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**STRENGTH IN DIVERSITY:
The Economic and Political Clout of Immigrants, Latinos, and Asians
in the United States**

Immigrants, Latinos, and Asians constitute large and growing shares of the U.S. workforce, tax base, business community, and electorate. Immigrants (the foreign-born) account for one out of every eight people in the United States, and one out of every six workers. Almost one half (46.7%) of immigrants are naturalized U.S. citizens who are eligible to vote. “New Americans”—immigrants and the children of immigrants—account for one in nine registered voters. Moreover, one out of every five people in the country is Latino or Asian. Together, Latinos and Asians (both foreign-born and native-born) wield \$2 trillion in consumer purchasing power, and the businesses they owned had sales of \$857 billion and employed 4.7 million workers at last count. Immigrant, Latino, and Asian workers, taxpayers, and entrepreneurs are integral to the U.S. economy—and they are a potent electoral force.

1 in 8 people in the United States is an immigrant.

- The foreign-born share of the U.S. population rose from 7.9% in 1990,¹ to 11.1% in 2000,² to 13.1% in 2013,³ according to the U.S. Census Bureau. The United States was home to 41.3 million immigrants in 2013, which is more than the total population of either California⁴ or Canada.⁵
 - More than one-quarter (28%) of the foreign-born population came from Mexico as of 2013. More than a quarter (29.5%) came from Asian countries, while 11.6% came from European countries, 9.6% from the Caribbean, 7.7% from Central America, 6.7% from South America, and 4.4% from Africa, according to the U.S. Census Bureau.⁶
 - Approximately 46.7% of the foreign-born were naturalized U.S. citizens in 2013.
 - Unauthorized immigrants comprised **3.5% of the population** (or 11.2 million people) in 2012, according to a report by the Pew Research Center.⁷
 - There were **4.5 million native-born**, U.S.-citizen children with at least one parent who was an unauthorized immigrant in 2010, according to the Pew Hispanic Center.
- **22.7% of all children in the United States** (16.8 million) had parents who were immigrants as of 2009, according to the Urban Institute. Of these children, **85.9% were U.S. citizens**.⁸

- **82.2% of children with immigrant parents** were considered “English proficient” as of 2009, according to data from the Urban Institute.⁹

1 in 5 people in the United States is Latino or Asian.

- The **Latino share of the U.S. population** grew from 9% in 1990,¹⁰ to 12.5% in 2000,¹¹ to 17.1% (or 54 million people) in 2013.¹² The **Asian share of the population** grew from 2.8% in 1990,¹³ to 3.6% in 2000,¹⁴ to 5.1% (or 16 million) in 2013,¹⁵ according to the U.S. Census Bureau.
 - More than one-third (35%) of Latinos and two-thirds (66%) of Asians were foreign-born in 2013, according to the U.S. Census Bureau.¹⁶
 - Nearly one-quarter (22%, or 16.3 million) of all children in the United States in 2010 were Latino, according to the Urban Institute.¹⁷
 - More than half (57.9%) of Latino children in the United States had at least one foreign-born parent, according to the Urban Institute.¹⁸

Immigrants, Latinos, and Asians are large and growing shares of the U.S. electorate

- In 2012, 11.8% (or 18.1 million) of all registered voters 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 2012 Census Bureau data by the American Immigration Council.¹⁹
 - Of these, 15.2 million voted in 2012, representing 11.4 percent of all those who voted.²⁰
 - 10.7 million registered voters were naturalized citizens, while 7.3 million were “post-1965” children of immigrants.²¹
- **Latinos accounted for 8.4%** (or 11.2 million) **of U.S. voters** in the 2012 elections, and **Asians 2.9%** (3.9 million), according to the U.S. Census Bureau.²²

1 in 6 workers in the U.S. is an immigrant.

- The nation’s 26.3 million foreign-born workers comprised 16.5% of the labor force in 2013, according to the U.S. Census Bureau.²³
 - In 2014, foreign-born workers were more likely than native-born workers to be employed in service occupations (24.1% vs. 16.4%); in production, transportation, and material moving occupations (15.6% vs. 11.2%); and in natural resources, construction, and maintenance occupations (13.7% vs. 8.4%), according the U.S. Bureau of Labor Statistics.²⁴

Unauthorized immigrants contribute to the U.S. economy.

- Unauthorized immigrants comprised **5.1% of the U.S. workforce** (or 8.1 million workers) in 2012, according to the Pew Hispanic Center.²⁵
- If all unauthorized immigrants were removed from the United States, **the country would lose \$551.6 billion in economic activity, \$245 billion in Gross Domestic Product (GDP), and approximately 2.8 million jobs**, even accounting for adequate market adjustment time, according to a 2008 report by the Perryman Group.²⁶
- A 2010 report from the American Immigration Council and Center for American Progress estimates that deporting all unauthorized immigrants from the country and somehow “sealing the border” to future unauthorized immigration would reduce U.S. GDP by 1.46% annually—or \$2.6 trillion in lost GDP over 10 years. Moreover, the U.S. economy would shed large numbers of jobs.²⁷

Unauthorized immigrants pay taxes.

