

AMERICAN

DEMOGRAPHICS

consumer trends for business leaders

THE DIVERSITY MYTH

▶ *Large numbers of international migrants to the U.S. in the early 1990s foster the perception that the nation is becoming truly diverse. Yet analysis of the latest population estimates from the Census Bureau show that multiethnic counties are few and far between.*

Riding in a cab in New York City or shopping in Los Angeles may make you think that America is growing more racially and ethnically diverse by the day. But the “melting pot” simply isn’t reality. Population shifts during the 1990s show continued geographic concentration of minority groups into specific regions and a handful of metro areas. This is especially the case for new immigrant minorities—Hispanics and Asians—who typically enter the U.S. through major gateway cities, and remain in those regions.

While some of these ethnic minorities are sprinkling out from gateway metros, the pace is relatively slow. The fact is the largest blocks of Hispanics and Asians are clustered in only a few markets. Most markets beyond these “multiple melting pots” are largely white, or white and black.

One of the pitfalls of ethnic marketing is targeting geographic locations where the number of minorities is growing rapidly, while their actual numbers may be quite small. Los Angeles, on the other hand, yields both large numbers and a rapidly growing population of Hispanics. Among the nation’s 271 metro areas, Los Angeles is home to fully one-fifth of the Hispanic population. It also ranks first in total growth, netting 18 percent of all Hispanic population gains in the U.S. between 1990 and 1996. The metro’s Hispanic growth comes largely from Mexican and Latin-American immigrants, but also from continued high fertility rates among long-term Hispanic residents.

The importance of immigrant gateways in both attracting and maintaining large Hispanic populations is evident in rankings of the top metros for numerical gains in Hispanics during the 1990s. The ten metro areas with the largest Hispanic

populations were also the ten largest gainers. Together they attracted more than half (52 percent) of new Hispanic residents between 1990 and 1996. The top-ten collectively house 58 percent of the nation’s Hispanic population.

These metros include Miami, with its strong attraction to Cubans; New York City, gaining Dominicans, Puerto Ricans, and other Caribbean-origin Hispanics; and Chicago, a continued magnet for Mexicans. The rest of the ten lie close to the Mexican border and continue to build on large, existing Latin-American populations. One of the few exceptions to the size-begets-growth phenomenon is Las Vegas. It benefited from “spillover” migration from California Hispanics, and also was an initial destination for some Latin-American immigrants, thanks to its robust job market.

As with Hispanics, large gateway metros enjoyed the greatest numerical growth in Asian populations. Together, Los Angeles, New York City, and San Francisco accounted for 39 percent of the nation’s Asian population gains in the 1990s. Forty-three percent of all U.S. Asians live in these three metros. Chinese immigrants have been a major influence on Asian growth in New York City; Filipinos are heavily drawn to Los Angeles; and both groups show a large presence in San Francisco.

The next echelon of numerical gainers also has significant Asian populations. And some, such as Washington, D.C., Houston, Seattle, and Dallas-Fort Worth, have recently experienced what amounts to minor booms in the number of Asians living there. The same is true for Atlanta and Las Vegas, two non-gateway metros that are attracting more Asians both from immigration and domestic migration. The top-20 metropolitan areas for numerical increases in Asians account for 74 percent of all Asian gains between 1990 and 1996, and three-fourths of the U.S. Asian population.

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

ETHNIC MARKETS THAT MATTER

(Top-five metropolitan areas ranked by numerical increase in Hispanics, Asians, blacks, and whites, 1990-96)

rank	metropolitan area*	numerical gain	
		1990-96	1996 population
HISPANIC			
1	Los Angeles-Riverside-Orange County, CA CMSA	1,028,141	5,850,261
2	New York-Northern New Jersey-Long Island, NY-NJ-CT-PA CMSA	447,867	3,325,071
3	San Francisco-Oakland-San Jose, CA CMSA	250,747	1,228,470
4	Houston-Galveston-Brazoria, TX CMSA	222,144	1,004,935
5	Chicago-Gary-Kenosha, IL-IN-WI CMSA	221,388	1,124,558
ASIAN			
1	Los Angeles-Riverside-Orange County, CA CMSA	305,860	1,712,608
2	New York-Northern New Jersey-Long Island, NY-NJ-CT-PA CMSA	294,485	1,222,350
3	San Francisco-Oakland-San Jose, CA CMSA	240,969	1,197,820
4	Washington-Baltimore, DC-MD-VA-WV CMSA	87,208	341,941
5	Chicago-Gary-Kenosha, IL-IN-WI CMSA	70,966	339,558
BLACK			
1	Atlanta, GA MSA	159,830	913,943
2	New York-Northern New Jersey-Long Island, NY-NJ-CT-PA CMSA	154,446	3,838,950
3	Washington-Baltimore, DC-MD-VA-WV CMSA	129,909	1,839,778
4	Houston-Galveston-Brazoria, TX CMSA	97,163	777,628
5	Miami-Fort Lauderdale, FL CMSA	86,812	688,225
WHITE			
1	Atlanta, GA MSA	320,841	2,434,775
2	Phoenix-Mesa, AZ MSA	301,585	2,011,658
3	Dallas-Fort Worth, TX CMSA	245,672	3,099,558
4	Las Vegas, NV-AZ MSA	202,944	874,308
5	Portland-Salem, OR-WA CMSA	198,702	1,815,198

