

With the economic crisis facing the nation, we are often asked about the role that these events play in the creation of our long-term population projections. A response to this question requires a look at the patterns of migration into and out of New York City over the past few decades. It allows us to distinguish between established patterns of movement and movements that may be reactions to shorter-term economic circumstances.

Migration is a relative phenomenon. All persons who come to or leave the city need resources, be it in the form of networks of friends or family, jobs, or the human capital that they possess, in the form of education and the motivation for a better life. All migrants weigh conditions at origin and at destination. While we may think conditions in New York City would make it undesirable for new immigrants, the fact is that the decision is based on conditions in NYC relative to conditions in the origin countries. So, when economic times are difficult or housing is in a

slump, conditions may still be much better than those in the home countries, where immigrants may face government oppression or the relative absence of anything close to rational political, economic or housing circumstances. Similarly, among young people coming from or leaving for destinations in the 50 states, it is what New York offers relative to other places that matters. This calculus plays out with every migrant stream and, most of the time, New York City has come out on the winning side...attracting many thousands of people to its five boroughs.

The Population of New York City

Looking toward the Future



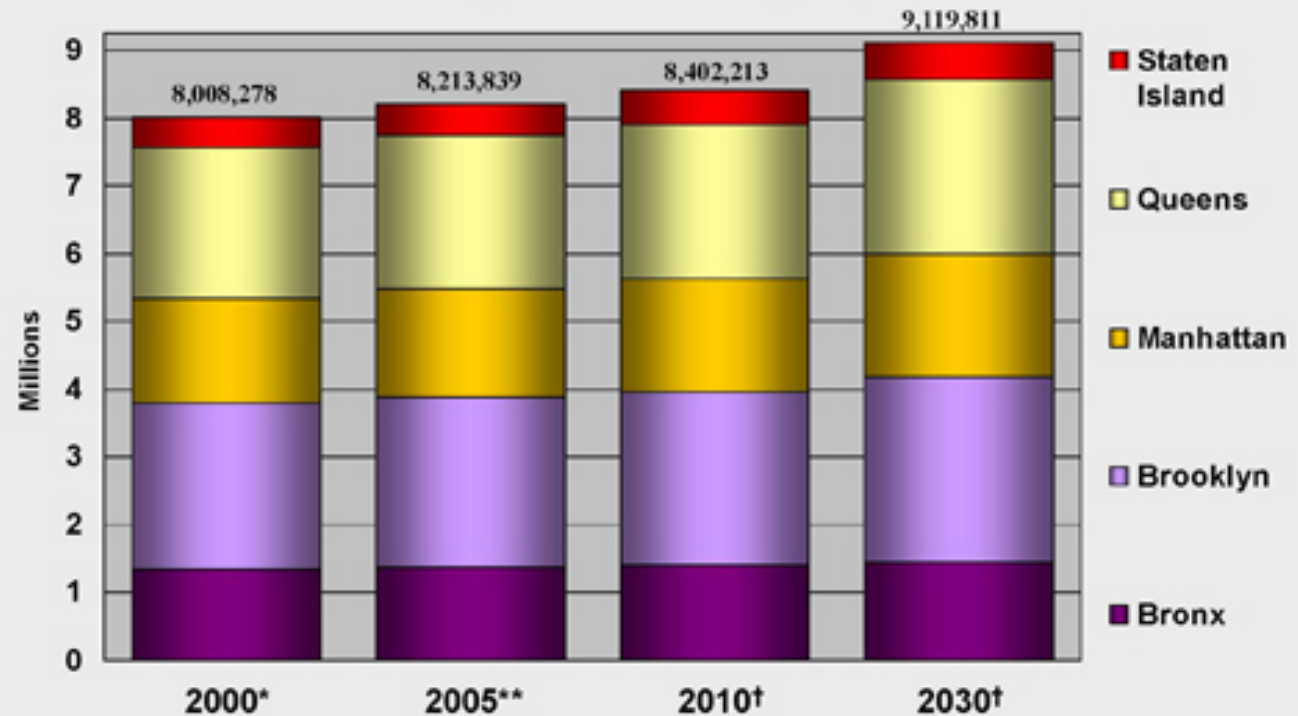
Short-Term Events and Long-Term Patterns

March, 2009

POPULATION DIVISION

When people think about changes in the population, this is how they usually think about it. A city with a very large population, upon which small increments are added each year. Population change is viewed by many as “additive”; changes on a very large base from year to year. Between 2000 and 2005, for example, more than 200,000 persons were added to the population of New York City, from a base of about 8 million in 2000 to a population in excess of 8.2 million in 2005. By 2030, we project that the city’s population will rise to more than 9.1 million, a gain of more than one million persons over 2000. Again, there is this “static” view that we add people on top of a population that is already here. Well, that’s not how it works.

Enumerated, Estimated, and Projected Populations New York City and Boroughs, 2000-2030

