Retirement In-Migration Study
Attractive Features, Economic & Social Impacts

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RETIREMENT IN-MIGRATION:
Selected Annotated Bibliography

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Selected Annotated Bibliography

Retirement In-migration as an Economic Development Option


Attracting retirees to nonmetropolitan counties has become a new and beneficial option for developing communities. Although many rural communities have experienced declines, retirement migration may well be the key to expansion. Most of the rural communities that have declined can attribute this to the decline of local resource-based industries. Retirement migration could be an option for offsetting these losses.

Many see retirement migration as a workable strategy for several reasons. One is that older retired persons are expanding in number and their financial status has improved substantially. The retirement-age population has risen steadily as a portion of the total population, from 9 to 12 percent between 1970 and 1986. The income retirees receive from investment and transfer payments has shown a steady increase due to improvements in social security, private pensions, and government programs. Elderly people also have more discretionary income available on a per capita basis than other age groups. Finally, retiree income tends to be stable and dampens recessions, providing stability to the communities' economies. Research has demonstrated that between 1966 and 1983, industry earnings experienced substantial fluctuations in response to economic recessions and recoveries. Retirement-related transfer payments, however, displayed a pattern of stable, noncyclical growth which served to dampen the cyclical swing of total personal income.

In this study, Cook analyzed data from the 57 nonmetropolitan counties in Oregon and Washington, to determine what county-level variables affect retirement in-migration. By contrasting retirement and total population migration during different economic cycles, the differences are apparent. The net migration of the area as a whole dropped from 12.9 per 1,000 annually during the 1970s to 0.4 per 1,000 between 1980 and 1985. In the non-metropolitan counties which are more resource-based, net migration changed from 15.2 per 1,000 annually during the 1970s to -.36 per 1,000 in the 1980s. Compared to an age group of 65 and over, the contrast is striking. The net in-migration rate for this group increased somewhat between the two periods, from 8.3 per 1,000 during the 1970 to 1980 period of prosperity to 8.9 per 1,000 during the 1980 to 1985 period of economic recession. These differences in patterns of migration between the general population and persons 65 and older are directly due to the fact that elderly are not strongly tied to employment opportunities.

Because of the diverse economic bases of nonmetropolitan counties nationally, migration trends vary from county to county. Therefore, retirement migration also varies by the economic base of a county. Agriculturally-based counties experienced the lowest average rate of net retirement in-migration during both periods (1970-80 and 1980-85). Counties with a mix of agriculture and forestry experienced an average net retirement in-migration rate between 1970 and 1980, but these counties
also showed the greatest increase in retirement in-migration during the 1980-85 period. Forestry counties alone had a higher average rate of retirement in-migration than either of the other types of resource-based counties, although it declined slightly between periods. Finally, nonresource-based counties had the highest average rate of retirement in-migration. In the 1980-85 period, the annual rate of retirement in-migration was nearly twice the rate for mixed counties and three times the rate for agricultural counties.

Cook also compared the variables themselves that might create these net migration trends. The research on retirement migration is often based in terms of whether or not the elderly move in response to quality-of-life factors or whether or not cost-of-living factors are more important. Multiple regression analysis techniques were used, and variables were grouped into three broad categories: amenities, services, and cost of living. Grouping these variables allowed the determination of which was not effective at explaining variations in retirement migration between 1980 and 1985.

It is widely held that retirement migration tends to be amenity related. Elderly are freer to choose retirement destinations based on leisure and recreational activities. Two sets of variables that measure amenities were used in the analysis, expenditures on parks, recreation, and natural resources; and receipts from hotels, motels, and other lodging places; both hypothesized to be positively related to retirement migration.

Another thing that attracts retirees is the availability of certain types of services. Because the elderly are more likely to suffer from health-related problems, they are more likely to use both health and other social services than are other age groups. The number of persons employed in what Singlemann (1978) has defined as personal services is hypothesized to be positively related to retirement migration.

Research on state-level migration flows has found that cost of living is negatively associated with retirement migration. Two indicators of cost-of-living used for this analysis, and hypothesized to be negatively related to net migration, are the value of owner-occupied housing and property taxes. Since the majority of elderly are home owners, a positive relationship between vacancy rates and net migration is hypothesized.

Cook shows the results of the multiple regression analysis of the impact these variables had upon in-migration of retirees.