- Unauthorized immigrants in the United States paid **\$11.8 billion** in state and local taxes in 2012, including \$7.1 billion in sales taxes, \$1.1 billion in personal income taxes, and \$3.6 billion in property taxes, according to data from the Institute on Taxation and Economic Policy.²⁸
- Were unauthorized immigrants in the United States to have lawful permanent residence, they would pay **\$14.1 billion** in state and local taxes, including \$7.8 billion in sales taxes, \$2.3 billion in personal income taxes, and \$4 billion in property taxes.²⁹

The purchasing power of Latino and Asian consumers totaled \$1.9 trillion in 2012.

- Together, Latinos and Asians accounted for 16% of the nation’s total purchasing power, according to the Selig Center for Economic Growth at the University of Georgia.
 - The purchasing power of Latinos totaled \$1.3 trillion in 2014 (an increase of 495% since 1990), and is projected to reach \$1.7 trillion by 2019.³⁰
 - The purchasing power of Asians totaled \$770 billion in 2014 (an increase of 567% since 1990), and is projected to reach \$1 trillion by 2019.³¹

Latino and Asian businesses had sales of \$857 billion and employed 4.7 million workers in 2007.

- Together, businesses owned by Latinos and Asians comprised 14% of all U.S. businesses, according to the U.S. Census Bureau’s 2007 Survey of Business Owners.
 - The nation’s 2.3 million Latino-owned businesses had sales and receipts of \$350.7 billion and employed 1.9 million people in 2007 (the last year for which data is available).³²

- The nation's 1.5 million Asian-owned businesses had sales and receipts of \$506 billion and employed 2.8 million people in 2007.³³
- New entrepreneurs in the U.S. are also becoming increasingly diverse, according to the 2015 Kauffman index on startup activity. More than 40% of new entrepreneurs are comprised of Black, Latino, Asian, and other non-white entrepreneurs, with most of the rise coming from Latino (22.1% of new entrepreneurs) and Asian entrepreneurs (6.8% of new entrepreneurs).³⁴

Immigrant business owners contribute greatly to the United States' entrepreneurial ecosystem.

- From 2006 to 2010, there were 2.4 million new immigrant business owners in the U.S. who had total net business income of \$121 billion (15% of all net business income in the U.S.), according to Robert Fairlie of the University of California, Santa Cruz.³⁵
- In 2013, 18% of business owners in the United States were foreign-born, according to the Fiscal Policy Institute and Americas Society/Council of the Americas.³⁶ Furthermore, 28% of "Main Street" business owners—owners of businesses in the retail, accommodation and food services, and neighborhood services sectors—in the U.S. were foreign-born in 2013.³⁷
- According to the 2015 index on startup activity from the Kauffman Foundation, immigrant entrepreneurs now account for 28.5% of all new entrepreneurs in the U.S., which is up from 13.3% in the 1997 index.³⁸
- Immigrants continue to be nearly twice as likely as the native-born to become entrepreneurs, with the rate of new entrepreneurs being 0.52% for immigrants, compared to 0.27% for the native-born, according to Kauffman's 2015 index.³⁹

Immigrants are integral to the U.S. economy as students.

- The 886,052 foreign students who were in the country during the 2013-2014 academic year contributed \$26.8 billion to the economy in tuition, fees, and living expenses, according to NAFSA: Association of International Educators.⁴⁰ Additionally, international students and their families contributed to creating or supporting 340,000 jobs. For every 7 international students enrolled, 3 U.S. jobs are created or supported by spending occurring in the following sectors: higher education, accommodation, dining, retail, transportation, telecommunications, and health insurance.⁴¹
- Foreign students contribute to metropolitan areas in the U.S. From 2008 to 2012, according to the Brookings Institution, 85% of foreign students pursuing a bachelor's degree or higher in the U.S. attended colleges or universities in 118 metro areas, and they paid \$21.8 billion in tuition and \$12.8 billion in living costs.⁴²
- Foreign students also contribute to innovation in the U.S. In 2009, "non-resident aliens" comprised 39.8% of master's degrees and 44.7% of doctorate degrees in science, technology, engineering, and mathematics (STEM) fields, according to the Partnership for a New American Economy.⁴³

Endnotes

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- ⁸ *The Urban Institute*, data from the Integrated Public Use Microdata Series datasets drawn from the 2005 - 2009 American Community Survey.
- ⁹ *The Urban Institute*, data from the Integrated Public Use Microdata Series datasets drawn from the 2005 - 2009 American Community Survey.
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- ¹⁵ 2013 American Community Survey (1-year Estimates).
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- ²⁷ Raul Hinojosa-Ojeda, *Raising the Floor for American Workers: The Economic Benefits of Comprehensive Immigration Reform* (Washington, DC: Immigration Policy Center and Center for American Progress, January 2010), p. 12.
- ²⁸ Institute on Taxation and Economic Policy, *Undocumented Immigrants' State and Local Tax Contributions* (Washington, DC: April 2015).
- ²⁹ Ibid.
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- ³¹ Ibid.
- ³² U.S. Census Bureau, *2007 Survey of Business Owners*, Statistics for All U.S. Firms by Geographic Area, Industry, Gender, Ethnicity, and Race: 2007.
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- ³⁴ Robert W. Fairlie, Arnobio Morelix, E.J. Reedy, and Joshua Russell, *The Kauffman Index 2015: Startup Activity* (Kansas City, MO: Ewing Marion Kauffman Foundation, May 2015), p. 6.
- ³⁵ Robert W. Fairlie, *Open for Business: How Immigrants are Driving Small Business Creation in the United States* (New York, NY: Partnership for a New American Economy, 2012), p. 32.
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