

ISSUE BRIEF : Q1 2020

OHIO IS NOT FULL

STATE REPORT



BUSINESSFORWARD
FOUNDATION

TOPLINE

President Trump argues we cannot accommodate more immigrants because “our country is full.”

In fact, America has an aging problem, declining birthrates, and thousands of underpopulated cities and towns struggling with falling home prices and dwindling tax revenue. We need immigrants to keep our economy growing.

“Our country is full.
Our area is full.
The sector is full...
Can’t take you anymore.
I’m sorry, turn around,
that’s the way it is.”

- PRESIDENT DONALD TRUMP

U.S.

1. The U.S. has plenty of land, water, food, and energy.
2. America’s problem is fewer babies, fewer workers, and migration from small towns to big cities.
3. Trump’s restrictive immigration policies are bad for business, property values, pensions, and social security.
4. Over 10 years, restrictive immigration policies could cost \$1.5 trillion in GDP and 15.3 million jobs.²
5. Countries currently on the track Trump recommends are struggling.

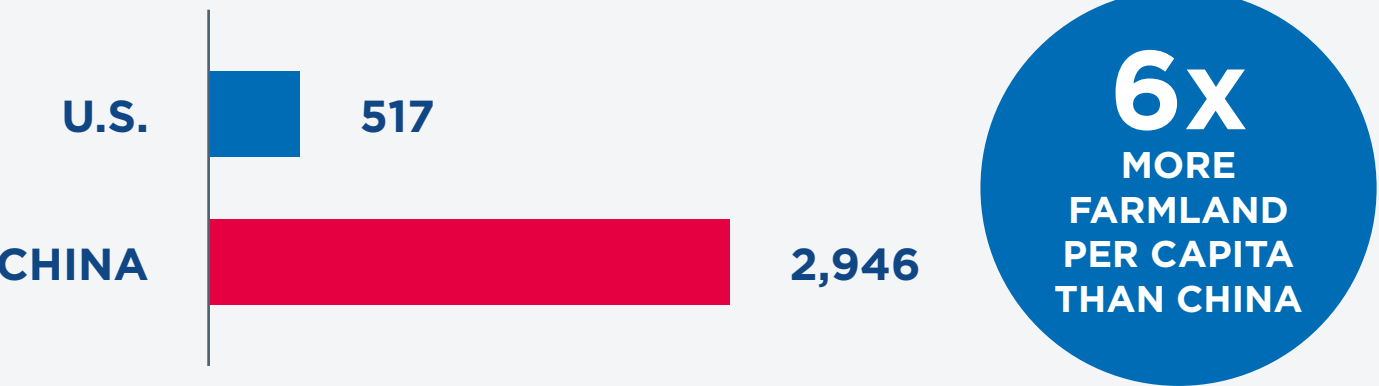
OHIO

1. Ohio’s population is among the oldest in the U.S., and it is aging quickly.
2. Its aging population is slowing business formation and job growth. It’s also increasing health care costs and encouraging younger workers to leave.
3. Immigrants already contribute \$1 billion to Ohio’s economy each year.³ Continued immigration could prevent its economy from spiraling.
4. A balanced immigration policy would grow Ohio’s GDP by \$19.4 billion over ten years. Restrictive policies would reduce its GDP by \$12.7 billion.⁴

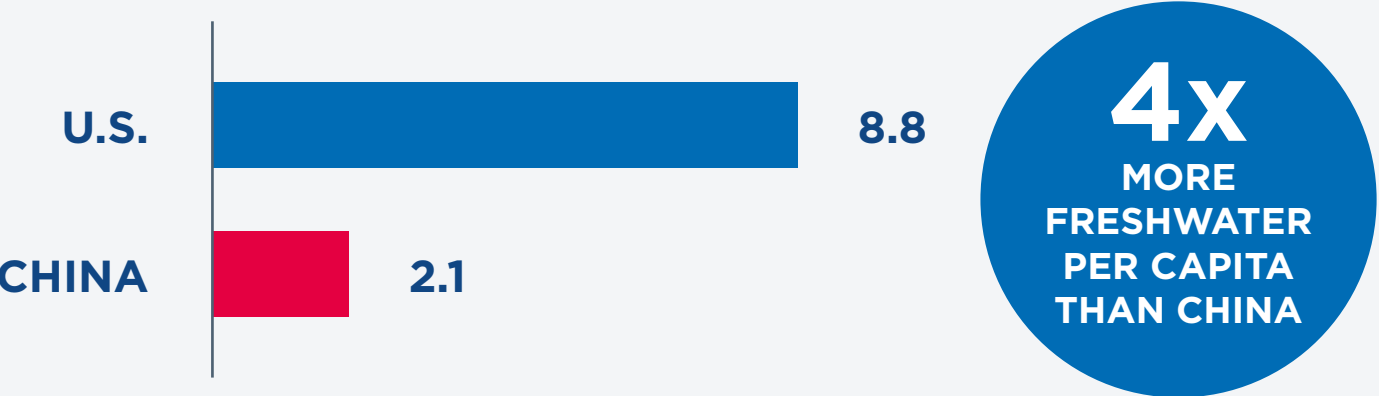
THE U.S. HAS PLENTY OF LAND, WATER, FOOD, AND ENERGY FOR MILLIONS OF NEW AMERICANS

FARMABLE LAND & FRESHWATER

PEOPLE PER SQUARE MILE
OF FARMABLE LAND⁵



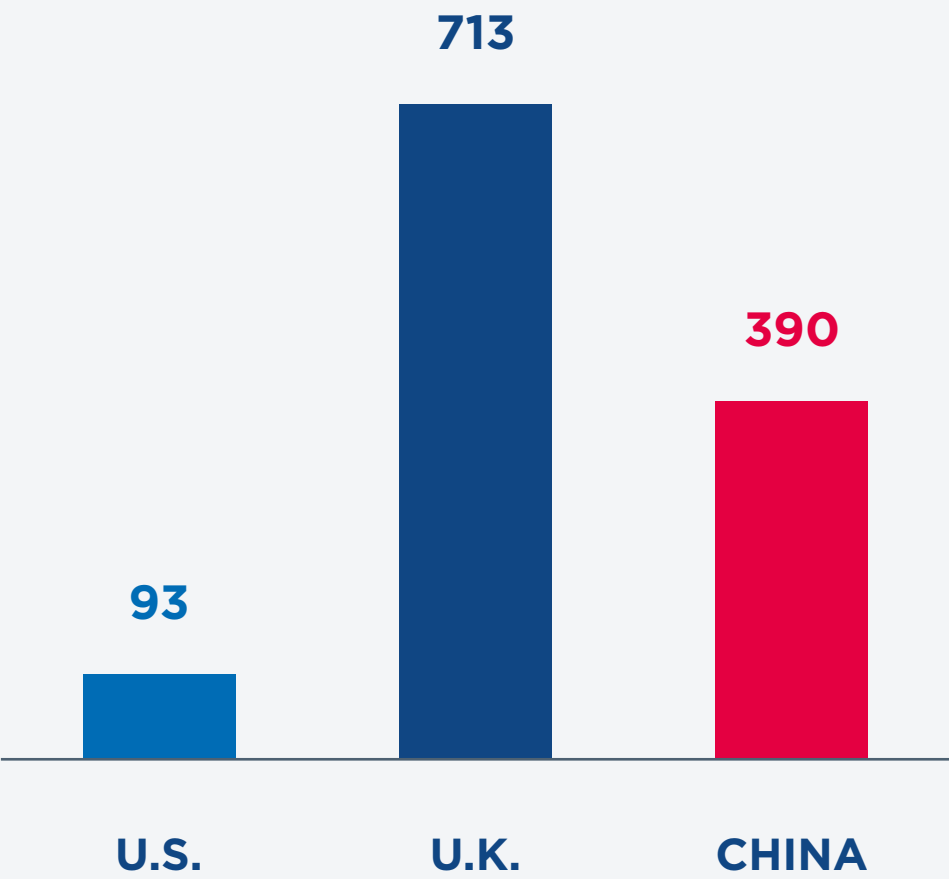
RENEWABLE INTERNAL FRESHWATER,
PER CAPITA, IN THOUSANDS OF CUBIC METERS⁶



POPULATION DENSITY

The U.S. has room. In 2018, the UN reported that the U.S. had seven times fewer people per square mile than the UK and four times fewer than China.

