How Skilled-Immigrants Influence Economic Opportunities in
Metro- and Micropolitan Destinations

How does the presence of high- versus low-skill immigrants change the area profile of economic opportunities in immigrant destination areas? Does the trajectory of available economic opportunities differ for old versus new areas of immigrant population size and growth?   We address these salient research and policy questions about the impacts of attracting high- versus low-skill immigrants with data from 144 of the largest metropolitan areas in the U.S.

To study the consequences of high- versus low-skill immigrants in local labor markets, we draw upon theoretical insights from Val Dalen and Henden's (2007) analysis of emigration and public and private goods and services in the Netherlands. Their research showed that important migration-related outcomes are related to such public goods factors as area welfare and health institutions, environmental quality, and societal problems, and to such household-level private goods factors as household income, housing quality, working conditions, and neighborhood contact opportunities. We use over-time data to provide new evidence on the conference-identified research gap concerning the effects of the movement of highly skilled immigrants. Our findings demonstrate the changing patterns of public and private goods in metropolitan areas that have been uniquely successful in attracting high-skill immigrants compared to areas that have been destinations for low-skill immigrants.

Although higher skill immigrants may face some of the same occupational hurdles (e.g., limited access to welfare services; employment discrimination) and be underemployed (Batalova & Fix 2008), they may compete more openly with natives for

jobs than immigrants with lower levels of human capital (Borjas 2005; Stephen & Levin 2001). Whereas high-skill immigrants are not expected to impact the provision of public goods and services to the extent that lower skill immigrants may, they do potentially increase employment competition for native workers, leading to increased un- and underemployment and out-migration of the native high-skill and declining wages for high-skill jobs.

This study thus examines changes between 1990 and 2007 in annual measures indicative of the private domain of quality of life in 144 largest U.S. metropolitan areas receiving recent immigrants to the U.S., including unemployment by low- and high-skill industrial sector, underemployment rates and wage growth for high-skill workers, and out-migration of native-born low- and high-skill workers. Employment-related and out-migration outcome measures are created from the 1990 and 2000 Decenniel Census and post-2000 annual American Community Survey through 2007. Using growth curve modeling, we evaluate changes in these outcomes in relation to our recently developed typology of U.S. metropolitan-area immigrant destinations. This typology, shown in Table 1, categorizes metropolitan areas according to their histories of immigrant receptions and the skill level of immigrants who settle there.

Labor demands among U.S. industries for both service-oriented and high-tech workers result in considerable variation in the occupational skill structure of immigrants across U.S. metropolitan immigrant destinations research (Hall, Graefe, De Jong, & Irving 2008). One stream of new arrivals is dominated by poorly-educated, low-skill, mostly Latino immigrants; the other, by well-educated, high-skill immigrants; and only some metropolitan areas attract both high- and low-skill immigrants equally. Our

ongoing research reveals two fifths of the 144 largest U.S. metropolitan areas to have received at least as many high- as low-skill working-age immigrants in recent years and a third of these places (n=22) to have attracted substantially more high- than low-skill foreign-born workers.

This typology builds upon Singer's (2005) frequently-used typology of U.S. immigrant destinations by expanding the sample of metropolitan areas to include medium-sized metropolitan areas (i.e., including areas with populations of at least 250,000 in 2007), by including post-2000 patterns of growth and change in metropolitan immigrant population, and by disaggregating these destination types according to inequalities in immigrant human capital. Our typology is based upon over a century of Census PUMS files plus micro-data from the 1900-2000 decennial censuses and the 2007 American Community Survey (ACS) aggregated to the metropolitan level. These data are used to estimate the size and change in the foreign-born population and the distribution of immigrant skill-levels for each observation year in each metropolitan area, which are then used to identify 12 primary destination types among U.S. metropolitan areas by cross classifying them according to their history of immigrant reception and the ratio of low- to high-skill immigrants living there.

Because this typology does not explicitly compare the size of the immigrant population relative to natives, in the proposed paper, models include a measure of the proportion of the population that is foreign born as a control variable. Models also control for metropolitan total population size, overall job growth, and U.S. geographic region. Results provide a portrait of the transitions experienced by immigrant-receiving metropolitan areas in recent years, including job-related consequences for the native-born

high skill worker, comparing places where high- and low-skill immigrants predominate. Displacement versus labor market accommodation hypotheses are examined and discussed.

Table 1: Immigrant Skill Ratios (Ascending) in Metropolitan Areas, by Destination Type, 2007

