

# California's Immigrants Turn the Corner

UNIVERSITY OF SOUTHERN CALIFORNIA  
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# CALIFORNIA'S IMMIGRANTS TURN THE CORNER

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## URBAN INITIATIVE POLICY BRIEF

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For the first time in 30 years, the census has brought news that California's fortunes may be turning—and these changes have, surprisingly, gone unreported. Not only have the sharp increases in immigration of the past few decades leveled off, but fewer immigrants come to California at or below the poverty line and overall levels of impoverishment amongst the foreign-born in the state have also dropped. Taken as a whole, these trends indicate a gradual but historic turnaround in the state that bodes well for future improvements in the welfare of its residents.

Because each census was conducted near the high point of an economic cycle, the changes from decade to decade highlight secular trends, not annual fluctuations related to recession and expansion. Using the once-a-decade checkup provided by the censuses of 1970, 1980, 1990, and 2000, we compare long-term trends for major subgroups in California with results for other states and then offer an analysis and outlook for the future.

## A SIGNIFICANT TURNAROUND OF TRENDS

**California's share of the nation's new immigrants turned sharply downward in 2000.** The 1970 census showed 23.3% of immigrant arrivals residing in California. That rate grew to 32.4% in 1980 and 37.6% in 1990 (Exhibit 1). Since California accounted for only 12.0% of the nation's total population in 1990, this new immigrant attraction rate amounted to more than a triple-share of the new arrivals.

However, by the 2000 census, only 24.8% of the nation's new arrivals called California home. This attraction was only two-thirds as great as in 1990, a decline of 13 percentage points. Instead, new immigrants were spreading out across America. Exhibit 2 shows the growth of attraction rates in 34 different states between 1990 and 2000 and California's loss in attraction was six times greater than the only other state with a noticeable decline—New York at -1.9. Conversely, no state sustained an increased

### Exhibit 1:

#### THE CALIFORNIA IMMIGRANT TURNAROUND, 1970 TO 2000 HIGHLIGHT OF MAJOR TRENDS

	1970	1980	1990	2000
Attraction Rate (California's share of new immigrants to the U.S.)	23.3%	32.4%	37.6%	24.8%
Poverty Rate for New Immigrants in California	17.7%	24.7%	27.5%	26.2%
Immigrant Share of California's Total Population	9.2%	15.1%	21.7%	26.2%
New Arrivals Share of California Population	3.6%	7.6%	10.9%	9.7%
Settled Immigrants Share of California Population	5.6%	7.5%	10.8%	16.5%
Poverty Rate for Total Foreign Born in California	14.8%	17.6%	19.8%	19.1%

*Source: Summary File 3 and Public Use Microdata Samples (PUMS) 5% data for various years*

*Note: "New immigrants," or "new arrivals," arrived in the U.S. within the 10 years preceding the census date. "Settled immigrants" are those who have resided in the U.S. for more than 10 years.*

