



South Carolina  
Commission for Minority Affairs

# Coming to South Carolina: Socio-Economic Dynamics and the State's Foreign-Born Population from 2013 to 2023

## Quarterly Research Report



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**ISSUE:**

June 2025

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# Introduction

Over the past decade, South Carolina has experienced rapid population growth, consistently ranking among the top ten states in the United States. This demographic surge has coincided with significant economic expansion, driven by industrial relocation, new business formation, and major investments in infrastructure to support continued development. However, underlying those trends are other, less recognized transformations: 1) the state's population is becoming more ethnically and racially diverse; 2) the share of the state's population that identifies as a native-born US citizen has decreased.



Undoubtedly, South Carolina's economy has grown substantially. From 2013 to 2023, the state's real, inflation-adjusted GDP grew by 31.1%, much higher than the real growth of the US economy at 27.3% (Bureau of Economic Analysis SAGDP1 State Annual Gross Domestic Product Summary). Lower labor costs and lax regulatory arrangements, coupled with tax incentives, have driven a considerable amount of this expansion. South Carolina, however, has long been considered a relatively "low-income" state, particularly when compared with more populous states housing the headquarters of Fortune 500 companies. Indeed, prior work from this agency have found that well-educated South Carolinians are leaving the state for higher wages elsewhere. A notable aspect of South Carolina's demographic

shift is the dual contribution to population growth from two distinct groups: older White retirees relocating from non-Southern states, and younger first- and second-generation immigrants, primarily of Hispanic and Asian or Pacific Islander (AAPI) descent. Until now, however, few have ventured to ask: "What contribution have immigrants made to the economic growth of South Carolina over this last decade?"

In this brief we will assess this question by providing a detailed picture of the changing demographics of the immigrant population in South Carolina from 2013 to 2023, an exploration of several socio-economic and demographic characteristics of the current (2023) immigrant population, and an analysis of their contribution to the state's economy focusing on effects related to immigrant employment in the state and a few of the impacts of immigrant families. In contrast, it is beyond the purview of this research to assess how immigration alters the state's cultural tapestry or to assert any moralizing discourse on the pros and cons of immigration.<sup>2</sup> Our focus is entirely upon the dimension of economic growth.

<sup>1</sup> See our report: "On the Move: Incoming and Outgoing Minority Prime-Age Populations in South Carolina from 2016 to 2021," available here: <https://cma.sc.gov/sites/cma/files/files/Research%20Brief%20-%20June%202023.pdf>.

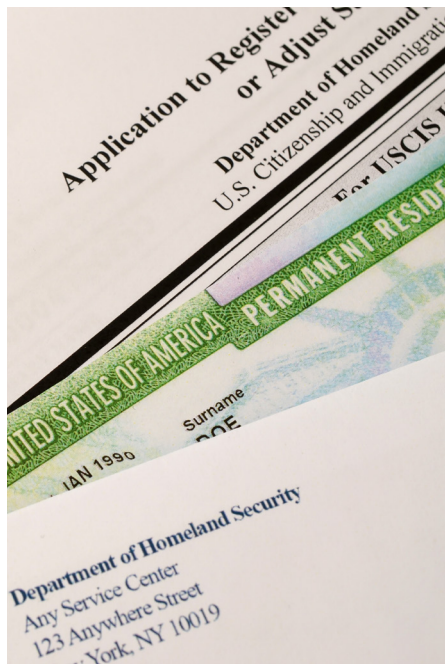
<sup>2</sup> Decisions about these items and the significance of this research as it pertains to those issues are up to the reader to decide.

## Methods and Data

In conducting this research, we primarily consulted the US Census Bureau's American Community Survey's (ACS) Public-Use Microdata Sample (PUMS) and its One-Year summary estimates as it pertains to socio-economic data and the US Bureau of Economic Analysis' (BEA) state-level GDP data products. We primarily used R Studio, the tidyverse and tidycensus packages in particular, to generate estimates on the number of foreign-born individuals and the socio-economic characteristics we thought pertinent in our assessment. Data from the US Census Bureau was accessed via an API (application programming interface) call in R Studio, whereas the BEA data was accessed through the data portal on the bureau's website. In terms of the Census Bureau's American Community Survey PUMS data, we utilized the simple person-level weights to generate our estimates. All dollar values from the ACS have been adjusted for inflation using the Bureau of Labor Statistics CPI-U index and indexed to the final year (2023) for the data analyzed.<sup>3</sup>

## Born in a Foreign Land, Residing in the Palmetto State: An Overview through 2023

Immigration remains an indelible component of the history of the United States, but South Carolina has often felt like an exception, particularly when discussing the main historical waves of migration. It is undeniable that European (German, English, "Scotch-Irish/Scots-Irish", etc.) migrants form basis of Whiteness in the state, and



the forced enslavement and migration of Africans that were brought to Charleston form the foundation of the Black racial identity in the state and beyond. These two groups, along with the Native Americans that occupied the territories that later comprised South Carolina, became the primary ethnic and racial groups and defined in terms of underlying cultural and physiological differences. For everything else, the "Other" category was utilized.<sup>4</sup> Although South Carolina has undergone extensive racial and ethnic shifts over its history, by the late 19th century, a rigid tri-racial structure—Black, Native American, and White—had largely solidified.

Nevertheless, there were groups of people that failed to neatly fit into those categories. Migrants, many of whom were not considered "White" (but also not "Indian" or "Black") settled in South Carolina. From Italians, Irish, Greeks, Chinese, Japanese, Filipinos, Cubans, and Puerto Ricans in the late 19th and early 20th Centuries, to a broad range of people from all over the world after 1965. Indeed, the state still does not publish data on the citizenship status of its residents, and it is assumed that state residents are largely US citizens. By and large, that assumption has

proved true, perhaps until recently. Nevertheless, as stated, we do not have data on the legal status of non-US citizens in the state and will bracket out completely any speculation into this matter from our analysis.

<sup>3</sup> Data scripts are available upon request.

<sup>4</sup> It is rather unfortunate that certain state agencies continue to aggregate all non-White and non-Black people into this "Other" category, but this serves as empirical evidence of historicized racial attitudes and an enduring racial composition which has only recently begun to face serious headwinds.



Changes to the Migrant Population in South Carolina

Evidence for this change abounds, and the rate of this change might surprise some. From 2013 to 2023, South Carolina's non-citizen population share increased 13.5%, from 2.96% to 3.37% and compared to the -2.1% experienced by this group across the entire United States. In terms of absolute numbers, those who did not identify as US citizens in South Carolina increased around 40,000 members, to around 181,000, a jump of 27.8%. At the national level, the non-citizen population increased by just over 800,000 individuals (+3.7%), to around 22,053,000. In other words, from 2013 to 2023, South Carolina was the destination for nearly 1 in 20 non-citizen immigrants that arrived in the United States.

In addition, the share of “foreign-born” residents in the state of South Carolina climbed from 5.94% in 2013 to 7.09% in 2023, a jump of 19.36%. This includes people born in US territories<sup>5</sup> and those US citizens born abroad. There were nearly 85,000 more of these individuals in South Carolina in 2023 than the decade prior, an increase of 35.5%—mostly consisting of naturalized and non-US citizens. Focusing on those who were not born US citizens, the share moved from 4.85% to 5.89%, an increase of 21.44%. For the US in general, the share of people not born US citizens increased only 10.3%, driven almost exclusively by the growth of newly naturalized citizens. That said, the foreign-born share of the US population reached 15.99% in 2023, while the share of the nation's population that were not born US citizens stood at 14.29%.

Table 1. Population Change by Citizenship Category

Citizenship Category	2013	2023	% Change
US Citizen born in Territories	12,465	16,919	35.7%
US Citizen born to US parents abroad	39,409	48,047	21.9%
Naturalized Citizen	89,661	135,398	51%
Not a US Citizen	141,617	181,040	27.8%
US citizen born in US	4,491,687	4,992,151	11.1%
Total	4,774,839	5,373,555	12.5%

the “foreign-born,” which covers both US citizens and non-citizens residing in the United States, but which were born outside of the fifty states and Washington, DC. This category would also include children born on US military bases abroad. In total, the number of people in the state that fall into this “foreign-born” category increased from 283,152 to 381,404, a jump of 98,252 individuals. This represented more than 16.4% of the entire population growth in the state over that ten-year period!