In conclusion, the contributions that persons 65 years of age and over can make can be very important to an area. The major indication of the great potential of retirees is the comparison of data related to economic cycles. This study indicates that nonmetropolitan, county-level patterns of net migration for the retired population are relatively similar to those for the general population when the economy of an area is strong but diverge sharply during a period of economic recession. Thus the most relevant conclusion is that retired in-migrants can help cushion the impacts of a recession in a rural area.


Economic conditions are generally improving in nonmetropolitan retirement counties. This general improvement is the result of the growth of business, services, and retail activity, that is, in relatively affluent, elderly residents.

One factor in the improvement of economic conditions in nonmetropolitan retirement counties is the magnitude and importance of retirement-related transfer payments. By attracting retiree in-migrants, communities can capture a share of the retirement-related transfer payments. Furthermore, since retirement-related transfer payments are adjusted for inflation, they are protected from the cyclical trends of the national economy. Transfer payments have increased dramatically as a share of total personal income in the United States. Between 1962 and 1984, transfer payments increased from 7.7 to 13.8 percent of the total.

A second reason for the improving economic conditions in nonmetropolitan retirement counties is a direct result of increased local expenditures. Since retirees spend many of their dollars locally, a growing retirement-age population is thought to simulate growth in employment among working-age adults. Thus, income received by an expanding number of retirees has been viewed as a new and basic industry for rural areas.

Thirdly, retirement in-migration has led to economies of scale that made possible the provision of additional services geared to growing elderly populations.

Attracting retirees has become a strategy for local economic development. By attracting retirees and incorporating their incomes into the local economic base, communities are implicitly exercising this strategy. These new residents bring additional sources of income into communities. Also retirees typically do not demand jobs but create, instead, new income and employment opportunities for younger workers.

In addition to improving economic conditions, attracting retirees also entails the need for added public services and the revenue to support them. As the age composition of communities changes so does the needs for different public services, such as health care for retirees.

Nonmetropolitan local governments have been under pressure to respond to increased demands for health-related and other services and to finance the provisions of these services.

In conclusion, this article demonstrated that retirement in-migration has been economically beneficial to nonmetropolitan communities, but it is only based on short-term analysis. This leaves the question and concern for the long-term costs and benefits that could be incurred with nonmetropolitan retirement in-migration.
Economic Impacts of Retirement In-migration


Elderly migration flows have increased dramatically over recent years. However, these flows are concentrated among a relatively small number of origin and destination states. States with large in-migration flows of older persons may have potential sources of state economic growth (e.g., capital, land, labor, and technical change), therefore migration is not the growth agent. Of course, economic variables are not the only impetus for migration. Such factors as distance, climate, education, race, sex, and many other variables on migration have also been factors.

Older migrants who move tend to be relatively more affluent and healthier compared to those who do not; therefore, they may not have created large service demands in their new locations. However, as the population ages in place, it can be expected that the demands for public programs and services such as increased Medicaid, SSI, long-term care facilities, and specialized transportation facilities will increase.

Data from the Consumer Expenditure Survey (CES) indicates that age is an important determinant of household expenditures. For example, the average income of older households in 1980-81 was $10,320, far below the average income of $20,002 for younger households, however the average income of older migrant households was $18,315. Thus, it is clear that older migrants tend to be much more affluent than the older population in general. Through these expenditures statewide net gains and losses are observed. Specifically, the net gain to Florida (and the net loss to New York) from the migration exchange was more than $1 billion. Florida experienced substantial increases in the demand for food, housing, transportation, and entertainment over 1975-1980 due to net elderly in-migration.

The economic transfers resulting from the migration of elderly, thus, appear to have been substantial. However, the methodology used to arrive at these estimates did not take into account the effects of elderly migration on many types of federal, state, and local government expenditures. Nor did it take account of the indirect regional effects of changes in the geographical distribution of elderly private consumption demands.


Nonmetropolitan counties number approximately 2,400. Some 481 of them are classified as retirement counties, about 20 percent of all nonmetropolitan counties. Though they number less than a fourth of counties, they had over half of all nonmetropolitan population growth between 1980 and 1986 (annualized rate of 1.75 percent). Population growth, of course, also tends to broaden the local tax base.
Retirement counties are somewhat insulated from recession because a large sector of their population is shielded from unemployment, wage cuts, and other adverse conditions of the labor market. Retirees’ Social Security, Medicare, other transfers, and private pensions stimulate demand for local goods and services by bringing money from outside the community.

