FISCAL RESEARCH CENTER

Georgia's Immigrants: Past, Present, and Future

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From the Director

This report is one of a series that explores Georgia's fiscal, economic and demographic features. The demographic reports will consider many different sub-populations. The well being of the state depends on the well being of its residents, so it is important to understand the economic and social conditions of population. The best way to do that is to consider each sub-population.

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Executive Summary

With Atlanta at its center, Georgia has experienced a recent influx of immigrants, from both other parts of the United States and other parts of the world. This report uses data from the most recent decennial censuses to analyze and assess the composition and experience of these immigrants to Georgia, with special attention paid to the Atlanta metropolitan area, where the majority of the immigrants have settled. Atlanta is not very different from other large American cities in terms of its experience with immigration. The influx of new immigrants is an important component of Atlanta's and Georgia's growth and population. Migrants from other countries make up over ten percent of metropolitan Atlanta's population, with almost four percent consisting of migrants who have come to the area from other countries within the five years preceding the census.

This report provides a detailed analysis of the origin of migrants to Georgia and Atlanta, and how those immigration flows changed over the course of the 1990s. It also assesses the extent to which these immigrants differ from the "native" population in terms of demographics, family structure and education. Then it turns to an analysis of the economic success of the various immigrant groups in terms of income and other labor-market indicators such as employment and wage. Finally, it characterizes and measures the assimilation experience of the various immigrant groups.

The findings of this report can be summarized as follows.

1) Migrants from other U.S. states make up the most important group of in-migrants and make up the vast majority of non-native Georgians and Atlantans. In Atlanta, in-migrants from outside of Georgia outnumber in-migrants from other parts of Georgia by more than four-to-one and are more than twice the combined in-migration from other parts of Georgia *and the rest of the world*.

2) Migration is vital to the Atlanta and Georgia economies. For example, in 2000, less than half of Atlanta's residents were born anywhere in Georgia, and more than a third of Georgians were born outside Georgia.

3) International immigration is becoming more important in Atlanta. There was more international immigration to Atlanta in 2000 than migration from other parts of Georgia, although this was not the case in 1990.

4) The largest groups of migrants are Latin Americans, Asians and Europeans, in that order. Latin American and Asian immigration into Atlanta is increasing the fastest.

5) Across a number of dimensions, immigrants tend to differ from natives, although the extent of the difference depends on the area of origin. Educational attainment is probably the most important of these differences. Immigrants from the developed world tend to be more educated, while immigrants from the developing world (especially Latin America and Africa) tend to be less educated.

6) Labor market outcomes and incomes of recent immigrants vary by region of origin. The economic success of these groups tends to reflect the educational attainment of the migrating group.

7) Recent immigrants do worse than natives across all labor market outcomes, even when we control for individual characteristics through the use of regression analysis. However, *some* of these differences appear to be eliminated through the process of assimilation.

8) Controlling for individual characteristics, migrants from areas where recent migrants do the worst also appear to assimilate the least so that initial differences in economic success are persistent. While assimilation is universal, disparities remain even after lengthy residence in the Atlanta region.

While overall growth of the metropolitan region will likely slow somewhat, it will probably continue to be strong, and immigration from outside the United States (as well as from other U.S. states) will continue to be an important driver of local population and economic growth. Like the past migrants analyzed here, future migrants will vary considerably in regards to education and economic success. Well-educated immigrants from the developed world and more vulnerable immigrants from the developing world are in some sense "different animals." Natives' feelings about and response to these different groups of migrants will (and to some extent *should*) vary, as will the needs and effects on the local economy and public finance.

Future immigrants will assimilate in a strong way, just as several generations of past immigrants have done in Atlanta and across the country. Meanwhile, the bi-cultural children of current immigrants will grow up even more assimilated. The response of local populations to these changes will depend on political, cultural and economic views. Those who are satisfied with the current immigration context will

likely want similar responses to immigration in the future. Such satisfaction is quite reasonable, given the strong assimilation of past migrants, concurrent economic gains to the Atlanta and Georgia economies and relatively harmonious integration of ethnic communities into the metropolitan fabric. Although disparities exist across migrant groups, there does not seem to be an immigration "problem" in Georgia or Atlanta.

I.   Introduction

Over the course of the past 30 years, the Atlanta region and Georgia have undergone massive changes. Atlanta's population has more than doubled, the urban footprint has grown tremendously, and the region has risen to a national and international prominence that is new in this part of the country. Georgia's population has doubled and income per capita has grown relative to the U.S. To some extent, Atlanta's growth has been an important factor in the growth and change in the state of Georgia. Both Atlanta and the rest of Georgia are welcoming a large quantity of new residents.

In the Atlanta metropolitan area, the changes being wrought by the new Georgians are tangible and obvious. In parts of the region, southern accents are the exception rather than the rule. Suburban developments extend out from the city center into the country-side. Public infrastructure is strained. In many areas of the region, there is a proliferation of new languages and faiths in place of the more unified communities that had existed in the past. Similar changes can be observed throughout Georgia. Whether one considers these changes good or bad, they are here to stay.

What is not as obvious is who these new residents are, how they are faring, and what their prospects are. This report addresses these questions. In Section II, we examine where the new residents are coming from and how that pattern has changed over the past decade. We consider migrants from the rest of the United States as well as from other countries. In Section III, we look at how the new Georgia residents that came from other countries are doing across an array of economic indicators. Finally, in Section IV, we examine the likely future economic prospects of recent migrants by considering how the economic conditions of previous migrants to Atlanta and Georgia have improved over time.

II.   Who Are the New Residents?

This section takes a close look at Georgia's in-migrants using two alternative concepts of migrants. First, we can define migrants to Georgia (or to the Atlanta metropolitan area) as anyone who was not born here. By this very inclusive definition over half of Georgia's and Atlanta's current population are in-migrants. (Note that a migrant is not necessarily someone from another country.) Second, we can define a migrant more narrowly as someone who lived elsewhere five years earlier. We consider both concepts of migrants, but focus most on the second concept of migrants.

The analysis in this report is based on data from the 1990 and 2000 U.S. Census. We use the Public Use Microdata Sample, which contains the Census information for a 5 percent sample of individual households. One of the questions the Census asks is, Where did you live 5 years ago? Thus, for those over 5 years of age we know who moved into Georgia and into Atlanta within the last five years. We define "recent migrant" as someone who moved into Georgia or Atlanta between 1995 and 2000, and we define those who were not born in Atlanta or in Georgia but were here in 1995 and 2000 as "long-term migrants."

A.   Where Are the New Residents From?

Table 1 presents the percentages of current (as of 1990 or as of 2000) Georgia and Atlanta residents by the nature of their residency five years before the decennial census, for the two most recent censuses. In 2000, a plurality of Georgians lived in the same housing unit in which they did in 1995. Mobility is somewhat higher for Atlanta residents; a larger percentage of Atlanta residents than Georgia residents lived in a different house five years before the census. (Note that migrants to Georgia include migrants to Atlanta.) This reflects the higher in-migration to the Atlanta metropolitan area, and perhaps the greater turnover of housing in metro Atlanta. This pattern is consistent across the two census years.

TABLE 1. RESIDENCE FIVE YEARS PRIOR, BROAD CATEGORIES

	--------1990--------		----------2000---------	
	GA	**Atlanta**	**GA**	**Atlanta**
Less than Five years old	7.7%	7.8%	7.3%	7.6%
Living in same house	47.4%	41.4%	47.2%	42.2%
Not living in same house	44.8%	50.7%	45.5%	50.2%

TABLE 2. AREA OF RESIDENCE FIVE YEARS PRIOR TO CENSUS

| | -------------Residence In Census Year------------- | | | |
| | ------------1990---------- | | -----------2000----------- | |
Residence Five Years Prior to Census Year	**GA**	**Atlanta**	**GA**	**Atlanta**
Atlanta	24.42%	70.72%	32.81%	71.96%
Other Georgia	55.15	3.22	46.13	2.79
Other U.S. states	11.39	16.47	11.08	13.84
Elsewhere North America	--	--	0.08	0.13
Europe	--	--	0.52	0.58
Latin America	--	--	1.24	1.82
Middle East	--	--	0.07	0.12
Africa	--	--	0.18	0.37
Asia	--	--	0.45	0.67
Oceania	--	--	0.09	0.12
All Foreign	*1.23*	*1.69*	*2.65*	*3.81*

Note: Numbers do not sum to 100 because the "less than five years old" category is not reported.

Table 2 presents information on where the Georgia and Atlanta residents lived five years earlier. For 1990, for foreign migrants, the Census does not report the country from which recent international migrants came, only whether they migrated from a foreign country. Thus, the ability to make comparisons between the two census years is limited. However, some important patterns emerge from this table. First, most of the current residents of Georgia at the time of the census lived in Georgia five years earlier. In 2000, 78.9 percent of Georgians lived in Georgia in 1995. For Atlanta, 72.0 percent of its residents in 2000 lived in Atlanta in 1995. Second, the vast majority of new Georgians and new Atlantans come from other parts of the United States. In 1990, migrants to Georgia and to Atlanta from other states were almost ten times more common than international migrants. Migrants to Atlanta from other parts of Georgia were nearly two times more common than international migrants. Third, for 2000, Latin America accounted for the largest percentage of international migrants to Georgia and Atlanta. For Georgia, Europe accounted for the

second most international migrants, while for Atlanta, Asia accounted for the second largest percentage of international migrants.[1]

Another interesting pattern that can be seen from Table 2 is the changing composition of new Atlantans and Georgians. First, in 2000, intra-state migrants to Atlanta were less important than international migrants, a change from 1990. Second, interstate migrants also became less important; the percentage of Atlantans who lived elsewhere in the United States five years earlier dropped between 1990 and 2000. However, in absolute terms, the *number* of interstate migrants to Atlanta increased by nearly 17 percent over this period.

A final important pattern emerges from the last row of Table 2, namely, international migrants to Atlanta and Georgia increased as a percentage of the population. Recent migrants from abroad made up less than two percent of Atlanta's and Georgia's population in 1990, but both percentages more than doubled by 2000. In absolute numbers, the increase is even starker. The population of *recent* international migrants living in Atlanta increased from about 50,000 to about 157,000 in these ten years, a 214 percent increase.

How does Atlanta's population of recent international migrants compare to that for other large metropolitan areas? Table 3 reports for 2000 the percent of recent international migrants by geographic areas for the U.S. and several major metropolitan areas. The average of the population that resided in a foreign country five years before the 2000 census for these 22 metropolitan areas is about 3.65 percent. Thus, Atlanta is about average as compared to these metropolitan areas but above the U.S. average of 2.80 percent for all metropolitan areas.

Atlanta's composition of recent migrants' country of origin is not particularly different than other major metropolitan areas for the major groups of migrants (Europeans, Latin Americans and Asians), but the percentage from Sub-Saharan Africa is roughly twice the average for the major metropolitan areas listed in Table 2. From the less important countries of origin, Middle East and Oceania, Atlanta stands out in having fewer migrants.

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[1] Migrants from Middle Eastern nations form a separate group. Therefore, the totals for Asia and Africa exclude migrants from the Middle East throughout this report.

