

The World's Largest Open Access Agricultural & Applied Economics Digital Library

# This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<a href="http://ageconsearch.umn.edu">http://ageconsearch.umn.edu</a>
aesearch@umn.edu

Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.

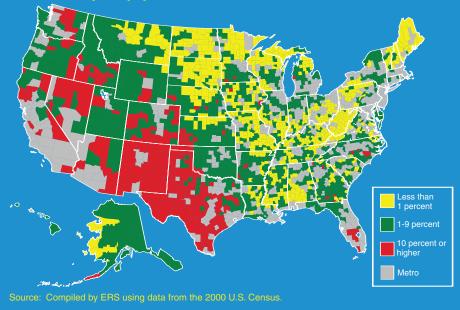


etween 1980 and 2000, the Hispanic/Latino population in rural and smalltown America nearly doubled from 1.4 to 2.7 million and is now the most rapidly growing segment of the population in nonmetropolitan (nonmetro) counties. In 1980, Hispanics constituted just over 5 percent of the nonmetro population, a figure that rose to 5.5 percent in 2000. Since 1980, growth in the Hispanic population has contributed over 25 percent of the total nonmetro population increase and over 50 percent of the nonmetro minority population increase.

Hispanic population growth has helped to stem decades of smalltown population decline in some States, demographically and economically revitalizing many rural communities. Hispanic population growth in new destinations outside traditional Hispanic settlement areas in the nonmetro Southwest can drive change in local economies and can raise questions about social service provision, socioeconomic adaptation and integration, and other important public policy issues for nonmetropolitan counties.

USDA's Economic Research Service (ERS) analyzes ongoing changes in rural areas and assesses Federal, State, and local strategies to enhance economic opportunities and quality of life for all rural Americans. As part of this analysis, ERS researchers compare current demographic, social, and economic indicators for rural Hispanics with those for other nonmetro residents.





### **Population Change and Geography**

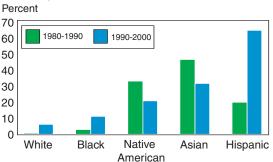
## Hispanics Are the Fastest Growing Population in Rural America

While Hispanics make up less than 6 percent of the entire nonmetro population of 46 million, their growth rate since 1980 outpaces that of all other major racial and ethnic groups. Of the four major minority groups, only nonmetro Blacks outnumber nonmetro Hispanics (4.1 million to 2.7 million). At current growth rates, however,

Hispanics are projected to become the largest minority group in rural America by about 2025, as they did for the entire Nation in 2003.

The sizable and recent Hispanic (and Asian) population growth nationally stems from changes in immigration laws and economic growth. In addition, because many foreign-born minorities tend to be relatively young, they are more likely to have children, further increasing their share of the population.

### Nonmetro population growth by race and ethnicity 1980-2000



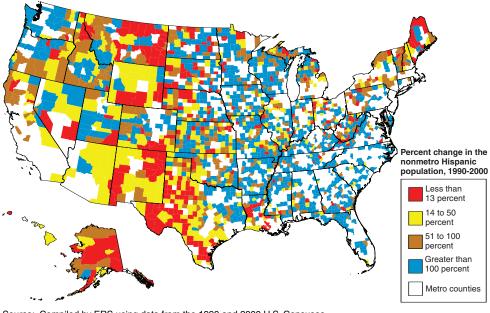
Source: Economic Research Service, USDA, using data from the 1980, 1990, and 2000 U.S. Census.

## Nonmetro Hispanics Are Dispersing Nationally and Concentrating in New Rural Destinations

For the first time in 2000, half of all nonmetro Hispanics lived outside the Southwest. While almost all nonmetro counties experienced Hispanic population growth, roughly a third of this growth occurred in just 150 counties dominated by low-skill industries. Between 1990 and 2000:

- The nonmetro Hispanic population more than doubled in 20 (mostly Southern and Midwestern) States, with growth rates ranging from 120 to over 400 percent.
- Of 2,052 nonmetro counties, the number in which Hispanics constitute at least 1 percent of the population grew from 817 to 1,387; the number in which Hispanics constitute at least 10 percent grew from 211 to 287.

### Hispanic population growth is higher in the Southeast and Midwest



Source: Compiled by ERS using data from the 1990 and 2000 U.S. Censuses.

### Hispanics Help To Slow Population Loss in Rural America

Hispanic population growth has checked long-term population decline in many rural counties, especially in Midwestern and Great Plains States where natural decrease and outmigration by young native-born adults have been reducing population in some areas since the 1950s or earlier.

All else being equal, over 100 nonmetro counties would have lost population between 1990 and 2000 if not for growth in the Hispanic population. Nearly 500 other nonmetro counties with Hispanic population gains experienced a net population loss, nonetheless, because of non-Hispanic population declines.