Historically, retirement counties have experienced lower per capita income than nonmetropolitan counties in general. This is due, in part, to the fact that retirement counties provide a larger proportion of service sector jobs which tend to be low-wage jobs.

Revenue effort (taxes, user fees, and other locally raised general revenues as a percentage of local income) increased over time in retirement counties but not as much as in nonmetropolitan counties in general. In addition, per capita expenditures for several functions of local government were lower in retirement counties than in nonmetropolitan counties generally, and the differences were not solely the consequences of regional differences.

As retired in-migrants age in place in destination nonmetropolitan counties, they become more likely to relinquish independent living and draw on public resources and service. At present, it appears that retirement migration has not been a local fiscal burden, however, there may be a point at which retirees become a drain on local public resources.


Because industry has not been so willing to come to nonmetropolitan America, some communities are taking a second look at retirement as a strategy for economic development. Financially, older Americans’ status has been improving dramatically. Substantial economic gains were made by those aged 65 and over whose 1987 incomes had climbed a healthy 16 percent above 1979 averages after adjusting for inflation.

A research group in the Economic Research Service, US Department of Agriculture, identified 515 out of the nearly 2,500 nonmetropolitan counties in the United States that have had high immigration rates of elderly persons as “destination-retirement” (DESSERT) counties. DESSERT counties outperformed other nonmetropolitan counties from 1983-1986 in both service-producing and goods-producing employment. Unlike most nonmetropolitan counties, DESSERT counties grew in population with the top third growing by 20 percent. DESSERT counties clearly have a positive economic climate, but their potential has largely gone unrecognized.

Using banking data to analyze the financial impact of retirement in Arkansas, researchers discovered that total deposits in commercial banks were smallest in the DESSERT counties in 1960, but by 1987 this county group had the largest deposits. Also, DESSERT counties were relatively resistant to the insolvency threat so prominent in the 1980s.

A substantial portion of industrial wages leave the local county. Thus from a small area perspective, leakages from the local economy are far greater for the plant workers than for retirees. If one assumes a constant income multiplier for the workers earning $18,000 a year at a new local plant and 100 immigrant retiree households whose annual incomes are conservatively assumed to be equal to those of the manufacturing workers, this study finds that 3.7 new manufacturing jobs are necessary to equal the economic impact of one new retiree household. The end result is that immigrant retirees offer small communities more direct economic benefits than do manufacturing plants. The substitution rate may be between two and six.

There are other considerations as well. Specialized manufacturing plants may put smaller towns at a disadvantage in competing for new industry. But smaller towns can be competitive with large ones in attracting in-migrant retirees, particularly when ample health care resources are available. Another consideration is the fact that communities intent on attracting manufacturing plants need quality medical facilities.

In deciding whether to attract manufacturers or retirees, employment changes, ecological effects, and the degree of burden on the local government must also be considered. Both a new manufacturing plant and incoming retirees create construction jobs. But while the plant generates an abrupt increase in the number of jobs, the increase is only for the duration of the project. Building new homes for retirees or remodeling existing ones is likely to create fewer jobs, but since immigration is a continuous process, the jobs will last longer. Manufacturing plants may bring costs and liabilities associated with pollution to the local government. Retirees may be less polluting and more economically stable. Also retirees are less likely to burden local and state resources, unless they have a prolonged illness. In fact, DESSERT counties spend less per capita on local government services (education, highways, welfare), and for health and hospitals than other nonmetropolitan counties.

In conclusion, this paper evaluates attracting manufacturers and retirees as the economic development options. Considering the economic and ecological factors, attracting retirees is considered to be the better option by these authors.


This is a detailed case study of the impact of retirement in-migration upon a multi-county region in North Carolina. Migrating retirees in Western North Carolina are in general married, well educated, and financially comfortable. Many of these retirees left their previous residence to escape the climate and urban problems. The key in their retirement relocation decision was scenic beauty and mild climate. It seems that most of the retirees do not plan on leaving the area. They indicate that when infirmities of later life overtake them, they will move into long term care facilities rather than move in with relatives.

