

# California Demographic Trends: Past, Present, And Future

California's 1990-1994 domestic migration and immigration patterns differ significantly from those of previous years and may serve as a bellwether for future demographic shifts throughout the United States.

Before 1990, record numbers of migrants from other states provided California with net annual inflows. From 1990 through 1994, the state experienced a net outflow, with a greater number of California residents moving to other states than of residents of other states moving to California. Migration to other western states (including Alaska and Hawaii) doubled from 126,873 in 1992 to 255,292 in 1994. Interstate migration tends to consist of white, non-Hispanic persons between 18 and 35 years of age. According to a 1995 report from the California Department of Finance, "Between 1985 and 1990, California experienced net migration gains for all major race/ethnic groups except Hispanics; between 1990 and 1994, California experienced domestic net migration losses in both the white non-Hispanic and Hispanic groups and minor net gains in African American and Asian and Pacific Island Groups."

From 1985 to 1990, domestic in-migrants were, on average, better educated than domestic out-migrants. During this period, California gained thousands of college graduates and lost thousands of persons with less than a college education. Since 1990, however, the flow of college graduates into the state has matched the outflow, while the flow of in-migrants with less than a college education has exceeded the outflow.

While California ran a migration deficit with other states between 1990 and 1994, both legal and illegal foreign immigration into the state increased annually. Legal foreign immigration accounted for more than 1 million new California residents from 1990 through 1994. Illegal foreign immigration has grown at an even faster rate. According to Robert Warren, former director of the Statistics Division of the U.S. Immigration and Naturalization Service, "California was the leading state of residence of the undocumented immigrant population in 1992 [the most recent year for which this information is available] with 1.4 million or 43 percent of the total." Total legal foreign immigration

to California in fiscal year 1992 was 238,281.

In 1994, of the more than 208,498 legal foreign immigrants to California, 41 percent came from Asia, approximately 32 percent from Mexico and Central and South America, 11 percent from Canada and Europe, and approximately 16 percent from all other locations (see Figure 1). Since 1990, California's population growth has depended on two primary sources: foreign immigration, both legal and illegal, and the birth rates of Hispanics and Asians who have moved to California.

**The Present.** Demographic patterns are influenced by the economy, and they in turn influence the economy. Domestic migration is directly affected by California's unemployment rate as compared with those of other states—particularly other western states. Domestic in-migration increases when California's unemployment rate declines relative to the rates in other states. The reverse is also true, and relatively higher unemployment defined the situation between 1990 and 1994. (By 1994, the unemployment rate already was beginning to drop, from 9.2 percent in 1993 to 8.6 percent in 1994. By February 1996, it had decreased to 7.6 percent.) Unemployment rates have much less of an impact on in-migration (both legal and illegal) than on migration from other states because even in an economic downturn, the economy in California is much stronger than it is in Mexico and Central America.

California has seen a major economic recovery in 1996. This recovery has been fueled in part by growth in the entertainment,

FIGURE 1: IMMIGRANTS TO CALIFORNIA, 1994

Region of Birth	Number	Percent
Canada/Europe	23,646	11.3
Asia	85,430	41.0
Mexico/Central and South America	66,223	31.8
Other	33,199	15.9
<b>Total</b>	<b>208,498</b>	<b>100.0</b>

Source: U.S. Immigration & Naturalization Service; Gruen Gruen + Associates

high-tech, and garment industries and in export trade in general. In 1993, exports of goods produced in California accounted for almost 9 percent of the state's total output. In the same year, California accounted for 15 percent of all U. S. exports. While more

recent data are not available, foreign trade is expected to continue to grow at an increasing rate because of the state's connection to the Pacific Rim markets.

Growth industries in California relate to and influence the demographic makeup of state residents. Current growth industries such as entertainment and garment manufacturing have bifurcated labor forces, with a large number of unskilled, low-paid workers and a much smaller number of high-skill/high-wage employees. In this respect, the demographics of the labor force and the restructuring of the economy are working together to further polarize California's population into two groups: highly paid, skilled workers and low-paid, unskilled workers. Moreover, the present state of affairs is forecast to continue into California's future.

FIGURE 2: CALIFORNIA POPULATION BY RACE AND HISPANIC ORIGIN (PERCENT)

	White/Non-Hispanic	Hispanic All Races	Asian and Black	Other	Total
1990	57	26	7	10	100
2010	46	36	7	11	100
<b>Difference</b>	<b>(11)</b>	<b>10</b>	<b>0</b>	<b>1</b>	

Source: State of California, Department of Finance

**The Future.** Ninety percent of California's future growth is likely to stem from two sources: immigration, both legal and illegal, and minority births. In 1980, white births accounted for 56 percent of all births; by 1985, this percentage had decreased to 50 percent, and by 1995, to 35 percent. By 2005, it is estimated that it will drop to 33 percent. During the same period, Hispanic births constituted 30 percent of total births in 1980, 33 percent in 1985, and 47 percent in 1995. By 2005, it is estimated that they will account for 48 percent of the state's total births. Figure 2 projects California's population by race and Hispanic origin to the year 2010. Over this 20-year period, the number of white non-Hispanics in the state is estimated to decrease by 11 percent, while Hispanics (all races) are forecast to increase by 10 percent. Asians are forecast to increase by 1 percent, and blacks to stabilize at 7 percent.

Evidence suggests that net outmigration of whites, while decreasing, is likely to continue for some years to come. However, there is growing evidence that future migrants—particularly whites leaving high-immigration

metropolitan areas—will not be the high-income individuals who left the state earlier in this decade, but rather those with low-to-moderate incomes. In an August 20, 1995, *New York Times Magazine* article entitled “Immigrants In, Native Whites Out,” coauthors William H. Frey and Jonathan Tilove write that the whites now migrating from California to nearby states like Nevada “are

those most likely to be competing with immigrants for jobs, space, and cultural primacy.” The authors go on to point out that “they are not the ones who can afford to hire immigrants to mind their kids, trim their hedges, and make their hotel beds.” In the absence of a changed public policy, what these economic and demographic trends foretell is a more racially and geographically

stratified society. The larger question this raises is whether the old saying, “As goes California, so goes the nation,” will hold true for demographic trends. —**Nina Gruen**

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