

### **Debate Brief · Immigration**

Resolved: The federal government should adopt the Development, Relief, and Education for Alien Minors (DREAM) Act.

"A large proportion of ingenious and valuable workmen, in different arts and trades, who, by expatriating from Europe, have improved their own condition, and added to the industry and wealth of the United States."

-Alexander Hamilton, "Collected Works," Vol. 4.

"New arrivals should be limited to our capacity to absorb them into the ranks of good citizenship. America must be kept American. For this purpose, it is necessary to continue a policy of restricted immigration."

-President Calvin Coolidge, December 1923, First Annual Message to Congress

"Whether one traces his Americanism back three centuries to the Mayflower, or three years of the steerage, is not half so important as whether his Americanism of to-day is real and genuine.

No matter by what various crafts we came here, we are all now in the same boat."

—President Calvin Coolidge, October 6, 1925

#### ABOUT THE COOLIDGE FOUNDATION

The Calvin Coolidge Presidential Foundation is the official foundation dedicated to preserving and promoting the legacy of America's 30th president, Calvin Coolidge, who served in office from August 1923 to March 1929. These values include civility, bipartisanship, and restraint in government, including wise budgeting. The Foundation was formed in 1960 by a group of Coolidge enthusiasts, including John Coolidge, the president's son. It maintains offices at the president's birthplace in Plymouth Notch, Vermont, and in Washington, D.C. The Foundation seeks to increase Americans' understanding of President Coolidge and the values he promoted.

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#### **BACKGROUND**

Immigrants are people who live in a country that is different from the country where they were born. People move to other countries for many reasons, but a common reason is to take advantage of improved economic prospects. Different countries have vastly different economic systems and opportunities, and people move to maximize their well-being. It is not a coincidence that the United States has both the largest economy in the world and is the top destination for immigrants worldwide.

The U.S. has often been described as a "nation of immigrants." Nearly all U.S. citizens today (except Native Americans) are immigrants themselves or are descendants of immigrants who came to the U.S. in previous generations. Currently, some 40 million immigrants live in the U.S. This is the equivalent of just over 13% of the total U.S. population. In other words, approximately every one-in-eight people living in the U.S. was born in another country. Since 1850, the percentage of the U.S. population that is foreign-born has more often than not topped 10% and it appears that this trend will continue. It has been estimated that by 2050 immigrants will represent 18.6% (or nearly one in five people) of the overall U.S. population.

Immigration generates great debate in the United States. Presidential candidates in both political parties debate whether the current approach to immigration is just and proper, and what form U.S. immigration policy should take in coming years. A big part of that debate revolves around the effect that immigrants have on the American economy. Many economists find that immigrants on net are a positive force for the economy. Immigrants add to the labor force, filling jobs both on the high- and low-skill spectrums of the economy. They have traditionally been among the most innovative and entrepreneurial people in the country. However, others argue that immigrants may be competing with native workers, taking away jobs and lowering wages for native-born citizens. Furthermore, those who favor more restrictions on immigration point to the large number of unauthorized or illegal immigrants in the U.S. and make the case that illegal immigration is eroding the rule of law in the country. Some also believe that immigrants are a burden on taxpayers.

Immigration was an issue that generated much attention in President Coolidge's day as well. Large numbers of people from southern and eastern Europe migrated to the United States in the late 19th and early 20th centuries, the period largely covering Coolidge's childhood and early political career up to his 1923 accession to the presidency. These new Americans often spoke languages (such as Russian and Italian) and practiced religions (such as Catholicism and Judaism) previously unfamiliar to native-born Americans. This large new influx of immigrants created discomfort among many native-born Americans, and led to a succession of restrictive

<sup>&</sup>lt;sup>1</sup> U.S. Census Bureau, Historical Census Statistics on the Foreign-Born Population of the United States: 1850-2000; U.S. Census Bureau, 2013 American Community Survey.

<sup>&</sup>lt;sup>2</sup> Passel, Jeffrey, and D'Vera Cohn. "U.S. Population Projections: 2005–2050." (n.d.): Pew Hispanic Center. Pew Research Center. Web. 11 Feb. 2008.

immigration laws, culminating with the Johnson-Reed Immigration Act, which President Coolidge signed into law on May 24, 1924.