An average household expenditures among these retired in-migrants was close to $20,000 a year for everyday expenditures, major purchases, along with education and entertainment. Approximately
60 percent of the average contributions made each year was spent locally, while 13 percent of the reported purchases went outside the region. Including the purchase of homes, vehicles and durable goods, the average household in this study spent almost $36,000 in the local area, for an estimated direct economic impact of more than $22 million. In addition, the spending of retirement migrants is estimated to have generated some 943 jobs for residents in Western North Carolina, with total earnings equaling approximately $14,900 per job.

Notably, the retirement migrants have significant assets with two-thirds of their bank deposits being in local institutions. Approximately a quarter of their investments ($21 million) were reported to be local. Also, it seems that as they age, they shift a greater proportion of their assets into the state.

The typical household in this study is estimated to have paid a total of $3,300 in state and local taxes during the observation period, about one-third of which was paid to local governments in the form of real estate and retail sales taxes. From this the conclusion emerges that the retirees represent a net addition to fiscal balance of local governments.

Another type of expenditure retirement migrants make is for health care. A case study of the migrants most frequently visited health provider, a physician, illustrates that 400 retirement in-migrant households generate enough visits to support one medical practice. Little impairment is found among the reporting households, and there is almost no use of the publicly supported social support programs.

The data presented here demonstrates the retirement migrant makes a substantial contribution to local economic development. An influx of retirees infuses dollars into retail trade, construction, financial institutions, and local governments. And, no evidence was found of a negative impact on the host community by these older adults.


Cash transfer payments to individuals are considered as an export sector of an export base model of local employment. Three basic sectors to the base model are agriculture, manufacturing, intergovernmental transfers, and cash transfer to individuals.

Two models were tested with a sample of US counties using data from secondary sources. The regression analysis for both models uses as the dependent variable the change in nonbasic employment. Model 1 regresses nonbasic employment on manufacturing wage and salary change, Old Age and Survivors Insurance (OASI) revenue, change in agricultural payments, and change in intergovernmental transfers. Their relative effects on nonbasic employment were assessed. Model 11 examines the possibility of overstating the effects of basic sectors by specifying Model 1 through the addition of several variables such as the number of urban residents, industrial diversity, number of interstate highway exits, and the distance to the nearest SMSA. Ideally, these would be direct measures of out-commuting, retail and service exports, tourism, and similar sources of cash inflows which could stimulate nonbasic employment growth.

Cash transfers were found to have strong positive effects on local nonbasic employment growth. Manufacturing and agriculture were also found to have significant effects along with ecological qualities such as high growth rate, industrial diversity, and urbanization.

The findings and hypotheses are discussed in relation to the "population turnaround" of nonmetropolitan communities, the growth of social welfare payments, the economic significance of cash transfers to local communities, and the Keynesian macro approach to economic growth.


This paper develops a conceptual and empirical model for estimating the economic impact of retirees on three relatively small communities in Canada. The analysis is based on primary data taken in interviews of retirees in each community. The model estimates the economic impact of retirees in terms of total economic impact (value of business output), personal income, and employment.

In general, the author concludes that there is little doubt that retirees are an economic blessing to smaller communities, in that they bring a substantial amount of he own income into a community directly and income from others on their behalf. From the application of the model, the study found that the economic impact per retiree in the communities studied ranged from a low of $12,465 to a high of $18,346. Furthermore, retirement incomes went toward producing a considerable number of jobs in each of the communities. A general income to employment ratio was found to be: "the incomes of two retiree households is sufficient to generate one job in the community." This supports the position of those interested in attracting retirees. The author says that two new elderly households create the same economic impact as one new industrial job in the community.

The author concludes that programs to promote retirement in-migration as an economic development option need to aim both at attracting older migrants and in retaining the long-lived elderly in the community. Successful programs may occur in communities that have ample services in place for elderly of today and the near future, unused capacity in public utility systems, and already serviced building land for new housing.


This report assesses the rural development impact of the elderly's income by helping to fill gaps in research literature. The gaps are being filled by, essentially, answering four questions:

1. What are the sources of income among the U.S. elderly?

Fifty-three percent of the elderly's income in nonmetro areas and 46 percent in metro areas came from government transfer payments, with social security being particularly important. Property income contributed about one quarter of the elderly's income in both metro and nonmetro areas.
2. What are the income levels among the U.S. elderly?