TABLE 3. INTERNATIONAL IMMIGRANTS IN MAJOR AMERICAN CITIES, 2000

MSA/ PMSA	All Foreign	Europe	Latin America	North America	Mid-East	Africa	Asia	Oceania
US	2.41	0.45	1.07	0.09	0.10	0.10	0.49	0.12
US Metro	2.80	0.51	1.23	0.10	0.12	0.12	0.58	0.14
US Rural	0.98	0.21	0.47	0.06	0.02	0.03	0.15	0.04
New York	6.02	1.24	2.41	0.12	0.32	0.23	1.35	0.34
Los Angeles	4.85	0.38	2.65	0.09	0.28	0.08	1.30	0.06
Chicago	3.60	0.90	1.62	0.09	0.14	0.12	0.63	0.10
Washington	5.08	1.04	1.57	0.15	0.35	0.65	1.19	0.13
Baltimore	1.84	0.57	0.33	0.06	0.10	0.20	0.48	0.10
San Francisco	5.41	1.04	1.61	0.18	0.17	0.07	2.19	0.14
Philadelphia	1.90	0.46	0.39	0.08	0.09	0.17	0.50	0.21
Boston	3.92	0.97	1.24	0.20	0.24	0.19	0.86	0.22
Detroit	1.96	0.61	0.32	0.15	0.27	0.13	0.43	0.06
Dallas	4.77	0.36	3.25	0.14	0.15	0.20	0.62	0.05
Houston	4.64	0.44	2.91	0.12	0.21	0.19	0.70	0.08
Atlanta	*3.81*	*0.58*	*1.82*	*0.13*	*0.12*	*0.37*	*0.67*	*0.12*
Miami	9.06	0.49	7.66	0.11	0.06	0.06	0.20	0.49
Seattle	3.62	0.92	0.63	0.31	0.16	0.22	1.26	0.10
Phoenix	4.22	0.50	2.89	0.19	0.09	0.08	0.40	0.05
Minneapolis	2.00	0.39	0.54	0.08	0.06	0.41	0.48	0.04
Cleveland	1.26	0.49	0.15	0.05	0.07	0.05	0.27	0.18
San Diego	3.72	0.49	1.67	0.11	0.13	0.09	1.07	0.16
St. Louis	1.31	0.49	0.22	0.07	0.07	0.10	0.30	0.07
Denver	3.77	0.60	2.22	0.12	0.12	0.15	0.49	0.08
Tampa	2.80	0.69	1.01	0.21	0.10	0.06	0.31	0.41
Pittsburgh	0.76	0.25	0.08	0.06	0.05	0.04	0.24	0.04

Note: Percent of Current Population, By Country of Residence in 1995

In addition to considering residence five years prior to the 1990 and 2000 censuses, we can also consider the place of birth of current residents, which gives us a sense of the cumulative migration. Table 4 reports the percentage of the Georgia and Atlanta population by place of birth, for both 1990 and 2000.

TABLE 4. PERCENT OF CURRENT POPULATION BY PLACE OF BIRTH

	-----------1990-----------		------------2000-----------	
Place of Birth	**GA**	**Atlanta**	**GA**	**Atlanta**
GA	66.94	52.76	60.38	48.97
US	29.87	41.83	32.43	40.09
Elsewhere in North America	0.14	0.27	0.19	0.29
Latin America	0.65	1.16	3.31	4.91
Europe	1.01	1.37	1.28	1.63
Middle East	0.12	0.28	0.25	0.46
Africa	0.12	0.33	0.42	0.87
Asia	0.82	1.56	1.46	2.45
Oceania	0.17	0.22	0.28	0.35
Other	0.16	0.23	--	--
All Foreign Born	3.19	5.42	7.18	10.95

For both 1990 and 2000, only around half of Atlantans were born in Georgia and even fewer were born in Atlanta.[2] Nearly 40 percent of Georgians in 2000 were born elsewhere. We also see from Table 4 that the percentage of foreign born residents more than doubled between 1990 and 2000 for both Atlanta and Georgia (consistent with the increase in recent international immigrants documented in Table 2). Atlanta is the primary location of these international migrants (as opposed to other parts of the state).   This increase in the concentration of foreign born in Atlanta (and Georgia generally) is replicated for every foreign region subgroup, although the increase in percentages of foreign North Americans (primarily Canadians) and Europeans was not very significant. The percentage of foreign born migrants in Georgia and Atlanta from Asia nearly doubled and the percentage from Latin American more than quadrupled between 1990 and 2000. This increasing

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[2] We are unable to know whether someone was born in Atlanta or in Georgia outside of Atlanta. However, Table 2 tells us that at least some people are moving from the rest of Georgia to Atlanta, so it seems natural to expect that some of these people born in Georgia and living in Atlanta were born outside of Atlanta.

TABLE 5. INTERNATIONAL IMMIGRANTS IN MAJOR AMERICAN CITIES, 1990

MSA/ PMSA	Recent Foreign Immigrant	Any Foreign Birth	Percent of Current Population --------By Place of Birth-------- Europe	Latin America	North America	Mid-East	Africa	Asia	Oceania	Other
US	1.89	8.59	1.98	3.26	0.35	0.28	0.10	1.78	0.52	0.32
US Metro	2.22	10.21	2.30	3.89	0.38	0.35	0.12	2.16	0.64	0.38
US Rural	0.64	2.48	0.73	0.88	0.26	0.04	0.02	0.38	0.08	0.09
New York	5.80	32.20	7.42	11.81	0.26	1.07	0.30	4.79	4.89	1.67
Los Angeles	7.13	33.81	2.81	19.44	0.54	1.45	0.17	7.57	0.41	1.42
Chicago	2.48	14.26	4.65	4.83	0.22	0.54	0.10	2.54	0.96	0.42
Washington	4.68	13.83	2.77	4.06	0.28	1.12	0.72	4.02	0.39	0.46
Baltimore	1.37	4.67	1.95	0.65	0.14	0.23	0.11	1.28	0.21	0.10
San Francisco	6.08	28.83	4.67	6.98	0.62	0.89	0.16	13.69	0.71	1.11
Philadelphia	1.22	6.53	2.65	0.67	0.19	0.19	0.09	1.45	1.11	0.19
Boston	3.26	13.70	4.71	2.88	1.09	0.54	0.42	2.56	0.96	0.54
Detroit	0.84	6.11	2.70	0.32	1.06	0.61	0.05	1.12	0.11	0.14
Dallas	2.04	9.51	1.08	5.20	0.23	0.33	0.26	1.88	0.17	0.35
Houston	2.60	13.84	1.24	8.22	0.20	0.48	0.25	2.68	0.25	0.51
Atlanta	*1.69*	*5.42*	*1.37*	*1.16*	*0.27*	*0.28*	*0.33*	*1.56*	*0.22*	*0.23*
Miami	8.76	49.08	2.73	40.46	0.35	0.41	0.11	0.70	2.24	2.09
Seattle	2.17	9.40	2.50	0.58	1.29	0.27	0.12	4.14	0.27	0.22
Phoenix	2.03	8.19	1.86	3.86	0.56	0.20	0.07	1.14	0.20	0.31
Minneapolis	1.09	4.30	1.21	0.36	0.37	0.18	0.14	1.88	0.07	0.09
Cleveland	0.72	5.90	3.53	0.29	0.27	0.27	0.06	0.82	0.56	0.10
San Diego	4.59	18.78	2.38	8.48	0.71	0.61	0.17	5.21	0.55	0.66
St. Louis	0.76	2.45	1.17	0.23	0.11	0.10	0.05	0.67	0.05	0.06
Denver	1.44	6.01	1.90	1.51	0.36	0.25	0.11	1.52	0.17	0.21
Tampa	1.69	8.84	3.09	2.38	0.89	0.18	0.06	0.94	1.01	0.28
Pittsburgh	0.47	2.80	1.78	0.13	0.12	0.12	0.02	0.54	0.04	0.05

TABLE 6. PLACE OF BIRTH IN MAJOR AMERICAN CITIES, 2000

MSA/PMSA	Same State	Other State	Foreign Born	North America	Latin America	Europe	Mid-East	Africa	Asia	Oceania
US	61.06	27.48	11.46	0.33	5.49	1.96	0.47	0.22	2.41	0.58
US Metro	58.20	28.21	13.59	0.36	6.48	2.28	0.58	0.27	2.92	0.70
US Rural	71.75	24.72	3.53	0.24	1.80	0.75	0.06	0.04	0.51	0.13
New York	51.90	10.39	37.70	0.26	17.41	7.36	1.76	0.73	6.60	3.60
Los Angeles	45.03	17.91	37.06	0.40	22.78	2.15	2.50	0.27	8.61	0.35
Chicago	63.36	18.68	17.95	0.21	8.29	4.65	0.69	0.23	3.15	0.73
Washington	30.10	51.28	18.63	0.31	6.77	2.83	1.51	1.62	5.15	0.44
Baltimore	63.06	30.29	6.65	0.16	1.26	2.09	0.42	0.43	2.01	0.28
San Francisco	42.10	25.00	32.90	0.66	9.21	4.86	1.12	0.24	15.94	0.88
Philadelphia	66.32	25.25	8.43	0.21	1.44	2.47	0.35	0.32	2.35	1.30
Boston	63.28	20.46	16.26	0.76	4.87	4.59	0.77	0.69	3.58	1.00
Detroit	72.61	19.41	7.99	0.80	0.92	2.66	1.61	0.18	1.62	0.21
Dallas	55.46	27.55	16.99	0.27	11.48	1.16	0.59	0.48	2.83	0.18
Houston	56.64	22.97	20.39	0.25	13.93	1.18	0.75	0.50	3.49	0.28
Atlanta	*48.97*	*40.09*	*10.95*	*0.29*	*4.91*	*1.63*	*0.46*	*0.87*	*2.45*	*0.35*
Miami	29.61	16.50	53.89	0.27	47.57	2.14	0.48	0.14	0.91	2.37
Seattle	45.30	39.68	15.03	1.20	2.25	3.31	0.60	0.57	6.72	0.38
Phoenix	32.36	52.02	15.62	0.57	10.66	1.99	0.38	0.16	1.62	0.23
Minneapolis	67.93	25.08	6.99	0.31	1.58	1.25	0.26	0.80	2.66	0.13
Cleveland	73.33	20.50	6.17	0.25	0.61	2.91	0.39	0.12	1.04	0.84
San Diego	43.64	33.30	23.06	0.58	11.72	2.35	0.98	0.32	6.60	0.52
St. Louis	70.36	26.14	3.50	0.13	0.55	1.31	0.20	0.11	1.09	0.11
Denver	41.33	46.09	12.58	0.40	6.83	2.28	0.37	0.30	2.22	0.19
Tampa	31.41	56.41	12.18	0.85	4.51	3.12	0.35	0.17	1.56	1.62
Pittsburgh	84.21	12.93	2.86	0.14	0.27	1.33	0.15	0.07	0.78	0.12

internationalization of Atlanta is both a cause and effect of the city's rise in prominence, nationally and internationally.[3]

Tables 5 and 6 compare the place of birth of current residents of Atlanta with that for other major metropolitan areas for 1990 and 2000, respectively. In contrast to the figures for recent migrants, Atlanta is below average in the presence of foreign born individuals in both 1990 and 2000. This reflects the more recent influx of individuals from foreign countries experienced by Atlanta. Not only does Atlanta have a lower percentage of foreign born individuals (about 5.4 percent in 1990 and 10.9 percent in 2000) than the major metropolitan areas such as New York, Chicago, and Boston, but Atlanta has a smaller percentage of foreign born residents than metropolitan areas in general.

This pattern suggests that as Atlanta has grown, its international profile has grown with it, thus attracting increasing numbers and shares of foreign migrants. We should expect that Georgia and Atlanta will continue to increase the numbers and percentage of its foreign born population as its international reputation grows with its population.