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In other words, South Carolina is outpacing the United States in growth rates for non-citizens and naturalized citizens. This is also true of persons born abroad or in US territories that are also US citizens. Taken all together, we can create a category called

<sup>5</sup> Individuals born in US territories are considered to be statutory US citizens but are not covered by the 14th Amendment of the US Constitution. In the case that Puerto Rico or Guam became a sovereign nation of Free-Associated State (like Micronesia), it is uncertain, at this point, whether or not these individuals would remain US citizens thereafter.

### *Race, Ethnicity, and Birthplace of SC's Migrant Population*

In terms of the racial/ethnic breakdown of South Carolina's population by citizenship status, we find both expected and unexpected outcomes. First, for native citizens, we find the distribution of Whites, Blacks, those identifying as Two or More Races, and Native Americans roughly in-line with the overall distribution of the total population, but for AAPI and Hispanics there is a notable divergence. Understandably, Hispanics comprise more than 80% of the state's population of persons born in US territories, most of whom are from Puerto Rico. The final three categories, however, are more representative of the "migrant" population.

**Table 2. Citizenship Category by Racial/Ethnic Identity, 2023**

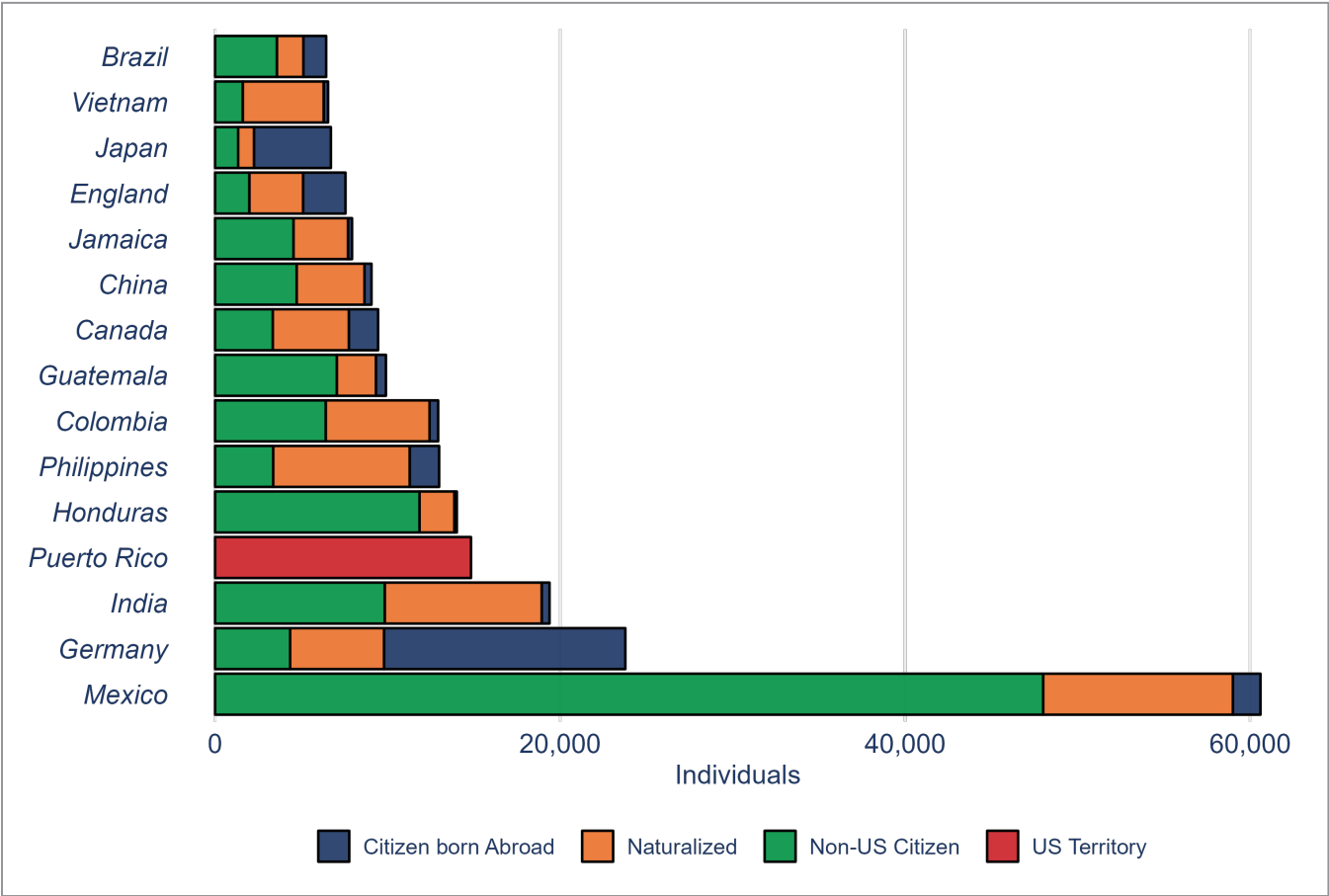
Citizenship Category	AAPI	AIAN	Black	Hispanic	SOR	TOM	White
Born in the U.S.	0.54%	0.22%	26.87%	3.76%	0.37%	2.82%	65.42%
Born in Puerto Rico, Guam, the U.S. Virgin Islands, or the Northern Marianas	3.61%	0.02%	5.23%	80.38%	0%	1.17%	9.58%
Born abroad of U.S. citizen parent or parents	4.82%	0.08%	14.84%	13.42%	0.41%	7.99%	58.45%
U.S. citizen by naturalization	28.37%	0.03%	8.01%	28.66%	0.69%	2.57%	31.67%
Not a citizen of the U.S.	16.71%	0.01%	5.99%	56.61%	0.83%	1.85%	18.01%
Total	1.72%	0.21%	25.64%	6.22%	0.39%	2.83%	63%

For those US citizens born abroad, more than 30.6% were born in Germany and they are mostly White and Black. This is followed by those born in Japan (9.8%), of which White, Black, and Two or More races were the most prevalent racial groups. People born in England and the UK comprise 8.21% of the US citizens born abroad in the state. Many of these individuals were likely born to parents that were members of the US military and represent nearly half of all those born abroad. After this group are individuals from the Philippines (3.7%), Canada (3.7%), Mexico (3.5%), Brazil (2.9%), Panama (2.6%), France (2.6%), Italy (2.4%), Korea (1.7%), Guatemala (1.3%), and so forth.



For naturalized citizens, origins are more widely varied. Around 8.9% (roughly 11,000 people) were born in Mexico, the place of birth with the most naturalized citizens in South Carolina. This is followed by India (7.37%), the Philippines (6.41%), Colombia (4.87%), Germany (4.41%), Vietnam (3.80%), Canada (3.57%), China (3.18%), South Korea (2.68%), Jamaica (2.56%), Ukraine (2.53%), England (2.52%), and Cuba (2.18%). In terms of non-US-citizens, Mexico accounts for a nearly a third (32.3%) of the total, followed by Honduras (7.97%), India (6.62%), Guatemala (4.75%), Colombia (4.32%), China (3.18%), Jamaica (3.06%), Germany (2.93%), Brazil (2.41%), the Philippines (2.27%), and Canada (2.25%). By far, individuals born in Mexico, regardless of their citizenship status, constitute the most populous group of people in the state of South Carolina.

Image 1. Breakdown of South Carolina's Foreign-Born Population by Country of Origin and Citizenship Status, 2023



Age, Educational Attainment Level, and Employment Status of Migrants

The state’s “foreign-born” population is slightly older than the native-born population, but that is largely due to the fact that anyone born in the United States, as per Constitution, is considered a native-born US citizen. Therefore, it makes sense, that the share those under the age of 19 for foreign-born residents is significantly smaller than that of native-born US citizens. However, the foreign-born population,

