



IMMIGRATION WORSENS POVERTY-RELATED PROBLEMS IN MINNESOTA

An NPG Commentary
by Edwin S. Rubenstein

After a small decline in 2022, Minnesota gained an estimated 23,615 residents in 2023, more than tripling population growth from the previous three years. The biggest contributor was a rebound in net domestic migration – which is defined as people moving in from other states minus Minnesotans moving out of state.¹

Like most northern-tier states Minnesota is still losing residents to other states, but the decline is slowing. In 2023, 4,686 more people left the state than moved in. That was 24,200 fewer net exits than in 2022 – a decline of 83%.

The post COVID surge in natural increase (births minus deaths), plus higher net international migration, enabled the state to post modest population growth – 31,000 – over the 2020 to 2023 period.²

FOREIGN-BORN POPULATION SURGES IN MINNESOTA

America today hosts a greater share of immigrants (over 16% of the population) than at any point in our history. California, with more than one-quarter of its population born abroad, ranks number one. While Minnesota is well below the national average, it leads among states in the region:³

FOREIGN-BORN POPULATION SHARE (%)

Minnesota	8.7
Michigan	7.2
Nebraska	6.9
Iowa	6.0
Wisconsin	5.0
North Dakota	4.9
South Dakota	3.5

Minnesota is hardly the most popular destination for new immigrants. Major metropolitan areas such as Denver, San Diego, and Seattle – with metro area populations similar to Minneapolis – are certainly home to more new immigrants. But Minnesota is a significant secondary destination taking – for example – Ecuadorian immigrants forwarded from New York.⁴

Current estimates indicate that more than 500,000 immigrants live in the state. If they were a separate city, they would be the state's largest, by far, with Minneapolis now home to 425,000 residents.

The countries of origin of Minnesota's immigrant population are rather unique, with Mexico and Somalia topping the list, followed by

Indians and the Hmong people, a SE Asian group that helped the US during the Vietnam War. By continent, Asia provides the largest contingent of immigrants at around 180,000, Africa contributes about 140,000, Latin America 110,000, and Europe 44,000.

NATIVE-BORN MINNESOTANS, IMMIGRANTS, POVERTY, AND LONG-TERM ECONOMIC STRUGGLES

One of the main critiques of the 1965 Immigration Act is that by favoring relatives of people already in the country it worsened the problems of poverty and welfare dependency. Importing immigrants who suffer from these problems makes helping poor Americans more difficult.

While the burden of immigration varies widely in the U.S. **“...there is perhaps no state where it is more noticeable than Minnesota,”** writes Jason Richwine in a 2020 article published by the Center for Immigration Studies.⁵

The socio-economic gaps between immigrants and the native-born are so large that despite not being a high immigration state relative to the U.S. as a whole, the state’s poverty-related problems still have a pronounced immigration component.

For example, 20.9% of working-age immigrants in Minnesota do not have a high-school diploma compared to just 5% of working-age natives. Welfare reciprocity is similarly tilted, with 40.1% of immigrant households receiving Medicaid versus 17.9% of native-headed households.

Richwine’s analysis shows immigrants in Minnesota continue to struggle (relative to the native-born) even after 10-years of residency. For example, only 8.3% of the state’s native-born adults live in poverty versus 16.2% of all immigrants – and 13.7% of immigrants with more than 10 years in the country.

Why is immigration’s impact abnormally large? **“One reason,”** Richwine suggests, **“is that the state’s native-born residents are famously high achievers, helping to motivate Pat Moynihan’s quip that ‘states wishing to improve their schools should move closer to Canada.’”**⁶

Another reason is that liberal NGOs have sponsored several groups of predominantly low skilled immigrants, including Mexicans, Somali refugees, and the Hmong people of Vietnam. The resulting disparity **“...is notable both for its sharpness and its persistence. It is a stark illustration of how low-skill immigration can create significant problems for developed societies.”**⁷

A (SELF-INFLICTED?) SHORTAGE OF AFFORDABLE HOUSES

For years state legislators and local activists have warned about a shortage of affordable houses accessible to middle class workers, seniors, and young families. They may be right: **“It is harder to build homes in Minnesota, it takes longer, it costs more, and, frankly, many of the most affordable options are simply not permitted here due to overly restrictive local zoning codes and NIMBY resistance.”**⁸

Construction costs in Minnesota are higher than in any neighboring state. The median price for a new home is \$100,000 higher than the national average, and \$124,000 higher than in Wisconsin. The state has **“one of the widest homeownership equity gaps”**⁹ in the nation, and local governments are often the source of the problem.

