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INTERNATIONAL MIGRATION: A STRATEGIC IMPERATIVE TO MAINTAIN U.S. GLOBAL COMPETITIVENESS

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Synopsis

A fair and just immigration policy is necessary for the U.S. to avoid absolute population decline and maintain economic viability and competitiveness in domestic and international markets. The negative externalities of failing to develop such a policy are far-ranging, adversely impacting on our social, economic, and political institutions, as well as the communities in which we live, work, play, and do business.

Introduction

Our nation's future demographic dynamism is inextricably tied to how we resolve the ongoing highly polarized debate about [international migration](#). That is, whether we—as a nation—are willing to recommit to welcoming newcomers from other regions of the world who aspire to relocate to the U.S.

A data-informed decision is required in this matter to reduce the risk and likelihood of the [U.S. entering a protracted phase of absolute population decline](#)—potentially beginning as early as by the end of this year.

Such a development would adversely affect the nation's economic vitality domestically and our competitiveness globally.

The Problem

In the ongoing debate there appears to be a lack of understanding among some, and unwillingness to acknowledge and accept among others, the pivotal role that [international migration](#) plays in U.S. population growth. A few key U.S. census statistics are illustrative and provide solid evidence for sound policymaking in this matter.

Over the past five years, the U.S. population grew by 10.3 million. Newcomers from abroad (8.4 million) were responsible for 81 percent of this growth. Each year international migration was responsible for between 71 percent and 88 percent of U.S. population gains between 2020 and 2025, as shown in Figure 1.

Figure 1

International Migration as a Share of Annual U.S. Population Change, 2020-2025

Total Population Change			International Migration	
Absolute Number	Percent Change	Year	Share of Population Change	Absolute Number
522,040	0.1%	2020-2021	72%	376,004
1,917,561	0.6%	2021-2022	88%	1,693,535
2,788,910	0.8%	2022-2023	82%	2,294,299
3,304,757	1.0%	2023-2024	84%	2,786,119
1,781,061	0.5%	2024-2025	71%	1,262,202
10,268,744	3.1%	2020-2025	81%	8,328,837

Source: American Community Survey

Why It Matters

International migration plays such a critical role in our nation’s growth because the U.S. native born population is [aging](#) and experiencing both [age-related mortality](#) and [premature deaths of despair](#). In addition, the nation’s [total fertility rate](#)—a statistical measure or indicator of the average number of children women need to have during their reproductive years to maintain a stable population without immigration--has been below the replacement level (2.1 children) for nearly two decades. The U.S. total fertility rate has hovered around 1.6 since 2008, which signals population shrinkage absent international migration.

[Combined](#) these forces have depressed native-born population growth and contributed to a 7.2 million absolute decline in the [U.S. non-Hispanic white population](#) over the past 15 years—a first in our nation’s history.

Making matters worse, [Americans](#) are now voting with their feet by taking up residence in various foreign countries at an accelerated rate.

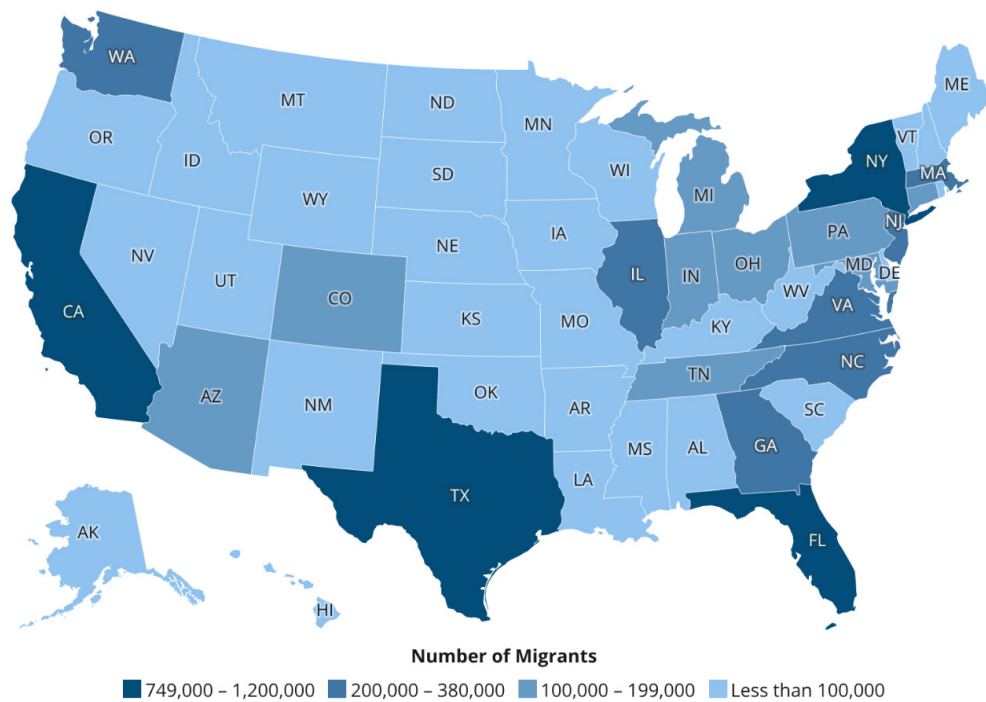
Given these disruptive demographic trends, the impacts and implications of curtailing immigration as outlined in [White House Executive Orders](#) and the [Big Beautiful Bill](#) are clear. In the absence of international migration, the U.S. population would have increased by only 1.9 million, or 388,000 annually, over the past five years. That increase would have been far too small to sustain U.S. economic growth and generate the tax revenue required to sustain social safety, infrastructure enhancement, and defense programs, especially given the significant share of the U.S. working age population with disabilities that [reportedly](#) limit their ability work.