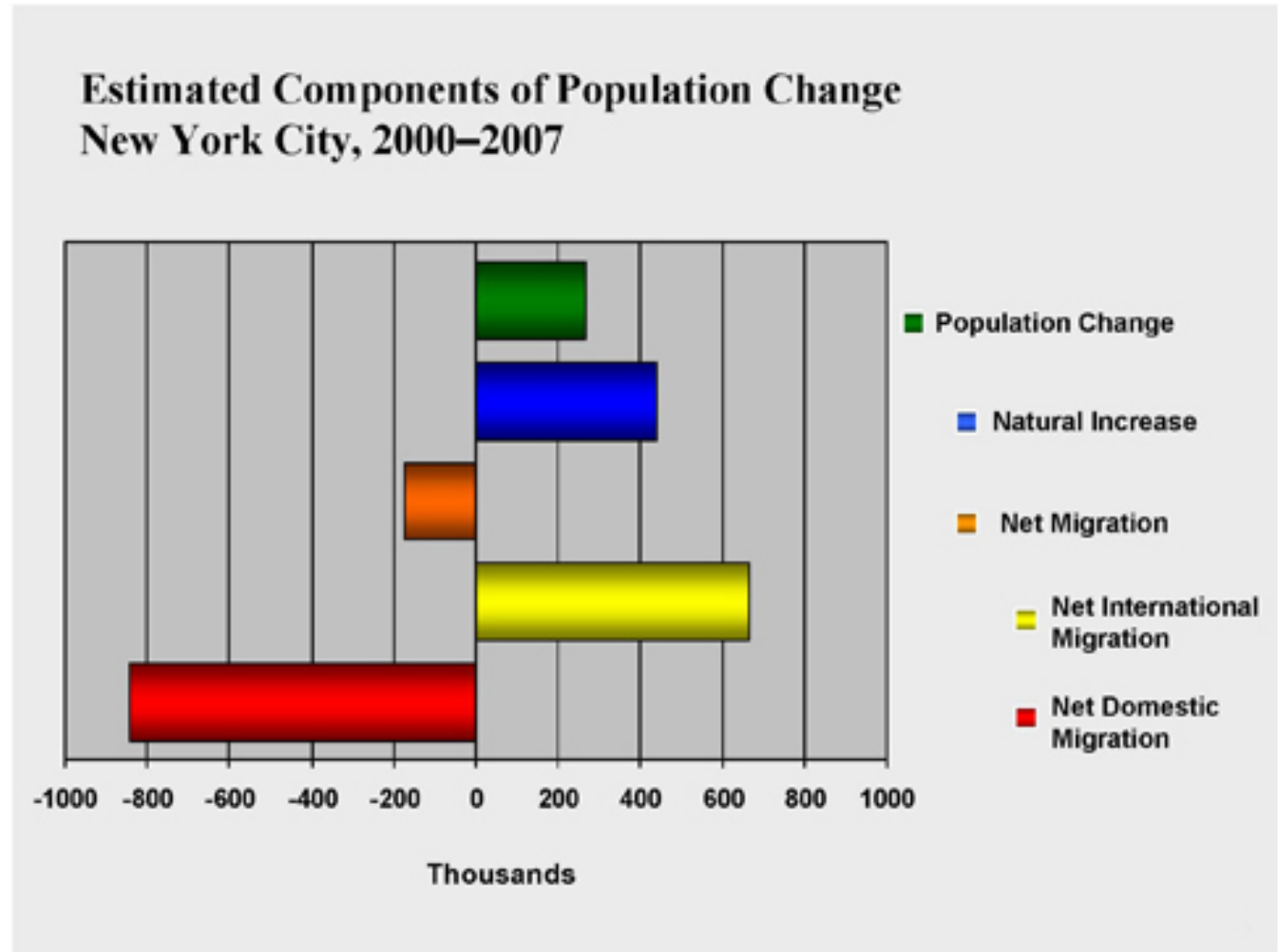


*Data from Census 2000 enumeration

**Estimate from US Census Bureau Population Estimates Program

†NYC DCP Population Division Projection

When we say that New York City's population is dynamic, the correct image is one of a huge ebb and flow of people. In the period between 2000 and 2007, when the population of New York City increased by more than one-quarter million people, it was a product of large components of population change acting in different ways. Over this period, New York City experienced a net domestic outflow of more than 800,000 people (seen here in the red bar at the bottom of the chart). This means that our exchanges with the 50 states resulted in a net loss of population to the tune of 800,000. This was largely offset by a net increase of more than 600,000 persons through net international migration; our exchanges with the rest of the world (seen here in the yellow bar). The net result is a relatively small loss of population through net migration (seen in the orange bar). Add to this an increase due

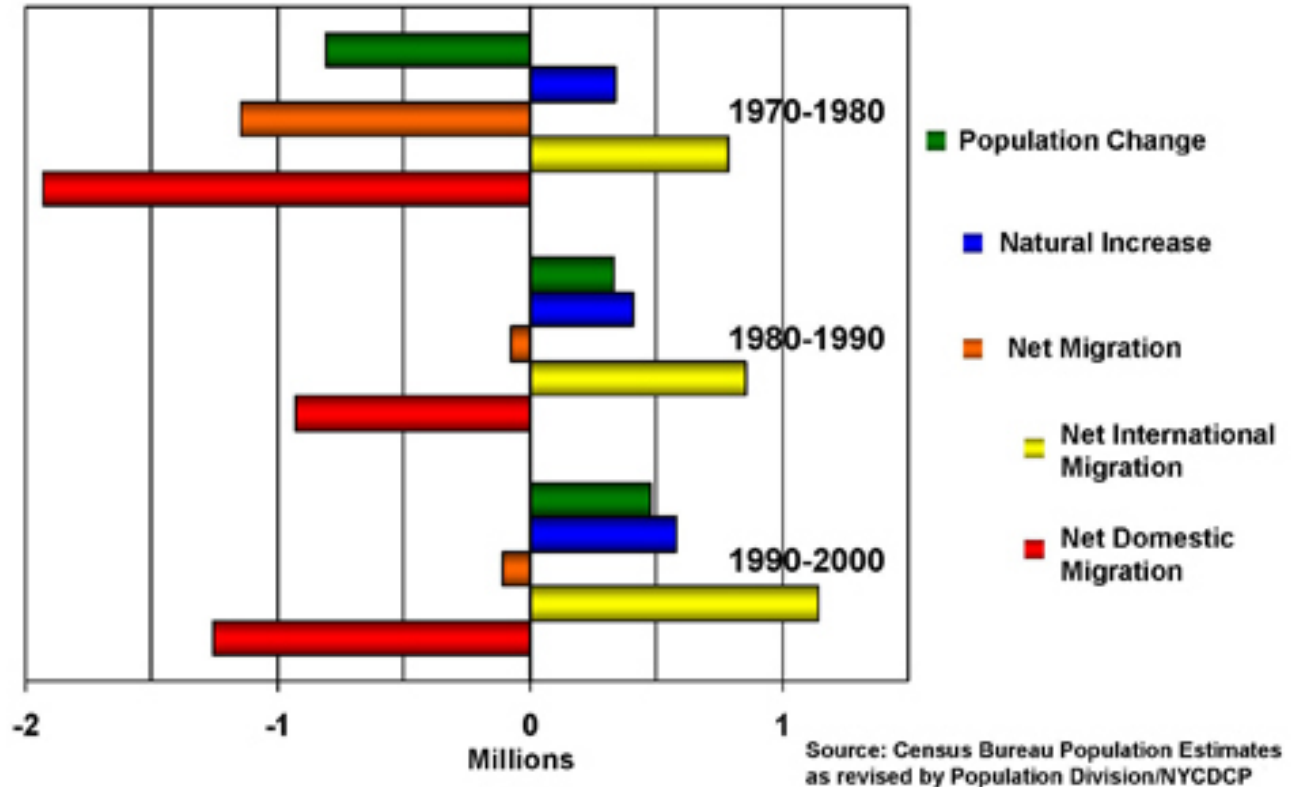


to more births than deaths -- what we call natural increase -- and we experienced a net gain in total population. So, the “churn” is what characterizes New York City and other dynamic population centers. People come here to experience the opportunities offered by New York City, then move on, only to be replaced by the next set of those aspiring for a better life. This has been and continues to be the history of New York City. A case in point occurred after the attacks of September 11, 2001. In the year that followed, jobs were lost in an economy that was already headed downward, and increases in out-movement were apparent in and around Manhattan; but these proved to be short-lived. People returned because this is where they wanted to be. Opportunities for apartment living in Manhattan once again served as a magnet for migration that stabilized the population and ended-up as a “blip” in a continuing pattern of growth on the heels of immigration and the in-migration of young people.

This slide shows that the pattern for 2000 to 2007 is not new; it has been in place for decades; however, the magnitude of the differences has varied substantially. As mentioned before, the decision to migrate is related to the relative circumstances of migrants and conditions in New York City relative to other places.

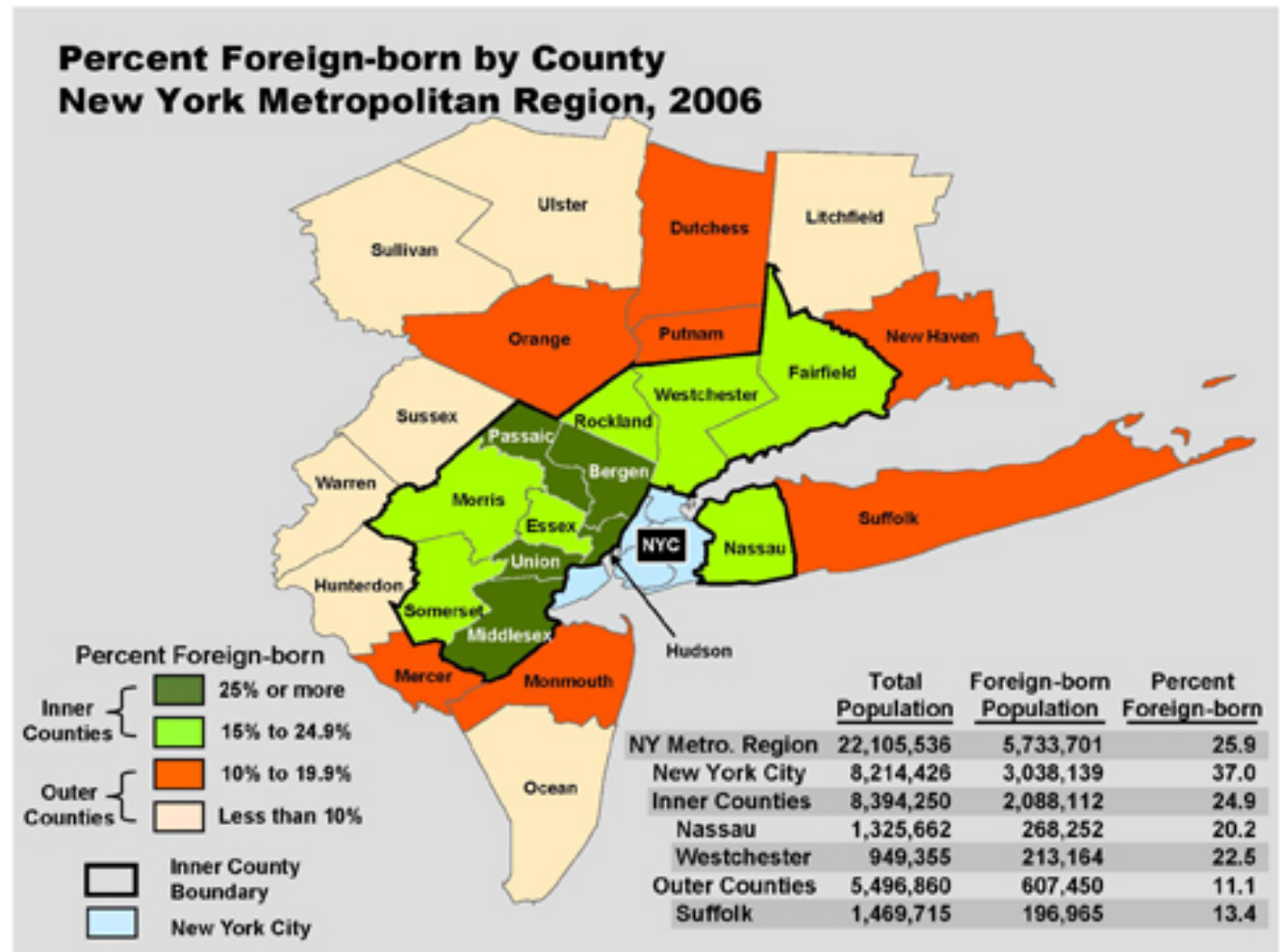
A quick look at the 1970s serves to illustrate some important points. During that decade, when the city was on the cusp of fiscal insolvency and crime was at very high levels, the city had a net loss of almost 2 million people through domestic migration (seen for the 1970-1980 period in the red bar). Less well known is that the city experienced a net influx of some 750,000 immigrants over that same period (seen in the yellow bar). Even though the economic situation here in New York was bleak, for many immigrants conditions here were far better than in their countries of origin. Moreover, New York City was unique in the level of fiscal instability that it encountered; most other parts of the nation were not directly affected by the events here and in other urban centers in the Northeast and Midwest.

