The Impact of Immigration on California

Summary and Analysis of Immigration in a Changing Economy: California’s Experience

Earlier this year, Rand released an extensive new study on immigration’s impact on California. The report, authored by Kevin F. McCarthy and Georges Vernez, contains both new research as well as information drawn from several recent monographs published by Rand and concludes that immigration has both positive and negative effects on the state’s economy. The authors specifically do not explore the potential impact of immigrant-induced population growth on the environment or the general quality of life in the state. This article examines the report’s findings, which include:

- Immigration to California in the last three decades has been extraordinary: By the mid-1990s, California’s eight million immigrants represented one in four state residents and fully one-third of all immigrants in the United States.
- Of the 16-percentage-point advantage in the creation of jobs California enjoyed in the 1980s over the rest of the nation, two percentage points can be attributed to immigration; however, few of these jobs went to natives; overall, in fact, immigration reduces job opportunities for natives.
- Immigration in the 1970s lowered the wages of high school dropouts by between 10 and 16 percent annually ($2,250 to $3,800) and, in the 1980s, immigration primarily affected employment, with between 128,000 and 195,000 natives in California either unemployed or withdrawn from the labor force because of immigration.
- Immigration is increasingly out of step with the needs of the state’s economy. Few if any new jobs are created that require only a high school de-

California’s Labor Force

Immigration, Fertility, and the Post-industrial Economy

Social science has conclusively established a strong and consistent association between parental education and both the educational achievement (i.e., school performance) and the educational attainment (i.e., the number of years or level of schooling completed) of their children. Other studies have shown a positive association between family income and educational aspirations and attainment. Conversely, researchers have demonstrated an inverse correlation between family size and close child spacing and the educational performance of the children.

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gree or less, yet most immigrants are either high school dropouts or have a high school education.

- Immigrants as a group do not pay enough in taxes to cover their consumption of public services, though the size of the impact is undetermined and varies considerably by country of origin, education level, and admission category.

- The authors suggest reducing immigration to the United States to between 300,000 and 800,000 annually and selecting more immigrants based on needed skills and fewer based on family relationships.

Demographic Effects

As the report makes clear, immigration to California in recent years has been unprecedented. Between 1960 and 1995, the number of immigrants living in the state increased six-fold, from 1.3 million to eight million, and tripled as a percentage of the state’s population, from 8.2 percent to 24.1 percent. Relative to the rest of the country, growth in California’s immigrant population has been just as dramatic. In 1960, California had 8.8 percent of the nation’s total population and was home to 13.9 percent of its immigrants. By 1995, California accounted for 12.1 percent of the country’s population and 32.7 percent of the nation’s immigrants.

The high concentration of immigrants in California makes the state unique: Immigrants account for less than five percent of the population in 33 states. In addition to their high concentration, California’s immigrants differ from the rest of the country in a number of important ways. Compared to immigrants in the rest of the country, California’s 1995 immigrants had a much higher percentage of Mexican and Central Americans (50 percent in California vs. 23 percent nationwide), Asian immigrants (33 percent vs. 21 percent) illegal aliens (20 percent vs. 14 percent), amnesty recipients (19 percent vs. 7 percent), and refugees (9 percent vs. 6 percent). California’s immigrants also had lower rates of naturalization (29 percent vs. 41 percent).

Not only has the level of immigration changed, there has also been a significant shift in the countries sending immigrants to the state. In the 1950s, half of California’s immigrants came from either Canada or Europe and the majority of the remainder came from Mexico. By 1990, the number of European and Canadian immigrants had fallen dramatically, to less than 10 percent, and the number of immigrants from Mexico and Central America had climbed to well over half of the total. Additionally, California’s share of Asian immigrants doubled and now accounts for 40 percent of new immigrants in the state. These trends have transformed California into the most racially and ethnically diverse state in the country, so that by the year 2000, if not already, no racial/ethnic group will constitute a majority.

Economic Effects

Table 1 (at right) provides information about the educational level of immigrants and natives. It indicates that there is a sizable gap between the educational attainment of natives and that of immigrants both for the nation as a whole and for California, though the difference is much greater in California. Compared to immigrants in the rest of the country, California’s immigrants are much more likely to lack a high school degree and have one year less of schooling on average.
Table 1 also indicates that, while the educational level of both immigrants and natives has improved significantly since 1970, the increase has been more rapid for natives. As a result, the educational gap between immigrants and natives has grown more pronounced nationwide, almost entirely because of the relative deterioration in California. The larger educational gap in California is caused primarily by the high concentration of immigrants from Mexico and Central America, who tend to have much lower levels of educational attainment than other immigrant groups.