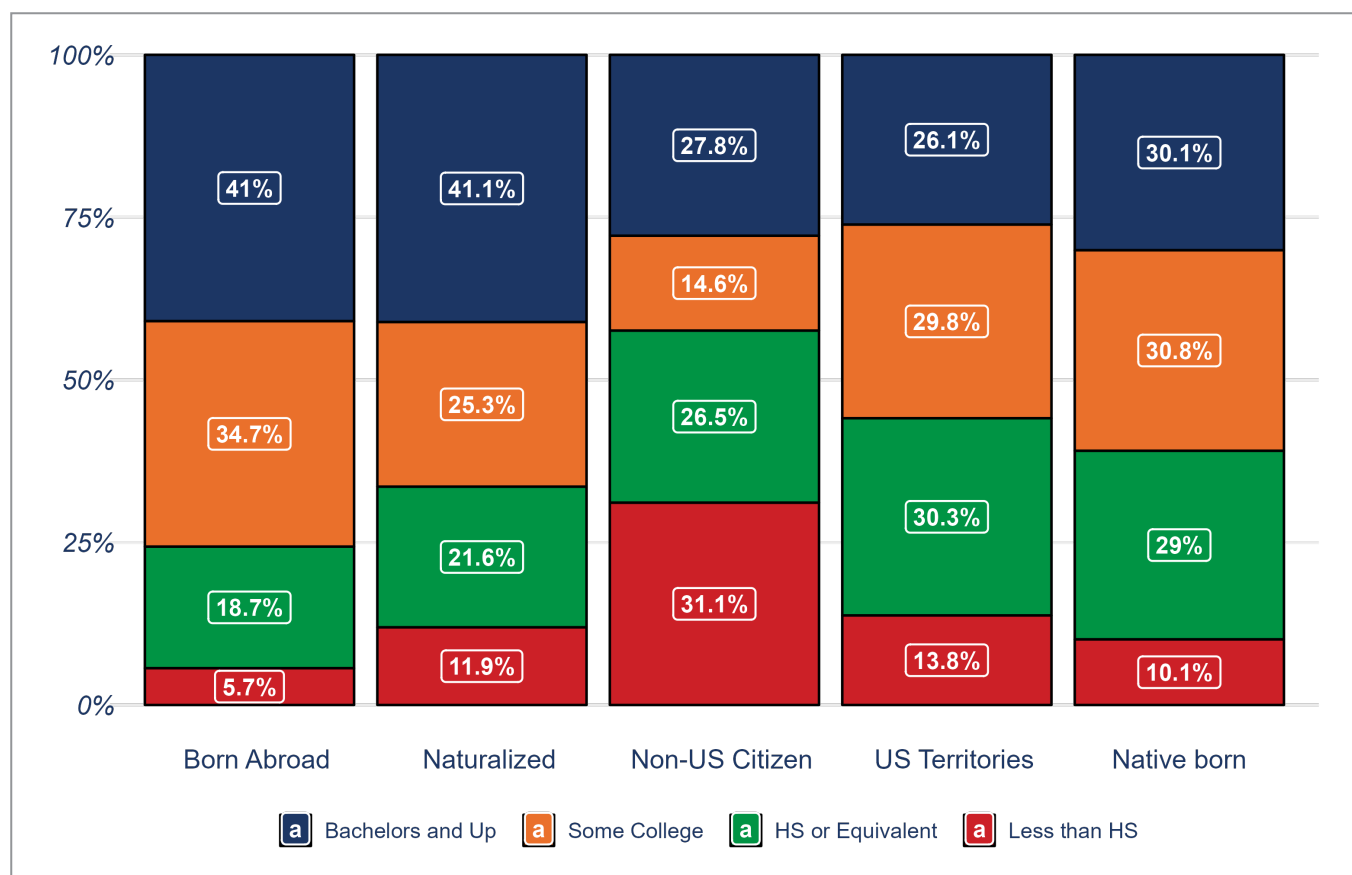
Table 3. Age Breakdown of South Carolina’s Population by Citizenship Status, 2023

Category	Median Age	Under 19	19-65	65+
Native-born US Citizen	39	23.8%	58.9%	17.3%
US Territories	42	13.6%	70.8%	15.6%
Born Abroad	40	20.3%	72.1%	7.7%
Naturalized	50	5.3%	74.5%	20.2%
Non-US Citizen	37	11.6%	82.8%	5.6%
All Foreign-Born	41	10.6%	77.7%	11.8%

despite having a smaller share of people under the age of 19, has a larger share of its population in “working adult” range of 19 to 64, by nearly 20 percentage points. In other words, the foreign-born population of South Carolina has the largest share of its population that falls into the prime working-age population.

Foreign-born individuals in South Carolina exhibit notably higher levels of educational attainment, especially at the bachelor's degree level and beyond, when compared to native-born residents. This is even higher for US citizens born abroad and naturalized US citizens. However, those born in US territories and those that do not identify as US citizens had significantly lower rates of educational attainment than the other three groups, including significantly higher shares of their cohort with less than a high school diploma or equivalent and smaller shares with a bachelor's and above. Nevertheless, these two groups were closer to Native-born US citizens across all four educational attainment categories than US citizens born abroad or those that had been naturalized.

**Image 2. Educational Attainment Share of Adult (25 and up) Population by Citizenship Status, 2023**



In terms of labor participation and employment for legal adults (age 18 and up), the foreign-born population far outpaces that of Native US born citizens. Labor participation for the foreign-born sits at 69.4% versus 60.8% for Native US citizens. For the subcategories of "foreign-born," non-US citizens had a labor participation rate of 70.9%, naturalized citizens stood at 67.5%, and those born in US territories were at 66.9%. Staggeringly, US citizens born abroad clocked in at 72.7% labor participation. In terms of unemployment, the foreign-born, as a whole, are significantly less unemployed than Native-born US citizens (3.3% vs. 4.9%). Those born in the US territories have the lowest unemployment rate of any group at 2.6% (see table below). In other words, "foreign-born" residents are more likely to participate in the labor market and contribute to economic activity and development in South Carolina.

**Table 4.** Labor Participation and Unemployment Rates for Population Ages 18 to 65 by Citizenship Status, 2023

Category	Laborforce Participation Rate	Unemployment Rate
Native-born US Citizen	73.5%	5.2%
US Territories	77.6%	3%
Born Abroad	76.9%	4%
Naturalized	80.6%	3.4%
Non-US Citizen	74.1%	3.3%
All Foreign-Born	76.9%	3.4%

Of the population age 18 and older, foreign-born South Carolinians make up around 7.6% of the total (compared to 92.4% for native-born). Of that, roughly 3.3% are non-US citizens and another 3.0% are naturalized citizens. Foreign-born South Carolinians, then,

are overrepresented in terms of their presence in the labor force. For example, around 208,000 of the nearly 2.4 million people in the state’s labor force were foreign born (around 8.5%) compared with 91,000 of the 1.5 million (5.96%) that are at least 18 years old and not in the labor force. Likewise, the foreign-born only comprise 5.85% of the total unemployed, roughly 6,800 of the 117,000.

This suggests that migrants are more likely to participate actively in the labor market and contribute to the state’s economic productivity. It would, therefore, make sense that the economic value they produce—in terms of the total product they create, which then circulates through the economy in terms of commodities and payments—exceeds that which native-born US citizens produce. Although naturalized and non-US citizens tend to occupy different sectors of the occupational field, both highly skilled as well as more labor-intensive occupations, they produce not only the value of that which they consume, but also the products that businesses where they work that are then later sold to others.

*Incomes, Occupations, English-Speaking Abilities, and Household Statistics*

In spite of the relatively positive data concerning labor participation and unemployment rates, foreign-born residents of South Carolina receive significantly lower personal incomes than native-born residents—\$39,608 to \$42,637.<sup>6</sup> Within that foreign-born category, however, there is significant variation between the subgroups. Again, those US citizens born abroad (\$46,395) and those were naturalized (\$47,375) counted on personal incomes that were significantly higher than native-born US citizens. Those born in the US territories had personal incomes of \$39,966, which is statistically similar to that of native-born residents. Finally, non-US citizens depended on personal incomes that were significantly lower than all other categories at \$33,636.

Differences between these groups can partially be explained by educational attainment levels, which are strongly tied to occupational categories. We will first explore educational attainment levels and their effect on incomes. The four educational attainment categories we use (see above) indicate clear and statistically irrefutable differences between the educational levels. Between the foreign-born population and native-born US citizens, however, differences are not statistically significant. Of note, however, is that the greatest difference observed across these categories occurs between the foreign-born and US natives at the Bachelors and Up level, which may be a function of occupational selection, differential social networks, English-speaking abilities, or some other unforeseen factor.

