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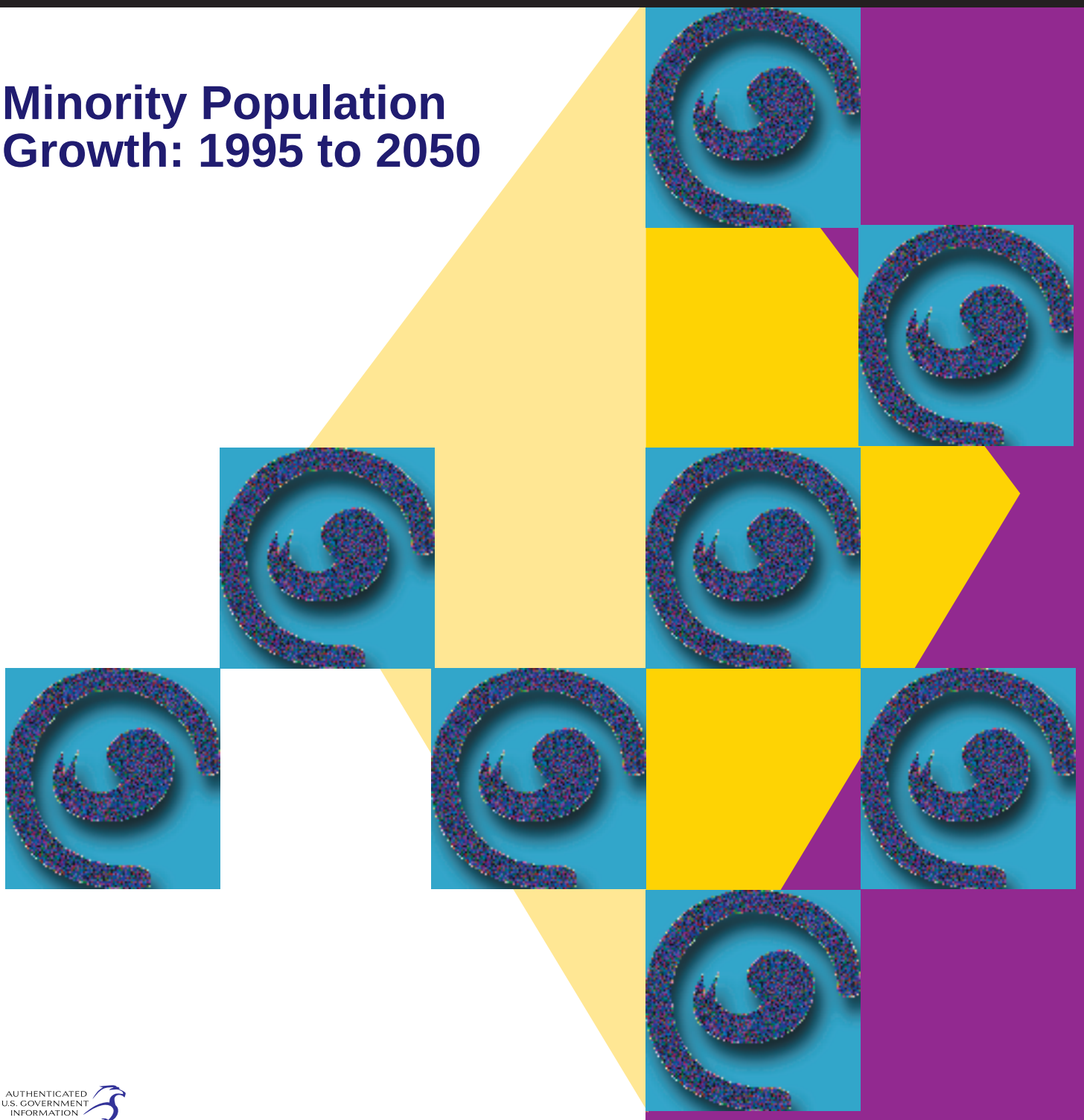
Minority Business Development Agency
Courtland Cox, Director

The Emerging Minority Marketplace

U.S. DEPARTMENT OF COMMERCE

Issued September 1999

Minority Population Growth: 1995 to 2050



AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO



Secretary of Commerce
William M. Daley

"America is a growing dynamic country whose population will increase fifty percent over the next fifty years. Almost ninety percent of that increase will be in the minority community; and this is where the emerging markets will take place in America. It is clear that both Fortune 1000 companies and minority businesses need to pay attention to this growing population."



Deputy Secretary of Commerce
Robert L. Mallett

"If America is to continue its position as the principal economic force in the global marketplace, it must include all members of its society in productive enterprise. As this report shows, the minority community will be getting much larger; therefore it is necessary to have a strong business and economic infrastructure that will serve both minority communities and all of America."



Minority Business
Development Agency
Courtland Cox, Director

Preface

The Minority Business Development Agency (MBDA) commissioned the Census Bureau to prepare this report on "Minority Population Growth: 1995 to 2050." It is one of a series of products that MBDA will be developing on The Emerging Minority Marketplace to organize and disseminate information for and about minority business. Visit our Internet website at **www.mbda.gov** for more detailed information about this report and county-level maps. It is our hope that the information contained in this report will contribute to a National discussion about the economic benefits of minority business development for all Americans.

Our next project will develop estimates of future minority population buying power. Current buying power of minority groups is approximately 1 trillion dollars; but will increase substantially over the next 50 years as the U.S. economy grows, minority population increases, and disparities diminish in income between minorities and nonminorities.

