

THE 2026 LDC U.S. LATINO ECONOMIC IMPACT REPORT

PART TWO: *Growth Engine of the U.S. Economy*



Research Partner

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THE 2026 LDC U.S. LATINO ECONOMIC IMPACT REPORT PART TWO

Growth Engine of the U.S. Economy

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The Latino Donor Collaborative (LDC) is an independently funded 501(c)(3) nonprofit organization and think tank. LDC has consistently provided economic and business data through meticulous research and fact-based insights. Its reports have become essential tools for American resource allocators, highlighting the growing opportunities emanating from the myriad contributions of U.S. Latinos across the societal spectrum.

The Latino Data Collaborative Think Tank (LDCTT), through its respected research, produces data and insights that shed light on the invaluable contributions of American Latinos to business, entertainment, development, and the overall U.S. economy.

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A LETTER FROM THE LEADERSHIP OF THE LATINO DONOR COLLABORATIVE

For nine years, the **Latino Donor Collaborative** has pursued a single, essential goal: to replace assumption with evidence about the role of U.S. Latinos in the American economy. Since 2010, we have brought the country the GDP, GDI, Purchasing Power, Consumption Power, Entrepreneurship Power, and many other indexes on the power of this cohort, report after report, with the purpose of developing a fact-based narrative of U.S. Latinos through research, analysis, and data.

Our “2026 LDC U.S. Latino Economic Impact Report – Part Two: Growth Engine of the U.S. Economy” continues that work, and for the first time, it includes something new: a **nowcast** of the U.S. Latino economy for the current year, 2026. In the past, all our official figures have been based on data that only becomes available two years after the fact. Given the extraordinary pace of economic change in our country today, we felt obliged to find a way to measure the current-year impact of U.S. Latinos and see what this cohort’s role is in this new kind of economy. This nowcast was built by our research partners at the **Seidman Research Institute at Arizona State University** using a consensus forecast drawn from the Blue Chip Economic Indicators panel, weighted toward the forecasters with the strongest historical track records. It is, by its nature, an estimate, but this approach has shown a remarkable level of accuracy in the past, and it allows us to bring you today a timely and realistic picture of **where the U.S. Latino economy stands right now**.

Based on this nowcast, the U.S. Latino economy reached an estimated **\$5.1 trillion in GDP** in 2026, alongside **\$3.9 trillion in GDI**, building on the confirmed 2024 baseline of \$4.4 trillion revealed in Part One of this report earlier this year. The U.S. Latino economy alone would rank as the fourth-largest economy in the world, ahead of Japan, India, the United Kingdom, France, Italy, and Canada. Between 2019 and 2024, real U.S. Latino GDP grew at an annual rate of **5.4%**. **This is a population of roughly 70 million people, about 89% of whom are in the U.S. legally**, and one that has accounted for roughly **two-thirds of all net U.S. labor-force growth in the last 10 years, mostly through births rather than through immigration**.

This year, we are also especially celebrating the extraordinary **\$3.2 trillion in consumption power** of the U.S. Latino community—also part of this year’s nowcast—which makes U.S. Latino consumers the **third-largest consumption market in the world**, trailing only the United States and China. Between 2019 and 2024, real U.S. Latino consumption grew **6.5% annually**, nearly triple the 2.4% pace among non-Latinos, and faster than the growth recorded in China (5.2%) or India (4.9%). This is not simply a story of population growth: real per capita U.S. Latino consumption grew **4.0% annually**, twice the 2.0% rate among non-Latinos, while the number of U.S. Latino households with children grew **1.7% annually**; five times the 0.3% rate among non-Latino households. From children’s apparel to rental housing to household goods, U.S. Latino families are already among the largest and fastest-growing consumer forces in the country.

This report also goes far beyond the topline numbers. It includes a **rigorous state-by-state and regional analysis** of U.S. Latino economic impact, identifying the mature anchor economies, the high-growth Sun Belt engines, and the emerging Latino Growth Corridors reshaping states across the South and the Plains-Midwest. It offers a **deep look into the industries** fueling U.S. Latino economic power, from manufacturing, construction, and transportation to the fastest-growing sectors in

finance, real estate, and professional services. It examines the **consumer categories** where U.S. Latino households already lead, a full **labor-force and human-capital analysis** of a young and rapidly advancing workforce, and a dedicated chapter on **U.S. Latino entrepreneurship** and the high-velocity creation of new firms. Taken together, these chapters give readers not just the size of the U.S. Latino economy, but the full picture of where, and how, that growth is happening.

For too long, the conversation about U.S. Latinos has been shaped by perception rather than performance. Our purpose remains to change that, one rigorous report at a time. We want every CEO, every investor, every elected official, every journalist, and every American to make decisions based on what is true about this cohort.

What this report represents is income earned, businesses started, jobs filled, taxes paid, and goods purchased, the result of a young, entrepreneurial, and rapidly growing population powering household demand and labor-force growth in every state in the country.

The data in these pages is a business and economic tool. We invite you to use it, to share it, and to act on it.

Sincerely,

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Seidman Research Institute

The Seidman Research Institute is the consultancy arm of W. P. Carey School of Business, Arizona State University. First established in 1985 to serve as an applied business research and consultancy resource for the southwest business community, Seidman currently offers a diverse range of business and economics consulting services to public and private sector clients throughout North America. Visit seidmaninstitute.com.

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LDC U.S. LATINO ECONOMIC IMPACT REPORT
PART TWO

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CHAPTER I

THE LATINO ECONOMY: A CORE ENGINE OF U.S. GROWTH



SIGNIFICANT DATA POINTS:

- A **\$5.1 trillion economy** today. The 2026 estimates place Latino GDP at \$5.1 trillion, alongside **\$3.9 trillion in GDI** and **\$3.2 trillion in consumption expenditure**—establishing this cohort as a key foundation of our country's economy.
- Scale is being reinforced by speed. Latino GDP was already **\$4.4 trillion in 2024**, equivalent to the fourth-largest economy in the world, while real **GDP grew 5.4%** annually from 2019–2024.
- Businesses cannot treat this market as niche. Latino **consumption** is projected at **\$3.2 trillion in 2026**, or 14.6% of total U.S. consumption. Real Latino consumption grew **6.5%** annually, versus 2.4% for non-Latinos.
- A demographic engine for U.S. growth. The Latino population is approximately **70 million and about 80% U.S. citizens**. Latinos accounted for roughly **two-thirds of net U.S. labor-force growth** between 2003 and 2024.
- Growth is broad-based across the economy. In 2024, the Latino component grew **faster** than the corresponding national industry in **14 of 20 industries**.

The U.S. economy remains resilient and dynamic, but it faces structural challenges that will become increasingly important in the decades ahead: an aging population, slowing population growth, tight labor markets, and rising public debt. Against this backdrop, the Latino cohort represents an increasingly important source of economic growth and resilience.

The contribution is broad. Latinos are expanding the nation's labor and consumer base, accumulating human capital rapidly, moving into more skilled occupations, forming businesses at high rates, and maintaining an outsized presence in industries central to domestic production and infrastructure. The Latino economy is also becoming more diversified, with rapid growth extending into finance, real estate, professional services, information, healthcare, and public administration.

These developments are not simply the result of population growth. They reflect a pattern of intergenerational progress in which successive generations of Latinos are attaining more education, entering more skilled occupations, earning higher incomes, creating businesses, and contributing across an increasingly broad range of industries.

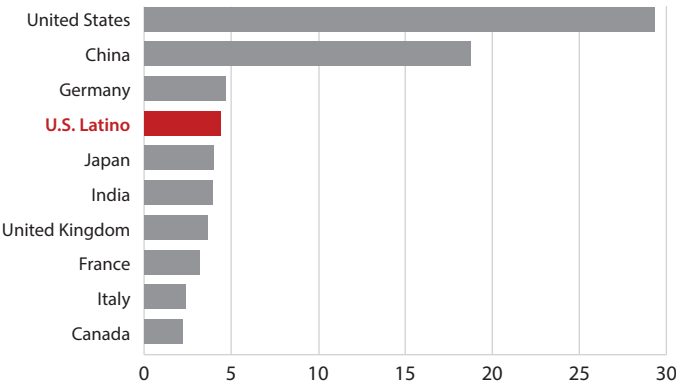
A \$5.1 TRILLION ECONOMY IN 2026

For the first time, this report provides nowcasts of key Latino economic indicators for the current year¹. In 2026, Latino GDP is estimated at **\$5.1 trillion**, Latino gross domestic income at **\$3.9 trillion**, and Latino consumption expenditure at **\$3.2 trillion**.

The size of the Latino economy was already evident in 2024. At \$4.4 trillion, it would have ranked as the fourth-largest economy in the world if considered independently. Between 2019 and 2024, inflation-adjusted Latino GDP grew at an annual rate of **5.4%**, underscoring not only the current scale of the cohort but also the speed at which its economic footprint continues to expand.

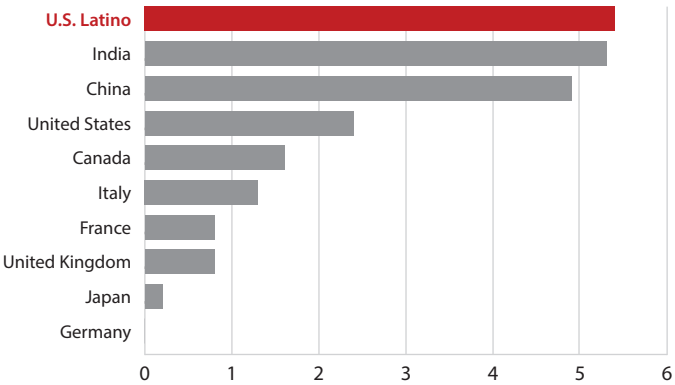
¹ Nowcast estimates are based on the latest 2026 estimates of nominal GDP growth by major expenditure component, combined with Seidman's current estimates of 2026 component growth and Latino shares. Overall nominal GDP growth estimates are anchored to the 2026 forecasts published in Wolters Kluwer's **Blue Chip Economic Indicators**, which are updated monthly. The Methodology section provides additional detail on the nowcast estimation and explains how these estimates differ from the vintage estimates released in previous reports with a two-year lag.

U.S. Latino GDP in the World Stage



Leading economies in 2024 (trillions USD)

The world’s leading economies in 2024 compared to the U.S. Latino GDP as estimated from expenditures made “by and on behalf” of members of this demographic. Figure corresponds to trillions of U.S. dollars.



Annualized real GDP growth, 2019–2024 (percent)

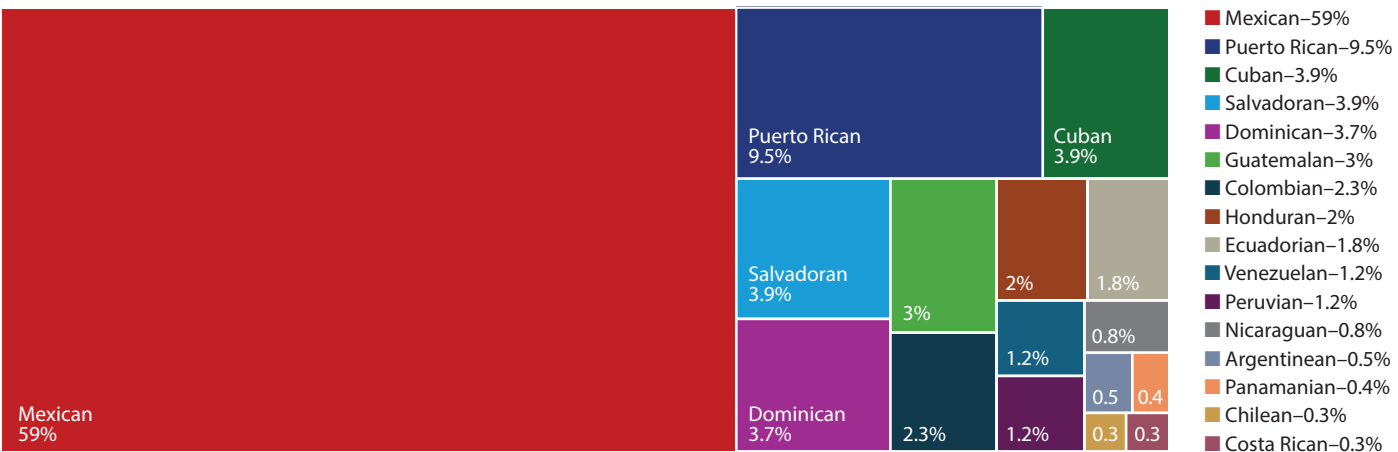
Real, annualized percent GDP growth among the world’s leading economies between 2019 and 2024 compared to the growth in the U.S. Latino GDP as measured from expenditures made “by and on behalf” of members of this demographic. Figure corresponds to chained growth rates.

Sources: Authors’ calculations using data from the World Bank; U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Census Bureau, American Community Survey; and U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.

This combination of size and growth makes the Latino economy an increasingly important anchor of U.S. economic performance. Its significance is particularly apparent in consumption, where demographic expansion and rising purchasing power reinforce one another.

Finally, while the Latino umbrella includes a wide variety of national and ethnic backgrounds, individuals of Mexican descent (most of whom are U.S. citizens or lawful permanent residents) constitute 59% of the entire Latino population in the U.S. and contribute \$2.3 trillion to our country’s economy.

Latino Population Breakdown by Ancestry (2025)



Source: TelevisaUnivision.

A POWERFUL CONSUMPTION ENGINE

Latino consumption is projected to reach **\$3.2 trillion in 2026**, from \$2.5 trillion in 2023, accounting for **14.6% of total U.S. consumption**. Considered as a standalone market, U.S. Latino consumers constitute the **third-largest consumption economy in the world**, trailing only the United States and China.

The market is also growing rapidly. Between 2019 and 2024, inflation-adjusted Latino consumption increased at an annual rate of **6.5%**, compared with **2.4% among non-Latinos**. That pace also exceeded growth in China, at 5.2%, and India, at 4.9%.

The increase reflects both a growing number of consumers and rising purchasing power. U.S. Latino inflation-adjusted per capita consumption grew **4.0% annually**, compared with **2.0% for non-Latinos**, while Latino-headed households with children, grew at **1.7% annually between 2019 and 2024**, five times the 0.3% rate among non-Latinos.

For businesses, these trends create an expanding market, particularly among young households. Establishing relationships with Latino consumers early can provide access to a cohort that is already large and continues to grow in both numbers and purchasing power. Chapter 2 examines this consumption engine in greater detail, including the product and service categories in which Latino households already play an especially important role.

A DOMESTIC DEMOGRAPHIC AND HUMAN-CAPITAL ADVANTAGE

The expansion of the Latino economy is also fundamentally domestic. Today, the U.S. Latino cohort comprises approximately **70 million residents**, about **80% of whom are U.S. citizens**. Its economic importance reflects not simply the addition of workers, but demographic momentum combined with rising education, workforce participation, occupational mobility, and productivity.

In 2025, only **9.3% of Latinos were age 65 or older**, compared with **21.4% of non-Latinos**. While one of every five among all ages of our total U.S. population are Latino, that ratio narrows to roughly **one in four among those ages 18 to 44**. Roughly six in ten Latinos are in their prime working, earning, spending, and family-forming years of 18 to 64.

Recent population growth further illustrates the importance of this demographic profile. From 2024 to 2025, the U.S. population increased by 1,781,060 people (0.5%), while the Latino population grew by **1,348,307 (2%)**, fueled by **1,060,028 U.S. births**. The non-Latino White population declined by 736,000 in the same period.

These demographic trends are already translating into the labor market. Latinos accounted for roughly **two-thirds of net U.S. labor-force growth between 2003 and 2024**. At the same time, their occupational profile is changing. The share of Latinos employed in management and professional services increased from **22.1% in 2014 to 27.6% in 2024**.