Estimated Components of Population Change Census Counts Adjusted for Net Undercount New York City, 1970–2000

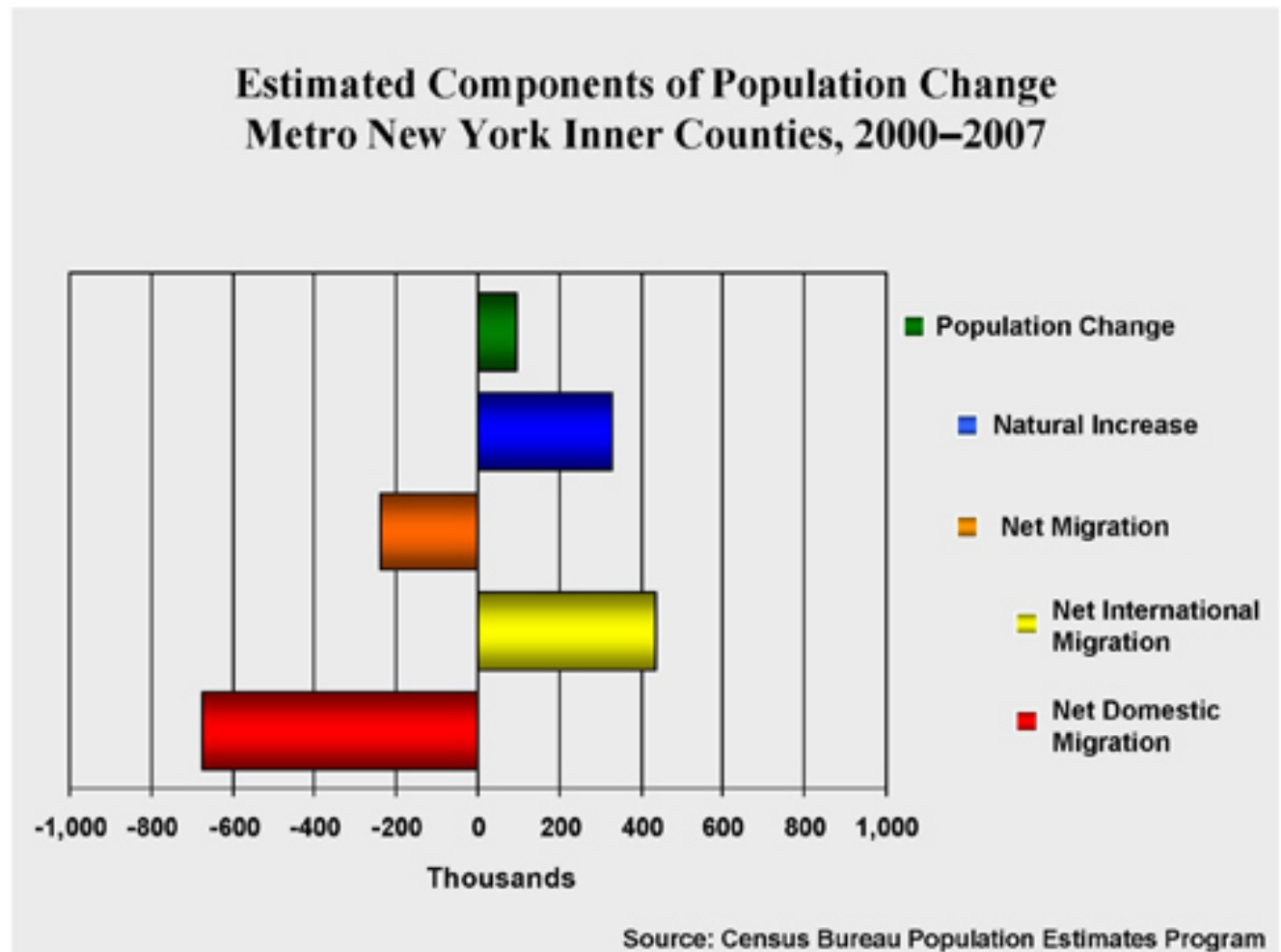


As conditions improved in the 1980s, domestic losses lessened and net international flows increased producing a net migration balance near zero. These exchanges increased the percentage of the population that was foreign-born and by extension natural increase, propelling an increase in the city's population. A similar pattern was evident in the 1990s, when immigration hit record levels probably not seen for 100 years, with a net international migration topping 1.2 million persons.

New York City is part of a 31 county region that contains more than 22 million people. In addition to the five counties or boroughs that comprise New York City, there are two rings of counties surrounding the city: 12 inner counties (shown here in the green) and 14 outer counties (shown in the brown and orange). More than one of every four persons in the Region is foreign-born. Much of this is because many of the inner ring counties are now receiving immigrants directly from other parts of the world, much like New York City has done for two centuries.