This high concentration of low-education immigrants in the state has supplied California’s businesses with a large pool of unskilled labor. In addition, the authors found that California’s immigrants earn lower wages than natives in almost all educational categories and occupations. This pattern contrasts sharply with the pattern observed nationally, where immigrant wages either exceed or roughly equal those of similarly skilled natives.

While the reasons for this disparity are not entirely clear, the report suggests that it is due to the younger age, lower English proficiency, and higher percentage of illegal aliens and immigrants educated abroad living in the state as well as increased competition among immigrants for jobs. The authors do not think that discrimination accounts for the difference because there is no systematic evidence that it is more prevalent in California and because surveys of employers generally find that immigrants are viewed as reliable and hard working. The authors conclude that employers’ ability to pay immigrants less than natives coupled with the fact that there is no indication that immigrant labor is less productive than native labor, gives businesses in California a competitive advantage. The authors state: “Although the characteristics of immigrants have changed… the state’s economy continues to benefit from immigration” (p.xxiv).

Based on a cross-industry comparison of the concentration of immigrants and job creation, the report estimates that, in the 1980s, about two percentage points of the 16 percentage point advantage that California enjoyed in employment growth was attributable to immigration. While the authors acknowledge that comparisons of this kind do not establish causality and the effect appears small, their analysis suggest that the arrival of immigrants in an industry is positively associated with growth.

This positive effect on job growth does not, however, seem to translate into more jobs or higher wages for native-born workers. In fact, the labor market opportunities available to less-educated natives are reduced by immigration. Thus, by “benefit” to the economy the authors mean that the immigrants and employers are better off. Native-born workers either are unaffected or are harmed by immigration.

The negative effect on native workers has varied over time and is dependent on education level. The report controls for a variety of factors and compares differences between California and the rest of the country. The authors conclude that, in the 1970s, the wages of native-born high school dropouts were between 10 and 16 percent lower ($2,250 to $3,800) in California because of immigration. In the 1980s, the negative effect primarily took the form of reduced job opportunities for natives, with perhaps 200,000 natives in the state either unemployed or withdrawn from the labor force because of immigration. Table

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Immigration alters the supply of labor throughout the country. As a result, the effect of immigration is likely to be felt nationally, not simply in areas of high immigration. The authors also concluded that African-Americans were more adversely affected by immigration than any other racial/ethnic group because they are more likely to be in the adversely affected educational categories and because employers may view immigrants as more desirable workers.

In addition to the reduction in labor market opportunities available to natives, the second economic problem identified in the study is that there is an increasing discongruity between the kinds of jobs being created in the state and the skills of entering immigrants. The number of jobs for persons with only a high school degree or less has held steady or declined in the last 20 years and immigrants have, in effect, been “back filling” less-skilled jobs as the number of natives doing such work has declined; however, this cannot continue indefinitely. Moreover, this process has caused a slow and steady “downskilling” of California’s work force relative to the rest of the country. Whereas the state’s work force was once more educated on average than the rest of the country, this advantage has now been entirely eliminated by immigration (see “California’s Labor Force” on page 1).

In addition to expressing concern about the competitiveness of the state’s economy, McCarthy and Vernez also point out that the low educational level of immigrants may adversely affect the social mobility of today’s immigrants and perhaps their children. More than at any time in the past, earnings and employment are dependent on educational level. What’s more, one of the best predictors of the future labor-market performance of children is the educational level of their parents. Immigration policy, therefore, may be setting the stage for large ethnic differentials in economic outcomes that could have important socio-economic and political implication for decades to come.

Fiscal Effects

The report does not contain any new research on the fiscal impact of immigration; instead, the chapter on the public sector summarizes the authors’ previous study of the issue (Vernez and McCarthy, 1996), which explored the relevant questions and reviewed findings from a number of different studies. As in their earlier work, the authors conclude
that there is no consensus regarding the budgetary consequences of immigration in California, as different studies have produced a wide range of estimates. The reason for the divergent findings stems from a number of factors: In many cases there is no agreement on how to estimate immigrant and native tax revenue and public service use from existing administrative and survey data. There is also a disagreement on whether to count public services, such as welfare, used by the U.S.-born minor children of immigrants as a cost attributable to immigration.

Despite a wide range of estimates from various studies, the authors draw a number of general observations. First, the average tax revenue from all residents, immigrant or native, is generally found not to equal average expenditures in the state. This is because not all sources of revenue to state and local government are included in any of the studies. At both the state and local level, revenue from the federal government and from other sources such as the taxation of businesses are used to close this “deficit.” Second, no matter how it is defined, the size of the deficit is larger in California for immigrants than it is for natives. Third, the deficit is larger for illegal aliens than for legal residents.