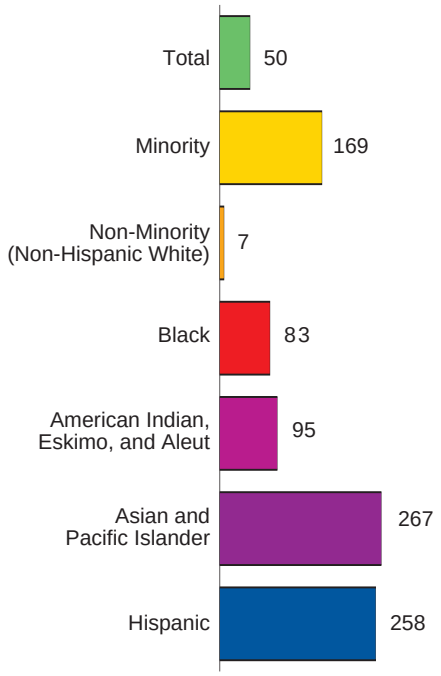
Minority Population Growth: 1995 to 2050

The U.S. population is becoming increasingly diverse. As the Nation enters the twenty-first century, the populations of race and ethnic minority groups will continue to experience more rapid growth than the non-Hispanic White population. Using the latest projection data, this report describes the trends in U.S. population distribution and growth from 1995 to 2050 on the National level and 1995 to 2025 on the state level. The report depicts these trends for individual race and ethnic origin groups[1], as well as for a combined Minority population group. The term "Minority" in this report is used to represent the combined population of people who are Black, American Indian, Eskimo, Aleut, Asian, Pacific Islander, or of Hispanic origin (who may be of any race). Equivalently, the Minority population comprises all people other than non-Hispanic Whites (who are termed the "non-Minority" population when compared to the combined Minority population group).

The Minority population will account for nearly 90 percent of the total growth in the U.S. population from 1995 to 2050.

All racial and ethnic groups will grow in population from 1995 to 2050[2] (Figure 1). Overall, the population of the United States is projected to grow from 263 million in 1995 to 394 million in 2050, a 50-percent increase (Table 1). The Minority population will account for nearly 90 percent of this increase of 131 million people over the 55 years of the projection.

FIGURE 1. Percent Increase in Population: 1995 to 2050



[1] The racial classification used in this report adheres to Office of Management and Budget (OMB), Statistical Directive No. 15: "Race and Ethnic Standards for Federal Agencies and Administrative Reporting," *Federal Register* 43:19269-19270, May 4, 1978. New standards were adopted by OMB in October 1997 and will be implemented by all Federal agencies no later than January 1, 2003.

[2] All population totals in this report are projections rather than estimates. Implicit is the phrase "if the fertility, mortality, and migration assumptions of the projections hold" in all statements regarding the population situation for all groups and areas for all years from 1995 to 2050.

Table 1. Projections of the Population of the United States by Race and Hispanic Origin: 1995 to 2050
[Millions. Resident population]

Year	Total	Minority	Non-Minority (Non-Hispanic White)	Race				Origin	
				White	Black	American Indian, Eskimo, and Aleut	Asian and Pacific Islander	Hispanic	Non-Hispanic
1995	262.8	69.3	193.6	218.1	33.1	2.2	9.4	26.9	235.9
2000	274.6	77.6	197.1	225.5	35.5	2.4	11.2	31.4	243.3
2005	286.0	86.2	199.8	232.5	37.7	2.6	13.2	36.1	249.9
2010	297.7	95.3	202.4	239.6	40.1	2.8	15.3	41.1	256.6
2015	310.1	105.1	205.0	247.2	42.6	2.9	17.4	46.7	263.4
2020	322.7	115.3	207.4	254.9	45.1	3.1	19.7	52.7	270.1
2025	335.0	125.9	209.1	262.2	47.5	3.3	22.0	58.9	276.1
2030	346.9	136.9	210.0	269.0	50.0	3.5	24.3	65.6	281.3
2035	358.5	148.4	210.1	275.5	52.5	3.7	26.8	72.6	285.8
2040	370.0	160.4	209.6	281.7	55.1	3.9	29.2	80.2	289.8
2045	381.7	172.9	208.8	288.0	57.8	4.1	31.8	88.1	293.6
2050	393.9	186.0	207.9	294.6	60.6	4.4	34.4	96.5	297.4

Source: U.S. Census Bureau, 1996, *Population Projections of the United States by Age, Sex, Race, and Hispanic Origin: 1995 to 2050,* Current Population Reports, P25-1130, Washington, DC.

Among the minority groups, Asian and Pacific Islanders and Hispanics (who may be of any race) are by far the fastest growing populations. The 267-percent increase for Asians[3] and 258-percent increase for Hispanics imply that these two groups will more than triple their 1995 population sizes, reaching 34 million and 97 million people, respectively, in 2050. The population increase during each 5-year projection period for Asian and Pacific Islanders will be more than that of non-Hispanic Whites from 2025 on. By 2010, Hispanics will become the second largest race/ethnic group, second only to non-Hispanic Whites.

The Black population is projected to reach 61 million in 2050, an increase of 83 percent. From 2015 on, more Blacks will be added to the total population than non-Hispanic Whites every year. The American Indian, Eskimo, and Aleut population also will nearly double, increasing 95 percent to more than 4 million people in 2050.

Every Minority group will represent an increasing share of the future U.S. population.

As a result of the faster growth of minority groups, the race and ethnic distribution will become even more diversified as the Nation progresses through the twenty-first century (Figure 2). Asian and Pacific Islanders and Hispanics will considerably expand their portion of the total U.S. population. The Asian population will more than double its 1995 proportion of 4 percent to become 9 percent in 2050. The Hispanic-origin share of the total population will increase by 2.4 times. In 1995, 10 in every 100 people in the United States were of Hispanic origin; by 2050, 24 in every 100 will be Hispanic.

