

July 2010

**NEW AMERICANS IN THE MOUNT RUSHMORE STATE:
The Economic Power of Immigrants, Latinos, and Asians in South Dakota**

Immigrants, Latinos, and Asians account for growing shares of South Dakota's population and economy. Immigrants (the foreign-born) make up 1.9% of the state's population, and nearly half of them are naturalized U.S. citizens who are eligible to vote. Immigrants not only contribute to the state's economy as workers, but also account for millions of dollars in tax revenue and consumer purchasing power. Moreover, Latinos and Asians (both foreign-born and native-born) wield \$682.8 million in consumer purchasing power, and the businesses they own had sales and receipts of \$209.5 million and employed more than 1,200 people at last count. At a time of economic recession, South Dakota would be ill-advised to alienate a significant component of its tax base and business community.

Immigrants and their children are growing shares of South Dakota's population.

- **The foreign-born share** of South Dakota's population rose from 1.1% in [1990](#),¹ to 1.8% in [2000](#),² to 1.9% in [2008](#),³ according to the U.S. Census Bureau. South Dakota was home to 14,894 immigrants in [2008](#).⁴
- **45.5% of immigrants (or 6,773 people) in South Dakota were naturalized U.S. citizens** in [2008](#)⁵—meaning that they are eligible to vote.
- **1.3% (or 5,789) of registered voters** in South Dakota were “New Americans”—naturalized citizens or the U.S.-born children of immigrants who were raised during the current era of immigration from Latin America and Asia which began in 1965—according to an analysis of 2006 Census Bureau data by [Rob Paral & Associates](#).⁶

Nearly 26,000 South Dakotans are Latino or Asian.

- The **Latino share of South Dakota's population** grew from 0.8% in [1990](#)⁷ to 1.4% in [2000](#),⁸ to 2.4% (or 19,301 people) in [2008](#).⁹ The **Asian share of the population** grew 0.4% in [1990](#),¹⁰ to 0.6% in [2000](#),¹¹ to 0.8% (or 6,434 people) in [2008](#),¹² according to the U.S. Census Bureau.
- In South Dakota, **nearly seven-in-ten (or 70% of) children in immigrant families were U.S. citizens** in [2007](#),¹³ according to the Center for Social and Demographic Analysis at the University of Albany.

Latino and Asian entrepreneurs and consumers add hundreds of millions of dollars and hundreds of jobs to South Dakota's economy.

- **The 2009 purchasing power of Latinos in South Dakota totaled \$477.1 million**—an increase of 990.8% since 1990. **Asian buying power totaled \$205.5 million**—an increase of 614.3% since 1990, according to the [Selig Center for Economic Growth](#) at the University of Georgia.¹⁴
- South Dakota's 355 **[Latino-owned](#) businesses** had sales and receipts of \$121.9 million and employed 660 people in 2002, the last year for which data is available.¹⁵ The state's 300 **[Asian-owned](#) businesses** had sales and receipts of \$87.6 million and employed 582 people in 2002, according to the U.S. Census Bureau's Survey of Business Owners.¹⁶

Immigrants contribute to South Dakota's economy as workers.

- Immigrants comprised **2.2% of the state's workforce** in [2008](#) (or 9,950 workers), according to the U.S. Census Bureau.¹⁷

Unauthorized immigrants are important to South Dakota's economy as workers and consumers.

- Unauthorized immigrants comprised less than **1.5% of the state's workforce** (or fewer than 10,000 workers) in [2008](#), according to a report by the Pew Hispanic Center.¹⁸
- If all unauthorized immigrants were removed from South Dakota, **the state would lose \$190.5 million in economic activity, \$84.6 million in gross state product, and approximately 1,440 jobs**, even accounting for adequate market adjustment time, according to a report by the [Perryman Group](#).¹⁹

Immigrants are important to South Dakota's economy as students.

- South Dakota's 931 **foreign students contributed \$13.9 million** to the state's economy in tuition, fees, and living expenses for the 2008-2009 academic year, according to [NAFSA: Association of International Educators](#).²⁰

Naturalized citizens excel educationally.

- In South Dakota, **42.1% of foreign-born persons** who were naturalized U.S. citizens in [2008](#) **had a bachelor's or higher degree**, compared to 25.2% of noncitizens. At the same time, only 19.3% of naturalized citizens lacked a high-school diploma, compared to 23.0% of noncitizens.²¹
- The number of immigrants in South Dakota with a college degree **increased by 64.5%** between 2000 and 2008, according to [data](#) from the Migration Policy Institute.²²
- In South Dakota, **78.0% of all children** between the ages of 5 and 17 in families that spoke a language other than English at home also spoke English "very well" as of [2008](#).²³

Endnotes

-
- ¹ U.S. Census Bureau, [*The Foreign-Born Population: 2000*](#), December 2003.
- ² Ibid.
- ³ 2008 American Community Survey (1-Year Estimates).
- ⁴ Ibid.
- ⁵ Ibid.
- ⁶ Rob Paral and Associates, [*The New American Electorate: The Growing Political Power of Immigrants and Their Children*](#) (Washington, DC: Immigration Policy Center, American Immigration Law Foundation, October 2008).
- ⁷ U.S. Census Bureau, [*The Hispanic Population: 2000*](#), May 2001.
- ⁸ Ibid.
- ⁹ 2008 American Community Survey (1-Year Estimates).
- ¹⁰ U.S. Census Bureau, [*The Asian Population: 2000*](#), February 2002.
- ¹¹ Ibid.
- ¹² 2008 American Community Survey (1-Year Estimates).
- ¹³ Center for Social and Demographic Analysis, [*Children in Immigrant Families in South Dakota*](#) (Albany, NY: University of Albany, SUNY, September 2009).
- ¹⁴ Jeffrey M. Humphreys, [*The Multicultural Economy 2009*](#) (Athens, GA: Selig Center for Economic Growth, University of Georgia, 2009).
- ¹⁵ U.S. Census Bureau, [*Hispanic-Owned Firms: 2002*](#), August 2006.
- ¹⁶ U.S. Census Bureau, [*Asian-Owned Firms: 2002*](#), August 2006.
- ¹⁷ 2008 American Community Survey (1-Year Estimates).
- ¹⁸ Jeffrey S. Passel and D’Vera Cohn, [*A Portrait of Unauthorized Immigrants in the United States*](#) (Washington, DC: The Pew Charitable Trusts, April 14, 2009), p. 30.
- ¹⁹ The Perryman Group, [*An Essential Resource: An Analysis of the Economic Impact of Undocumented Workers on Business Activity in the US with Estimated Effects by State and by Industry*](#) (Waco, TX: April 2008), p. 69.
- ²⁰ NAFSA: Association of International Educators, [*The Economic Benefits of International Education to the United States for the 2008-2009 Academic Year: A Statistical Analysis*](#) (Washington, DC: NAFSA: Association of International Educators, 2009).
- ²¹ Migration Policy Institute Data Hub, [*South Dakota: Language & Education*](#).
- ²² Ibid.
- ²³ Ibid.