
Growth Through Diversity: The Potential of Immigration in St. Louis County, Missouri

Policy Brief: Immigration

Immigration and Growth

The population of the United States grew nearly 10 percent between 2000 and 2010 to 308.7 million. This growth was largely spurred by immigrants and their children. As birth rates in the U.S. have steadily declined since the 1960s, increases in immigration have helped keep the population growing. Perhaps most striking is the



growth of the Hispanic population, with 50 million Hispanics making up nearly one in six U.S. residents. Between 2000 and 2010, the number of Hispanics increased by at least 50 percent in two-thirds of U.S. counties. The number of Asians in the U.S. also increased and exceeded the increase in African Americans. Over the last decade, immigration was not only the driver of growth, but of ethnic and racial diversity in the U.S.

Recent studies, both national and local, have also shown that there is a strong correlation between immigration and economic growth. Some of the most economically and culturally robust regions in the U.S. have growing immigrant populations. Conversely, a low attraction rate of immigrants to a region could explain poor economic performance. These studies show that immigrants help expand a region's labor force, contribute to entrepreneurship and new business growth, and create a multiplier effect on the economy by spending their money locally.

Population Loss in St. Louis County

Unlike the nation, St. Louis County lost population for the first time between 2000 and 2010, a decrease of 1.7 percent (17,346 people) to bring the County's population to just less than one million. The two components of population change that help explain St. Louis County's loss are natural increase and net migration. Natural increase is defined as births minus deaths. Net migration is the number of people that moved in to St. Louis County, including immigrants, versus the number that moved out of St. Louis County. St. Louis County had 26,047 more births than deaths from 2000 to 2009; however, it experienced an estimated loss of 49,940 in net migration, for a total loss of 23,893. Table 1 indicates that St. Louis County's net migration has been negative for the last forty years.

This policy brief is one of a series produced by the St. Louis County Department of Planning as part of the 2012 Strategic Plan. This brief summarizes current research, data, and trends and is intended to provoke questions and promote strategic thinking on relevant policy and service delivery.

Table 1: Components of Population Change by Decade, St. Louis County, 1950-2009

Decade	Natural Increase	Net Migration	Total Change
1950-1959	95,681	+205,502	+301,183
1960-1969	96,552	+147,587	+244,139
1970-1979	60,058	-37,515	+22,543
1980-1989	56,081	-36,448	+19,633
1990-1999	44,296	-21,489	+22,807
2000-2009	26,047	-49,940	-23,893

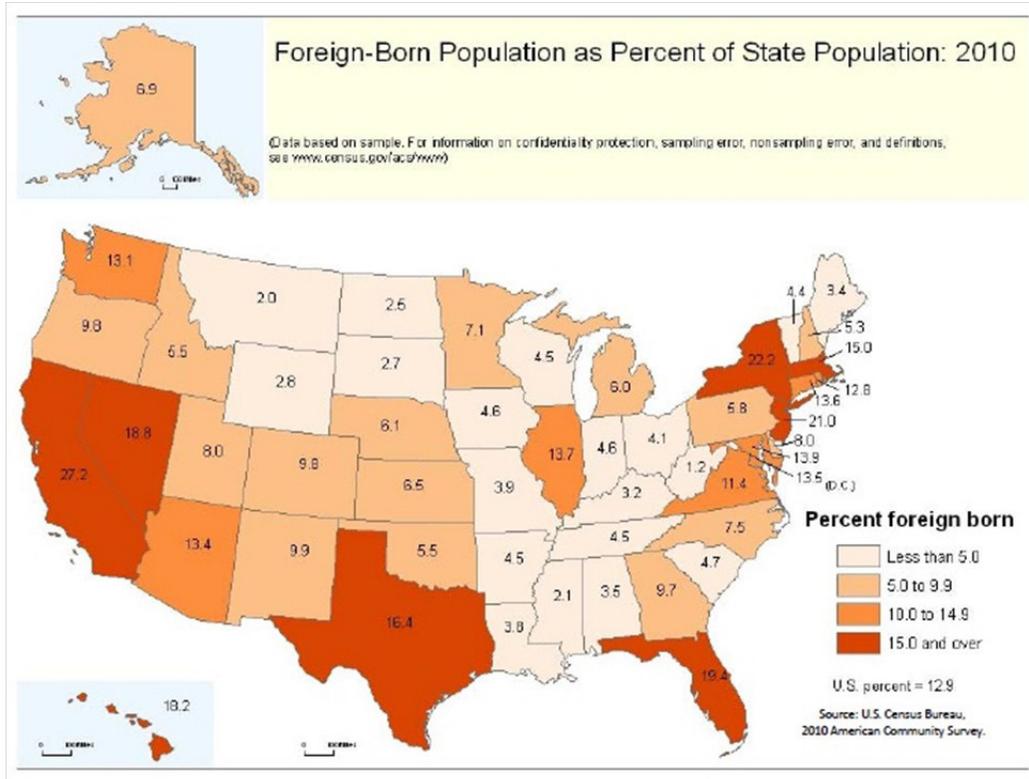
Sources: U.S. Bureau of the Census; Missouri Department of Health and Senior Services; Missouri Information for Community Assessment (MICA); Missouri Census Data Center

A reversal in St. Louis County’s population decline would require a higher natural increase, more migration to St. Louis County, or a combination of those factors. Although the increase in immigrants has slowed in the last two years, the issue of immigration in the St. Louis region should be given serious attention as a potential driver of growth.