In 1995, the Black population was the largest minority group, representing 13 percent of the total population. Its share of the total population will increase to 15 percent in 2050. However, the more rapid growth of people of Hispanic origin will result in Hispanics becoming the most populous minority group by 2010 (Figure 3). The Hispanic population will continue to grow rapidly throughout the projection period, reaching 97 million in 2050 and exceeding the Black population of 61 million (including Black Hispanics) by 50 percent.

The faster growth of minority groups will lead to a substantial decrease of the proportion of the non-Hispanic White (i.e., non-Minority) population, a 21-point drop from 74 percent to 53 percent.

The Minority population most likely will surpass the non-Minority population after 2050.

The higher growth rates of each minority race and ethnic group relative to non-Hispanic Whites implies that the total combined Minority population of the United States is growing much more rapidly than the non-Minority (non-Hispanic White) population. As a group, the Minority population will more than

FIGURE 2. Percent Distribution of U.S. Population

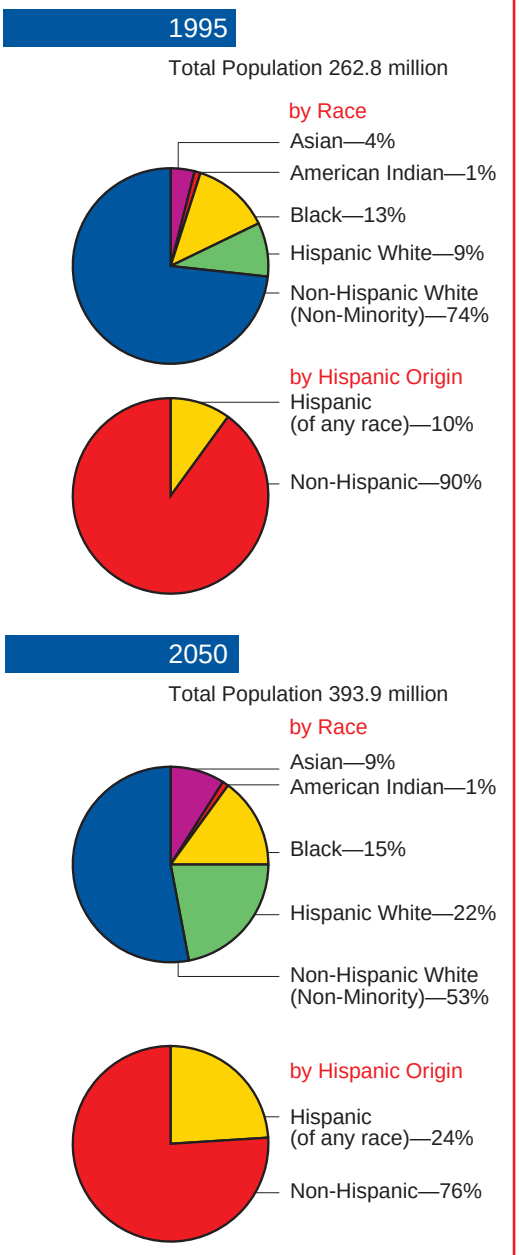
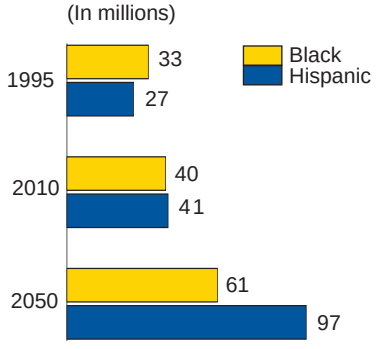


FIGURE 3. Black and Hispanic Population: 1995 to 2050



[3] For this report, the group "Asian and Pacific Islander" is sometimes referred to as "Asian." This group will be classified into two separate groups of "Asian" and "Native Hawaiian and Other Pacific Islander" in the 2000 Census of Population and Housing. The group "American Indian, Eskimo, and Aleut" is sometimes referred to as "American Indian" in this report, but will be classified as "American Indian and Alaska Native" in the 2000 census.

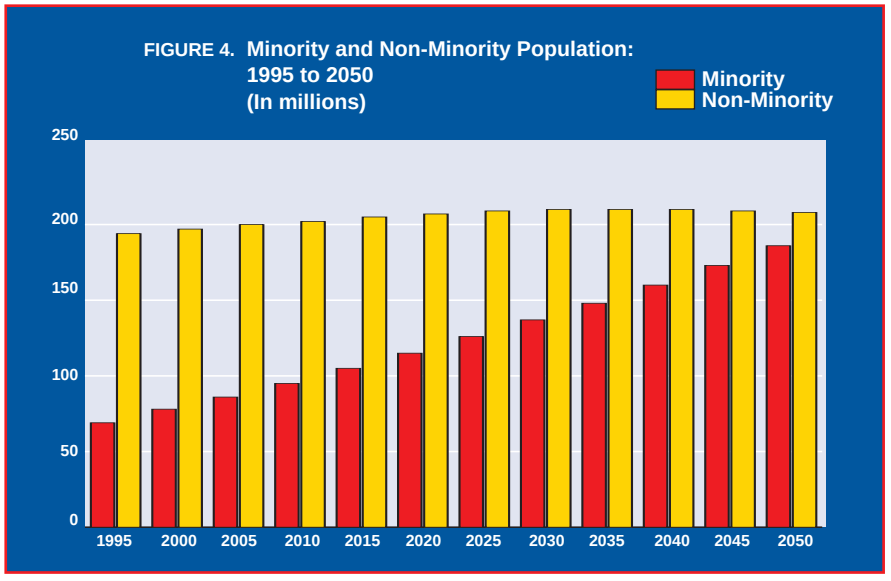
double between 1995 and 2050 (increasing by 169 percent), compared to just a 7-percent increase for the non-Minority population. The 1995 Minority population of 69 million will increase by 117 million people over the entire 55-year projection, reaching 186 million by 2050 (Figure 4). Minority 5-year population increase will expand from 8 million during the 1995-2000 period to 13 million for 2045-2050.