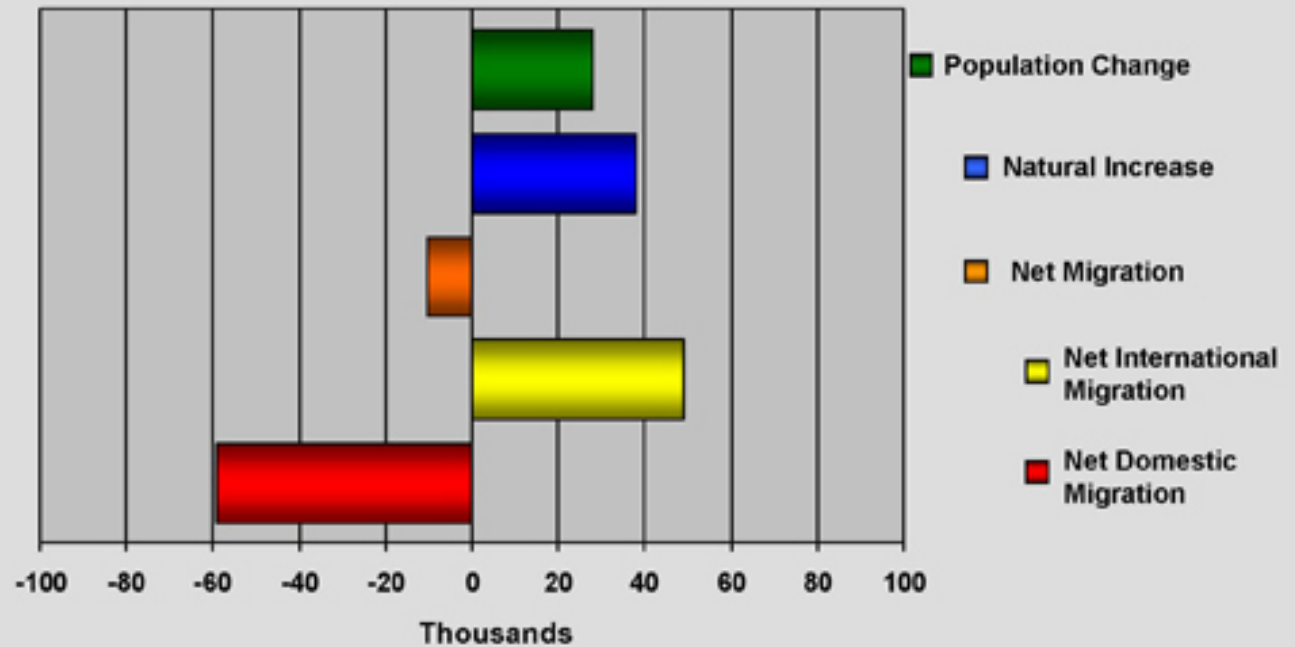


The inner ring counties are now mimicking the pattern of population components seen in New York City. A look at this chart shows a familiar pattern: net domestic migration losses (seen here in the orange bar) partially offset by gains through international migration (seen here in the yellow bar), along with positive natural increase.



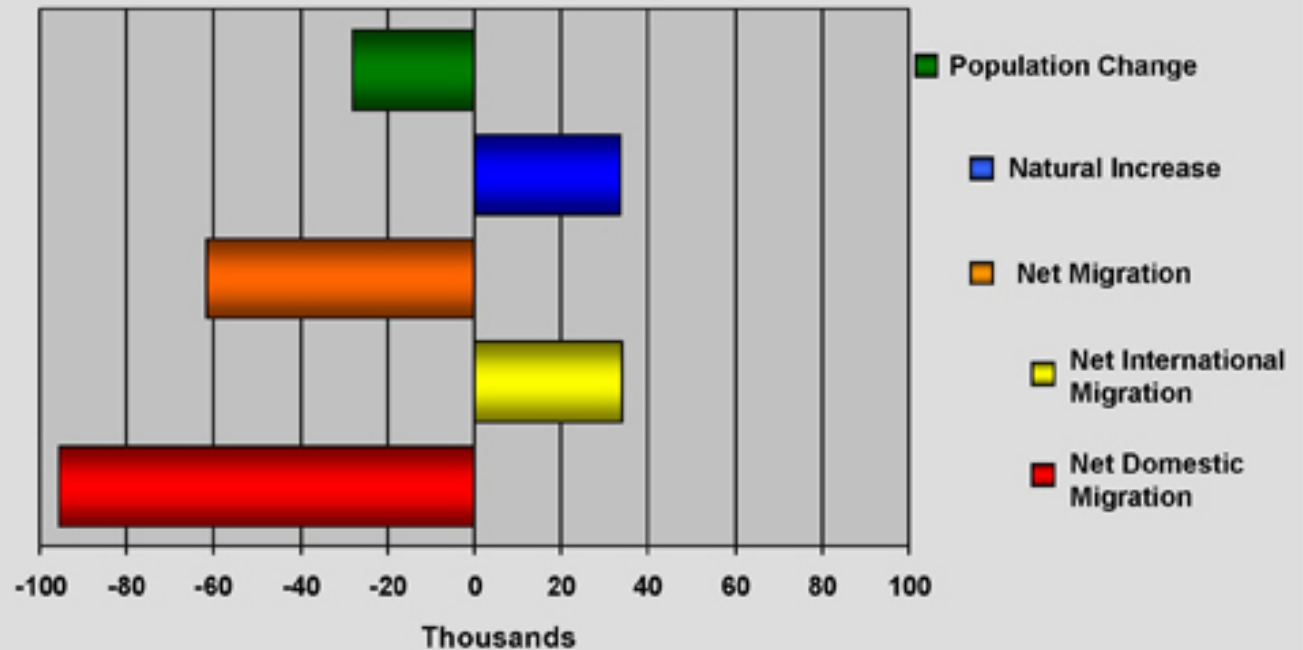
Westchester is a good example of an inner county that has come to rely on immigration as a source of dynamic population change. As with New York City, growth is the result of small net migration losses combined with positive natural increase.

Estimated Components of Population Change Westchester County, New York, 2000–2007

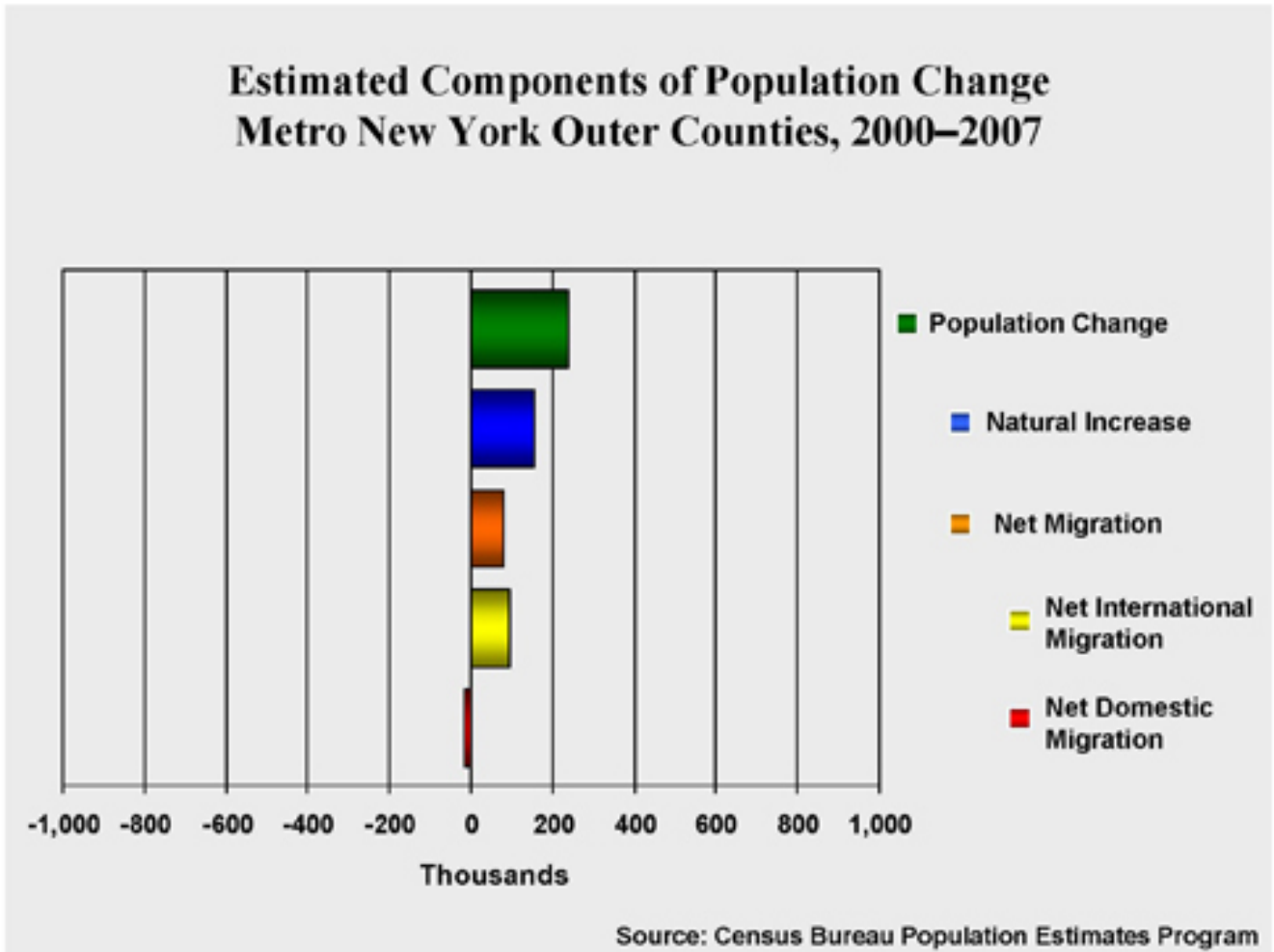


The situation is different in another inner county – Nassau. Net international migration has failed to offset, to any great degree, substantial domestic migration losses, producing large losses through net migration (shown in the orange bar). Natural increase is insufficient to offset this net migration loss, producing an overall decline in population over the period.