Approximately 17.9 percent of the nonmetro elderly were considered poor, while the poverty rate for the metro elderly was about half as high, at 8.5 percent. For rural development strategy, these statistics may seem irrelevant, because no retirement county deliberately tries to attract the elderly poor. Nonetheless, finding ways to provide needed services for the local elderly may be a more pressing issue than efforts to attract additional elderly.

3. What are the sources and levels of income among the nonmetro elderly?

Among the nonmetro elderly, the incidence of poverty increases with age. In nonmetro areas, the aged (age 75 or older) were more likely to be poor than were the seniors (age 65-74). The aged were also more likely to be poor in nonmetro areas than in metro areas. About one quarter of the nonmetro aged were poor, compared with only about one tenth of the nonmetro seniors or the metro aged. While attracting the more affluent elderly may help lesson an area's future poverty problems, such efforts may not help in escaping other problems such as medical conditions. Longer life expectancy may mean that more elderly people may spend more of their lives suffering from chronic medical conditions.

4. How large a share of various sources of income actually goes to the elderly?

Elderly households receive about 3.5 percent of total earned income in both nonmetro and metro areas. The elderly receive about two-thirds of the benefits from retirement and related programs in both nonmetro and metro areas. There is a larger share of income maintenance going to the elderly in nonmetro areas, which reflects a higher poverty rate. The nonmetro elderly also receive a larger proportion of Supplementary Security Income than do the metro elderly, which makes up the bulk of the nonmetro elderly's income maintenance. The share of private retirement income seems low in both metro and nonmetro areas. The elderly receive about the same share of total property income in metro and nonmetro areas (40 percent, respectively). Finally, the elderly controlled about 52 percent of all transfers and 40 percent of all property income, or about 48 percent of total unearned income. The difference between metro and nonmetro was not statistically significant.


Using 1980 census microdata files, this study determined that billions of dollars are transferred between states each year. The public use micro-data file uses stream income from individuals in the stream rather than national or regional averages to ascertain these flows. The income older people receive tends to increase over time because the wages on which social security and pension benefits are based tend to increase over time and because the cost of living adjustment in social security increases to keep pace with inflation.

The study examines 1979 individual income that older migrants brought into and took out of each state and the net amount. States gaining a net balance of over $100 million a year are predominantly in the sunbelt (8 out of 10, respectively). For example, the state distribution of the 1979 income transferred by interstate migrants age 60+ in Arkansas and Texas is greater than or equal to $100 million, while in Oklahoma the distribution lies between $50-99 million.

The 1980-81 Consumer Expenditure Interview Survey was used to estimate the consumption patterns of the typical migrant household. The author points out that the "typical" migrant household may be difficult to generalize because socioeconomic characteristics may change over time and may differ between migration streams. Nonetheless, housing constitutes the largest expenditure item, accounting for over 31 percent of the total expenditures. The next largest expenditure items were transportation and food, which constitute 21 percent and 20 percent, respectively, of total expenditures. Collectively, therefore, the three aggregate categories—housing, food and transportation—make up over 72 percent of the average expenditures of older households.

The data presented here suggest, at least for this cohort, that in-migrating retirees may partially offset the public cost incurred by the new residents, at least for those services targeted to the elderly. However, destinations benefit differently, depending on the characteristics of their older in-migrants. In addition, the author suggest that expenditures of older migrants have a multiplier effect on local businesses.


As a result of the baby-boom generation reaching old age, from 2010 to 2030, the number of people aged 65 and over is projected by the Census Bureau to increase form 39.4 million in 2010 to 65.6 million in 2030: nearly 22 percent of the U.S population will be 65 years or older in 2030. Knowledge of the migration impacts of this elderly population is important for policy makers and planners and for understanding the role elderly migrants play in stimulating regional growth and development.

Three events often result in a decision by elderly households to relocate: retirement, death of spouse, and declining health. Their destination of choice greatly depends on the climate, recreational opportunities, well developed retirement communities, and being closer to family and friends. The channelized migration flows and economic resources of the elderly lead to large, positive economic impacts on the destination area. This paper quantified the total (direct, indirect, and induced) impacts of elderly in-migration on the output, earnings, and employment of a regional economy. The model used for this study was constructed for the state of Florida using the Regional Input-Output Modeling System (RIMS). Data was also used from the Consumer Expenditure Survey, and an estimate of the total redistribution of income to Florida resulting from elderly migration was ascertained. The study showed an employment multiplier of about 4.1 per in-migrating retiree, with the most important impacts being found in the health services area.

