

## How Is Migration Changing the Central Valley?

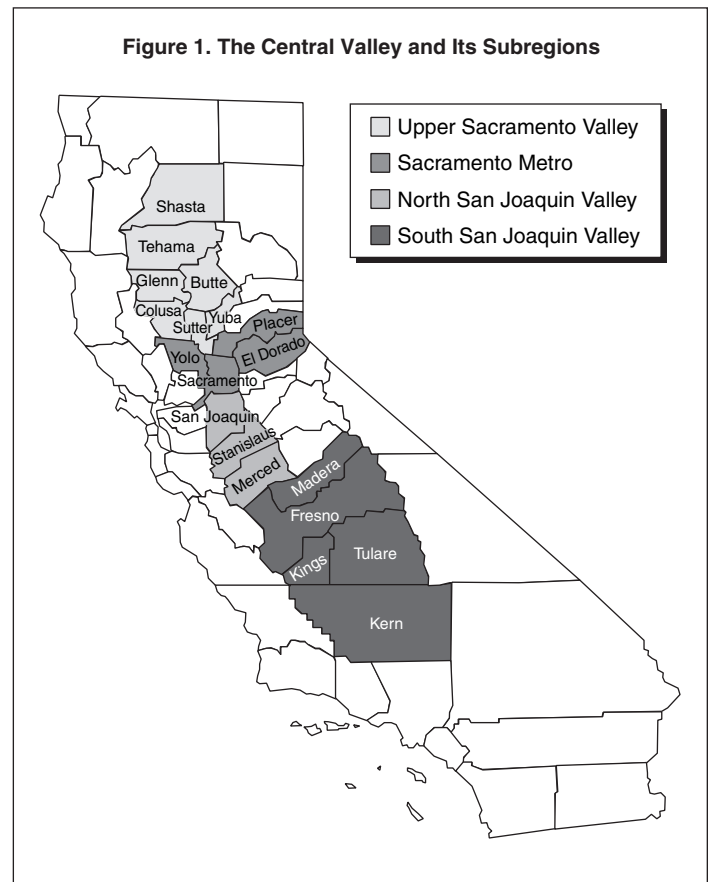
Tremendous population growth, much of it fueled by domestic and international migration, has already begun to transform large parts of the Central Valley. Although this influx of migrants is posing new environmental, economic, social, and political challenges, little is known about it or its effects on the region. In *The Central Valley at a Crossroads: Migration and Its Implications*, a report funded by The James Irvine Foundation, Hans Johnson and Joseph Hayes answer several basic questions about population movements into and out of the valley.

- How important is migration to the valley's population growth?
- How has it changed the valley's socioeconomic profile?
- Is the valley losing its best-educated adults and most promising high school graduates to other parts of California and the United States?
- What policy challenges do these migration flows pose, and how has the valley responded to those challenges?

Although the authors find that migration is the region's most important driver of population growth, the valley's migration patterns are remarkably complex and vary over time, by subregion, and according to the type of migration.

### Migration Patterns and Motives

All of the valley's four major subregions (detailed in Figure 1), receive substantially more migrants from other parts of California than they send to the rest of the state. Flows to the Sacramento Metro region and the North San Joaquin Valley are particularly large, and international migration to the valley has been almost as great as migration from other parts of the state. The South San Joaquin Valley has received the most international migrants, although flows to Sacramento Metro and the North San Joaquin Valley have also been sizable. At the same time, migration flows out of the Central Valley have also been considerable. Between



*Migration patterns in the Central Valley's four subregions vary significantly over time and by type of migration (domestic versus international).*