The authors also point out that the larger fiscal burden created by immigrants is explained almost entirely by educational and other socio-economic characteristics of immigrants and not by their immigrant status per se. In other words, immigrants create a burden on public coffers in California because they are less educated, hold lower paying jobs, and have larger families than natives. This means that they generally pay less in taxes and have a greater propensity to consume public services than natives. It is also clear that the large differences between immigrants from different countries is almost entirely due to differences in socio-economic characteristics.

Policy Recommendations

The authors make a number of policy recommendations in the final chapter of their report. Partly out of concern for less-skilled natives, the social mobility of immigrants, and the competitiveness of the California economy, the authors suggest increasing the number of immigrants admitted based on needed skills and admitting fewer based on family relationships. The authors do not provide much guidance on what specific changes should be made to immigration policy, nor do they provide a specific number, except...

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<td>- Members of the Sierra Club, one of the nation’s leading environmental organizations, voted in April to maintain neutrality on U.S. immigration policy, narrowly defeating an effort to develop a policy calling for reduced immigration as a means of slowing U.S. population growth to preserve the environment. The referendum, which generated intense debate, was defeated 60 percent to 40 percent as the group voted to take no position on immigration but instead to work toward solving the root causes of global population growth. Proponents of reduced immigration levels said the vote was a victory for political correctness rather than a defeat for the immigration reform movement.</td>
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<td>- Earlier this month, the Republican Party of Texas adopted a plank as part of its platform calling for “returning immigration quotas to traditional levels in practice prior to 1965 of 300,000 per year or less,” along with other measures concerning immigration, including: reclaiming control of international borders, screening immigrants for communicable diseases, and the end of birthright citizenship for children of illegal aliens.</td>
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<td>- A controversial billboard near the California-Arizona border that declared California “The Illegal Immigration State” was taken down in late June after Latino activists threatened to destroy the sign. The billboard, paid for by the Orange County-based California Coalition for Immigration Reform, which co-sponsored Proposition 187, read “Welcome to California, the Illegal Immigration State. Don’t Let this Happen to Your State.” Mario Obledo, president of the California Coalition of Hispanic Organizations, had threatened to set fire to the sign. Barbara Coe, president of the Coalition for Immigration reform condemned Obledo’s threats as “terrorist tactics” and vowed to replace the sign as well as add others.</td>
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cept to suggest that the annual level of immigration be set at between 300,000 and 800,000. The authors also suggest several other changes, including: special treatment for Mexico, establishing specific programs designed to facilitate the incorporation of immigrants, and more flexibility in immigration policy to meet changing circumstances. While the authors acknowledge that illegal immigration is a significant problem, both for economic and non-economic reasons, the report contains no new suggestions on how to deal with this issue.

Conclusion

Immigration in a Changing Economy is clearly an important work. Though at times the narrative tends to be more positive than the data warrant, the report provides the most detailed picture of California’s immigrant population produced to date. Moreover, their general observation that immigration should not be seen as inherently positive or negative, but instead that its effects are dependent on the volume and characteristics of the immigrants, is unassailable. Anyone seeking to better understand the implications of immigration for California, the largest and most important state in the country, would do well to read this book.

Steven Camarota

To obtain a copy of Immigration in a Changing Economy: California’s Experience, contact Rand at (310) 451-7002 or http://www.rand.org The cost is $20.

California’s Changing Population

There has been a sharp change in the demographics of California’s population since 1970, a period that coincides with the sharp increase in immigration. In fact, while live births dropped during the 1970s, they rebounded by 1980 solely due to the contributions of foreign-born women, peaking at 612,000 in 1990. Mexican-born women accounted for 146,643 of these births, 24 percent of the total. The Immigration Reform and Control Act of 1986 (IRCA) and the 1988 Omnibus Budget Reconciliation Act (OBRA) data indicate that the sharp increase in these births from 1985 to 1990 paralleled the sharp increase in the entrace of illegal aliens from Mexico. At the same time,
the proportion of births to U.S.-born women fell from nearly 90 percent in 1970 to 56 percent in 1992, remaining there through 1995. A consequence of this increase in births to foreign-born women was a major transformation in California’s ethnic composition.

White non-Hispanic births, nearly 70 percent of all births in 1970 and hence both the modal and majority category, descended below 40 percent by 1991. Hispanic births, a mere 20 percent of all births in 1970, had meanwhile risen to over 40 percent, becoming the modal but not the majority category in 1991. In 1995, the racial/ethnic composition of California births was: Hispanic, 46 percent; white, 36 percent; black, 7 percent (down from about 9 percent in 1970); and “others” (mainly Asians), 12 percent, up from 4 percent in 1970. Mexican-born women bore 26 percent of all births in California in 1995—57 percent of all Hispanic births, down from 59 in 1990—while 91 percent of white and 94 percent of black mothers were native-born.