The attraction of retirees to an area seems to be an effective method for stimulating economic growth. While the ability of states to compete for elderly migrants depends mainly on factors that are difficult to change— for instance climate and natural resources—successes of states such as North
Sociopolitical Impacts of Retirement In-migration


The focus of this article is the impact of the aging on the local public school systems in Florida. Specifically, it is an examination of how the aging have influenced local public school referenda between 1969 and 1988. According to the study, it seems that the presence of a politically organized aging population leads to increased local educational funding. The researchers suggest that the aging do not necessarily oppose taxes for services not immediately beneficial to themselves. Under certain circumstances, in fact, they appear to support public benefits for younger persons.

A regression analysis including nine independent variables attempting to explain voting behavior was performed. Among the nine independent variables, only two were statistically significant. These were the presence of an AARP chapter and the growth rate of the aging population. The authors suggest that the presence of one or more AARP chapters in an area indicates political organization and activism among the districts aging population. Moreover, they inferred that the more politically mobilized and affluent aging not only influence the outcome of school bond referenda but also are part of a social context supportive of increased financial resources for local education.

Community attachment and school support were also explored. Community integration theory indicates that citizens who are more "alienated" from community affairs and less involved in local communication networks are likely to be less supportive of local school referenda (Hamilton and Cohen, 1974: 188). According to the authors, the findings above suggest that Florida's elderly snowbirds would be less likely to vote in favor of local issues than would the permanent residents. Regression results for the winter period show a strong negative relationship for an aging variable (percentage of aging in the population) (p<.08). These results suggest a negative impact upon the support for school proposals by the aging during the months when Florida's snowbird population peaks.


Evidence suggests that aging produces higher voter turnout. The greater turnout rates and greater registration provide the elderly with an advantage at the polls that their population numbers alone would not suggest. Due to their high registration rates, those 65 and over constitute some 41 percent of all registered voters in the six Florida counties under observation in this study. Whether the aging wield this potential influence or not depends on the degree to which they are able and willing to vote as a bloc.

Correlations between the voter turnout by age group and those voting "yes" on school bond and tax issues suggest that those age 18-54 strongly support school issues while those 55+ just as strongly oppose these issues. However, Button seems to contradict himself in the remainder of the discussion.

Carolina and Arkansas in attracting retirees suggest that there are possibilities that other states could share in these positive impacts.


The share of out-migration among the elderly is much greater than are these shares among the younger population. Migration gains to sunbelt states far exceed the shares of younger migrants destined for these states.

The economic impact of migration by older persons depends greatly on the demographic, social, and economic characteristics of the movers. Most of the movers among the older population are relatively young, healthy, and affluent. It seems likely that they add to the economic base of the area of destination to an extent greater than their demands for publicly provided services.

There are important differences in migration behavior among age-defined subpopulations within the elderly population. Migration among the elderly is in fact closely tied to several life course experiences, wherein retirement, bereavement, and failing health intervene at successive stages of the elderly life course to stimulate residential mobility. These differences may be quite important. Census data suggest that the principal areas of destination receive younger, married couples who are comparatively well off. However, it seems after the dissolution of the marriage through death of one of the partners economic problems may arise and external support may become necessary. If such an outcome were to induce migration, then the public costs of such care-and-support seeking activities is shifted to the new area of destination.

Fundamentally, the primary areas of destination benefit economically from the presence of younger elderly migrants who move near the time of retirement. In addition, these areas are spared the public costs associated with demand for much of the care and support services needed at the end of life.
by referring to the voter turnout variable by age group as proportion of (all) voters belonging to the age group. These are, of course, quite different. If this is the case, Button's interpretation may be flawed.

Gender is also an important factor at times since females are more likely to favor increased public spending, especially for education. Racial status is often a key variable as well, with blacks being less supportive of local taxes due to their relatively disadvantaged economic position. Nonetheless, blacks tend to favor higher educational spending in reflection of their emphasis on schooling which directly benefits them.