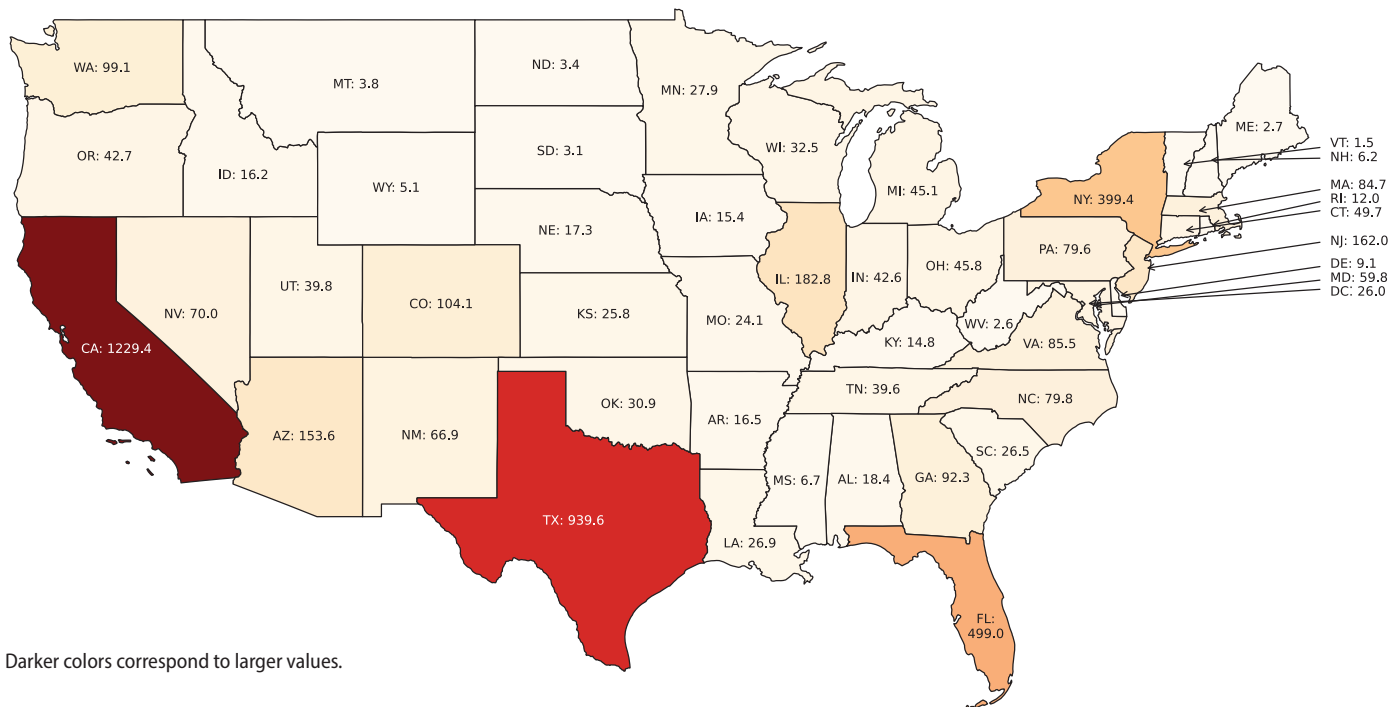
Chapter 3 examines how this combination of demographic momentum and human-capital acquisition provides the United States with an important advantage as the country confronts slower population growth, declining fertility, and increasing retirements.

DIFFERENT ROLES ACROSS STATE ECONOMIES

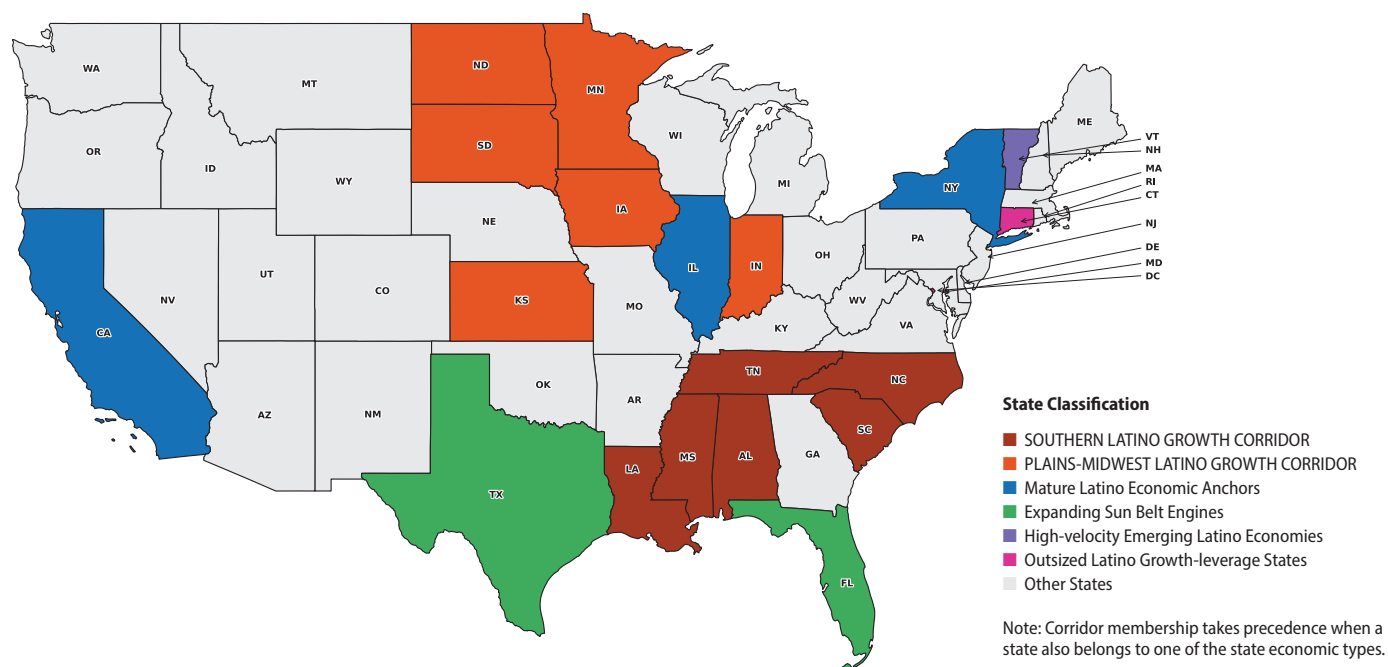
The importance of the Latino cohort is national, but its economic role varies considerably across states.

In **mature Latino economic anchors** such as California, Illinois, and New York, the cohort's importance reflects scale, large contributions to state growth, and a critical role in sustaining the working-age population. California's Latino economy is projected at approximately **\$1.23 trillion in 2026**, and Latinos generated **52.6% of the state's total GSP growth between 2019 and 2024**.

U.S. States by Latino GSP 2026 (billions \$)



U.S. Latino Growth Corridors and State Economic Types



Sources: Authors' calculations using data from the U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Census Bureau, American Community Survey; and U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.

THE LATINO INDUSTRIAL FOOTPRINT: DIVERSIFIED AND ESSENTIAL TO CRITICAL INDUSTRIES

The Latino economy also differs structurally from the overall U.S. economy. Manufacturing and public administration were its two largest industries in 2024, each generating approximately **\$550 billion** in value added. Construction generated another **\$307.5 billion**, while transportation, hospitality, healthcare, real estate, retail, and wholesale trade all represented substantial parts of the economy.

Latino economic activity remains especially important in manufacturing, construction, transportation, and hospitality—industries central to producing, building, and moving goods and services throughout the country. This presence is particularly relevant as the United States places greater emphasis on domestic productive capacity and reshoring amid uncertainty surrounding international trade and overseas supply chains.

Yet the industrial story is increasingly one of diversification. In 2024, Latino GDP expanded in **15 of the 20 NAICS industries examined**, and the Latino component grew faster than the corresponding national industry in **14 of 20**. Public administration grew 21.8% compared with 6.2% nationally; transportation and warehousing, 21.3% compared with 4.6%; finance and insurance, 21.1% compared with 10.6%; real estate and leasing, 20.1% compared with 6.8%; and professional, scientific, and technical services, 13.3% compared with 6.0%.

Chapter 5 documents this simultaneous expansion: continued strength in industries that have long been central to the Latino economy alongside rapid growth in sectors where Latino economic activity has additional room to expand.

ENTREPRENEURS RESHAPING THE BUSINESS LANDSCAPE

The final dimension examined in this report is entrepreneurship. Latino business owners operate **5.3 million nonemployer businesses**, representing **17.5% of all nonemployer firms** and generating \$244.2 billion in receipts. Among employer firms, Latino-owned businesses account for **8.4% of U.S. firms**, representing 496,000 businesses and \$730.3 billion in receipts in Census data.

California, Florida, Texas, and New York remain the principal centers of Latino employer entrepreneurship. **California** alone is home to approximately **one-quarter** of U.S. Latino-owned employer firms, with **118 thousand** firms, followed by **Florida** with **110 thousand** and **Texas** with **80 thousand**. Together, these three states account for **62%** of all U.S. Latino employer firms.

Chapter 6 examines this expansion and underscores the potential benefits to venture capital firms and other business stakeholders of increasing their exposure to this dynamic cohort, which is already playing an important role in driving U.S. entrepreneurship.

INVESTING IN THE NEXT GENERATION OF U.S. GROWTH

Across consumption, demographics, states, industries, and entrepreneurship, the same pattern emerges: the Latino cohort is already a large component of the U.S. economy, but its importance is increasing even faster than its current scale alone would suggest.

Latinos are sustaining population and labor-force growth, expanding household demand, increasing their presence in skilled occupations, supporting critical industries, creating firms across nearly every state, and broadening their economic footprint into new sectors. These trends are occurring simultaneously and reinforce one another.

For businesses, policymakers, investors, and other stakeholders, the economic opportunity therefore lies not only in recognizing the size of the Latino economy today, but in positioning for the growth that is already underway. Failing to invest in this cohort means leaving a growing share of American consumption, labor-force expansion, business formation, and future economic activity on the table.

CHAPTER II

THE LATINO CONSUMPTION ENGINE



SIGNIFICANT DATA POINTS:

- **\$3.2 trillion** and rising: Latino consumption is projected to represent **14.6% of all U.S. consumption** in 2026, up from 14.0% in 2024. As a standalone market, U.S. Latino consumption would **rank third in the world**, behind only the United States and China.
- One of the fastest-growing large consumer markets: Real **Latino consumption grew 6.5% annually** from 2019–2024, compared with 2.4% among non-Latinos, 5.2% in China, and 4.9% in India.
- Purchasing power—not just population—is driving growth. **Real per capita Latino consumption increased 4.0% annually**, twice the 2.0% rate among non-Latinos. Latino-headed households with children simultaneously grew 1.7% annually, versus just 0.3% among non-Latino households.
- Young families already over-index in major consumer categories. Latinos represented **25.5%** of spending on **girls' apparel**, **25.2%** on **apparel for children under two**, and **25.1%** on **rented dwellings** in 2024. For businesses serving young households, Latino families are an increasingly important source of market growth.

Consumption is the principal engine of the U.S. Latino economy and an increasingly important component of total U.S. demand. According to the new Latino GDP nowcast, Latinos are projected to consume \$3.2 trillion in goods and services in 2026. This represents an estimated 14.6% of total U.S. consumption, up from 14.0% in 2024. The expanding U.S. Latino market warrants close attention from businesses seeking new growth opportunities and more effective marketing strategies.

ONE OF THE WORLD'S LARGEST CONSUMER MARKETS

Measured independently, U.S. Latino consumers constitute the third-largest consumption economy in the world. Outside the United States, they trail only China in total household consumption and exceed major economies such as Germany, the United Kingdom, and Japan.

The market is also growing rapidly. Between 2019 and 2024, inflation-adjusted Latino consumption increased at an average annual rate of 6.5%. That is a greater rate than both China (5.2%) and India (4.9%), which are the next-fastest-growing major consumption economies. The combination of market size and growth places U.S. Latino consumers at the center of global demand.

Within the United States, real Latino consumption grew substantially faster than non-Latino consumption, which increased by 2.4% annually over the same period. Population growth contributed to this difference, but rising purchasing power was the principal factor. In fact, real per capita consumption among Latinos grew by 4.0% annually, compared with 2.0% among non-Latinos.

A YOUNG, FAMILY-FORMING CONSUMER BASE

Latino consumption reflects the cohort's relative youth and high rates of household formation. In 2024, Latinos accounted for between 21% and 26% of spending on children's apparel, rented dwellings, and small appliances and miscellaneous housewares—above their approximately 20% share of the U.S. population.

These patterns are consistent with a Latino population in which many adults are forming households and raising children. The number of Latino-headed households with children grew by 1.7% annually between 2019 and 2024, compared with 0.3% among non-Latino households. Further, between 2022 and 2024, the number of households not headed by Latinos with children declined, while the number of Latino-headed households with children continued to increase.

For businesses serving young families, growth is therefore increasingly concentrated among Latino households. Firms selling products for households and children must account for this demographic shift or face a market that grows slowly or contracts.

GROWTH ACROSS CONSUMER CATEGORIES

Latino consumption increased in nearly every expenditure category tracked by the Bureau of Labor Statistics between 2019 and 2024. It also grew faster than non-Latino consumption in every category except furniture, vehicle rentals, residential telephone service, other vehicle purchases, and other entertainment supplies, equipment, and services.

The largest differences relative to non-Latino growth appeared in small appliances and miscellaneous housewares, pets, fuel oil and other fuels, girls' apparel, and other lodging. Strong growth in household goods, children's clothing, and pet-related spending further reflects the expansion of young Latino families.

DURABLE GOODS AND RISING INCOMES

High rates of household formation and childbearing are also evident in durable-goods consumption. Between 2019 and 2024, Latino spending on housing, vehicles, and major appliances grew faster than comparable spending among non-Latinos.

Latino consumption was strongest in more budget-oriented segments, including rental housing and used vehicles, but growth also exceeded that of non-Latinos in owned housing and new vehicles. As more Latino households enter the middle and upper-middle classes, purchases of new durable goods are expected to increase relative to renting or buying used products.

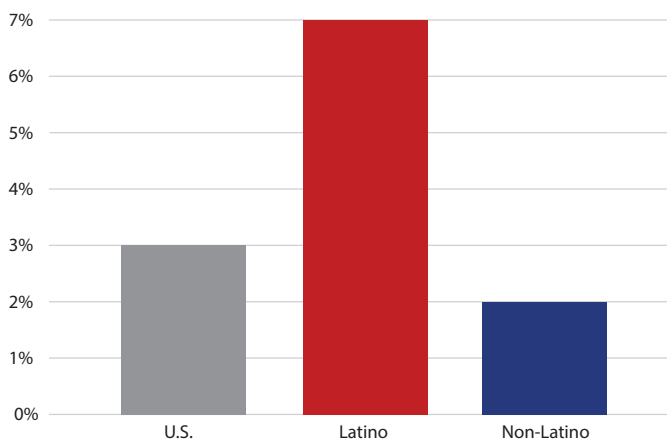
THE BUSINESS OPPORTUNITY

U.S. Latinos represent a large and rapidly growing consumer segment characterized by young households with children and increasing purchasing power. Their spending is rising across nearly every category, with particularly strong growth in household goods, children's apparel, pet supplies, housing, vehicles, and major appliances.

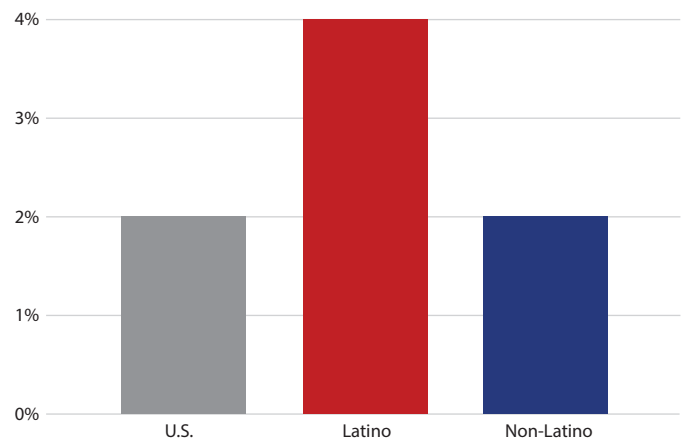
As Latino consumption continues to expand, marketing and product-development strategies should reflect this new reality. This is especially relevant for product categories that cater to families with children. Firms that establish brand recognition and consumer relationships early will be better positioned as household incomes and purchases of higher-value goods increase.

