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NEW AMERICANS IN THE NORTH STAR STATE: The Political and Economic Power of Immigrants, Latinos, and Asians in Minnesota

Immigrants, Latinos, and Asians account for large and growing shares of the economy and population in Minnesota. Immigrants (the foreign-born) make up 6.5% of the state's population, and 44.5% of them are naturalized U.S. citizens who are eligible to vote. "New Americans"—immigrants and the children of immigrants—account for 3.5% of all registered voters in the state. Immigrants are not only integral to the state's economy as workers, but also account for tens of million of dollars in tax revenue and consumer purchasing power. Moreover, Latinos and Asians (both foreign-born and native-born) wield \$10.2 billion in consumer purchasing power, and the businesses they own had sales and receipts of \$2.3 billion and employed more than 21,000 people at last count. At a time of economic recession, Minnesota can ill-afford to alienate such a critical component of its labor force, tax base, and business community.

Immigrants and their children are growing shares of Minnesota's population and electorate.

- **The foreign-born share** of Minnesota's population rose from 2.6% in [1990](#),¹ to 5.3% in [2000](#),² to 6.5% in [2008](#),³ according to the U.S. Census Bureau. Minnesota was home to 340,657 immigrants in [2008](#),⁴ which is nearly the population of [St. Louis, Missouri](#).⁵
- **44.5% of immigrants (or 151,485 people) in Minnesota were naturalized U.S. citizens in [2008](#)**⁶—meaning that they are eligible to vote.
- **3.5% (or 100,171) of registered voters** in Minnesota 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](#).⁷

Roughly 1 in 13 Minnesotans are Latino or Asian.

- The **Latino share of Minnesota's population** grew from 1.2% in [1990](#),⁸ to 2.9% in [2000](#),⁹ to 4.1% (or 214,036 people) in [2008](#).¹⁰ The **Asian share of the population** grew from 1.8% in [1990](#),¹¹ to 2.9% in [2000](#),¹² to 3.5% (or 182,714 people) in [2008](#),¹³ according to the U.S. Census Bureau.
- **Asians comprised 2.0% (or 56,000) of Minnesota voters** in the 2008 elections, and **Latinos accounted for 1.3% (or 35,000)**, according to the [U.S. Census Bureau](#).
- In Minnesota, **more than four in five (or 85% of) children in immigrant families were U.S. citizens** in [2007](#),¹⁴ according to the Center for Social and Demographic Analysis at the University of Albany.

Latino and Asian entrepreneurs and consumers add billions of dollars and tens of thousands of jobs to Minnesota's economy.

- **The 2009 purchasing power of Minnesota's Asians totaled \$5.4 billion**—an increase of 589.2% since 1990. **Latino buying power totaled \$4.8 billion**—an increase of 843.7% since 1990, according to the [Selig Center for Economic Growth](#) at the University of Georgia.¹⁵
- Minnesota's 7,700 **Asian-owned businesses** had sales and receipts of \$1.8 billion and employed 16,887 people in 2002, the last year for which data is available.¹⁶ The state's 3,984 **Latino-owned businesses** had sales and receipts of \$462.7 million and employed 4,596 people in 2002, according to the U.S. Census Bureau's Survey of Business Owners.¹⁷

Minnesota's diverse immigrant population adds hundreds of millions of dollars to the state's economy.

- In the Twin Cities metro area, **138 immigrant-owned businesses** created **386 new jobs** and **spent \$5.6 million on payroll, rent, and supplies** in 2002, according to a [study](#) from the University of Minnesota.¹⁸
- More than **1,000 Mexican-American businesses** operated in Minnesota, **generating an estimated \$200 million in sales**; while Latino workers employed in south-central agricultural industries added nearly **\$25 million to the local economy**, according to a [2004 report](#) by the Minneapolis Foundation.¹⁹
- More than **16,000 Asian-Indians living in Minnesota** accounted for **\$500 million in consumer purchasing power**, paid **\$5.2 million in real estate taxes** and **\$2.3 million in rent**, and owned **400 companies that employed more than 6,000 people**, according to the [same report](#).²⁰
- Minnesota was home to **60,000 Hmong**, whose **businesses generated an estimated \$100 million in revenue**, according to the [same report](#).²¹
- Minnesota is home to the country's largest Somali population, which numbered roughly **15,000 people** as of 2002.²² Somalis in Minnesota accounted for **\$164 million in buying power** and owned **600 businesses** as of 2006.²³

Immigrants are integral to Minnesota's economy as workers.