Immigration Trends

Across the United States

The U.S. Census definition of foreign born is “anyone who was not a U.S. citizen at birth, including those who have become U. S. citizens through naturalization.” The terms immigrant and foreign-born are used interchangeably here. According to a recent U.S. Census Bureau study

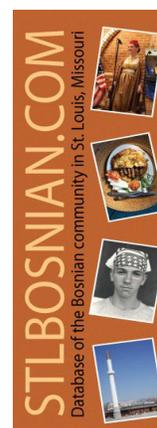


using 2010 American Community Survey 1-year estimates, 53 percent of the U.S. foreign-born population is from Latin American and the Caribbean. From that region, the largest group of the foreign-born population was born in Mexico (29 percent). The next largest groups of the U.S. foreign-born population come from Asia (28 percent), Europe (12 percent), and Africa (4 percent) (Grieco, et. al.; 2011).

This same U. S. Census Bureau study found that over half of the foreign-born population in 2010 lived in four states: California, New York, Texas, and Florida. Similarly, these states rank the highest in the percentage of their populations that are foreign-born. The percentage of the population in Missouri that is foreign-born is 3.9 percent, or 39th among all of the states, at 232,537 individuals.

In the St. Louis Region

American Community Survey 1-year estimates (2010) show that the St. Louis metropolitan area has 126,513 persons who are foreign-born, including 70,719 foreign-born persons in St. Louis County and 23,011 foreign-born persons in the City of St. Louis. Together St. Louis County (56 percent) and St. Louis City (18 percent) account for almost 75 percent of the metropolitan area's foreign-born population. The places of origin of St. Louis County's immigrant population are strikingly different from the national trend, with a higher share of Asian and much smaller share of Hispanics. Of the 70,719 immigrants in St. Louis County, 43 percent are from Asia, 33 percent from Europe, 16 percent from Latin America, and the remaining 8 percent of the population coming from Africa, Oceania, and North America.



Regionally, the foreign-born population in St. Louis is highly educated, in predominately white-collar professions, with higher than average incomes. Many foreign born workers in the St. Louis region are well represented in what is known as STEM professions – science, technology, engineering, and mathematics. Employers like Monsanto, the Danforth Plant Science Center, and Washington University are examples of places with significant shares of foreign-born employees.

Over the last two decades the St. Louis area has experienced immigration. Starting in the early 1990s, the International Institute of St. Louis began working to resettle Bosnian refugees in the City of St. Louis. Because of the area's affordability and the capacity of the International Institute, Bosnian families started to settle in St. Louis. Additional Bosnian families, who were settled in other communities throughout the United States, also began to move to St. Louis, attracted by the growing concentration of Bosnians. Originally, Bosnians settled in the south area of the City of St. Louis, and subsequently migrated to St. Louis County and other parts of the region. Because the U.S. census does not specifically track Bosnians, population estimates vary widely, but are believed to number 60,000-70,000 in the region.

Immigration as a Means of Economic Growth

Immigration provides economic growth to regions. A report prepared by the Fiscal Policy Institute, an independent, nonprofit research agency, shows that from 1990 to 2006, regions with the fastest economic growth also experienced the greatest increase in immigration (Hernandez-Murillo and Martinek, 2009). An analysis of Census data and 2005-2007 American Community Survey data shows that metropolitan areas with the highest economic

output also had largest growth in the immigrant share of their workforce. Table 2 shows that Dallas, Phoenix, and Houston experienced the largest growth in immigrant share of their workforce between 1990 and 2006, and also experienced some of the largest amounts of economic growth during that period.

The St. Louis metropolitan area experienced a much smaller increase in the percentage of immigrants in the labor force, and consequently, experienced a smaller percentage of economic growth between 1990 and 2005-2007, ranking 20th of 25 metropolitan areas.