With \$3.2 trillion in personal consumption expenditure, U.S. Latinos are not a niche market. Rather, they are third-largest consumption market worldwide, if considered as a standalone country, and the fastest-growing among major economies.

**Inflation-Adjusted Consumption,
Annualized Growth Rate (2019–2024)**

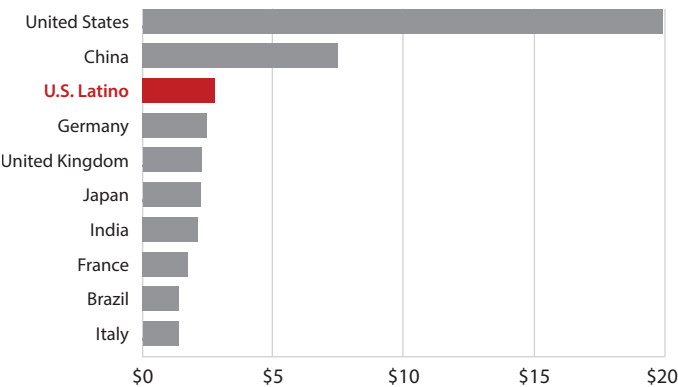


**Inflation-Adjusted Per Capita Consumption,
Annualized Growth Rate (2019–2024)**



Source: Authors' calculations using data from the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.

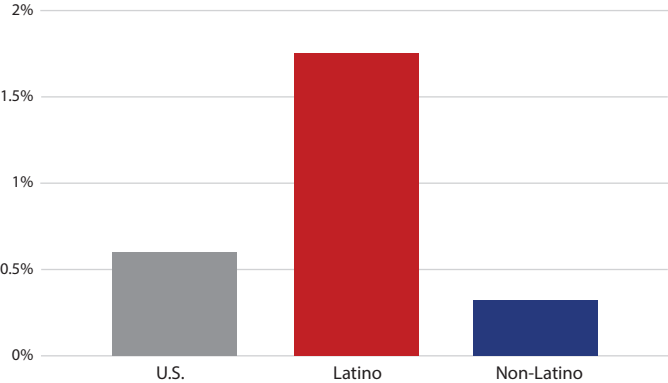
World’s Largest Consumption Markets (2024)



Trillions of U.S. dollars.

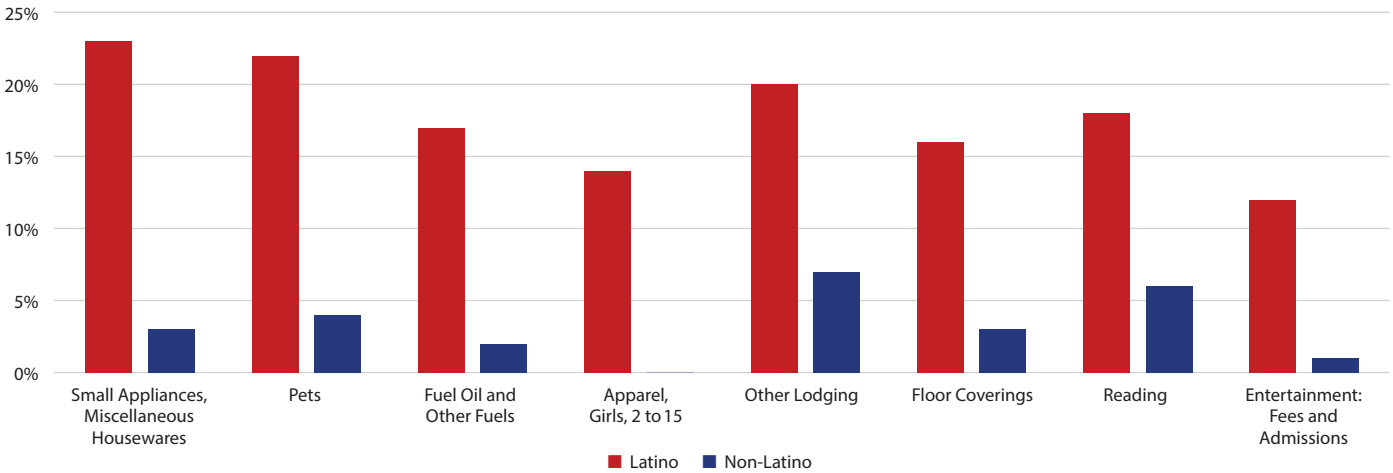
Source: Authors’ calculations using data from the World Bank; U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Labor, Bureau of Labor Statistics; and U.S. Department of Commerce, Census Bureau.

Annual Growth Rate of Households with Children (2019–2024)



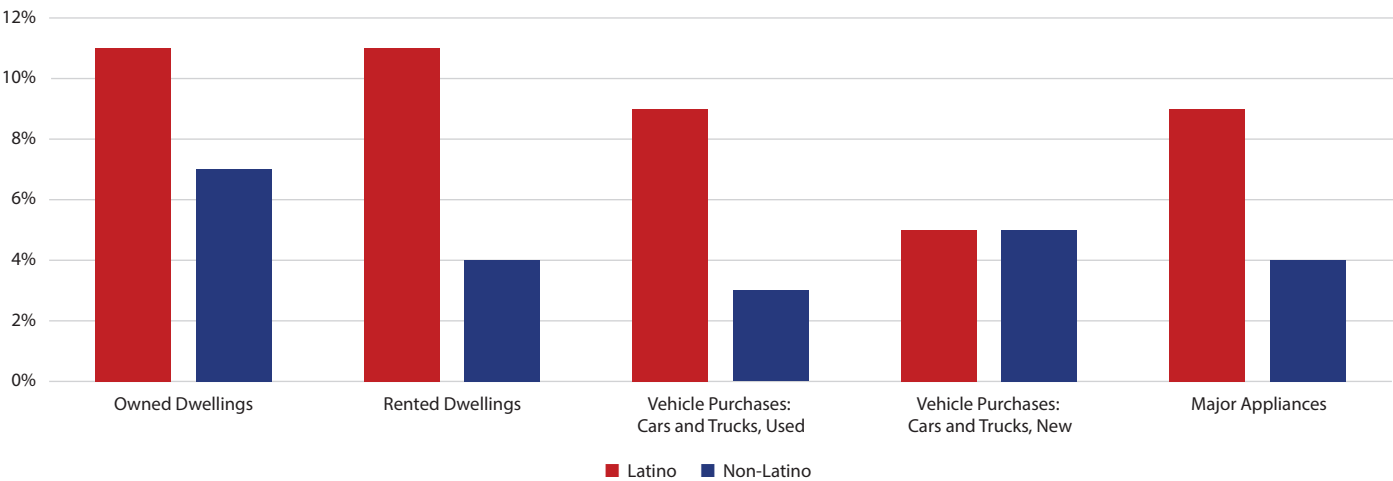
Source: U.S. Department of Commerce, Census Bureau.

Annual Growth Rate of Selected Expenditure Categories (2019–2024)



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Durable Goods Consumption Expenditures Annual Growth Rate (2019–2024)



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Top Ten Consumption Categories by Latino Share (2024)

Category	Total Consumption (billions USD)	Latino Consumption (billions USD)	Latino Share
Apparel, Girls, 2 to 15	15.2	3.9	25.5%
Apparel, Children Under 2	10.5	2.6	25.2%
Rented Dwellings	768.4	192.5	25.1%
Apparel, Boys, 2 to 15	12.5	2.7	21.4%
Small Appliances, Miscellaneous Housewares	21.0	4.5	21.2%
Eggs	14.3	3.0	20.7%
Footwear	62.6	12.3	19.6%
Beef	55.4	10.6	19.1%
Poultry	36.2	6.9	19.0%
Fresh Fruits	53.5	10.1	18.9%

Source: U.S. Department of Labor, Bureau of Labor Statistics.

CHAPTER III

DEMOGRAPHICS AND LONG-TERM TRENDS IN HUMAN CAPITAL ACCUMULATION



SIGNIFICANT DATA POINTS:

- Latino growth is increasingly domestic. The U.S. Latino population is approximately **70 million**, about **80% U.S. citizens**, while the foreign-born share declined from 40% in 2000 to just over 30% in 2024.
- Latinos supplied **most** of recent U.S. **population growth**. From 2014 to 2024, the U.S. population grew by 1.8 million, while the **Latino population** increased by **1.3 million**, fueled by more than 1 million U.S. births.
- The age structure directly supports the future workforce. **62.7%** of Latinos are **ages 18–64** and only 9.3% are 65+, compared with 59.3% and 21.4%, respectively, among non-Latinos. Another **28%** of Latinos are **under 18**, versus 19.3% of non-Latinos.
- Latinos are already replenishing the labor force. They accounted for roughly **two-thirds** of **net U.S. labor-force growth** between 2003 and 2024, while their 2024 labor-force participation rate was 69%, compared with 62.9% among non-Latinos.
- Human-capital gains are changing the workforce profile. Among Latinos ages 25–29, **high-school** completion rose from **61.7% in 2003 to 88.3% in 2024**, while **bachelor's-degree** attainment increased from **10% to 25.2%**. The Latino share employed in management and professional services rose from 22.1% to 27.6% between 2014 and 2024.

The rapid expansion of Latino consumption, income, and production has become one of the defining economic developments of the American twenty-first century. Yet the scale and persistence of this growth are often misunderstood. Public discussion frequently associates Latino economic expansion with population growth alone, with increases in economic activity resulting primarily from new workers with lower human capital in low-wage employment.

However, today's Latino economic expansion is an organic domestic growth story driven by the combination of demographic momentum, educational advancement, workforce participation, occupational mobility, entrepreneurship, and the rising productivity of successive generations of Americans who share a Latino heritage and are represented in all major industries.

Reports from the U.S. Census Bureau and the Pew Research Center show that since the turn of the century, natural increase—the excess of births over deaths—has contributed most to Latino population growth. Over the same period, the foreign-born share of the Latino population declined from 40% in 2000 to just over 30% in 2024.

Today, the U.S. Latino cohort comprises approximately 70 million residents, about 80% of whom are U.S. citizens. This domestic momentum is positioned to shape American economic activity over the next several decades on a scale comparable to the ascent of the baby boomer generation during the second half of the twentieth century².

A DEMOGRAPHIC ADVANTAGE FOR THE UNITED STATES

The youth of the Latino population provides the United States with one of its most important demographic advantages at a time when nearly every advanced economy is confronting slower labor-force growth and rapid population aging.

Census statistics for 2025 show that 62.7% of Latinos are between ages 18 and 64, while only 9.3% are age 65 or older. By comparison, 59.3% of the non-Latino population is between ages 18 and 64, and 21.4% is age 65 or older.

Although Latinos make up just one in five individuals in the U.S. population, they are one in four among those ages 18 to 44. And numbers of Latinos in this age cohort will continue to outpace non-Latinos since the median age of the U.S. Latino population is approximately 31—about ten years younger than the median age of non-Latinos.

Together, the aging of the baby boom generation and the youth of the Latino population are making Latino economic growth an increasingly important source of national resilience and long-term competitiveness³.

2 U.S. Census Bureau, Population Estimates and Characteristics; Pew Research Center, The Shift in Hispanic Nativity; Pew Research Center, Key Facts About U.S. Latinos.

3 U.S. Census Bureau, 2025 Population Estimates by Age, Sex, Race, and Hispanic Origin; U.S. Census Bureau, Latino Population Younger but Aging Faster; U.S. Census Bureau, Population Estimates and Characteristics.

Recent population data further demonstrate the domestic character of this growth. From 2024 to 2025, the U.S. population increased by 1.8 million people. The Latino population grew by 1.3 million during the same year, fueled by over 1 million U.S. births. Meanwhile, the non-Latino white population declined by 736,000, due primarily to more than 2.3 million deaths.

These figures illustrate how the organic growth of the Latino population outweighs nearly every other demographic force currently. The demographic momentum already embedded in the U.S.-born Latino population will continue to benefit the U.S. economy⁴.

REPLENISHING THE LABOR FORCE

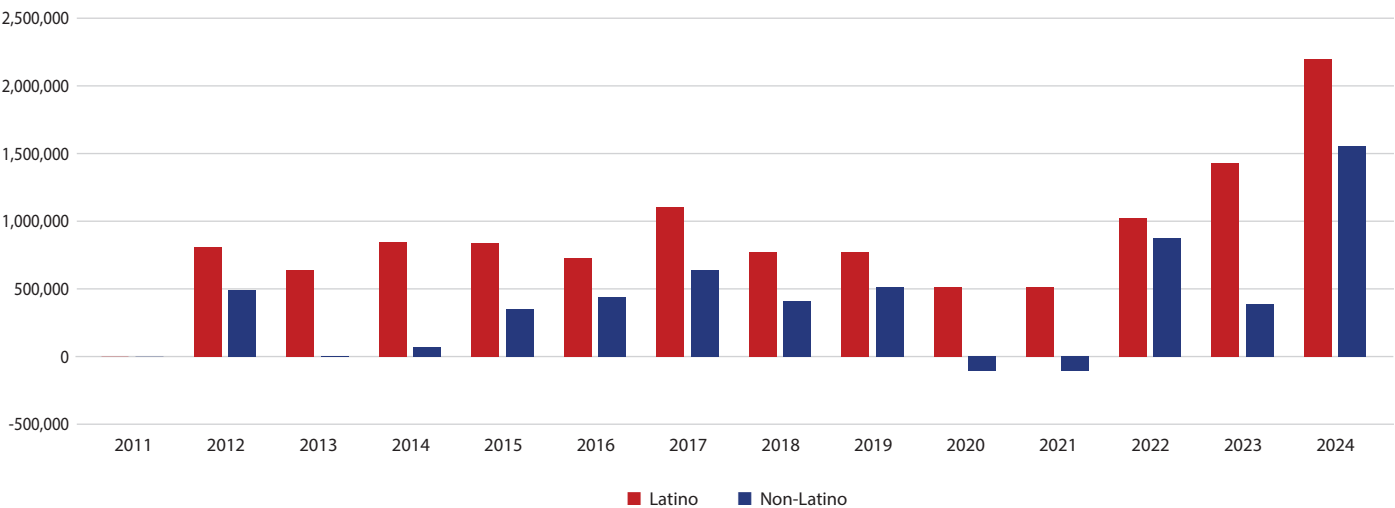
The economic implications of this demographic transition are substantial. Because Latinos are considerably younger than the rest of the nation, they contribute disproportionately to labor-force growth. The Bureau of Labor Statistics reports that Latinos accounted for roughly two-thirds of net U.S. labor-force growth between 2003 and 2024.

In 2024, Latinos had a labor-force participation rate of 69%, substantially above the 62.9% rate among non-Latinos. The difference persists in the most recent employment reports. Among men age 20 and older, Latino labor-force participation stood at 77.5%, compared to 68.1% among non-Latino men.

This disparity likely reflects demographics rather than differences in labor-market preferences. Latinos have a much larger share of adults in their prime working years and a substantially smaller share of retirees. As the broader population ages, Latino workers increasingly replenish the labor force, helping sustain employment, production, and tax revenues. The underlying age structure means that these trends will continue for the foreseeable future⁵.

Expanding labor-force participation also goes hand in hand with Latino household formation. At current rates, one in four U.S. households will be Latino within the next 25 years. As discussed in Chapter 2, this expanding family footprint supports rising Latino income, purchasing power, and consumer demand.

