Immigration and the changing geography of poverty

William H. Frey

William H. Frey is a demographer and research scientist at the Population Studies Center, University of Michigan, Ann Arbor.

Immigration to the United States since 1965 has been heavily drawn from developing countries in Latin America and Asia, and has consisted disproportionately of the less well-off and the relatively unskilled. Thus the debate over U.S. immigration has focused primarily on its near-term economic consequences for native-born workers, taxpayers, and government programs. Largely overlooked is an equally important long-term consequence for the nation: sharper social and demographic divisions that, if unaltered, portend a "demographic balkanization" of the United States. Across broad regions and metropolitan areas, separate immigration and domestic migration patterns are becoming apparent. They consist of:

1. Highly focused state and metropolitan-area destinations of immigrants, whose racial/ethnic and skill-level profiles differ sharply from the rest of the population.

2. Much different migration patterns among lower-income or poor domestic migrants, who gravitate to states and metropolitan areas that are not attracting immigrants.[1]

3. An apparent "immigrant push" of domestic migrants away from areas of high immigration, which is most evident among less-skilled and lower-income long-term residents and their children.

My colleagues and I have explored aspects of these processes in research using census data and, for the years 1990–1995, the annual Current Population Surveys.[2] Here I briefly review evidence regarding the extent to which immigration to a few port-of-entry states is influencing the composition and internal migration of the poor, and indicate some consequences of that immigration for the geography of poverty, especially child poverty.

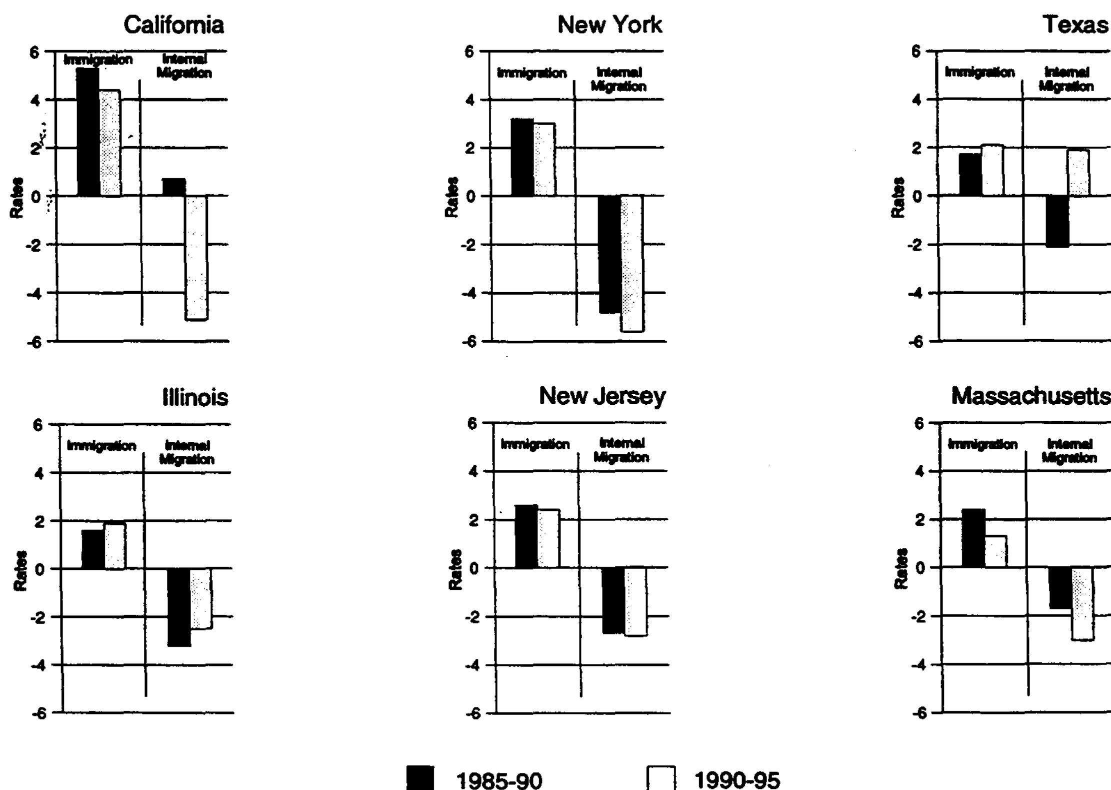

Figure 1. Immigration and internal migration rates for high-immigration states, 1985–95.

Source: U.S. Census, 1990, and U.S. Census postcensal estimates.

Published in *Focus* 18:2, Fall/Winter 1996–97.