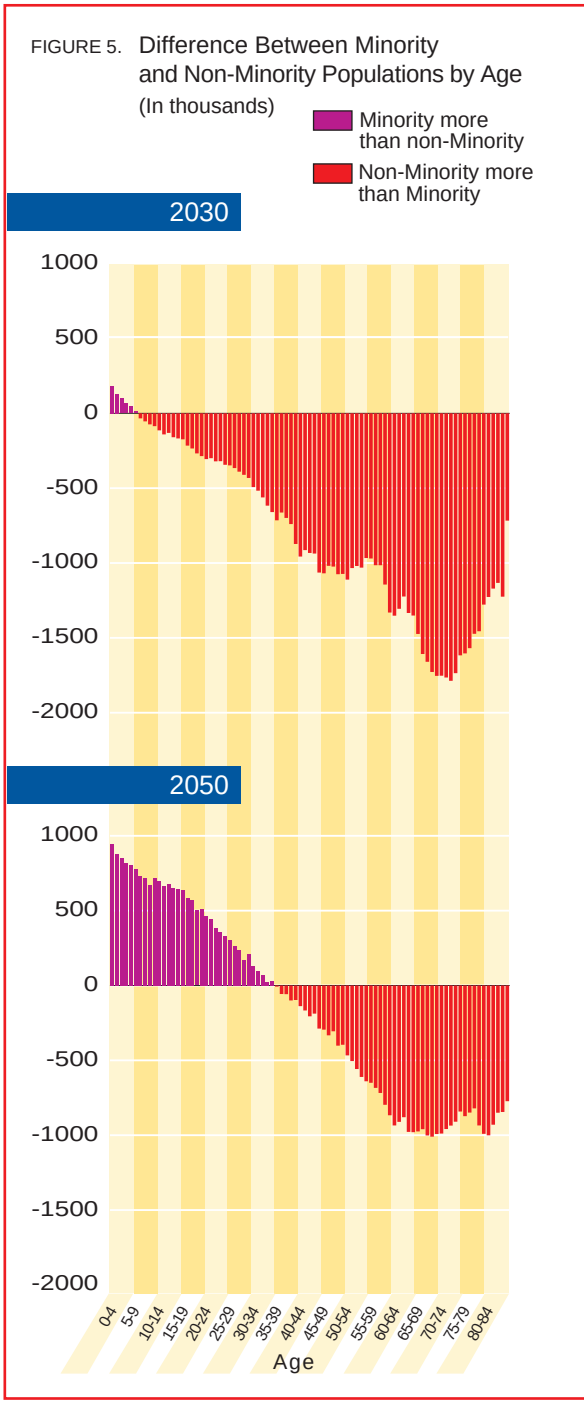
The non-Minority population, on the other hand, is growing at a much slower rate. It will add only 14 million people during the projection period, changing from a 1995 population of 194 million to 208 million in 2050. The 5-year increment in population size generally will decline during the projection, and from 2035 onward, the non-Minority population will decrease in size.

The combination of the high growth of the Minority population and the slow (and even negative) change of the non-Minority population will most likely produce a reversal in the relative sizes of these two groups. Minority groups, which represented 26 percent of the U.S. population in 1995, are projected to make up 47 percent of the total population in 2050. Although the non-Hispanic White (non-Minority) population will remain the most populous race/ethnic group by the end of the projection period, if the trends in the U.S. population in these two groups were to continue beyond 2050, then the Minority population would surpass the non-Minority population decades before the end of the twenty-first century.

Minority children (aged 5 and under) will exceed non-Minority children by 2030.

While the total Minority population still will be less than the non-Minority population in 2050, the Minority population will exceed the non-Minority population at young ages much earlier (Figure 5). Over time, the relationship of a larger Minority population will hold for increasingly older ages. In 2030, the Minority population will exceed the non-Minority population at each age 0 through 5 years, with one-half million more Minority children in these ages than non-Minority children. By 2040, there will be 6 million more Minority population through age 21. In 2050, the Minority population will exceed the





non-Minority population at every age, 0 through 34, and the aggregated difference in these ages will be about 18 million. During the 55 years from 1995 to 2050, the Minority population under age 35 will more than double, from 43 to 100 million, while the non-Minority population under age 35 will decline from 92 million to 82 million. Even for ages 35 years and over, the difference between these two populations in 2030 will be reduced by 2050 for every age from 35 to 83 years.

In 2025, the Minority population will exceed the non-Minority population in 5 states.