The Johnson-Reed Act is possibly the strictest immigration law ever enacted in American history. The law limited future flows of immigrants to the U.S. from a particular country to the equivalent of two percent of the number of immigrants from that country already in the U.S. in 1890. This effectively halted immigration from south and east Europe. The law also excluded immigration of Asians. The law reflected the isolationist zeitgeist of the time and was highly popular in the Congress.

Despite putting his pen to this extremely restrictive law, President Coolidge did not harbor the prejudices and racist attitudes that so often color discussions of migration policy. Indeed, Coolidge often had very positive things to say about immigrants. In his 1926 speech at the dedication of the statue of John Ericsson he said "...when once our feet have touched this soil, when once we have made this land our home, wherever our place of birth, whatever our race, we are all blended in one common country. All artificial distinctions of lineage and rank are cast aside. We all rejoice in the title of Americans." At the American Legion convention in Omaha, Nebraska in 1925 he remarked "Whether one traces his Americanism back three centuries to the Mayflower, or three years of the steerage, is not half so important as whether his Americanism of to-day is real and genuine. No matter by what various crafts we came here, we are all now in the same boat."

More recently, immigration policy has centered around the issue of how to handle immigrants who are children. One proposal that has been debated for nearly 20 years is called the Development, Relief, and Education for Alien Minors (DREAM) Act. The DREAM Act was first introduced in 2001 and is intended to provide a pathway to legal status for undocumented youth who came to the United States as children. Since 2001, ten different versions of the Dream Act have been introduced in Congress, but none has passed.<sup>3</sup> The closest the DREAM Act came to passing was in 2010 when a bipartisan version passed in the House of Representatives and garnered 55 votes in the Senate (it needed 60 votes).

You now have the chance to take part in this matter of public policy by debating the merits (or lack thereof) of more open U.S. immigration policy. Please familiarize yourself with the latest version of the DREAM Act, which is called the **American Dream and Promise Act of 2019**.<sup>4</sup> Research the three-step pathway that it lays out for current, former, and future undocumented high-school graduates and GED recipients to obtain U.S. Citizenship, and weigh the pro and con arguments and evidence supporting both sides of the resolution.

<sup>&</sup>lt;sup>3</sup> "<u>The Dream Act, DACA, and Other Policies Designed to Protect Dreamers.</u>" American Immigration Council. September 3, 2019.

<sup>&</sup>lt;sup>4</sup> H.R.6 - American Dream and Promise Act of 2019. 116<sup>th</sup> Congress (2019-2020). Congress.gov.

#### **COOLIDGE CONNECTION**

In Coolidge's January 1914 "Have Faith in Massachusetts" address, he famously urged "Give administration a chance to catch up with legislation." His attitude on immigration followed the same principle—allow for America to meaningfully absorb what immigrants it already possessed before accepting more. He expressed this to a group of foreign-born citizens visiting the White House in October 1924:

"It has been found necessary to inquire whether ... we can be sure of finding employment for the diverse elements and enormous numbers of new immigrants that are offered to us. We are all agreed, whether we be Americans of the first or of the seventh generation on this soil, that it is not desirable to receive more immigrants than can reasonably be assured of bettering their condition by coming here. For the sake both of those who would come and more especially of those already here, it has been thought wise to avoid the danger of increasing our numbers too fast. It is not a reflection on any race or creed. We might not be able to support them if their numbers were too great. In such event, the first sufferers would be the most recent immigrants, unaccustomed to our life and language and industrial methods. We want to keep wages and living conditions good for everyone who is now here or who may come here.

"As a Nation, our first duty must be to those who are already our inhabitants, whether native or immigrants. To them we owe an especial and a weighty obligation. They came to us with stout hearts and high hopes of bettering their estate. They have contributed much to making our country what it is. They magnificently proved their loyalty by contributing their full part when the war made demand for sacrifices by all Americans."