Annual Additions to the U.S. Labor Force

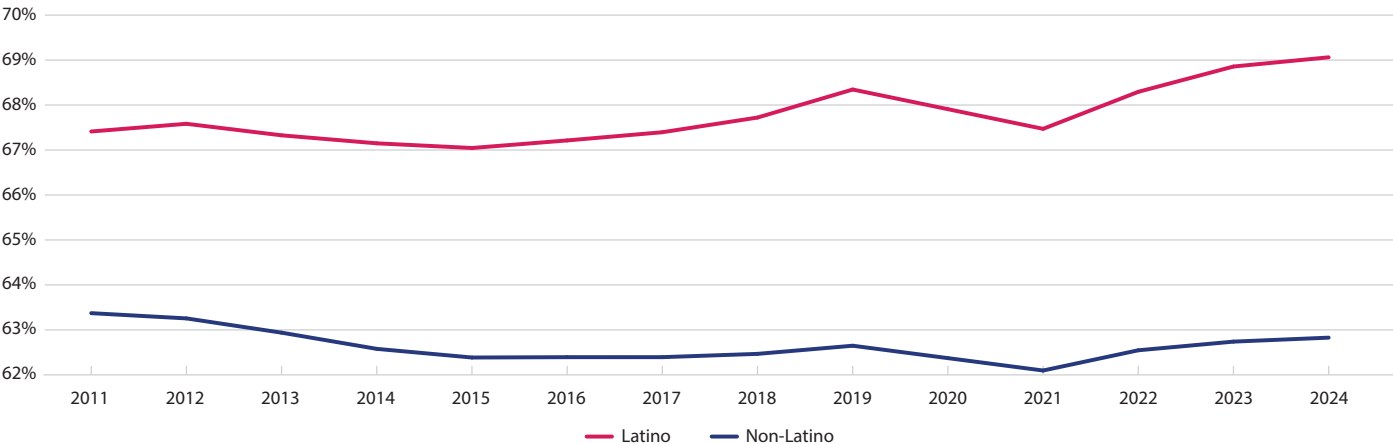


Source: Authors' calculations using data from the U.S. Department of Commerce, Census Bureau, American Community Survey.

4 U.S. Census Bureau, Components of Population Change, 2020–2025.

5 Bureau of Labor Statistics, Employment Trends of Latinos in the U.S. Labor Force; Bureau of Labor Statistics, Civilian Labor-Force Participation Rates.

U.S. Labor Force Participation Rates



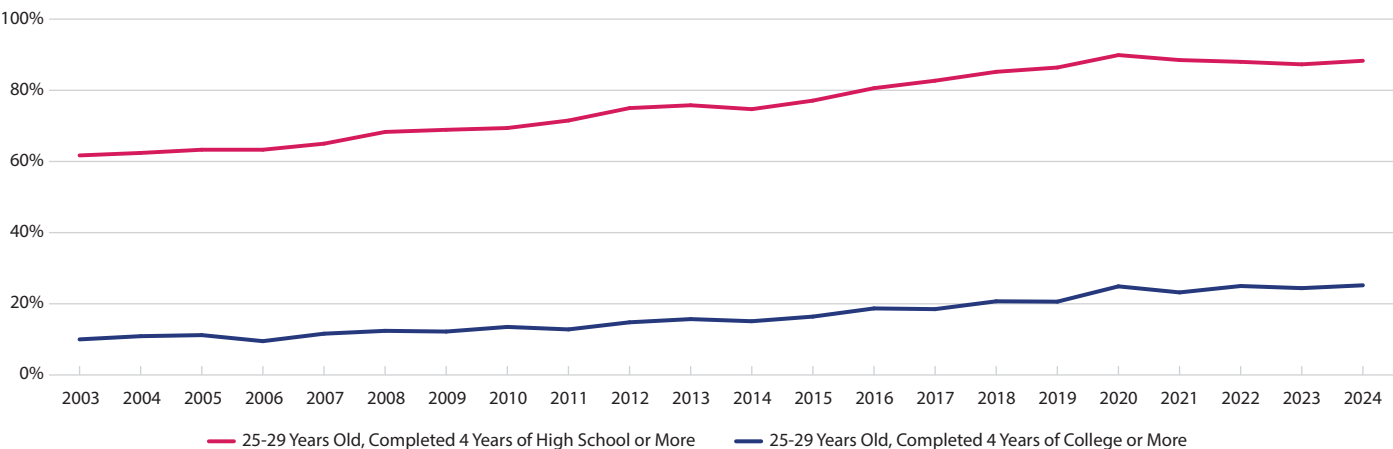
Source: Authors' calculations using data from the U.S. Department of Commerce, Census Bureau, American Community Survey.

INTERGENERATIONAL PROGRESS IS TRANSFORMING THE LATINO ECONOMY

Latino economic growth is driven not simply by population expansion, but by a remarkable pattern of intergenerational progress. Successive generations of Latinos are attaining more education, entering more skilled occupations, earning higher incomes, and establishing more businesses than previous generations.

According to the U.S. Census Bureau, the high school completion rate among Latinos ages 25 to 29 increased from 61.7% in 2003 to 88.3% in 2024. Bachelor's-degree attainment rose from 10% to 25.2% over the same period. The National Center for Education Statistics similarly documents sustained improvements in college enrollment and educational attainment among young Latinos during the past two decades.

Latino Young Adult Educational Attainment (% of total)



Source: Authors' calculations using data from the U.S. Department of Commerce, Census Bureau, American Community Survey.

That historical progress is continuing. From 2019 to 2024, there was a 7.2% average annual increase in the rate of Latinos earning bachelor's degrees—approximately 2.6 times the rate among non-Latinos. These gains expand the nation's stock of human capital and strengthen labor productivity, innovative capacity, and long-term economic growth⁶.

Rising educational attainment has also fundamentally changed the Latino occupational profile. Earlier generations of Latino workers were heavily concentrated in agriculture, construction, and other labor-intensive occupations. Those industries remain important, but younger generations increasingly possess the education and skills required to participate in a wider variety of fields.

The share of Latinos employed in management and professional services increased from 22.1% in 2014 to 27.6% in 2024. These occupations generally require more technical skills and generate higher wages and productivity. Latino economic growth therefore increasingly reflects improvements in workforce quality, not simply increases in workforce quantity. As Latino workers enter more knowledge-intensive occupations and industries, they contribute to innovation, business investment, and overall economic efficiency⁷.

FROM HUMAN-CAPITAL GAINS TO HOUSEHOLD PURCHASING POWER

Intergenerational advancement produces broad gains in household income and consumer spending, as illustrated in Chapters 2 and 4. As educational attainment and occupational mobility improve, Latino households earn more, accumulate greater wealth, purchase homes, invest in education, and increase expenditures on healthcare, financial services, transportation, communications, and recreation.

These spending patterns differ substantially from those associated with newly arrived immigrant households. They increasingly reflect established U.S. families progressing through the traditional life cycle of household formation, income growth, and wealth accumulation. Rising Latino consumption is therefore a domestic engine of demand supporting businesses, employment, housing markets, and state and local tax revenues throughout the country. (See Chapter 2 for the analysis of Latino consumption and household purchasing power.)

A STRATEGIC DEMOGRAPHIC ASSET

Unlike most developed economies, which face shrinking working-age populations and rapidly rising old-age dependency ratios, the United States benefits from a large and growing population of young adults approaching their highest-productivity years.

Approximately 28% of Latinos are younger than age 18, compared with 19.3% of non-Latinos. This age structure ensures that millions of future Latino workers will continue entering the labor force during the coming decades. Younger workers not only make up for retiring employees; they also support production and consumption while contributing payroll taxes that finance Social Security and Medicare⁸.

Perhaps the greatest national benefit of Latino demographic growth is its capacity to help the United States address emerging structural labor challenges. The American economy is entering an era of slower population growth, declining fertility, and increasing retirements. The Congressional Budget Office projects that labor-force growth will continue to slow without increases in the working-age population.

6 U.S. Census Bureau, Historical Educational Attainment Tables; U.S. Census Bureau, Significant Educational Strides Among the Young Latino Population; National Center for Education Statistics, Condition of Education.

7 Bureau of Labor Statistics, Labor-Force Characteristics by Race and Ethnicity; U.S. Census Bureau educational-attainment.

8 U.S. Census Bureau, Latino Population Younger but Aging Faster; U.S. Census Bureau, 2025 Population Estimates by Age, Sex, Race, and Hispanic Origin; Congressional Budget Office, Population and Aging.

At the same time, employers in healthcare, advanced manufacturing, construction, logistics, education, professional services, and technology continue to report persistent labor shortages. The Latino population represents one of the few large and growing domestic sources of workers available to fill these gaps. Because Latinos are disproportionately concentrated in prime working ages, they represent a growing share of new entrants across nearly every part of the economy. Their participation helps businesses expand production, adopt new technologies, and remain competitive despite broader demographic headwinds⁹.

BIRTH TRENDS REINFORCE DOMESTIC GROWTH

Recent birth statistics suggest that the Latino cohort will continue to support domestic population growth. From 2016 to 2024, Latino live births grew at an average annual rate of 3.9%, while live births to non-Latino white mothers declined at an annual rate of 3%. At those rates, annual births of Latino babies would exceed births to non-Latino white mothers by 2033.

The consumer-market implications are already visible. Although Latino households account for less than 16% of all U.S. households, they represented nearly 24% of expenditures on youth apparel in 2024. Recent age trends also suggest that this pattern will continue: in 2025, the median age of Latino women was 31, compared with 43 among non-Latino women¹⁰.

ORGANIC POPULATION GROWTH FUELS ENTREPRENEURSHIP

Latinos do not simply work for businesses; many own them. Rising educational attainment, higher incomes, and expanding professional experience have enabled Latino entrepreneurs to establish firms across an increasingly diverse range of industries.

The most recent Census report identified 5.8 million Latino-owned businesses accounting for nearly \$1 trillion in receipts. These enterprises create employment, stimulate innovation, and contribute to regional economic development. They also reinforce a broader cycle of income growth, investment, business formation, and consumer spending.

The expanding presence of Latino-owned businesses demonstrates how intergenerational progress benefits not only individual families, but the broader economy through job creation and productivity growth. Latino entrepreneurship is therefore another channel through which organic domestic population growth becomes sustained economic growth¹¹.

A DOMESTIC ENGINE OF FUTURE GROWTH

The central lesson is that the expansion of the Latino economy is a domestic story rooted in the age structure, births, educational advancement, workforce participation, occupational mobility, household formation, and entrepreneurship of a cohort that is primarily native-born U.S. citizens.

Latinos are replenishing the labor force as other groups age, increasing the nation's stock of human capital, expanding into higher-skilled occupations, forming households, creating businesses, and sustaining consumer demand.

These forces are mutually reinforcing. Demographic growth expands the labor and consumer base. Educational and occupational gains raise productivity and income. Rising income supports household formation, consumption, and entrepreneurship. Business formation creates new employment and investment.

The result is a growth engine whose importance will increase as the rest of the country confronts slower population growth and rising retirements. The Latino cohort is not merely participating in America's future economy. Its organic domestic expansion is becoming one of the principal forces sustaining that future.

9 Congressional Budget Office, The Demographic Outlook; Bureau of Labor Statistics employment projections.

10 U.S. Census Bureau, 2025 Population Estimates by Age, Sex, Race, and Hispanic Origin; Trends in U.S. Live Births by Race and Ethnicity, 2016–2024.

11 Stanford Graduate School of Business and Latino Business Action Network, 2025 State of Latino Entrepreneurship Report; U.S. Census Bureau, Annual Business Survey; U.S. Census Bureau, Business Owner Characteristics.

CHAPTER IV

LATINOS AS ENGINES OF STATE GROWTH



SIGNIFICANT DATA POINTS:

- Four states already contain enormous Latino economies. The 2026 nowcasts place Latino Gross State Product (GSP) at approximately **\$1.23 trillion** in California, **\$940 billion** in Texas, **\$499 billion** in Florida, and **\$399 billion** in New York.
- In mature markets, Latino growth is becoming indispensable. Latinos generated **52.6%** of California's GSP growth and **92.0%** of its working-age population growth. In Illinois and New York, Latinos accounted for **177.8%** and **170.8%** of working-age population growth, respectively—more than **offsetting** non-Latino **declines**.
- Some smaller Latino economies already generate most statewide growth. Latinos accounted for **94.4%** of GSP growth in Connecticut, **78.8%** in the District of Columbia, **60.5%** in Louisiana, and 58.2% in Kansas.
- The **SOUTHERN LATINO GROWTH CORRIDOR** identifies emerging markets for early investment. Annualized inflation-adjusted Latino GSP growth reached **16.4%** in Tennessee, **13.2%** in South Carolina, **12.5%** in Louisiana, **11.8%** in Mississippi, 11.4% in Alabama, and **9.9%** in North Carolina.
- A second **PLAINS-MIDWEST LATINO GROWTH CORRIDOR** is expanding rapidly. Latino GSP grew **13.2%** annually in South Dakota, **13.0%** in North Dakota, **12.8%** in Indiana, **11.0%** in Kansas, **10.3%** in Minnesota, and **9.4%** in Iowa.

Despite a large fraction of Latino economic activity being concentrated in a handful of major states, its influence is national. California, Texas, Florida, and New York remain the principal centers of Latino economic scale, yet some of the fastest-growing Latino economies are emerging in states that have not traditionally seen a large Latino presence. At the same time, several states with comparatively small Latino economies already depend heavily on this cohort for economic and demographic growth.

These patterns reveal distinct state trajectories. In mature markets such as California, New York, and Illinois, Latino importance rests on scale and demographic indispensability. Texas and Florida combine very large Latino economies with continued, broad-based expansion. Across the South, Plains, and Midwest, high-velocity emerging markets are forming new Latino Growth Corridors. Meanwhile, states such as Connecticut, Louisiana, and Kansas, as well as the District of Columbia, receive an unusually large share of their growth from Latinos despite having smaller Latino economic bases.

THE LARGEST LATINO STATE ECONOMIES

New nowcasts produced for this report make it possible, for the first time, to examine Latino state economies in the current year. In 2026, California has the largest Latino economy in the country, with Latino gross state product (GSP) of approximately \$1.23 trillion. Texas follows at \$940 billion and Florida at \$499 billion. New York is the major geographic exception to this southern and western concentration, with a Latino economy of \$399 billion in the Northeast. (See map of 2026 Latino GSP.)

These four states form the principal centers of Latino economic scale, but the role Latinos play within them differs considerably.

California is the clearest example of a **mature Latino economic anchor**. It combines the country's largest Latino economy with an exceptional contribution to statewide growth: Latinos generated 52.6% of California's total GSP growth between 2019 and 2024. Latinos also accounted for 92.0% of the state's working-age population growth between 2014 and 2024.

California's importance does not arise from exceptionally fast percentage growth. Its Latino economy expanded by a comparatively moderate 3.7% annually in inflation-adjusted terms. Rather, its contribution reflects the enormous size of the existing Latino economic base and the cohort's central role in sustaining the state's working-age population. (See maps of Latino contribution to GSP growth, annual real Latino GSP growth, and Latino contribution to working-age population growth.)

Illinois and New York display related characteristics. Illinois has the country's fifth-largest Latino state economy, valued at \$183 billion, and Latinos generated 50.5% of statewide GSP growth between 2019 and 2024. In New York, Latinos accounted for 170.8% of working-age population growth; in Illinois, the figure was 177.8%. In both cases, Latino gains more than offset declines in the non-Latino working-age population. These are mature markets in which Latinos are helping preserve the demographic structure on which future economic activity depends.

Texas and Florida represent a different model: **large, expanding Sun Belt engines**. Latinos accounted for 55.9% of working-age population growth in Texas and 55.6% in Florida. Latino GSP grew by 4.8% annually in Texas and 7.3% in Florida.

In these states, Latino expansion is occurring alongside broader population and economic growth. Their Latino economies are already among the country's largest, and their continued expansion will further increase their influence over state labor forces, consumer markets, and business formation.