“Remove costly mandates imposed by local government such as parking and luxury finishes. They are exclusionary in nature and drive-up costs.”¹⁰ Mainstreaming environmental reviews that are often time consuming and frivolous would also help.

Long-term demographic trends may actually increase affordability in Minnesota. Population growth in Minneapolis, St. Paul, and many inner-ring suburbs has stagnated – or even declined – in recent years. The average size of a household has been shrinking, partly due to aging and lower birth rates. The decline is more pronounced in the urban center, where many of the units added in recent years have been studios, one-bedrooms, or small starter houses.¹¹

MINNESOTA A TERRORIST HOTSPOT? READ ON.

Note: NPG recognizes that most illegal immigrants are not malicious. The majority are decent people who simply want a better life for themselves and their families. The following synopsis is meant to show an example of how our nation's incredibly lax border security can lead to serious threats, even in Minnesota, more than 1,300 miles north of the border. Knowing who enters the United States is vital to our national security, but serious deficiencies prohibit U.S. authorities from detecting and stopping some very dangerous individuals.

Ahhh, Minnesota. To most of us the name congers up mile-after-mile of pristine landscapes, a Land of 10,000 Lakes – not to mention massive shopping malls; terrorism is not on the list.

But maybe it should be.

As the Department of Homeland Security itself explains:

“Beginning in 2007, more than 20 Somali Americans left Minnesota in order to train and fight for the al Shabaab in Somalia. This included 26-year old Shirwa Ahmed, a Somali-born American citizen, who on October 29, 2008, became the first documented American suicide bomber. More than 20 young Somalis have been convicted in U.S. District Court in Minnesota on terrorism-related charges.”¹²

According to the U.S. National Counterterrorism Center, al Shabaab is a Sunni terrorist group that publicly pledged loyalty to al Qa’ida in 2012.

Since 2014 al-Shabaab has killed more U.S. citizens than any other al-Qa’ida affiliate, and as of 2022, was its wealthiest component.¹³

As recently as January 2024, an illegal immigrant (first encountered by the Border Patrol in March 2023 – after which he was promptly released into the country) was arrested in Minnesota after authorities determined he was **“a confirmed member of”¹⁴** the terrorist group.

In June of this year, a Moroccan native and naturalized U.S. citizen living in Minnesota, Abdelhamid Al-Madioum, received a 10-year prison sentence for providing material support to the designated terrorist organization – the Islamic State of Iraq and al-Sham, AKA ISIS.

Somalian refugees are certainly not the only threat to Minnesota. Like every other state in the nation, Minnesota is home to white nationalists and other extremist groups. The difference is that we should be able to detect terrorists who are entering the United States, but we must enforce the rules to make that happen.

SUMMARY

Natural growth (births minus deaths) bolstered the state’s population growth for the past 100 years, but over the next 20 years its contribution will slowly wane. Minnesota is not alone: in 2023, 19 U.S. states saw fewer births than deaths. Minnesota will join this group by the late 2040s, according to Census Bureau projections. After that time, the only source of population growth will be migration.¹⁵

Unfortunately, the state’s immigration history is not a good one. Low income, poorly educated immigrants predominate. The skills gap between native-born Minnesotans and the state’s immigrants could well exceed that of any other state.

NOTES:

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2. Bill Glahn, *Foreign-born population surges in Minnesota*, The American Experiment, December 28, 2023.
3. Ibid.
4. Ibid.
5. Jason Richwine, *How Immigration Worsens Poverty-Related Problems in Minnesota*, Center for Immigration Studies, October 26, 2020.
6. Ibid.
7. Ibid.
8. James Vagle, *Time for bold action on housing in Minnesota*, minnpost.com, March 11, 2024.
9. Ibid.
10. Ibid.
11. Katie Galioto, *Minnesota's urban core boomed over the past decade. Momentum is now shifting back to the suburbs*, Star Tribune, June 15, 2024.
12. Andrew R. Arthur, *Minnesota Gov. Tim Walz: Proponent of Licenses for Illegal Aliens*, CIS, August 9, 2024.
13. Ibid.
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