Historian David Pietrusza argues that although Coolidge favored restrictions on immigration, he was not anti-immigrant. "In fact, Coolidge recognized the many benefits immigrants bestowed on America," writes Pietrusza in the 2018 August edition of the *Coolidge Quarterly*. Said Coolidge in his acceptance of the 1924 GOP presidential nomination:

"Restricted immigration is not an offensive but a purely defensive action. It is not adopted in criticism of others in the slightest degree, but solely for the purpose of protecting ourselves. We cast no aspersions on any race or creed, but we must remember that every object of our institutions of society and government will fail unless America be kept American."

<sup>&</sup>lt;sup>5</sup> "An Underlying Philosophy" Coolidge Quarterly. August 2018.

<sup>&</sup>lt;sup>6</sup> Pietrusza, David. "Coolidge and Immigration." Coolidge Quarterly. August 2018.

#### **KEY TERMS**

**Immigrant** or **Foreign-Born** – These terms are used interchangeably to refer to someone who is living in a country that is different from the country of his/her birth.

**Economic Growth** – An increase in the amount of goods and services produced in an economy over a period of time. This is often measured in terms of a country's GDP (gross domestic product).

**Gross Domestic Product (GDP)** – This is the total value of all goods and services produced in an economy in a year. "GDP per capita" takes a country's GDP and divides it by the country's population. Therefore, GDP per capita is one measure of the wealth of a country relative to the size of its population.

**Productivity** – A measure of the amount of output produced from any given amount of inputs. Productivity growth is the greatest driver of long-term economic growth. When productivity increases, economic growth tends to increase.

**Innovation** – Innovation is finding new or better ways to do things. Innovation allows productivity to increase, and thus is an important ingredient for economic growth.

**Article I, Section 8** – The section of the Constitution regarding immigration. It says that Congress has power to "establish a uniform Rule of Naturalization...." Congress alone has the power to establish immigration policy – not the states and not the president.

**Economic Protectionism** – An economic strategy employed by a government where foreign competition is restricted to encourage domestic industry; these policies include tariffs, quotas, and limited immigration.

**The Johnson-Reed Act** – One of the most restrictive immigration acts ever was the 1924 Johnson-Reed Act, which President Coolidge signed. The law favored Northern Europeans because it based its quotas on the immigrant population of 1890. That 1890 population was heavily North European, so the 1924 Act favored white North Europeans. It also constrained immigration generally. Mexico was not included in this part of the bill.

**The 1965 Immigration Act** – This act ended the National Origins Formula, which had been the basis of U.S. immigration policy since the 1920s, and moved immigration to the family reunification principle.

**Undocumented** – An "undocumented" individual is a foreign-born person who does not have the legal right to be (or remain) in the United States. Someone without proper legal documentation (i.e., permission from the government). This term includes people who entered with a legal visa that is no longer valid.

#### **AFFIRMATIVE ARGUMENTS**

#### 1. Immigrants help to fuel economic growth.

Many researchers have studied the effect of immigrants on the U.S. economy. On balance they have found that immigrants not only increase the overall GDP but also improve native-worker productivity and wages. A 2007 review on immigration from the Council of Economic Advisors to the White House reported that immigrants increased the economy's total output by as much as \$37 billion per year. The

According to the Center for American Progress, the DREAM Act "would create 1.4 million jobs by 2030, primarily through the expected increase in educational attainment, earnings, and buying power for DREAMers."

Source: Guzman and Jara. "The Economic

Benefits of Passing the DREAM Act." Center for

American Progress. September 2012.

report also cited immigrant's positive effects on native wages and government revenues.

Economist Richard Vedder has found that had immigration policy been more growth-oriented in the 1960s (to allow in more skilled immigrant workers), average GDP growth per year from 1970 to 2011 could have been approximately 3.1% instead of the actual rate of 2.8%. While this may seem trivial, the compounded effects of a 0.3 percentage point increase over several decades would have resulted in an increase of over \$2 trillion to GDP.8

The table in Appendix B of this research brief shows that many states with a high proportion of immigrants do well economically. New York, New Jersey, California, Massachusetts, Connecticut and the District of Columbia are all examples of immigrant-dense states that enjoy high GDP per capita.