Table 1
Net Internal Migration Rates of the Native-Born for High-Immigration States, by Selected Social and Demographic Categories

Categories	California		New York		Texas		Illinois		New Jersey		Massachusetts	
	1985–90	1990–94	1985–90	1990–94	1985–90	1990–94	1985–90	1990–94	1985–90	1990–94	1985–90	1990–94
Race												
All races	0.7	-2.3	-4.8	-5.0	-2.1	0.9	-3.2	-0.3	-2.7	-3.2	-1.7	-2.2
Non-Hispanic whites	0.7	-4.2	-4.4	-4.1	-2.6	1.3	-3.1	0.1	-3.4	-3.1	-2.3	-1.9
Blacks	1.1	4.6	-5.7	-7.8	0.5	-1.6	-3.8	0.6	-1.1	-3.8	1.0	3.4
Education[a]												
Less than HS	-0.8	-2.1	-3.7	-6.7	-1.9	0.5	-2.5	-0.3	-2.1	-4.6	-1.7	-3.7
HS graduate	-1.4	-4.5	-4.5	-3.8	-2.6	1.8	-2.7	-0.1	-2.6	-1.7	-2.8	-1.1
College graduate	3.4	-2.3	-5.9	-3.7	-1.8	3.3	-2.6	-1.8	0.8	-0.6	-2.1	-1.7
Poverty Status												
Not in poverty	0.8	-2.5	-4.8	-4.7	-2.1	1.5	-2.6	-0.6	-1.5	-2.6	-2.2	-2.0
In poverty	-1.7	-1.5	-4.7	-6.8	-2.3	-2.1	-5.2	1.5	-10.1	-8.3	-0.4	-3.3

Source: Compiled by author from special 1990 U.S. Census migration tabulations (1985–90) and from single-year migration tabulations of the U.S. Census Current Population Survey, 1990–1995.

[a]Aged 25 and above.

Immigrants and internal migrants

Immigration and internal migration are driven by very different motivations. Research suggests that immigration from foreign countries tends to occur in "chains" which link family members and friends to common destinations. This is especially the case for lower-skilled immigrants, who are much more dependent upon those informal networks to find jobs and shelter in traditional port-of-entry areas. Internal migrants, in contrast to immigrants from abroad, have tended to be less constrained in their destinations, more apt to respond to pushes and pulls of the labor market. They also have tended to be drawn from the segment of the labor force that has high incomes, high education, and higher-skilled, more specialized occupations—the group most responsive to national income and employment opportunities. This pattern of internal migration has been characterized as a "circulation of elites," in which employment-gaining states attract higher rates of nonpoor than of poor migrants, and population-losing states lose residents disproportionately from among their younger nonpoor and college-graduate populations.

High-immigration states may, of course, also be high-internal-migration states. For most of this century, the port-of-entry areas for immigrants were also attractive employment centers for internal migrants, so that these areas grew from both sources of migration. In the past decade, this has changed. Between 1985 and 1995, the six states with the highest numbers of new immigrants—California, New York, Texas, Illinois, New Jersey, and Massachusetts—have undergone major outmigration of the native-born population (see Figure 1). Moreover, domestic migration from states receiving high numbers of immigrants has not conformed to the traditional "circulation of elites" pattern.[3] Instead, it disproportionately occurred among high school graduates, high school dropouts, and lower-income residents. And it occurred in high-immigration states that were doing relatively well economically and that in some cases were attracting more highly educated, highly skilled domestic migrants. This was true, for example, in California in the late 1980s, before the 1989–92 recession and the downturn in defense-related industries, and in Texas in the early 1990s, after the recovery from the oil-related recession (see Table 1).[4] Internal migration has nevertheless remained very sensitive to economic ebbs and flows, as is clear when one looks at the high-immigration metro areas. Los Angeles, for instance, was especially hard hit in the early 1990s by recession, defense cutbacks, and natural and human disasters and the net outmigration that began in the late 1980s accelerated from 1992 to 1995; in Houston, however, the economy rebounded in the early 1990s, leading to domestic migration gains.

Is there an "immigrant push"?