ECONOMIC SCALE AND DEPENDENCE ARE NOT THE SAME

The states with the largest Latino economies are not necessarily the states most dependent on Latinos for growth. In several smaller markets, Latinos generated most of the increase in total GSP between 2019 and 2024.

Connecticut is the most striking example, as Latinos accounted for 94.4% of total state GSP growth. The corresponding figure was 78.8% in the District of Columbia, 60.5% in Louisiana, and 58.2% in Kansas. These are **outsized Latino growth-leverage states**. Their Latino economies do not approach the scale of California, Texas, Florida, or New York, but their expansion is already central to overall state performance.

Connecticut illustrates how this leverage can arise. Its Latino economy grew by 5.6% annually (close to the national growth rate), yet Latinos generated nearly all statewide GSP growth and 147.5% of working-age population growth. The size of the contribution reflects both Latino expansion and weak or negative growth elsewhere in the state's economy and population.

In other states, the contribution of Latinos to state growth is substantially higher than the rate of growth of their working-age population. In the District of Columbia, Latinos accounted for 78.8% of total GSP growth, compared with 32.2% of working-age population growth. Louisiana's Latino cohort generated 60.5% of statewide GSP growth, despite a decline in its Latino working-age population over the longer 2014–2024 period.

These cases show why the size of a Latino state economy cannot be the sole measure of its importance. A comparatively small Latino economy can exercise substantial leverage when it is growing rapidly, when the remainder of the state is growing slowly, or when both conditions occur simultaneously.

THE GEOGRAPHY OF LATINO GROWTH IS CHANGING

Some of the most consequential patterns appear in states where the Latino economic base remains relatively young. This provides evidence of geographic convergence: Latino economies are expanding particularly fast in markets not historically viewed as major centers of Latino economic activity.

Tennessee recorded the fastest annual inflation-adjusted Latino GSP growth in the country between 2019 and 2024, at 16.4%. Latinos generated 21.9% of the state's total GSP growth and 23.8% of its working-age population growth.

Tennessee exemplifies a **high-velocity emerging Latino economy**. Its Latino economic base is growing exceptionally quickly, even though its current contribution to statewide growth remains below that of mature anchors or high-leverage states. Rapid growth from a smaller base does not immediately generate the same absolute contribution as moderate growth from a large base, but it signals where future economic and consumer-market expansion may be concentrated.

Other emerging markets include South Dakota, where Latino GSP grew by 13.2% annually, and Vermont, where it grew by 12.5%. These rates suggest that Latino economic growth is no longer confined to traditional geographies. They may also reflect the ability of Latino workers, households, and entrepreneurs to pursue opportunities in new markets.

THE SOUTHERN LATINO GROWTH CORRIDOR

The emergence of high-growth Latino economies is not limited to isolated states. A **Southern Latino Growth Corridor** extends across Tennessee, South Carolina, Louisiana, Mississippi, Alabama, and North Carolina.

Tennessee leads the corridor with annual real Latino GSP growth of 16.4%, followed by South Carolina at 13.2%, Louisiana at 12.5%, Mississippi at 11.8%, Alabama at 11.4%, and North Carolina at 9.9%. The geographic continuity and broadly elevated growth rates across these states indicate that the South is becoming a new frontier of Latino economic expansion. (See map of annual real Latino GSP growth.)

For businesses, the implications are substantial. Companies that establish a presence while these Latino consumer and entrepreneurial markets remain relatively young may gain an early-mover advantage. Firms that develop distribution networks, products, community relationships, and market knowledge today will be better positioned as the cohort's population, income, and purchasing power expand.

THE PLAINS-MIDWEST LATINO GROWTH CORRIDOR

A second **Plains-Midwest Latino Growth Corridor** extends through South Dakota, North Dakota, Indiana, Kansas, Minnesota, and Iowa. Latino GSP grew between 2019 and 2024 by 13.2% annually in South Dakota, 13.0% in North Dakota, 12.8% in Indiana, 11.0% in Kansas, 10.3% in Minnesota, and 9.4% in Iowa.

This corridor contains several state profiles. South Dakota, North Dakota, and Indiana are high-velocity emerging markets. Kansas combines rapid growth with outsized leverage over statewide performance. Iowa exhibits a stronger demographic change: Latinos accounted for 88.7% of working-age population growth, even though their contribution to total GSP growth was considerably smaller.

The corridor therefore represents more than rapid output expansion. In some states, Latinos are creating new labor and consumer markets. In others, they are replenishing working-age populations that would otherwise grow more slowly.

These markets are generally less mature than California, Texas, Florida, or New York, but that is precisely what makes them strategically important. A smaller starting base allows high growth rates to compound into progressively larger contributions to output and consumption.

LATINOS AS DEMOGRAPHIC STABILIZERS

Working-age population trends help explain why Latino state economies are likely to become increasingly consequential. Between 2014 and 2024, Latinos accounted for nearly all working-age population growth in several states: 177.8% in Illinois, 170.8% in New York, 147.5% in Connecticut, 114.5% in New Mexico, 109.0% in Nebraska, and 92.0% in California.

Figures above 100% indicate that Latino gains more than offset declines in the non-Latino working-age population. In these states, Latinos are not merely adding workers; they are preventing working-age population contraction.

This demographic contribution is especially visible in mature markets in the Northeast, Midwest, and West. It explains how a state can depend heavily on Latinos even when its Latino economy is not growing at one of the country's fastest rates. California, Illinois, and New York combine moderate percentage growth with large existing Latino economies and a dependence on Latinos for further demographic growth.

Working-age population growth does not translate automatically or immediately into GSP. Its effect depends on employment, labor-force participation, human capital, earnings, productivity, industry composition, and entrepreneurship.

Nevertheless, states unable to sustain their working-age populations will face increasing constraints on economic expansion. Latino demographic growth is therefore an important indicator of long-term state resilience.

IMPLICATIONS FOR STATES AND BUSINESSES

The evidence identifies four broad state models:

Mature Latino economic anchors, such as California, Illinois, and New York, derive their importance from the scale of the Latino population, large contributions to state growth, and a critical role in sustaining the working-age population.

Large, broadly expanding Sun Belt engines, particularly Texas and Florida, combine very large Latino economies with substantial demographic expansion within states that continue to grow more broadly.

High-velocity emerging Latino economies, including Tennessee, South Carolina, South Dakota, North Dakota, Indiana, Mississippi, Alabama, and North Carolina, are expanding rapidly from less mature bases. Many are located within the two **Latino Growth Corridors**.

Outsized Latino growth-leverage states, including Connecticut, the District of Columbia, Louisiana, and Kansas, receive an unusually large share of total GSP growth from Latinos despite having smaller Latino economies.

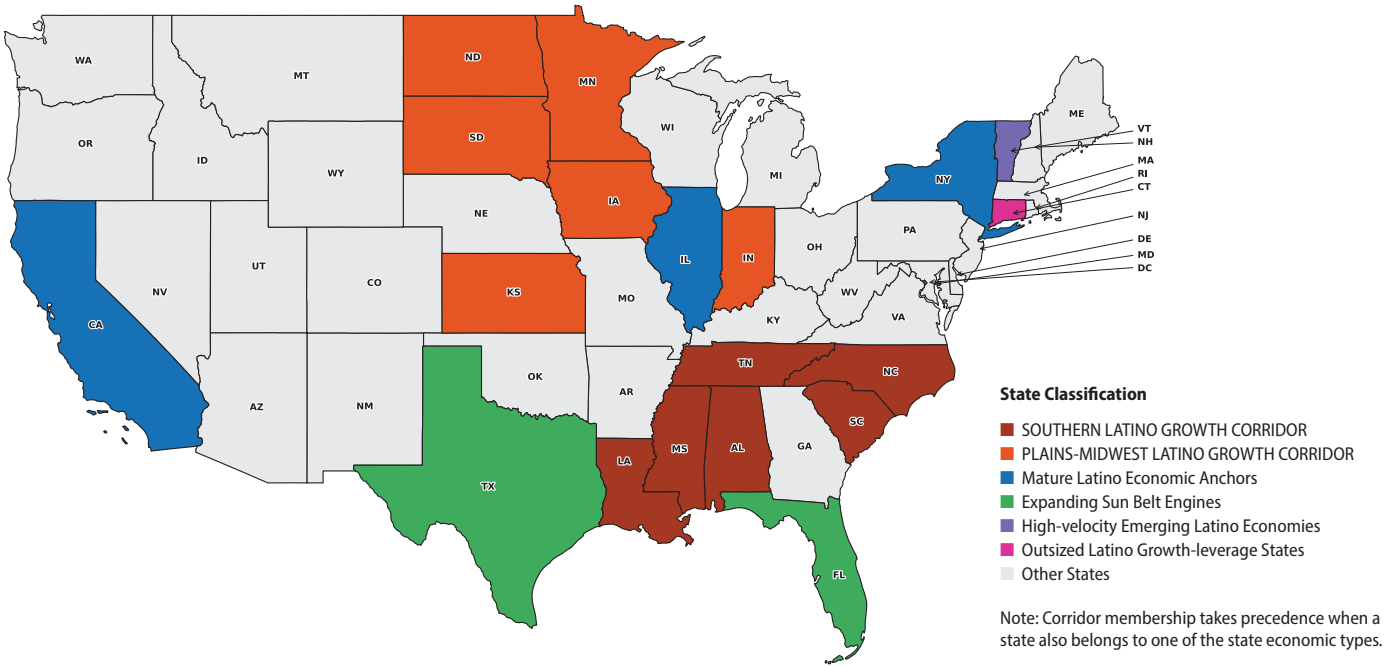
For policymakers, attracting and retaining Latino workers, households, and entrepreneurs is increasingly a matter of long-term competitiveness. States that maintain dynamic industries, provide a business-friendly environment, and adopt priorities responsive to Latino communities will be better positioned to capture future growth.

For business leaders, some of the most immediate opportunities may lie in the **Southern Latino Growth Corridor** and the **Plains-Midwest Latino Growth Corridor**. These markets combine rapid expansion with relatively young Latino economic ecosystems. Early investment can help firms develop brand recognition, consumer loyalty, and market expertise before these economies reach full maturity.

The state evidence ultimately points to a broader conclusion: Latino economic growth is simultaneously concentrated and dispersing. Its greatest scale remains in a handful of major states, but its fastest growth and highest leverage increasingly appear across a much wider geography.

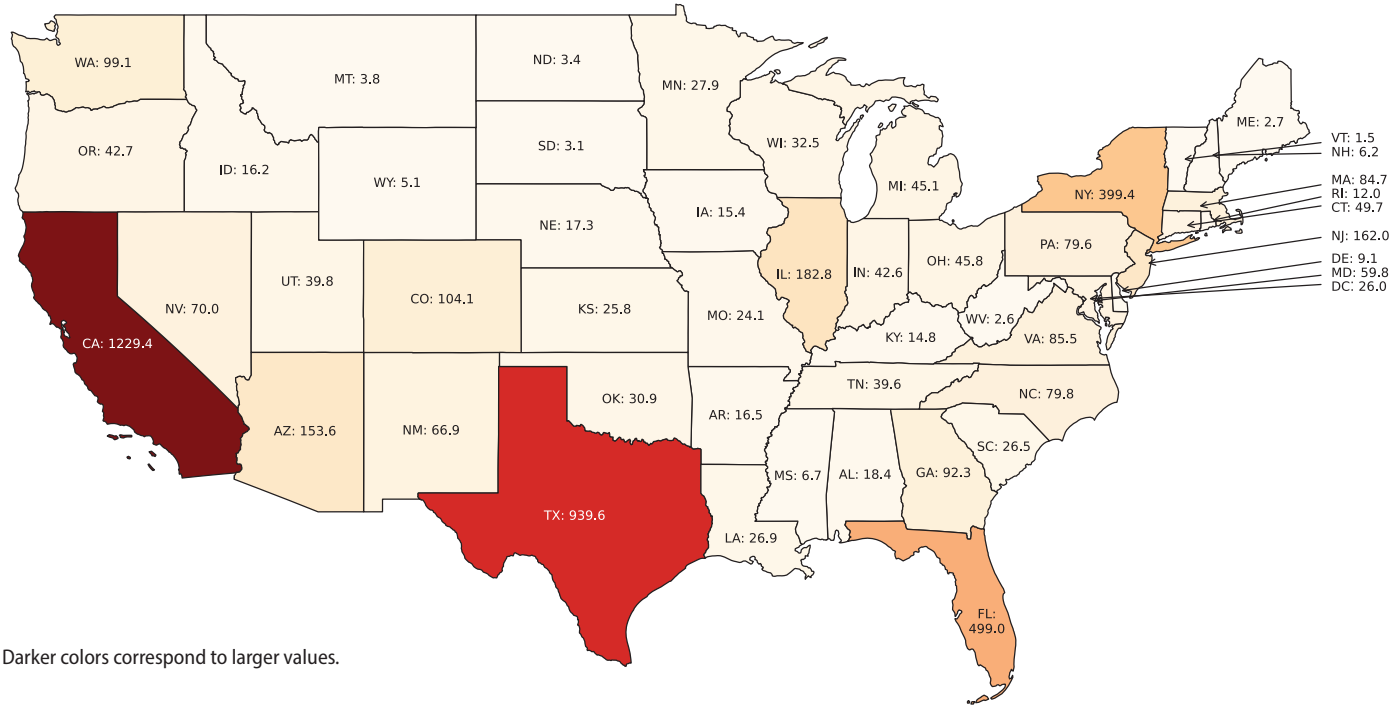
In mature anchors, Latinos sustain the demographic and economic base. In Texas and Florida, they reinforce already-dynamic markets. Across the South, Plains, and Midwest, they are building new **Latino Growth Corridors**. And in states such as Connecticut, Louisiana, Kansas, and the District of Columbia, they already account for much of the growth that occurs.

U.S. Latino Growth Corridors and State Economic Types



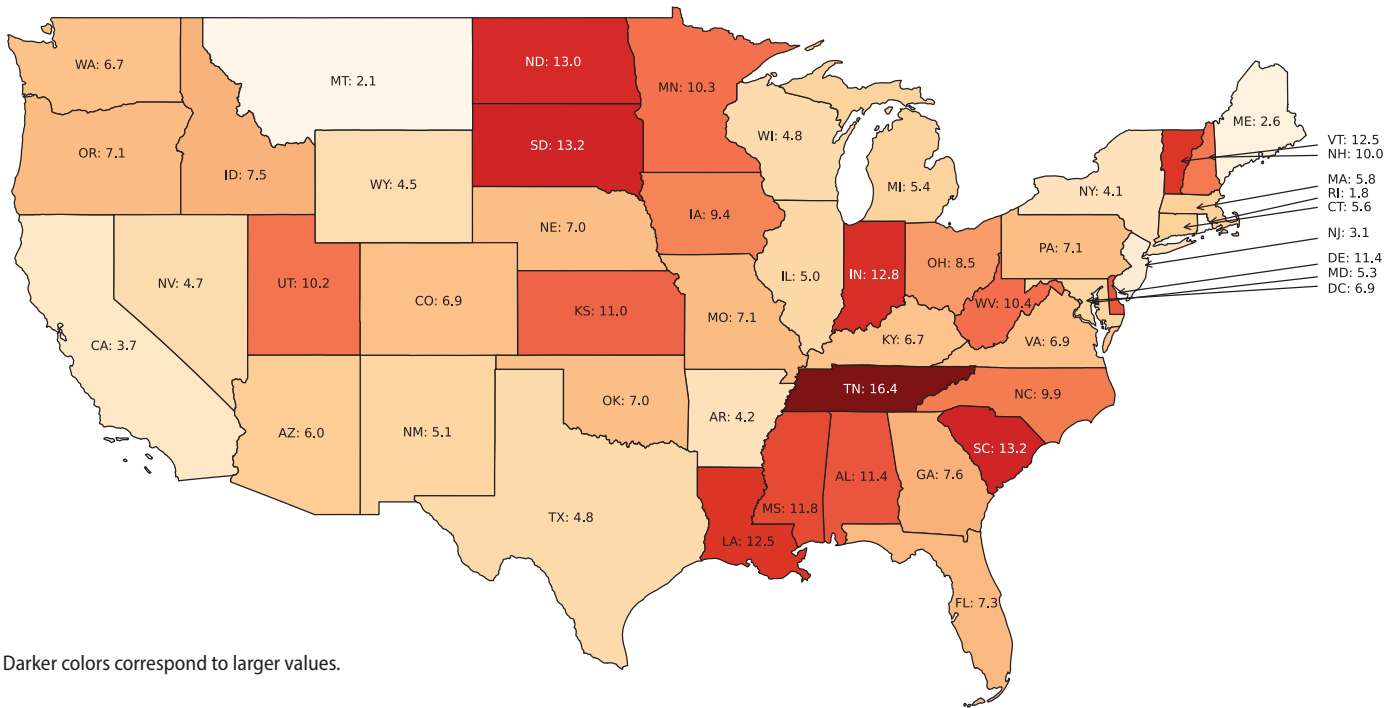
Sources: Authors’ calculations using data from the U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Census Bureau, American Community Survey; and U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.

