

IMMIGRANT-NATIVE FERTILITY AND MORTALITY DIFFERENTIALS IN THE U.S.

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The solvency of the Social Security system in the United States is directly linked to demographic processes - such as fertility and mortality - that determine the ratio of retirees to workers. Increasing longevity, combined with at or just-below replacement rate fertility, have led to serious concerns about how to finance retiree benefits in the future.

Given this context of demographic changes, policy makers have begun to look at immigrants as a potential means of alleviating the fiscal pressures on the Social Security system (Social Security Advisory Board, 2005). While the Census has developed estimates of the number of immigrants to the United States over the next 50 years under a number of scenarios, the long-term impact of these immigrants on the Social Security system depends critically on their fertility and mortality patterns.

In this project, we use data from a number of sources, including the Decennial Censuses, the American Community Survey, the Health and Retirement Study, and Detail Natality and Mortality files to examine the fertility and mortality patterns of immigrants to the United States. We first examine how the fertility and mortality of immigrants differ from those of the native-born. We then analyze how the fertility and mortality patterns of immigrants vary by a number of demographic and socioeconomic characteristics, as well as by country and region of origin. We also look at how immigrant fertility patterns change over time.

WILL IMMIGRANT FERTILITY RATES DECLINE?

Our analysis of recent data shows that fertility rates (both general fertility rates and total fertility rates) are higher for the immigrant population in the United States than for the native-born. In a multivariate regression analysis, we look at these differentials, and find that while immigrants are significantly more likely to have reported a birth in the previous year, a great deal of the immigrant-native differential in recent births can be accounted for by relative differences in the age structure of immigrants and natives, differences in region of residence, and differences in race and ethnicity. Immigrants from Mexico, Central America, the Caribbean, and Africa have significantly higher recent fertility, while immigrants from East Asia are significantly less likely to report a birth in the previous year. We also find that, even after controlling for age and a number of other demographic characteristics, immigrant women who have been in the country longer are less likely to have reported a birth in the past year. However, since these results are from a single cross-section, it is impossible to determine whether they represent decreasing fertility over years spent in the US, or differences in the characteristics of subsequent cohorts of immigrants.

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Therefore, we turn to Decennial Census data from 1990 and 2000 to examine this question in greater detail. We examine the total number of children women report, and adopt a synthetic cohort approach, where we follow the same arrival cohort in both Censuses to see how their fertility changes over the 1990s. Consistent with previous research, we find evidence of a disruption effect on fertility – the fertility of immigrant women in the most recent arrival cohorts is low, but increases at a faster rate relative to both the fertility of immigrants from earlier cohorts and relative to the fertility of natives.

IMMIGRANTS HAVE LOWER MORTALITY

We find strong evidence in Vital Statistics data from 2001 that immigrants have lower mortality rates than non-immigrants. This differential holds for individuals of Hispanic ethnicity and for both Whites and Blacks, but not individuals of other races. To examine whether this could be due to underlying differences in observable characteristics such as income or health insurance coverage, we continue our analysis of mortality using longitudinal data from the 1992-2004 HRS. We follow individuals from when they are first interviewed until death or the end of the sample.

We find the same pattern in the HRS – immigrants have lower mortality than the native born – and that these mortality differences are qualitatively and statistically significant even when controlling for differences in education, income, and health insurance coverage. These results could reflect selection effects. Because individuals who actually leave their source countries may need greater resources to leave, it could be the case that the smartest and healthiest individuals are the ones leave and immigrate to the US. US immigration policies, which have varied over time and across countries, could also enforce this selection effect. Interestingly, despite lower actual mortality, immigrants in the same HRS sample do not exhibit higher subjective survival probabilities than the US born.

These differences in fertility and mortality have important implications for discussions related to the solvency of the Social Security system. Furthermore, mortality differences between immigrant and native-born populations in the US have implications for considerations of equity and progressivity within the Social Security system. Our results suggest that holding income or Social Security contributions constant, immigrants could get a higher return on Social Security than non-immigrants. Furthermore, since lifetime Social Security contributions are on average lower among immigrants, due to fewer years of covered earnings in the U.S. on average they realize an even greater return than non-immigrants. However as we show in earlier work (Sevak and Schmidt, 2008), immigrants enter retirement with significantly lower Social Security benefits than non-immigrants. Given the intended progressivity of the Social Security system, the documented differences in demographic outcomes should be taken into account when considering changes to Social Security or immigration policy.

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