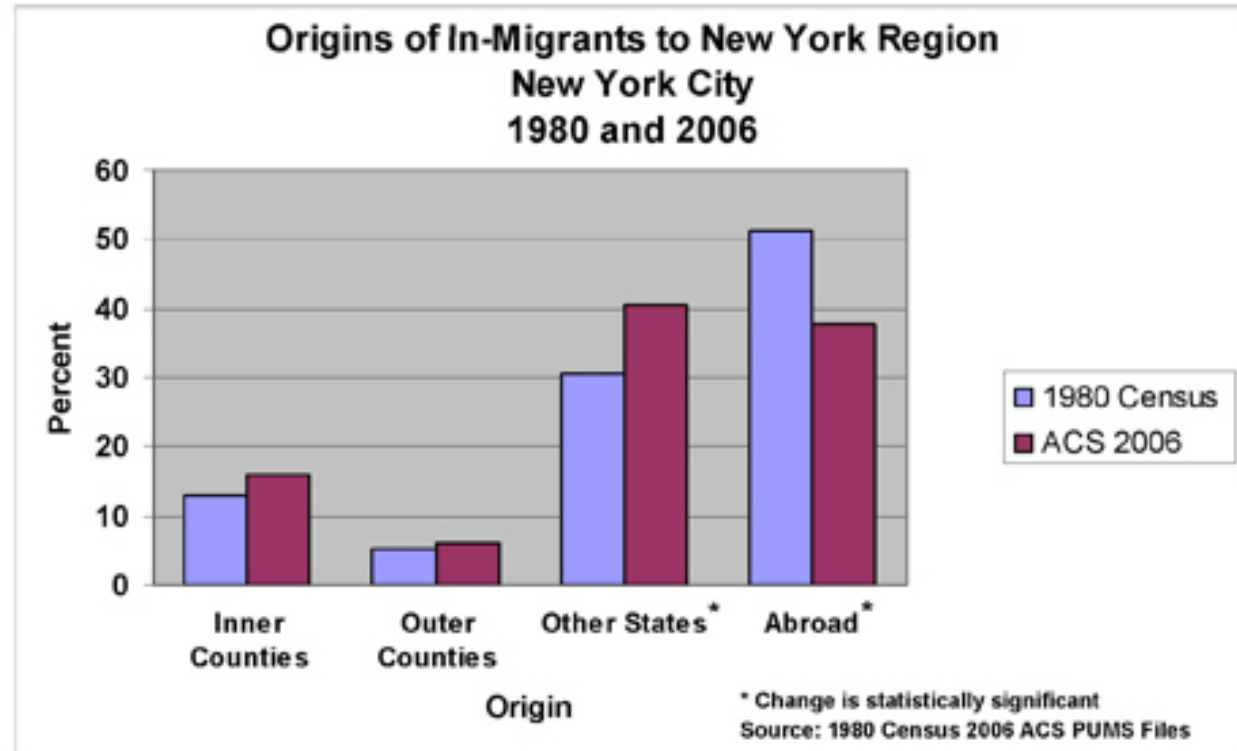
Estimated Components of Population Change Nassau County, New York, 2000–2007



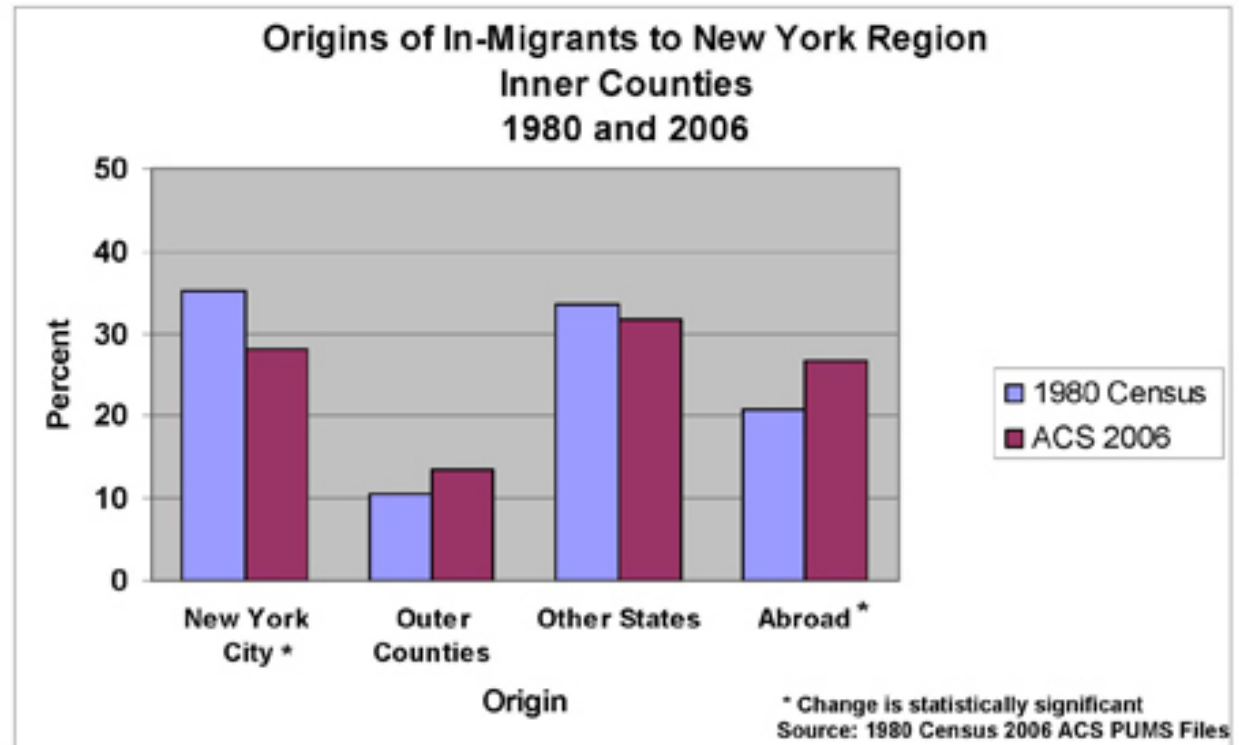
The pattern in the outer counties is quite different from New York City and the inner counties. Here, domestic migration losses are minimal because of migration from New York City and the inner counties, producing a positive net migration picture. When combined with positive natural increase, an overall gain in population is the result.