### 2. Immigrants tend to be entrepreneurs, starting new companies that help the economy and employ others.

Immigrants tend to be highly entrepreneurial. This is hardly surprising given that the very act of immigrating is itself an entrepreneurial decision. Many scholars point out that immigrants are a "self-selected" group of people who are more ambitious and more willing to take on risk than most people. These are traits typical of entrepreneurs.

Businesses are essential for economic growth. By turning good ideas into products ready for the marketplace, entrepreneurs drive the economy forward. Data show that immigrants represent 18% of all small business owners in the United States, even though immigrants account for only

<sup>&</sup>lt;sup>7</sup> Lazear, Edward P., and Donald Marron. "Immigration's Economic Impact." Immigration's Economic Impact. The White House Archives, 20 June 2007. Web. 18 Feb. 2016.

<sup>&</sup>lt;sup>8</sup> Vedder, Richard. "Invisible Hands: Immigration and American Economic Growth." (n.d.): n. pag. George W. Bush Institute. George W. Bush Institute, Mar. 2013. Web. 18 Feb. 2016.

around 13% of the total U.S. population. In New York City alone, some 90% of laundry businesses and 90% of taxi/limousine services are owned by immigrants to the U.S.<sup>9</sup>

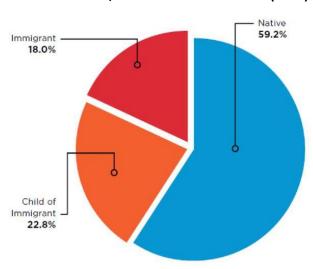


Figure 1. Percentage of Fortune 500 Companies Founded by the Foreign-Born,
Their Children, and Native-Born Citizens (2010)

Source: "The 'New American'" Fortune 500, report (Partnership for a New American Economy, 2011).

Immigrants are also responsible for starting many of the world's most important companies. Every year Fortune Magazine identifies America's biggest companies. Analyzing the 2010 Fortune 500 list, a report by the Partnership for a New American Economy found that 41% of all Fortune 500 companies had at least one key founder who was an immigrant to the U.S. or the child of an immigrant to the U.S. 10

### 3. Immigrants are highly innovative, which spurs increases in productivity and greater economic growth.

Economists across the board agree that increasing productivity is the most important factor in long-term economic growth. Immigrants help drive productivity increases, and therefore economic growth itself, through innovation. Quantifying innovation within an economy can be difficult, but one of the most common methods is to examine patent data—after all, patents are only granted to ideas that experts agree are indeed new and worthwhile ideas. In the U.S.,

<sup>&</sup>lt;sup>9</sup> David D. Kallick, Immigrant Small Business Owners: A Significant and Growing Part of the Economy, report (Washington, DC: Fiscal Policy Institute, 2012), http://fiscalpolicy.org/wp-content/uploads/2012/06/immigrant-small-business-owners-FPI-20120614.pdf.

<sup>&</sup>lt;sup>10</sup> "The 'New American'" Fortune 500, report (Partnership for a New American Economy, 2011).

immigrants have proven to be very good at developing ideas that receive patents. The U.S. Patent and Trademark Office reports immigrants or other foreigners are responsible for more than 50 percent of the patents its office grants. Immigrants are also twice as likely as nativeborn Americans to commercialize a patent. That is remarkable considering immigrants in the U.S. represent only about 13 percent of the country's total population.

Immigrants are also more likely to publish journal articles and other scholarly works. A study by Jennifer Hunt in the Journal of Labor Economics reported that in 2000 the percent of foreign-born college graduates who had published scholarly work was 17.6% compared to 14.4% for native-born graduates.<sup>13</sup> These scholarly publications are the foundation of the new ideas that boost productivity and economic growth.

### 4. Immigrants add more workers—and taxpayers—to the economy, which is good for the nation's economy and fiscal health.

Immigrants help grow the economy by working. Data from the U.S. Census Bureau show that in 2013, 61.5% of immigrants aged 16 and older were employed, compared to only 57.2% of native-born citizens. <sup>14</sup> While a 4.3 percentage point difference in the employment rates may not seem like a large difference, if native-born workers were employed at the same rate as immigrants, the economy would have had an additional 9.1 million workers in 2013. <sup>15</sup> Although these facts pertain to older immigrants who work, and not children, they are still relevant to the question of the DREAM Act because families make life decisions with the consequences for all family members in mind.