## Exhibit 2:

## NEW IMMIGRANT ARRIVAL ATTRACTION RATES FOR 50 STATES AND DC, 1990 AND 2000

	State Share of U.S. New Arrivals			State Share of U.S. New Arrivals			
	1990	2000	change	1990	2000	change	
Alabama	0.2%	0.4%	0.1%	Montana	0.0%	0.0%	0.0%
Alaska	0.1%	0.1%	0.0%	Nebraska	0.1%	0.3%	0.2%
Arizona	1.4%	2.4%	1.1%	Nevada	0.6%	1.1%	0.5%
Arkansas	0.1%	0.3%	0.2%	New Hampshire	0.1%	0.2%	0.0%
California	37.6%	24.8%	-12.8%	New Jersey	4.4%	4.7%	0.2%
Colorado	0.7%	1.5%	0.9%	New Mexico	0.4%	0.4%	0.1%
Connecticut	1.0%	1.1%	0.1%	New York	13.7%	11.8%	-1.9%
Delaware	0.1%	0.2%	0.1%	North Carolina	0.6%	2.0%	1.4%
District of Columbia	0.4%	0.3%	-0.1%	North Dakota	0.0%	0.0%	0.0%
Florida	7.6%	7.8%	0.2%	Ohio	0.8%	1.1%	0.3%
Georgia	1.0%	2.6%	1.6%	Oklahoma	0.3%	0.5%	0.2%
Hawaii	0.8%	0.5%	-0.2%	Oregon	0.7%	1.1%	0.4%
Idaho	0.2%	0.2%	0.1%	Pennsylvania	1.3%	1.6%	0.2%
Illinois	4.3%	5.2%	0.9%	Rhode Island	0.4%	0.3%	-0.1%
Indiana	0.4%	0.7%	0.4%	South Carolina	0.2%	0.5%	0.3%
Iowa	0.2%	0.4%	0.2%	South Dakota	0.0%	0.1%	0.0%
Kansas	0.4%	0.6%	0.2%	Tennessee	0.3%	0.7%	0.4%
Kentucky	0.2%	0.4%	0.2%	Texas	8.3%	10.1%	1.9%
Louisiana	0.4%	0.3%	-0.1%	Utah	0.3%	0.7%	0.4%
Maine	0.1%	0.1%	0.0%	Vermont	0.0%	0.1%	0.0%
Maryland	1.7%	1.7%	0.0%	Virginia	1.8%	2.0%	0.2%
Massachusetts	2.6%	2.4%	-0.2%	Washington	1.5%	2.2%	0.7%
Michigan	1.1%	1.8%	0.7%	West Virginia	0.0%	0.1%	0.0%
Minnesota	0.6%	1.1%	0.5%	Wisconsin	0.5%	0.7%	0.2%
Mississippi	0.1%	0.2%	0.1%	Wyoming	0.0%	0.0%	0.0%
Missouri	0.3%	0.6%	0.3%	US total	100.0%	100.0%	0.0%

Source: 2000 Summary File 3 and 1990 Summary Tape File 3 (STF 3) - Sample data

attraction rate that absorbed even one-sixth of California's decline, the largest gains being found in Texas (1.9), Georgia (1.6), and North Carolina (1.4).

**The rise of California's new immigrant population reversed in 2000.** In 1970, 3.6% of California residents were new arrivals. That share grew steadily to 7.6% in 1980 and by 1990, 10.9% or an extraordinary one out of nine California residents, were new immigrants. But by 2000, the new immigrant share of the total state population subsided to 9.7%, the first decline since 1970 or earlier. Immigrants were still arriving in large numbers, but their numbers were balanced by increases in the total California population, including earlier immigrant arrivals. A comparison with the other 49 states shows that California is alone in experienc-

ing this decline in the share of the state's population that is comprised of newcomers (Exhibit 3).

California's immigrant population is steadily maturing with longer residence. While the settled share of the state's population in 1990 was 10.8%—almost identical to its share of new arrivals—by 2000 the settled share had surged ahead to 16.5% (Exhibit 1). Because recent immigrant arrivals (i.e., those who entered the U.S. since the previous census) are less settled and have higher poverty rates than those who arrived earlier, this is especially significant.