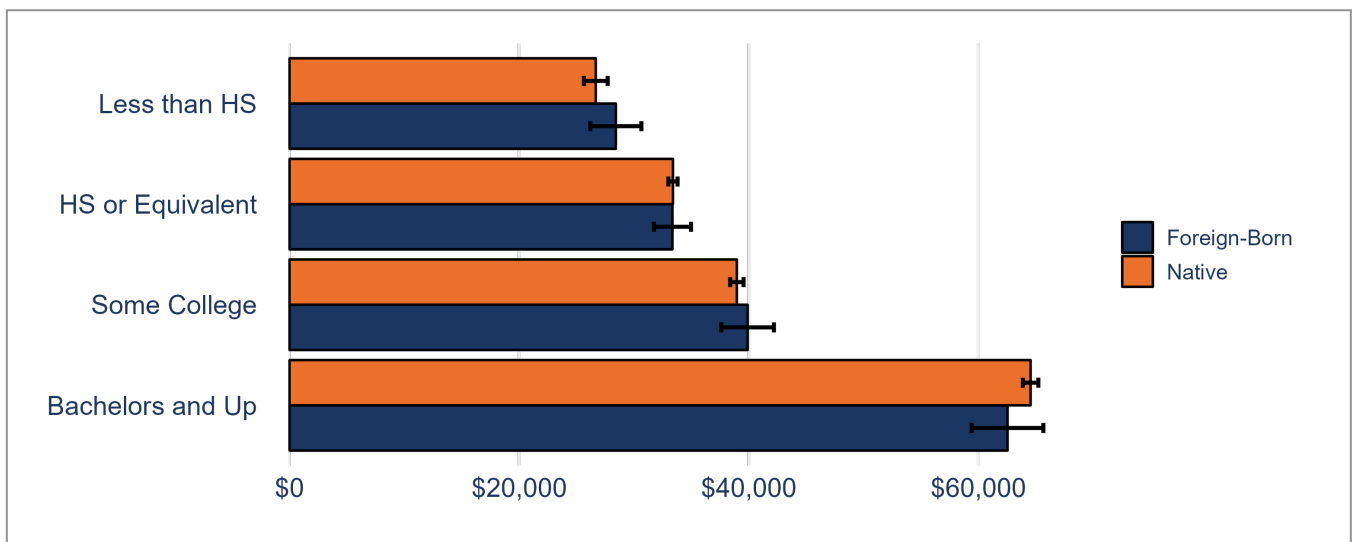
<sup>6</sup> Of interest is that both foreign- and native-born residents participating in the labor force both have a median age of 42.



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**Image 3. Median Earnings by Educational Attainment and Foreign-Born or Native-Born Status, 2023**

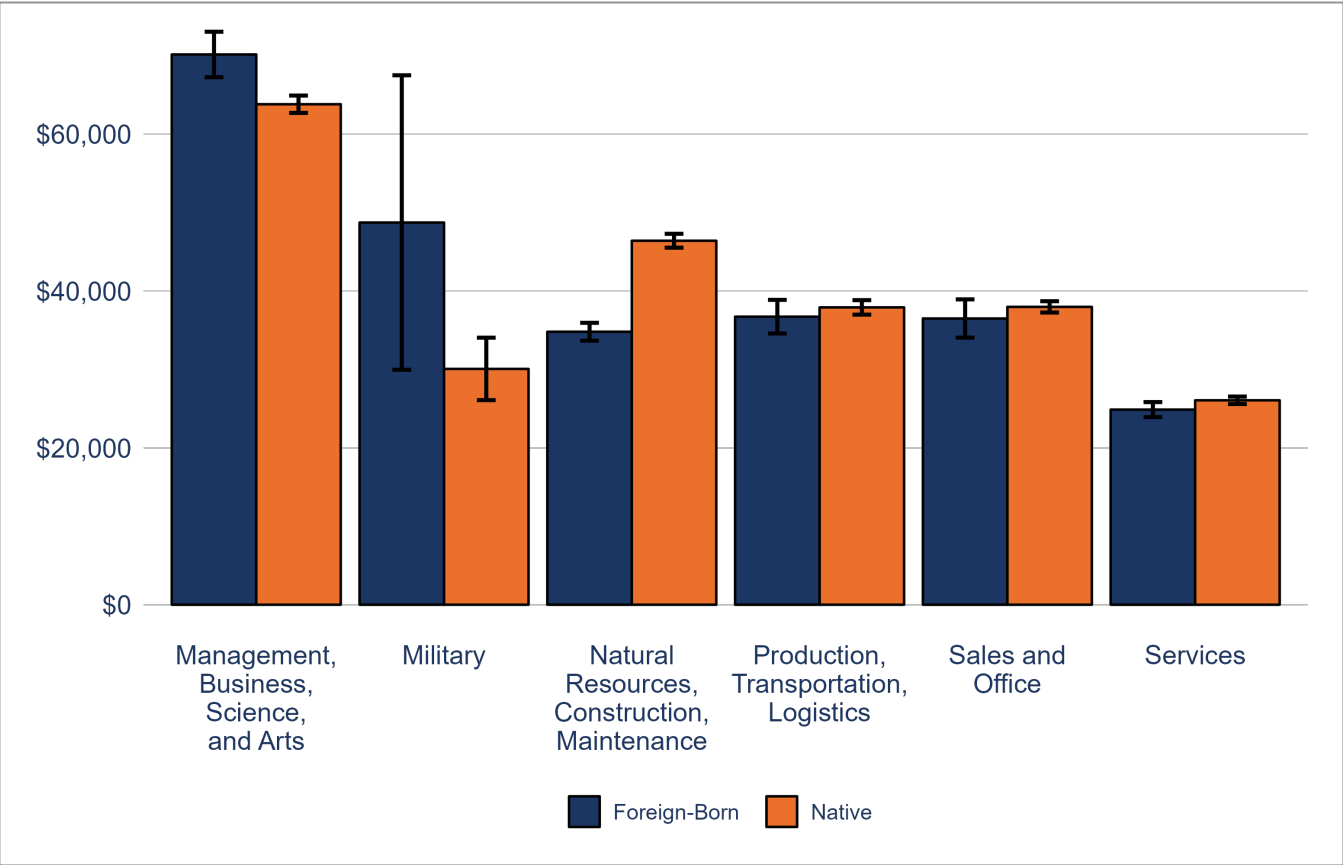


Occupations are categorized into six different groups by the US Census Bureau, and these groups have statistically significant differences in terms of educational attainment distributions and the associated median personal income. With that said, the differences between foreign-born and native-born residents across these categories was only significant in three areas: 1) Management, Business, Science, and Arts; 2) Natural Resources, Construction, and Maintenance; 3) Services. On the one hand, foreign-born individuals had significantly higher incomes than native-born citizens in the Management, Business, Science, and



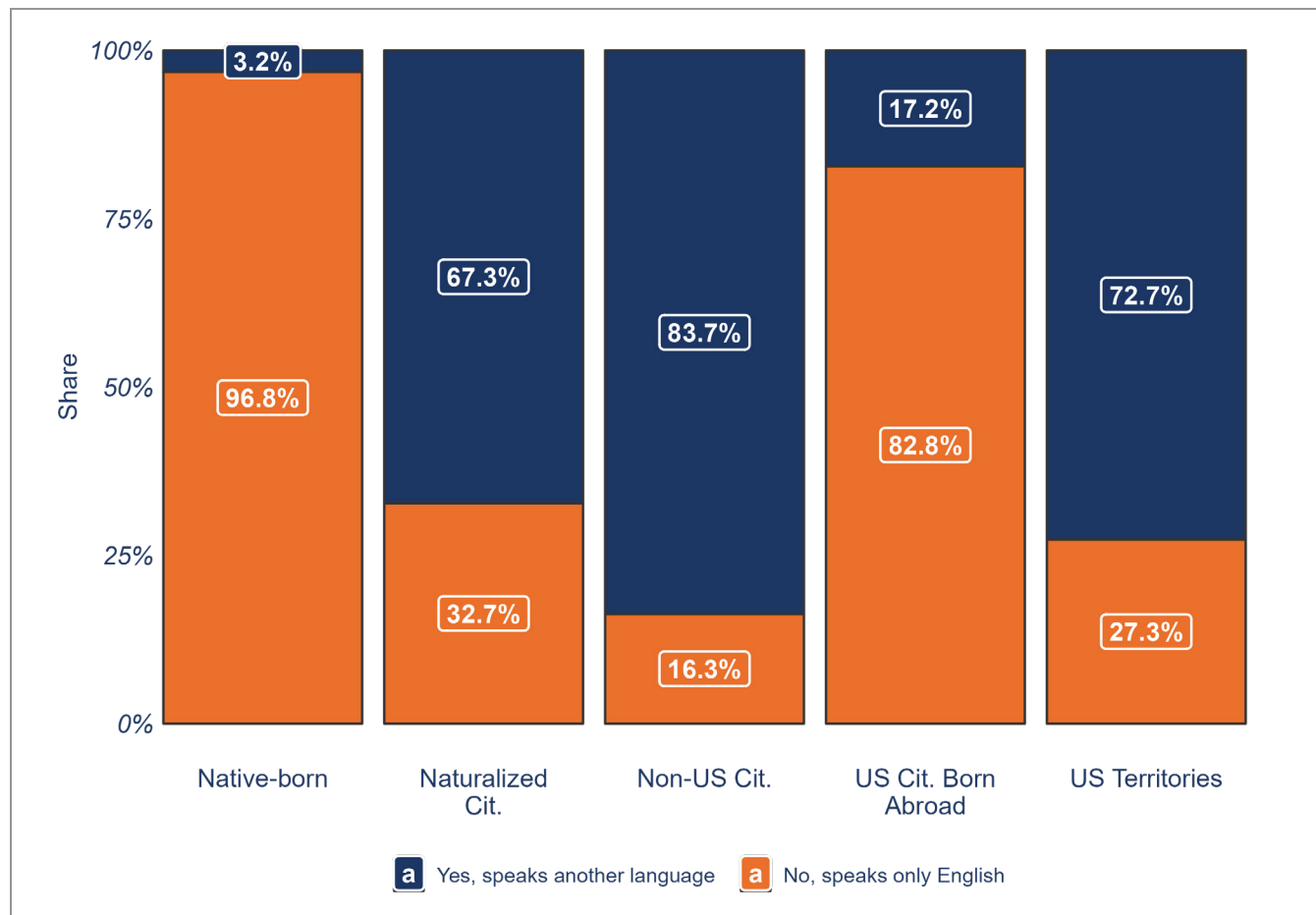
Arts occupational group, a group that counts 62.2% of its members as possessing a bachelor’s degree or higher and another 26.2% with at least Some College completed. Natural Resources, Construction, and Maintenance is the group with the largest share at a high school equivalent or lower, at 61.3%. This is also the group where foreign-born and native-born are the furthest apart in terms of personal income. Lastly, Service occupations also observed a significant difference between foreign-born and native-born residents, but just barely so.