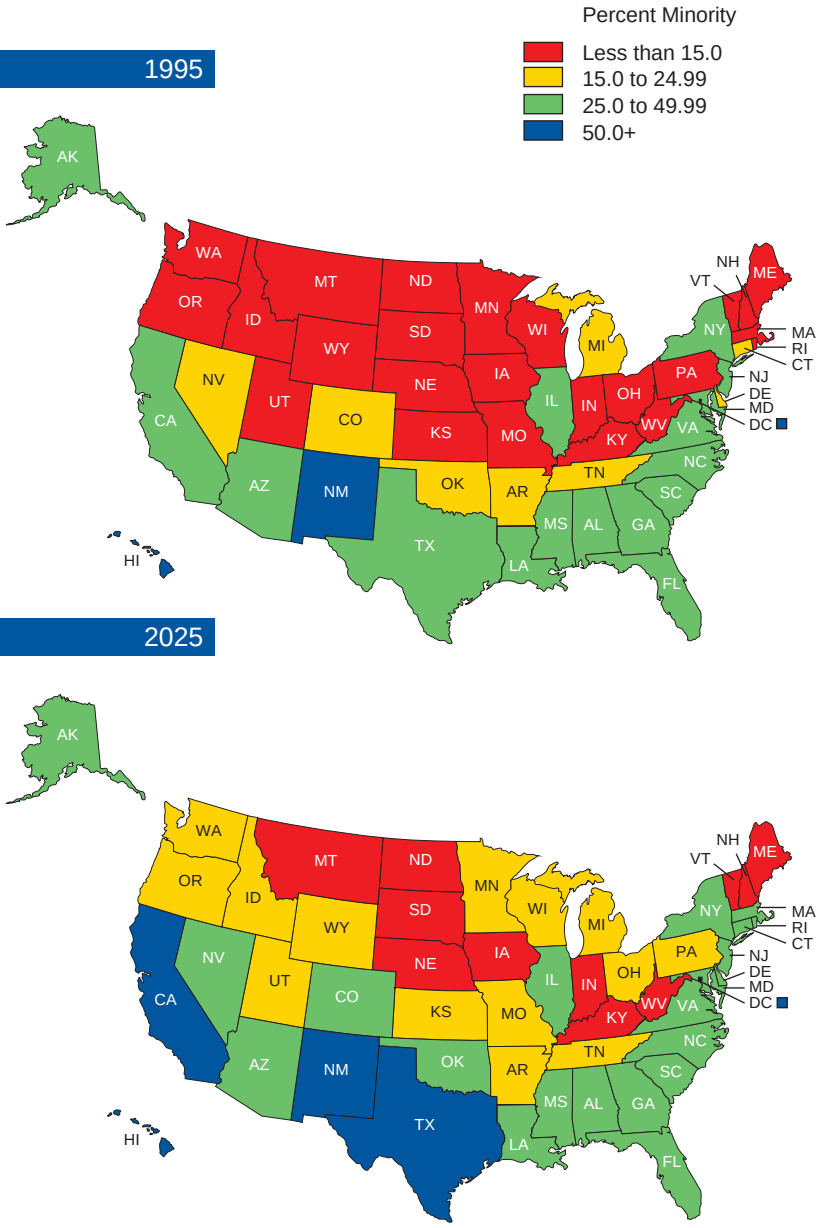
In 1995, 24 states[4] had less than 15 percent Minority of their total population (Figure 6). Alternatively, the non-Minority population in these states represented 85 percent or more of their total population. The concentration of Minority population was relatively greater in border and coastal states in the South and the West regions[5]. During the projection, the percent Minority will increase in every state, and the state-level concentration of Minority population will extend northward and westward. As a result, by 2025[6], the number of states with less than 15 percent Minority population will decline to 11, and most of those states will be in the Northeast and Midwest.

In 1995, the District of Columbia, Hawaii, and New Mexico already had Minority populations exceeding 50 percent of their total population. By 2000, California's Minority population will surpass the non-Minority population, and the Minority population will represent more than 50 percent of the total state population in Texas by 2015.

These 5 states will represent one-fourth of the total U.S. population...

Adding the two most populous states of California and Texas to

FIGURE 6. Percent Minority by State



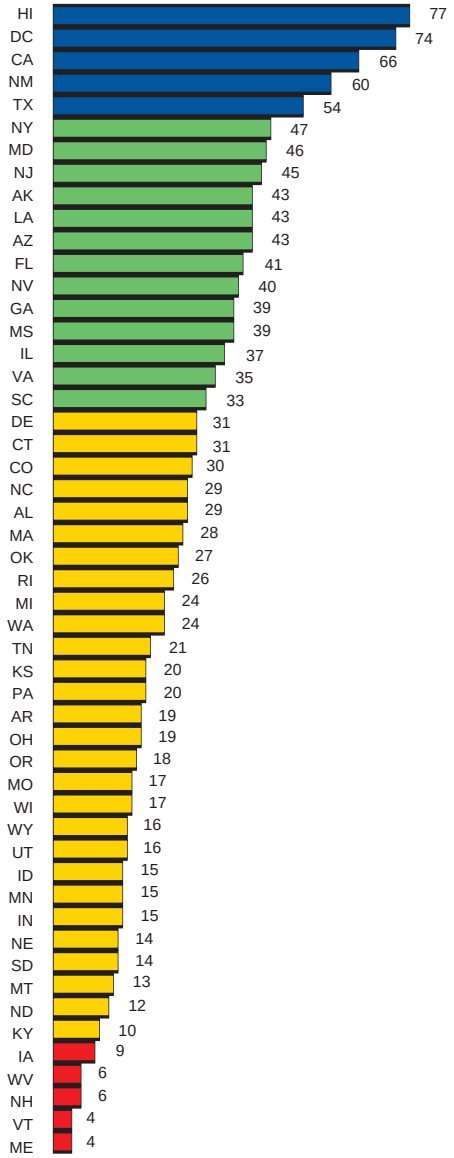
[4] "States" include the 50 states and the District of Columbia.

[5] "Region" refers to the four regions: Northeast, Midwest, South and West.

[6] While the National projections were prepared for the period 1995 to 2050, the state-level projections only cover the 30-year period, 1995 to 2025.

population living in states with over 50 percent Minority in 2025 signifies a 16-fold increase. (In 2025, 5 million people will live in the original 3 states and 82 million in the 5 states.) This implies that by the end of the state projection, about one-fourth of the total U.S. population will be living in states where the Minority population exceeds the non-Minority population.

FIGURE 7. States Ranked by Percent Minority: 2025



... and 13 more states will be over one-third Minority.

In addition to the 5 top Minority states, by 2025, there will be 13 more states that are one-third or more Minority (Figure 7). These include populous states of Florida, New York, Illinois, Georgia, New Jersey, and Virginia.