The observation that poor internal migrants are disproportionately leaving high-immigration states is not by itself sufficient to prove that immigrants are "pushing out" low-income workers. A number of researchers have argued that relatively low-skilled immigrants compete with low-skilled and less-well-educated native-born workers for jobs, bidding down wages and taking away employment opportunities. Indeed, outmigration from high-immigration states is most pronounced among poor men and women in the prime labor-force years, ages 25 to 54, and among children aged 5–14, moving with their families. Some possible consequences of large immigrant flows for the low-wage workforce are discussed in the following article by Franklin Wilson. But labor market competition may not be the only reason that lower-income residents show a propensity to move away from high-immigration areas. Their decision to leave may rep-

resent a response to the perceived higher social costs or disruption associated with rapid demographic change and the increased racial and ethnic diversity of these areas. Correctly or not, longer-term residents in high-immigration states may hold the perception that the new immigrants contribute to a variety of social costs—higher crime rates, heavily impacted services, and increased taxes, bearing most heavily on lower- and middle-class residents. Racial and ethnic prejudice may play a role, replicating, on a metropolitan or statewide scale, the kind of exodus to the suburbs precipitated by earlier waves of immigration and the migration of African Americans from the South to the cities of the North.

The belief that immigration "push" is a factor in domestic migration of the poor finds support in the extent to which the six high-immigration states have continued to dominate the net national outmigration of poor families in the 1990s.[5] In our multivariate analyses of internal migration patterns for metropolitan areas, we introduced into the analysis such relevant economic and "amenity" variables as manufacturing and service growth, the unemployment level, income per capita, level of public assistance benefits, and rate of violent crimes. Nevertheless, the size of immigration from abroad still exerted a significant effect on net domestic outmigration that is strongest for persons in poverty and for those with less than a college education. For example, New Jersey is a high-immigration state which experienced a net outmigration among the nonimmigrant population in the early 1990s: among the poor population, net outmigration was 8.3 percent, among the nonpoor, 2.6 percent. Using education rather than poverty status as a marker, we find similar patterns: white persons with less than a high school education showed a net outmigration rate of 3.3 percent, compared with a net outmovement among college graduates of less than 1 percent.

There are other possible explanations for the outmigration of the poor from high-immigration areas. It has, for instance, been argued that the negative relationship between immigration and internal migration that is visible in large metropolitan areas like New York and Los Angeles simply reflects global structural forces at work. These cities, the argument proposes, have become centers of the advanced financial and business services that play a key integrating role in the new global economy and that are highly polarized in their wage structures. At the same time, the cities have seen dramatic declines in traditional production-oriented manufacturing. Thus native workers leave in response to the loss of high-wage manufacturing jobs, whereas immigrants arrive in response to the growth of low-wage unskilled service jobs. This theory rests heavily on the assumption that immigration responds fairly freely to changes in the demand for low-wage labor. Illegal immigration to the United States may do so, but legal immigration is constrained, to a large degree, by the presence and location of already resident family members.[6] Moreover, the greatest declines in manufacturing jobs in these metropolitan areas occurred during the 1970s and early 1980s, yet low-wage workers and the poverty population continued to leave in subsequent years.

Another explanation for patterns of internal migration among the poor that competes with the "immigrant push" theory has been "welfare magnet pull"—that poor people are attracted to states with generous welfare benefits. There is some evidence for this. The six highest welfare benefit states between 1985 and 1990 were Vermont, Wisconsin, Washington, Minnesota, Oregon, and Utah.[7] Three of them, Washington, Oregon, and Wisconsin, are among the top ten gainers of poor migrants, and all three attracted more poor than nonpoor migrants. High welfare benefit states do not dominate, but they gain more poor than nonpoor whites and African Americans.[8] Our analyses found that high welfare benefits exercised an attractive effect, especially upon poor female migrants of all ages, though the least effect was for women with the lowest levels of education. But the overall contribution of these benefits in explaining the destination choices of poor migrants appeared to be minimal, compared to other possible reasons. To take just one example: racial or ethnic similarity had a much more significant attractive

Table 2
Percent Foreign Born of Different Categories of Residents in High Immigration Metropolitan Areas, and Rest of U.S., 1995

Characteristic	Los Angeles CMSA	New York CMSA	10 High-Immigr. CMSAs	Rest of U.S.
Education				
College graduate	21	20	20	8
Some college	25	23	21	5
HS graduate	21	24	18	4
Less than HS	56	38	38	7
Family Income				
Top 25%	23	15	17	5
Second 25%	34	29	25	4
Third 25%	47	34	34	6
Bottom 25%	61	47	45	9
Occupation: Men				
Mgr. & prof.	19	20	17	5
Clerical & sales	31	23	22	4
Service	55	36	40	7
Precision prod.	48	30	30	5
Blue-collar	58	41	40	7
Occupation: Women				
Mgr. & prof.	20	18	16	4
Clerical & sales	22	17	17	3
Service	51	41	38	6
Precision prod	52	65	41	6
Blue-collar	71	66	53	8
Total aged 18 or over	38	28	27	6

Source: Compiled by the author from U.S. Census Bureau Current Population Survey data for 1995.

