creation of 171,000 spinoff jobs in North Carolina and 36,100 in Arkansas.

Immigration-driven population diversity has added substantial economic value in our aging U.S. society. If we become more draconian in our treatment of immigrants, the negative economic impact will be substantial and very difficult, if not impossible, for our nation to overcome.

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