*Note: Metropolitan areas refer to CMSAs, MSAs, and NECMAs (in New England) as defined by the Office of Management and Budget.

The best markets for large and growing numbers of Hispanics and Asians are gateway cities for international migrants. But blacks and whites are opting for different types of metros.

BLACKS AND THE NEW SOUTH

In contrast to Hispanics and Asians, America's black population is more dispersed, but still concentrated regionally in northern urban centers and the South. The greatest gaining metros for blacks in the 1990s are not located in California or along the Mexican border, but reflect the popularity among blacks of the revitalized "New South." The Atlanta metropolitan area is emblematic of these new attractive markets for African Americans. With a booming economy, a large black middle class, and familiar southern mores, middle-class and working-class blacks from all national origins made Atlanta the biggest gaining metro for blacks between 1990 and 1996.

Similar metropolitan characteristics are bringing more blacks to Houston, Dallas-Fort Worth, Raleigh-Durham, and Charlotte, North Carolina, and a host of other growing metros that dot the Southeast. Large population gains in northern metros like New York City, Chicago, and Philadelphia are deceptive. The numbers represent natural increase among already large black populations, which in turn resulted from domestic migration in previous decades. The number of new black residents in these northern metros might be even greater, except that these areas are losing blacks to domestic migration to the South.

Whites are even more widely dispersed than blacks across the U.S. Yet the big-gaining metros for whites suggest that whites are attracted to a different set of places than the new-immigrant minorities, such as Asians and Hispanics. White growth is mostly occurring in the Southeast, Texas, and the Rocky Mountain states near California. These gains are largely due to domestic migra-

tion, as whites follow job growth in high-tech, information-based industries. This is the case for Atlanta, Dallas-Fort Worth, Seattle, Minneapolis-St. Paul, and Austin, Texas, while employment in services and construction is driving white migration to Las Vegas and Orlando, Florida.

We can't underestimate the weather as an attraction for white migrants. The allure of a temperate climate is especially appealing to whites of retirement age. Unlike new immigrant minorities, whites may feel less "tied" to friends and family for social and economic support, which frees them to get up and go. Whites are also more responsive to growing economic opportunities in western and southern states.

In fact, the high cost of living and, in some cases, competition from low-skilled immigrants, are leading to out-migration of whites from some of the nation's largest magnet metros for Hispanics and Asians. In the first six years of the 1990s, more than one-fourth of the nation's 271 metros lost population. The losers include those with struggling economies in the Northeast, such as Pittsburgh, Pennsylvania; Hartford, Connecticut; Providence, Rhode Island; and Springfield, Massachusetts. Yet the three largest white population losses occurred in metros that don't fit that description: New York City, Los Angeles, and San Francisco. They're also the greatest gaining metros for Hispanics and Asians. (See "Immigrant and Native Migrant Magnets," November 1996.)

MELTING POT METROS

The ongoing growth in the numbers of Hispanics and Asians in large gateway metros, and the domestic migration of blacks to the South and whites to the South and West, indicate that most communities lack true racial and ethnic diversity. Instead, the nation has only a few "multiple melting pots," counties and metropolitan areas with a significant presence of two or more minority groups. These places may represent good opportunities for targeting more than one minority market. And they may also evolve into unique markets, as inter-marriage and the blending of cultures leads each to its politics, taste for consumer products, and community personalities.