B.   What Are the Characteristics of Recent Migrants?

In the previous sub-section, we examined the place of origin, either by residence five years earlier or by place of birth, of Atlanta's and Georgia's migrant population. We now turn to consideration of the demographic characteristics and educational attainment of migrants 25 years of age and over. Table 7 reports the average household size, number of children, age, gender, race, marital status, and educational attainment for current (2000) Georgia and Atlanta residents, by place of residence in 1995. The top two panels present the data for Georgia while the lower

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[3] A strong pattern exists that is not apparent from either of these tables. The intensity of international immigration to a city is highly correlated with the general growth of the city. In Table 3, this can be seen by comparing the recent immigrant percentage in slow-growth cities like Pittsburgh, St. Louis, Detroit, Philadelphia, Cleveland and Baltimore with the percentages in fast growing areas like Atlanta, New York, Chicago, or any of the California or Southern Cities (except Tampa). The same pattern is apparent in 1990, although fast growth Atlanta is no longer in the high immigration category. This could be because growing cities take some time to become known to potential immigrants, so that early growth is fueled by internal migration, which raises the city's profile internationally enough for it to show up on international migrants' "radars." Thus, we would expect the immigration numbers for Tampa to increase dramatically in 2010.

TABLE 7. CHARACTERISTICS OF RECENT MIGRANTS AGED 25+: 2000

		Variable	All Obs	Atlanta	Other GA	Other U.S.	Other N.Am.	Latin Amer.	Europe	Mid-East	Africa	Asia	Oceania
										---Residence in 1995---			
Georgia	**Demographics**	Family size	2.91	2.94	2.80	3.03	2.90	5.07	3.15	3.49	3.35	3.50	3.38
		no. Children	0.79	0.80	0.74	0.93	0.98	1.24	1.06	1.11	0.94	1.00	1.15
		% black	25.80	25.92	26.58	23.01	19.56	8.41	24.77	8.33	83.29	12.65	30.10
		age	48.15	47.54	50.44	41.64	39.72	36.12	39.16	40.61	38.26	38.58	42.35
		%Female	52.89	53.00	53.87	50.02	48.44	36.51	47.09	48.89	47.33	46.99	48.98
		%Married	62.84	63.41	62.41	62.11	69.78	64.61	67.51	75.56	54.99	73.72	62.24
	Education	%Drop Out	23.22	17.30	29.28	12.88	8.89	59.87	13.99	14.44	19.72	17.26	16.84
		%H.S. Grad.	29.74	26.73	34.35	20.59	21.78	17.85	21.71	18.33	29.70	15.40	18.37
		%Some Coll.	24.60	27.05	21.65	30.85	24.44	11.23	32.95	21.11	23.67	22.92	31.12
		%Bachelors	14.52	19.19	9.20	23.41	30.22	6.58	16.13	33.89	18.10	25.22	23.47
		%Masters	5.33	6.59	3.66	8.50	9.33	1.79	10.17	7.22	6.03	14.51	7.14
		%Doc/Prof	2.58	3.13	1.86	3.77	5.33	2.68	5.05	5.00	2.78	4.69	3.06
Atlanta	**Demographics**	Family Size	3.00	2.96	2.86	3.03	3.03	5.16	3.21	3.70	3.39	3.69	3.53
		no. Children	0.83	0.81	0.79	0.90	1.03	1.20	1.00	1.18	0.94	0.98	1.23
		%black	26.29	26.58	24.45	26.80	16.23	7.53	16.33	4.10	89.04	7.89	38.66
		age	46.14	47.69	41.07	40.34	38.95	35.78	38.26	41.53	37.47	38.91	40.03
		%Female	52.49	53.30	50.54	50.38	48.70	36.28	47.41	51.64	49.32	47.06	52.94
		%Married	62.51	63.21	55.88	58.87	72.73	65.17	64.52	79.51	52.60	75.80	55.46
	Education	%Drop Out	16.67	17.22	15.87	10.00	5.84	57.43	11.93	17.21	19.73	18.98	10.08
		%H.S. Grad.	25.02	26.70	22.39	17.19	14.94	19.56	22.14	16.39	29.59	14.44	17.65
		%Some Coll.	27.05	27.02	27.52	29.51	27.27	10.57	22.92	17.21	23.01	16.31	31.93
		%Bachelors	20.68	19.23	23.33	28.92	37.01	7.39	21.82	36.07	19.73	28.34	28.57
		%Masters	7.26	6.66	7.25	10.37	9.09	2.21	14.13	9.02	5.48	17.11	9.24
		%Doc/Prof	3.32	3.15	3.63	4.01	5.84	2.83	7.06	4.10	2.47	4.81	2.52

TABLE 8. COMPARISON OF IMMIGRANT GROUPS IN ATLANTA, 2000

Variable	All Obs.	Atlanta	Other GA	Other U.S.	Other North America	Latin America	Europe	Mid-East	Africa	Asia	Oceania
				--------------------Residence in 1995 (percentage difference from average of all Atlanta residence)-------------------							
Demographics											
Family size	3.00	-1.57	-4.72	0.97	0.99	71.87	7.02	23.11	12.86	22.79	17.54
no. Children	0.83	-2.73	-4.51	9.13	24.74	44.70	20.44	42.61	13.21	17.91	48.23
%black	26.29	1.08	-7.01	1.94	-38.26	-71.35	-37.91	-84.41	238.63	-70.00	47.01
age	46.14	3.35	-11.00	-12.57	-15.58	-22.46	-17.08	-9.99	-18.80	-15.68	-13.24
%Female	52.49	1.54	-3.71	-4.02	-7.22	-30.88	-9.68	-1.62	-6.05	-10.34	0.86
%Married	62.51	1.12	-10.61	-5.82	16.35	4.26	3.22	27.20	-15.85	21.27	-11.27
Education											
%Drop Out	16.67	3.32	-4.80	-40.01	-64.94	244.49	-28.43	3.25	18.33	13.88	-39.51
%H.S. Grad	25.02	6.75	-10.49	-31.27	-40.30	-21.82	-11.52	-34.47	18.27	-42.29	-29.46
%Some Coll.	27.05	-0.11	1.75	9.10	0.83	-60.91	-15.26	-36.36	-14.91	-39.70	18.06
%Bachelors	20.68	-7.01	12.82	39.84	78.95	-64.25	5.50	74.37	-4.63	37.03	38.14
%Masters	7.26	-8.23	-0.11	42.72	25.17	-69.55	94.53	24.14	-24.56	135.61	27.27
%Doc/Prof	3.32	-4.95	9.30	20.73	76.09	-14.63	112.85	23.48	-25.71	45.01	-24.04

two panels present the data for Atlanta. Table 8 reports, for Atlanta only, the values from Table 7, but reports the subgroup values as percentage differences from the average of current Atlanta residents. Thus, Table 8 highlights differences across the various immigrant populations. The patterns are similar for Georgia as a whole and Atlanta, so we focus on Georgia, and say little about Table 8.

Considering the top two rows of Table 7, we see that current Georgia residents tend to live in smaller households and have fewer children than migrants to Georgia. In the case of Latin Americans and immigrants from developing regions, these differences are quite large. Recent migrants to Georgia are also younger and are slightly less likely to be female than all current residents. Migrants from Latin America, the Middle East, and Asia are less likely to be black than migrants from other areas and longer-term residents of Georgia. Not surprisingly, migrants from Africa are more likely to be black. Finally, in terms of marital status, migrants from the Middle East and Asia were more likely to be married and migrants from Africa were less likely to be married than other subgroups.

Perhaps the most important characteristic is education, since, on average, highly educated individuals fare better in the labor market, put less strain on social service agencies, have better health outcomes, more successful children, and presumably contribute more to the local economy (Moretti 2004a). Higher educated people might also be expected to have an easier time assimilating into the local economy. There is also a substantial literature in urban economics linking high education levels to better metropolitan economic performance, individual productivity effects, and knowledge spillovers.[4] Thus, the educational attainment of these recent migrants to Atlanta is of special interest.

Table 7 presents education levels for individuals over the age of 24 years of age. Table 7 shows that "native" Georgians, i.e., those who lived in Georgia in 1995, were *less* educated on average than current (2000) Georgia residents. On average recent migrants to Georgia were less likely to be high school drop-outs and more likely to be college educated. However, there are differences across the subgroups.

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[4] See for example Rauch (1993), Glaeser et al (1995), Moretti (2004a), and Moretti (2004b). Moretti (2004a) provides a good review of the many benefits of having an educated populace.

In particular, Latin American immigrants were much more likely to have less than a high-school degree.

The distribution of education among immigrants from the Middle East and Asia is bi-modal, i.e., there is a large percentage that are highly educated and a large percentage who are poorly educated, while the proportion with middle education levels (high-school graduates and those attending some college but not graduating) is small. This could reflect differences in education level between countries within regions (where-by migrants from one country in the region are highly educated while migrants from another are poorly educated), or reflect different groups *within* countries (where-by migrants from a country are comprised of many doctors and lawyers with high education and many displaced agricultural workers).

III.   How Are Migrants Doing Economically?

We now turn to the question of how immigrants to Georgia and Atlanta are faring in terms of income and labor market outcomes. One limitation in considering economic outcomes is that the censuses used in this report were conducted near the peak of a business cycle. The 1990 census was conducted just before the peak of the long Reagan-era expansion, while the 2000 census was conducted only a year before the peak of the even longer Clinton/Greenspan expansion. It has been noted by some researchers that vulnerable populations (blacks, less educated people) are much more sensitive to cyclical changes in economic activity than more well-to-do populations (Gilroy (1974), Hoynes (1999), Bradbury (2000)). It is likely that immigrants' labor market outcomes are also more cyclical than those of more long-standing residents (Defreitas 1986).   Thus, the differences between natives and immigrants reported below must be interpreted cautiously as probably best-case scenarios and may not represent what was going on during the short Bush I recession or even after several years of relatively weak job growth nationally that has occurred since the more recent Bush II recession.

A.   Income

With those provisos in mind, we can turn to the data. Table 9 reports 2000 average household income, including transfers, and household income as a percent of the federal poverty level for current Georgia and Atlanta residents by place of residence in 1995. Note that the poverty level depends on household size and the ages of the householders. Recent immigrants from sub-Saharan Africa have the lowest household income, but Latin American immigrants have the lowest household income as a percent of their poverty level.   This is because Latin American immigrants tend to live in much larger households (Table 7); the average household size for recent immigrants from Latin America is 5.07, while it is 3.49 for recent African immigrants. The income required to keep five people out of poverty is greater than that required to keep three people out of poverty.