In 1990, there were just under two million Hispanic women of childbearing age in California compared to about four million white. The number of Hispanic women has risen since then, while the number of white women has declined. That half as many Hispanic women have more babies than a group twice its size implies that they have a total fertility rate (TFR) twice that of white women. During the “baby bust”, of the 1970s, Hispanic fertility began to decline later than did white, and from a much higher level. It continued to decline until 1980, later than for other ethnic groups, and then reversed its course. In the five-year period 1985 to 1990, it increased over three-quarters of a child, returning to its 1970 level. It continued to rise after 1990 and reached a peak in 1993 with a TFR of 3.551.

Immigration explains this turnaround of Hispanic fertility in California because a majority of the Mexican-born now living in the United States entered after 1980. This is especially the case in California, home to the vast majority of Mexicans legalized by IRCA and presumably to the influx of illegal entrants that has continued unchecked since then. The questions to ask are: What is the present TFR for Mexican-American women and how much of the increased Hispanic TFR is due to the effect of the foreign-born women? While fertility estimates for Mexican-American women are not readily available, extrapolating

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from pre-1985 decreases I posit a 1990 TFR for native-born Hispanics of 2.4 to 2.6, if not lower. Data from the 1992 Mexican Demographic Survey show that in rural areas, the source of most illegal entrants to the United States, women age 45-49 reported 6.8 children ever born while the TFR for women age 15-49 inclusive was 4.9. To achieve a California Hispanic TFR of 3.5 in 1993 when a 30 percent contribution comes from a subgroup with a TFR of 2.5 and a 10 percent contribution from other Hispanics of perhaps 3.5, yields an estimated TFR for Mexican entrants of 4.0. This is a half child above that now prevailing in all of Mexico, doubtless due to the over representation of women of rural origins. Assuming a lower TFR for Mexican-Americans of 2.3 would yield a Mexican TFR of 4.1.

Mexican-born mothers also tend to begin having children earlier and their influence makes the 20-29 age group the modal category for women giving birth. In addition, 27 percent of native-born Hispanic births are to teenagers. Interestingly, Hispanic teenagers seem to drop out of school before getting pregnant.

A later inception of childbirth generally permits a woman to acquire more education. Regardless of birthplace, nearly 90 percent of white mothers report at least high school completion and, weighted by the large proportion of mothers age 30 and above, the modal category for white women is at least one year of college. Mexican-born women who, as mentioned above, bore 57 percent of Hispanic children, had by far the lowest educational attainment for any major childbearing group.

Historically, a population evolves in a predictable pattern into a high educational attainment society. First, a small but growing proportion of students progress to the next level, then the others play "catch up." In a preindustrial society, the vast majority of the population has little or no schooling while, in a postindustrial society, the vast majority is in the highest and second-highest categories.

These figures have powerful implications for the educational system and labor force of the 21st century.

**Implications**

Both native-born Americans and immigrants were poorly educated in the early 20th century. For those with parents born around the turn of the century, eighth-grade graduation was the standard end point. Nearly 40 percent of all white parents and over three-quarters of blacks did not get even that far. Six decades—nearly three generations—later, over 80 percent of white mothers and fathers and black fathers of children born in the 1980s had at least completed high school. At least 25 percent of black mothers and 40 percent of white mothers had attended college. As a group, Hispanic parents lagged behind both other major racial/ethnic categories in parental education.

The connection between the educational attainment of parent and child has been amply documented by such researchers as Connelly and Gottschalk and Hernandez. This association continues strongly today as was conformed by the 1992 National Adult Literacy Survey. Using unpublished data, Zill showed that 50 percent of young adults ages 20 to 29 whose parents had no more than grade school education had not completed high school themselves compared to 34 percent of those with parents with some high school and 4 percent of those with parents who had completed college. In addition, young adults with parents in the lowest educational category "were two to three times more likely than the offspring of high school graduates to score in the lowest category in the tests of functional literacy...[meaning] they lacked the skills to function..."

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"Because of immigration, "California’s 21st century labor force entrants will include many with parents ill-equipped to foster post-industrial skill levels."

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effectively as citizens and consumers in modern society.” Zill also referred to the 1988 National Health Interview Survey on Child Health’s finding that the grade repetition rate for persons ages 7 to 17 was one-third for those with parents with incomplete high school versus 20 percent for those with high school graduates for parents and 14 percent for those whose parents had some college education.

While most parents, regardless of ethnicity or immigrant status, involve young children in activities that extend their knowledge, exposure to some activities is affected jointly by household income and parental education. Overall, for example, children of immigrants are less likely to be read to every day and Hispanic immigrants in particular are likely to feel that their children’s school does not welcome their involvement.