We have identified 21 melting-pot metros using a relatively stringent demographic definition. These are areas where the percentage of non-Hispanic whites is lower than its share of the national population (73 percent). They must also have at least two minority groups with greater than their national representations—11 percent for Hispanics, 12 percent for non-Hispanic blacks, and 5 percent for Asians or American Indians/Eskimos.*

The 21 multiethnic metros include the three largest gateways: Los Angeles, New York City, and San Francisco, as well as Chicago, Washington, D.C., San Diego, and Houston. The balance are relatively small metros located in California and Texas. Only New York City has over-representations of as many as three minorities: blacks, Hispanics, and Asians. The multiethnic California metros have uniform overrepresentations of Hispanics and Asians, while the Texas metros and Chicago are multiethnic by virtue of blacks and Hispanics.

The fact that the list of multiple-minority metros is short does not mean that there are not many more areas with a significant share of only one minority group. The map on page 43 shows the regional distribution of single minority concentrations. It plots counties where only one minority is overrepresented, as well as multiethnic counties, where two or more minorities are overrepresented.

It's clear that blacks are most overrepresented in the South, with some important clusters in urban areas of the Northeast and Midwest. Hispanics comprise large shares of the population for many counties in Texas, California, and states between. The Asian presence is not very widespread, according to this measure. But there is a fair representation of American Indians in counties in Oklahoma and in several states in the North Central part of the country. Multiethnic counties are most common in California and the Southwest, with mixes of Hispanics and Asians, Hispanics and American Indians being commonplace. Laredo, Texas, may be the most diverse metropolitan area in the U.S.

Yet the most striking characteristic of the map is the broad swath of states in the Northeast, Midwest, Rocky Mountains, and Northwest that are mostly white, and where none of the minority groups comes close to approximating their national percentages of the population. Of 3,142 counties in 1996, only 745 show white populations below the national white percentage (73 percent), and well over half (1,711) are at least 90 percent white.

MINORITY MAJORITIES

In 1996, there were 226 counties where whites represented the minority. Most of these were smaller counties in Texas and other parts of the Southwest where Hispanics are in the majority, or rural counties in the South where blacks are in the majority. Still, between 1990 and 1996, 43 counties turned from "majority white" to "majority minority."

The largest of these suggest the location of counties that may have minority majorities in the future. Many of the new minority-majority counties are inner counties of older, largely white-black metropolitan areas, such as Philadelphia and St. Louis. The change in these areas is mainly being fueled by traditional white flight to the suburbs and beyond. But the shift is also due to infusions of new minority populations: Hispanics and Asians in the California counties of Alameda, Fresno, Tulare, Monterey, and Merced; blacks in the Georgia counties of DeKalb and Richmond; and all three in Fort Bend County, Texas.

These latter changes in selected parts of the Southwest will turn some metros into "majority minority" cities. Yet outside of these distinct regions, racial and ethnic diversification is likely to occur at a more glacial pace.

FAST GROWTH, SMALL NUMBERS

The greatest numbers of minorities will probably continue to be in large metropolitan areas for the foreseeable future. But there is evidence that some minorities are migrating to parts of the country where most residents have never heard Spanish or Chinese being spoken, primarily suburbs, smaller metropolitan areas, and rural towns. The major lure for these ethnic pioneers is usually employment. Minorities both with college degrees and without are taking advantage of booming job markets that previously have mostly attracted whites and blacks.

One way to identify these new minority frontiers is by looking at counties where their growth rate is high. For Hispanics, these counties include the cities and suburbs of largely white-black metros like Atlanta, Raleigh-Durham-Chapel Hill, Charlotte, and Greensboro-Winston Salem-High Point, all in North Carolina, as well as other counties in the Southeast. Other Hispanic hot spots include urban and rural counties in largely white parts of America's mid-section (Nebraska, Iowa) and the Rocky Mountain states (Idaho, Nevada).

Fast growth can be misleading, however. Most of these counties with booming Hispanic populations still have small numbers of Hispanics, and they typically are tiny fractions of the county's total population. Only 463 of the nation's more than 3,000 counties gained as many as 1,000 Hispanics during the first six years of the 1990s.

Asian Americans are even more concentrated than Hispanics in gateway metros. Yet they are also geographic pioneers. Fast-growing areas for them tend to be metropolitan destinations that already have some Asian presence. These include southern metros such as Atlanta, Dallas-Ft. Worth, Washington-Baltimore, and Raleigh-Durham-Chapel Hill, North Carolina. Asian pioneers are also evident in America's mid-section, in Omaha, Nebraska, and the suburbs of Minneapolis-St. Paul. Much of this Asian movement appears to be "chain migration," where friends and family follow the lead of the first pioneering movers. But it is still relatively circumscribed. Only 265 counties gained as many as 1,000 Asian-Americans between 1990 and 1996.

For blacks, the 1990s represent both a return to the South from industrial cities in the Northeast and Midwest, along with movement within the South.

