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STRENGTH IN DIVERSITY: The Economic and Political Clout of Immigrants, Latinos, and Asians

Independence Day is a good time to take stock of the demographic diversity that has long been a principal strength of the U.S. economy and civil society. Immigrants, Latinos, and Asians play critical economic roles as workers, entrepreneurs, and consumers. As a result, they will be crucial players in the nation's efforts to recover from the current recession. Moreover, the immigrant, Latino, and Asian communities are key voting blocs that successful politicians cannot afford to ignore, particularly in close elections.

Immigrants, Latinos, and Asians Are Large and Growing Shares of the U.S. Population

- The foreign-born share of the U.S. population rose from 7.9% in [1990](#), to 11.1% in [2000](#), to 12.6% in [2007](#), according to the U.S. Census Bureau.¹
 - Nearly one-third (30.9%) of the [foreign-born population](#) came from Mexico as of 2007, while nearly one-quarter (23.6%) came from the countries of South and East Asia—followed by nations of the Caribbean (8.9%), Central America (7.1%), South America (6.8%), and the Middle East (3.5%).²
 - Approximately 36% of the foreign-born are naturalized U.S. citizens, 31% are Legal Permanent Residents, 30% are unauthorized, and 4% are legal temporary migrants.³
 - There were 4 million native-born, U.S.-citizen children with at least one parent who was an unauthorized immigrant in 2008, according to the [Pew Hispanic Center](#). Roughly 3.8 million unauthorized immigrants are parents of native-born, U.S.-citizen children.⁴
- The Latino share of the U.S. population grew from 9% in [1990](#), to 12.5% in [2000](#), to 15.1% in [2007](#). The Asian share of the population grew from 2.8% in [1990](#), to 3.6% in [2000](#), to 4.4% in [2007](#), according to the U.S. Census Bureau.⁵
 - Roughly 22% of all children in the United States in 2007 were Latino, according to the [Pew Hispanic Center](#).⁶
 - More than half (52%) of the 16 million Latino children in the United States have at least one foreign-born parent, while 11% are themselves immigrants.⁷

Immigrants are an integral part of the U.S. labor force.

- The foreign-born comprised 15.6% of the U.S. civilian labor force age 16 and over in 2008, according to the [Bureau of Labor Statistics](#).⁸

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- [Foreign-born workers](#) account for roughly 40% of workers in “farming, fishing, and forestry”; 30% in “building and grounds cleaning and maintenance”; 24% in the “construction trades”; 22% in “production” occupations (such as metal and textile workers); 21% in “computer and mathematics” occupations; and 19% in “food preparation and serving.”⁹
- Immigrants accounted for 49% of labor-force growth between 1995 and 2005, according to the [Pew Hispanic Center](#).¹⁰

Immigrants increase the nation’s economic output.

- A [2007 report](#) from the White House Council of Economic Advisers concluded that immigration as a whole increases the U.S. Gross Domestic Product (GDP) by roughly \$37 billion each year because immigrants increase the size of the total labor force, complement the native-born workforce in terms of skills and education, and stimulate capital investment by adding workers to the labor pool.¹¹

Most native-born workers have experienced wage gains from immigration.

- The roughly 90% of native-born workers with at least a high-school diploma experienced wage gains because of immigration between 1990 and 2004, ranging from 0.7% to 3.4% depending on their level of education, according to a [2006 study](#) by Giovanni Peri, Associate Professor of Economics at the University of California-Davis.¹²
- Immigrants do not compete with the majority of natives for the same jobs because they tend to have different levels of education and to work in different occupations. As a result, immigrants usually “complement” the native-born workforce—which increases the productivity, and therefore the wages, of natives.¹³

The purchasing power of Latino and Asian consumers totaled \$1.5 trillion in 2008.

- Together, Latinos and Asians accounted for nearly 14% of the nation’s total purchasing power, according to the [Selig Center for Economic Growth](#) at the University of Georgia.¹⁴
 - The purchasing power of Latinos totaled \$951 billion in 2008 (an increase of 348.9% since 1990), and is projected to reach \$1.4 trillion by 2013.¹⁵
 - The purchasing power of Asians totaled \$509.1 billion in 2008 (an increase of 337.1% since 1990), and is projected to reach \$752.3 billion by 2013.¹⁶

Latino and Asian businesses had sales of \$549 billion and employed 3.7 million workers in 2002.