"DREAMers, DACA (Deferred Action for Childhood Arrivals) recipients, and undocumented immigrants pay taxes including sales tax and local real estate tax. Many pay Medicare, state and federal taxes, and even Social Security tax (though undocumented immigrants are not eligible for Social Security benefits). In fact, undocumented immigrants working in the U.S. contributed \$11.74 billion in state and local taxes, according to a 2017 report from the Institute on Taxation and Economic Policy."

Source: Daftary, A. "You should care about the <u>Dream Act—it benefits us all</u>." The Hill. June 14, 2019.

Immigrants have also played a major role in recent years in growing the overall size of the U.S. labor force. The U.S. Census Bureau reported that from 2003 to 2014 immigrants were responsible for nearly 48% of the increase in the

<sup>&</sup>lt;sup>11</sup> "The 'New American' Fortune 500," report (Partnership for a New American Economy, 2011).

<sup>&</sup>lt;sup>12</sup> Jennifer Hunt, "Which Immigrants Are Most Innovative and Entrepreneurial? Distinctions by Entry Visa," Journal of Labor Economics 29, no. 3 (July 2011).

<sup>&</sup>lt;sup>13</sup> Ibid.

<sup>&</sup>lt;sup>14</sup> "American Community Survey (ACS)." American Community Survey (ACS). United States Census Bureau, n.d. Web. 18 Feb. 2016.

<sup>&</sup>lt;sup>15</sup> Denhart, Matthew. "America's Advantage: A Handbook on Immigration and Economic Growth." The Bush Center. George W. Bush Institute, n.d. Web. 18 Feb. 2016.

workforce in the United States.<sup>16</sup> Another way to put it is that without immigrants, the workforce in the U.S. would have grown by only half as much as it did. Furthermore, the Pew Research Center projects that between 2012 and 2050, immigrants and their U.S.-born children will combine to account for an astounding 93% of the total growth of America's working age population.<sup>17</sup> In other words, much of the work force growth in the next 30 years will be from immigrants.

### 5. Many immigrants are highly-educated and therefore bring new skills to contribute to the U.S. economy.

In the U.S., immigrants are more likely than native-born Americans to have an advanced degree (e.g., a master's, professional, or doctorate degree). Furthermore, the OECD reports that since 2000, immigrants have represented 21% of the increase in the highly educated labor for in the United States. This matters because it is highly-educated workers who are most likely to create innovations that have a big boost on economic growth. So by allowing undocumented youths to remain here and continue their education, a country can boost its economic potential. Documental.

Immigrants are an important driving force behind the so-called "STEM" (science, technology, engineering, and math) fields in academics. In 2011, over half of all engineering PhD's granted in the U.S. were earned by international students and their numbers are growing.<sup>21</sup> The percentage of foreign-born PhD workers in science and engineering jobs increased from 37.6% in 2000 to 43.2% in 2011.

<sup>&</sup>lt;sup>16</sup> "Current Population Survey Annual Social and Economic Supplement (CPS ASEC)." Publications. United States Census Bureau, n.d. Web. 18 Feb. 2016.

<sup>&</sup>lt;sup>17</sup> Taylor, Paul. "Second-Generation Americans A Portrait of the Adult Children of Immigrants." (n.d.): n. pag. Pew Research Center. Pew Research Center, 7 Feb. 2013. Web.

<sup>&</sup>lt;sup>18</sup> "American Community Survey (ACS)." American Community Survey (ACS). United States Census Bureau, n.d. Web. 18 Feb. 2016.

<sup>&</sup>lt;sup>19</sup> "Is Migration Good for the Economy?" (n.d.): n. pag. OECD. May 2014. Web. 17 Feb. 2016.

<sup>&</sup>lt;sup>20</sup> Holland, Dawn, Iana Liadze, Cinzia Rienzo, and David Wilkinson. "The Relationship between Graduates and Economic Growth across Countries." (n.d.): n. pag. Department for Business Innovation and Skills. Aug. 2013. Web. 18 Feb. 2016.