Tables 10 and 11 report each sub-group's average income as a proportion of the average income of all residents. The last row shows that recent international

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TABLE 9. AVERAGE HOUSEHOLD INCOME AND HOUSEHOLD INCOME AS A PERCENT OF THE POVERTY LEVEL, BY RESIDENCE IN 1995, 2000

	-----------Georgia-----------		------------Atlanta-----------	
	HH Inc	**Poverty**	**HH Inc**	**Poverty**
All Obs.	$58,676	293%	$72,379	333%
Atlanta	$72,479	338%	$73,681	343%
Other GA	$48,760	271%	$58,018	288%
Other U.S.	$63,413	299%	$75,039	339%
Elsewhere in North Amer.	$70,435	326%	$81,721	373%
Latin Am	$51,054	177%	$56,464	190%
Europe	$56,575	269%	$70,386	294%
Mid-East	$52,744	256%	$54,956	254%
Africa	$46,370	221%	$45,270	221%
Asia	$54,713	252%	$60,830	271%
Oceania	$46,878	240%	$57,553	285%
Any Foreign	*$52,954*	*220%*	*$59,137*	*235%*

(rows labeled with vertical text: ------Residence in 1995------)

TABLE 10. AVERAGE HOUSEHOLD INCOME AND INCOME AS A PERCENT OF POVERTY LEVEL, BY RESIDENCE IN 1995, AS PROPORTION OF AREA AVERAGE, 2000

	-----------Georgia----------		-------------Atlanta-----------	
	HH Inc	**Poverty**	**HH Inc**	**Poverty**
All Obs.	$58,676	293%	$72,379	333%
Atlanta	1.24	1.15	1.02	1.03
Other GA	0.83	0.92	0.80	0.87
Other U.S.	1.08	1.02	1.04	1.02
Elsewhere in North Amer.	1.20	1.11	1.13	1.12
Latin Am	0.87	0.60	0.78	0.57
Europe	0.96	0.92	0.97	0.89
Mid-East	0.90	0.88	0.76	0.76
Africa	0.79	0.75	0.63	0.67
Asia	0.93	0.86	0.84	0.81
Oceania	0.80	0.82	0.80	0.86
Any Foreign	*0.90*	*0.75*	*0.82*	*0.71*

(rows labeled with vertical text: ------Residence in 1995------)

TABLE 11. AVERAGE HOUSEHOLD INCOME AND INCOME AS A PERCENT OF POVERTY
LEVEL, BY RESIDENCE IN 1985, AS PROPORTION OF AREA AVERAGE, 1990

		----------------Georgia---------------		---------------Atlanta---------------	
		HH Inc	**Poverty**	**HH Inc**	**Poverty**
Residence 1985	All Obs.	$37,655	279%	$49,366	336%
	Atlanta	1.31	1.21	1.02	1.02
	Other GA	0.87	0.93	0.87	0.90
	Other U.S.	1.07	1.03	1.00	1.01
	Abroad	0.91	0.86	0.82	0.79

immigrants to Georgia have household incomes that are about 90 percent of the average household income in Georgia, and have income as a percent of the poverty level that is about 25 percent less than the Georgia average in 2000 and about 14 percent lower in 1990. For the Atlanta metropolitan area, incomes of recent international migrant households are 82 percent of the Atlanta area average, and incomes as a percent of poverty level are about 29 percent lower than the Atlanta average in 2000 and 21 percent lower in 1990. The fact that immigrants compare worse relative to Atlantans than to Georgians is due to the higher incomes in Atlanta. However, immigrants to Atlanta have higher incomes than immigrants to Georgia, on average.

Both Atlanta and Georgia international migrants do considerably better than non-Atlantan Georgians in terms of household income, but not in terms of poverty. Other Georgians (i.e., non Atlantans) had average income in 2000 that was 83 percent of the average income of all Georgians, while that percentage for international migrants was 90 percent. This result is due to the larger average household sizes for most international migrant families. For both years, long-term residents of Atlanta and migrants from other American states were the highest paid groups. For 2000, international migrants from North America and Europe had the highest average household income and highest income as a percentage of the poverty level. Immigrants from Asia and Oceania rank next highest in both these income categories, while immigrants from Latin America, the Middle East and sub-Saharan Africa ranked lowest in both categories.

Comparisons of 1990 and 2000 suggest two possible dynamics at work: a brain-drain story *vis-à-vis* the rest of Georgia (wherein Atlanta has tapped-out the talent pool in Georgia and is turning to international immigrants), or more selectivity

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of migrants from other countries. Household income of international migrant relative to the average income of all Georgia residents was virtually unchanged between 1990 and 2000 (Tables 10 and 11); the ratio went from 0.91 in 1990 to 0.90 in 2000. Incomes of non-Atlantan Georgians relative to Georgia or Atlanta average income declined; for example, for Georgia the ratio declined from 0.87 in 1990 to 0.83 in 2000. This suggests that both for Georgia and Atlanta, non-Atlantan Georgians became relatively less productive workers as compared to the Georgia or Atlanta workers as a whole, if one takes household income as a proxy for labor ability, as many labor economists do (Griliches 1977).

For long-term Georgians, there is a similar trend in income as a percent of the poverty level. This means that the change in relative income for non-Atlantan Georgians was not due to changes in household size. On the other hand, the trend in the relative income as a percent of the poverty level for recent immigrants shows that international migrant households are becoming relatively poorer on average. Average household income of recent international migrants (relative to the state and metro averages) has remained steady. However, household income as a percentage of the poverty level of international migrants relative to the state or metropolitan averages decreased because household size of international migrants increased. There are two explanations of this pattern. First, it is possible that recent immigrants to Georgia and Atlanta are more likely today to have family in tow. Second, it is possible that immigrant households have larger families than previously.

B.   Employment

Income is only one measure of economic success, employment is another. Table 12 presents, in the first column, the averages for Georgia and Atlanta of four employment-related variables: the proportion of the working-age population that are working, the average number of weeks worked, the average wage, and the proportion of the population with a good job.[5] All of the averages are conditioned on the individual being of working age (18-65).

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[5] "Good" jobs are defined as those that the Census Bureau classifies as managerial or professional specialty occupations. These jobs usually require at least a four year college degree.

TABLE 12. LABOR MARKET OUTCOMES FOR VARIOUS GROUPS (AGED 18-65), 2000

			All Obs.	Atlanta	Other GA	Other U.S.	Other North America	Latin America	Europe	Mid-East	Africa	Asia	Oceania
Georgia	All Sex	Work	0.806	1.036	0.965	1.050	0.919	0.878	0.966	0.827	0.907	0.874	0.971
		Weeks	36.76	1.050	0.967	1.025	0.894	0.782	0.946	0.781	0.812	0.809	0.922
		Wage	18.39	1.173	0.870	1.001	1.742	0.587	1.003	0.902	0.908	0.994	0.860
		"Good" job	0.265	1.180	0.802	1.297	1.651	0.228	1.137	1.099	0.565	1.220	0.905
	Male	Work	0.861	1.034	0.962	1.054	1.011	0.934	1.002	0.941	0.947	0.979	0.974
		Weeks	40.47	1.043	0.964	1.042	1.012	0.832	1.000	0.911	0.862	0.914	0.928
		Wage	20.54	1.172	0.881	0.993	1.374	0.536	1.008	0.828	0.846	1.052	0.855
		"Good" job	0.248	1.222	0.741	1.383	2.241	0.212	1.250	1.379	0.660	1.597	0.845
Atlanta	All Sex	Work	0.840	0.999	1.004	1.039	0.897	0.859	0.928	0.721	0.887	0.831	0.976
		Weeks	38.64	1.010	0.964	1.020	0.873	0.755	0.884	0.672	0.789	0.745	0.923
		Wage	21.33	1.022	0.886	0.973	1.791	0.537	1.084	0.825	0.801	0.975	0.815
		"Good" job	0.325	0.972	1.058	1.240	1.500	0.183	1.070	0.866	0.446	1.051	0.853
	Male	Work	0.899	0.998	0.975	1.036	1.004	0.921	0.953	0.846	0.929	0.957	0.973
		Weeks	42.47	1.008	0.928	1.028	1.003	0.813	0.928	0.822	0.843	0.860	0.941
		Wage	23.58	1.030	0.770	0.993	1.292	0.502	1.098	0.719	0.735	1.075	0.871
		"Good" job	0.320	0.962	1.004	1.297	2.019	0.176	1.163	1.100	0.488	1.364	0.911

As might be expected, and as is seen in the first column of Table 12, the employment rate, weeks worked, and wage rate are higher in Atlanta than in Georgia as a whole, and are higher for males. Good jobs are more common in Atlanta, but about equally likely for males and females.

The rest of Table 12 shows the sub-group averages as a proportion of the Georgia and Atlanta averages. These figures tell a similar story as Table 10. Recent migrants from Europe and from Other North America do better than other subgroups. These are followed by those migrants from Asia, Oceania, and the Middle East. Recent migrants from Latin America and sub-Saharan Africa have the worst labor market outcomes.

Recent immigrants from Europe have relatively high wages and are more likely to be employed in good jobs, and have relatively low average weeks worked and employment participation. While Latin American and African immigrants have lower employment rates and average weeks worked than most other groups, the differences between these two sub-groups and the others are extremely stark in terms of average wage and the proportion in good jobs. This difference is especially stark for Latin American immigrants; Latin American male immigrants living in Atlanta earn only about half as much as the average Atlantan, and are only 17 percent as likely to hold a good job as Atlantans. Migrants from the rest of the United States outperform the other sub-groups in all categories except wages. Asian immigrants display the opposite pattern, namely, low labor-market attachment but high wages and a high proportion in good jobs. A similar pattern emerges for the Middle Eastern countries, whose migrants display low averages except for the proportion holding good jobs.

Looking at these differences across measured outcomes is instructive in terms of fleshing out the picture offered in the discussion of the educational characteristics above. The flows of immigrants from these areas are not homogenous. Wide differences in the amount of human capital (in particular, education) of immigrants by country and differences in the distributions of human capital of immigrants from countries within the same region mean that implications that can be drawn from the group averages presented here can only go so far. Within these groups there is considerable variation which we should not ignore.

C.   Factors Associated With Labor Market Outcomes

So far this section has examined the economic and labor market outcomes of recent immigrants to Georgia. From these tables, a fairly clear picture emerges. Economic and labor market success in Georgia and Atlanta is strongly conditioned by the immigrant's former residence. Furthermore, the data suggest a relatively clear ordering of the economic position of migrants from various regions of the world. Long-term residents and migrants to Georgia from other states, the rest of North America and Europe do best. Migrants to Atlanta from the rest of Georgia, Asia and Oceania do next best. Finally, Latin American, Middle-Eastern and sub-Saharan African migrants do worst. However, we saw in Section II.B that education levels and demographic characteristics for these groups differ substantially. In this sub-section we explore how much of the difference in income and labor market outcomes can be explained by the demographic and education characteristics of the different migrant groups.

Table 13 (Table 14) reports the results of regression analysis aimed at answering this question for Georgia (Atlanta). Separate regressions are estimated for income and each of the various labor market outcomes. Each column of Tables 13 and 14 reports the results of a regression that includes explanatory variables meant to capture demographic and education effects.[6] In addition, dummy variables are included that reflect the previous residence. These variables capture the association between past residence and labor market outcomes controlling for other determinates of wages. These equations are not meant to capture causal relationships. What they can tell us is whether a certain group, defined by their residence in 1995, is doing better or worse given their demographics and education.

The coefficients on place of residence in 1995 reflect the amount by which the labor market outcome for a person from that place of residence differs from the

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[6] The two regressions on indicator variables ("Work" and "Good Job") are linear probability models, so that the reported coefficients represent the predicted change in the probability of the better outcome given a unit change of the independent variable, *all else equal*. Linear probability models estimated *via* ordinary least squares (OLS) do not generate consistent standard errors. The p-values in Tables 12 and 13 for these two variables are generated using Huber-White corrected standard errors to correct for this problem. All the regressions are conditional on the individual being of working age, while the wage and "good job" regressions further condition on the individual reporting having worked the previous year.