Age was statistically significant when precincts of similar party, income, race, and social status were "controlled." Moreover, the statistical association between age voting preference was consistently negative: the direction of influence was in opposition to local tax proposals, especially school bonds. Contrary to these results, of course, Button and Rosenbaum had previously (1989) reported that the aging in Florida were not necessarily opposed to school bond issues.

Demographic Characteristics of the Elderly


Americans aged 65 and older are a fast-growing and formidable market, which this report tries to describe. Some older people move to be closer to their family, and some move to a better climate, but most stay put. The "young" elderly, aged 65-74, are a relatively affluent and healthy group. the "older" elderly, aged 75 and older, are far more likely to be disabled. Elderly people with disabilities cluster in the fast-growing Southeast, while the Midwest has a slow-growing but healthy elderly population. As a result places with fast-growing elderly populations are often better-off and healthier markets than those with slow-growing elderly populations.

"Major durable expenditures are not so much a function of age as... the length of time a household resides in an area, "according to this report." "It's not so much that a lot of older people have moved into the county, but that a lot of middle-aged people moved in a while ago. Now they have gotten old."

Retirement migrants value companionship with peers, and they must feel a sense of belonging. They also insist on access to high quality health services. Older people cannot take their health for granted, chronic conditions begin to accumulate after age 45. Twenty-four percent of people aged 65-74 have hearing impairments, 38 percent have high blood pressure, and 44 percent have arthritis, according to the National Center for Health Statistics' 1989 National Health Interview Survey.


This report provides a detailed statistical summary of elderly people in America in the early 1990s, incorporating data from the 1990 Census of Population. It shows that America is an aging society. The 1990 census counted 31.1 million elderly (aged 65 or older), that is 12.5 percent of the total population. This report describes ten major trends of the aging:

1. There are more elderly than ever before in history.
2. The elderly are an increasing proportion of our population.
3. Growth of the elderly will be steady but undramatic until 2011 when the Baby Boom begins to reach the age of 65.
4. Elderly women outnumber elderly men.
5. More persons will survive to the oldest ages.
6. As more survive, more face chronic illness and disabilities.
7. Issues surrounding the care of the frail elderly will become more prevalent. At the same time, the young old have become pacesetters in new ways to spend retirement years.

8. The elderly population will be more diverse in terms of racial composition and Hispanic origin in the coming decades.

9. The educational attainment of the elderly population will increase significantly in the coming years because younger cohorts were more likely to have completed high school and attended college than is true for the elderly of today.

10. Some elderly are economically secure. Others, especially many of the oldest old, those living alone, Blacks, American Indians, some Asian groups, and Hispanics have relatively high rates of poverty.

How to Attract Retirees

Alabama Department of Economic and Community Affairs. 1990. Developing a Retiree Attraction Program in Your Community. Alabama Department of Economic Development and Community Affairs, Montgomery, AL.

This publication was developed by the State of Alabama for communities interested in attracting retirees as part of an economic development effort. The first step identified in the publication is to identify a "retiree attraction committee" to provide leadership and structure for the effort. Wide community involvement is recommended.

Several subcommittees are identified and discussion of the role of each subcommittee comprises much of the publication:

1. Inventory/Assessment. This is critical to identify strengths and weaknesses in the community. A Rand-McNally study is cited and includes the categories of money or costs, climate, safety, services, housing, and leisure living. These categories should form the basis of a self-analysis for the community.

2. Community Relations. Community awareness and support is also critical. The subcommittee should prepare and deliver "short talks" which are professional and explain the nature of the retiree recruitment program. The presentation should be accurate and up to date.

3. Marketing and Promotion. Several strategies are reviewed for marketing efforts. The community should key on strong selling points. Target markets should be identified and approached.

4. Fund Raising. Dollars will be necessary to finance any effort the community undertakes. Having someone responsible for fundraising helps to insure resources will be identified.

5. Program Evaluation. Monitoring the effort is important. Personal response to inquiries helps the marketing effort.

The workbook authors note that even small communities have the potential to be successful. Not all retirees migrate to Arizona or Florida. Positive community attributes should be emphasized to maximize success.