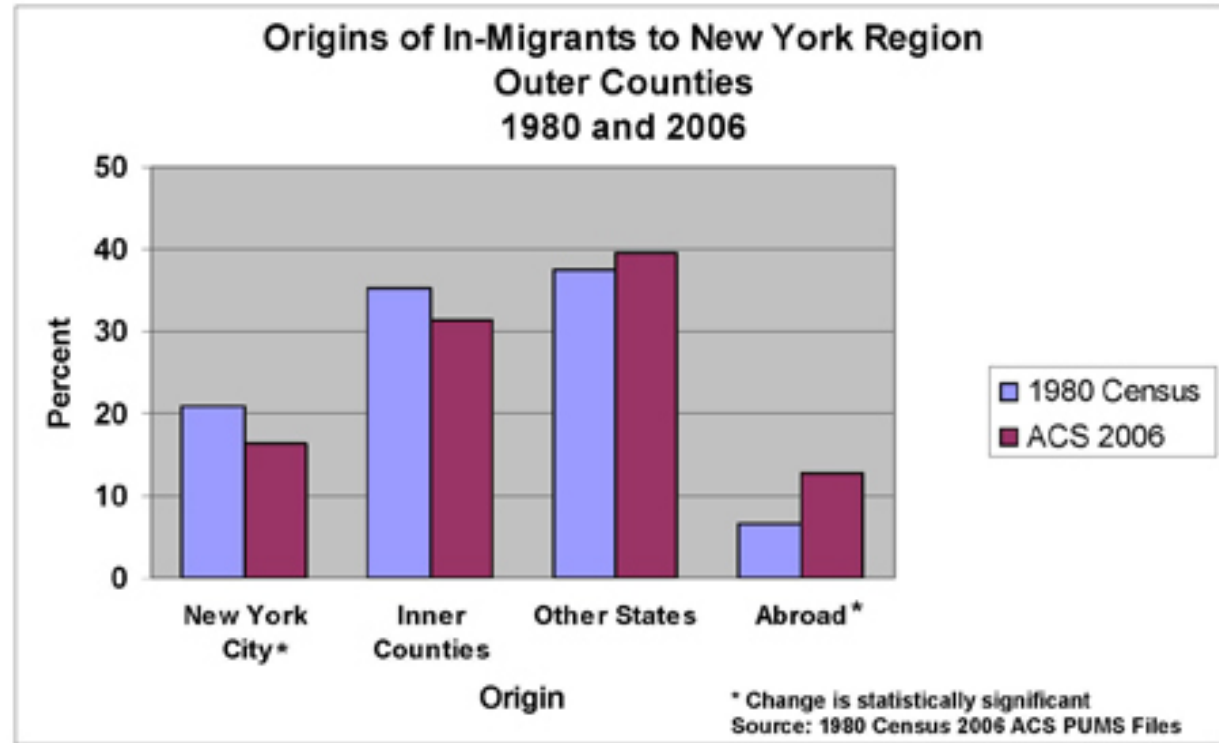
Since its inception, New York's migration experience has centered on immigrants. Although immigration has remained an important part of New York City's population dynamic, over the last few decades in-migration from other parts of the nation has increased in importance (seen in the two bars labeled "other states"). Over the same period, the reliance on immigrants has actually declined a bit (as seen in the bars labeled "abroad"). As of 2006, the percentage of New York City's in-migrants who are from the remainder of the 50 states is similar to that from abroad; both streams are in the range of 40 percent. Like immigrants, many who come from the 50 states to New York City are in the young working ages, thus sustaining New York City's workforce.



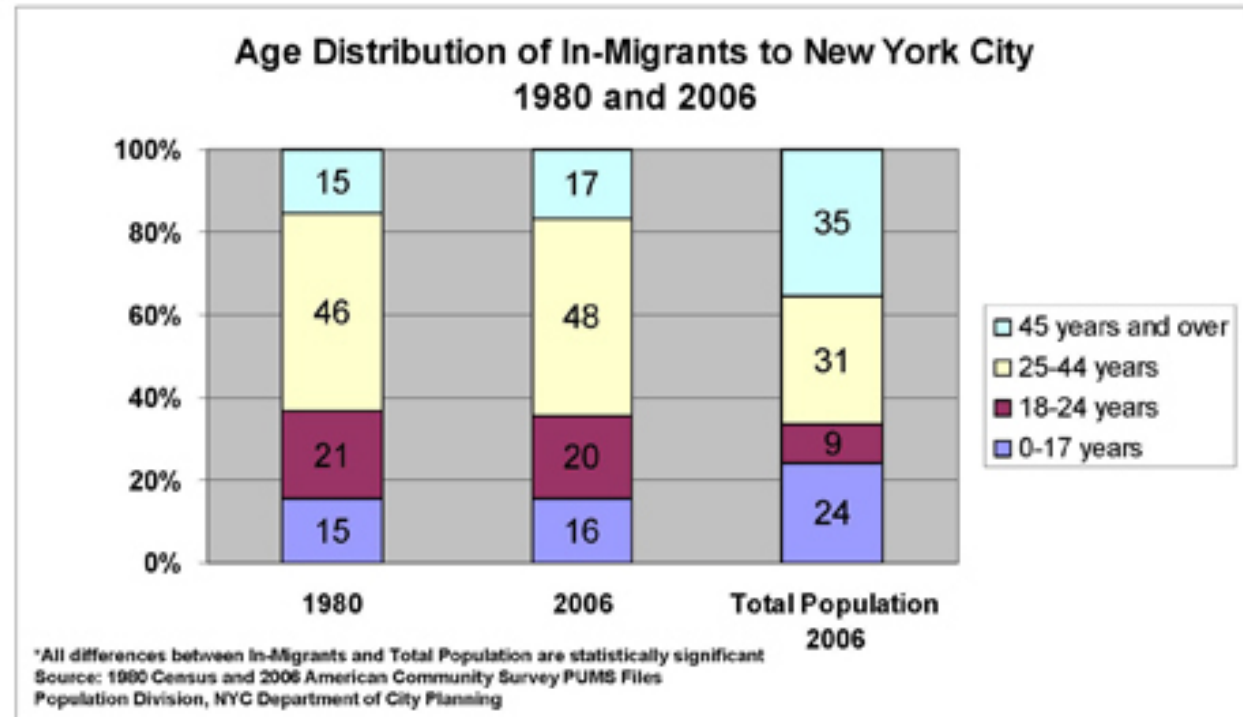
Over the same period, the inner counties of the New York Region have demonstrated an increasing propensity to receive in-migrants directly from abroad, which is approaching 30 percent. At the same time, the stream of new migrants from New York City to the inner ring counties has declined.



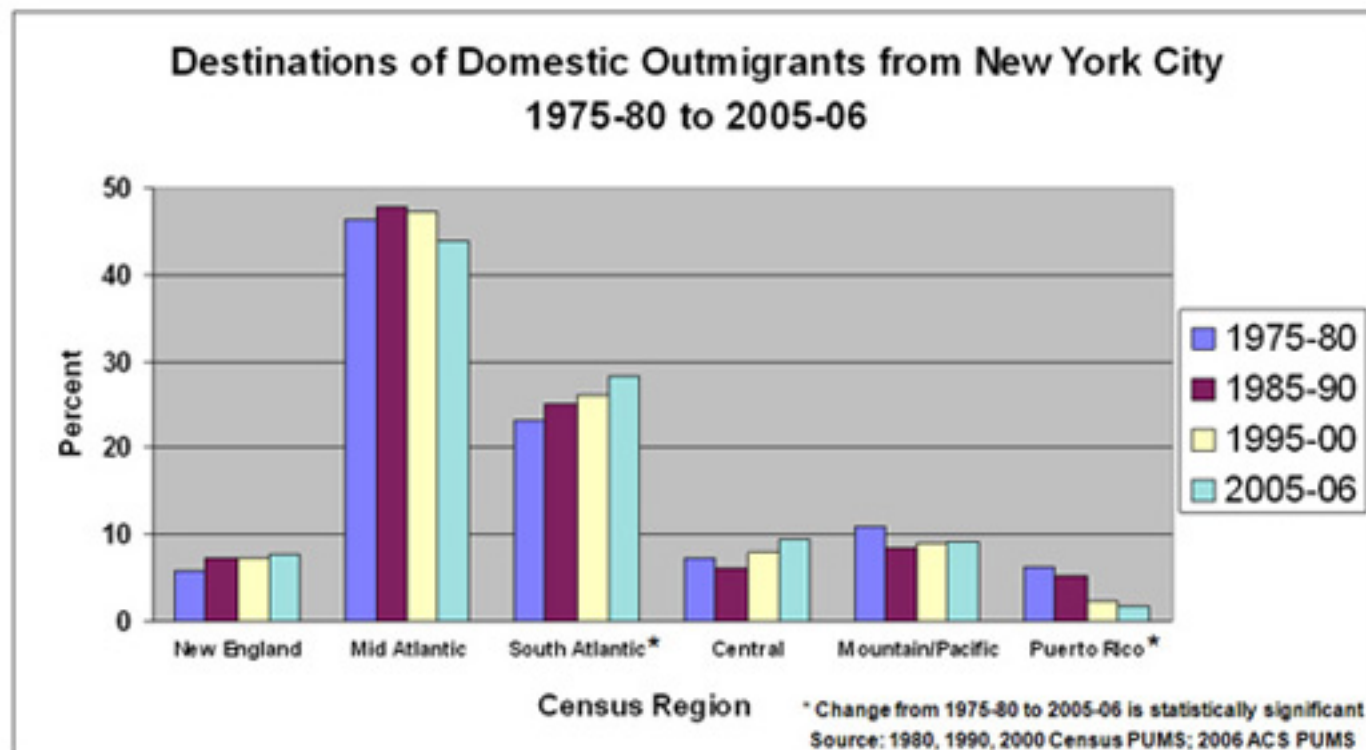
While the outer counties have experienced significantly more in-migration from abroad over this period, it remains a relatively small portion of all in-migrants to these places. New York City now sends relatively fewer migrants to the outer counties than it did in 1980. Migrants to the outer counties are still much more likely to come from other states and the inner counties of the region.