Note: Area definitions for these metro areas are consistent with Office of Management and Budget standards of June 1990. Education percentages for population aged 25–64; family income for those aged 18 and above; occupation for those aged 16 and above.

effect, especially for poor American Indians and for Asian and Hispanic poor migrants of low educational status.

In general, however, the number of destination states chosen by the poor population leaving high-immigration states was relatively large and diffuse. The labor market and climate were both significant factors, as they were for the nonpoor. States that gained internal migrants from the poor population were a mix among those with a relatively high growth in service industry employment—Florida, North Carolina, Georgia, Tennessee—and retirement magnets. Some migration reflected a spillover movement to nearby states of poor migrants leaving California (for Washington, Oregon, and Arizona) or Illinois (for Wisconsin). Some choices may have signaled a return to places of origin. Poor African Americans and whites made rather different destination choices, which reflect, in part, the different geographic concentration and historic roots of the two races. Poor African Americans, for example, were more likely to relocate to the South Atlantic region, especially Georgia and North Carolina. These findings tend to confirm research that suggests that because poor people are more apt to rely upon informal channels of information about jobs, the presence of friends and relatives may be at least as important as more formal and more national channels of job search in their decisions about where to move.[9]

Effects of differential migration patterns

One important, and very new, consequence of the different patterns of immigration and internal migration is the emergence of entire metropolitan areas or labor market regions that are distinct in their racial, ethnic, and demographic makeup from the rest of the country. Over two-thirds of all immigrants since 1985 have located in 10 metropolitan areas, where some 60 percent of the foreign-born but less than 25 percent of all Americans now live.[10] For these metros, the 1995 foreign-born population comprised a disproportionate share of persons without high school degrees, in the lowest quartile of family income, and of workers in service and unskilled blue-collar occupations (see Table 2). The imbalance is most pronounced in the Los Angeles metropolitan area where, for example, foreign-born residents comprise three-fifths of those whose family incomes fall into the bottom quartile, and hold over half the service and unskilled blue-collar jobs, but account for no more than one-fifth of managerial and professional jobs.

For the high-immigration states themselves, the scale and nature of foreign immigration and the outmigration of low-income families, both native-born or longer-term immigrants, have large consequences for social welfare programs. Between 1985 and 1990, 34 states received more poor migrants through immigration than they did through net internal migration. California, in particular, gained approximately nine times as many poor migrants from abroad as it lost through internal migration to other states.

Two consequences are noteworthy. The first is the direct contribution of immigrants to the volume of poverty in the United States because of their own relatively high levels of poverty. The second is the demographic displacement taking place among the poor population. Both are most clearly visible when one examines poverty among children. In 24 states, 1990 census data show, foreign immigration either added to the state's population of poor children, or maintained existing levels of child poverty that would otherwise have diminished in the state through internal migration to another state.[11] For example, in New York from 1985 to 1990, 33,724 poor children moved to other states, and 32,699 poor immigrant children moved in. Thus the population of poor children declined by only 1,025.

To give fuller understanding of the significance of these changes, Table 3 shows California's experience from

Table 3
Contribution of 1985–90 Immigration and Net Internal Migration to Child Poverty Population in California, 1990

Demographic Categories	Immigration from Abroad	Net Internal Migration
Total	8.4	-1.3
Race/Ethnicity		
Whites	5.2	-6.8
Blacks	0.9	-1.2
Hispanics	9.3	-0.7
Asians	20.2	7.2
Family Type		
Married couple	13.5	-1.3
Male head	7.5	-1.6
Female head	3.2	-1.3
English Language		
English not good	24.7	1.4
English good	9.8	0.8
Only English at home	0.7	-4.3
Nativity		
Native-born, native parent	—	-3.9
Native-born, foreign parent	—	0.2
Foreign-born	39.0	1.8
Hispanics		
Native-born, native parent	—	-1.0
Native-born, foreign parent	—	-0.7
Foreign-born	35.9	-0.4
Asian		
Native-born, native parent	—	-3.1
Native-born, foreign parent	—	7.7
Foreign-born	37.8	7.3

Source: 1990 U.S. Census.

Note: Poverty status of migrants and residents was determined from 1989 incomes, as reported in the 1990 U.S. Census. Each gain or loss is shown as a percentage of each group's population in 1990. The total number of poor immigrant children arriving in California between 1985 and 1990 was 100,754. Over that five-year period California suffered a net loss of 16,004 poor children through outmigration to other states.