Image 4. Median Earnings by Occupational Category and Foreign-Born or Native-Born Status, 2023



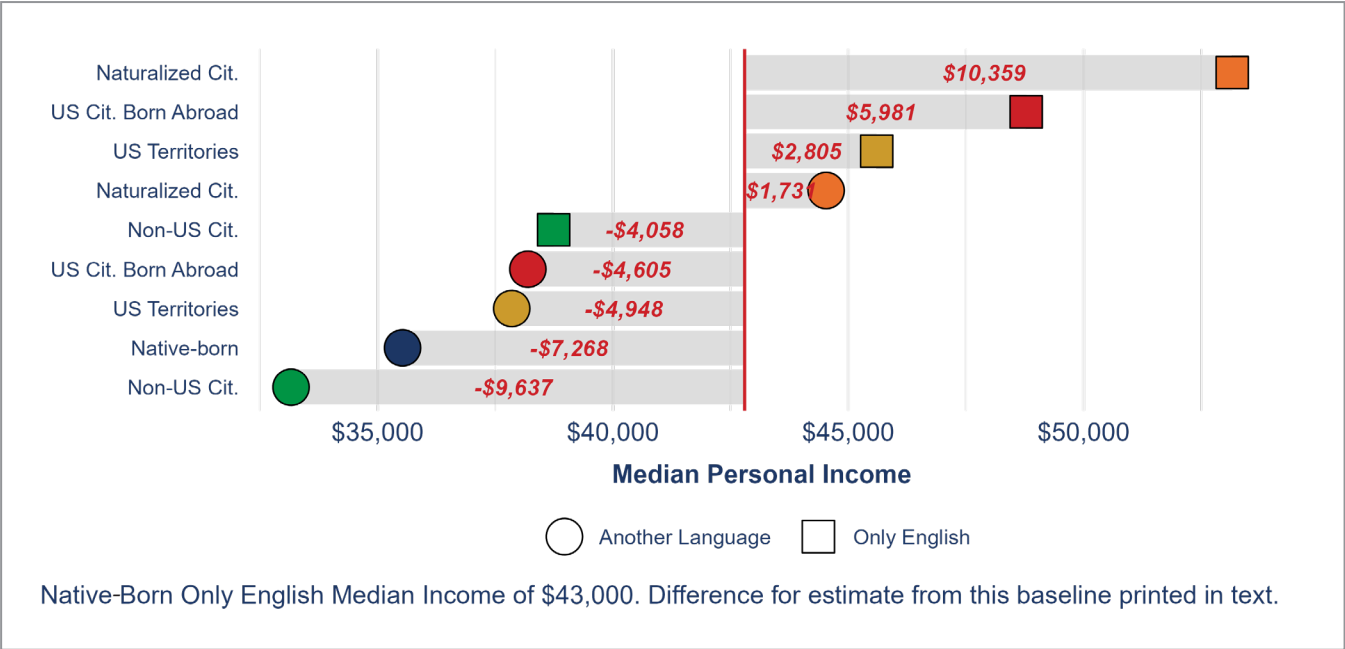
English-language speaking abilities are highly associated with incomes and life opportunities in the United States, more generally, and South Carolina in particular. Around 68% of all “foreign-born” individuals in the state speak a language other than English in their household compared with around 3.2% of native-born US citizens. Non-US citizens are the group with the highest share of people that speak a language other than English in their household, at 83.7%, followed by those from US territories (72.7%), naturalized citizens (67.3%), and, lastly, US citizens born abroad (17.2%).

**Figure 15. Minority Households Income Distribution by Age (Five-Period Moving-Average). Householder's Education Level Breakdown**



In terms of personal economic circumstances, residents that speak a language other than English in their household have significantly lower median personal income than those that only speak English, by and large. For example, only naturalized US citizens that speak another language than English in their household have median personal incomes higher than Native-born US citizens that only speak English. But citizenship, be it either by birth or naturalization, does confer a premium on income, when combined with some of these other factors (such as language and educational attainment). This can be seen in the difference between all non-US citizen incomes (including those that only speak English) and the median personal incomes off all others. Therefore, citizenship status and language are pivotal for determining the success potential of migrants in the state.

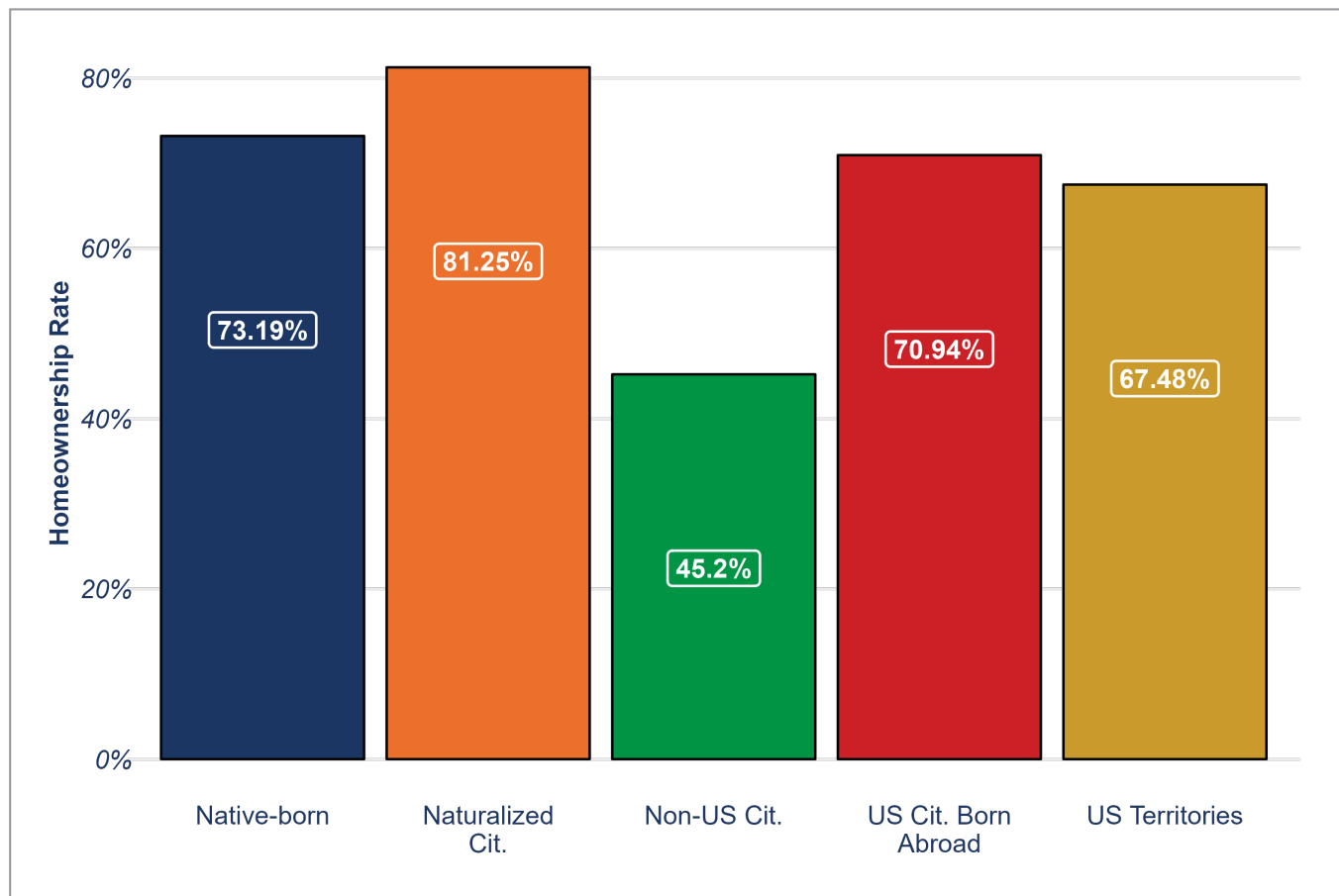
Image 6. Median Personal Income by Language Spoken and Citizenship Status, 2023