U.S. States by Latino GSP 2026 (billions \$)



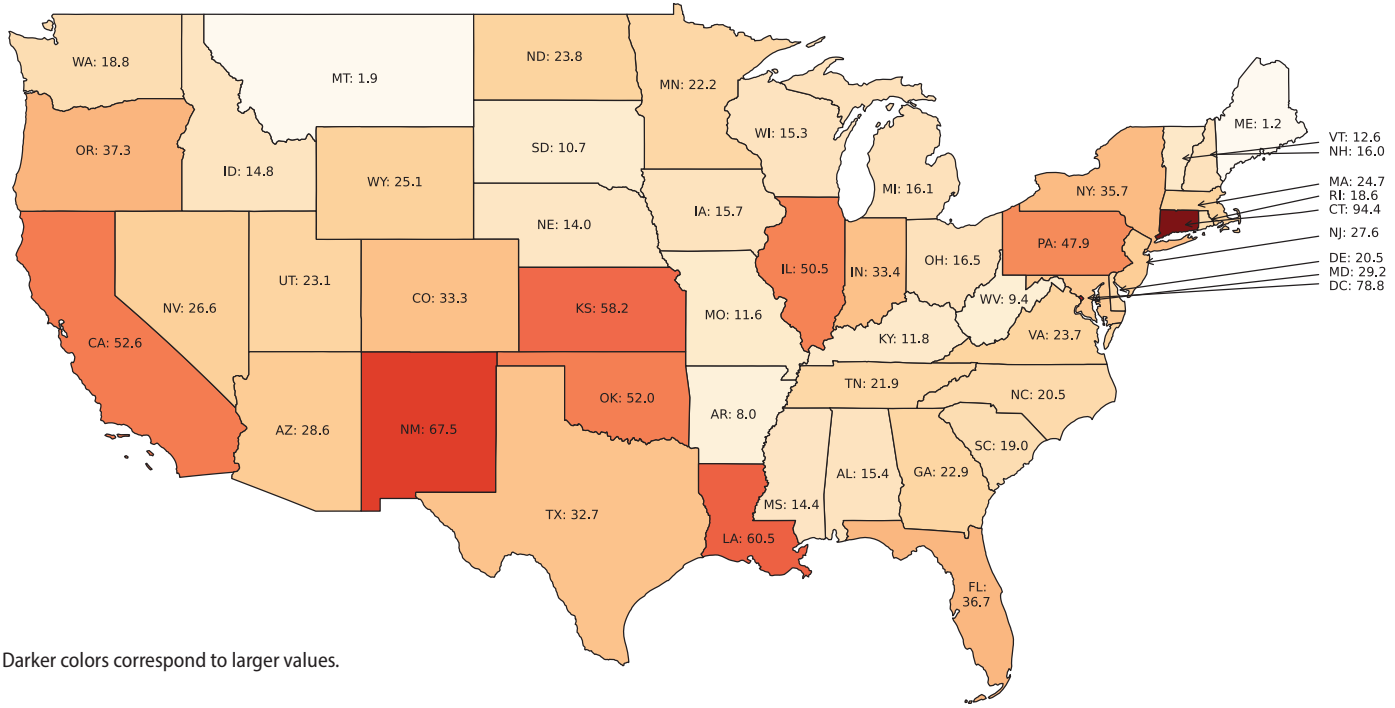
Sources: Authors’ calculations using data from the U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Census Bureau, American Community Survey; and U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.

U.S. States by Annual Latino GSP Growth 2019–2024 (% , inflation-adjusted)



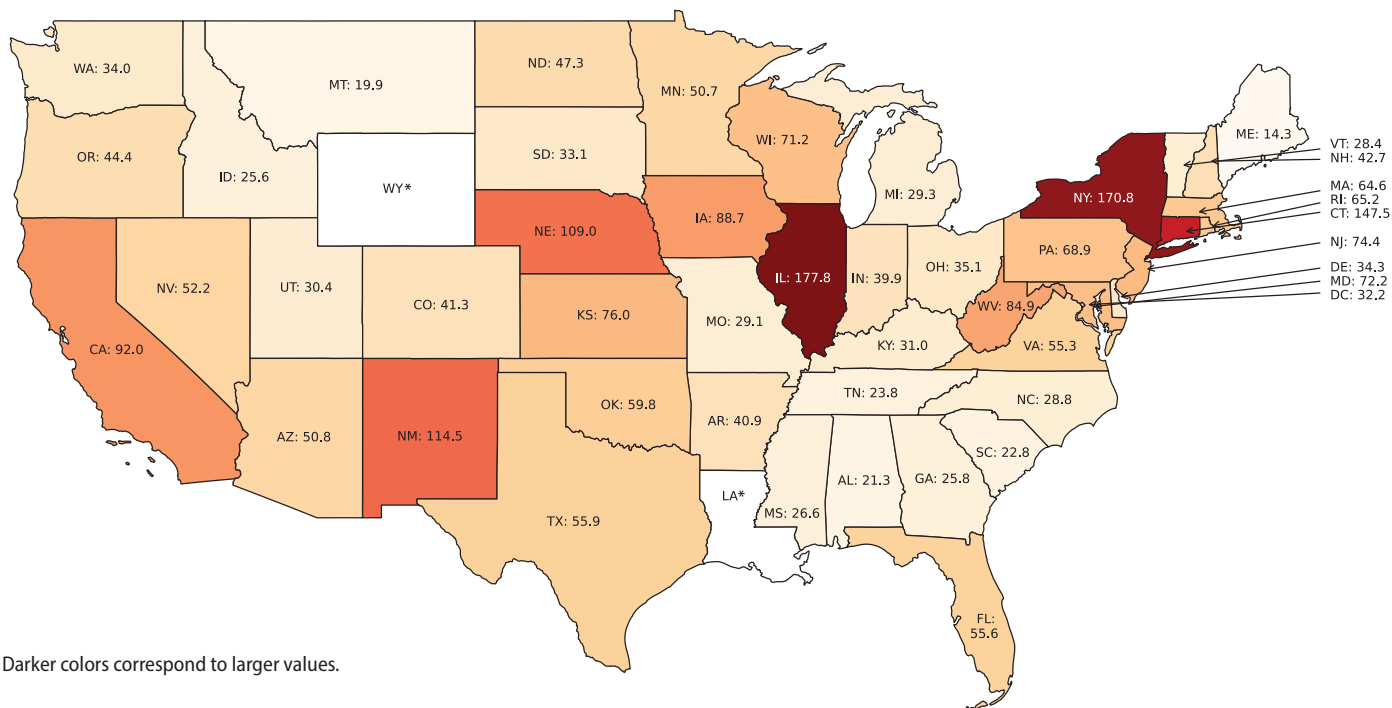
Sources: Authors’ calculations using data from the U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Census Bureau, American Community Survey; and U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.

Latino Share of State GSP Growth, 2019–2024 (% of total)



Sources: Authors’ calculations using data from the U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Census Bureau, American Community Survey; and U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.

U.S. States by Latino Share of Working-Age Population Growth (2014–2024)



* LA and WY registered negative working-age population between 2014 and 2024.

Sources: Authors’ calculations using data from the U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Census Bureau, American Community Survey; and U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.

CHAPTER V

THE INDUSTRIAL COMPOSITION OF THE LATINO ECONOMY



SIGNIFICANT DATA POINTS:

- **The Latino economy is highly diversified.** Its two largest industries—manufacturing and public administration—each generated approximately **\$550 billion in 2024** and together represented almost **one-quarter of Latino GDP**. Real estate added **\$408.6 billion**, healthcare **\$313.3 billion**, and construction **\$307.5 billion**.
- **Growth reaches almost the entire industrial base.** Latino GDP expanded in **15 of 20 NAICS industries in 2024**, and the Latino component grew faster than the corresponding U.S. industry in **14 of 20**.
- Several major sectors are expanding at multiples of national growth. Latino **transportation and warehousing** grew **21.3%** versus 4.6% nationally; **real estate and leasing**, **20.1%** versus 6.8%; **finance and insurance**, **21.1%** versus 10.6%; and **professional, scientific, and technical services**, **13.3%** versus 6.0%.
- **Recent growth is not dependent on one sector.** Public administration, real estate, healthcare, construction, accommodation and food services, finance, and transportation together generated roughly 85% of the net increase in Latino GDP from 2023 to 2024, spanning very different parts of the economy.
- **Agriculture is a very small part of Latino GDP.** Agriculture, forestry, fishing, and hunting accounted for **just 0.8% of Latino GDP** in 2024, slightly below its 0.9% share of total U.S. GDP.

The Latino economy is broad and differs structurally from the overall U.S. economy. It maintains an outsized presence in manufacturing, construction, transportation, and hospitality: industries central to producing, building, and moving goods and services nationwide. Its recent growth, however, extends well beyond these traditional strengths.

In 2024, the Latino activity in finance, real estate and leasing, professional services, information technology, healthcare, and public administration grew substantially faster than those industries overall.

The result is an economy expanding along two fronts. Large industries that have traditionally been central to Latino economic activity continue to account for substantial output, while industries that currently represent smaller shares of the Latino economy are growing rapidly. This suggests an increasing level of industrial diversification over time and a growing Latino economic footprint across a broader range of U.S. industries.

A LARGE AND DIVERSIFIED ECONOMY

The Latino economy cannot be characterized by any single industry. In 2024, its two largest industries were public administration and manufacturing, each producing approximately \$550 billion in value added. Together, they accounted for almost one-quarter of the entire Latino economy.

Several other industries also represented substantial economic activity:

- Real estate and rental and leasing: **\$408.6 billion**, or **9.3%** of Latino GDP
- Healthcare and social assistance: **\$313.3 billion**, or **7.1%**
- Construction: **\$307.5 billion**, or **7.0%**
- Retail trade: **\$274.9 billion**, or **6.3%**
- Wholesale trade: **\$273.5 billion**, or **6.2%**
- Accommodation and food services: **\$270.9 billion**, or **6.2%**

The breadth of these industries illustrates an economy distributed across government, manufacturing, real estate, healthcare, construction, trade, and hospitality. It stands in contrast to narratives that associate Latino economic activity principally with agriculture or a narrow set of low-wage services. In fact, agriculture, forestry, fishing, and hunting represented just **0.8% of Latino GDP in 2024**, slightly below the 0.9% share of the overall U.S. economy.

A CENTRAL ROLE IN PRODUCING, BUILDING, AND MOVING GOODS

Although diversified, the Latino economy remains overrepresented in industries connected to the production and movement of goods. Manufacturing, construction, transportation and warehousing, and accommodation and food services occupy a larger place in the Latino economy than in the overall U.S. economy.

This concentration is relevant as the United States pursues reshoring initiatives for economic and strategic reasons amid uncertainty surrounding international trade and vulnerable supply chains overseas. Manufacturing provides the production base, construction supplies physical infrastructure, and transportation and warehousing connect producers with businesses and consumers. The large Latino presence in these industries makes this cohort critical to expanding and maintaining domestic productive capacity.

Manufacturing alone remains one of the two largest components of the Latino economy, at approximately \$550 billion in 2024. Construction generated another \$307.5 billion, while transportation and warehousing also represented substantial industrial activity.

Manufacturing was an exception to the broader growth pattern in 2024. Latino manufacturing value added declined moderately, by **0.6%** nominally, following strong growth from 2022 to 2023. ASU believes that the change may reflect idiosyncratic developments in the broader industry that particularly affected Latinos. The decline does not change manufacturing's position as one of the most important Latino industries.

GROWTH ACROSS NEARLY THE ENTIRE INDUSTRIAL BASE

The industrial expansion of the Latino economy in 2024 was broad. Latino GDP grew in **15 of the 20 NAICS** industries examined. More importantly, the Latino economy grew faster than the corresponding national industry in **14 of the 20 industries**.

Several industries recorded particularly large differences:

- Public administration: **21.8% Latino growth**, compared with **6.2% nationally**
- Transportation and warehousing: **21.3%**, compared with **4.6%**
- Finance and insurance: **21.1%**, compared with **10.6%**
- Real estate and rental and leasing: **20.1%**, compared with **6.8%**
- Accommodation and food services: **17.3%**, compared with **5.3%**
- Healthcare and social assistance: **15.5%**, compared with **8.4%**
- Construction: **15.4%**, compared with **6.9%**
- Professional, scientific, and technical services: **13.3%**, compared with **6.0%**

That breadth of the expansion is the more important pattern. Strong Latino growth occurred in government and logistics, but also in finance, real estate, healthcare, professional services, hospitality, construction, and entertainment. Recent Latino economic growth therefore cannot readily be characterized as a single-industry phenomenon.

ESTABLISHED STRENGTHS ALONGSIDE RAPIDLY EXPANDING INDUSTRIES

Some of the strongest Latino growth is occurring in industries that are already central to the Latino economy. Public administration, transportation and warehousing, accommodation and food services, and construction all expanded considerably faster than their national counterparts in 2024.

At the same time, rapid growth is increasingly visible in industries that occupy a smaller share of the Latino economy relative to the U.S. Real estate and rental and leasing, professional, scientific, and technical services, finance and insurance, and information technology are particularly notable.

Latino value added in real estate and rental and leasing grew **20.1%** year-over-year, compared with **6.8% nationally**. Finance and insurance grew **21.1%**, more than twice the national rate of **10.6%**. Professional, scientific, and technical services expanded **13.3%**, compared with **6.0% nationally**. Together, these four industries account for almost another quarter of Latino GDP.

This combination matters because diversification is occurring without displacing the industries that have been central to the Latino economy thus far. Growth is continuing in construction, transportation, hospitality, and other established areas while finance, professional services, real estate, information, and healthcare exhibit some of the most rapid growth in the Latino economy.

THE INDUSTRIES DRIVING THE INCREASE IN LATINO GDP

The dollar contribution of individual industries reinforces this picture of broad-based expansion. Public administration generated the largest increase in Latino value added between 2023 and 2024. It was followed by real estate, healthcare, construction, accommodation and food services, finance, and transportation.

Together, these seven industries accounted for roughly **85% of the net increase in Latino GDP** over the year.

The composition of this group is notable. It includes government, real estate, healthcare, physical infrastructure, hospitality, financial services, and logistics. No single type of activity dominates the list. Instead, recent Latino GDP growth originated from industries serving very different economic functions.

Public administration and construction contribute to the operation and physical development of communities. Transportation and warehousing support supply chains. Healthcare provides services to households and an aging national population. Real estate and finance connect households and businesses to property and capital.

AN INCREASINGLY DIVERSIFIED INDUSTRIAL FOOTPRINT

The industrial structure of the Latino economy today reflects both continuity and evolution. Manufacturing remains one of its largest components. Construction, transportation, and hospitality continue to carry greater weight than they do in the national economy. These industries position the Latino cohort prominently within the physical production, infrastructure, logistics, and service networks on which the broader economy depends.