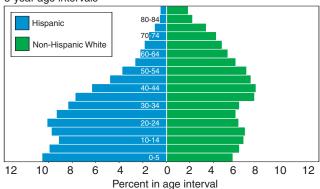


# **Population Composition U.S. Hispanic Population Is Diverse**

In rural areas, as elsewhere, Hispanics comprise many nationalities and range widely across virtually every socioeconomic indicator. These dimensions include education, occupation, median age, citizenship, race, and history in the United States—even within groups. For example, the largest ethnic group, Mexicans, includes many citizens who trace their ancestors' U.S. settlement back for hundreds of years, as well as new residents. Hispanic residents in newer rural destinations, while ethnically diverse, include larger proportions of recent U.S. migrants than are found in more established settlement areas.

#### Rural Hispanics tend to be younger than non-Hispanic Whites

5-year age intervals



Source: Compiled by ERS with data from the 2000 U.S. Census.

Recent inmigration helps explain differences in the demographic and socioeconomic profile of nonmetro Hispanics compared with non-Hispanic residents. The foreign-born represent at least a third of all nonmetro Hispanics, and their presence is more highly concentrated in the newer destination regions of Southeast and Midwest. Like young adults everywhere, recent nonmetro Hispanic inmigrants often relocate for new jobs.

- Recent Hispanic arrivals to nonmetro counties are more likely than other nonmetro residents to be younger and male, which explains the significantly higher male/female ratio between the two groups. Because many nonmetro Hispanics work at lower paying jobs and send money back to their families in their home countries, they are also more likely than other nonmetro residents to live in shared and often crowded housing.
- The foreign-born proportion varies inversely with the percentage of Hispanics who speak English fluently and who have U.S. citizenship, two clear measures of socioeconomic integration. Data from the 2003 Census indicate that almost three-quarters of all nonmetro Hispanics reported that they spoke English "very well" or exclusively, a tendency that increases with more time in the United States and especially with exposure to U.S. schooling.
- Hispanics trail the U.S. average in years of schooling. Recent migrants often originate from poor rural communities with few educational or career options. Consequently, while Hispanics represent a small proportion of the nonmetro population, their growing importance to the nonmetro labor force will depend on their educational attainment, particularly for second-generation Hispanic children growing up as United States citizens.

#### Selected nonmetro demographic indicators, 2000 and 2003

Characteristic	Hispanic	Non-Hispanic White
Demographic		
Percent foreign born (2003)	34	2
Median age (2003)	27.7	37.8
Percent of population under 18 (2000)	37	23
Percent of population 65 and older (2000)	6	18
Male/female ratio (2000)	1.09	0.96
Average persons in household (2003)	4.1	3.1
Average children in household (2003)	1.8	1.0
Socioeconomic incorporation and assimilation		
Percent speaking English "very well" (2003)	73	99
Percent citizen (2003)	75	99
Education (persons age 25+)		
Percent with a high school diploma (2003)	53	86
Percent with a college degree (2003)	6	17

Source: Compiled by ERS using the 2002, 2003, and 2004 Current Population Survey, March Supplement

# **Economic and Social Indicators** *Use of Nonmetro Social Services Varies by Program*

Despite limited economic resources, Hispanic participation in national safety-net programs remains relatively modest. Such participation and eligibility often depend on household economic status, citizenship, and individual legal status, and requirements for some programs may vary by State. For medical care, Hispanics and non-Hispanic Whites have participation rates that reflect their respective age profiles: while Hispanics are twice as likely to enroll in Medicaid, they are half as likely to participate in Medicare. However, for food stamps and the USDA's WIC program (Special Supplemental Nutrition Program for Women, Infants, and Children), Hispanic participation rates are substantially higher than rates for non-Hispanic Whites. Participation in public housing programs does not differ substantially.

School enrollment is an important indicator of changes in rural demography. Lower median ages and relatively higher fertility rates of Hispanic residents have yielded a Hispanic school-age population that is growing far more rapidly than that of other

groups. Hispanic children still constitute a small proportion of the nonmetro school-age population, and their growing numbers benefit rural school districts with declining enrollments that receive State funding on a per capita basis. Yet, high growth rates of this population may foreshadow challenges for these schools as they seek to address this population's needs.



### Nonmetro household participation in major U.S. assistance programs, 2003

Indicator	Hispanic	Non-Hispanic White
	Percent	
Medicaid	21	11
Medicare	8	18
WIC	13	7
Food stamps	14	7
Public housing or rental assistance	14	13

Source: Compiled by ERS using the 2002, 2003, and 2004 Current Population Survey, March Supplement

### Selected economic indicators, nonmetro counties, 2003

Characteristic	Hispanic	Non-Hispanic White
Employment rate, ages 16+	Percent	
Men	79	75
Women	55	66
Employment sector		
Agriculture, mining, construction	20	15
Manufacturing	23	15
Financial, professional, business	7	11
Education, health, public administration	16	25
All other sectors	34	34
Occupations		
Management, professional	12	30
Sales and administrative	17	24
Production and transportation	29	17
Service	22	15
Agricultural, construction, maintenance	21	13
Income		
Median personal income (2003 dollars)	\$3,500	\$12,108
Median household income (2003 dollars)	\$31,532	\$43,778
Percent of poverty-level individuals	26	11
Percent homeowners	58	76