In terms of housing, the native-born population has a homeownership rate of 73.19% compared with the foreign-born of 64.97%. However, there are roughly 89,000 homes that are owned by foreign-born South Carolinians. Around 24,000 of these are under the auspices of non-US citizen householders, and another 46,000 under that of naturalized US citizens. Around 8.9% of all renters are foreign-born, and around 5.4% are non-US citizens. Homeownership rates differ drastically for households headed by these different groups. Naturalized citizens have the highest rate, at 81.3%, higher than native-born US citizens, while the other three categories fall behind the native-born. Non-US citizens, as might be expected, have the lowest homeownership rate of the assessed groups at 45.2%.



Image 7. Homeownership Rate by Citizenship Status, 2023



### The Integuments of Economic Life: Aggregate Economic Impacts of Migrants in South Carolina

The standard aggregate metrics economists use to assess economic vitality and calculate growth is that of the Gross Domestic Product (GDP), which is a measure of the monetary value of all finished goods and services made within a country during a specific period, typically a year or a quarter. It is usually comprised of aggregate metrics for private consumption (total income [less savings] and sales of goods and services), government spending, investment, and net exports. In other words, it is a measure of total output and represents a period of real economic activity.

The utility of the metric is that it can capture the impact of a series of political, social, and economic phenomena on the aggregate economy, although some phenomena may take several years to work their way through local markets. For example, the growth of a population, particularly of healthy and able-bodied persons of working age (18 to 65), should increase economic output (i.e., gross domestic product) even if personal incomes stagnate. For any economic geography (local, city, county, state, nation, etc.), output is a function of aggregate labor capacity (ability to labor and productivity of labor) and profits, rents, wages, and investments are the realization of that output through sale/distribution.



Using data from the US Bureau of Economic Analysis, South Carolina's real GDP grew 27.28% from 2013 to 2023, or around 2.5% per year. In 2020, however, the economy contracted 2.25%, but quickly rebounded in 2021 by 5.18%. Since the pandemic (2020-2023), the state's economy grew by 11.86%, or 2.96% per year. Over that period total compensation has hovered around 54% of GDP, but in 2022 and 2023 it broke below 54% to 53.11% and 52.32% respectively. Gross operating surpluses have remained stable in a range of 38 to 40% over the decade. Due to the state's chronic labor shortage<sup>7</sup> (growing population but slightly slowing growing labor force), real personal income has increased well above inflation levels over the past decade. However, the South Carolina home price index has outpaced the US as a whole over the same period—eating into wage increases with higher costs of living (see our reports HERE).<sup>8</sup>

According to the Census Bureau's American Community Survey One-Year data from 2013 through 2023, South Carolina's labor force grew from 2.298 million people to 2.630 million, a gain of 332,000 laborers, a total increase of around 14.4%, or 1.4% per year. Of these new laborers, more than 94,000 were foreign-born (roughly 28.4% of the total). This represents an increase of 35.75% from 2013, or 3.58% per year. Most of the movement in this area, to the tune of around 45,000 individuals, centers on a growth of naturalized citizens. Naturalized citizens in the labor force increased by 51.49% from 2013 to 2023, or 5.15% per year. The other major component of foreign-born laborers concerns the non-US citizen contingent, which grew by 38,500 (29.9%, or 2.99% per year). This growth in the labor force occurred with a nearly 48% decline in the number of people that were unemployed from around 217,000 to 104,000 people.

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Alternatively, the state's population age 16 and up that did not participate in the labor force grew by about 211,500 people, with native-born US citizens comprising around 180,000 (85.2%) of the total. Alternatively, foreign-born non-laborers increased by 31,000 (36.9%) from 2013 to 2023, far outpacing native-born US citizens at 12.9%. This was primarily driven by naturalized citizens (+40.4%), those born in US territories (+118.3%), and US citizens born abroad (+49.9%). Non-US citizens not participating in the labor force grew by 22.9%, or 9,000 from 39,370. Of particular interest, however, is that each of these groups, except non-US citizens, had a median age of at least 60, except for non-US citizens, which was at 40 years of age. For prime working-age individuals (age 25 to 54), the share not participating in the labor force has declined over these ten years for all categories except for non-US citizens, which have hovered around 60%—an indicator that there are other reasons (cultural, legal, etc.) for this unused labor potential in the market.

<sup>7</sup> This shortage can be identified by the growing population, increased demand for services, a less dynamic labor force, and a rapidly aging population.

<sup>8</sup> See our reports: "Cost Burdens Affecting Housing Affordability for Minority Households in South Carolina" (2025; access here: <https://drive.google.com/file/d/12HjpqUa5Fiiu92U66IH97tsIVmDQXfZl/view>) and "Unattainable Dreams: Housing Affordability in South Carolina" (2024; access here: <https://cma.sc.gov/sites/cma/files/files/Research%20Brief%20-%20March%202024%20-%20Final.pdf>).



### *Occupational Shifts from 2017 to 2023*

In terms of occupational category changes, we examined changes in six categories from the 2017, 2019, 2021, and 2023 American Community Survey's One-Year Public Use Microdata sample for different citizenship groups and our "foreign-born" group. Overall, from 2017 to 2023, employment in different occupational categories shifted markedly. For example, there were 236,000 more people employed in 2023 compared to 2017 in Management, Business, Science, and Arts occupations, which tend to pay more and require higher levels of educational attainment. This accounted for 99.3% of all new workers over the period studied and constitutes nearly 30% growth in the underlying employment in those occupations since 2017. Following this occupational grouping in growth are those in Production, Transportation, and Logistics fields, which climbed by around 30,600 workers to about 362,000 total employed, or +12.9% of all growth in occupations. The final occupational grouping that showed growth was the Natural Resources, Construction, and Maintenance occupations, which grew by 20,400 workers (+9.28%) from 220,100 in 2017 to 240,500 in 2023. Sales and Office occupations declined by 22,400 workers from 2017 to 2023 to 541,500, or around -3.97%, while Services workers declines by around 20,900 workers (-4.59%) to 434,600 in 2023. The final occupational category with employed individuals was the military, and that group saw a decline of around 750 people. The unemployed also declined by around 5,400 people from 26,606 in 2017.

In these categories, the foreign-born, and particularly naturalized and non-US citizens played a significant role in driving these changes. For new Management, Business, Science, and Arts occupations, around 22,500 (or 9.54%) of the 236,000 were foreign born, with 11,500 being non-US citizens (4.89%) and 8,474 (3.59%) being naturalized citizens. This marks a growth of 33.28% for naturalized citizens and 53.8% for non-US citizens (vs. +29.2% for US natives and +9.74% for the entire labor force) in this occupational category. For sales and office occupations, nearly 8,000 (+80.0%) new naturalized and 4,300 (+51.8%) new non-US citizens were added, compared with -36,200 (-6.7%) US natives. In other words, all growth in these occupations is attributed to increases in foreign-born workers entering South Carolina's labor markets.

