

November 30, 2009

**NEW AMERICANS IN THE HAWKEYE STATE:  
The Political and Economic Power of Immigrants, Latinos, and Asians in Iowa**

Immigrants, Latinos, and Asians account for growing shares of the economy and population in Iowa. Immigrants make up 3.9% of the state's population, and more than one-third of them are naturalized U.S. citizens who are eligible to vote. "New Americans"—immigrants and the children of immigrants—account for 1.7% of 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 wield nearly \$4.1 billion in consumer purchasing power, and the businesses they own had sales and receipts of \$744.9 million and employed more than 8,488 people at last count. At a time of economic recession, Iowa 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 Iowa's population and electorate.*

- **The foreign-born share** of Iowa's population rose from 1.6% in [1990](#),<sup>1</sup> to 3.1% in [2000](#),<sup>2</sup> to 3.9% in [2007](#),<sup>3</sup> according to the U.S. Census Bureau. Iowa was home to 117,437 immigrants in [2007](#),<sup>4</sup> which is more than the total population of [Springfield, Illinois](#).<sup>5</sup>
- **34.5% of immigrants (or 40,473 people) in Iowa were naturalized U.S. citizens in [2007](#)**<sup>6</sup>—meaning that they are eligible to vote.
- **1.7% (or 28,274) of registered voters** in Iowa 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](#).<sup>7</sup>

*1 in 18 Iowans are Latino or Asian.*

- The **Latino share of Iowa's population** grew from 1.2% in [1990](#),<sup>8</sup> to 2.8% in [2000](#),<sup>9</sup> to 4.0% (or 119,522 people) in [2007](#).<sup>10</sup> The **Asian share of the population** grew from 0.9% in [1990](#),<sup>11</sup> to 1.3% in [2000](#),<sup>12</sup> to 1.6% (or 47,809 people) in [2007](#),<sup>13</sup> according to the U.S. Census Bureau.
- **Latinos accounted for 1.3% (or 20,000) of Iowa voters** in the 2008 elections, and Asians 0.7% (11,000), according to the [U.S. Census Bureau](#).<sup>14</sup>

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

- **The 2008 purchasing power of Latinos in Iowa totaled \$2.4 billion**—an increase of 665.5% since 1990. **Asian buying power totaled \$1.7 billion**—an increase of 548.0% since 1990, according to the [Selig Center for Economic Growth](#) at the University of Georgia.<sup>15</sup>
- Iowa's 1,786 **Asian-owned businesses** had sales and receipts of \$456.3 million and employed 5,532 people in 2002, the last year for which data is available.<sup>16</sup> The state's 1,536 **Latino-owned businesses** had sales and receipts of \$288.6 million and employed 2,956 people in 2002, according to the U.S. Census Bureau's Survey of Business Owners.<sup>17</sup>

***Unauthorized immigrant families are integral to Iowa's economy as taxpayers.***

- Unauthorized immigrant families in Iowa paid **between \$40 million and \$62 million** in state and local taxes in [2007](#),<sup>18</sup> including:
  - \$2.7 million to \$4.1 million in property taxes;
  - \$30.1 million to \$46.5 million in sales and excise taxes; and
  - \$7.4 million to \$11.4 million in income taxes.
- In addition, Iowa employers and unauthorized workers paid **between \$50.3 million and \$77.8 million** in Social Security and Medicare taxes to the federal government in [2007](#)<sup>19</sup>— benefits these workers will never collect.

***Immigrants are integral to Iowa's economy as workers.***

- Immigrants comprised **4.6% of the state's workforce** in [2007](#) (or 74,349 workers), according to the U.S. Census Bureau.<sup>20</sup>
- Unauthorized immigrants comprised **2.1% of the state's workforce** (or 35,000 workers) in [2008](#), according to a report by the Pew Hispanic Center.<sup>21</sup>
- If all unauthorized immigrants were removed from Iowa, **the state would lose \$1.4 billion in expenditures, \$613.4 million in economic output, and approximately 8,819 jobs**, even accounting for adequate market adjustment time, according to a report by the [Perryman Group](#).<sup>22</sup>

***Immigrants are integral to Iowa's economy as students.***

- Iowa's 9,016 **foreign students contributed \$204 million** to the state's economy in tuition, fees, and living expenses for the 2008-2009 academic year, according to the [National Association of Foreign Student Advisers](#) (NAFSA).<sup>23</sup>

### *Naturalized Citizens Excel Educationally.*

- In Iowa, **26.6% of foreign-born persons** who were naturalized U.S. citizens in [2007](#) had a **bachelor's or higher degree**. At the same time, only 19.8% of naturalized citizens lacked a high-school diploma, compared to 38.1% of noncitizens.<sup>24</sup>
- The number of immigrants in Iowa with a college degree **increased by 55.3%** between 2000 and 2007, according to [data](#) from the Migration Policy Institute.<sup>25</sup>
- **29.2% of Iowa's foreign-born population** age 25 and older had a **bachelor's or higher degree** in [2007](#), compared to 24.1% of native-born persons age 25 and older.<sup>26</sup>
- In Iowa, **75.6% 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 [2007](#).<sup>27</sup>

### Endnotes

<sup>1</sup> U.S. Census Bureau, [The Foreign-Born Population: 2000](#), December 2003.

<sup>2</sup> Ibid.

<sup>3</sup> 2007 American Community Survey (1-Year Estimates).

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> 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).

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

<sup>9</sup> Ibid.

<sup>10</sup> 2007 American Community Survey (1-Year Estimates).

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

<sup>12</sup> Ibid.

<sup>13</sup> 2007 American Community Survey (1-Year Estimates).

<sup>14</sup> U.S. Electoral College, [2008 Presidential Election: Popular Vote Totals](#).

<sup>15</sup> Jeffrey M. Humphreys, [The Multicultural Economy 2008](#) (Athens, GA: Selig Center for Economic Growth, University of Georgia, 2008), p. 64.

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

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

<sup>18</sup> Beth Pearson and Michael F. Sheehan, [Undocumented Immigrants in Iowa: Estimated Tax Contributions and Fiscal Impact](#) (Mount Vernon, Iowa: The Iowa Policy Project, October 2007).

<sup>19</sup> Ibid.

<sup>20</sup> 2007 American Community Survey (1-Year Estimates).

<sup>21</sup> 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.

<sup>22</sup> 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.

<sup>23</sup> 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: National Association of Foreign Student Advisors, 2009).

<sup>24</sup> Migration Policy Institute Data Hub, [Iowa: Language & Education](#).

<sup>25</sup> Ibid.

<sup>26</sup> Ibid.

<sup>27</sup> Ibid.