



From Out Here: On Ethnic Diversity in Rural Minnesota

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The 2000 Census is finally revealing what many of us in rural Minnesota have known for sometime: that the growth in many of our rural communities is primarily a function of the influx of ethnic immigrants. And there are few places that better reflect this demographic reality than in south central Minnesota, here among the rich farmland in the Minnesota River Valley.

This Economic Development Region, known as Region 9, is comprised of the counties of Blue Earth, Brown, Faribault, LeSueur, Martin, Nicollet, Sibley, Waseca and Watonwan. The shifting demographic tides have not been particularly kind to Region 9, but they have been especially cruel since 1980. Between 1980 and 1990 the region as a whole lost 5,659 residents, as young people departed for more urban locations and better economic life chances. It's an old story that we are all too familiar with.

But, as if it were witnessing a rebirth, in April 2000

when the Census takers made their rounds, the region found itself with 6,469 new residents. In fact, the region grew from 216,321 residents in 1990 to 222,790 residents in 2000. A closer examination of the 2000 Census data reveals an interesting story. Of the 6,469 new residents, 4,991 of them, fully 77 percent of the growth, identified themselves as Hispanic/Latino. In fact, throughout the whole nine-county region, the increase in the number of white residents totaled just 471, or approximately 7 percent of the growth. The growing Black/Somali population can explain most of the remainder of the region's population growth.

This profound explosion of color and diversity in these once homogenous farming communities presents a multitude of challenges. Some of these include the challenge of educating students with limited English proficiency, cultural misunderstandings and tension, housing issues, health care issues and — let's be honest — occasional acts of prejudice and

discrimination. But a review of some of the region's economic data tells us that these new rural Minnesotans are quite an economic asset. A recent study commissioned by the Center for Rural Policy and Development found that:

- 33 percent of the employees in the region's food processing plants are Latino.
- The total estimated value added to the regional economy due to the Latino workforce is \$484 million per year. This amounts to slightly less than 10 percent of the total value added in the regional economy each year.
- The presence of Latino workers and their families in the region result in an estimated increase in government expenditures of \$48.3 million, of which \$24.5 million comes from state and local sources.
- However, the Latino workforce in the region generates \$121 million in additional tax revenues, of which \$45

million are state and local taxes.

Based upon these findings it is clear that these new Minnesotans are an essential component of the region's workforce. In addition, while it is true that the presence of these new workers bring added expense to state and local governments (\$24.5 million), it is equally true that the state and local tax revenues generated by these workers (\$45 million) is more than enough to cover this added expense.

But the economic and community impact does not stop there. According to the Minnesota Department of Children, Families and Learning, in 1985 the region had 285

Latino students enrolled across the region's public schools. Today that number is 1,929, an increase of over 600 percent. In some of the region's schools Latinos now make up more than one-fourth of the total student enrollment, and in the early grades (K-3) they can comprise almost half of the enrollment. Clearly in some districts discussions about school consolidations have been averted due to the added enrollment of immigrant students. And last but not least, based on the current general education funding formula, the region's Latino students add a minimum of \$8 million in state revenue for the region's public schools.

Reaction to these demographic changes in south central Minnesota, as you might expect, has been mixed. But for me, where others see challenges, I see opportunities. Let's remember that economists now tell us that it was the diversity in Minnesota's economy that has insulated our state to some extent during this recent economic downturn. There's something to be said about strength in ethnic diversity as well.

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