Workers in Natural Resources, Construction, and Maintenance occupations that identified as naturalized citizens grew by 2,300 (+55.7%) with non-US citizens growing by 9,750 (+43.12%) juxtaposed with US natives increasing by 9,300 (+4.9%). Of the new workers in these fields, naturalized citizens comprised 11.3% of the growth and non-US citizens 47.8%. All foreign-born workers contributed 54.3% of growth to this occupational grouping. Similarly, Production, Transportation, and Logistics workers identifying as naturalized citizens

"Workers in Natural Resources, Construction, and Maintenance occupations that identified as naturalized citizens grew by 2,300 (+55.7%) with non-US citizens growing by 9,750 (+43.12%) juxtaposed with US natives increasing by 9,300 (+4.9%)."

jumped by 5,770 (+60.5%) while non-US citizens increased by 2,170 (16.3%) which were overshadowed, but not outpaced, by US natives rising to 21,300 (+6.4%). In this case, naturalized workers contributed 18.8% of all new persons employed in these occupations while non-US citizens contributed 7.1%, and all foreign-born individuals in aggregate contributed 30.5%.

Lastly, and excepting the Military, naturalized citizens in Services industries declined by 1,570 (-11.57%), while non-US citizens in those fields increased by 3,100 (+15.06%), significantly different from US natives that dropped by 22,280 (-5.37%). In other words, non-US citizens contributed all growth in laborers in service-based occupations in the state of South Carolina from 2017 to 2023. It is important to contextualize these changes in terms of those affecting the entire labor force from 2017 to 2023, which grew a total of 9.7% (237,660), and which is contrasted with the growth of the state's total population of 6.95% (349,186). With labor force growth outpacing that of the overall population, the breakdown by citizenship status is fundamental for assessing future movements. Native-born US citizens contributed 179,700 new laborers to the state's rolls from 2017 to 2023, a growth rate of 7.9% and 75.6% of all new laborers, while they added 264,400 new state residents over the same period, for a net change of 5.6% and 75.7% of all new residents. Let us compare these figures with the foreign-born population.

In terms of the labor force, the foreign-born population added 57,900 people, growing nearly 31.4%, while they added 84,770 new residents to the state (+28.5%). Respectively, this accounted for 24.4% of all labor force growth and 24.3% of population growth. Of these, naturalized citizens added 23,000 new laborers (+%) and 29,200 new residents (+27.5%), which were 9.7% of all new workers and 8.4% of all new residents. Non-US citizens added 30,600 new laborers (+34.6%) and 42,900 new residents (31.1%). These figures accounted for 12.9% of all new laborers and 12.3% of all new residents. For both naturalized and non-US citizens, significantly more of the new state residents also participated in the labor force when compared with US natives: 78.8% for naturalized and 71.3% for non-US citizens compared with 67.9% of US natives. In other words, particularly for naturalized and non-US citizens, they are contributing more towards the growth of the state's economy, relatively, when compared with native-born US citizens and other members of the foreign-born category.

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<sup>9</sup> The most notable difference with those employed in Military occupations in the state was the decline to near zero (-100%) of non-US citizens. Naturalized citizens increased by 71 and US citizens by 170. In this category there were also more US citizens from territories and those born abroad (210 new members).

*Macroeconomic Shifts in South Carolina*

If the state's population grew by 6.95% and the labor force by 9.74% from 2017 to 2023, what have the effects been on the total economy of the state? Firstly, real GDP jumped \$37.4 billion from \$224.9 billion to \$262.3 billion, which constitutes growth of 16.6%. Real Per-capita GDP improved by \$4,044 to \$48,813, an increase of 9.03%, roughly similar to the growth of the labor force. Given that economic value must originate in the production of useful goods and services, it makes sense to examine how each component of this GDP is broken down by the number of workers in the economy. In other words, profits, wages, taxes, rents, subsidies, and all other expenditures can be traced back to the value created through the labor process and then distributed through market and state relations.

"Employment by industrial sector was most heavily concentrated in just three sectors in 2023. Around 12.7% in Manufacturing, 10.8% on Retail Trade, 12.6% in Health Care and Social Assistance..."

Real GDP per laborer, which includes all individuals employed in South Carolina, grew by \$5,239 to \$104,222 from 2017 to 2023, which is well below the growth rate of the labor force in general. The US Bureau of Economic Analysis (BEA) also provides statistics for the share of GDP attributed to compensation, surplus (profits), and taxes and subsidies. Each new laborer in South Carolina, from 2017 to 2023, increased the real surplus by \$4,570, to \$42,500 per worker. This constitutes an increase of 12%, and the entire share of GDP classified as a surplus jumped 6.4% from 38.3% to 40.8%. Taxes and subsidies per laborer have also increased 5.6% (\$382) to \$7,183 while the share of real GDP for this classification has remained flat at around 6.9%. Lastly, compensation (wages and benefits) grew by 11.4% of real GDP from 2017, while real compensation per laborer grew 0.55% (\$296) to \$54,529.

Changes to GDP and surplus levels are published by industrial sector in the North American Industry Classification System (NAICS) codes in the BEA data. According to that data, real GDP by industrial sector changed dramatically for several sectors: Management of companies and enterprises (+66.1%); Professional and Business services (+53.9%); Mining, quarrying, and oil and gas extraction (+52.6%); Real estate and rental and leasing (+40.0%); Information (+35.25%); Arts, entertainment, and recreation (+27.5%); Health care and social assistance (+24.1%), while Retail Trade (+19.4%), Finance and Insurance (+13.6%), and Transportation and Warehousing (+11.2%) comprised the other industrial areas that saw greater than 10% real GDP growth from 2017. Interestingly, only Agriculture, Forestry, and Hunting industries saw a negative change to real GDP, dropping by 5.4% from 2017 to 2023.

Employment by industrial sector was most heavily concentrated in just three sectors in 2023. Around 12.7% in Manufacturing, 10.8% on Retail Trade, 12.6% in Health Care and Social Assistance, which were the only sectors that crested 10% and comprised 36% of all employees in 2023. Another six industrial sectors comprised another 40.7% of employees, which were Construction (7.1%); Professional, Scientific, and Technical Services (6.8%); Educational Services (8.7%); Accommodation and Food Services (7.3%); Other Services (5.1%); and



Public Administration (5.8%). Eleven other industrial sectors (see Appendix) accounted for the remaining 23.3% of employees. Changes were marginal for companies with more than one percent of total employees, but Professional, Scientific, and Technical Services saw their overall share of employment increase by 35.2%, followed by Finance and Insurance (+23.2%). In total 13 NAICS areas saw positive employment share growth while seven saw negative growth, with Wholesale trade (-20.7%), Accommodation and Food Service (-17.8%), Information (-15.4%), and Administrative and Support and Waste Services (-12.0%) were the biggest movers.

For foreign-born employees in 2023, three industries accounted for 40.8% of all employees: Manufacturing (15.5%), Construction (14.6%), Retail Trade (10.7%), all of which accounted for more than a 10% share of the total. Another five industrial sectors accounted for 34.2% of all foreign-born employees: Health Care and Social Assistance (8.6%); Accommodation and Food Services (6.59%); Administrative and Support and Waste Services (6.54%); Professional, Scientific, and Technical Services (6.2%); and Educational Services (6.2%). Many industrial fields saw their share of foreign-born employees decrease from 2017. However, Construction (+11.27%), Manufacturing (+9.1%), and Retail Trade (+34.8%) saw considerably large jumps in their share of the total foreign-born population.

Considering our premise that the total value, as represented by GDP, can be traced back to the labor force engaging in productive activity in the economy, the breakdown of the state's GDP by NAICS code and number of workers per code is key to decomposing the socio-economic impact of the state's foreign-born population. By using the total number of workers and the total number of foreign workers per industry code, we are able to calculate per-worker real GDP impacts that enable researchers to understand the economic changes engendered by the presence of foreign-born workers in the state.

For example, in 2017, the 184,200 foreign-born workers made a total economic contribution (real GDP) of around \$16.07 billion, while the 242,200 foreign-born workers in 2023 generated around \$22.19 billion. This constitutes a \$6.13 billion increase, or a jump of 38.12%, outperforming the increase of 31.44% in foreign-born employees and against the 14.95% increase of the GDP engendered by native US-born citizens. In other words, foreign-born workers, all things considered, added 2.55 times more value to the state's economy from 2017 to 2023 than native US citizens. Almost 44% of all state GDP channeled through foreign-born workers in 2023 was created in Construction (10.03%), Manufacturing (17.47%), and Real Estate and Rental Leasing (16.41%) industries.