1985 to 1990. The data make it clear that the demographic displacement of California's child poverty population affects race and ethnicity, English-language proficiency, nativity, and family type. Poor children who are leaving are predominantly white, English-speaking, and native-born with native-born parents. The new immigrant population of poor children is dominated by Hispanic and Asian children who speak a language other than English at home. They are also more likely to live in two-parent than in single-parent families. These differences are a strong argument against one-size-fits-all social welfare policies and in favor of localized programs, which in some areas might concentrate on assimilation and bilingual education in the schools, and in others on the problems of female-headed families who need access to jobs and schooling. ■

---

[1]By "poor," I mean those individuals or families whose incomes place them at or below the relevant federal poverty level. Census data allow us to determine poverty only at one point in time. Thus individuals in poverty during the year preceding the Census are not necessarily poor throughout the entire period.

[2]W. H. Frey, "Immigration Impacts on Internal Migration of the Poor: 1990 Census Evidence for the US States," *International Journal of Population Geography*, 1, no. 1 (1995): 51–67 (also available as IRP Reprint 733); W. H. Frey, K.-L. Liaw, Y. Xie, and M. J. Carlson, "Interstate Migration of the US Poverty Population: Immigration 'Pushes' and Welfare Magnet 'Pulls,'" *Population and Environment* 17, no. 6 (July 1996): 491–538; W. H. Frey, "Immigration, Welfare Magnets, and the Geography of Child Poverty in the United States," Population Studies Center Research Report 95-339, University of Michigan, November 1995; W. H. Frey, "Immigration, Internal Out-Movement, and Demographic Balkanization in America: New Evidence for the 1990s," Population Studies Center Research Report 96-364, University of Michigan, April 1996; W. H. Frey and K.-L. Liaw, "The Impact of Recent Immigration on Population Redistribution within the United States," Population Studies Center Research Report, University of Michigan, forthcoming.

[3]Internal migration among the nonpoor has continued to follow this traditional pattern: states gaining nonpoor residents have tended to have growing economies, states losing nonpoor residents to have declining economies. For instance, Virginia and Maryland, in the prosperous South Atlantic region, were among the top ten magnets for the nonpoor population in 1990, and the economically dynamic state of Georgia ranked second to Florida in attracting nonpoor residents. Among states losing nonpoor populations were Michigan and Ohio, in the then deindustrializing rust belt, Oklahoma, which was experiencing oil industry difficulties, and Iowa, with farming downturns during this period. One possible explanation for the different migration patterns of the nonpoor and the poor populations is that they are operating in a somewhat different labor market where the effects of recent immigration may actually complement rather than compete with their employment opportunities (Frey et al., "Interstate Migration of the US Poverty Population," pp. 500–501; Frey, "Immigration Impacts," p. 53).

[4]Florida, though a high-immigration state, is excluded from the definition, because internal migration rather than immigration dominates its population gain. Between 1990 and 1995, for instance, Florida received 245,482 immigrants, making it the fourth largest receiving state for immigrants, but it also received 615,670 internal migrants, making it the largest destination state for internal migration.

[5]See, in particular, Frey, "Immigration, Internal Out-Movement, and Demographic Balkanization," appendix tables.

[6]P. Martin and E. Midgley, "Immigration to the United States: Journey to an Uncertain Destination," *Population Bulletin* 49(2), Sept. 1994.

[7]Based on average combined annual AFDC and Food Stamp benefits, 1985–88, adjusted for state variations in cost of living, and excluding New York and California, two high-immigration states, and Alaska and Hawaii.

[8]Among Hispanics and Asians, the greatest gaining and losing states for the poor population are not distinctly different from those for the nonpoor population. Patterns do not appear to reflect the influences of either immigrant "pushes" or welfare benefit "pulls" as much as they do for blacks and whites. For native-born and longer-term Asians and their families, California represents the dominant destination, for Hispanics, Florida.

[9]Nonpoor migrants, in contrast, were disproportionately attracted to economically prosperous and mainly coastal states—a true migration "pull."

[10]High-immigration metropolitan statistical areas (MSAs) in 1990–95 were Los Angeles, New York, San Francisco, Chicago, Miami, Washington, D.C., Houston, San Diego, Boston, and Dallas. Historically, the disproportionate concentration of immigrants to the United States in a few ports of entry is nothing new. There is, however, some evidence that the kinds of dispersion to other parts of the country that occurred when previous immigrant flows assimilated is less likely to occur with the present-day immigrant groups. See, e.g., Figure 1 in Frey and Liaw, "The Impact of Recent Immigration."

[11]See Frey, "Immigration, Welfare Magnets, and the Geography of Child Poverty," Appendix Table A.