But the growth figures reveal a changing landscape. Latino activity in finance, real estate, professional services, information, healthcare, and public administration is expanding rapidly, often considerably faster than the same industries nationally.

The story is therefore one of simultaneous expansion. Large industries that have long been central to the Latino economy remain critical, while high-growth industries with additional room to expand are becoming increasingly consequential. In 2024, that pattern was visible across most of the industrial base: 15 of 20 industries expanded, and the Latino components of 14 out of 20 grew faster than nationally.

CHAPTER VI

LATINO ENTREPRENEURSHIP: HIGH-VELOCITY FIRM CREATION AND THE OPPORTUNITY TO SCALE



SIGNIFICANT DATA POINTS:

- The scale of Latino entrepreneurship is already substantial. Latino owners operate **5.3 million nonemployer firms**, representing **17.5% of all** U.S. nonemployer businesses and generating **\$244.2 billion** in receipts.
- Latino-owned **employer firms** number **496,000**, or **8.4%** of U.S. employer firms, with **\$730.3 billion** in receipts.
- Between 2018 and 2023, the number of Latino-owned firms grew **3.7 times faster** than the number of non-Latino-owned firms.

Entrepreneurship is another area in which Latino economic growth is increasingly visible. Latino entrepreneurs are creating firms, adding jobs, and expanding revenue at rates that exceed those of the rest of the economy.

Because firms with employees differ fundamentally from owner-only businesses, the analysis distinguishes between **nonemployer firms**, which have no employees other than the owner, and **employer firms**, which employ workers in addition to the owner.

A LARGE PRESENCE AMONG NONEMPLOYER FIRMS

In 2023, the United States had 36.4 million employer and nonemployer businesses generating \$50 trillion in receipts. Latino business owners were particularly well represented among nonemployer firms. They owned **5.3 million businesses, 17.5% of all nonemployer firms**, and generated **\$244.2 billion in receipts**.

Nonemployer Firm Ownership and Receipts (2023)

Ownership Group	Nonemployer Firms	Share of Firms	Receipts
Latino	5.3 million	17.5%	\$244.2 billion
Black or African American	4.4 million	14.4%	\$128.7 billion
Asian	2.8 million	9.2%	\$163.6 billion
American Indian or Alaska Native	378,000	1.2%	\$15.5 billion
Native Hawaiian and Other Pacific Islander	102,000	0.3%	\$4.4 billion

Source: U.S. Department of Commerce, Census Bureau, 2024 Annual Business Survey covering 2023, Business Owner Characteristics.

EMPLOYER BUSINESSES ARE EXPANDING RAPIDLY

The large Latino presence among nonemployer firms provides one indication of the scale of entrepreneurial activity. However, employer firms constitute the backbone of Latino entrepreneurship in terms of volume of receipts.

In 2024, these firms accounted for **8.4% of U.S. employer businesses**, representing 496,000 firms and \$730.3 billion in receipts in Census data.

Employer Firm Ownership and Receipts (2024)

Ownership Group	Employer Firms	Share of Firms	Receipts
Latino	496,000	8.4%	\$730.3 billion
Asian	685,000	11.5%	\$1.2 trillion
Black or African American	201,000	3.4%	\$249.0 billion
American Indian or Alaska Native	55,000	0.9%	\$70.8 billion
Native Hawaiian and Other Pacific Islander	9,000	0.2%	\$13.1 billion

Source: U.S. Department of Commerce, Census Bureau, Annual Business Survey.

GROWTH IS SPREADING ACROSS STATES AND INDUSTRIES

California, Florida, and Texas remain the principal centers of Latino employer entrepreneurship. And Latino businesses account for far higher shares of total state businesses than national averages suggest. California alone is home to approximately one-quarter of U.S. Latino employer firms, with **118 thousand**, Florida has 110 thousand, and Texas 80 thousand. Together, these three states account for **62% of all U.S. Latino employer firms**. They also constitute an outsized share of Latino-owned **nonemployer** businesses, with more than 3.25 million such firms combined across these three states.

Shares of Latino-owned Businesses: Selected States (2023)

Selected States	Nonemployer Firms	Employer Firms	Total Firms
Arizona			
Classifiable	588,000	113,009	701,009
Latino	144,000	15,769	159,769
Share Latino	24%	14%	23%
California			
Classifiable	3,435,000	762,905	4,197,905
Latino	959,000	117,987	1,076,987
Share Latino	28%	15%	26%
Florida			
Classifiable	2,989,000	484,880	3,473,880
Latino	1,221,000	109,510	1,330,510
Share Latino	41%	23%	38%
Texas			
Classifiable	3,031,000	450,752	3,481,752
Latino	1,077,000	80,346	1,157,346
Share Latino	36%	18%	33%

Source: National Center for Science and Engineering Statistics, U.S. National Science Foundation; and U.S. Department of Commerce, Census Bureau, Nonemployer Statistics by Demographics series, 2023.

Analysis of the same data from 2018 to 2023 shows that Latino business ownership expanded faster than non-Latino ownership. Over the five-year period, the number of Latino-owned businesses grew at a ratio of 3.7 to 1. Growth remained strong even in states where Latino entrepreneurship was already well established in 2018.

The divergence was especially pronounced among employer firms. Nationally, the number of Latino-owned employer businesses increased by 7.7% over the period, while the number of non-Latino employer firms was essentially unchanged. The same pattern was evident in large and fast-growing markets such as Texas, Florida, and Arizona, where growth in Latino-owned employer businesses substantially outpaced that of non-Latino-owned firms. Together, these trends point to a dynamic base of Latino entrepreneurship.

Average Annual Growth in Business Ownership (2018–2023)

Selected States	Nonemployer Firms	Employer Firms	Total Firms
Arizona			
Latino	6.12%	10.15%	6.48%
Non-Latino	2.89%	1.24%	2.58%
Texas			
Latino	6.05%	5.82%	6.03%
Non-Latino	3.35%	1.38%	3.02%
Florida			
Latino	8.91%	7.74%	8.81%
Non-Latino	3.52%	0.91%	3.04%
California			
Latino	2.01%	7.00%	2.50%
Non-Latino	-0.18%	0.64%	-0.01%
U.S.			
Latino	6.41%	7.74%	6.53%
Non-Latino	2.11%	0.12%	1.75%

Source: National Center for Science and Engineering Statistics, U.S. National Science Foundation; and U.S. Department of Commerce, Census Bureau, Nonemployer Statistics by Demographics series, 2023.

The entrepreneurship story therefore resembles other patterns documented throughout this report: the most consequential feature is not simply the level of Latino participation today, but the rate at which that participation is expanding and the resulting increase in the share of growth originating from Latino entrepreneurs.

OUTLOOK

Rapid growth in Latino entrepreneurship is supported by their relative youth and inclination for new business opportunities. As these trends continue, U.S. Latino entrepreneurs are likely to account for a growing share of U.S. business formation and employment growth. Venture capital firms, lenders, and other business stakeholders stand to benefit from greater exposure to this dynamic segment, which is already playing an increasingly important role in business creation and job growth across the U.S. economy.

METHODOLOGY

LAGGED METRICS OF ECONOMIC PROGRESS

The Seidman research team at ASU utilizes a refined methodology to estimate the economic contributions of U.S. Latinos using high-quality survey data for 2024.

The research team has identified several ways in which the Latino community impacts the U.S. economy, including one method that captures GDP-linked expenditures made by or on behalf of Latinos.

They also found that Latino contributions to U.S. GDP can be identified at national and state levels using a production or income-based approach. This approach, in turn, can be linked to literature discussing the relationship between income and education levels, which is an essential contribution of ASU to LDC's effort to understand the Latino community's impact on the U.S. economy.

The LDC 2026 U.S. Latino Economic Impact Report includes three measures comprehensively assessing how Latinos benefit the U.S. economy:

The first measures GDP purchases made "by and on behalf of" Latinos. ASU refers to this metric throughout the report as **Latino GDP** and relies on it for all international comparisons.

The second evaluates GDP produced by Latinos, which is measured through the incomes earned by Latinos residing in the U.S. and is referred to as **Gross Domestic Income (GDI)**.

The third, **Latino Household Consumption**, measures the share of total U.S. household consumption expenditure that is attributable to Latinos.

Latinos as Purchasers: GDP purchases include consumer and investment goods, as well as public goods produced by individuals and businesses. The Latino share of these purchases is estimated from the share of GDP purchases made "by and on behalf of" the Latino community. Latino allocations are then calculated as follows:

- **Consumption:** The share of total Latino household expenditures, as reported in the Consumer Expenditure Survey, is used as a proxy for overall Latino GDP purchases and assigned to the aggregate GDP consumption figure. The 2024 figure is 14%.

- **Investment (3 categories):** ASU divides gross private domestic investment into residential, non-residential, and inventory adjustments. Estimates of Latino investment activity are informed by their growing roles as consumers of both goods and housing services. Considering the high rental expenditures by Latino households, ASU assigns residential housing activity to Latinos on a per capita basis. The 2024 figure is 20%. Non-residential investment is allocated at the same rate as aggregate consumption, assuming that new investments are intended to cater to the growing Latino market. While members of this community are not assumed to be directly responsible for these investments, ASU assumes that these investments are the result of the current and anticipated size of the Latino market.
- **Exports:** U.S. exports, purchased by international consumers, are attributed to Latinos based on their overall estimated production share, which ASU also refers to as the Gross Domestic Income share of Latinos. The 2024 figure is 11.5%.
- **Imports:** As GDP measures domestic production, imports are deducted from total expenditures in its calculation. While consumption of domestic and imported goods and services may differ in composition, ASU assigns the aggregate consumption share of Latino households to total imports.
- **Government Purchases:** Government purchases are made on behalf of all U.S. residents. ASU estimates the Latino share of government purchases using the overall estimated population share of Latinos. The 2024 figure is 20%.

For the second metric, **Latinos as Producers**, ASU assesses Latino contributions using income data. This approach assumes that an individual's income reflects the value they add to production. ASU categorizes GDI into five buckets, then allocates the Latino share according to data from the American Community Survey (ACS).

- **Compensation:** The proportion of salary and wage income, along with income from self-employment, serves as a gauge for total Latino compensation. The figure for 2024 stands at 14.6%.
- **Dividends, Interests, and Rent:** This category is allocated based on the reported income from interest, dividends, and net rental income over the past year. The 2024 figure is 4.8%.
- **Proprietor's Income:** This refers to the surplus revenue beyond production costs of businesses owned and operated by individuals and is formally part of Gross Operating Surplus. The Latino share of this income category is determined by the percentage of self-employment income earned by Latinos. In 2024, this figure was 15.7%.
- **Gross Operating Surplus (excluding proprietor's income):** This allocation is based on the percentage of income derived from interests, dividends, and net rental.
- **Net Taxes on Production and Income (TOPI):** ASU allocates TOPI on a per capita basis, following the same convention used to assign government purchases in the Expenditure's Approach. The figure for 2024 is 20%.

The third measure, **Latino Household Consumption**, is estimated by multiplying the Latino share of household consumption from the Consumer Expenditure Survey (CE) to total U.S. household consumption expenditure.

CURRENT-YEAR METRICS OF ECONOMIC PROGRESS

The Seidman research team at ASU continues to expand the relevancy of this report by introducing methodological improvements and fresh areas of focus in each edition. This year, the research team focused on producing current-year estimates of the report's core economic metrics.

Because GDP component data for 2026 are not yet available, ASU developed a **nowcasting** framework to estimate both individual GDP components at the national level and the corresponding Latino shares for the current year. The methodology is summarized below.

GDP COMPONENT NOWCASTS

To produce nowcast figures, ASU first forecasts total GDP and then estimates its individual components.

For total GDP, a consensus forecast derived from the **Blue Chip Economic Indicators**¹² forecasting panel is used, which publishes monthly forecasts of current-year GDP. The research team combines these projections using a weighted average in which forecasters with higher historical accuracy receive greater weight than those with larger forecasting errors.

ASU then forecasts each component of GDP separately. The method to produce the initial estimate varies by component. For personal consumption expenditures (PCE), ASU uses the published consensus estimates of real PCE and PCE price index growth from the Blue Chip Economic Indicators to generate a projection of nominal PCE. For nonresidential fixed investment (NFI), ASU uses the published consensus estimate of real NFI growth from the Blue Chip Economic Indicators and a bridge forecast of NFI price growth to generate a projection of nominal NFI. For the other components, ASU uses a simple deterministic time series regression. These estimates are then scaled so that, in aggregate, they reconcile with the previously discussed forecast of total GDP.

These methods were selected from a broad pool of competing models based on their ability to minimize average forecasting error.

LATINO SHARE NOWCASTS

ASU uses a different approach to estimate the current-year Latino shares of individual GDP components because fewer historical observations are available for these measures. Rather than applying a common forecasting framework, the research team estimates each Latino share using a fitted time-series projection suited to the available data.

- **National GDI:** The Latino share of national GDI is nowcast using a simple deterministic time-series regression.
- **State GDI:** Latino shares of state GDI are nowcast using a mixed random-slope model estimated through restricted maximum likelihood.
- **Consumption Expenditure:** The Latino share of Consumer Expenditure (CE) is projected using a simple deterministic time-series model.
- **Population:** The Latino population share is estimated using observed historical growth rates and the latest population estimates from the U.S. Census Bureau.

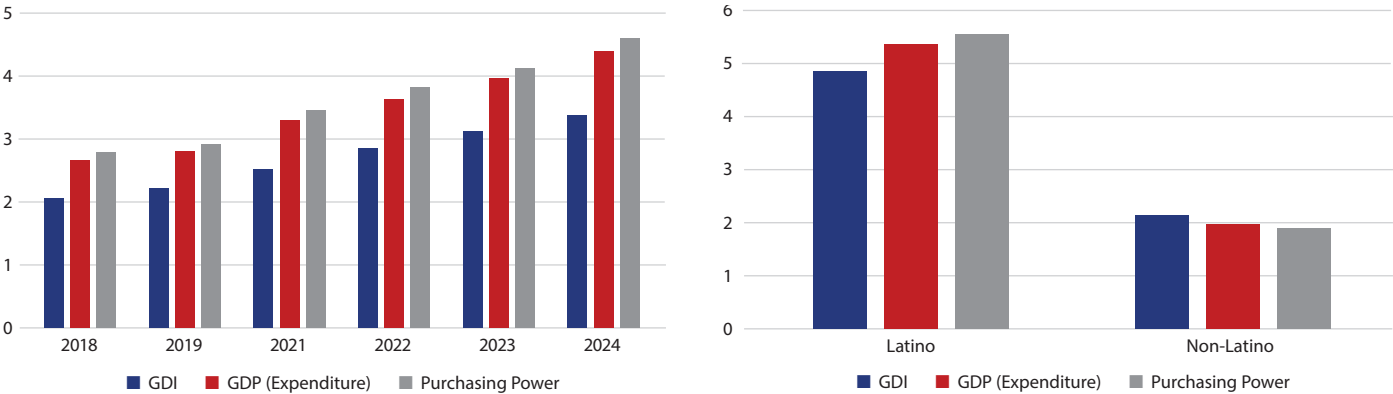
Together, these procedures permit extending the report's core measures beyond the latest available historical data (2024) to the current year (2026). The methodology described here requires additional inference relative to the 2024 baseline estimates.

Although the research team uses a refined nowcasting procedure, current-year estimates are subject to greater uncertainty because they rely on forecasted rather than fully observed data. As a result, ASU expects larger forecast errors and less precise estimates for 2026 than for the 2024 baseline figures.

¹² Source: Wolters Kluwer's Blue Chip Economic Indicators.