PEOPLE PER SQUARE MILE⁷



U.S. FOOD PRODUCTION

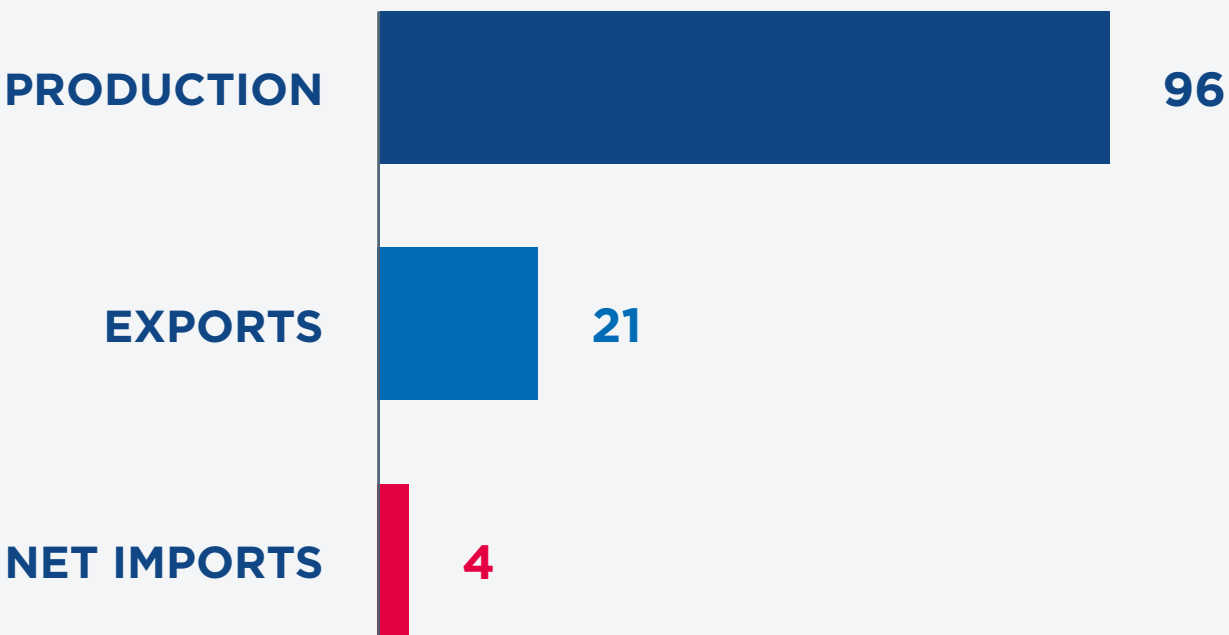
THE U.S. EXPORTS

\$140 BILLION

IN AGRICULTURAL PRODUCTS PER YEAR.⁸

U.S. ENERGY PRODUCTION

(QUADRILLION BTUS, 2018)⁹



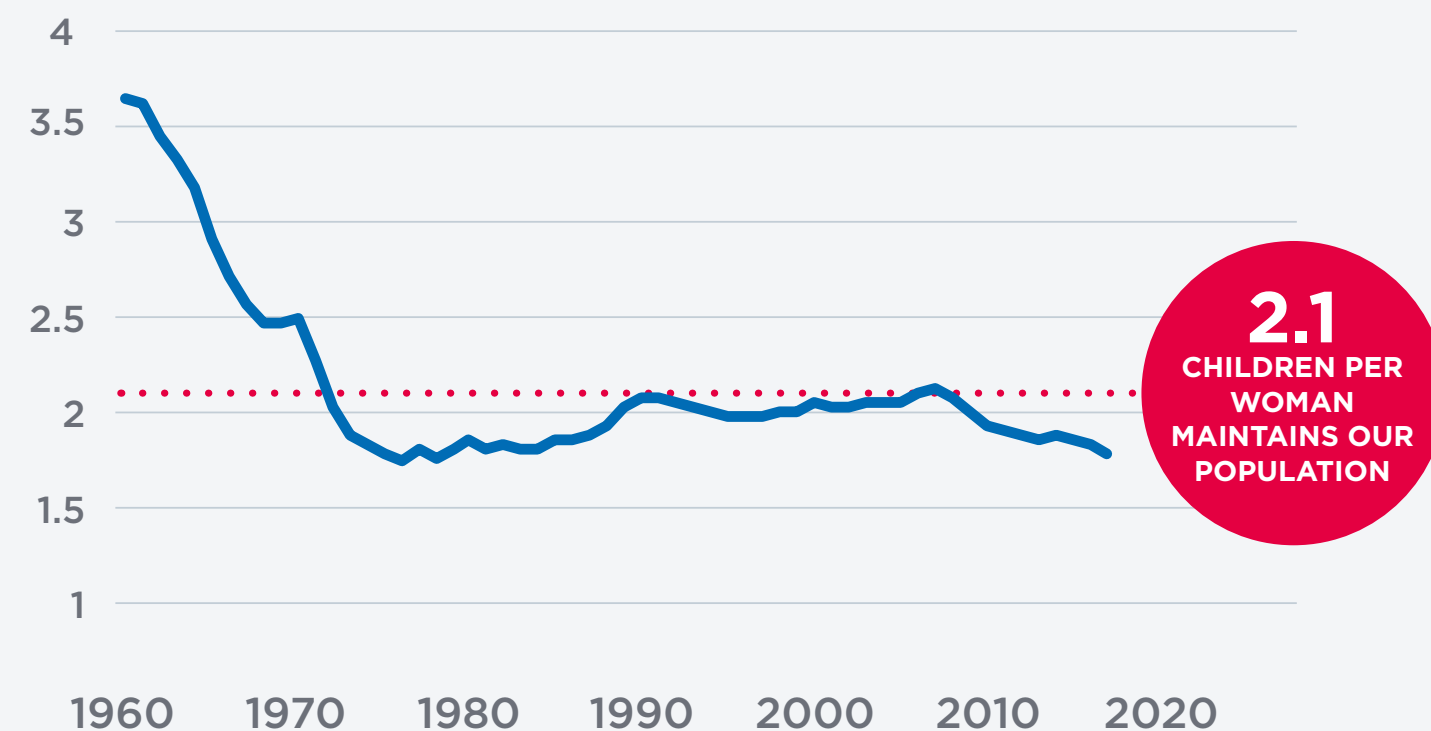
OUR REAL PROBLEM: FEWER BABIES, FEWER WORKERS, AND MIGRATION FROM SMALLER CITIES TO BIGGER ONES

The U.S. has two problems that, together, are putting enormous pressure on half of the country. 1) Americans are having fewer kids, and 2) they are leaving less-populated areas for jobs and opportunities in major cities, mostly on the East and West Coasts.

DECLINING FERTILITY RATE

U.S. fertility is at a record low. To maintain our population, each woman must have 2.1 children on average; today, they are having 1.8. Without immigration, the U.S. population will shrink. Economists predict our birth rate will fall to 1.5 or 1.4 children per woman.

