National Foundation for American Policy

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New Research: International Migration Only Source of Population Growth in Rural Areas in Most of the 2010s

Each Additional International Migrant is Associated with an Additional 1.2 jobs in Rural Counties Over 2010 to 2018

Arlington, Va. – Analysis of U.S. Census Bureau data finds international migration was the only source of population growth in rural areas as a whole during most of the 2010s, according to a <u>new study</u> from the National Foundation for American Policy (NFAP), a nonpartisan policy research organization.

"International migration is strongly related to employment growth in both rural and metro counties. Each additional international migrant is associated with an additional 1.2 jobs in rural counties over 2010 to 2018," concluded the study's author Madeline Zavodny, a Research Fellow at the National Foundation for American Policy and a Professor of Economics at the University of North Florida (UNF) in Jacksonville. "The estimate for rural areas suggests that international migration adds to total employment well beyond the jobs filled by international migrants. International migrants may have a larger impact on employment because of the jobs they fill. International migrants may work in jobs that otherwise would go unfilled by local residents and thereby enable businesses to expand." Zavodny is formerly an economist in the research department of the Federal Reserve Bank of Atlanta and Federal Reserve Bank of Dallas.

The study, "Immigration's Contribution to Population Growth and Economic Vitality," can be found at https://nfap.com/.

Immigration has been a major contributor to U.S. population growth and economic growth for most of the last 50 years. However, international migration – the number of people moving to the United States minus the number moving abroad – declined precipitously between 2016 and 2019. The drop in international migration, combined with falling birth rates, resulted in what may have been the slowest decade of population growth in U.S. history – and does not include the additional decline between 2019 and 2020 connected to Covid-19. The slowdown in population growth portends slower economic growth since population growth is central to long-run economic growth.

Slower population growth is a particular challenge for rural parts of the U.S., which experienced net domestic outmigration and deaths outnumbering births for most of the last decade. The only source of population growth for rural areas as a whole during most of the 2010s was international migration. International migration also was a vital component of population growth in metro areas. Given the strong relationship between international migration and employment growth, returning to pre-2017 levels of immigrant inflows when the pandemic ends can help speed the economic recovery and support robust future economic growth.

This study examines the components of population growth during the 2010s and how they are related to employment growth. The study focuses on differences between metro areas (classified here as counties that are part of a metropolitan or micropolitan statistical area) and rural areas.

Using U.S. Census Bureau data, the study finds:

- International migration was the sole contributor to population growth in rural areas as a whole during most of the last decade. International migration, which is predominately composed of immigrants but includes some U.S. natives who are moving abroad or returning home after living overseas, accounted for about two-fifths of population growth in metro areas as a whole between 2010 and 2019, with births minus deaths and domestic migration movement across areas within the U.S., whether by U.S. natives or immigrants already present in the U.S. accounting for the remainder of population growth across metro areas.
- Although international migration added to the rural U.S. population during the 2010s, it was
 not enough to prevent most rural counties from shrinking during the 2010s. Almost threequarters of rural counties had fewer residents in 2019 than in 2010. International migration
 helped reduce population losses in over two-thirds of those rural counties.
- International migration is strongly related to employment growth in both rural and metro counties. Each additional international migrant is associated with an additional 1.2 jobs in rural counties over 2010 to 2018, and an additional 0.9 jobs in metro counties. The estimates, although not necessarily causal, suggest substantial positive employment impacts of international migration, particularly in rural areas. The estimate for rural areas suggests that international migration adds to total employment well beyond the jobs filled by international migrants.
- International migrants may result in job creation because they tend to work in jobs dissimilar to those held by people already living in an area and those held by domestic migrants, especially in rural areas. International migrants to rural areas disproportionately work in jobs related to agriculture or to food preparation and serving or building and grounds cleaning and maintenance. The same is true in metro areas, but to a lesser extent than in rural areas.

The strong relationship between international migration and employment growth points to the importance of reversing the late-2010s slowdown in international migration when the pandemic ends. Resuming international migration is paramount to population growth in rural areas in particular while supporting population growth and economic vitality across the United States.

About the National Foundation for American Policy

Established in 2003, the National Foundation for American Policy (NFAP) is a 501(c)(3) non-profit, non-partisan public policy research organization based in Arlington, Virginia focusing on trade, immigration and related issues. The Advisory Board members include Columbia University economist Jagdish Bhagwati, Ohio University economist Richard Vedder, Cornell Law School professor Stephen W. Yale-Loehr and former INS Commissioner James W. Ziglar. Over the past 24 months, NFAP's research has been written about in the Wall Street Journal, the New York Times, the Washington Post and other major media outlets. The organization's reports can be found at www.nfap.com. Twitter: @NFAPResearch

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