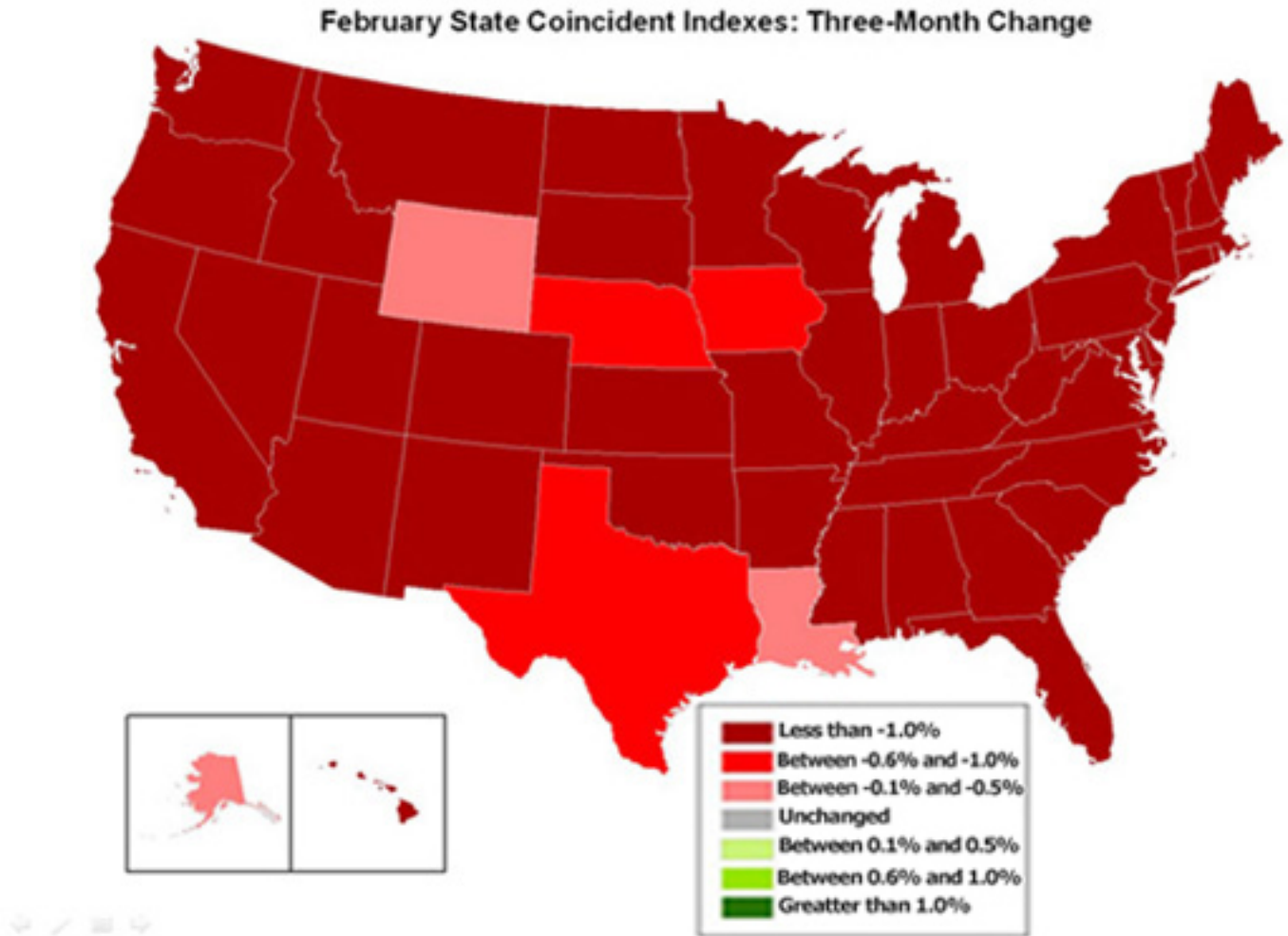
Migration continues to be a phenomenon of young workers. In-migrants to New York City are concentrated in the young working ages, which has been relatively unchanged since 1980. More than two-thirds of all in-migrants to New York City were between 18 and 44 years of age, with almost one-half between 25 and 44. This reflects the important impetus that New York City's labor market opportunities provide for both new immigrants and native-born young people from other parts of the nation.



Despite differences in the number of domestic out-migrants from New York City (those who leave the city for the 50 states and Puerto Rico), the destination patterns of out-migrants have been remarkably similar over the past 30 years. The largest contingent heads for the Middle-Atlantic states, to the New York-New Jersey Metropolitan Region, between 40 and 50 percent of the total outflow. Two changes have occurred over the period: The propensity to head to the South Atlantic states has increased, especially among black out-migrants to states where their migration originated and among Hispanics, especially Puerto Ricans, to Florida. At the same time, out-migration to the island of Puerto Rico has shown a marked decline.