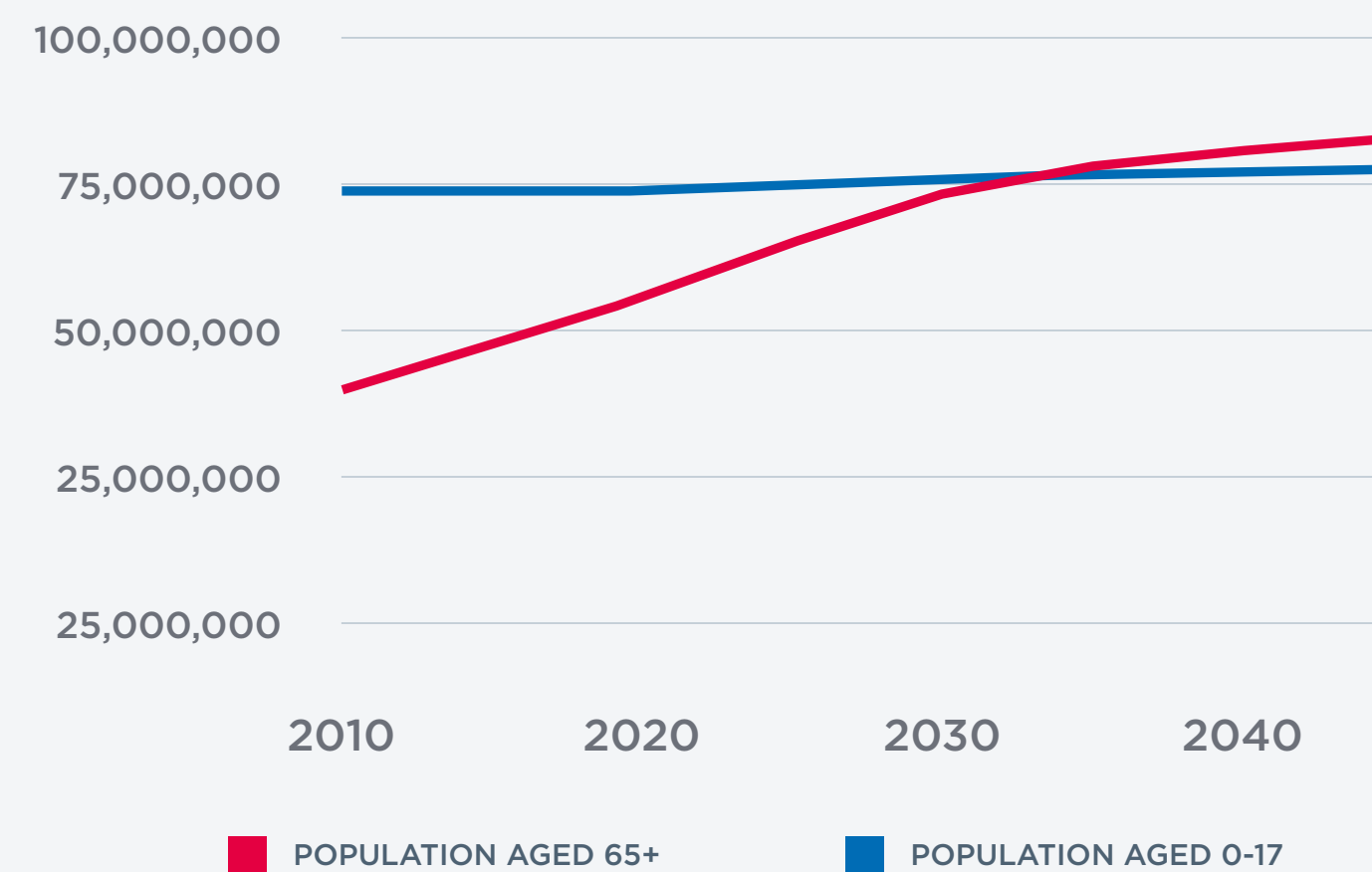
U.S. FERTILITY RATE¹⁰



BY 2035, SENIORS WILL OUTNUMBER MINORS IN THE U.S.

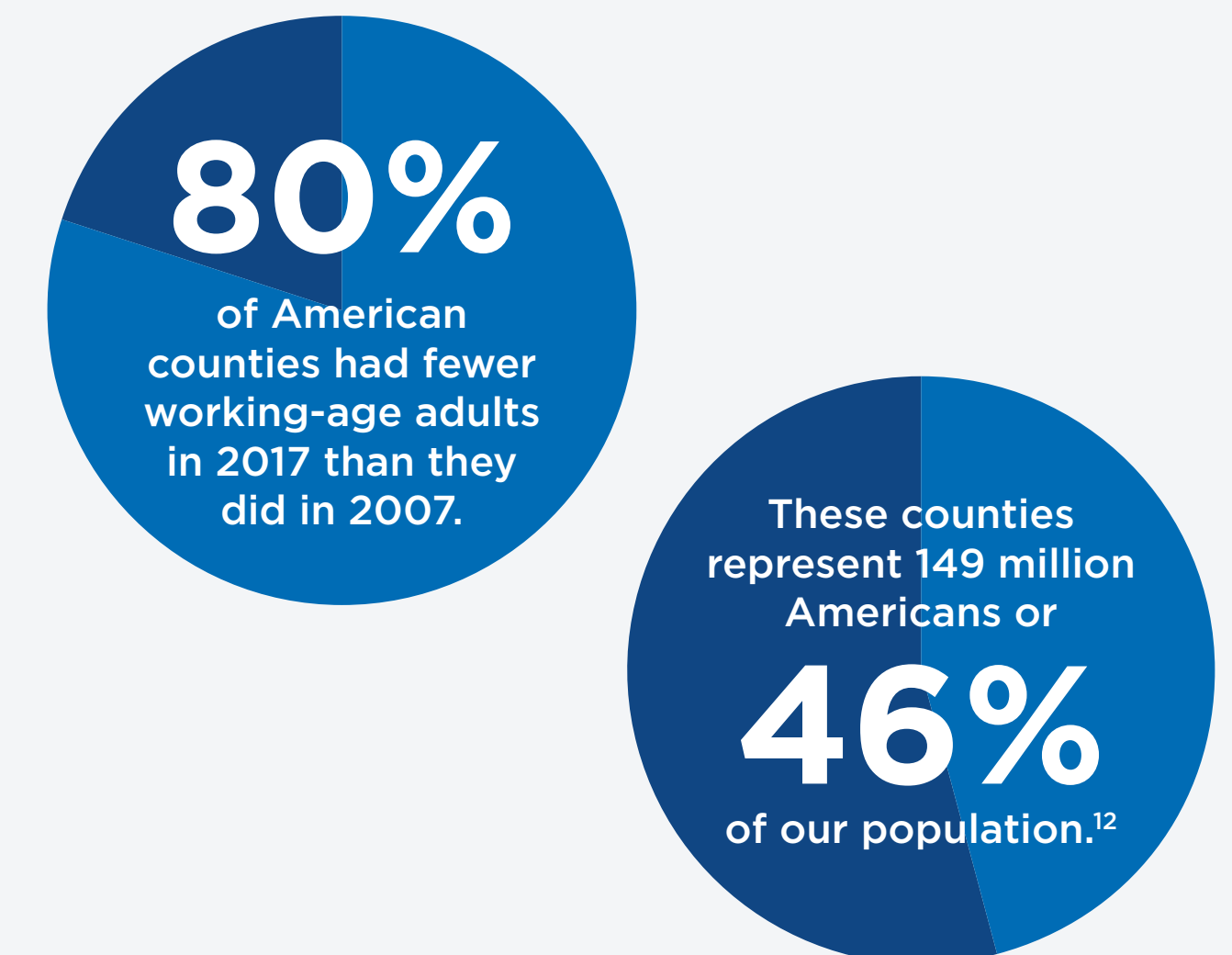
The number of seniors in the U.S. is on track to double by 2060. To maintain a substantial labor force, the U.S. needs more babies and immigrants.

U.S. POPULATION AGED 0-17 & AGED 65+¹¹



MIGRATION TO CITIES

Superstar cities such as New York City, Los Angeles, and San Francisco have attracted highly skilled workers to knowledge industries.