At the bottom of the distribution — states with less than 10 percent Minority population — are three states in the Northeast, one in the Midwest and one in the South. They are Maine, Vermont, New Hampshire, Iowa, and West Virginia, respectively.

The states with the highest percentage of each race/ethnic group will be the same in 1995 and 2025.

Over the 30-year projection period, the states with the highest percentage of each race/ethnic population in total state population will remain the same in 2025 as in 1995. Maine will continue to be the state where non-Hispanic Whites comprise the maximum percentage (96 percent in 2025) of the total state population. Washington, DC will remain the place where Blacks have the highest concentration, 64 percent in 1995 and 59 percent in 2025. Alaska's top ranking as the state with the highest percentage of the American Indian, Eskimo, and Aleut population, 15 percent in 1995 and 11 percent in 2025, will be maintained. Hawaii, with 64 percent Asian and Pacific Islanders in 1995 and 66 percent in 2025, will remain the state with the highest percentage of Asian and Pacific Islander population. New Mexico not only will continue to host the largest state proportion of Hispanics, but also will undergo a considerable increase, from 39 percent to 48 percent.

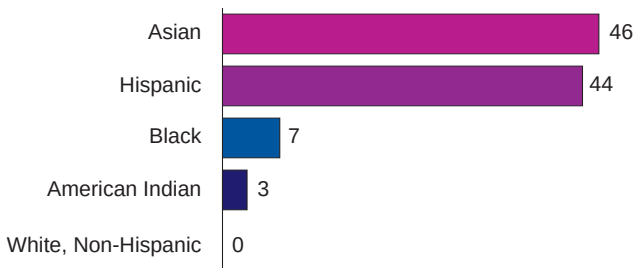
The states with the lowest percentage of race/ethnic population will change over the 30 years, although the lowest-ranked states in 1995 remain near the bottom in 2025. In 1995, 28 percent of the Washington, DC population were non-Hispanic Whites, but by 2025, Hawaii will become the state with the smallest percentage of non-Hispanic White population. For each minority group, the lowest percentage of the state population will be about 1 percent. Montana will continue to be the state with the lowest percentage of Black population. West Virginia, the state with the lowest percentage of American Indians, Asians, and Hispanics in 1995, will continue to host the lowest percentage of American Indian, Eskimo, and Aleut population, but will be replaced by Arkansas for Asian and Pacific Islanders, and by Alabama for Hispanics.

The Asian and Pacific Islander and Hispanic populations will double in nearly all states between 1995 and 2025.

All minority groups will double their populations in some states between 1995 and 2025. However, the magnitude of growth is far from the same between the groups. From 1995 to 2025, Asian and Pacific Islanders will double their population in 46 states and Hispanics in 44 states (Figure 8). That is, during the three decades of the state projections, nearly all states will experience an increase of more than 100 percent in their Asian and Hispanic populations. The Black population is projected to double in 7 states, and the American Indian population in 3 states. By contrast, there is no state in which non-Hispanic Whites will double their population.

The population of specific groups in some less-populated states will more than triple, with increases in population of 200 percent or more. The Hispanic population of Nevada and the Asian population of Wyoming will increase three-fold during the projection period. Alaska's Asian population is projected to experience a six-fold increase.

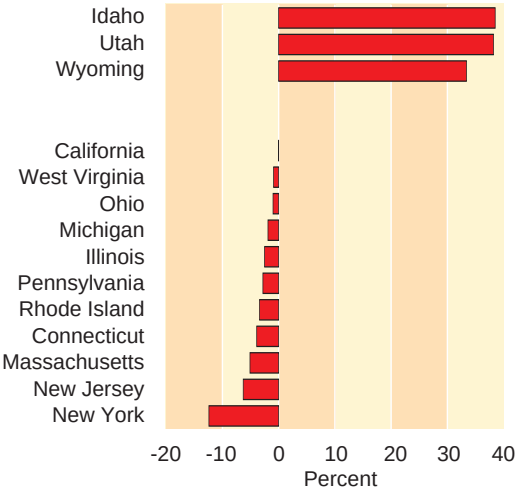
FIGURE 8. Number of States With More Than 100 Percent Increase of Population in Specific Race/Ethnic Groups: 1995 to 2025



The non-Hispanic White population of 11 states will be smaller in 2025 than in 1995.

The non-Hispanic White population is projected to grow slower than every minority race and ethnic group in almost all states. The states with the largest percentage increase in the non-Hispanic White population are in the West region. However, the largest percentage increase will be less than 40 percent (Figure 9). Furthermore, in 11 states, the non-Hispanic White population will undergo negative changes. That is, the projected non-Hispanic White population for these 11 states will be less in 2025 than in 1995. Nine of these states will be in the Northeast or Midwest, plus California and West Virginia. The largest percentage decline of the non-Hispanic White population will be in New York; its population will be reduced by more than 1 million from 1995 to 2025, equivalent to a 12-percent decrease.

FIGURE 9. States With the Largest Percent Increase or Decrease of Non-Hispanic Whites: 1995 to 2025



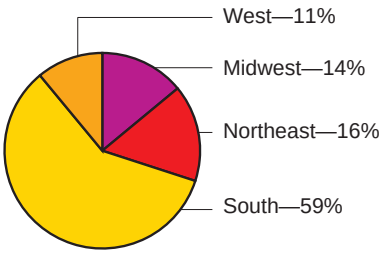
Most of the population increase for minority groups will occur in the West or the South.