Old (N=18)		Traditional (N=29)		New (N=49)		Developing (N=48)	
Low-skill destinations:		**Low-skill destinations:**		**Low-skill destinations:**		**Low-skill destinations:**	
Utica-Rome, NY	33.3	Brownsville-Harlingen-San Benito, TX	12.3	Visalia-Tulare-Porterville, CA	7.3	Salem, OR	13.0
Syracuse, NY	55.4	McAllen-Edinburg-Pharr-Mission, TX	13.9	Bakersfield, CA	14.1	Biloxi-Gulfport, MS	17.1
Milwaukee, WI	64.7	Fresno, CA	16.1	Modesto, CA	16.5	Reading, PA	25.1
		El Paso, TX	22.4	Santa Rosa-Petaluma, CA	20.1	Kileen-Temple, TX	27.7
Balanced-skill destinations:		Salinas-Sea Side-Monterey, CA	24.7	Fort Pierce, FL	28.0	Beaumont-Port Arthur-Orange,TX	27.7
Cleveland, OH	87.9	Riverside-San Bernadino, CA	30.0	Stockton, CA	28.4	Fayetteville-Springdale, AR	29.3
Rochester, NY	88.2	Providence-Fall River-Pawtucket, MA/RI	34.5	Santa Barbara-Santa Maria-Lompoc, CA	28.7	Lakeland-Winterhaven, FL	30.3
Youngstown-Warren, OH-PA	89.0	Springfield-Holyoke-Chicopee, MA	36.1	Phoenix, AZ	30.5	Greensboro-Winston Salem-High Point, NC	34.4
Toledo, OH/MI	89.6	San Antonio, TX	36.2	Albuquerque, NM	31.4	Boise City, ID	43.9
Philadelphia, PA/NJ	92.2	Houston-Brazoria, TX	41.2	Rockford, IL	37.7	Tulsa, OK	45.4
Spokane, WA	96.6	Los Angeles-Long Beach, CA	51.9	Lancaster, PA	39.6	Salt Lake City-Ogden, UT	45.8
Detroit, MI	101.6	Hartford-Bristol-Middleton-New Britain, CT	53.0	Las Vegas, NV	39.7	Greenville-Spartanburg-Anderson SC	47.7
Buffalo-Niagara Falls, NY	107.2	Tacoma, WA	53.5	Dallas-Fort Worth, TX	39.9	Nashville, TN	54.8
St. Louis, MO-IL	114.2	San Diego, CA	61.0	Grand Rapids, MI	42.2	Austin, TX	55.0
		Bridgeport, CT	63.0	Fort Myers-Cape Coral, FL	42.4	Wilmington, NC	57.7
High-skill destinations:		Chicago, IL	64.4	Ventura-Oxnard-Simi Valley, CA	45.0	Mobile, AL	60.4
Dayton-Springfield, OH	142.0	Brockton, MA	65.8	Naples, FL	46.4	Corpus Christi, TX	61.1
Baltimore, MD	150.0	Miami-Hialeah, FL	66.8	Galveston-Texas City, TX	47.3	York, PA	61.5
Albany-Schenectady-Troy, NY	151.8			Denver-Boulder, CO	50.3	Sarasota, FL	62.4
Cincinnati-Hamilton, OH/KY/IN	155.0			Reno, NV	50.7	Charlotte-Gastonia-Rock Hill, NC-SC	63.2
Pittsburgh, PA	166.9	**Balanced-skill destinations:**		Omaha, NE/IA	50.9	Ocala, FL	63.4
Akron, OH	184.3	Tampa-St. Petersburg-Clearwater, FL	81.0	Atlantic City, NJ	52.7	New Orleans, LA	63.8
		Honolulu, HI	82.9	Tucson, AZ	53.4	Colorado Springs, CO	64.8
		Newburgh-Middletown, NY	83.9	Scranton-Wilkes-Barre, PA	54.1	Provo-Orem, UT	66.8
		New York-Northeastern NJ	84.4	Oklahoma City, OK	54.2	Harrisburg-Lebanon-Carlisle, PA	70.8
		Worcester, MA	89.8	Sacramento, CA	55.6	Little Rock-North Little Rock, AR	71.4
		Fort Lauderdale-Hollywood-Pompano Beach, FL	93.2	South Bend-Mishawaka, IN	56.1		
		Dutchess Co., NY	94.5	Allentown-Bethlehem-Easton, PA/NJ	61.1		
		New Haven-Meriden, CT	103.1	Des Moines, IA	61.4	**Balanced-skill destinations:**	
		Boston, MA-NH	108.8	Anchorage, AK	62.3	Memphis, TN/AR/MS	76.8
		San Francisco-Oakland-Vallejo, CA	109.9	Portland, OR-WA	63.5	Louisville, KY/IN	85.2
				West Palm Beach-Boca Raton-Delray Beach, FL	66.2	Montgomery, AL	89.3
				Lincoln, NE	68.2	Augusta-Aiken, GA-SC	90.2
		High-skill destinations:		Minneapolis-St. Paul, MN	70.8	Raleigh-Durham, NC	90.3
		Trenton, NJ	141.9	Kansas City, MO-KS	72.3	Birmingham, AL	90.8
				Daytona Beach, FL	73.1	Chattanooga, TN/GA	92.0
				Orlando, FL	74.8	Indianapolis, IN	92.4
						Charleston-N.Charleston,SC	96.9
						Columbia, SC	102.7
				Balanced-skill destinations:		Fort Collins-Loveland, CO	112.4
				Davenport, IA-Rock Island -Moline, IL	81.2		
				Atlanta, GA	83.2		
				Melbourne-Titusville-Cocoa-Palm Bay, FL	83.9	**High-skill destinations:**	
				Monmouth-Ocean, NJ	94.3	Richmond-Petersburg, VA	112.4
				Pensacola, FL	105.0	Lansing-E. Lansing, MI	120.5
				Wilmington, DE/NJ/MD	113.5	Jacksonville, FL	128.7
				Seattle-Everett, WA	115.6	Norfolk-VA Beach-Newport News, VA	132.8
				Stamford, CT	118.4	Hamilton-Middleton, OH	135.2
						Lexington-Fayette, KY	147.8
				High-skill destinations:		Eugene-Springfield, OR	150.9
				Kalamazoo-Portage, MI	126.5	Knoxville, TN	160.9
				Washington, DC/MD/VA	132.7	Madison, WI	162.1
				San Jose, CA	140.0	Tallahassee, FL	237.8
				Columbus, OH	144.9	Ann Arbor, MI	329.6

Notes: See text for destination types definitions. Source: Integrated Public Use Microdata Samples, 1900-2007.