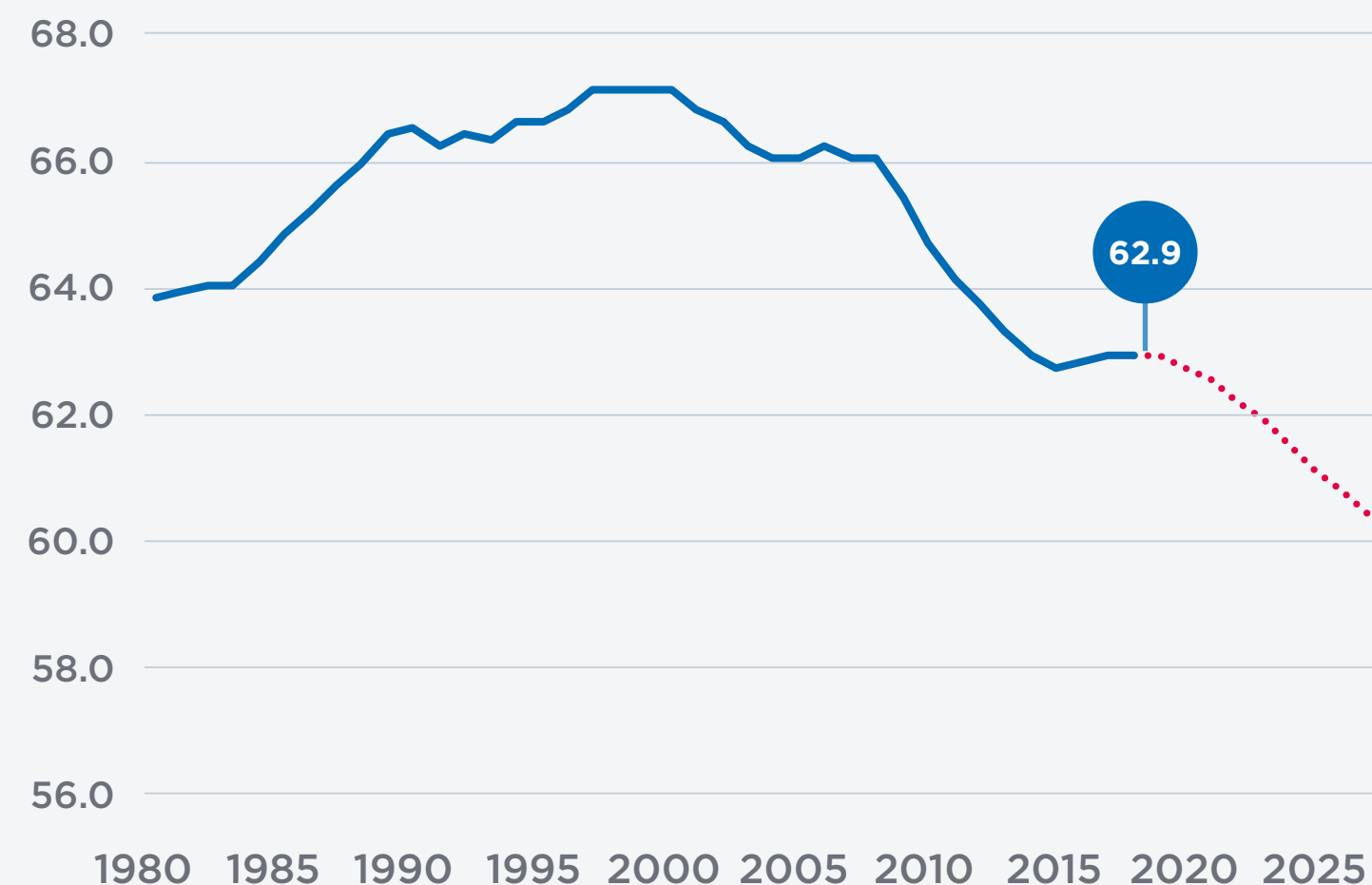


SLOWING LABOR GROWTH IS BAD FOR BUSINESS AND WORSE FOR SOCIAL SECURITY

DECLINING LFP = LESS ECONOMIC GROWTH

In 2018, the Congressional Budget Office reported that the labor force participation rate would decrease over the next ten years as a result of baby boomers aging into retirement.

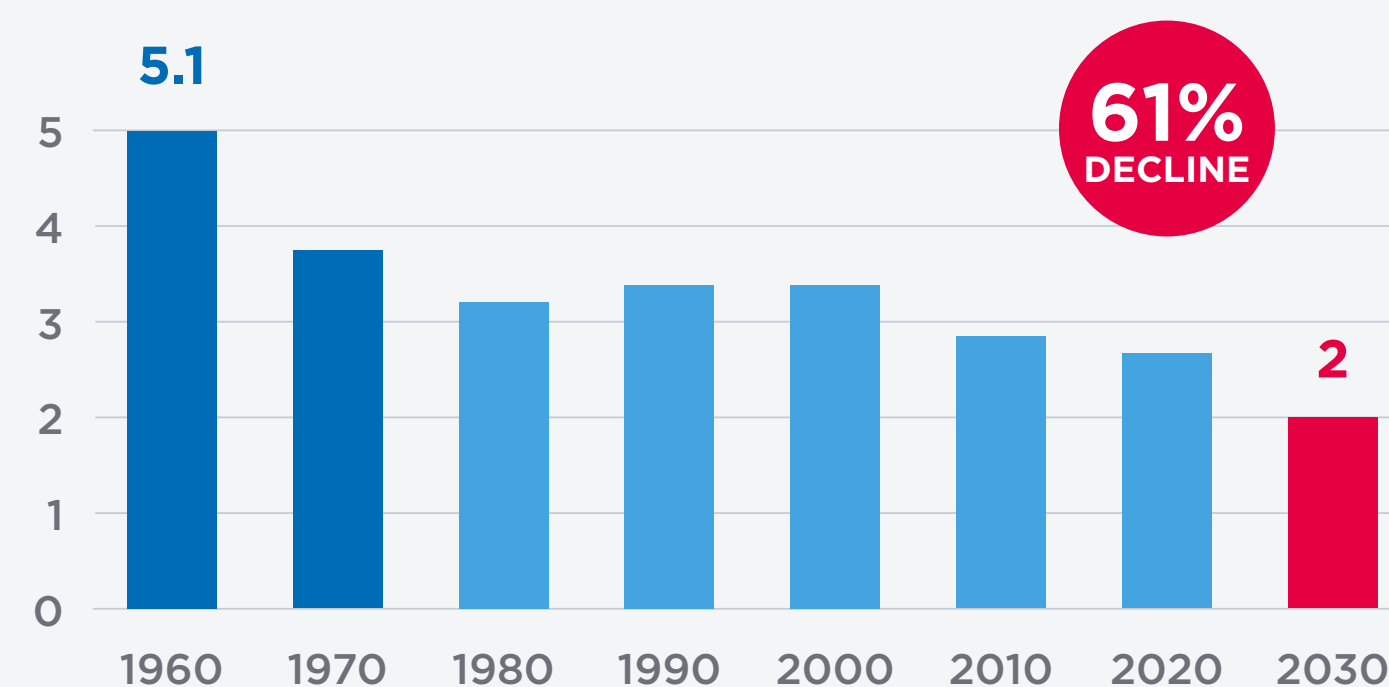
HISTORICAL AND PROJECTED LABOR FORCE PARTICIPATION RATE¹³



DEPLETING SOCIAL SECURITY AND OTHER PENSIONS

The ratio of contributing workers to Social Security beneficiaries has dropped drastically since 1960.

NUMBER OF WORKERS SUPPORTING EACH SOCIAL SECURITY RETIREE¹⁴



THE SOCIAL SECURITY TRUST FUND WILL RUN OUT OF MONEY BY 2033.

“

[The] foreign-born population is also more likely to be working age... In Ohio, 67.8 percent of the foreign-born population falls into that age band, while only 51.6 percent of the native-born population does.¹⁵

”

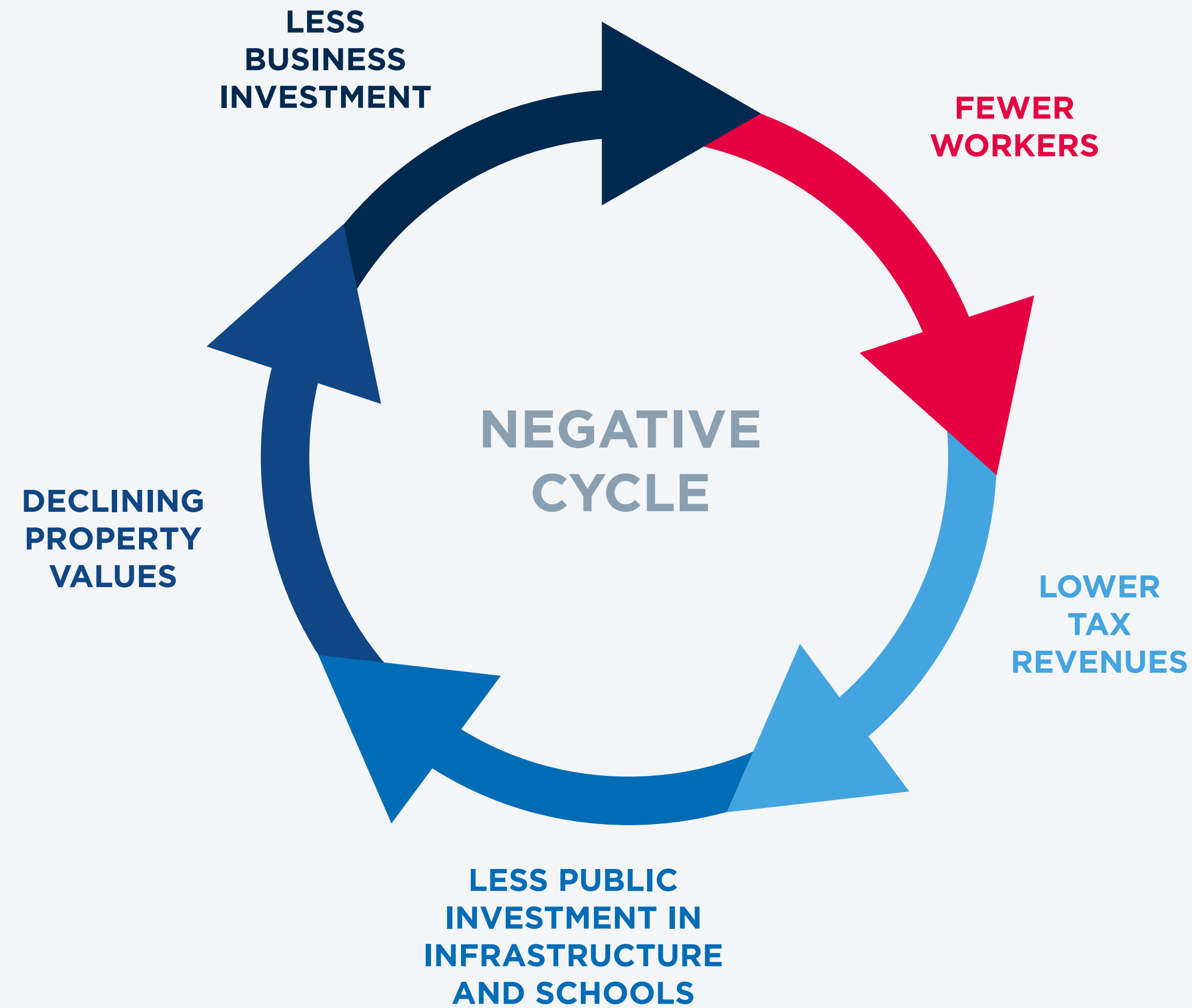
- THE CONTRIBUTIONS OF NEW AMERICANS IN OHIO
NEW AMERICAN ECONOMY

AUGUST 19, 2019
BJ COLANGELO

HOW TO CONFRONT
CLEVELAND'S AGING
POPULATION

Cleveland
MAGAZINE

WHEN A COMMUNITY AGES AND SHRINKS, IT CREATES A NEGATIVE CYCLE THAT'S HARD TO BREAK



“

Cleveland is in this unique moment of time. Everyone talks about how we were once a top 10 city. We still have that in our bones. Part of our opportunity is to grow back into those bones. Immigration is the only way we are going to grow faster.¹⁶

