Changing Demographics and Immigration: Implications for Indiana

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Farm Policy Study Group
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America is ...

... Aging
65 and older

2010: 13%
  → 40 million Americans

2050: 20%
  → 86 million Americans

Aging America:

U.S. Population 65+
1990 to 2050
The share of:
- children remains constant
- the labor force shrinks
- the elderly grows
America is Aging

Does Indiana follow the trend?

Yes, moreover ...
Aging takes place in context of slow population growth:

Growth 2000 to 2010

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<tr>
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<th>Population</th>
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<td>US</td>
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Source: U.S. Census Bureau  
Indiana Business Research Center, March 2010
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Counties with very large shares of elderly (> 16%) even have negative growth.

→ double demographic disadvantage!
America is ...

... aging

... an immigration country
**New Legal Permanent Residents**

- 1820-1860: Slow increase
- 1860-1900: Steady rise
- 1900-1940: Significant dip during Depression, sharp increase post-Depression
- 1940-1980: Continuous rise, noted spikes around WWII and 1986 IRCA Amnesty
- 1980-2000: Steady increase

Source: Based on data from the Department of Homeland Security
Percent of foreign born who *recently* immigrated

Source: U.S. Census Bureau
Demographic advantages of immigration:

- dampens / reverses population loss → Example: Wayne County 1990 to 2000

  
  \[
  \begin{array}{c}
  \text{lost:} & -1,490 \text{ native-borns} \\
  \text{gained:} & +636 \text{ foreign-borns} \\
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- rejuvenates the population → Example: native-borns much older than recent immigrants:

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<td>- 1,490</td>
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<table>
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<th>Median Age, Indiana 2009</th>
<th>native-borns</th>
<th>foreign-born, naturalized</th>
<th>foreign-born, not naturalized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>35.4</td>
<td>46.4</td>
<td>31.8</td>
</tr>
<tr>
<td>Female</td>
<td>38.2</td>
<td>46.7</td>
<td>32.3</td>
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</table>

- adds human capital → Example: share of population with at least a bachelor’s degree

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<th>% with BS +, Indiana 2009</th>
<th>native-born</th>
<th>foreign-born</th>
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<tr>
<td></td>
<td>22.1</td>
<td>29.2</td>
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America is ...

... aging

... an immigration country

... in need of more human capital
A college education has become the norm:

<table>
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<th>Year</th>
<th>US</th>
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<tr>
<td>1970</td>
<td>10.7%</td>
</tr>
<tr>
<td>1980</td>
<td>16.2%</td>
</tr>
<tr>
<td>1990</td>
<td>20.3%</td>
</tr>
<tr>
<td>2000</td>
<td>24.4%</td>
</tr>
<tr>
<td>2005</td>
<td>27.2%</td>
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... but:
... Indiana is lagging behind

1970 Gap: 2.4 % points

2005 Gap: 5.9 % points
Highly-educated residents concentrate in Indiana’s Knowledge Corridor (IKC).

→ fast growing collar counties around Indy
  + Tippecanoe / Purdue
  + Monroe / IU
Implications → ... discussion ...