## Exhibit 3:

## SHARE OF EACH STATE'S POPULATION THAT ARE NEW IMMIGRANT ARRIVALS, 1990 AND 2000

	New Arrival Share of State Population				New Arrival Share of State Population		
	1990	2000	change		1990	2000	change
Alabama	0.4%	1.0%	0.6%	Montana	0.4%	0.5%	0.1%
Alaska	2.0%	2.4%	0.4%	Nebraska	0.7%	2.5%	1.9%
Arizona	3.2%	6.2%	3.0%	Nevada	4.0%	7.0%	3.0%
Arkansas	0.4%	1.5%	1.1%	New Hampshire	0.9%	1.6%	0.7%
California	10.9%	9.7%	-1.3%	New Jersey	5.0%	7.3%	2.3%
Colorado	1.7%	4.7%	2.9%	New Mexico	2.1%	3.2%	1.2%
Connecticut	2.7%	4.2%	1.5%	New York	6.6%	8.2%	1.6%
Delaware	1.1%	2.7%	1.6%	North Carolina	0.8%	3.3%	2.5%
District of Columbia	5.6%	6.6%	1.0%	North Dakota	0.5%	1.0%	0.5%
Florida	5.1%	6.4%	1.3%	Ohio	0.7%	1.3%	0.6%
Georgia	1.4%	4.2%	2.8%	Oklahoma	0.9%	2.0%	1.1%
Hawaii	6.0%	6.0%	0.0%	Oregon	2.1%	4.2%	2.1%
Idaho	1.3%	2.4%	1.1%	Pennsylvania	1.0%	1.7%	0.7%
Illinois	3.2%	5.5%	2.3%	Rhode Island	3.5%	4.0%	0.5%
Indiana	0.6%	1.6%	1.1%	South Carolina	0.5%	1.5%	1.0%
Iowa	0.7%	1.8%	1.1%	South Dakota	0.4%	1.0%	0.6%
Kansas	1.2%	2.8%	1.5%	Tennessee	0.5%	1.6%	1.1%
Kentucky	0.4%	1.2%	0.8%	Texas	4.2%	6.4%	2.2%
Louisiana	0.8%	1.0%	0.1%	Utah	1.5%	4.1%	2.6%
Maine	0.6%	0.8%	0.2%	Vermont	0.6%	1.3%	0.7%
Maryland	3.1%	4.3%	1.2%	Virginia	2.6%	3.8%	1.2%
Massachusetts	3.7%	4.9%	1.2%	Washington	2.6%	4.9%	2.2%
Michigan	1.0%	2.4%	1.4%	West Virginia	0.2%	0.4%	0.1%
Minnesota	1.2%	2.9%	1.7%	Wisconsin	0.8%	1.7%	0.9%
Mississippi	0.3%	0.7%	0.4%	Wyoming	0.5%	0.9%	0.3%
Missouri	0.6%	1.4%	0.8%				

Source: 2000 Summary File 3 and 1990 Summary Tape File 3 (STF 3) - Sample data

**New immigrants arrived with lower levels of poverty for the first time since 1970.** Poverty amongst recent immigrants grew from 17.7% in 1970 to 24.7% in 1980 and 27.5% in 1990 (Exhibit 1). However, by 2000, that rate had declined to 26.2%.

The total poverty of California's foreign born population also turned downward in 2000, after three decades of increases. The 1970 census showed 14.8% of California's foreign-born population living below the poverty level. That rate grew to 17.6% in 1980 and 19.8% in 1990 (Exhibit 1). However, the 2000 census revealed the first

break in this upward trend, dipping to 19.1%. Additionally, the share of foreign born who have incomes more than two times above the poverty line also rose from 53.9% to 55% between 1990 and 2000. Poverty decreased among both the Latino and Asian foreign-born, who comprise more than 80% of the state's immigrants (Exhibit 5). This small but important turnaround has been unheralded by analysts, advocates, or the news media, yet we believe that it presages a long-term trend and is therefore very significant.

**Exhibit 4:**

**NEW IMMIGRANT POVERTY RATES AFTER ARRIVAL BY RACE/ETHNIC GROUPS CALIFORNIA, 1970 TO 2000**

	1970	1980	1990	2000
Total Foreign-born	17.7%	24.7%	27.5%	26.2%
Latino	23.9%	27.8%	31.9%	32.0%
Asian & Pacific Islander	18.1%	20.3%	22.2%	18.4%
All Non-Latino	11.8%	20.9%	22.0%	19.0%