- Immigrants comprised **7.5% of the state's workforce** in [2008](#) (or 224,273 workers), according to the U.S. Census Bureau.²⁴
- **Immigrants accounted for 8% of total economic output in the Minneapolis metropolitan area** as of 2007, according to a study by the [Fiscal Policy Institute](#).²⁵ In fact, "immigrants contribute to the economy in direct relation to their share of the population. The economy of metro areas grows in tandem with the immigrant share of the labor force."²⁶
- Unauthorized immigrants comprised **2.3% of the state's workforce** (or 70,000 workers) in [2008](#), according to a report by the Pew Hispanic Center.²⁷
- If all unauthorized immigrants were removed from Minnesota, **the state would lose \$4.4 billion in economic activity, \$2.0 billion in gross state product, and approximately 24,299 jobs**, even accounting for adequate market adjustment time, according to a report by the [Perryman Group](#).²⁸

Immigrants are integral to Minnesota's economy as students.

- Minnesota's 10,848 **foreign students contributed \$232.8 million** to the state's economy in tuition, fees, and living expenses for the 2008-2009 academic year, according to the [NAFSA: Association of International Educators](#).²⁹

Naturalized citizens excel educationally.

- In Minnesota, **36.3% of foreign-born persons** who were naturalized U.S. citizens in [2008](#) **had a bachelor's or higher degree**, compared to 28.5% of noncitizens. At the same time, only 19.0% of naturalized citizens lacked a high-school diploma, compared to 33.8% of noncitizens.³⁰
- The number of immigrants in Minnesota with a college degree **increased by 63.4%** between 2000 and 2008, according to [data](#) from the Migration Policy Institute.³¹
- In Minnesota, **68.5% 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](#).³²

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 Ibid.

⁷ 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).

⁸ U.S. Census Bureau, [The Hispanic Population: 2000](#), May 2001.

⁹ Ibid.

¹⁰ 2008 American Community Survey (1-Year Estimates).

¹¹ U.S. Census Bureau, [The Asian Population: 2000](#), February 2002.

¹² Ibid.

¹³ 2008 American Community Survey (1-Year Estimates).

¹⁴ Center for Social and Demographic Analysis, [Children in Immigrant Families in Minnesota](#) (Albany, NY: University of Albany, SUNY, September 2009).

¹⁵ Jeffrey M. Humphreys, [The Multicultural Economy 2009](#) (Athens, GA: Selig Center for Economic Growth, University of Georgia, 2009).

¹⁶ U.S. Census Bureau, [Hispanic-Owned Firms: 2002](#), August 2006.

¹⁷ U.S. Census Bureau, [Asian-Owned Firms: 2002](#), August 2006.

¹⁸ Katherine Fennelly and Anne Huat, [The Economic Impact of Immigrants in Minnesota](#) (Minneapolis, MN: Hubert H. Humphrey Institute, University of Minnesota, 2009), p. 19.

¹⁹ The Minneapolis Foundation, [Immigration in Minnesota: Discovering Common Ground](#) (Minneapolis, MN: The Minneapolis Foundation, 2004), p. 9.

²⁰ Ibid., p. 4.

²¹ Ibid., pp. 12-13.

²² Paula Woessner, "[Size of Twin Cities Muslim Population Difficult to Determine](#)," *Community Dividend* (Federal Reserve Bank of Minneapolis), August 2002.

²³ Bruce P. Corrie, Ph.D., "[Economic Contributions of Somalis in Minnesota](#)" (St. Paul, MN: Concordia University, 2006).

²⁴ 2008 American Community Survey (1-Year Estimates).

²⁵ David Dyssegaard Kallick, [Immigrants in the Economy: Contribution of Immigrant Workers to the Country's 25 Largest Metropolitan Areas](#) (New York, NY: Fiscal Policy Institute, December 2009), p. 11.

²⁶ Ibid., p. 1.

²⁷ Jeffrey S. Passel and D'Vera Cohn, [A Portrait of Unauthorized Immigrants in the United States](#) (Washington, DC: Pew Hispanic Center, April 14, 2009), p. 30.

²⁸ 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.

²⁹ 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).

³⁰ Migration Policy Institute Data Hub, [Minnesota: Language & Education](#).

³¹ Ibid.

³² Ibid.