Another factor affecting children’s development is the number of siblings they have. In families with more children, parents have less time to speak to each child and have lower educational expectations for them. In addition, resources such as computers are not only less available as the number of siblings increases, the resources available also benefit the children less.

The combination of poor academic performance, low educational aspirations, and low family income means that Hispanic students, a major part of California’s population, will have to struggle to succeed in the postindustrial economy.

Conclusion

California confronts social difficulties on at least two fronts. The sharp ethnic divide in parental characteristics and family resources guarantees very visible differences in the outcome of the children of these diverse groups. The Hispanic community will not understand why the Asian newcomers are picking the educational plums of the public system while their own children are so greatly underrepresented in prestigious institutions. There will be a similar inability to understand why there are so few Hispanic engineers and computer scientists. Over and above racial and ethnic discrimination are the very real and dramatic demographic differences. But sadly, few communities understand when traditional ways are counterproductive in a changed environment. Fewer still will voluntarily seek out and incorporate these changes. Ethnic clashes may well intensify.

Despite intense lobbying from high-tech industries, at press time Congress had yet to take final steps to expand the H-1B program, which provides visas for skilled foreign workers. High-tech companies backed the bill that the Senate passed in May (S 1723), which raises the cap from 65,000 to a maximum of 115,000 visas in each of the next four years, but would prefer no bill to the House version taking shape (HR 3736), which includes substantial new protections to ensure that U.S. workers are not harmed by a flood of foreign workers.

House Judiciary Committee immigration subcommittee Chairman Lamar Smith (R-Texas) seems intent on keeping the U.S. worker protection programs in the bill and has pointed out that some of the major corporations pushing for expansion of the visa program have announced layoffs in recent months.

With high-tech executives angry at the delay, House Majority Leader Dick Armey (R-Texas) was trying to broker a compromise between the chairmen of the House and Senate immigration subcommittees.

President Clinton signed a $1.9 billion bill ($ 1150) on June 23 restoring food stamps to about 250,000 legal immigrants who were made ineligible by the 1996 welfare overhaul, which he also signed. Clinton said the restoration “rights a wrong.”

The National Visa Center at Portsmouth, N.H., has registered and notified the 90,000 winners of the Fiscal Year 1999 diversity lottery. Starting with Fiscal Year 1999, the program will make 50,000 permanent resident visas available to persons from countries with low rates of immigration. Previously, the total was 55,000 but the Nicaraguan and Central American Relief Act (NCARA), passed by Congress in November 1997, stipulates that 5,000 of the diversity visas be made available each year for use under the NCARA program. The top ten countries for 1999 are: Ghana, with 5,531 winners, followed
Although few voters outside of California cast their presidential and congressional votes according to the positions candidates take on immigration policy, today this issue remains one of the hottest controversies on Capitol Hill. But immigration and immigration were not always as controversial as they have become in the late 1990s. In the 1960s, members of Congress rarely thought about immigration policy, and the issue certainly didn’t generate much friction between Republicans and Democrats. In fact, when Congress decided to reform the immigration system in 1965, the vote in favor of the reform was overwhelming. There was very little debate on the House and Senate floors. Immigration policy has grown more divisive in the past three decades because the economy, the welfare state, and the immigrant population have changed. Now, immigration is discussed as an issue of redistribution and cost, whereas before it was an issue of humanitarianism.

In our book, The Congressional Politics of Immigration Reform, we examine the evolving controversy over U.S. immigration policy from the landmark 1965 law to the present. That law has resulted in the immigrant population’s significant change in character, which has had an important impact on both immigration policy and the tone of the debate in Congress. The turning point appears to be the refu-
Immigration Review

Before 1979, immigration policy remained largely a consensus issue. Republicans and Democrats believed that an open door policy posed the host country no challenges that could not be overcome easily. Objections to immigrant admissions were occasionally voiced on the basis of Cold War politics—that certain immigrants could be Communists or lack commitment to democratic values—but these concerns did not mobilize a broad front against immigrant admissions. Members of Congress passed most immigration bills on voice votes (signaling the absence of contention) and with bipartisan support. Even after electronic voting was introduced in 1973, recorded votes on immigration policy were uncommon.

In the face of increasing budgetary pressure and a massive influx of needy refugees from around the world in the 1970s, members of Congress were torn between two poles. On one hand, they held a customary humanitarian concern for families separated because of immigration as well as for people displaced by wars, famine, and political oppression. On the other hand, members had domestic priorities of maintaining taxes and spending on public assistance programs at reasonable levels.