Source: Public Use Microdata Samples (PUMS) 5% data

**Exhibit 5:**

**CALIFORNIA POVERTY RATES BY RACE/ETHNIC GROUPS, 1970 TO 2000**

	1970	1980	1990	2000
Foreign Born	14.7%	17.6%	19.8%	19.1%
Native Born	10.9%	10.4%	10.3%	12.5%
Total Population	11.2%	11.5%	12.4%	14.2%
<b>Latino</b>				
Foreign Born	21.7%	22.7%	25.0%	24.2%
Native Born	18.4%	17.2%	18.6%	20.7%
Total	18.7%	19.2%	21.5%	22.3%
<b>Asian, Non-Hispanic</b>				
Foreign Born	14.2%	16.1%	16.2%	13.1%
Native Born	7.9%	7.0%	10.9%	12.0%
Total	10.8%	12.5%	14.4%	12.7%
<b>White, Non-Hispanic</b>				
Foreign Born	10.4%	10.4%	10.8%	11.8%
Native Born	8.0%	7.5%	6.7%	7.7%
Total	8.2%	7.7%	6.9%	8.0%
<b>Black, Non-Hispanic</b>				
Foreign Born	27.0%	23.4%	16.7%	17.5%
Native Born	24.6%	22.9%	21.3%	22.4%
Total	24.6%	22.9%	20.5%	22.1%

**ANALYSIS OF THE TURNAROUND**

These demographic reversals are the result of a confluence of forces. Most important is the improvement in economic well-being as immigrants reside longer in the U.S. Evidence shows that poverty rates amongst immigrants fell substantially when they are observed 10 and 20 years after their arrival. For example, in 1980, 27.8% of new Latino immigrants were in poverty, but this fell to 20.3% in 1990, and, based on the experience of earlier immigrants,

was expected to fall further to 15.2% in 2000 (Exhibit 6), though the actual poverty rate for this group in 2000 fell only to 16.6%.

A large number of newcomers in 1990, combined with a very high poverty rate for the newcomers drove the poverty rate to its peak that year. In 2000, by contrast, the relative size of the newcomer group had fallen and its poverty rate was no higher than in previous years. While in the past, the extreme effect of high poverty amongst larger numbers of newcomers skewed the economic profile of the

## Exhibit 6:

## IMMIGRANT POVERTY RATES AFTER ARRIVAL BY RACE/ETHNIC GROUPS CALIFORNIA, 1970 TO 2000

	1970	1980	1990	2000	Projected	
					2000	2010
<b>Arrival Wave: Total Foreign-born</b>						
2000-2010						<b>27.5%</b>
1990-2000				<b>26.2%</b>	<b>27.5%</b>	22.5%
1980-90			<b>27.5%</b>	18.3%	15.0%	14.5%
1970-80		<b>24.7%</b>	15.2%	12.4%	12.0%	12.7%
1960-70	<b>17.7%</b>	12.2%	9.0%	8.7%	9.2%	8.9%
Pre-1960	12.7%	8.6%	7.3%	7.7%	7.4%	7.1%
Total Foreign Born	14.7%	17.6%	19.8%	19.1%	18.2%	16.9%
<b>Latino</b>						
2000-2010						<b>31.9%</b>
1990-2000				<b>32.0%</b>	<b>31.9%</b>	23.2%
1980-90			<b>31.9%</b>	23.2%	23.2%	17.4%
1970-80		<b>27.8%</b>	20.3%	16.6%	15.2%	12.7%
1960-70	<b>23.9%</b>	16.8%	12.6%	11.5%	10.5%	9.4%
Pre-1960	18.7%	12.7%	10.6%	11.8%	9.5%	9.0%
Latino Total Foreign Born	21.7%	22.7%	25.0%	24.2%	23.3%	21.8%
<b>Asian &amp; Pacific Islander</b>						
2000-2010						<b>22.2%</b>
1990-2000				<b>18.4%</b>	<b>22.2%</b>	9.9%
1980-90			<b>22.2%</b>	12.3%	9.9%	6.9%
1970-80		<b>20.3%</b>	9.1%	7.3%	6.3%	5.6%
1960-70	<b>18.1%</b>	6.1%	4.2%	5.3%	3.8%	3.5%
Pre-1960	10.2%	6.6%	5.9%	6.2%	5.5%	5.3%
Asian & PI Total Foreign Born	14.2%	16.1%	16.2%	13.1%	12.8%	10.9%
<b>All Non-Latino</b>						
2000-2010						<b>22.0%</b>
1990-2000				<b>19.0%</b>	<b>22.0%</b>	19.2%
1980-90			<b>22.0%</b>	12.2%	10.6%	12.3%
1970-80		<b>20.9%</b>	8.8%	7.6%	8.8%	9.0%
1960-70	<b>11.8%</b>	7.2%	5.2%	6.0%	6.1%	5.4%
Pre-1960	10.8%	7.0%	5.8%	5.9%	5.2%	5.2%
Non-Latino Total Foreign Born	11.1%	13.1%	14.2%	12.6%	12.4%	11.0%