MELTING POT METROS

(qualifying metros and their racial distribution, 1996)

	white	black	Hispanic	Asian	Indian/ Eskimo
Miami-Fort Lauderdale, FL CMSA	44%	18%	37%	2%	0%
Los Angeles-Riverside-Orange County, CA CMSA	44	7	38	10	0
Fresno, CA MSA	45	4	41	8	1
Salinas, CA MSA	46	5	40	9	1
Merced, CA MSA	48	4	38	9	1
Visalia-Tulare-Porterville, CA MSA	48	1	45	5	1
Stockton-Lodi, CA MSA	52	5	28	14	1
Albuquerque, NM MSA	53	2	38	2	5
Houston-Galveston-Brazoria, TX CMSA	54	17	24	4	0
San Francisco-Oakland-San Jose, CA MSA	56	8	19	17	0
San Diego, CA MSA	59	6	25	9	1
Santa Barbara-Santa Maria-Lompoc, CA MSA	60	2	32	5	1
New York-Northern New Jersey-Long Island, NY-NJ-CT-PA CMSA	61	16	17	6	0
Killeen-Temple, TX MSA	63	18	15	4	0
Chicago-Gary-Kenosha, IL-IN-WI CMSA	64	19	13	4	0
Modesto, CA MSA	65	2	27	6	1
Washington-Baltimore, DC-MD-VA-WV CMSA	65	25	5	5	0
Yuba City, CA MSA	67	3	18	11	2
Dallas-Fort Worth, TX CMSA	68	14	15	3	0
Waco, TX MSA	68	16	15	1	8
Sacramento-Yolo, CA CMSA	69	7	14	9	1

Note: Melting pot metros are those where the percent of non-Hispanic whites is less than their U.S. share (73 percent) and where at least two minority groups comprise a larger-than-average percent of the metro population - 12 percent for blacks and 11 percent for Hispanics. For Asians and American Indians/Eskimos, the share must be at least 5 percent.

Source: author's analysis of Census Bureau county population estimates

There are only 21 counties in the U.S. that may qualify as truly racially diverse. These counties have at least two minority groups whose percentage of the county population is greater than their share for the U.S., and where whites have lower-than-average representation.

The latter represents new gains for blacks in the suburbs of fast-growing metros like Atlanta, Dallas-Ft. Worth, and Washington-Baltimore. Black numbers are also swelling in parts of Florida that previously did not have a large African-American presence. Middle-class blacks, in particular, are the vanguard of these New South pioneers. But black retirees who have spent most of their lives in northern and western cities are also attracted to many of the smaller rural counties of the South.

CITIES STILL HAVE IT

While both minorities and whites are showing migration preferences for non-metropolitan places, it's important to remember that most minorities reside in metropolitan areas. And they are much more likely than whites to live in cities and metro counties. As of 1996, close to 95 percent of Asians, more than 91 percent of Hispanics, and better than 85 percent of blacks resided in metropolitan areas, and the plurality of all three groups were located in metropolises with populations exceeding 1 million. In contrast, the share of the U.S. white population residing in non-metropolitan areas is approaching one-fourth, and less than half reside in the nation's biggest metro areas.

For consumer markets, this means that both large numbers of minorities and fast-growing populations will continue to be found in large urban areas. The lifestyles, tastes, and voting patterns of residents in these areas are likely to change dramatically. But for the rest of America, change will come more slowly.

NEW MINORITY MAJORITIES

(new minority-majority counties within metropolitan areas by county and metro, 1996 population in thousands, percent white, 1990 and 1996, and minority distribution, 1996)

county	metropolitan area	1996 population	percent white		1996 percent minority			
			1990	1996	black	Hispanic	Asian	Eskimo
Philadelphia County, PA	Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD CMSA	1,478	52.0%	48.1%	41.5%	6.8%	3.4%	0.2%
Alameda County, CA	San Francisco-Oakland-San Jose, CA CMSA	1,328	53.0	47.6	17.2	17.1	17.6	0.5
Fresno County, CA	Fresno, CA MSA	751	50.6	44.1	4.5	41.2	9.5	0.7
DeKalb County, GA	Atlanta, GA MSA	590	51.9	46.8	44.7	4.1	4.2	0.2
St. Louis city, MO	St. Louis, MO-IL MSA	352	50.1	46.1	51.0	1.5	1.1	0.2
Tulare County, CA	Visalia-Tulare-Porterville, CA MSA	350	54.5	48.1	1.3	44.9	4.8	0.9
Monterey County, CA	Salinas, CA MSA	339	52.3	45.6	5.2	39.9	8.7	0.5
Fort Bend County, TX	Houston-Galveston-Brazoria, TX CMSA	307	53.7	49.2	20.3	22.2	8.1	0.2
Richmond County, GA	Augusta-Aiken, GA-SC MSA	194	54.2	49.4	44.8	3.0	2.5	0.3
Merced County, CA	Merced, CA MSA	192	54.1	47.6	4.2	38.3	9.4	0.6

Note: Metropolitan areas listed are for new minority-majority counties that are within a metropolitan area.