- Together, businesses owned by Latinos and Asians comprised nearly 12% of all U.S. businesses, according to the U.S. Census Bureau’s 2002 Survey of Business Owners.
 - The nation’s 1.6 million [Latino-owned](#) businesses had sales and receipts of \$221.9 billion and employed 1.5 million people in 2002 (the last year for which data is available).¹⁷
 - The nation’s 1.1 million [Asian-owned](#) businesses had sales and receipts of \$326.7 billion and employed 2.2 million people in 2002.¹⁸

Immigrants, Latinos, and Asians Are Large and Growing Shares of the U.S. Electorate

- Latinos comprised 7.4% of voters in the November 2008 elections, and Asians 2.5%, according to an analysis of Census data by the [Pew Research Center](#).¹⁹
- 8.6% of all registered voters in 2006 were “New Americans”—naturalized citizens or the U.S.-born children of immigrants who were raised during the current era of immigration from Latin America and Asia which began in 1965—according to an analysis of Census Bureau data by [Rob Paral & Associates](#).²⁰
 - 7.6 million naturalized citizens accounted for 5.6% of registered voters, while 4.1 million “post-1965” children of immigrants accounted for another 3% of registered voters.²¹

Endnotes

¹ 1990 & 2000 Census; 2007 American Community Survey.

² Pew Hispanic Center, [Statistical Portrait of the Foreign-Born Population in the United States, 2007](#) (Washington DC: March 5, 2009), Table 5.

³ Jeffrey S. Passel and D’Vera Cohn, [A Portrait of Unauthorized Immigrants in the United States](#) (Washington DC: Pew Hispanic Center, April 14, 2009), p. 3.

⁴ Jeffrey S. Passel and D’Vera Cohn, [A Portrait of Unauthorized Immigrants in the United States](#) (Washington DC: Pew Hispanic Center, April 14, 2009), pp. 7-8.

⁵ 1990 & 2000 Census; 2007 American Community Survey.

⁶ Richard Fry and Jeffrey S. Passel, [Latino Children: A Majority Are U.S.-Born Offspring of Immigrants](#) (Washington DC: Pew Hispanic Center, May 28, 2009), p. 1.

⁷ Richard Fry and Jeffrey S. Passel, [Latino Children: A Majority Are U.S.-Born Offspring of Immigrants](#) (Washington DC: Pew Hispanic Center, May 28, 2009), p. 1.

⁸ U.S. Bureau of Labor Statistics, “[Foreign-Born Workers: Labor Force Characteristics in 2008](#),” March 26, 2009.

⁹ Pew Hispanic Center, [Statistical Portrait of the Foreign-Born Population in the United States, 2007](#) (Washington DC: March 5, 2009).

¹⁰ Rakesh Kochhar, [1995–2005: Foreign-Born Latinos Make Progress on Wages](#) (Washington, DC: Pew Hispanic Center, August 21, 2007), p. 18.

¹¹ White House Council of Economic Advisers, [Immigration’s Economic Impact](#), June 20, 2007, p. 3.

¹² Giovanni Peri, [Rethinking the Effects of Immigration on Wages: New Data and Analysis from 1990-2004](#) (Washington, DC: Immigration Policy Center, American Immigration Law Foundation, October 2008), p. 5.

¹³ Giovanni Peri, [Rethinking the Effects of Immigration on Wages: New Data and Analysis from 1990-2004](#) (Washington, DC: Immigration Policy Center, American Immigration Law Foundation, October 2008), p. 5.

¹⁴ Jeffrey M. Humphreys, “[The multicultural economy 2008](#),” *Georgia Business and Economic Conditions* vol. 68, no. 3, Third Quarter 2008.

¹⁵ Jeffrey M. Humphreys, “[The multicultural economy 2008](#),” *Georgia Business and Economic Conditions* vol. 68, no. 3, Third Quarter 2008.

¹⁶ Jeffrey M. Humphreys, “[The multicultural economy 2008](#),” *Georgia Business and Economic Conditions* vol. 68, no. 3, Third Quarter 2008.

¹⁷ U.S. Census Bureau, [Hispanic-Owned Firms: 2002](#), August 2006, p. 1.

¹⁸ U.S. Census Bureau, [Asian-Owned Firms: 2002](#), August 2006, p. 1.

¹⁹ Mark Hugo Lopez and Paul Taylor, [Dissecting the 2008 Electorate: Most Diverse in U.S. History](#) (Washington, DC: Pew Research Center, April 30, 2009).

²⁰ Rob Paral & Associates, [The New American Electorate: The Growing Political Power of Immigrants and Their Children](#) (Washington, DC: Immigration Policy Center, American Immigration Law Foundation, October 2008).

²¹ Rob Paral & Associates, [The New American Electorate: The Growing Political Power of Immigrants and Their Children](#) (Washington, DC: Immigration Policy Center, American Immigration Law Foundation, October 2008).