TABLE 13. REGRESSION RESULTS FOR OUTCOME VARIABLES (18-65 YEAR OLDS), ALL GEORGIA, 2000

	----------Inc----------		---HH Inc/Poverty--		--------Work-------		-------Weeks------		--------Wage--------		-----Good Job-----	
	Coeff	p-val	Coeff	p-val	Coeff	p-val	Coeff	p-val	Coeff	p-val	Coeff	p-val
Age	1949.0	0.000	9.037	0.000	0.0245	0.000	2.165	0.000	0.467	0.000	0.0090	0.000
Age2	-18.2	0.000	-0.094	0.000	-0.0004	0.000	-0.028	0.000	-0.002	0.065	-0.0001	0.000
Black	-5348.6	0.000	-51.935	0.000	-0.0300	0.000	-2.514	0.000	-0.321	0.432	-0.0508	0.000
Hispanic	-5025.1	0.000	-36.233	0.000	0.0143	0.001	0.495	0.022	-1.672	0.074	-0.0391	0.000
Female	-18081.0	0.000	-9.459	0.000	-0.1124	0.000	-7.543	0.000	-4.549	0.000	0.0547	0.000
Married	3043.7	0.000	73.881	0.000	0.0061	0.000	1.067	0.000	1.406	0.000	0.0340	0.000
Children	1082.7	0.000	-24.273	0.000	-0.0081	0.000	-0.538	0.000	0.307	0.059	-0.0002	0.805
Other GA	-6968.5	0.000	-43.586	0.000	-0.0228	0.000	-1.086	0.000	-3.774	0.000	-0.0185	0.000
Other US	-4125.6	0.000	-42.783	0.000	-0.0239	0.000	-1.993	0.000	-2.273	0.000	0.0075	0.008
Other N. Amer.	-7304.7	0.001	-50.435	0.000	-0.1461	0.000	-8.234	0.000	8.927	0.114	0.0652	0.039
Latin America	-7948.8	0.000	-65.007	0.000	-0.0936	0.000	-5.910	0.000	-4.033	0.016	-0.0268	0.000
Europe	-8504.9	0.000	-67.681	0.000	-0.1004	0.000	-5.586	0.000	-2.533	0.259	-0.0452	0.000
Mid-East	-17578.9	0.000	-110.278	0.000	-0.2142	0.000	-12.162	0.000	-6.496	0.311	-0.0670	0.061
Africa	-9361.5	0.000	-59.836	0.000	-0.1021	0.000	-6.731	0.000	-1.891	0.616	-0.0643	0.000
Asia	-17775.6	0.000	-112.356	0.000	-0.1773	0.000	-10.603	0.000	-4.118	0.095	-0.0758	0.000
Oceania	-8356.8	0.000	-66.667	0.000	-0.0850	0.000	-5.025	0.000	-3.562	0.502	-0.0257	0.339
Other	-18717.6	0.136	-173.805	0.000	-0.0549	0.623	-3.590	0.606	-10.319	0.721	-0.0166	0.894
HS Grad	6323.7	0.000	57.897	0.000	0.1321	0.000	7.613	0.000	0.152	0.780	0.0403	0.000
Some College	12505.4	0.000	92.434	0.000	0.1878	0.000	10.265	0.000	2.475	0.000	0.1657	0.000
BA/BS	29244.8	0.000	151.752	0.000	0.2060	0.000	11.615	0.000	10.689	0.000	0.4933	0.000
Masters	37532.9	0.000	168.092	0.000	0.2503	0.000	13.075	0.000	12.469	0.000	0.6862	0.000
Doc/Prof	63236.1	0.000	166.798	0.000	0.2503	0.000	13.608	0.000	28.200	0.000	0.7769	0.000
Constant	-17359.0	0.000	67.479	0.000	0.3954	0.000	-3.229	0.000	3.621	0.066	-0.1541	0.000
obs	249036		249036		249036		249036		200698		200698	
r-sq	0.2267		0.3198		0.1062		0.1333		0.0108		0.2968	

TABLE 14. REGRESSION RESULTS FOR OUTCOME VARIABLES (18-65 YEAR OLDS), ATLANTA MSA, 2000

	----------Inc----------		---HH Inc/Poverty--		--------Work-------		-------Weeks------		-------Wage------		-----Good Job-----	
	Coeff	**p-val**	**Coeff**	**p-val**	**Coeff**	**p-val**	**Coeff**	**p-val**	**Coeff**	**p-val**	**Coeff**	**p-val**
Age	2271.6	0.000	8.199	0.000	0.0247	0.000	2.190	0.000	0.518	0.014	0.0108	0.000
Age2	-20.9	0.000	-0.089	0.000	-0.0004	0.000	-0.028	0.000	-0.002	0.434	-0.0001	0.000
Black	-7251.3	0.000	-48.599	0.000	-0.0035	0.153	-1.230	0.000	-1.769	0.023	-0.0611	0.000
Hispanic	-7098.1	0.000	-48.235	0.000	0.0033	0.555	0.083	0.765	-2.921	0.080	-0.0551	0.000
Female	-21826.1	0.000	-11.536	0.000	-0.1189	0.000	-7.684	0.000	-4.433	0.000	0.0424	0.000
Married	2931.7	0.000	70.937	0.000	-0.0089	0.000	0.061	0.632	1.568	0.036	0.0298	0.000
Children	947.0	0.000	-26.800	0.000	-0.0200	0.000	-1.239	0.000	0.389	0.222	-0.0016	0.167
Other GA	-5658.4	0.000	-52.260	0.000	-0.0291	0.000	-2.442	0.000	-0.665	0.723	0.0141	0.059
Other US	-951.4	0.006	-15.142	0.000	-0.0096	0.001	-1.296	0.000	-0.459	0.616	0.0254	0.000
Other N. Amer.	-5988.8	0.061	-27.634	0.007	-0.1384	0.000	-8.129	0.000	14.145	0.117	0.0612	0.129
Latin America	-5346.1	0.000	-59.514	0.000	-0.0838	0.000	-6.039	0.000	-1.785	0.522	-0.0313	0.000
Europe	-6802.5	0.000	-60.373	0.000	-0.1069	0.000	-6.935	0.000	0.932	0.825	-0.0422	0.014
Mid-East	-19043.9	0.000	-123.593	0.000	-0.2628	0.000	-14.542	0.000	-6.649	0.540	-0.0652	0.171
Africa	-7634.8	0.000	-67.506	0.000	-0.1101	0.000	-7.484	0.000	0.038	0.994	-0.0753	0.000
Asia	-19127.0	0.000	-107.461	0.000	-0.1794	0.000	-11.718	0.000	-2.323	0.564	-0.1155	0.000
Oceania	-4060.4	0.221	-28.843	0.007	-0.0536	0.075	-3.806	0.012	-0.933	0.917	-0.0132	0.702
Other	-9115.6	0.701	0.806	0.992	0.0891	0.081	7.798	0.471	-5.674	0.922	-0.1622	0.000
HS Grad	6357.3	0.000	56.921	0.000	0.1086	0.000	6.529	0.000	-0.010	0.993	0.0396	0.000
Some College	14477.0	0.000	93.021	0.000	0.1611	0.000	9.180	0.000	3.092	0.008	0.1700	0.000
BA/BS	32128.8	0.000	142.208	0.000	0.1747	0.000	10.398	0.000	11.354	0.000	0.4680	0.000
Masters	42416.8	0.000	155.107	0.000	0.2110	0.000	11.722	0.000	13.664	0.000	0.6484	0.000
Doc/Prof	65603.3	0.000	152.662	0.000	0.2146	0.000	12.334	0.000	32.916	0.000	0.7533	0.000
Constant	-23883.9	0.000	105.792	0.000	0.4304	0.000	-1.419	0.030	0.820	0.837	-0.1597	0.000
obs	110839		110839		110839		110839		93096		93096	
r-sq	0.2286		0.3131		0.0996		0.1305		0.0085		0.2689	

labor market outcome for individuals who resided in Atlanta in 1995, controlling for demographic characteristics and education.

Several of the explanatory variables are called "dummy variables." They take on the value of zero or one. For example, consider the variable, "female." For the regression, females are given a value of one and males are given a value of zero. The coefficient on female measures the influence on, say income, of being female rather than male. For the education variables, each of the coefficients on these variables measures the effect of having, say, a college degree rather than not having a high school degree. We say that not having a high school degree is the excluded category since there is no variable included for that education level. For the place of residence in 1995 variables, each of the coefficients measures the influence of being from a given area rather than from Atlanta.

Before turning to the analysis of the effects of previous residence, some general comments are in order. First, in general, the coefficients for the set of both the education and demographic variables and the previous residence variables are highly statistically significant. Although the explanatory power of the regressions varies across labor market outcome variables, they are generally comfortably high. The exception is the wage equation, where less than one percent of the variation in wage is explained by the explanatory variables. This seems to be a result of wage being a very noisy measure.[7]

The results for Georgia (Table 13) and Atlanta (Table 14) are qualitatively similar. We focus on the results for the Atlanta metropolitan area. In general, the demographic and education variables are consistent with expectations:

- age is generally a positive factor with a decreasing effect (note the negative coefficient on age squared);

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[7] Wage was calculated by adding wage and salary income to self employment income and dividing the sum by the product of weeks worked and average hours per week. As these are all self-reported measures, the noise in each measure may be compounded. Regressions similar to the one reported were run using only wage and salary income as a base for wage, and excluding anyone reporting any self-employment income. The results for these regressions had marginally better predictive power (0.02 and 0.03, respectively), but the coefficients were not noticeably changed. Adding industry and occupation controls had little effect as well. We conclude therefore that mis-reporting in the hours per week and weeks worked categories are adding noise to this measure, lowering the predictive power of the regression. Thus, the results on wages should be interpreted with care.

- women have worse outcomes than males;

- blacks and Hispanics generally have worse outcomes than whites;

- married people generally have better outcomes than singles; and

- the effect of the number of children is mixed across the regressions.

The education variables are generally statistically significant and display the expected trend (i.e., larger coefficients for higher education levels). (As noted above, the excluded category is less than a high school degree.) Most of these coefficients are statistically significant, even in the noisy wage regression.

Turning to the coefficients on previous residence, the excluded category is people who resided in Atlanta in 1995. The coefficient of -5658.4 on "Other GA" in the first column of Table 14 can thus be interpreted as implying that, holding demographics and education constant, an Atlanta resident who lived elsewhere in Georgia in 1995 will on average make about $5,658 less than an observationally identical Atlantan who lived in Atlanta in 1995. With the exception of Europe and Africa in the wage equation, coefficients on the variables reflecting residence outside of North America are uniformly negative. For the non-wage equations, the only positive coefficients on prior place of residence in 1995 are in the good job equation for previous residency in other parts of North America, other U.S. states, and non-Atlanta parts of Georgia. This means that on average, longer-term residents of Atlanta do better than other groups, even accounting for differences in demographic characteristics and education.

The other areas of the world can be characterized (loosely) as follows. In the first tier of 1995 place of residence (those with the smallest coefficients and thus the smallest difference with 1995 Atlanta residents), are other U.S. states and Oceania. Across the six equations, these areas have worse outcomes than Atlantans who resided in Atlanta in 1995 (conditional on demographics and education), but generally better than the rest of the 1995 place of residence. The next group consists of Latin America, other parts of Georgia, and Europe.[8] Migrants from these areas

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[8] Other parts of Georgia are in the top tier in the regressions using data from the entire state, and Oceania falls into the second group.

might be doing better because of thicker social connections: with the exception of Oceania and Asia (which is absent), the top groups are made up of the dominant population groups in Atlanta. The group of areas whose former residents do worst (again, conditional on their demographics and education) include Asia, the Middle East and Africa (disregarding Africa's anomalous performance in the wage equation). The coefficient on former residence elsewhere in North America (mostly Canadians) fluctuates across equations, so it is hard to place it in one of these groups.[9]

These results show that the disparities in income observed in Tables 10 and 11 are not simply artifacts of observed differences in worker characteristics. Even when controlling for these characteristics, recent immigrants do significantly worse than longer-term residents. There are several possible explanations for this (unsurprising) result. On the one hand, the negative coefficients for most of the foreign residence variables could be picking up unmeasured differences in ability or quality of education. For instance, a high-school degree in Latin America might not prepare recipients for the American labor market as well as a domestic high-school degree, or a deficiency in spoken English may be constraining these immigrants' earning potential. Another possibility is that recent immigrants are discriminated against in local labor markets, so that immigrants get paid less, or have harder times getting jobs or hours of work than U.S. natives and longer-time residents of Atlanta. Another possibility is that cultural influences predispose immigrants from other countries towards different kinds of industries and/or occupations that may pay lower wages. A fifth possibility is that good labor-market outcomes are facilitated by thick and/or broad social networks, which recent immigrants would likely lack when they first arrive.[10]

It is likely that most of these impediments to income and wage growth should dissipate with time. That is, as immigrants gain more experience in the U.S., their language proficiency will improve, their cultural preferences will become more like natives, and their skills and social networks will become more adapted to the native

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[9] In the full Georgia sample, North Americans from outside the United States are generally in the top group, except in the "work" and "weeks" regressions.