Source: author's analysis of Census Bureau county population estimates

Between 1990 and 1996, the minorities become the majority in ten counties located within metropolitan areas.

"Majority minority" areas will be few and far between, while suburbs and exurbs in the South and Mountain West will grow in popularity for those seeking better job opportunities.

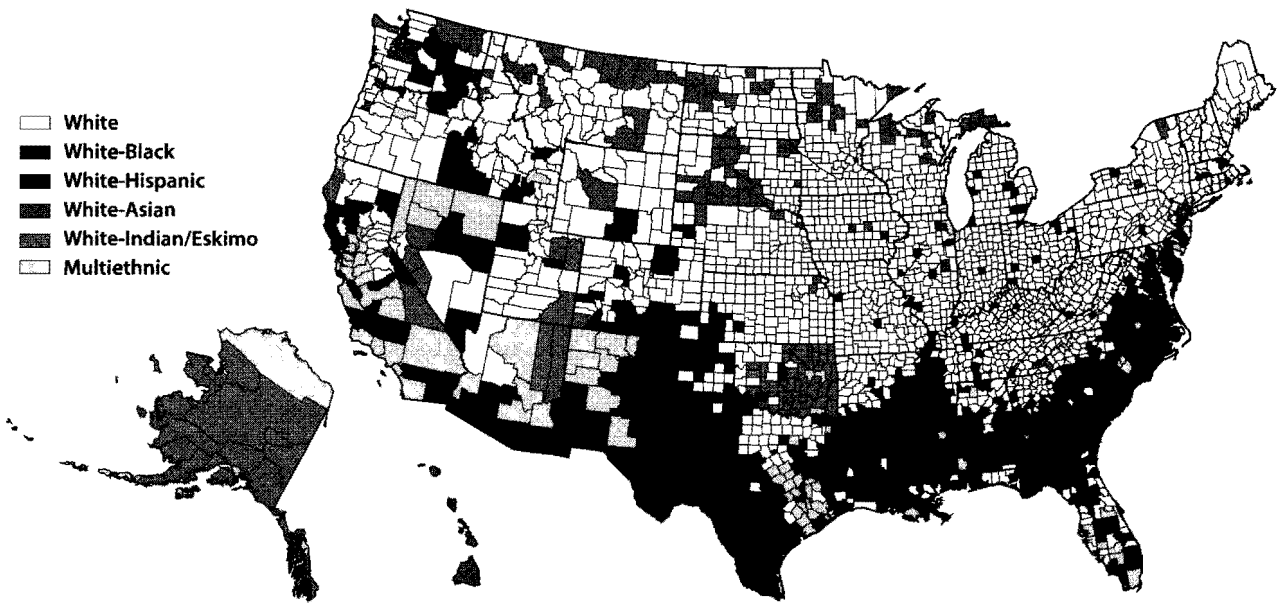
the University of Michigan, Ann Arbor, MI 48104. The author analyzed Census Bureau county population estimates for 1996 and 1997. The estimates, released in December 1997, are available on the bureau's web site at www.census.gov. Metropolitan areas refer to CMSAs, MSAs, and NECMAs (in New England) as defined by the Office of Management and Budget. Some additional tables are posted on the American Demographics Internet site at <http://www.demographics.com>. Click on "The Myth of Multicultural America."

TAKING IT FURTHER

These data are based on "Minority Magnet Metros in the 1990s," published in *Research Report*, and written by William H. Frey. The article is available from

MINORITY PATTERNS

(U.S. counties where the percent of the population represented by a minority exceeds that minority's share of the U.S. population, 1996)



Note: In white counties, no minority group exceeds the national percentage. In white-black counties, blacks exceed 13 percent; in white-Hispanic counties, 12 percent; in white-Asian and white Indian-Eskimo counties, 5 percent. Multiethnic counties have more than one minority represented.

Source: William H. Frey, University of Michigan analysis of census estimates

Concentrations of minorities are highly regionalized, and counties where two or more minorities are over represented are few and far between.