While this disparity between the foreign-born and native US citizens is particularly shocking, when we examine the surplus, the differences are even more striking. Foreign-born workers in South Carolina contributed \$9.44 billion in surplus to the state's economy, up 61.76% from 2017 and more than 2.89 times more than the 21.35% the native US citizens added. Almost 33.8% of the total surplus created by foreign-born workers in 2023 was concentrated in Real Estate and Rental and Leasing businesses, while another 16.63% was in Manufacturing, and 10.57% in Construction. Nevertheless, more broadly, the value added to South Carolina's economy, by foreign-born individuals, in spite of certain industrial concentration, is vital to the state's continued growth.



## Conclusion

Our research demonstrates that foreign-born residents in the state of South Carolina are pivotal to the state's current economic health and its long-term growth. By illustrating that nearly 8.46% of the state's total GDP and 8.82% of the total surplus is directly tied to the presence of foreign-born workers in the state's economy, that foreign-born employment growth is one of the main drivers for all economic growth, and that future population growth (i.e., future labor force growth) is largely predicated on more and more foreign-born individuals coming to South Carolina and participating in its growth. Our findings imply that if state policies were to discourage foreign-born individuals from settling in South Carolina, the state's economic trajectory could face significant disruption.

Considering this state of affairs, this report cannot accurately project how the current and future national- and state-level policy frameworks might impact these figures. One might anticipate that a national framework that seeks to repress undocumented workers (which we cannot effectively estimate with the data we employ) might contribute to labor shortages in areas critical to growth in the state, such as services, accommodation and tourism, and construction. As the state is already experiencing a dramatic labor shortage, policies that could potentially exacerbate this shift at both the short- and long-terms.

Another question remains as to the durability of public funding opportunities for higher education and research, which has driven some of the state's attractiveness in terms of industrial and individual relocation. Considering the outsized role foreign-born individuals play in these fields, if a noticeable shift in opportunities befalls the state, we might see an erosion in growth prospects over a longer time horizon.

With more solid data, including data that captures how current policy decisions will affect these areas, it would be possible to predict, with a modicum of certainty, how these changes might affect the state's economy going forward. We certainly intend to explore this data as it becomes available over the next year or two.

As it stands, if the trends that governed from 2017 to 2023 were to persist to 2030, we would expect the state's economy to grow by \$33.3 billion with foreign-born workers contributing \$10.2 billion, or about 30.6% of the total. If the rate of growth to foreign-born workers in South Carolina were to be cut in half (from 5.24% to 2.62%), the state's economy would grow by around \$5.5 billion (around 16.5%) less through 2030. According to the South Carolina Revenue and Fiscal Affairs Office's (Population Estimates & Projections | South Carolina Revenue and Fiscal Affairs Office) population projections,



this would amount to around \$935 less per capita, conservatively. Considering that the long-term growth of the native US-born population in South Carolina depends, now, on a growing foreign-born population in the state, the long-term projection remains more nebulous. We cannot effectively estimate reproduction rates for different citizenship categories because the vital records data does not include pertinent information on the citizenship status of the parents. However, we will continue to work on refining and tracking our estimates going forward, as they are pivotal for decisionmakers and businesses in planning future policy.

### About the South Carolina Commission For Minority Affairs

The South Carolina Commission for Minority Affairs is the official South Carolina state agency bridging the gap between ethnic minority communities. Through research, improved connections, sociocultural awareness, and increased opportunities, the Commission works to help all ethnic minorities achieve economic prosperity.

The Commission's Research and Planning Division exists to provide critical data and information for decision-making purposes. The Research Division seeks to assist the general public, public officials, the private sector, non-profit, and faith-based organizations with statistical data and analysis.

For more information about the SC Commission for Minority Affairs, visit our website <https://cma.sc.gov>.



# Appendix

Appendix I. Population, Labor Force, and Real GDP by Year

Concept	2013	2017	2023	Change	% Change
Total Population	4,774,839	5,024,369	5,373,555	598,716	12.54%
All Foreign-Born	283,152	296,630	381,404	98,252	34.70%
Naturalized Citizen	89,661	106,194	135,398	45,737	7.64%
Non-Citizen	141,617	138,100	181,040	39,423	6.58%
Per-Capita Income	\$23,687	\$27,909	\$38,097	\$14,410	60.84%
Aggregate Income	\$113,105,044,800	\$140,224,434,100	\$204,715,167,600	\$91,613,122,800	14.43%
Labor Force	2,297,871	2,412,222	2,629,504	331,633	28.43%
Foreign-Born	263,704	273,090	357,990	94,286	35.75%
Naturalized	87,296	99,651	132,245	44,949	13.55%
Non Citizen	128,902	125,471	167,416	38,514	11.61%
Unemployed	217,153	139,747	112,785	-104,368	-48.06%
Real GDP	\$200,147,300,000	\$224,937,600,000	\$262,298,500,000	\$62,151,200,000	31.05%
Per-Capita Real GDP	\$41,917	\$44,769	\$48,813	\$6,896	16.45%
Real GDP per laborer	\$96,191	\$98,984	\$104,222	\$8,031	8.35%



## Appendix II. Employment and GDP Figures by NAICS Code and Year

NAICS Category	Total		Foreign-Born		Foreign-Born Share		Real GDP Per Worker	
	2017	2023 Difference	2017	2023 Difference	2017	2023 Difference	2017	2023 Difference % Change
Agriculture, Forestry, Fishing and Hunting	20,254	23,347	3,093	4,845	423	21.83%	\$59,802	\$49,076 -\$10,726 -17.94%
Mining	1,674	2,331	657	0	36	0.00%	\$267,878	\$293,623 \$25,745 9.61%
Utilities	25,026	31,176	6,150	977	2,233	3.90%	\$233,326	\$187,651 -\$45,675 -19.58%
Construction	163,204	188,844	25,640	24,243	35,456	14.85%	\$72,383	\$62,801 -\$9,582 -13.24%
Manufacturing	315,992	336,882	20,890	26,180	37,531	8.29%	\$104,919	\$103,305 -\$1,613 -1.54%
Wholesale Trade	58,598	51,180	-7,418	3,303	3,891	5.64%	\$221,714	\$279,159 \$57,445 25.91%
Retail Trade	280,771	285,918	5,147	14,591	25,846	5.20%	\$55,849	\$65,473 \$9,624 17.23%
Transportation and Warehousing	95,340	113,423	18,083	5,560	8,802	5.83%	\$58,860	\$55,006 -\$3,854 -6.55%
Information	39,134	36,427	-2,707	2,237	1,163	5.72%	\$168,137	\$244,314 \$76,176 45.31%
Finance and Insurance	84,973	115,227	30,254	5,100	9,841	6.00%	\$123,127	\$103,115 -\$20,013 -16.25%
Real Estate Rental and Leasing	40,903	51,545	10,642	1,943	4,476	4.75%	\$732,134	\$813,535 \$81,401 11.12%
Professional, Scientific, and Technical Services	121,288	180,503	59,215	8,787	15,099	7.24%	\$101,762	\$105,203 \$3,441 3.38%
Management of Companies and Enterprises	1,559	1,797	238	238	0	15.27%	\$1,476,258	\$2,127,722 \$651,463 44.13%
Administrative and Support and Waste Services	127,317	123,283	-4,034	14,512	15,831	11.40%	\$72,298	\$81,521 \$9,222 12.76%
Educational Services	200,416	229,781	29,365	12,756	14,987	6.36%	\$8,776	\$8,200 -\$576 -6.57%
Health Care and Social Assistance	307,128	333,994	26,866	18,559	20,904	6.04%	\$47,990	\$54,768 \$6,778 14.12%
Arts, Entertainment, and Recreation	42,401	48,808	6,407	2,341	3,505	5.52%	\$34,605	\$38,319 \$3,714 10.73%
Accommodation and Food Services	213,288	193,136	-20,152	16,620	15,970	7.79%	\$44,615	\$53,049 \$8,434 18.90%
Other Services (except Public Admin)	120,956	135,212	14,256	10,962	10,703	9.06%	\$44,566	\$41,198 -\$3,368 -7.56%
Public Administration	133,350	152,930	19,580	8,374	6,936	6.28%	\$258,553	\$238,044 -\$20,509 -7.93%
Military	19,067	19,995	928	1,107	2,024	5.81%	\$0	\$0 \$0
Unemployed	26,606	21,174	-5,432	1,456	2,122	5.47%	\$0	\$0 \$0
Total Employed	2,412,639	2,655,739	243,100	184,268	242,201	7.64%	\$93,233	\$98,767 \$5,534 5.94%









**South Carolina  
Commission for Minority Affairs**