[10] The negative coefficient on previous residence in other states in the U.S. suggests that this could be an important explanation, as these new-comers will have more or less similar back grounds in terms of culture and skills, and are unlikely to be discriminated against.

terrain. This process of adaptation to the new surroundings, which is referred to as assimilation, is an important part of the American experience.

While this section has asked how recent migrants have fared since arriving, the next section will take up the question of how migrants have assimilated. That is, we examine whether they are likely to catch up, or continue to lag behind the native populations in terms of income and labor market outcomes.

IV.   How Will Migrants Do Over Time?

To determine how well Atlanta and Georgia's recent immigrants fare in the future in terms of their economic well being, we could wait and interview them again at some future date. While this is certainly possible, it would not inform us *today* about these likely future outcomes. To do that, we have to predict what will happen to recent immigrants. One way to do that is to observe what happened to immigrants who have been here longer. This requires making some additional assumptions, and to the extent that these assumptions are not valid, our predictions will be in error.[11]

Our general method of predicting recent migrants' future economic assimilation is to assume that they will assimilate in a manner similar to migrants from the same countries that have been here longer. For this comparison to give us valid insight into the expected economic assimilation of recent migrants, we must be willing to assume that the recent migrants are not substantially different from previous groups of migrants from the same countries. That is, we have to assume that the group of migrants has not become more or less *selective* over the course of the 1990's, especially in the unobservable characteristics for which we cannot control in regressions.[12]

Another assumption we must make is that the economy of Georgia and Atlanta will not treat immigrants fundamentally differently in the future than in the 1990s. That is, if the Atlanta economy (where most of the recent immigrants have worked) was very welcoming to immigrant labor in the 1980s and early 1990s, but has become less (more) welcoming to those kinds of laborers since then, we would be lead to be overly optimistic (pessimistic) about the prospects of the recent

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[11] All predictions end up in error, because the future is uncertain. Good predictions will never be exactly correct, but we might expect the predictions to be *unbiased*, or be correct on average. However, if predictions are made on faulty assumptions, they will not only have the standard error due to the future's uncertainty, but will also systematically tend to point in the wrong direction.

[12] Our assumption here is similar to that of Chiswick (1978) where cross-sectional evidence suggests that recent immigrants to the U.S. are assimilating in that their employment outcomes are converging to those of U.S. natives. However, Borjas (1985) calls Chiswick's results into question. Borjas claims that there was a deterioration of immigrant cohort quality during the period Chiswick studies and that an assessment of assimilation requires panel data. Borjas' assertions suggest that our evidence should be read with caution.

immigrants. The following discussion of the future prospects of recent immigrants must be interpreted through the lens of these two assumptions.

It is instructive to first look at how the incomes differ for recent and longer-standing immigrants. Table 15 presents average income and the average of income as a percent of the poverty level. Table 16 reports two statistics for each variable and country of origin. The first statistic is the percentage difference in the income of long-term migrants to that of recent migrants from the specified geographic area. Thus, the value of 15.1 percent in the first row of Table 16 is the percentage difference in the incomes in the first two rows of the first column of Table 15. The value means that the average income for all Georgians born in other U.S. states is 15.1 percent higher than the average income of recent migrants to Georgia from other U.S. states. One could think of this figure as giving a measure of "assimilation," at least in the dimension being quantified in the tables.

The numbers in the second row of Table 16 compare the assimilation of all of the relevant migrant categories to the assimilation of migrants from other U.S. states. Thus, the second number in the second row, 20.9 percent, is the percentage difference between the first and second numbers in the first row, i.e., 15.1 percent and 18.1 percent, and means that migrants from other parts of North America assimilated about 21 percent faster than migrants from other U.S. states.[13] We focus on the numbers in the first row, i.e., the assimilation measure.

The statistics reported in Tables 15 and 16 are encouraging. Assimilation was significant for every migrant group, and assimilation of international migrants outpaced that of U.S. internal migrants. Most encouragingly, those recent migrant groups that had the lowest average income (Africans, Latin Americans and Middle-Easterners) had the larger assimilation gains for income.

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[13] Henceforth, we will loosely use the terms "assimilate" and "assimilation" to signify growth in these desirable labor-market outcomes. We use migrants from other parts of the United States as a comparison group for two reasons. First, data on point of birth does not differentiate those born in Atlanta from those born in the rest of Georgia. Second, migrants from other parts of the United States represent an attractive baseline in terms of "assimilation." These migrants do not have to learn new languages, customs or institutions, so their improvements in situation can be taken as a kind of natural improvement attendant on mere residence in the area. One would hope that immigrants from foreign countries, who start generally behind these U.S. internal migrants, would assimilate more quickly so that they can catch up to the native population.

TABLE 15. COMPARISON OF RECENT AND LONG-STANDING IMMIGRANTS BY AREA, INCOME VARIABLES, 2000

	Economic Measure	Immigrant	Other U.S.	Other North America	Europe	Latin America	Middle-East	Africa	Asia	Oceania
--Georgia---	Income	Long-term	$33,263	$38,130	$32,393	$16,618	$34,159	$23,562	$26,387	$26,335
		Recent	$28,904	$32,250	$24,884	$11,037	$19,774	$15,615	$19,022	$19,620
	HH inc/ Poverty	Long-term	331	365	335	215	312	270	319	282
		Recent	298	326	268	176	256	220	252	240
---Atlanta---	Income	Long-term	$39,600	$43,234	$38,618	$18,163	$33,699	$23,114	$27,681	$31,324
		Recent	$33,915	$35,134	$29,477	$11,793	$18,910	$15,234	$19,904	$23,314
	HH inc/ Poverty	Long-term	369	387	362	232	310	269	333	316
		Recent	339	373	294	190	253	221	270	285

TABLE 16. COMPARISON OF "ASSIMILATION" TO U.S. INTERNAL MIGRANTS, INCOME VARIABLES, 2000

	Economic Measure	Immigrant	Other U.S.	Other North America	Europe	Latin America	Middle-East	Africa	Asia	Oceania
--Georgia---	Income	Long-term/recent	15.1%	18.2%	30.2%	50.6%	72.7%	50.9%	38.7%	34.2%
		Comp. U.S.	0.0	20.9%	100.1%	235.3%	382.3%	237.4%	156.7%	126.9%
	HH inc/ Poverty	Long-term/recent	10.9%	11.9%	24.7%	21.9%	22.0%	22.4%	26.7%	17.7%
		Comp. U.S.	0.0	9.0%	125.6%	100.1%	101.2%	104.6%	143.9%	61.7%
---Atlanta---	Income	Long-term/recent	16.8%	23.1%	31.0%	54.0%	78.2%	51.7%	39.1%	34.4%
		Comp. U.S.	0.0	37.6%	85.0%	222.2%	366.6%	208.6%	133.1%	105.0%
	HH inc/ Poverty	Long-term/recent	9.1%	3.7%	22.9%	22.1%	22.3%	21.6%	23.3%	10.8%
		Comp. U.S.	0.0	-59.1	152.8%	143.8%	146.1%	137.9%	156.6%	18.9%

Tables 17 and 18 report equivalent statistics for the labor market variables. (The second row for employment rate is meaningless since the percentage change for migrants from other states is negative.) These results are slightly mixed, although still generally positive, that is; longer-term migrants have better outcomes than recent migrants. In general, the assimilation measures for the labor market outcomes are much smaller than for income. Second, the assimilation of the various groups is not as consistently positive as for income.[14]

Examining the results for employment rate, recent migrants from other U.S. states are actually more likely to work than all migrants from other U.S. states. It is possible, although unlikely, that this could represent early retirement of previous migrants. It is also possible that recent migrants are more likely to be college educated (who are more likely to be employed) or less likelihood that households are headed by females (who are less likely to work). This negative assimilation by inter-state migrants is not substantively large, and probably has to do with the role that job mobility plays in inter-state migration: U.S. migrants are unlikely to undertake costly moves to new cities unless they have a job lined up (Bartel 1979). However, the results for migrants from other countries all point towards strong assimilation in the ability to find jobs. For Atlanta, the employment rate of all those born in foreign countries compared to more recent migrants suggest a 4.5 percent to 18 percent increase in the employment rate as the immigrants assimilate to American institutions.

For number of weeks worked, assimilation effects are even stronger.   For example, Atlanta immigrants from every country except Canada had assimilation of over 10 percent, which is from four to ten times larger than for U.S. internal migrants.[15]

In terms of the kind of work these immigrants are finding, the results are slightly more mixed. Estimated hourly wage suggests that migrants from three areas (North America, Asia, and Oceania) actually had negative assimilation, so that those born in these areas make less on average than recent immigrants from these areas.

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[14] The discussion will concentrate on the figures for the Atlanta sub-sample, however the qualitative statements hold for the full Georgia Sample as well.
[15] Immigrants from other North American countries assimilated about 66% faster than U.S. internal migrants.