”

- ARAM NERPOUNI,
CEO,
BIOENTERPRISE (CLEVELAND-BASED)

JUNE 10, 2019
KATIE ELLINGTON

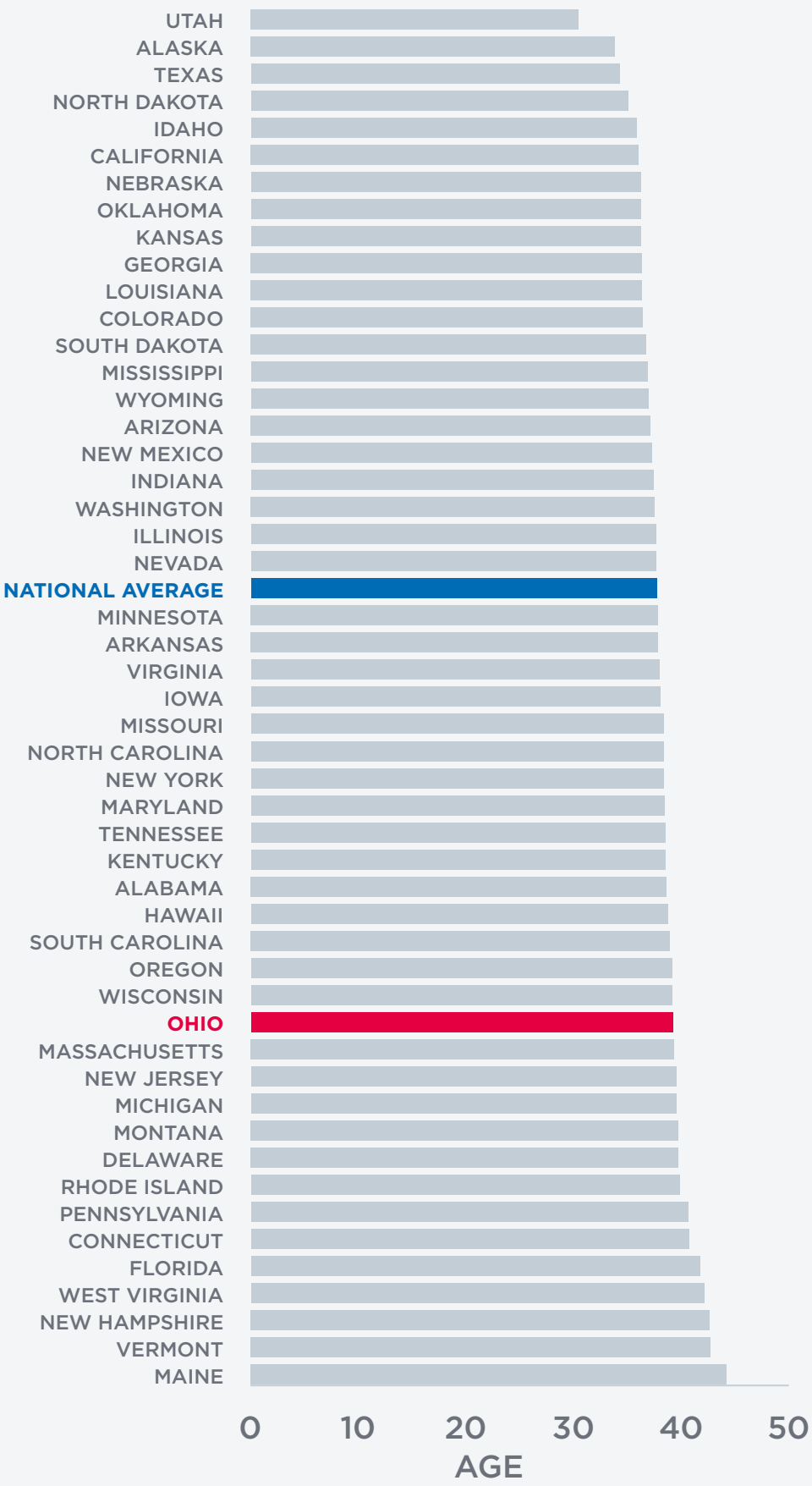
OHIO RELIES HEAVILY ON
VOLUNTEERS TO HANDLE
AGING ADULTS

SCENE

OHIO IS ALREADY OLD AND IS AGING QUICKLY

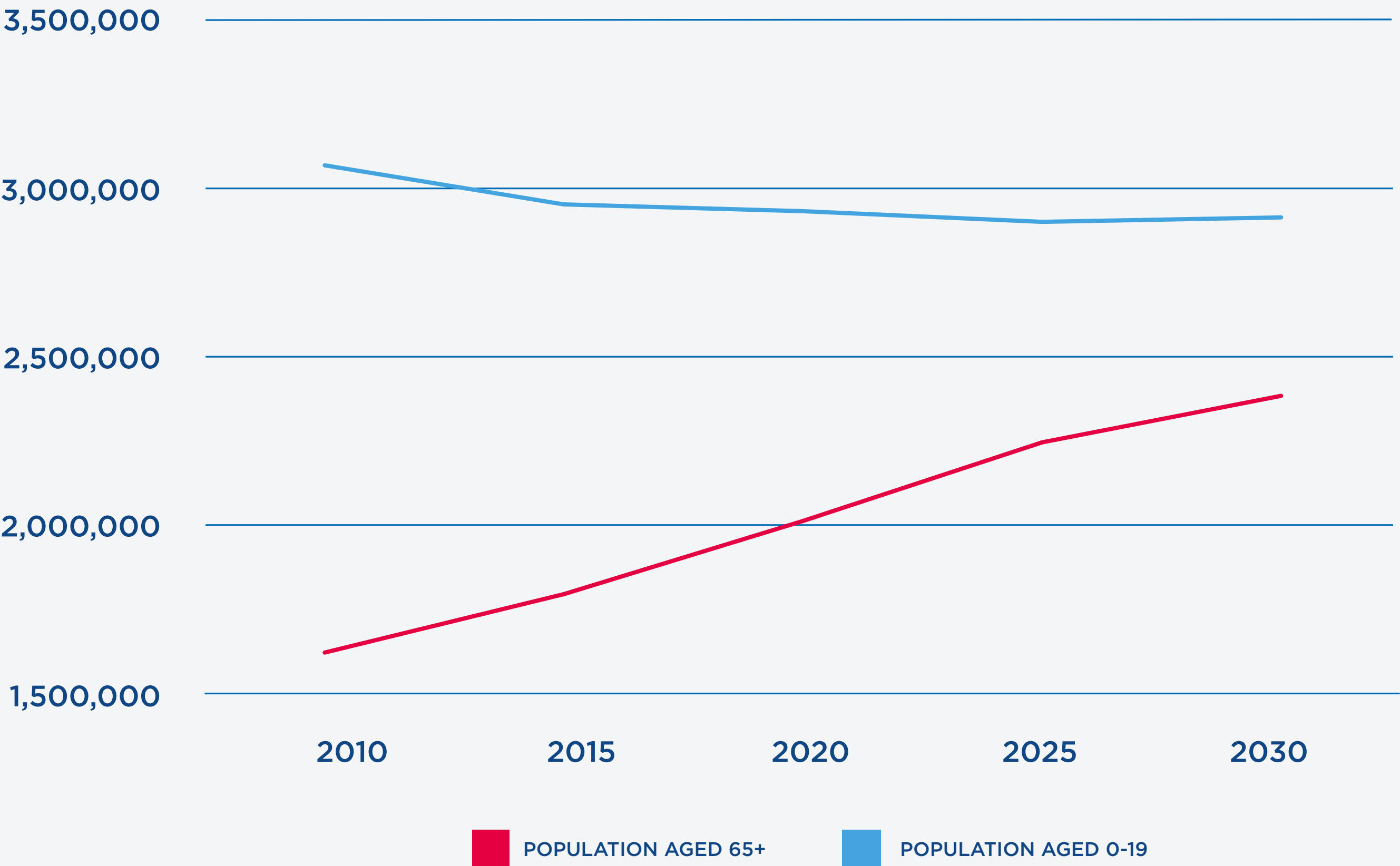
OHIO'S POPULATION IS ALREADY OLD

MEDIAN AGE RANKINGS¹⁷



OHIOANS ARE AGING QUICKLY

OHIO POPULATION AGED 0-19 & AGED 65+¹⁸

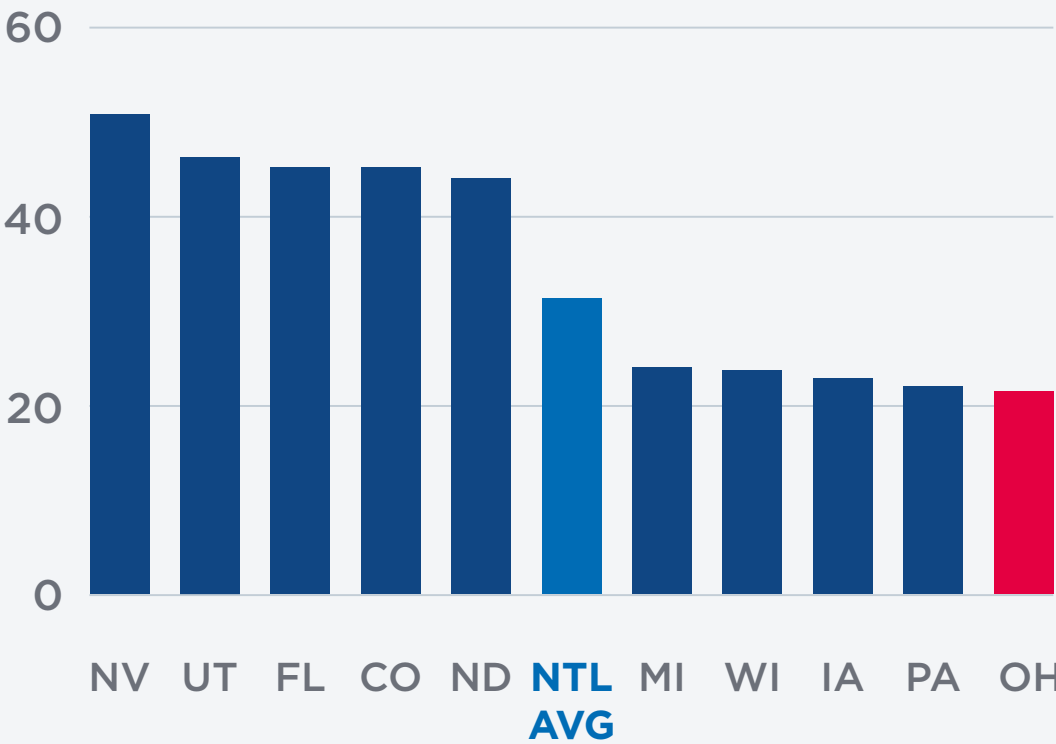


OHIO IS ENTERING A NEGATIVE CYCLE

AGING SLOWS BUSINESS FORMATION AND JOB GROWTH

BUSINESS DYNAMISM RANKINGS (EIG)¹⁹

EIG's ranking reflects the rate of new business formation, frequency of labor market turnover, the geographic mobility of the workforce.

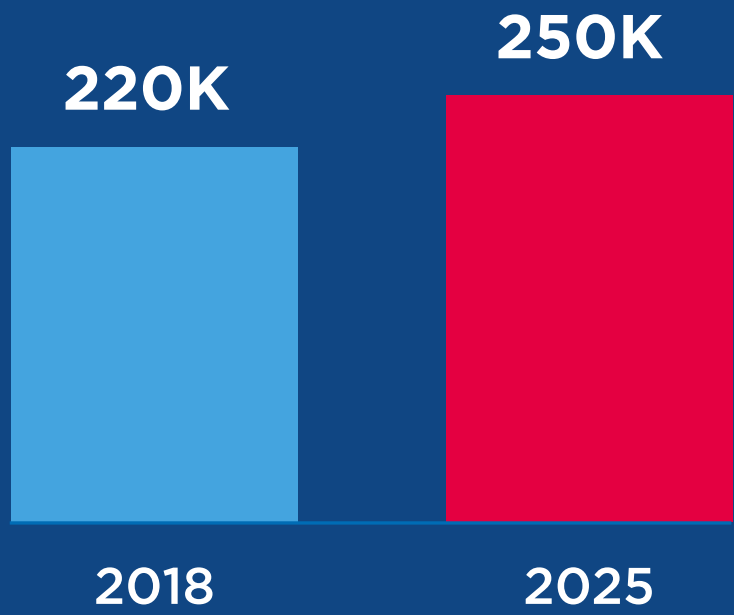


OHIO RANKS
#50

AGING INCREASES HEALTH CARE COSTS