Table 2: Immigrant Share of Labor Force and Metropolitan Area Economic Growth, 1990 to 2005-2007 in the 25 Largest Metropolitan Areas

METROPOLITAN AREA	Immigrant share of labor force 1990	Immigrant share of labor force 2005-07	Percentage point change in share of immigrants in labor force 1990 to 2005-07	Economic growth of metro area 1990 to 2005-07	Growth in earnings per worker 1990 to 2005-07
PHOENIX	8.1%	20.5%	12.4	126%	27%
DENVER	5.2%	14.4%	9.1	87%	28%
ATLANTA	4.6%	16.4%	11.9	84%	21%
TAMPA	7.1%	14.7%	7.6	78%	31%
PORTLAND	6.6%	14.1%	7.5	76%	23%
DALLAS	9.8%	22.4%	12.6	73%	19%
RIVERSIDE	17.8%	29.1%	11.4	71%	9%
HOUSTON	14.8%	27.1%	12.3	69%	20%
SEATTLE	8.2%	17.2%	9.0	66%	29%
WASHINGTON	14.3%	25.1%	10.8	65%	32%
MIAMI	34.3%	45.4%	11.0	61%	22%
MINNEAPOLIS	3.2%	10.1%	6.9	57%	27%
SAN DIEGO	20.0%	27.9%	7.9	54%	31%
SAN FRANCISCO	23.6%	34.8%	11.2	47%	33%
CINCINNATI	2.1%	4.4%	2.3	45%	19%
BOSTON	10.9%	18.7%	7.8	43%	30%
BALTIMORE	4.3%	9.3%	5.0	41%	27%
CHICAGO	13.6%	22.1%	8.5	40%	21%
NEW YORK	23.7%	35.3%	11.6	35%	24%
ST. LOUIS	2.1%	4.7%	2.6	34%	19%
PHILADELPHIA	5.3%	10.5%	5.2	33%	20%
LOS ANGELES	35.6%	43.6%	7.9	25%	15%
CLEVELAND	4.9%	6.1%	1.3	23%	13%
PITTSBURGH	2.1%	3.1%	1.1	19%	22%
DETROIT	5.5%	9.9%	4.4	18%	12%
25 METRO AREAS	15.9%	24.4%	8.6	47%	22%
UNITED STATES	9.3%	15.4%	6.1	48%	22%

Source: Fiscal Policy Institute, 2009

A robust foreign-born workforce, of low and high skilled workers, can greatly contribute to a metropolitan area's economy. A 2009 Fiscal Policy Report shows that immigrants with similar skills to the native population tend to have different employment preferences and fill different jobs, rather than compete for the same positions. Additional immigration, therefore, helps to reduce unemployment, rather than increase unemployment. The report also finds that aside from some low skilled jobs, immigrants also earn about the same wages as native-born workers (Hernandez-Murillo and Martinek, 2009).

A more recent study of the St. Louis region reinforces the strong correlation between immigration and economic growth. In *The Economic Impact of Immigration on St. Louis*, published in April 2012, Dr. Jack Strauss of St. Louis University asserts that “the region’s relative scarcity of immigrants largely explains our poor economic growth ...” He notes that other metropolitan regions in the top twenty average four to five times the number of foreign born population than St. Louis and have experienced 40 percent faster economic growth in the last ten years. He further demonstrates that larger inflows of immigrants into the St. Louis region would improve job and income growth, raise wages, reduce unemployment, and boost the housing market. He concludes that if the St. Louis region wants to thrive in the future, it must find effective strategies that attract and embrace immigrants.

Future Community and Economic Vitality

St. Louis County reached its peak population in 2000 with just over one million residents. But the 2010 census showed that St. Louis County could not sustain its decades of growth, which had been steady from 1900 to 1970, but had slowed considerably over the past forty years. This population decline was not unexpected, with St. Louis County’s land developed, its Baby Boomer residents aging, and the steady trickle of more people moving out of the county than moving in over the past four decades. If conditions stay the same, it is expected that the trend of population loss, although slow, will continue. Consequently, this issue of how to attract and retain people in St. Louis County is critically important.

Without population growth, communities are faced with decreasing tax dollars, shrinking neighborhoods, weak housing markets, loss of political representation and diminished prestige, whether real or perceived. But what attracts people to places? Certainly, attracting and retaining people is strongly entwined with attracting and retaining jobs. Quality education, healthy neighborhoods, good services, and local amenities and attractions are all factors, as well. Now, some places are adding their “welcoming attitudes and policies” towards immigrants to the list of what makes their community attractive. Across the country, in cities like Baltimore, Dayton, and Boise, local leaders are redefining policies towards immigrants in hope of improving community and economic vitality.

In June, 2012, St. Louis joined the list of communities that recognize how vital immigration is to economic well-being. In a regional effort, St. Louis County, the City of St. Louis, and the St. Louis Regional Chamber & Growth Association announced the formation of an 18-member Immigration and Innovation Steering Committee of civic, business, education, and economic development leaders to assess and recommend ways to attract, support, and retain new citizens to the St. Louis region. The Steering Committee is augmented by a broad community-based Advisory Committee. The important work of the St. Louis Regional Immigration and Innovation Steering Committee is expected to be completed in June of 2013. Putting the issue of immigration and innovation on the St. Louis regional agenda is an important forward-looking approach to long-term economic health.

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