The partisan division on immigration policy is traceable to policy choices made in the late 1970s. Democrats in Congress responded to the arrival of immigrants and refugees in that period by creating costly resettlement assistance programs, including a new resettlement bureaucracy, the Office of Refugee Resettlement (ORR), within the Department of Health, Education, and Welfare. This move introduced a strong element of federal redistribution into the immigration debate. Republicans, therefore, were put in the position of opposing mass immigration because it imposed burdensome costs in the form of welfare and public aid. Our review of the committee and floor debates between 1978 and 1981 shows that use of public assistance animated considerable opposition to an open-door policy at least 15 years before the initial rumblings of Proposition 187.

The Mariel boatlift in 1980 was perhaps the crowning blow to bipartisan consensus on open admissions. Many members of Congress greeted Castro’s ridding Cuba of its undesirables with something akin to panic because a small fraction of this population had felony records, many were physically or mentally disabled, and the marielitos were consid-

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erably poorer and less skilled than the Cuban exiles of 20 years earlier. The prospect that these refugees could take their place alongside those from the earlier exodus seemed slim indeed.

As immigrants and refugees have come to depend increasingly on redistributive programs, the lack of progress of the new immigrants in our postindustrial economy has generated a pronounced political split between Republicans and Democrats on immigration issues that did not exist in earlier times. Today, the issue of what immigrants cost society sharply divides the political parties.

Public aid programs are naturally attractive to many immigrants who arrive on our shores in poverty and with few skills. While immigrants may always have arrived on America’s shores penniless and unskilled, the society to which they are arriving has changed since the last century.

The immigrants who arrived in the 1890s were not much different from most native-born Americans in their skill and educational levels. Those immigrants could make up economic ground with hard work and, within a generation or so, were as well off as the native-born. But immigrants arriving since the 1960s have faced a far greater skills deficit, given the emphasis our national economy now places on education. The U.S. economy is demanding a more highly skilled workforce, yet the workforce has a glut of unskilled laborers. Thus, the earnings gap between natives and immigrants has increased since 1970, especially for those with little education.

While a long-standing principle in U.S. immigration law has prohibited immigrants from becoming public charges (being dependent on public assistance), immigrant use of welfare benefits has risen and has even outpaced native usage rates.

For example, immigrant Supplemental Security Income (SSI) participation rose from 3 percent of the caseload in 1982 to 12 percent by 1993. Elderly immigrants on SSI rose from 6 percent to 28 percent from 1982 to 1993. And a 1997 study by the National Academy of Sciences found that immigrant-headed households are poorer than native ones and receive more government-funded income transfers.

The changing economy, the expansion of the welfare state, the changing immigrant population, and the vast increase in the number of immigrants have all contributed to the breakdown of congressional consensus on immigration policy. Consequently, we observe that members of Congress are now more likely to demand recorded, or “roll call,” votes on immigration issues, a sign that they have become divisive and controversial.

In the mid-1960s, recorded votes on immigration matters were rare, but by 1995, 75 percent of the immigration-related votes on the House floor were recorded votes. And the floor division on these recorded votes has reflected narrowing majorities, clearly indicating that Congress is more divided on immigration issues. Interestingly, trends in public opinion have had little impact on the changing tone of the debate in Washington since for most of this century, the public has consistently favored restrictions on immigration levels. There are, to be sure, clear differences in opinion on immigration policy across levels of education and wealth. Better educated, wealthier people have generally been more tolerant of generous immigration than the less educated and the poor. While racial prejudice plays a role in shaping opinion toward immigrants, we find that fear of the economic competition posed by immigration among those with less education and fewer skills is a stronger influence on attitudes toward immigration policy than are racial attitudes. Still, candidates are rarely elected or defeated on the basis of this issue alone. Again, California is an important exception.

One question that begs to be answered is why the public will has not been translated into public policy. Why have immigration levels continued to rise since 1965 in the face of public opposition?

Our answer is twofold. First, the public’s opinions on immigration are, for the most part, not deep-seated. In many areas of the country (although these may be shrinking), people report not having any contact with immigrants, as the foreign-born population is still most heavily concentrated on the coasts. While having contact with immigrants is not necessary to forming an opinion about immigration policy, clearly the ubiquity of legal and illegal immi-
grants in California has contributed to the politicization of the issue there.

The second reason why public opinion has not prevailed is that a strong pro-immigration interest group community has arisen in the last 20 years that has fought very effectively for less restrictive entry and immigrants’ rights. These groups have some natural allies on Capitol Hill, but they have advanced their cause by working in coalition and by providing information to the large number of undecided members whose constituencies are not speaking very loudly on immigration matters.