State Level Impacts

International migration impacts are evident in every state in the nation. In absolute numbers, as shown in Figure 2, close to half of the international migrants entering the U.S. over the past five years (46 percent or 3.8 million) settled in four states—the traditional immigrant gateways of Florida, Texas, California, and New York. Close to one quarter relocated to New Jersey, Illinois, North Carolina, Georgia, Washington, and Virginia (22% or 1.9 million). On average 268,000 international migrants settled in each of these six states over the past five years. Nine states, including Arizona, Colorado, Connecticut, Indiana, and Maryland as well as Michigan, Ohio, Pennsylvania, and Tennessee, received on average 147,000 movers from abroad between 2020 and 2025. The remaining thirty states, as the figure below illustrates, received 100,000 or fewer movers from abroad during this period, but the average number (42,000) was significant given the tendency for international migrants to cluster in specific communities within states.

Figure 2

Absolute Number of International Migrants by State, 2020-2025



Source: American Community Survey

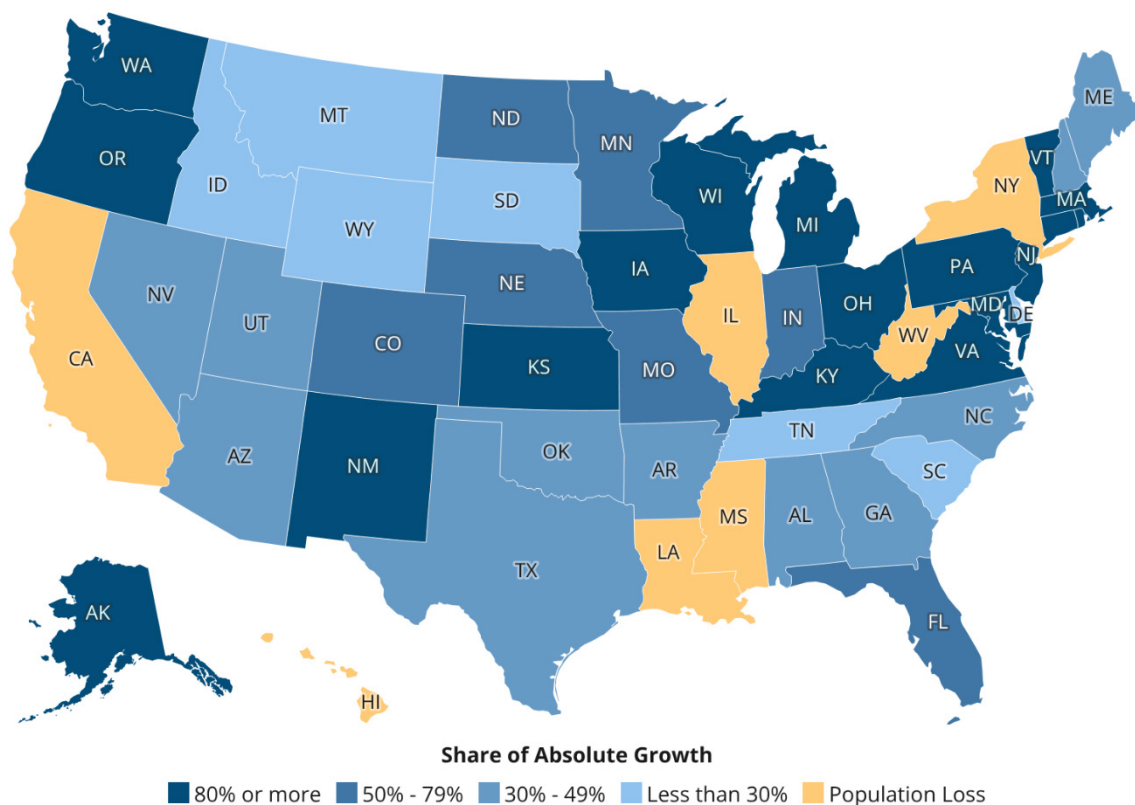
Offering yet another state level view, Figure 3 depicts international migration's relative contribution to absolute population change in the forty-three states that experienced net growth between 2020 and 2025.