Among the minority race/ethnic groups, the Hispanic population increase (32 million) from 1995 to 2025 will be more than the combined increase of the Black (14 million), Asian and Pacific Islander (13 million), and American Indian, Eskimo, and Aleut (1 million) populations. A regional distribution of population growth shows that most of the increase for these groups takes place in the West or the South (Figure 10). The West will contain about half of the population increase of American Indians, Asians, and Hispanics, but only a small share (about one-tenth) of the Black population growth. The South will sustain the largest regional share (about three-fifths) of the Black increase, as well as the second largest growth for American Indians (about one-fourth) and Hispanics (nearly one-third). The smallest share of the Hispanic and Asian population increase will take place in the Midwest, and the least American Indian increase will occur in the Northeast.

FIGURE 10. Regional Distribution of Population Increase by Race/Ethnic Minority Group: 1995 to 2025

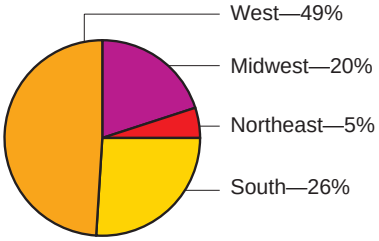
Black

Total Increase: 14.4 million



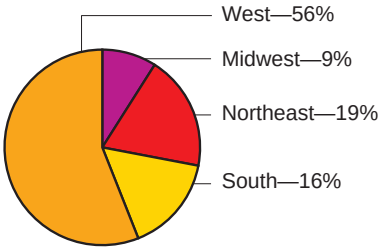
American Indian, Eskimo, and Aleut

Total Increase: 1.1 million



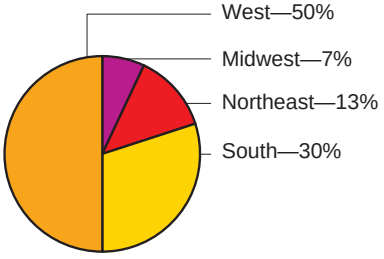
Asian and Pacific Islander

Total Increase: 12.6 million



Hispanic

Total Increase: 32.0 million



The Minority youth population will more than double from 1995 to 2050, while the non-Minority youth population will decline.

Strikingly different patterns of the projected youth (ages 0-14) and elderly (ages 65 and over) populations for Minority and non-Minority emerge during the period 1995 to 2050 (Figure 11). During the projection period, the Minority youth population will more than double, from 19 to 46 million. In contrast, the pattern for the non-Minority youth population shows a decline from 38 million in 1995 to 34 million in 2050. The projected growth patterns of the Minority and non-Minority elderly populations are roughly parallel until 2015, sharply widen until 2030 as the Baby Boomers (born between 1946 and 1964) age, and narrow afterward. Although there is some similarity in the elderly patterns, the number of non-Minority elderly far exceeds the number of Minority elderly throughout the projection.

Contrasting age distributions within the Minority and non-Minority populations also are indicated in Figure 11. For the Minority population, youths consistently number about 15 million more than the elderly, and these two broad age groups grow rapidly and in a parallel direction. However, for non-Minority, the youth and elderly populations will change in opposite directions until about 2035, and follow a parallel trend thereafter. In 1995, there were 10 million more non-Minority youths than elderly, but the two groups will become about the same size around 2015. The youth population then will stabilize at around 35 million, while the elderly will undergo a steep increase to reach 52 million in 2030 and then remain a similar size until 2050.

Every minority group will remain much younger than the non-Hispanic White population.

The populations of minority race and ethnic groups are much younger on average than the non-Minority population (Figure 12). In general, these age distribution differences are largely a function of higher fertility (such as for Hispanics and Blacks) or the impact of international migration (such as for Hispanics and Asians) relative to the non-Minority.

In 1995, the Minority population's median age was 28.2

FIGURE 11. Minority and Non-Minority Population Aged 0-14 and 65 Years and Over: 1995 to 2050 (In millions)

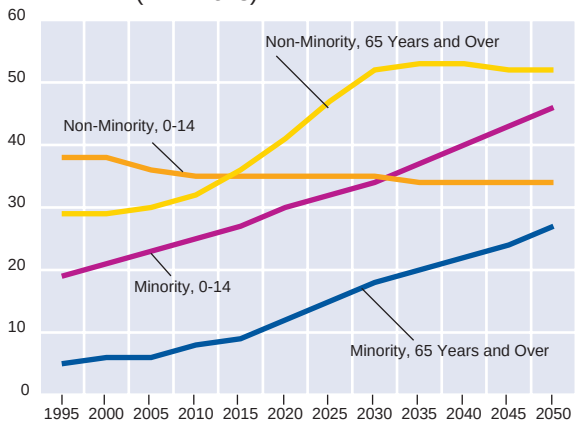
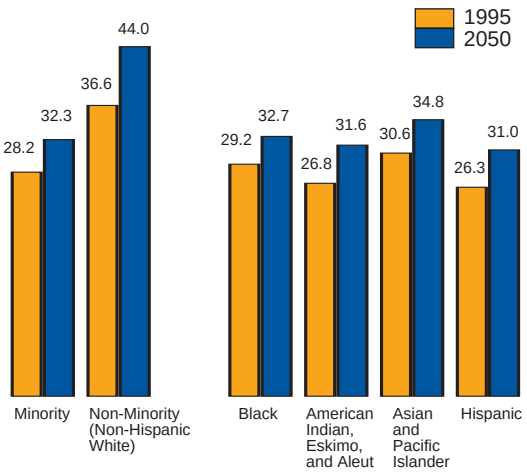


FIGURE 12. Median Age by Race/Ethnic Group: 1995 and 2050



years, 8.4 years younger than the non-Minority (36.6). By 2050, the difference will be even larger, when the median age for the Minority population will be 32.3 years, almost 12 years younger than the median age (44.0) for the non-Minority population. The large increase in median age of the non-Minority population results, in part, from the aging of the Baby-Boom generation and the projected continuation of low fertility rates.