TABLE 17. COMPARISON OF RECENT AND LONG-STANDING IMMIGRANTS BY AREA (ALL MALES AGED 18-65), WORK VARIABLES, 2000

	Economic Measure	Immigrant	Other U.S.	Other North America	Europe	Latin America	Middle-East	Africa	Asia	Oceania
Georgia	Work	Long-term	0.9034	0.9271	0.9163	0.8743	0.9024	0.8773	0.8961	0.9039
		Recent	0.9075	0.8710	0.8628	0.8043	0.8108	0.8157	0.8430	0.8392
	Weeks	Long-term	43.07	43.36	43.48	38.97	42.92	39.77	41.56	42.37
		Recent	42.19	40.97	40.48	33.66	36.88	34.90	36.99	37.56
	Wage	Long-term	23.38	26.03	25.72	14.08	25.03	18.31	22.69	18.66
		Recent	20.40	28.22	20.71	11.01	17.01	17.37	21.60	17.57
	"Good" job	Long-term	0.3495	0.5385	0.4254	0.0860	0.4878	0.2625	0.3859	0.2707
		Recent	0.3435	0.5565	0.3105	0.0525	0.3423	0.1638	0.3965	0.2098
Atlanta	Work	Long-term	0.9302	0.9425	0.9231	0.8862	0.8997	0.8823	0.9112	0.9522
		Recent	0.9313	0.9024	0.8571	0.8284	0.7606	0.8354	0.8608	0.8750
	Weeks	Long-term	44.65	44.19	44.06	39.59	42.86	39.98	42.29	45.53
		Recent	43.67	42.60	39.40	34.52	34.92	35.80	36.53	39.94
	Wage	Long-term	26.69	26.47	28.59	14.70	25.22	17.56	23.71	20.29
		Recent	23.41	30.46	25.88	11.84	16.96	17.34	25.35	20.55
	"Good" job	Long-term	0.4179	0.5690	0.4882	0.0989	0.4819	0.2465	0.3931	0.3435
		Recent	0.4154	0.6463	0.3724	0.0564	0.3521	0.1564	0.4367	0.2917

TABLE 18. COMPARISON OF "ASSIMILATION" TO U.S. INTERNAL MIGRANTS (ALL MALES AGED 18-65), WORK VARIABLES, 2000

	Economic Measure	Immigrant	Other U.S.	Other North America	Europe	Latin America	Middle-East	Africa	Asia	Oceania
							-----Region-----			
Georgia	Work	Long-term/recent	-0.5%	6.4%	6.2%	8.7%	11.3%	7.5%	6.3%	7.7%
		Comp. U.S.	NA	NA	NA	NA	NA	NA	NA	NA
	Weeks	Long-term/recent	2.1%	5.8%	7.4%	15.8%	16.4%	13.9%	12.4%	12.8%
		Comp. U.S.	0.0%	78.6%	154.9%	553.1%	581.9%	465.6%	390.2%	412.2%
	Wage	Long-term/recent	14.6%	-7.7%	24.1%	27.8%	47.2%	5.4%	5.0%	6.2%
		Comp. U.S.	0.0%	-253.0%	-34.7%	-9.6%	122.9%	-163.3%	-165.7%	-157.2%
	"Good" job	Long-term/recent	1.7%	-3.2%	37.0%	63.6%	42.5%	60.2%	-2.7%	29.1%
		Comp. U.S.	0.0%	-385.1%	1920.2%	3443.4%	2233.2%	3247.7%	-353.4%	1463.7%
Atlanta	Work	Long-term/recent	-0.1%	4.4%	7.7%	7.0%	18.3%	5.6%	5.9%	8.8%
		Comp. U.S.	NA	NA	NA	NA	NA	NA	NA	NA
	Weeks	Long-term/recent	2.2%	3.7%	11.8%	14.7%	22.7%	11.7%	15.8%	14.0%
		Comp. U.S.	0.0%	-33.3%	327.8%	455.8%	814.8%	319.9%	503.0%	423.4%
	Wage	Long-term/recent	14.0%	-13.1%	10.5%	24.2%	48.8%	1.3%	-6.5%	-1.2%
		Comp. U.S.	0.0%	-293.5%	-125.4%	-27.6%	148.0%	-191.0%	-246.2%	-208.8%
	"Good" job	Long-term/recent	0.6%	-12.0%	31.1%	75.3%	36.9%	57.7%	-10.0%	17.8%
		Comp. U.S.	0.0%	-2216.0%	5032.0%	12488.7%	6006.9%	9509.0%	-1881.3%	2791.5%

This might be a result of the noisiness of the wage measure as discussed in Section III. However, wage assimilation for internal migrants to Atlanta was a strong 14 percent, and wage assimilation was positive for another three areas (Latin America, the Middle East and Europe), although it was essentially zero for Africa. For migrants from Latin America and the Middle East, the assimilation was greater than for U.S. internal migrants (72 percent and 250 percent faster, respectively, for Atlanta).

For the proportion of each group that has a good job, as defined in footnote 5 in Section III, the results are still mixed, but more optimistic. Two groups have negative assimilation in terms of having good jobs: Asians and Canadians. However, these two groups have the largest shares of good jobs when they first arrive, so this movement can be thought of as assimilation towards an American norm, even if the assimilation is somewhat perverse. For the U.S. internal migrants, there is basically no change. However, for immigrants from the rest of the world, the gains are large. For Atlanta, assimilation for Oceania (18 percent), Europe (31 percent), the Middle-East (37 percent), Africa (58 percent) and Latin America (75 percent) are all very high.

Together, these results suggest that immigrants to Atlanta and to Georgia do start out with a disadvantage, but that over time we can expect them (like most previous groups of immigrants) to close the gap with the native population. Of course, the figures in Tables 15-18 are simple averages, and do not control for any of the important covariates of income or labor market outcomes.

In Tables 19 and 20, we report regression analysis along the lines of that reported in Tables 13 and 14, except that place of birth is added to the regression as another dummy variable. By controlling for both residence five years prior to the census and place of birth, we are able to distinguish between long-established immigrants and more recent arrivals. A recent arrival from another part of the world will have both their place of birth *and* their residence five years prior in their native country, while long-established immigrants will have only their place of birth set to that area. Thus, comparing the coefficients on these two variables enables us to get a qualitative sense of how much of an immigrant's initial disadvantage (represented by the usually negative coefficients on the residence five years prior variable) will

TABLE 19. REGRESSION COEFFICIENTS FOR PLACE OF BIRTH AND PREVIOUS RESIDENCE, ALL GEORGIA, 2000

Area	Immigrant	Income Coef	Income p-val	Income/Poverty Coef	Income/Poverty p-val	Work Coef	Work p-val	Weeks Coef	Weeks p-val	Wage Coef	Wage p-val	Good Job Coef	Good Job p-val
Other	Birth	2444.7	0.000	6.53	0.000	0.0132	0.000	0.637	0.000	0.844	0.035	0.0160	0.000
U.S.	5-yr	-4838.0	0.000	-44.76	0.051	-0.0280	0.000	-2.192	0.000	-2.522	0.000	0.0030	0.307
Other N.	Birth	2608.0	0.109	12.41	0.000	-0.0035	0.831	-0.387	0.669	0.616	0.873	0.1139	0.000
America	5-yr	-6797.6	0.004	-51.69	0.002	-0.1389	0.000	-7.739	0.000	9.181	0.117	0.0305	0.338
Latin	Birth	-1327.8	0.029	7.41	0.000	0.0486	0.000	2.690	0.000	-0.435	0.763	-0.0130	0.053
America	5-yr	-7190.1	0.000	-66.63	0.000	-0.1080	0.000	-6.714	0.000	-3.767	0.233	-0.0207	0.000
Europe	Birth	1567.9	0.012	9.70	0.000	-0.0046	0.469	-0.621	0.075	0.796	0.592	0.0127	0.119
	5-yr	-8821.8	0.000	-70.30	0.000	-0.0975	0.000	-5.307	0.000	-2.735	0.233	-0.0495	0.000
Middle-	Birth	-6869.5	0.000	-39.21	0.000	-0.0757	0.000	-4.558	0.000	-0.569	0.859	-0.0339	0.063
East	5-yr	-12922	0.000	-86.74	0.000	-0.1687	0.000	-9.452	0.000	-5.960	0.365	-0.0459	0.207
Africa	Birth	-7851.9	0.000	-15.01	0.000	-0.0035	0.730	-0.590	0.310	-4.744	0.053	-0.0416	0.001
	5-yr	-3572.2	0.030	-48.09	0.000	-0.0959	0.000	-6.140	0.000	1.430	0.728	-0.0336	0.066
Asia	Birth	-6259.2	0.000	-14.98	0.000	-0.0167	0.005	-1.182	0.000	-1.995	0.138	-0.0782	0.000
	5-yr	-13084	0.000	-100.68	0.441	-0.1619	0.000	-9.617	0.000	-2.738	0.288	-0.0266	0.051
Oceania	Birth	959.4	0.460	3.91	0.000	0.0152	0.246	0.968	0.180	0.577	0.852	0.0045	0.770
	5-yr	-8680.4	0.000	-66.09	0.000	-0.0810	0.001	-4.869	0.000	-3.794	0.489	-0.0283	0.306
r-sq		0.2283		0.32		0.1067		0.134		0.011		0.2979	

TABLE 20. REGRESSION COEFFICIENTS FOR PLACE OF BIRTH AND PREVIOUS RESIDENCE, ATLANTA MSA, 2000

Area	Immigrant	-------Income-------		Income/Poverty		--------Work--------		------Weeks------		--------Wage--------		-------Good Job------	
		Coef	p-val	Coef	p-val	Coef	p-val	Coef	p-val	Coef	p-val	Coef	p-val
Other	Birth	3620.0	0.000	14.39	0.000	0.0242	0.000	1.253	0.000	1.350	0.080	0.0230	0.000
U.S.	5-yr	-1887.7	0.000	-19.12	0.000	-0.0177	0.000	-1.710	0.000	-0.809	0.394	0.0200	0.000
Other N.	Birth	2367.7	0.305	8.68	0.242	-0.0052	0.789	-0.619	0.556	0.403	0.948	0.1008	0.000
America	5-yr	-4506.1	0.179	-22.80	0.034	-0.1282	0.000	-7.379	0.000	14.840	0.115	0.0325	0.429
Latin	Birth	-1025.0	0.246	-1.59	0.576	0.0445	0.000	2.626	0.000	-0.269	0.909	-0.0196	0.025
America	5-yr	-4643.4	0.000	-57.42	0.000	-0.0956	0.000	-6.721	0.000	-1.628	0.786	-0.0233	0.004
Europe	Birth	2052.3	0.037	10.39	0.001	0.0037	0.657	-0.240	0.591	0.150	0.954	0.0263	0.021
	5-yr	-6922.3	0.000	-61.98	0.000	-0.1030	0.000	-6.497	0.000	1.195	0.786	-0.0517	0.004
Middle-	Birth	-10331.0	0.000	-48.27	0.000	-0.0602	0.000	-3.791	0.000	-2.220	0.641	-0.0311	0.137
East	5-yr	-10756.7	0.003	-86.66	0.000	-0.2152	0.000	-11.610	0.000	-4.819	0.667	-0.0396	0.417
Africa	Birth	-8315.3	0.000	-24.90	0.000	-0.0106	0.332	-1.041	0.082	-4.975	0.154	-0.0410	0.003
	5-yr	-784.4	0.709	-45.97	0.000	-0.0956	0.000	-6.370	0.000	3.852	0.511	-0.0411	0.037
Asia	Birth	-7917.0	0.000	-16.16	0.000	0.0111	0.104	0.207	0.568	-2.893	0.173	-0.0927	0.000
	5-yr	-11877.4	0.000	-89.84	0.000	-0.1779	0.000	-11.368	0.000	0.223	0.958	-0.0422	0.014
Oceania	Birth	3540.3	0.086	16.07	0.015	0.0304	0.073	2.517	0.007	-0.359	0.948	0.0139	0.510
	5-yr	-5163.8	0.136	-34.03	0.002	-0.0571	0.068	-4.387	0.005	-0.508	0.957	-0.0183	0.608
r-sq		0.2317		0.3162		0.1008		0.1318		0.0080		0.2711	

Note: all regressions also include controls for age, age-squared, race, Hispanic ethnicity, sex, marital status, number of children, and a battery of education dummies. For readability, these coefficients are not reported. Sample sizes are the same as reported in Table 13.

dissipate as the individual assimilates to American culture and institutions (represented by the coefficients on the place of birth variables). The excluded categories for these two sets of dummy variables are individuals born in Georgia and individuals who lived in Georgia in 1995.

The regressions include the demographic and education variables used in the regression reported in Table 13, but only the coefficients for the immigration variables are reported in Tables 19 and 20. None of the coefficients on the demographic and education variables is unexpected. The discussion below focuses on the results for Georgia, but the qualitative pattern is the same for Atlanta.