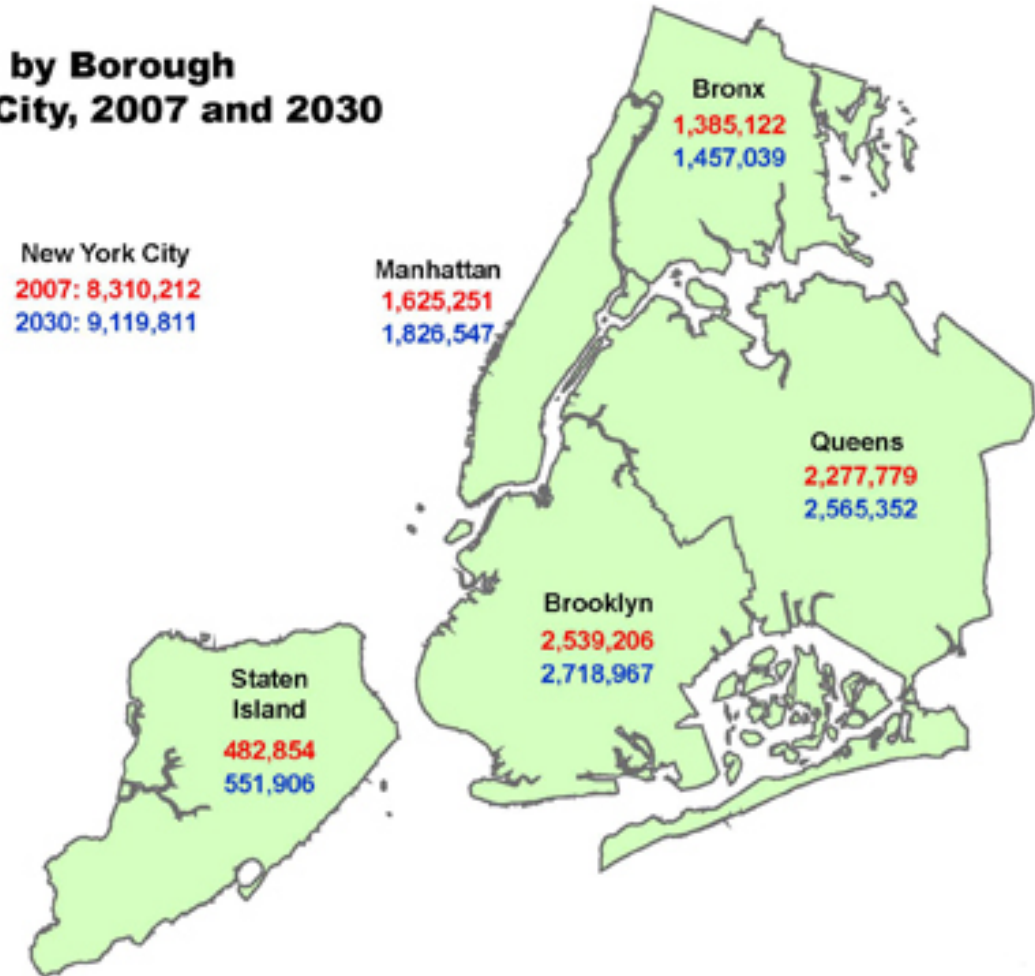


The attacks of 9/11 and the fiscal insolvency of the 1970s were New York centric events. The current economic crisis is a national event, as shown in the Philadelphia Federal Reserve Bank's Coincident Index, a measure that summarizes economic conditions in each state, including payroll employment, hours worked in manufacturing, unemployment, and wage and salary income. The map shows that the deterioration of economic activity has occurred in every state of the nation, as measured over the most recent three-month period. Given the link between the current housing crisis and the economic recession, there are many other places that have been affected even more than New York. Despite our concentration in financial services, places that rely on manufacturing in single industries, such as automobiles, have suffered higher unemployment, housing foreclosures and bigger declines in home values than New York City. Many of the places where the vacant housing inventory has risen and values have fallen the most are important destinations for New Yorkers: Florida, Nevada, Arizona, and California. Migration, as mentioned earlier, is a relative phenomenon. As difficult as the economic picture is, we are likely to see more people stay put, because of the lack of alternatives in traditional destination areas for New York out-migrants. It may even be the case that more people will seek out New York as a good place to endure the brunt of this recession, given the diversity of its economic opportunities. Just like with the demise of manufacturing in the mid-20th century, it is likely that the energy that is embedded in New York's population will, once again, be the impetus for the next wave of change in economic conditions.



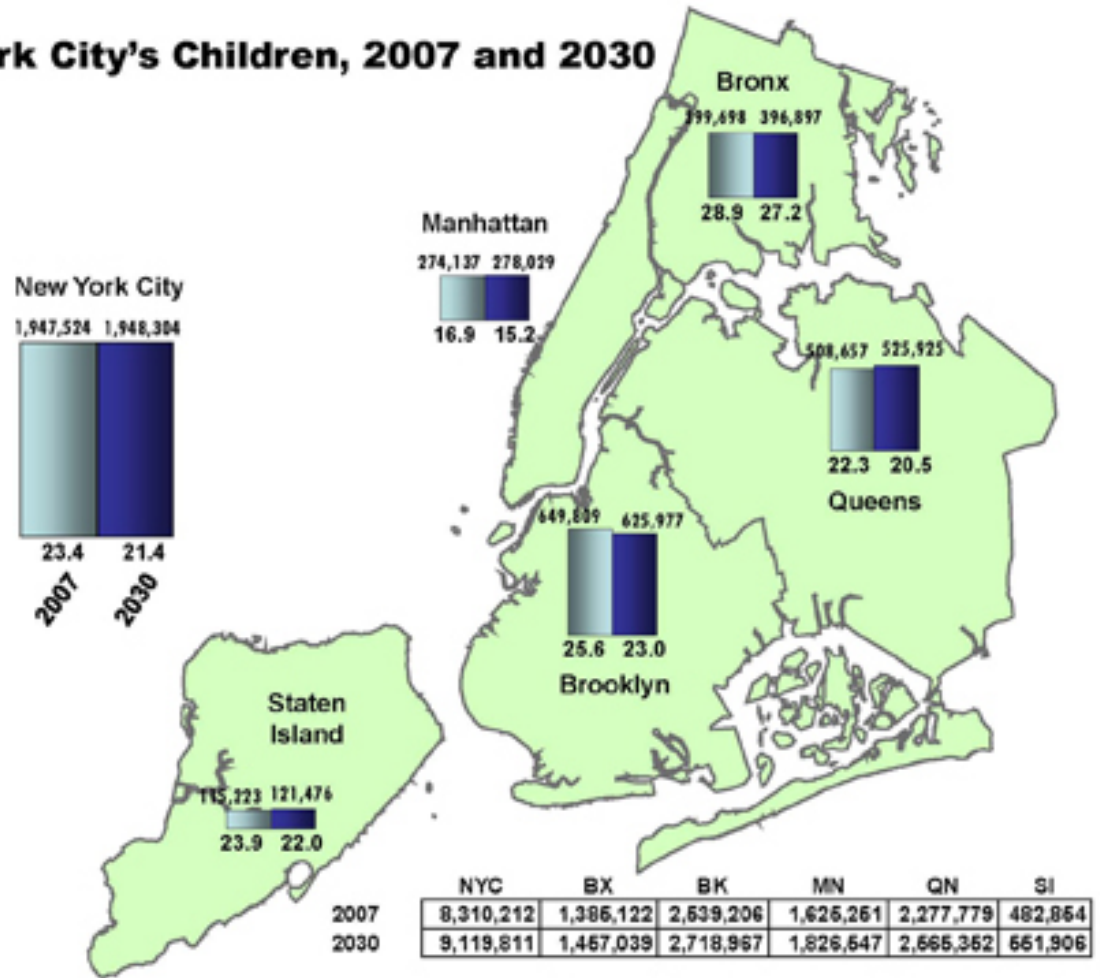
New York City's population is projected to increase to more than 9.1 million by 2030, with increases in every borough. The population of the Bronx at 1.46 million is projected to be right at its historical high, achieved in 1970. Brooklyn, the borough with the largest population, is projected to maintain that status in 2030, with a population of 2.72 million, just below its historical high of 2.74 million, achieved in 1950. Manhattan is projected to be at 1.83 million, well below its high, achieved in 1910, when it had a population in excess of 2.3 million. Both Queens and Staten Island are projected to be above their historical highs, achieved in 2000. Queens is slated to grow to 2.56 million, well above the 2.29 million in 2000. Staten Island is projected to be at 552,000, well above its 2000 level of 444,000. While substantial, the number of new residents of the city is expected to increase the most near the corridors of public transit.

Population by Borough New York City, 2007 and 2030



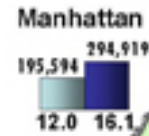
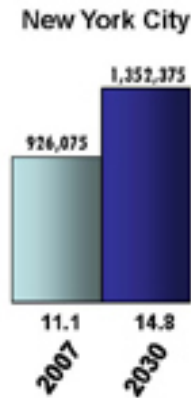
Citywide, school age population is projected to change very little between 2007 and 2030. The pattern differs by borough, however. Increases are projected to occur in Manhattan, Queens, and Staten Island. Declines are projected in Brooklyn and the Bronx. Given that changes in the population of school age children are not expected to keep pace with overall population growth, the percent of population that children constitute is likely to decline citywide and in every borough.

New York City's Children, 2007 and 2030



Sharp increases are expected in the population 65 years and over in the city, well in excess of 400,000 persons. The percent of population aged 65 and over is expected to rise from 11.1 percent in 2007 to 14.8 percent in 2030. All boroughs are expected to experience substantial increases in both the number and percent of persons aged 65 and over.

New York City's Elderly, 2007 and 2030



	NYC	BX	BK	MN	QN	SI
2007	8,310,212	1,385,122	2,639,206	1,626,261	2,277,779	482,864
2030	9,119,811	1,467,039	2,718,967	1,826,647	2,665,362	661,906

To summarize, there is an underlying dynamic that drives New York City's population, where hundred of thousands of people come and go each decade. Young people and immigrants continue to energize New York, fueling the city's labor force, creating and frequenting its businesses, and sustaining its neighborhoods. Recent history shows us that this dynamic changes slowly and is not significantly affected by short-term fluctuations in the economy. In the face of the steep economic decline of the 1970s, or the attacks of September 11, 2001, the underlying momentum in the city's population has persisted. Even in the face of the current economic downturn, the city's population dynamic is again likely to persist, and the next wave of newcomers and their children will continue to propel the city's population upward.

Looking Toward the Future with a Historical "Lens"

- Continuation of New York City as a Magnet for Immigrants and Young People
- Persistence of the Population Dynamic
- Expectation of Continued Population Growth