Probably the single most influential group in Washington is the American Immigration Lawyers Association (AILA), the official organization of the immigration bar. While AILA’s membership is small—around 4,500—the group is influential because it is well-funded and has considerable expertise. AILA was instrumental in cementing the coalition of business, religious, and immigrants’ rights groups that lobbied against passage of restrictions in legal and employment-based immigration in 1996.

In the 1990s, even major U.S. labor unions joined the pro-immigration lobby, reversing a long-standing tradition of opposition to immigration, as the growing numbers of Hispanics and Asians employed in service industries became targets for union organizing in the late 1980s. The changing demography of the American workforce finally caught up with labor union politics as a generous immigration policy, particularly for purposes of family reunification, has now become an instrument for rebuilding a depleted rank-and-file. Union leadership continues to be suspicious of employment and skills-based immigration, however.

The pro-restriction lobby is not nearly as well developed or as well coordinated. The leading restrictionist organization, the Federation for American Immigration Reform (FAIR), found itself rather isolated in the 1995-1996 round of reform against a diverse and well-organized coalition of pro-immigration groups, which included big business, high-tech industries, and libertarians.

Through extensive interviews with members of Congress and staff, we learned that the pro-restriction lobby also has a public relations problem with many otherwise sympathetic politicians. Those members have come to associate it with extreme views on the environment and controversial population-control policies. FAIR, and other groups concerned about the environment, will have to learn to build coalition partnerships as the opposition has done because, as far as many members of Congress are concerned, no single Washington-based group truly represents the views of the mainstream American public.

In the absence of stronger, better-coordinated expressions of public sentiment across the country, the inside-the-Beltway debate among interest group activists has influenced the direction of immigration policymaking, giving the supporters of liberal policy a modicum of strength they would not otherwise possess. But, while the diverse pro-immigration lobby was largely successful in winning over the support of members from both parties, this apparent bipartisan-ship has been greatly exaggerated—especially when compared with the consensus prevailing in earlier times. In the 1990s, Congress is more divided along party lines than it has ever been on immigration matters, with only a small fraction of Republicans and Democrats crossing over to support the other side.

Spencer Abraham (R-Mich.), for example, is notable as a Republican supporting high immigration precisely because he is the exception and not the rule in his party. And even he opposes welfare use by immigrants. As we argue in our book, the emergence of unpredictable partisan divisions in Congress is the result of the doubts about the costs and benefits of immigration that came to the fore in the late 1970s, much earlier than most scholars have indicated.

Given an economy that demands skilled labor, the rise of federal welfare programs for immigrants, and increasingly vocal special-interest groups, it is easy to understand why members of Congress have begun to worry and argue about the effects of immigration. The rise in recorded votes on immigration signals that policymakers realize that the capacity of unskilled immigrants to thrive and prosper as well as whether the United States can afford to import poverty through its generous immigration policy are hot issues and that their positions on immigration may soon play an important role in elections nationwide, as they do now in California.

BOOK REVIEW

Planting Poverty

By Monica Heppel
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Poverty Amid Prosperity: Immigration and the Changing Face of Rural California illustrates how immigration is transforming rural California and brings to the forefront the critical role that rural industries, in this case agriculture, play in today’s immigration. Fueled by the expansion of seasonal, labor-intensive, low-wage agricultural jobs, a continuous stream of Mexican immigrants flows to rural California. The authors argue that this process, “[i]nitiated by U.S. recruitment..., sustained by poverty in rural Mexico, and managed by family and village networks” is re-creating a perpetual, foreign-born underclass. Pockets of poverty are being created as the socio-economic gap between workers and employers widens and the availability of public services decreases.

Focusing on seasonal farmworkers in California, the authors draw on many themes that farm labor and immigration researchers have previously identified. These include the growth and economic success of the fresh fruit and vegetable industry during a time when it has become reliant on low-wage immigrant labor, the role of social networks in incorporating and supporting new immigrants, the increasing latinization of rural America, the distinctive features of a new form of rural poverty, and the importance of examining immigrant policy (how immigrants are integrated once in the country) as well as immigration policy (controlling who enters the country). At its best, Poverty Amid Prosperity weaves these themes into a logical and readable synthesis.

In addition to integrating previous findings into an articulate whole, this book also makes two contributions to the body of farm labor research. The first is a study designed to address the question of whether low-wage agricultural jobs and immigration are fueling poverty and public assistance demands in 65 rural California towns. The answer to this question is sought by analyzing 1990 U.S. Census data and includes a clear explanation of the study design, which allows such analysis to be replicated elsewhere. It shows a strong correlation between levels of farm employment and poverty and that a higher average family income correlates with an increase in the number of persons in poverty, indicating that income growth in these towns is bypassing the poor. Finally, the study shows that, while increased poverty increases welfare demands, immigrants are less likely than natives to receive welfare income. The problems inherent in using census data as a source of information on farmworkers are not discussed in the chapter, however. The serious undercount of farmworkers in the U.S. Census has been clearly documented and should be addressed in an econometric model that relies exclusively on this data set.