APPENDIX

A01: Metrics of Latino Economic Progress

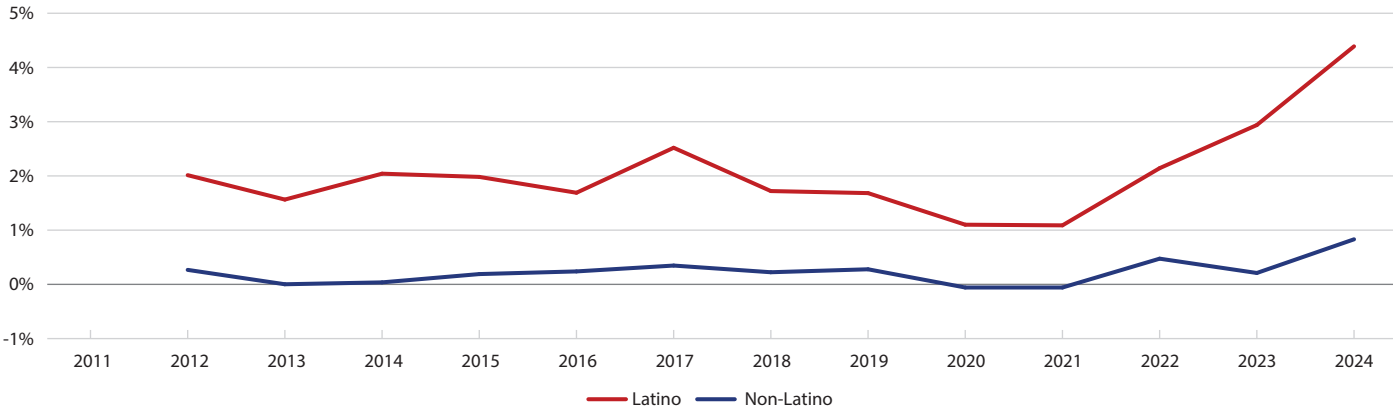


Trillions of U.S. dollars

Inflation-adjusted percent change (2024)

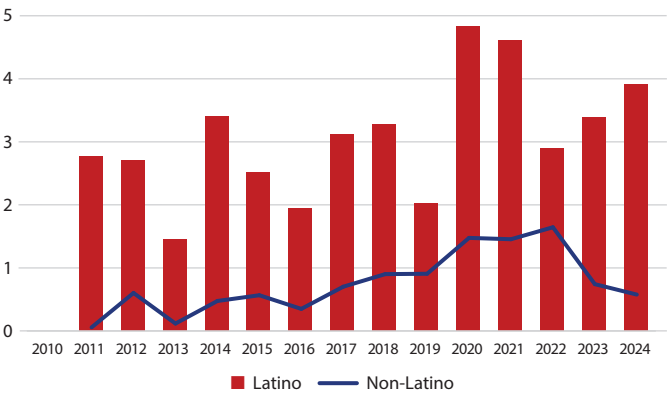
Sources: Authors’ calculations using data from the U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Census Bureau, American Community Survey; and U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.

A02: Labor Force Growth by Latino Origin, Percent Change

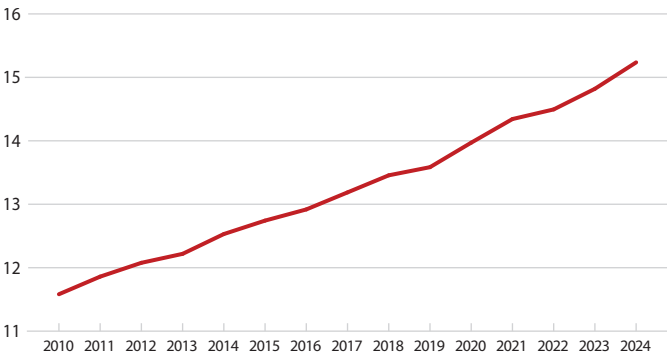


Sources: Authors’ estimates using data from the U.S. Department of Commerce, Census Bureau, American Community Survey.

A03: Latino Households



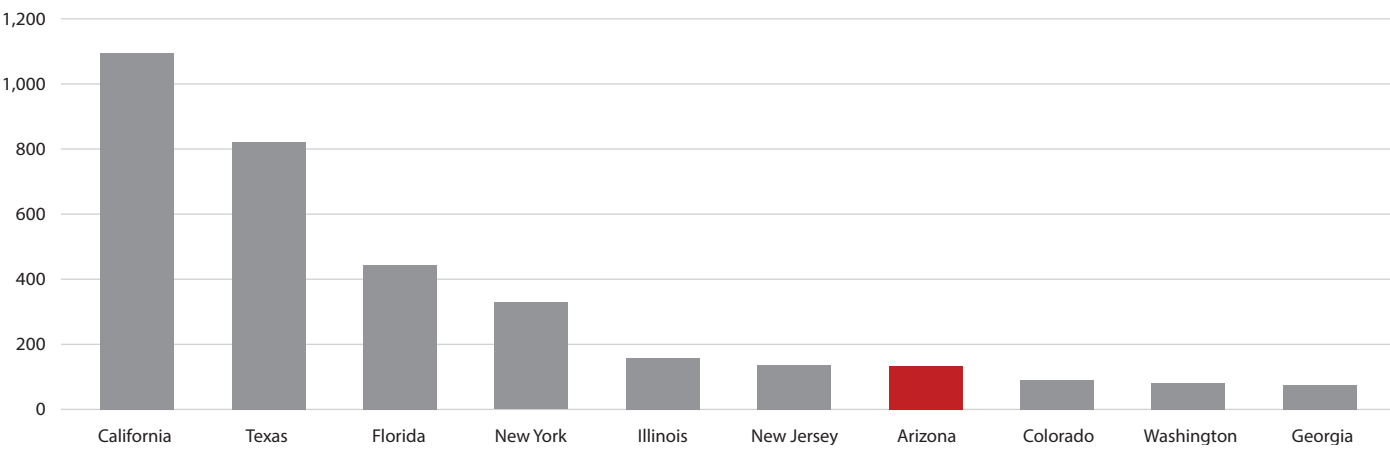
Annual percentage change



Percent of U.S. households that are Latino

Sources: Authors' estimates using data from the U.S. Department of Commerce, Census Bureau.

A04: Latino GSP Contributions in the Top 10 States (2024)



Billions of dollars

Sources: Authors' calculations using data from the U.S. Department of Commerce, Bureau of Economic Analysis; and U.S. Department of Commerce, Census Bureau, American Community Survey.

A05: GDP by Source of Expenditure (2024)

Category	U.S. (billions of \$)	Latino (billions of \$)	Non-Latino (billions of \$)	U.S. (annual % change)	Latino (annual % change)	Non-Latino (annual % change)
Consumption	19,896.00	2,782.53	17,113.47	3.08	9.38	2.13
Government Expenditure	5,041.10	1,007.85	4,033.25	3.75	6.65	3.05
Imports	4,113.80	575.33	3,538.47	3.99	10.35	3.03
Non-residential Investments	4,022.90	562.62	3,460.28	1.80	8.02	0.86
Export	3,215.40	370.98	2,844.42	2.08	4.62	1.76
Residential Investments	1,182.80	236.47	946.33	3.60	6.50	2.90
Inventory Adjustments	53.50	7.48	46.02	-2.79	3.15	-3.69
Total	29,297.90	4,392.61	24,905.29	—	—	—

Sources: Authors' calculations using data from the U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Census Bureau, American Community Survey; and U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.

A06: Income by Component (2024)

Category	U.S. (billions of \$)	Latino (billions of \$)	Non-Latino (billions of \$)	U.S. (annual % change)	Latino (annual % change)	Non-Latino (annual % change)
Compensation	15,049.1	2,195.8	12,853.4	5.77	9.46	5.16
Dividends, Interests, and Rent	5,218.0	249.0	4,969.0	4.90	0.18	5.15
Proprietor's Income	2,032.3	318.4	1,713.9	4.18	9.95	3.18
Gross Operating Surplus (excluding proprietor's income)	5,138.1	245.2	4,892.9	4.87	0.15	5.12
Net Taxes on Production and Income (TOPI)	1,860.4	372.0	1,488.5	5.78	8.74	5.07
GDI	29,298.0	3,380.3	25,917.7	5.34	7.96	5.01

Sources: Authors' calculations using data from the U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Census Bureau, American Community Survey; and U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.

A07: GDP by Industry Components (2024)

Industry	Value Added Latino (billions of \$)	% Share (Latino)	Annual Growth Latino (%)	Value Added U.S. (billions of \$)	% Share (U.S.)	Annual Growth U.S. (%)
Public Administration	545.5	12.4	21.8	3,296.3	11.3	6.2
Manufacturing	544.2	12.4	-0.6	2,880.7	9.8	1.4
Real Estate and Rental and Leasing	408.6	9.3	20.1	4,052.4	13.8	6.8
Healthcare and Social Assistance	313.3	7.1	15.5	2,209.4	7.5	8.4
Construction	307.5	7.0	15.4	1,305.4	4.5	6.9
Retail Trade	274.9	6.3	-4.3	1,849.0	6.3	4.3
Wholesale Trade	273.5	6.2	5.4	1,706.3	5.8	3.2
Accommodation and Food Services	270.9	6.2	17.3	960.4	3.3	5.3
Professional, Scientific, and Technical Services	233.3	5.3	13.3	2,355.1	8.0	6.0
Finance and Insurance	221.7	5.0	21.1	2,229.2	7.6	10.6
Transportation and Warehousing	215.5	4.9	21.3	987.3	3.4	4.6
Administrative and Support and Waste Management and Remediation Services	199.2	4.5	2.0	911.7	3.1	2.8
Information	154.7	3.5	13.0	1,592.7	5.4	7.8
Other Services (Except Public Administration)	119.7	2.7	13.2	628.0	2.1	6.5
Management of Companies and Enterprises	65.5	1.5	18.0	544.3	1.9	8.2
Utilities	55.8	1.3	-11.4	454.4	1.6	1.8
Mining, Quarrying, and Oil and Gas Extraction	54.0	1.2	-18.8	404.2	1.4	-1.8
Arts, Entertainment, and Recreation	49.8	1.1	30.3	326.8	1.1	9.0
Educational Services	48.4	1.1	11.7	334.8	1.1	7.3
Agriculture, Forestry, Fishing and Hunting	36.7	0.8	-5.4	269.7	0.9	-1.6
Total	4,392.6	100.0	—	29,298.0	100.0	—

Sources: Authors' calculations using data from the U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Census Bureau, American Community Survey; and U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.

A08: Gross State Product (GSP)

State	GSP 2024 (billions of \$)	GSP Latino 2024 (billions of \$)	Latino Share GSP (%)	Latino GSP 2026 (billions of \$)	Annual Latino GSP growth 2019–2024 (%, inflation- adjusted)	Additions to GSP 2019–2024 — Latino (billions of 2024 \$)	Additions to GSP 2019–2024 — Non-Latino (billions of 2024 \$)	GSP growth Latino 2019–2024 (% of total)
Alabama	325.35	15.52	4.77	18.36	11.38	6.46	35.65	15.35
Alaska	71.57	4.57	6.39	6.52	2.51	0.53	5.23	9.26
Arizona	570.09	132.34	23.21	153.58	6.01	33.48	83.80	28.55
Arkansas	188.34	12.25	6.50	16.46	4.21	2.28	26.07	8.05
California	4,048.11	1,096.32	27.08	1,229.38	3.70	182.20	164.30	52.58
Colorado	557.63	91.68	16.44	104.10	6.86	25.87	51.85	33.29
Connecticut	356.83	44.91	12.59	49.70	5.57	10.66	0.63	94.38
Delaware	110.97	7.88	7.10	9.11	11.39	3.28	12.74	20.49
District of Columbia	184.30	25.78	13.99	26.04	6.92	7.33	1.97	78.80
Florida	1,726.71	444.31	25.73	499.04	7.29	131.71	227.42	36.67
Georgia	881.51	75.51	8.57	92.33	7.63	23.22	78.19	22.90
Hawaii	117.63	10.32	8.77	13.95	0.39	0.20	4.96	3.81
Idaho	129.02	13.18	10.22	16.22	7.54	4.02	23.16	14.79
Illinois	1,148.11	158.04	13.77	182.83	5.00	34.23	33.53	50.52
Indiana	519.52	40.84	7.86	42.57	12.79	18.46	36.83	33.39
Iowa	265.79	12.64	4.75	15.44	9.38	4.56	24.48	15.71
Kansas	230.52	26.03	11.29	25.84	10.95	10.55	7.58	58.19
Kentucky	295.38	12.40	4.20	14.77	6.69	3.43	25.75	11.76
Louisiana	329.17	25.17	7.65	26.89	12.53	11.22	7.34	60.48
Maine	99.17	1.50	1.52	2.74	2.57	0.18	14.91	1.19
Maryland	546.03	51.77	9.48	59.79	5.27	11.72	28.40	29.22
Massachusetts	778.52	69.45	8.92	84.66	5.81	17.09	52.06	24.72
Michigan	702.47	35.34	5.03	45.13	5.41	8.19	42.61	16.12
Minnesota	507.69	24.79	4.88	27.94	10.33	9.63	33.83	22.15
Mississippi	158.19	6.10	3.86	6.75	11.78	2.61	15.50	14.40
Missouri	448.71	17.93	4.00	24.12	7.11	5.21	39.70	11.61

State	GSP 2024 (billions of \$)	GSP Latino 2024 (billions of \$)	Latino Share GSP (%)	Latino GSP 2026 (billions \$)	Annual Latino GSP growth 2019–2024 (%, inflation- adjusted)	Additions to GSP 2019–2024 — Latino (billions of 2024 \$)	Additions to GSP 2019–2024 — Non-Latino (billions of 2024 \$)	GSP growth Latino 2019–2024 (% of total)
Montana	78.44	2.90	3.69	3.82	2.06	0.28	14.57	1.89
Nebraska	189.24	14.16	7.49	17.34	7.00	4.07	24.92	14.03
Nevada	269.01	59.88	22.26	70.05	4.71	12.30	34.01	26.56
New Hampshire	119.34	5.64	4.73	6.20	9.99	2.14	11.20	16.03
New Jersey	846.00	137.00	16.19	162.04	3.09	19.32	50.67	27.60
New Mexico	147.08	66.47	45.19	66.90	5.14	14.74	7.10	67.48
New York	2,322.14	328.54	14.15	399.45	4.05	59.19	106.77	35.67
North Carolina	844.21	70.76	8.38	79.84	9.86	26.53	103.02	20.48
North Dakota	80.06	3.44	4.30	3.37	12.96	1.57	5.04	23.76
Ohio	923.14	37.12	4.02	45.83	8.46	12.39	62.84	16.47
Oklahoma	263.70	27.67	10.49	30.95	6.97	7.91	7.30	52.02
Oregon	330.25	38.74	11.73	42.74	7.09	11.23	18.92	37.26
Pennsylvania	1,007.87	66.41	6.59	79.64	7.07	19.22	20.94	47.85
Rhode Island	80.38	10.31	12.83	11.96	1.75	0.86	3.75	18.62
South Carolina	357.07	23.08	6.46	26.51	13.18	10.65	45.37	19.02
South Dakota	76.80	2.38	3.09	3.11	13.21	1.10	9.14	10.72
Tennessee	561.20	39.39	7.02	39.57	16.42	20.97	74.81	21.90
Texas	2,769.77	820.45	29.62	939.65	4.76	170.09	350.13	32.70
Utah	299.47	33.91	11.32	39.77	10.21	13.06	43.58	23.06
Vermont	46.28	1.23	2.66	1.47	12.52	0.55	3.80	12.61
Virginia	761.73	70.25	9.22	85.54	6.90	19.93	64.24	23.68
Washington	856.01	82.47	9.63	99.07	6.74	22.95	98.87	18.84
West Virginia	106.48	2.34	2.20	2.58	10.41	0.91	8.77	9.44
Wisconsin	453.30	25.35	5.59	32.53	4.83	5.32	29.51	15.28
Wyoming	51.50	4.06	7.89	5.06	4.52	0.81	2.41	25.08

Sources: Authors' calculations using data from the U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Census Bureau, American Community Survey; and U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.



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