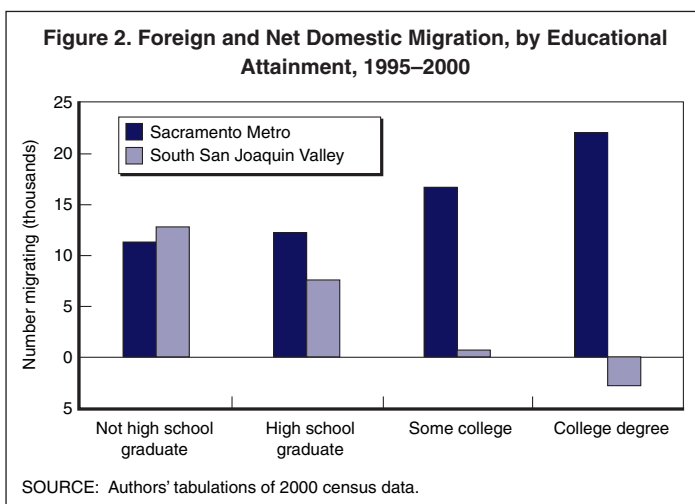
1995 and 2000, when the valley received large flows of in-state migrants, it sent out almost as many migrants to the rest of the United States.

The valley's newest residents are more likely than its out-migrants to be married and have children. The migrants are ethnically diverse, and the net flows to the valley add substantially to the region's Latino and African American populations. International migrants to the valley tend to have low levels of education, low incomes, and high poverty rates.

Although a large proportion of the Sacramento Metro region's new arrivals are college graduates, international and domestic migration has led to a "brain drain" from the South San Joaquin Valley (Figure 2). A substantial share of migrants to the Upper Sacramento Valley are older adults and retirees.

Among the reasons for migration into and out of the valley, economic motives predominate. Most of the valley's new residents have come for housing or jobs. Throughout the valley, housing prices are substantially lower than in coastal California. Some new residents, especially those in the North San Joaquin Valley, take advantage of the lower housing prices but commute to their jobs in coastal metropolitan areas. Sacramento Metro has one of the strongest regional economies in the state, and job growth has been relatively strong in the rest of the valley.

Many of those who leave the valley do so because it lacks the employment and educational opportunities they seek. In the San Joaquin Valley, many high school students bound for college leave the valley. The Upper Sacramento Valley attracts substantial numbers of college students, but they tend to leave the region once they finish their college education.



*The Sacramento Metro region imports college graduates, whereas the South San Joaquin Valley loses more than it attracts.*

## Policy Responses

The valley's migration patterns have important implications for its economic development and social services. Each

region has pursued its policy strategies to address its specific challenges.

- The South San Joaquin Valley's high incidence of poverty among immigrants, generally low levels of education, and limited English language skills present challenges for the region's social service providers, particularly in health care and education. Economic development efforts focus heavily on attachment to the key industry—agriculture. Attempts to vertically integrate the industry—through control of factor inputs, harvest technologies, and postharvest processing—figure prominently in this strategy. Call and distribution centers, attracted to the region by the low cost of doing business, are another important part of job growth efforts.
- Faced with an aging population and an exodus of college-educated young people, the Upper Sacramento Valley is offering tax breaks and financing to small businesses that are considering relocation to the area. At the same time, the area is engaging in large construction projects for residential and entertainment purposes.
- Officials in the North San Joaquin Valley have focused on fostering value-added processing in agricultural industries and attracting new service industry firms. Simultaneously, these officials are trying to provide local employment for the high-wage earners residing in the area and currently commuting to Bay Area jobs. Aside from the economic advantages of turning these commuters into local workers, this strategy may help solve other regional problems, such as traffic congestion and a perceived lack of community cohesion.
- The Sacramento Metro region's robust economic growth has led to concerns about managing population growth, and regional efforts are now focusing on such quality-of-life concerns as urban planning and ameliorating the area's air quality problems.

Given the significant population differences across the Central Valley's subregions, the authors note that these various policy approaches are warranted. They also note that population growth, driven in large part by migration patterns, will continue to alter the entire valley's character and profile for the foreseeable future.

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*This research brief summarizes a report by Hans P. Johnson and Joseph M. Hayes, The Central Valley at a Crossroads: Migration and Its Implications (2004, 126 pp., \$12.00, ISBN 1-58213-111-2). The report may be ordered by phone at (800) 232-5343 [U.S. mainland] or (415) 291-4400 [Canada, Hawaii, overseas]. A copy of the full text is also available on the Internet (www.ppic.org). The Public Policy Institute of California is a private, nonprofit organization dedicated to independent, objective, nonpartisan research on economic, social, and political issues affecting California.*

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