The second important contribution of this book is the introduction of several papers and case studies to a wider readership than might otherwise be the case. Specific highlights from seven community studies in rural California as well as three papers on other aspects of the farm labor market are presented and clearly illustrate some of the social and
economic dynamics within immigrant-receiving farm labor communities. Such dynamics include previous patterns of upward mobility among immigrant groups, competition between established and new Mexican immigrant groups for the more stable agricultural jobs, the role of social networks in facilitating immigration, the roles that established immigrants play in integrating new immigrants into the workplace, and the movement of farmworkers’ children into nonfarm jobs. The papers also identify structural changes in the farm labor market that are related to a continuing supply of new immigrant workers—a shift from piece rates to hourly wages, which results in lower earnings; an increasing reliance on farm labor contractors; and a restructuring of production that entails an increase in the proportion of short-term jobs. Finally, the papers illustrate changes in the rural communities resulting from housing conflicts and increased socio-economic stratification, exemplified by poorly paid immigrant farmworkers clustered in isolated colonias. It is the creation of these enclaves of poverty, surrounded by evidence of large-scale agriculture’s increasing prosperity, that ties these case studies together and to the book’s theme.

The community studies also illustrate how these dynamics have led to a situation that differs dramatically from our historical understanding of rural poverty. Traditionally, rural poverty has been viewed as the result of inevitable agricultural decline combined with cyclical crises that force farms into a downward spiral from which they rarely rebound.... In California today, rural poverty occurs in an environment of agricultural prosperity, in the context of a growth industry.” Clearly, policies and programs designed to alleviate rural poverty must take this new reality into account.

The final section of the book attempts to address the policy implications of these research findings. It lays a strong groundwork by recognizing the importance of focusing on immigrant rather than immigration policies and by presenting the problems with three existing categories of immigrant policy: targeted assistance programs directed toward newcomers, legislatively or administratively set rules of eligibility for needs-based mainstream service programs, and court-made rules regarding the rights and entitlements of noncitizens.

Despite the clear exposition of current policies and proposed legislation, however, the book falls short of creatively discussing new solutions or relating current policies to on-the-ground reality. For example, federal programs designed to assist migrant farmworkers are identified, yet there is no discussion of the extent to which new immigrants use (or are eligible for) such programs and thus no discussion of their utility in addressing the “new rural poverty” previously identified; information that would have provided depth comparable to that shown in the previous sections. While the authors are to be commended for attempting to integrate research findings with policy discussion, they seldom overcome the difficulties of maintaining a bridge between a policy discussion on the macro level and the implications of such policies on the micro level, or the even more difficult task of deriving insights from micro-level studies to enlighten policy debate at the macro level. Fortunately, their attempt presents much valuable information, both at the policy and the community studies level. More importantly, the themes that the authors clearly identify and emphasize in this book are precisely the ones that should be critical elements guiding an informed discussion of U.S. immigration policy and the working poor.

A final note of criticism is that, despite its academic tone, there is a disconnecting lack of citations throughout the text while the “References” section includes significantly more items than are actually referred to in the book. Readers seeking additional information or verification of a particular issue are seldom guided in the proper direction.

Despite these criticisms, the book is a useful and thought-provoking analysis of the changing face of rural communities and a good, basic description of existing policies shaping immigration to rural areas. The authors have made a major contribution by bringing forward the overwhelming evidence of a range of binational ties that are supplying the economy of rural America with Mexican-born workers and communities in rural America with Mexican-born residents.
Migration and Crime: Proceedings of the International Conference on Migration and Crime: Global and Regional Problems and Responses contains 32 papers from the October 1996 conference in Courmayeur Mont Blanc, Italy, and was edited by Alex P. Schmid and Irene Melup. For information, contact the International Scientific and Professional Advisory Council (ISPAC) of the United Nations Crime Prevention and Criminal Justice Programme at: 39-2-86460714 (phone), 39-2-72008431 (fax), or by e-mail at crpdsl.ipsac@iol.it.


“Immigrant Quality and Assimilation: A Review of the U.S. Literature,” by T. Paul Schultz of Yale University, and “Immigration, Assimilation, and Growth,” by John T. Durkin, Jr., of Wayne State University, are included in the most recent issue of The Journal of Population Economics, edited at SELAPO (Center for Human Resources) at the University of Munich. For more information, contact the journal at: popecon@selapo.vwl.uni-muenchen.de.