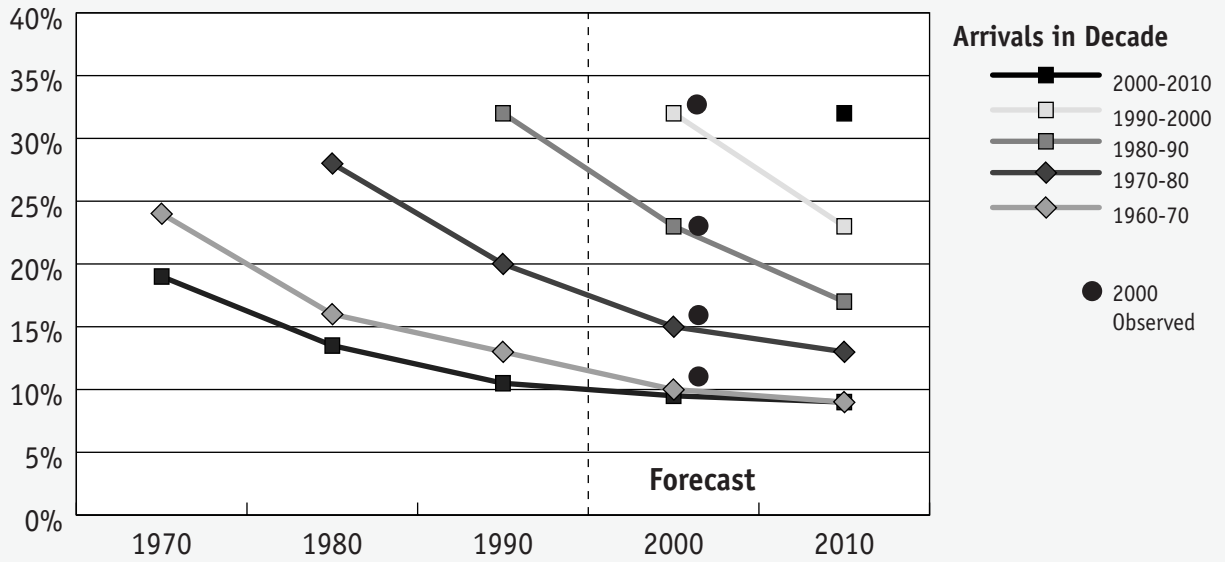
Source: Public Use Microdata Samples (PUMS) 5% data

Projected 2000 and 2010 are from California Demographic Futures (Myers and Pitkin 2001)