The median ages for minority groups varied from 26.3 (Hispanic) to 30.6 (Asian) years old in 1995. By 2050, the minority groups will become more similar in their median ages. Asians, the oldest among the minority groups, will have a median age of 34.8 in 2050, 4 years older than in 1995. On the other hand, the median ages of Hispanics, the youngest group, and American Indians, the second youngest group, are projected to increase by almost 5 years. All minority groups will still be younger in 2050 than the non-Minority population of 1995.

Source and Accuracy of Projections

The numbers used in this report are based on the latest official Census Bureau National and state-level projections as of July 1, 1999. These projections are consistent with the 1990 census as enumerated, and are projected forward using the cohort-component method for future fertility, mortality, and net immigration levels (and internal migration for states). For National level projections, this report uses the "middle series" in the Census Bureau's Current Population Report P25-1130, *Population Projections of the United States by Age, Sex, Race, and Hispanic Origin: 1995 to 2050* (February 1996). The middle series applies the middle of the three assumptions for each of the components of change. For state level projections, this report uses the "preferred series" in the Census Bureau's report PPL-47, *Population Projections for States by Age, Sex, Race, and Hispanic Origin: 1995 to 2025* (October 1996). The preferred series uses a demographically based time series, which is different in the internal migration assumptions from an alternative series using an economically based set of assumptions.

As with any projection data, due to the uncertainties of the levels and directions of some components, the actual future population is never identical to the projected population. Also, since the preparation of the projections used in this report, additional data on births, deaths, and migration by age, race, and Hispanic origin have become available, which, when incorporated in updated projections, may lead to some different trends from those indicated by the current projections. Therefore, precautions should be used when interpreting the results from this report.

Contact

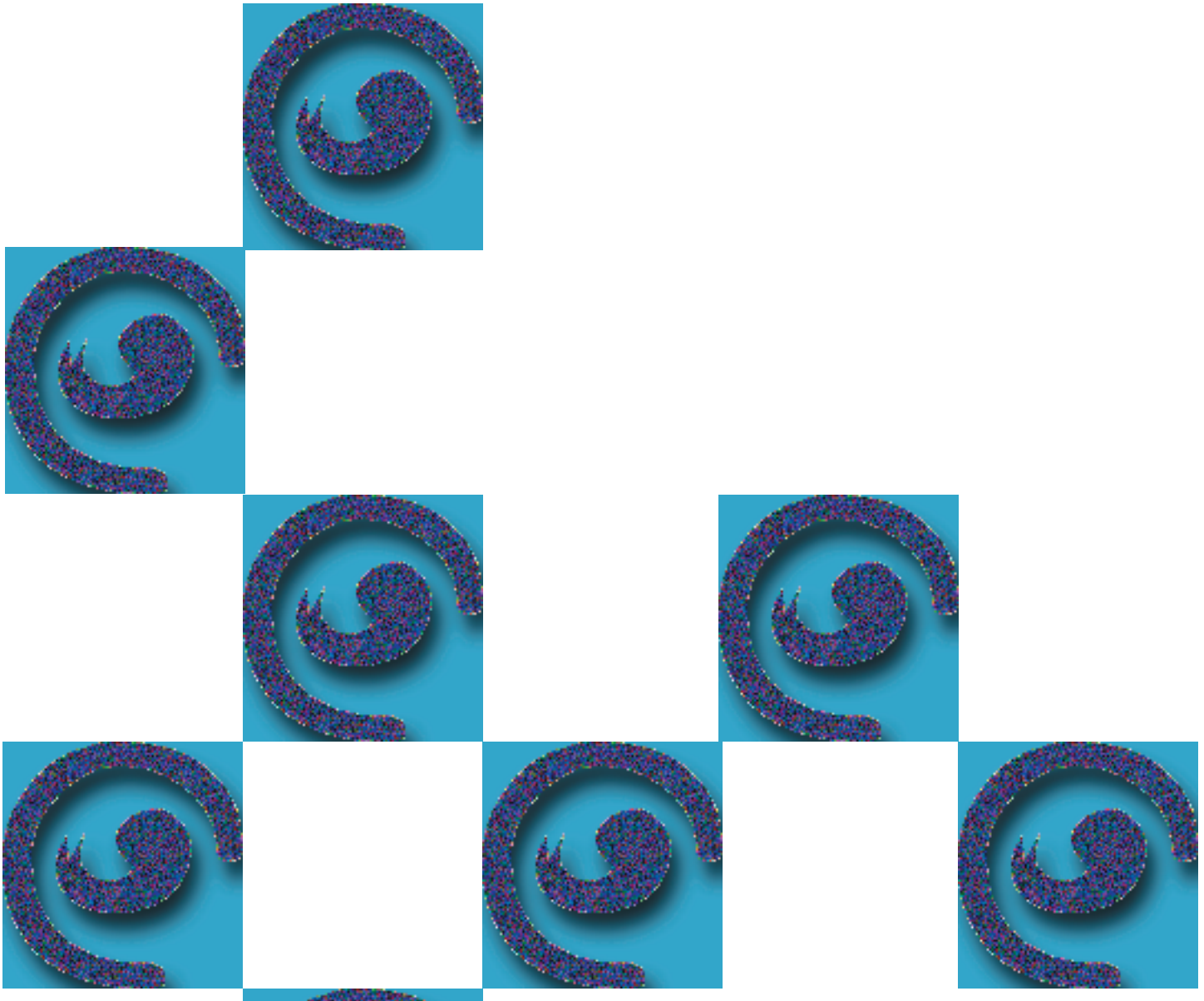
This report was prepared by Wan He and Frank Hobbs of the U.S. Census Bureau and funded by the Minority Business Development Agency, U.S. Department of Commerce.

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