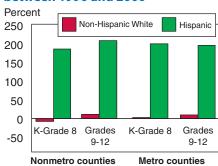
Source: Compiled by ERS using the 2002, 2003, and 2004 Current Population Survey, March Supplement

### Nonmetro Hispanics Lag on Economic Indicators

In nonmetro counties, Hispanic men have employment rates comparable with non-Hispanic White men, but Hispanic women trail non-Hispanic White women by roughly 10 percentage points. Nonmetro Hispanics are more likely to work in lower skilled sectors such as agriculture, construction, and manufacturing and are less likely to hold occupations that require college degrees. As a result, average personal incomes differ substantially between the two groups. Hispanics are more likely to live in poverty and less likely to own homes than non-Hispanic Whites.

- While incomes are effective measures of current economic well-being, homeownership points to long-term economic security and wealth accumulation. Non-Hispanic Whites have higher rates of homeownership than all other groups in both nonmetro and metro areas. Homeownership rates in nonmetro areas are, however, notably higher than in metro areas across all racial and ethnic groups, because of the older median age of the population and lack of rental housing.
- Prospects for Hispanics in rural America hinge on the same mechanisms for social and economic mobility as used by generations of U.S. immigrants. These mechanisms include acquiring U.S. citizenship, work experience, English skills, training, and education, as well as overcoming discrimination and prejudice.

### Change in school enrollment rates between 1990 and 2000



Source: Compiled by ERS using data from the 2000 U.S. Census

Long-term mobility prospects depend critically on whether the educational attainment of Hispanic children matches that of their non-Hispanic peers.

In rural America, these circumstances occur against a backdrop of an aging, mostly White, population that will retire from the work force in large numbers in the coming decades. Consequently, the social and economic adaptation, integration, and mobility of new rural residents and their children are critical public policy issues.



### **ERS Research on Hispanics...**

For more information, go to the ERS Web site's briefing room on race and ethnicity in rural America: <a href="https://www.ers.usda.gov/Briefing/RaceAndEthnic">www.ers.usda.gov/Briefing/RaceAndEthnic</a>.

ERS also provides more in-depth analysis of rural demographic change that focuses on Hispanics. In particular, see:

- New Patterns of Hispanic Settlement in Rural America. Recent settlement has increased the visibility of Hispanics in many new regions of rural America. Yet among non-Hispanic Whites within smaller geographic areas, they became less evenly distributed during the 1990s, especially in rapidly growing counties. Hispanic settlement patterns warrant attention by policymakers because they affect the well-being of both rural communities and Hispanics themselves. www.ers.usda.gov/Publications/rdrr99/.
- Impacts of Hispanic Population Growth on Rural Wages. Although earnings generally increased in rural areas in the 1990s, Hispanic population growth led to lower wages for at least one segment of the rural population—workers with a high school diploma. This report examines the effects of Hispanic population growth on rural wages and finds that labor demand favored unskilled and professional workers in some rural industries. www.ers.usda.gov/publications/aer826.

### Who Is Hispanic/Latino?

In this report, "Hispanic" refers to those individuals who identified themselves as "Spanish," of "Hispanic origin," or "Latino" on the Decennial Census in 1980, 1990, and 2000 (or the Current Population Surveys of 2002, 2003, and 2004). Some respondents identify with all three terms while others may identify with only one. Hispanic identification is an ethnicity, which is independent of race. In 2000, roughly 48 percent of Hispanics identified their race as White, 42 percent as some other race, and the remaining 10 percent as Black, Native American, or Asian. Roughly half of all Hispanics refer to themselves as "Latino." Note that Hispanic ethnicity encompasses a wide span of experience, ranging from families having lived many generations in the United States to recently arrived migrants whose experience is emphasized in this report.

#### What Is Rural?

The statistics reported in this publication are based on the metropolitan (metro) and nonmetropolitan (nonmetro) definitions established by the U.S. Office of Management and Budget in 2003. Metropolitan areas contain (1) core counties with one or more central cities of at least 50,000 residents or with a Census Bureau-defined urbanized area (and a total metro area population of 100,000 or more), and (2) fringe counties that are economically tied to the core counties. Nonmetro counties are outside the boundaries of metro areas and have no cities with more than 50,000 residents. The data reported are for nonmetro and metro areas, but here the terms "rural" and "urban" are used interchangeably with "nonmetro" and "metro." Although metropolitan and nonmetropolitan definitions based on the 2000 Census were released in 2003, the Current Population Survey reports data by the previous definition only.

#### **Data Sources**

This report draws on the research of ERS's Resource and Rural Economics Division. Data used in this analysis come from the 1990 and 2000 Census and the 2002, 2003, and 2004 Social and Economic (March) Supplement to the Current Population Survey. Photos from USDA/OC Photography Center.

#### **ERS Web site and contact person**

For general information about rural America, go to **www.ers.usda.govl Emphases/Rural**. For more information on this topic, contact **William Kandel** at **wkandel@ers.usda.gov** or at **202-694-5021**.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and, where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).