As Ohio ages, the cost of caring for its population will increase. The greatest risk factor for developing Alzheimer's is old age. In 2018, Medicaid costs associated with caring for people with Alzheimer's added up to more than \$2.4B.²⁰

NUMBER OF ALZHEIMER'S PATIENTS IN OHIO (65+)²¹



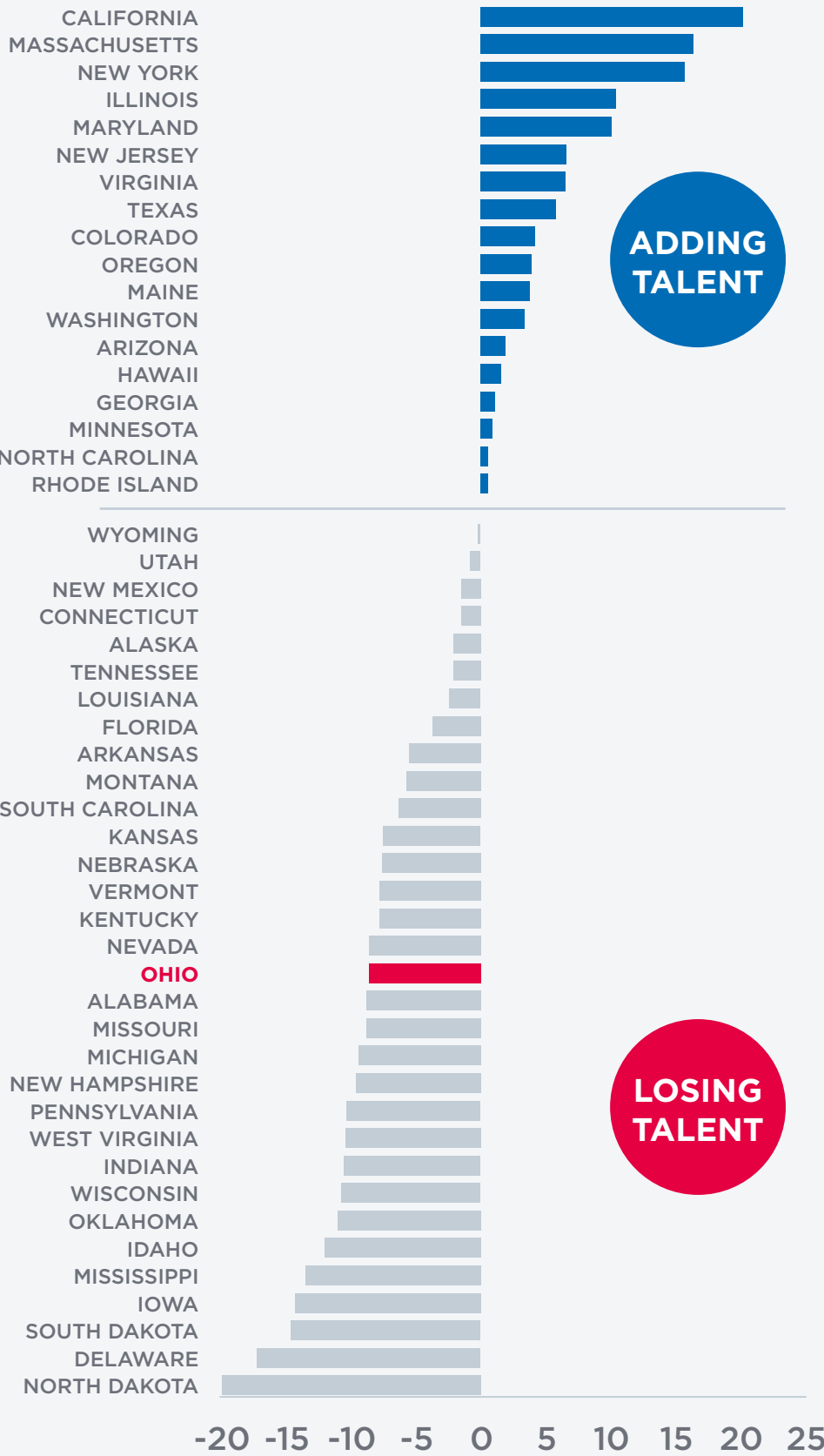
FEBRUARY 13, 2019
KAREN KASLER

SENATORS PROPOSE BILL TO MAKE OHIO FINAL STATE TO COME UP WITH ALZHEIMER'S, DEMENTIA ACTION PLAN

Statehouse NEWS BUREAU

OHIO IS LOSING YOUNG TALENT

BRAIN DRAIN (GAP IN PERCENT OF HIGHLY EDUCATED BETWEEN ENTRANTS AND LEAVERS)²²



IMMIGRANTS CAN BREAK THE NEGATIVE CYCLE IN OHIO

RECENT IMMIGRANTS ALREADY CONTRIBUTE \$1.0 BILLION TO OHIO EACH YEAR²³

The net economic impact of immigrants to Ohio includes household income and tax contributions minus the cost of services like schools, police protection, and health care.