- In eighteen of these states and the District of Columbia, international transplants were responsible for over 80 percent of absolute population growth.
- In six of these states, movers from abroad accounted for between 50 percent and 79 percent of absolute growth.
- In ten states, international newcomers were responsible for between 30 and 49 percent of absolute growth.
- And in the remaining seven states, international migrants were responsible for up to 30 percent of absolute growth.

Owing to low fertility rates in some instances, and more deaths than births in others, many of these states would have experienced absolute population decline in the absence of international migration between 2020 and 2025.

Figure 3

International Migration as Share of Absolute Population Growth by State, 2020-2025



Source: American Community Survey

Seven states experienced absolute population decline between 2020 and 2025, as shown Table 1. In six of these states, the declines were driven principally by large scale domestic outmigration. In the seventh state (West Virginia), significantly more deaths than births or natural demographic change, rather than domestic outmigration, drove the population loss.

Irrespective of the source (migration, natural change, or a combination of both), the declines in these seven states would have been even greater were it not for international migration, which partially offset the adverse demographic impacts of net domestic outmigration and negative natural change (i.e., more deaths than births).

Table 1: Sources of Population Change, States Experiencing Population Decline, 2020-2025

State	Absolute Population Change	Natural Change	Domestic Migration	International Migration
California	-200,394	531,304	-1,691,867	973,812
Hawaii	-22,447	12,812	-59,402	24,479
Illinois	-102,600	37,108	-456,378	313,691
Louisiana	-39,705	12,073	-143,806	90,755
Mississippi	-7,104	-18,670	-22,888	34,204
New York	-201,269	167,522	-1,106,013	749,337
West Virginia	-27,612	-49,462	+16,553	5,138

Source: American Community Survey

Economic Impacts

Beyond contributing to absolute population growth in some states, and slowing the rate of population decline in other states, [research](#) confirms that international migrants fill critical labor needs in our economy, create demand for new goods and services, contribute to the tax base through their consumer purchasing power and business ventures, and enhance export marketing opportunities for U.S. businesses through remittances to their families in their home countries. [Other studies](#) have estimated the economic impact of the presence of international migrants in various states.

In one [state](#) where international migrants accounted for a significant share of population growth, the estimated ROI was \$11 in business revenues and taxes for every \$1 spent on immigrant services like K-12 education, health care, and corrections.

What is the key takeaway? The negative economic externalities of curtailing international migration will dramatically alter the viability and stability of American social, economic, and political institutions, as well as the communities in which we live, work, play, and do business.

The Solution

Taking these impacts into consideration, a fair and just immigration policy is urgently needed to ensure future U.S. population growth, economic vitality, and prosperity. In reforming existing law and repealing executive orders governing immigration, the goals must be similar to those that led to the passage of the [Immigration and Nationality Act of 1965](#). Also referred to as the [Hart-Cellar Act](#), and enacted alongside a host of civil rights laws created to foster racial equality in domestic life, the 1965 law “replaced a half century old discriminatory national origins system; prioritized family reunification, employment, and refugee status; and opened the doors of the U.S. to non-European immigration.” We are going to need the talent to drive innovation and propel our nation forward in the years ahead.

And, given the documented [adverse impacts](#) of ongoing turbulence and uncertainty on the lived experiences of the U.S. population, public and private sector organizations must display greater empathy and compassion in recruiting, managing, and retaining the diverse talent that a renewed emphasis on immigration-driven population change will afford us. This will require a laser-like focus on the iceberg or “hidden” workforce and workplace challenges and barriers that undergird the “[unfilled jobs](#)” problem in America.

For the nation, taking these necessary steps will constitute a recommitment to the [American Ideal](#) of fairness, justice, and economic opportunity for all—and in the process, save our nation from absolute population decline in the years ahead.

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