To aid in the interpretation of these results, we will discuss the results for two geographic areas for the income regression in some detail, and then discuss the rest of the table in broader terms. In the first column of coefficients in Table 19 the coefficient on residence five years prior for Europeans is -$8,822, meaning that controlling for education and demographics, recent immigrants from Europe make $8,822 less than individuals who lived in Georgia in 1995. However, people *born* in Europe make about $1,570 more than native Georgians, all else constant. Since people who resided in Europe five years before the 2000 census were also likely born in Europe,[16] a recent immigrant from Europe would be expected to make around $7,250 dollars less than a native Georgian, controlling for demographics and education. However, for longer-term migrants only the $1,500 positive coefficient of being born in Europe would apply; the negative $8,800 coefficient on being a recent immigrant would not apply since the individual is not a recent migrant. This means that longer-term migrants would be expected to have an income $1,500 *more* than the native Georgian. For Europeans, the regression suggests that the assimilation process (at least in terms of income) leaves them better off than native Georgians.

The situation differs somewhat for immigrants from Latin America. Recent immigrants from Latin American countries make over $7,190 less than Georgians

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[16] Interestingly, the majority of those Georgians who lived in Europe in 1995 were not born in Europe. The same counter-intuitive pattern holds for North America (Canada) and Oceania and the U.S. Islands. The intuitive pattern just barely holds for Middle-Eastern countries. To some extent, this could be an artifact of military families: when the sample is restricted to the Atlanta metropolitan area, all three counter intuitive patterns shift so that the majority of previous residents were actually born in the area they resided in, although the majority is not always very large.

(controlling for demographics and education), while those *born* in Latin America make about $1,330 less than Georgia natives with similar demographics and education. This means that recent migrants (who were also born in Latin America) would make about $8,520 less than Georgia natives with similar backgrounds. However, over time the negative $7,200 effect of being a recent immigrant disappears, but their income will still be less than observationally comparable natives by about $1,300. They will have made great strides towards catching up, all else equal, but will still fall below Georgia natives.

The majority of the pairs of coefficients on place of birth and five-years prior across the six reported regressions fit one of the two patterns discussed above: the coefficient on residence five years prior is negative, and the coefficient on place of birth is either positive (as for Europe) or negative (as for Latin Americans). The six exceptions are either in the wage equation, which as discussed above is very noisy, or for migrants from the developed world (other U.S. states, Canada, or Europe). There are also three regressions for migrants from other U.S. states that exhibit "assimilation," but which start out from a higher than expected average.[17]

Table 21 presents standardized "assimilation" statistics for Atlanta. The assimilation statistic equals the percent of the original migrant gap (in income, weeks worked, wage, *etc.*) that disappears with assimilation.[18] In particular, it is measured as the coefficient on residence five years prior variable divided by the difference in the coefficients on place of birth and residence five years prior.   If the assimilation statistic is less than one (as it is for Latin America for income), assimilation has been only partially successful, i.e., long-established immigrants close the gap with observationally equivalent natives but are unable to catch them up. If the assimilation

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[17] That is, the coefficient on place of birth is greater in magnitude than the coefficient on recent residence so that even when these migrants are recently arrived in Atlanta, they earned more than observationally similar natives.

[18] The statistic is computed by taking negative of the coefficient on recent residence abroad and dividing that number by the absolute value of the sum of the birth place dummy coefficient and the recent residence abroad coefficient. The denominator represents the income (or weeks worked, or wage, *etc.*) gap that the migrant faces in the first several years of residence in Atlanta (compared to an observationally equivalent native). The numerator represents the amount of the gap that disappears with assimilation because this (often) negative coefficient disappears after about five years of residence.

TABLE 21. "STANDARDIZED" ASSIMILATION, ATLANTA MSA, 2000

Area	Income	Income/Pov	Work	Weeks	Wage	Good Job
Other U.S.	*1.090*	4.043	*2.686*	3.744	*1.495*	<u>-0.466</u>
Other N. America	2.107	1.615	0.961	0.923	<u>-0.974</u>	<u>-0.244</u>
Latin America	0.819	0.973	1.870	1.641	0.858	0.543
Europe	1.421	1.201	1.037	0.964	<u>-0.889</u>	2.035
Middle-East	0.510	0.642	0.782	0.754	0.685	0.560
Africa	0.086	0.649	0.900	0.860	**-3.432**	0.500
Asia	0.600	0.848	1.067	1.019	**-0.083**	0.313
Oceania	3.181	1.895	2.137	2.346	0.586	4.150

Note: *Italicized* assimilation numbers represent estimates for area effects imply that the migrant *always* made more than observationally equivalent natives (regression *away* from the mean). <u>Underlined</u> numbers represent estimates of "negative" assimilation where long-term migrants are more like observationally equivalent natives (regression to the mean from positive values). **Boldfaced** numbers represent estimates where negative assimilation made the migrant group even more disadvantaged than observationally equivalent natives (regression away from the mean).

statistic is more than one (as it is for Europe for income), assimilation has more than compensated for the initial negative labor market outcome.

The attractive aspect of this measure is that it is based on regression output, so that the gaps in income or labor market success cannot be attributed to any of the demographic or educational variables, since we control for those characteristics. One unattractive feature of this measure is that for those geographic areas where the initial gap, i.e., the coefficient on the residence five years prior variable, is extremely close to zero (either positive or negative), the standardized assimilation statistic will be very large if there is any assimilation at all.

The standardized assimilation statistics tell a broadly optimistic story about the prospects of immigrants to Atlanta. Almost every migrant group appears to experience some assimilation, although the strongest assimilators are from developed countries (the U.S., Canada or Europe). Even immigrants from the developing world, however, were able to catch up to observationally similar natives. Immigrants from Oceania had the largest assimilation statistics among immigrant groups. Latin American immigrants also assimilated very strongly, making up at least 80 percent of the initial gap, and overtaking them on some labor market outcomes. One exception to this pattern is for good job, for which Latin Americans made up only about half the gap.

The assimilation for the other parts of the world (Asia, Africa and the Middle East) was not as strong. It is hard to rank the assimilation experiences of immigrants from these three areas. Middle Easterners consistently assimilated 50-80 percent of the initial gap, while the assimilation for Africans and Asians is much more erratic (even if we ignore the negative assimilation in wages). Asians do better than Africans for every labor market outcome other than for good job. In some dimensions (i.e., whether the respondent worked and the number of weeks worked) Asian immigrants actually over-take observationally equivalent native Atlantans. Asians also assimilate better than Middle-Easterners in four of the six outcome categories, but do worse in two (wage and good job). Africans and Middle Easterners are about even on two dimensions, and split the other four.

The assimilation results can be broadly characterized as follows. All groups experienced strong assimilation. While some immigrant groups overtook similar natives as they became accustomed to the U.S. labor market, others were only able to close the gap, without pulling even. The assimilation experience of the migrants from these different parts of the world can be categorized into tiers, with the first tier containing the most successful assimilators. In the first tier are the U.S., Canada, and Europe, in the second tier are Latin America and Oceania, and in the bottom tier are Asia, Africa and the Middle East.

It is interesting to compare these to the tiers specified in Section III, which loosely ranked areas based on how the recent migrants did, controlling for demographics and education. Those tiers ranked other U.S. states and Oceania in the top tier; Latin America, Europe and other parts of Georgia in the second, and Asia, Africa and the Middle-East in the bottom tier.   While it is encouraging that every group experienced significant assimilation, it is discouraging that those groups whose recent migrants do worst (controlling for demographics and education) are also those with the weakest assimilation. That is, while all groups improve their status with time, the ones that start out most behind make the *least* progress.[19] This is troubling because it suggests that, while the American and Atlanta economy allow all groups to

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[19] In terms of the coefficients and statistics used in the paper, we are saying that in general, the groups with the strongest negative coefficients of recent residence also have the strongest negative coefficients of birth origin, so that even after the "recent migration" effect goes away, these people are still left further behind than the other groups.

improve their economic situations, certain groups find themselves in a better position to capitalize on those opportunities than others, and these differences do not go away very quickly. It is not possible to determine with the data available whether these persistent differences are the results of differences in educational quality, discrimination, or culture. However, the mechanism by which these gaps are generated and maintained have profound effects on the policy tool, if any, we might apply towards the elimination of the gaps.

It is also not obvious that the standardized gaps and assimilation computed from the regression output should be the focus of policy effort. Should it matter that an immigrant group has assimilated so that their income matches that of equivalent native Atlantans, but demographics characteristics and education levels result in low incomes. The answer to this question depends on a person's own beliefs about the role of government, the efficacy of government intervention, the place of first generation immigrants in society, and the likely outcomes for their children, the second generation Americans. For this reason, both the regression output and the conditional averages have been presented in this report.

V.   Conclusion

With Atlanta at its center, Georgia has experienced a recent influx of immigrants. While the experience of Atlanta in this regard is by no means unique, this influx of new immigrants is an important component of Atlanta's and Georgia's growth and population. International migrants make up over ten percent of metro Atlanta's population, and recent immigrants make up almost four percent.

This report has endeavored to understand where these immigrants are coming from and how they are doing. It also ventured guesses about how well they might assimilate, based on experiences of their longer-established compatriots. The findings of this report can be summarized as follows.

1)   The most important flow of migrants is from other U.S. states. This group makes up the vast majority of non-native Georgians and Atlantans. The flow into Atlanta of other Americans dwarfs the flow from the rest of Georgia and the rest of the world combined.

2)   Migration is incredibly important to Atlanta and Georgia. For example, in 2000, less than half of Atlanta's residents were born anywhere in Georgia.

3)   International immigration to Atlanta in 2000 was more important than migration to Atlanta from other parts of Georgia, although this was not the case in 1990.

4)   International migration is becoming more important as Atlanta and Georgia have become internationally more prominent.

5)   The most important groups of migrants are Latin Americans, Asians and Europeans, in that order.

6)   Immigrants tend to differ from natives across a number of dimensions. Most importantly, immigrants from the developed world tend to be more educated, while immigrants from the developing world (especially Latin America and Africa) tend to be less educated.

7)   Labor market outcomes and incomes of recent immigrants depend on region of origin, with the more educated groups doing better than the less educated groups regardless of region of origin.

8)   Controlling for individual characteristics, recent immigrants do worse than natives across all labor market outcomes, although some of these differences appear to be eliminated through the process of assimilation.

9)   Controlling for individual characteristics, migrants from areas where recent migrants do the worst also appear to assimilate the least.

As Atlanta and Georgia look to the future, it is reasonable to assume that many of these trends will continue. International migration to Atlanta will continue to be important. While overall growth of the metropolitan region will likely slow somewhat, it will probably continue to be strong. This analysis suggests that future migrants will likely represent a very mixed group consisting of well-educated immigrants from the developed world, and more vulnerable immigrants from the developing world. Natives' feelings about and response to these different groups of migrants will (and to some extent should) vary, as will the immigrants' needs and effects on the local economy and public finances.

These immigrants—as all past cohorts of immigrants—will assimilate and make substantial economic gains. As the current stock of immigrants adjusts to the local culture and institutions, they will be replaced by new groups of immigrants who will likely be similar to the current stock: with varying degrees of education and economic success. Meanwhile, the children of current immigrants will grow up even more assimilated, becoming truly bi-cultural. The response of local populations to these changes will depend on political, cultural and economic views. Those who are very dissatisfied with the current immigration context for one reason or another will advocate policy changes of various kinds. However, the strong assimilation of past migrants, concurrent economic gains to the Atlanta and Georgia economies and relatively harmonious integration of ethnic communities into the metropolitan fabric suggest that the current arrangement is mutually beneficial, and that something has been done right.

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(All publications listed are available at http://frc.gsu.edu or call the Fiscal Research Center at 404/413-0249, or fax us at 404/413-0248.)