



www.carseyinstitute.unh.edu

A Brief Analysis of Recent Demographic Changes
by Kenneth M. Johnson

The Census Bureau released new estimates on March 19, 2009 of population and demographic change for each of the 3,141 United States counties. These estimates reflect the impact of the slowing economy on population change. The key driver of such change is domestic migration—people moving from one U.S. county to another. The overall volume of migration has slowed in the last two years, but it has done so differentially. In particular, the net outflow of migrants from big urban core counties has been cut in half in two years (from 689,000 in 2006 to only 336,000 in 2008). This has serious repercussions for the rest of the country. Immigration also slowed from 2006 to 2008 (from 1,006,000 to 889,000), and natural increase (births–deaths) grew slightly, but domestic migration is the real driver. The demographic change underway in rural and urban America is summarized below.

Migration Gains End in Rural Areas

Overall, rural areas grew by about 200,000 between 2007 and 2008. This is less than in 2007 (225,000) and 2006 (262,000). Most of this growth, 77 percent, came from natural increase and the rest from immigration. Net domestic migration, which has been a significant source of rural growth during the last decade and a half, contributed nothing to rural growth between 2007 and 2008. In contrast, rural areas gained 104,000 domestic migrants in 2006 and 33,000 in 2007.

This changing structure of domestic migration has had its most dramatic impact on traditionally fast growing rural areas. Traditionally the fastest growing rural areas are:

- those just beyond the fringe of metro areas—where people could live in rural areas but still have access to cities
- recreational and high amenity areas
- retirement destination counties

All three of these county types experienced much slower migration gains in 2008. Net domestic migration in nonmetro counties near urban areas dropped from 110,000 in 2006 to 19,000 in 2008—a drop of 83 percent. Inflows to rural recreation counties dropped from 69,000 to 24,000 in the same period. And those to retirement destination counties dropped from 115,000 to 50,000. So the traditional fast grow rural areas experienced slower growth—though they did still grow. The reason for this slow down is the same in all three county types. The number of people moving to these counties slowed and the number of people leaving either held stable or slowed less. For example, the inflow to nonmetro counties near metro areas was down -5.2 percent, but the number of people leaving was only down -2.5 percent.

In traditionally slow growing rural counties, like farming or mining counties things were a little more stable. Farm counties experienced a slightly less outmigration in 2008 than in prior years. This is because fewer people left rural areas. The number coming was also down, but not as much. This is typical in hard times, people tend to stay put.



UNIVERSITY of NEW HAMPSHIRE



www.carseyinstitute.unh.edu

Rural manufacturing counties had a particularly tough time with migration. They have traditionally gained migrants, but things have changed recently. In 2006, they gained 10,200 domestic migrants, but in 2008 they lost more than 12,200. This is the twin fallout of the slowdown in the U.S. domestic manufacturing industry and globalization.

Big Urban Cores retain more Domestic Migrants

Domestic migration losses from urban core counties of metro areas of 1+million plus dropped from -688,000 in 2006 to -336,000 in 2008. Judging from the Internal Revenue Service migration stream data, this occurred because the inflow of migrants slowed by less than the outflow of migrants—fewer people came to metro core counties, but even fewer left. The result was a smaller outflow and less net migration loss. Migrants to metro cores tend to be younger adults—20-29—who are less concerned about the housing market and more concerned about the job market. So, an educated guess is that through the period covered by the Census data (7/08) they would have still come. On the other hand, those leaving metro cores tend to be in their 30s and 40s with children, so the housing market, particularly selling houses is a big deal to them. The slowdown of the housing market has essentially frozen them in place. As a result, big metro cores are losing fewer people and continuing to gain young ones.

Chicago exemplifies this. Cook County is growing again after loss in most of the last decade because net domestic migration losses dropped from -90,000(2006) to -43,000 in 2008. With the domestic loss halved, natural increase plus immigration is sufficient to produce growth. This is because the stream of in migrants to Cook stayed stable, while the number of out migrants dropped by -11%. Los Angeles County also had its net migration loss decline from -182,000 in 2006 to -103,000 in 2008. This has repercussions for the suburban counties which did not receive the streams of out migrants from large urban cores that they traditionally have. As a result, growth in many suburban counties slowed.

In contrast, Maricopa County AZ (Phoenix) a traditional fast growing urban core county with its gains fueled by domestic migration saw its net domestic migration gain dropped from 74,000 in 2006 to only 28,000 in 2008. The IRS data show the inflow of migrants to Maricopa was down by 13%, while outmigration increased by nearly 4. Fast growing counties in Florida were hit even harder.

Ken Johnson is the senior demographer at the Carsey Institute. He can be reached at ken.johnson@unh.edu.



UNIVERSITY of NEW HAMPSHIRE