+\$1.0B
OHIO

IMMIGRANTS START NEW BUSINESSES²⁴

New jobs tend to come from new businesses, but business creation in Ohio is down. Immigrants are an exception.

**MORE THAN
26,000
IMMIGRANT
ENTREPRENEURS**

across Ohio

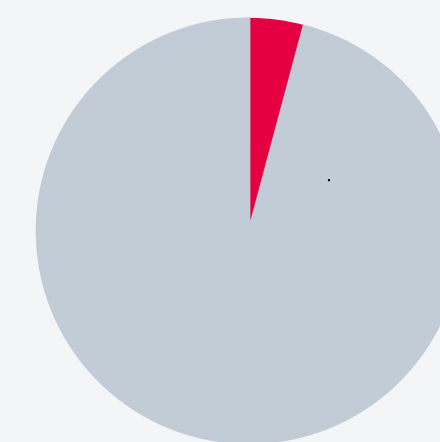
**HAVE CREATED
125,000
NEW JOBS**

Immigrants are both more likely to hold an advanced degree and more likely to be of working age.²⁵

IMMIGRANTS CAN HELP FILL THE HEALTH CARE LABOR GAP

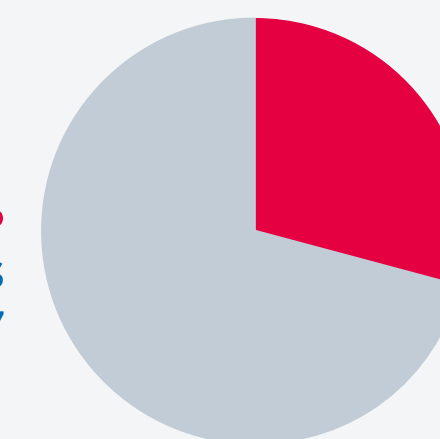
There is a shortage of doctors in the U.S., which will only get worse as our population ages. In 2014, there were 5.1 open health care jobs for every one unemployed health care worker in Ohio.²⁶

IMMIGRANTS MAKE UP A LARGE SHARE OF DOCTORS



Even though immigrants represent **4%** of Ohio's population...

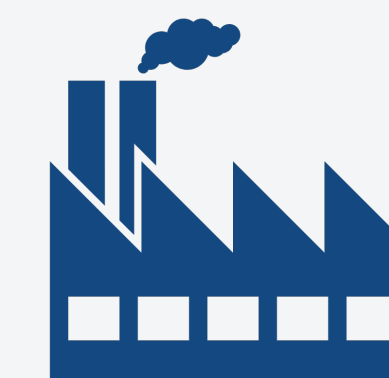
...they make up **29%** of Ohio's physicians and surgeons.²⁷



IMMIGRANTS CONTRIBUTE TO THE MANUFACTURING SECTOR

When foreign-born workers move to the U.S., they reduce costs for firms and make it less attractive for them to move their operations abroad. Studies found that for every 1,000 immigrants that relocate to a given county, 46 manufacturing jobs are preserved or created.²⁸

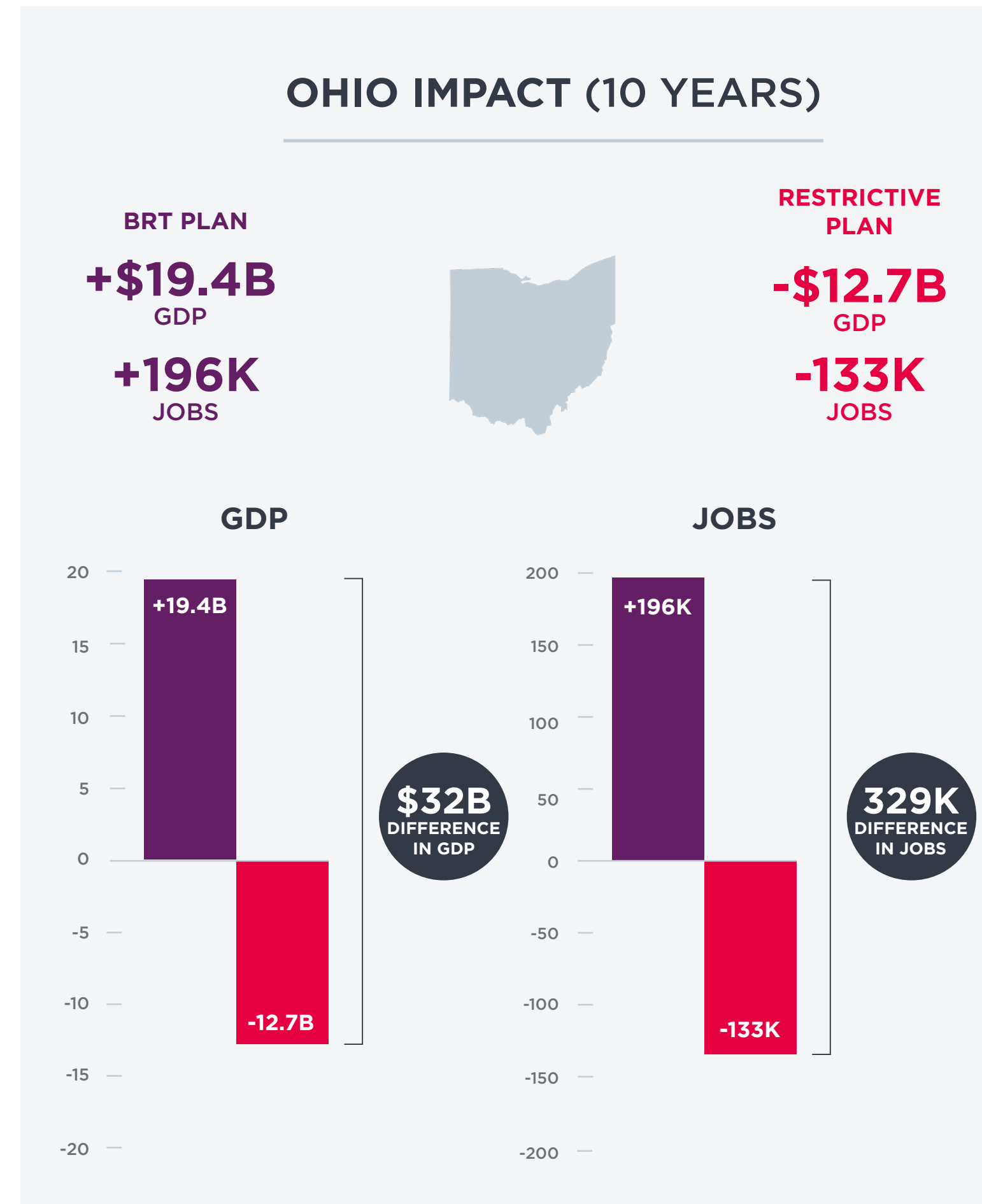
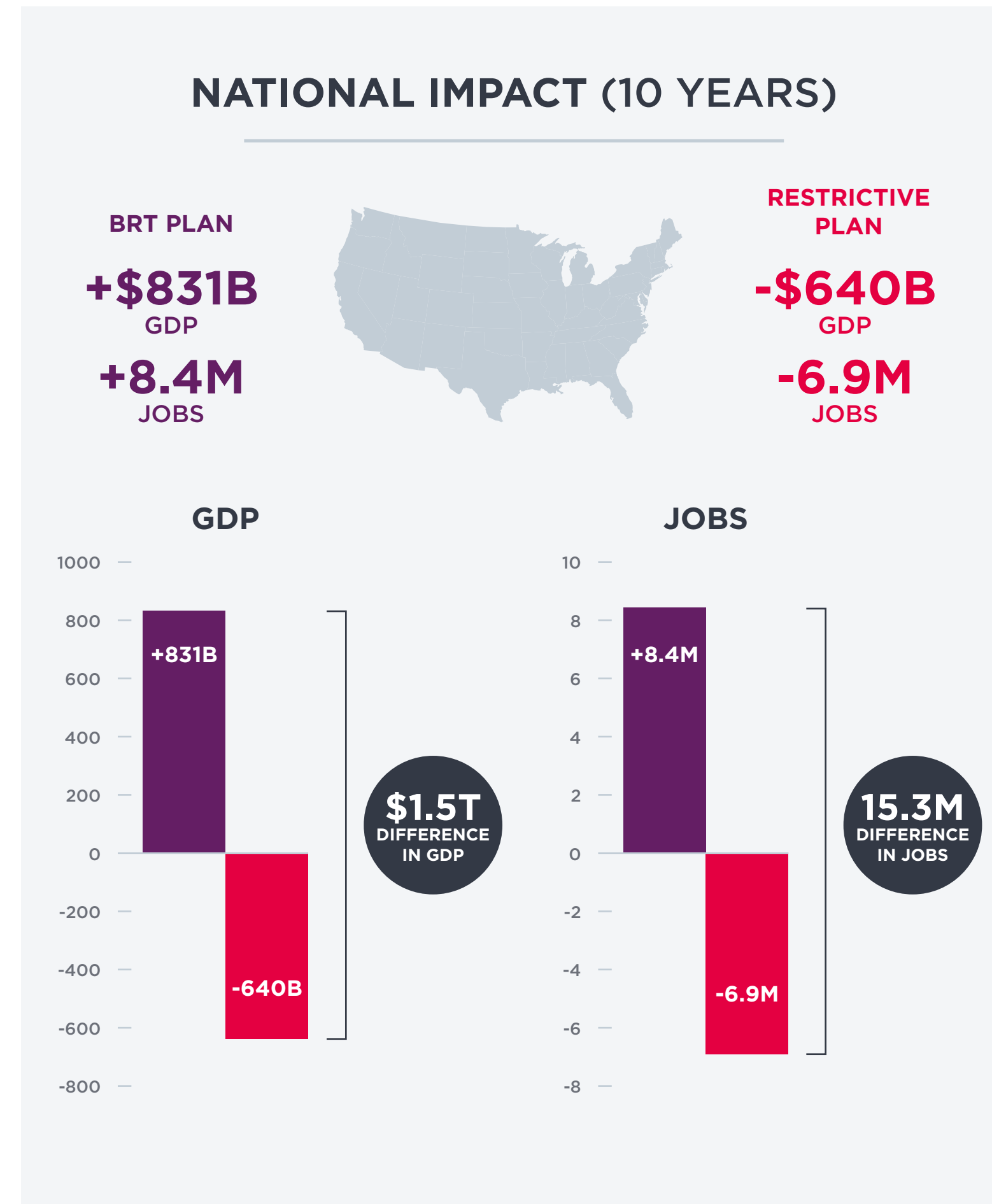
250K
IMMIGRANT RESIDENTS
OF OHIO IN 2010



