

Are Illinoisans leaving by the droves?

By Jim Nowlan

More than a couple of my acquaintances have told me in recent months they plan to leave our state as soon as they can. And now a *Chicago Tribune* story reports that 3,000 “millionaires” (net worth not including primary residence) left that city last year on a net basis, more than in any city in the nation.

What’s going on? As your faithful inquiring columnist, I looked into matters.

In the latter half of the 19th Century, Chicago and Illinois were for a while the fastest growing jurisdictions in the world.

Great swaths of fecund farmland beckoned settlers and Chicago entrepreneurs like Swift and Armour employed thousands in butchering livestock and marketing our products to the world. [For a marvelous history of the countryside-city synergy, see William Cronon’s masterful work about “Nature’s Metropolis.”]

Yet since the 1920s, Illinois has suffered domestic net out-migration almost every year of folks (more U.S. residents moving out than in, net), with the rate ratcheting up in the 1970-80s to almost 1 percent net outflow per year, and once again to that rate since 2010.

This is according to talented researchers Mike Klemens and Natalie Davila, who recently sliced and diced our national demographic trends, especially as they apply to the Prairie State.

Using IRS data, Klemens and Davila find that in 2012-13 there was a net loss of 10,500 IRS tax exemptions to Texas followed by 7,700 to Florida and 8,500 combined to California and Arizona.

In addition, our state lost almost 20,000 exemptions on a net basis that year to our neighboring states, which makes it clear that not everyone is moving for the warm weather.

Within those gross numbers, Klemens and Davila find that from 2007 to 2014 there has rather consistently been less movement out of state by those who have high school diplomas or less, and more by those with graduate and professional degrees, which is worrisome.

Another concern of mine is—here comes your broken-down professor again—the net outflow of our young people to go to college out of state. According to the National Center for Education Statistics, about 30 percent of Illinois high school graduates who go on to college do so in a state other than Illinois.

This results in a net loss each year of about 11,000 high school graduates, many of whom never come back.

[Indeed, Illinois and Louisiana are the only states in the nation that enroll fewer students in our public universities in 2013 than they did in 2003.]

Based on my earlier reading of work done by demographer Cheng Chiang in the 1980s, I extrapolate that Illinois has lost, on a net basis, a total of more than two million whites since the 1970s, largely to a sunbelt that stretches from Florida to California.

Offsetting this outflow within the U.S. has been an inflow of people to Illinois from other nations. Chicago has throughout its history been an entrepot for newcomers. In recent decades those immigrants have come largely from Latin America and Asia.

Since 1990, Illinois has seen an average annual influx of about 40,000 international newcomers. This partially offsets the out migration of about 60,000 from Illinois each year, though the annual losses have been sharper since 2012, in the 80,000-100,000 range.

As a result, Illinois has been exporting residents, primarily those who can afford to move, to other states, and importing people from other countries. I would speculate that the newcomers, heavily from Latin America, are overall less well-educated than those who have departed.

Why the net outflow over the decades, and why an apparent deepening of the annual losses in 2014-2015?

Warm weather seems an obvious candidate. Prior to the 1950s, the often blistering Sunbelt was inhospitable because of a lack of air conditioning; no longer.

Libertarians cite Illinois taxes, especially the property tax burden, which is one of the highest in the country, and the fact that Texas and Florida have no state income taxes. [Klemens and Davila say, however, they see little increased movement out prompted by the 2011 tax increase.]

And columns like this one maybe contribute to a self-fulfilling prophecy—the more we talk about it, the more people might ponder leaving.

In addition, I speculate that the accretion of bad press stemming from recent public corruption scandals, increasing violence in parts of Chicago, and general governmental dysfunction in Illinois contribute to a maybe vague desire to get away from it all.

There may come a time in not too many decades when rising ocean levels will inundate Manhattan and Miami, while increased heat will make the Sunbelt unbearable and the Midwest comfy more of the year.

For now, it looks as if the significant net departures are continuing, which increases the burden of government to those remaining.