

SPECIAL REPORT

THE AMERICAN POPULATION: HERE'S WHAT IS COMING

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Demographers will debate the data for decades, but because the changes taking place in America's population are so important we are sending out this special report so you can think about and plan for an America that is being reshaped.

By 2050 the United States population is expected to increase by 100 million from its current level of 316 million. Much of the increase will be due to immigration, and the countries of origin of the newcomers will be very different from those of the past. As a result, in less than 40 years Americans of European origin will not be the largest group, replaced by a new "majority" of Hispanics, Asians and African Americans.

The United States already has the largest number of immigrants in the world. According to the Pew Research Center, as of 2010, the number of foreign-born immigrants was 40 million, nearly 13% of the population. By contrast, between 1950 and 1985, only about 5% to 6% of American residents were foreign born. Of those 40 million newcomers, 13.4 million arrived here in 2000 or later, meaning an average of 1.4 million new arrivals annually for more than a decade.

The transformation of America goes beyond the numbers, however, and lies in the diversification of the countries from which the immigrants come. Prior to 1980 Europeans accounted for the majority of newcomers. This created a heavy European influence on American culture and shaped the America we know today.

Now East Asia and Latin America are the leading sources of immigrants. According to the U.S. Census Bureau, nearly 53% of immigrants from 2000-2010 came from Latin countries. Mexico led the wave with a total of 4 million. Following in second place is East Asia which sent nearly 2.5 million people to America during that period.

The 52 million people of Hispanic origin in the U.S. account for 17% of the population, and they are the fastest growing group. In the past decade, the Hispanic population grew by an astounding 48%. The growth is fueled in part by fertility rates. In 2012, nearly 25% of all children born in the United States were of Hispanic mothers. The emergence of this population has led many companies to tailor their products in recognition of Hispanic purchasing power. Few, if any, businesses can afford to leave such a large and lucrative market untapped.

East Asian immigrants have also made their mark on the American social fabric. With the second fastest growth rate, they increased by 45.6% between 2000-2010. To put this into perspective, as a whole, the U.S. population grew by 9.7% during the same period. Perhaps more important, Asian immigrants, more than any others, tend to enter the country as skilled workers, making for an easier transition into American society.

The increase in immigration from non-European nations is going to change “traditional” America with all the social and economic implications that result from a constantly diversifying population. In the coming decades, there will be new seats at the American table. Many will debate what the impact of the changes will be, but here are three insights from *New York Times* columnist David Brooks:

“The New America . . . will almost certainly be economically dynamic. Immigration boosts economic dynamism, and more immigration would boost it more. There would also be a lot of upward striving. Immigrant groups tend to work harder than native groups. They save more. They start business at higher rates than natives. . . .

“Traditionally, mainstream America has been defined by the big block of whites, while other big blocks — blacks, Hispanics, Asians — occupied different places on the hierarchy. Soon there will be no dominant block, just complex networks of fluid streams — Vietnamese, Bengalis, Kazakhs. It’s a bit like the end of the cold war when bipolar thinking had to give way to a radically multi-polar mind-set. . . .

“On the whole, this future is exciting. The challenge will be to create a global civilization that is, at the same time, distinctly American.”

The evolution of America’s population seems inevitable. To succeed in the future, individuals and organizations will need to adapt to these changing demographics. Those that demonstrate flexibility and sensitivity will have the best chance of internalizing the changes and driving their appeals in the right direction.