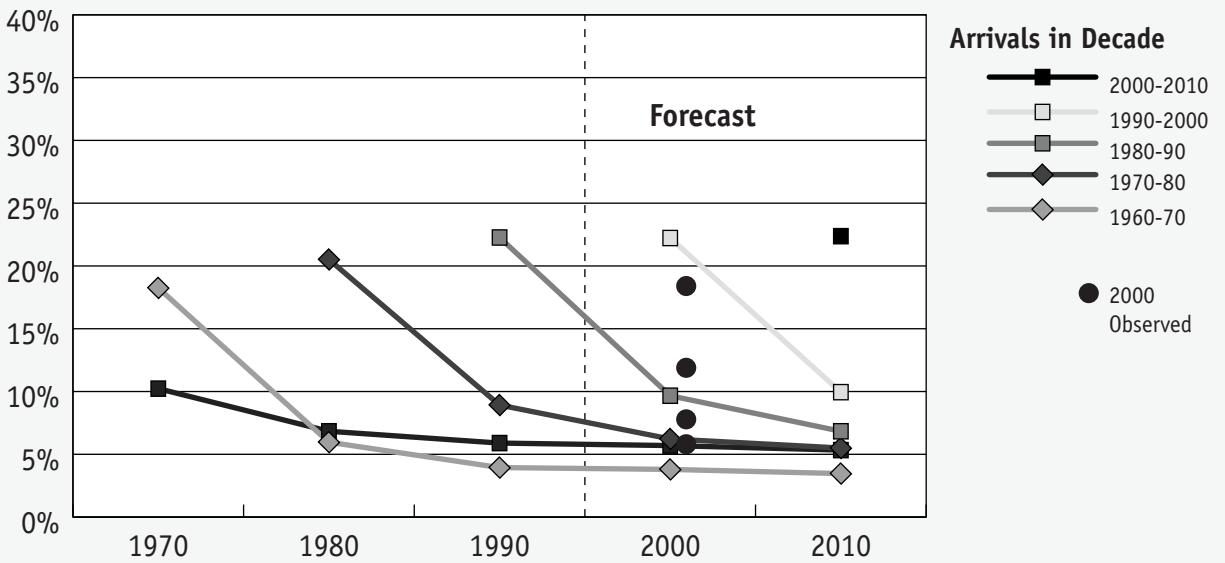
Exhibit 7:

POVERTY TRAJECTORIES OF IMMIGRANT ARRIVAL COHORTS, 1970 TO 2010

LATINO IMMIGRANTS



ASIAN & PACIFIC ISLANDER IMMIGRANTS





foreign-born, with this turnaround, the upward mobility of previously-settled immigrants began to outweigh the statistical impact of newcomers.

This reversal was not unexpected, having been projected in January 2001 by the USC School of Policy, Planning, and Development which reported a coming slowdown in new immigrant arrivals, their moderating poverty rate, and the turnaround in overall poverty for the foreign born (Myers and Pitkin 2001). We further expect that these are long-term trends that should continue at least through 2010.

## OUTLOOK FOR THE FUTURE

The importance of this turnaround for California's immigrants cannot be overstated and the maturing settlement of immigrants in California promises a more favorable outlook for the future. Whereas the achievements of the foreign-born were once closely tied to those of new immigrant arrivals, now they are weighted more heavily toward the successes of longer term residents. This growing portion of settled immigrants, who are far more incorporated into California, can provide a network of support for their new peers. Earnings, homeownership and voting participation all rise markedly with growing length of settlement. These positive trends are beginning to take hold in the state and they create possibilities for progress in the years ahead.

### A TURNAROUND THAT WAS PROJECTED

The California Demographic Futures project, hosted by the USC School of Policy, Planning, and Development, issued a projection of the immigrant turnaround in January 2001, before Census 2000 results for poverty and immigration had been published (<http://www.usc.edu/schools/sppd/research/popdynamics/>). The projections, which the *Los Angeles Times* reported on January 23, 2001, predicted that settled immigrants would, for the first time, surpass the number of new immigrants. The report also anticipated a long-term decline in the poverty rate among immigrants.

Dowell Myers and John Pitkin (2001) "Demographic Futures for California: Projections 1970 to 2020 that Include a Growing Immigrant Population with Changing Needs and Impacts," Population Dynamics Research Group, School of Policy, Planning, and Development, University of Southern California.

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