This report documents an economic diversification project for the Idaho economy funded by the U.S. Forest Service. The project focused on building community capacity and used current research to target economic development efforts.
The authors note that rural communities face unique challenges including: enhancing health care resources, maintaining healthy retail and service sectors, developing quality jobs for youth, attracting families to the area, and maintaining a sense of community. The need for local leadership and a wider pool of volunteers is noted since many rural areas lack a large number of well trained leaders.

Attracting retirees is seen as a viable option for economic diversification by the authors. The influence of retirees helps to stabilize the rural economy and create jobs. The authors argue this creates low cost growth since retirees are not heavy users of local services.

The outcomes of the project reported by Lewis-Clark State College include the creation of new leadership in rural communities. The need to enhance community capacity is emphasized as is the advantage of networking among communities. One of the major outcomes of the project was a handbook or manual advising communities how to recruit retirees to migrate into an area.


This report examines the attraction of retirees as an economic development tool. The economic impact of retirees on a local community is noted to include job creation, income generation, spending by retirees, and a source of demand for some local business or industry. The retiree population is examined, and the author notes there are both older migrants and relatively younger retirees as a result of early retirement.

Retiree migration flows are examined by state. The experiences of Florida and Arkansas are noted. Several studies of factors attracting retirees are cited by the author. The article by Peter Dickinson titled "Sunbelt Retirement" provides a good summary of the "ideal" standards retirees are looking for: a bountiful climate, a lower cost of living, good available housing at reasonable costs, adequate medical facilities, high cultural and recreational standards, and special services for seniors such as transportation or personal services.

The author outlines a "how to" approach to attracting retirees. The first step identified is to develop the amenities retirees are seeking (see the above discussion regarding standards). Marketing to potential migrants is the next step discussed and several techniques are listed ranging from brochures to video tapes to pre-retirement vacation specials.

The author closes this report with a discussion about how to establish a retirement industry in a community. Organizational steps include formation of the appropriate committee(s) and following up with specific committee(s) activities.


This workbook is a product of a Diversification Project Grant funded by the U.S. Forest Service. It is designed to lead you through the process of organizing and implementing a community-based marketing effort to attract retirees. The purpose of the workbook is to assist community leaders interested in pursuing such a project in three ways:

1. Provide an overview of the basic elements of an attracting retirees strategy,

2. Identify steps for developing a successful community planning process for community and economic development projects,

3. Present information relevant to an attracting retirees strategy, particularly marketing concepts as they relate to designing a plan that will target the senior market.

The workbook is organized by steps to be followed in a logical planning process. Each step comprises a section in the workbook and several sections include worksheets and background information.

The ten steps included in the workbook and a brief comment regarding each step are as follows:

1. Developing a Task Force. This is a necessary first step to provide leadership, community ownership, and insure follow-up.

2. Developing a Mission Statement. A clear need for the project and possible solutions must be articulated. A need for community consensus through a common purpose makes a mission statement critical.

3. Community Assessment. The community should identify strengths and weaknesses regarding retiree recruitment. Areas such as infrastructure, housing, health services, recreation, attractions, and image should be examined.

4. Understanding the Market. Marketing studies should be used to understand the interests of seniors. Retiree migration patterns should be analyzed to identify trends.

5. Targeting the Market. Based on strengths of the community, specific retiree groups should be identified. Focus groups of persons who have migrated to the community already should be interviewed to identify specific strengths.

6. Developing Goals and Objectives. Specific goals and objectives should be developed to monitor progress.
7. Budgeting for the Marketing Plan. Sources of financing should be identified. Budget guidelines and sound financial management should be followed.

8. Developing a Marketing Strategy. The strategy should consider the following factors: product (image or concept); price (benefits over costs for migrating retirees); place (target audience); and promotion (choice of advertisement such as print media, mass mail, etc.).

9. Evaluation. Past and present efforts should be monitored and needed adjustments made.

10. Focus on Diversification. The final point of the authors is the link of retiree recruitment to other development efforts. Small business development and tourism are closely related to the in-migration of retirees. A well-rounded diversification effort should look at the entire economy and consider several options.
The SRDC is one of four regional rural development centers in the nation. It coordinates cooperation between the Research (Experiment Station) and Extension (Cooperative Extension Service) staffs at land-grant institutions in the South to provide technical consultation, research, training, and evaluation services for rural development. For more information about SRDC activities and publications, write to the Director.

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