CREATED OR
PRESERVED MORE
THAN
11.6K
MANUFACTURING
JOBS²⁹

TO APPRECIATE HOW RADICAL AND COSTLY RESTRICTIVE IMMIGRATION POLICIES ARE, COMPARE THEM TO WHAT MODERATE REPUBLICANS HAVE PROPOSED

The Business Roundtable is a non-partisan national trade group that generally supports Republican policies. It has proposed a balanced immigration plan that will help grow our population and workforce, in sharp contrast to 'restrictive' policies, which will accelerate negative trends nationwide and in Ohio.³⁰



OCTOBER 15, 2018
EMMA KEATING

IMMIGRANT ENTREPRENEURS
MAKE THEIR MARK ON OHIO'S
ECONOMY

WOSU
public media

“Dayton’s height of population was 1953, and we’ve seen stagnant growth for the region since 1990. A lot of people say this was just going to happen, that this is the way it is — I hate that comment.”³¹

- NAN WHALEY
MAYOR OF DAYTON

COUNTRIES CURRENTLY ON THE TRACK TRUMP RECOMMENDS ARE STRUGGLING

ITALY



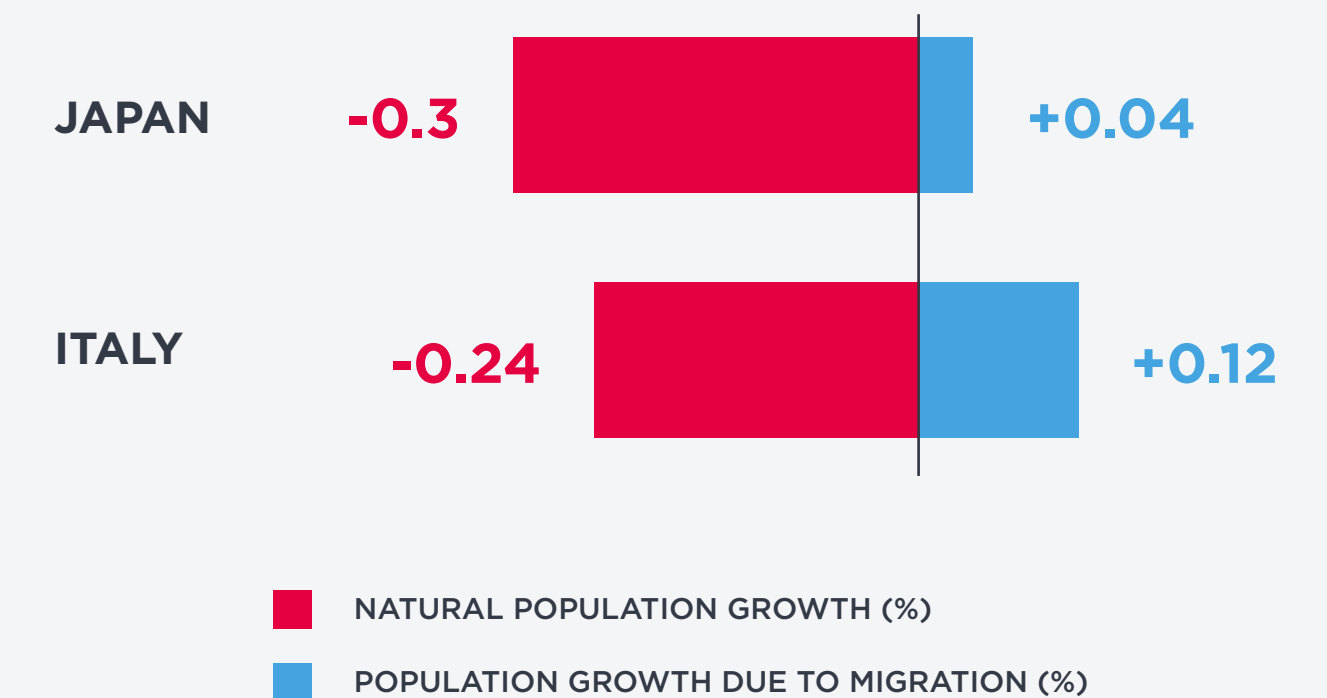
The OECD predicts that Italy's public debt to GDP ratio will rise from 133% to 144% by 2030 due to slow growth, low inflation, and rising interest costs. Italy also has a rapidly aging population, which will require more government spending and affect economic output.³²

JAPAN



The IMF reported that Japan's aging population could decrease GDP growth by one percentage point over the next three decades. By 2040, experts predict that one in three Japanese people will be over the age of 65. This would be the highest proportion in the world.³³

POPULATION GROWTH BASED ON UN ESTIMATES, 2019³⁴



Overall, Japan's population decreased by .26% and Italy's population decreased by .13%.

WELL-RUN STATES AND CITIES ARE WELCOMING IMMIGRANTS

Launched in 2009, **Welcoming America** supports communities by creating a network of governments, organizations, and individuals and providing them with the tools and resources they need to support immigrants. Welcoming Economies Global Network is a regional network of organizations across the Midwest.³⁵



Welcome Dayton, Cincinnati Compass, and Global Cleveland are all organizations that belong to the Welcoming Economies network. They are dedicated to connecting immigrants to economic and social opportunities within their cities.

“[Cities] are on the forefront of long-term economic growth in the country... Cities are popular again and immigration’s been the lifeblood of New York and all the big cities for the entire history of the country.”³⁶

- JOHN CRANLEY
MAYOR OF CINCINNATI

ENDNOTES

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