<sup>&</sup>lt;sup>21</sup> Doctorate Recipients From U.S. Universities: 2010 and 2011, Survey of Earned Doctorates, National Science Foundation, National Institutes of Health, U.S. Department of Education, National Endowment for the Humanities, U.S. Department of Agriculture, and the National Aeronautics and Space Administration.

### 6. By offering a path to citizenship to immigrant high school graduates and GED recipients, we will enable them to continue their education, resulting in more PhDs in the United States.

A large share of immigrants who earn doctoral degrees in critical fields like science and engineering end up leaving the U.S. upon graduation because there is no friendly path to citizenship. Among immigrants who had earned doctorates in science and engineering disciplines in 2006, only 66% of them remained in the U.S. five years later.<sup>22</sup>

Evidence suggests many of these PhDs would prefer to stay in the U.S., but unworkable U.S. immigration laws make it nearly impossible. Research by Vivek Wadhwa estimates that "up to 1.5 million skilled immigrants and their families [...] are trapped in the limbo between H-1B and the green card that earns them permanent residence and the chance for citizenship." Wadhwa believes this bureaucratic limbo has discouraged many high-skilled immigrants and led them to move away from the U.S.<sup>23</sup>

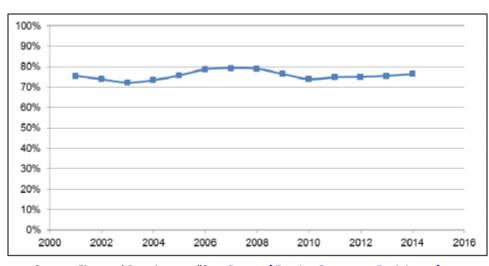


Figure 1. Percentage of Fortune 500 Companies Founded by the Foreign-Born,
Their Children, and Native-Born Citizens (2010)

Source: Finn and Pennington. "Stay Rates of Foreign Doctorate Recipients from U.S. Universities." National Center for Science and Engineering Statistics. January 2018.

The number of new hi-tech companies started by immigrants in Silicon Valley has stagnated in recent years, and Wadhwa believes an exodus of highly-trained immigrants frustrated with U.S. immigration laws is a main culprit. Highly-trained foreign workers have increasingly more options for employment around the world. U.S. policies that make it difficult for these foreignborn workers to come to the U.S. and work harm America's competitiveness. Immigration

<sup>&</sup>lt;sup>22</sup> Finn, Michael. "Stay Rates of Foreign Doctorate Recipients from U.S. Universities, 201." (n.d.): n. pag. Oak Ridge Institute for Science and Education, Jan. 2014. Web. 18 Feb. 2016.

<sup>&</sup>lt;sup>23</sup> Michael S. Malone, "The Self-Inflicted U.S. Brain Drain," editorial, The Wall Street Journal (New York), October 15, 2014, Opinion sec., http://online.wsj.com/articles/michael-s-malone-the-self-inflicted-u-s-braindrain-1413414239.

policy clearly needs to be liberalized to retain the highly-trained immigrant talent that currently is all too often forced to leave the country, despite having earned an advanced degree from a U.S. university.

#### 7. Immigrants help the age demographic problem by providing working-age people.

An aging population is a substantial problem currently facing many developed countries around the world. In the U.S., parents are having fewer children, meaning that the average age of the population is becoming older. This is concerning for the future of economic growth because a growing economy requires workers. When the population is aging, it means more and more people are retiring and therefore no longer working.

Immigrants are one solution to this demographic challenge. Immigrants tend to come to their new country when they are at an age at which they can work. In 2013, approximately 80% of immigrants living in the U.S. were of working age (age 18-65), compared to only 60% of the native-born American population.<sup>24</sup> The young immigrants who would most benefit from the DREAM Act are at the very beginning of their working careers.

Additionally, the proportion of working-age people to nonworking-age people is much smaller for immigrants than it is for natives. The figure shows that for every non-working age person in the U.S. who was an immigrant, there were four working-age immigrants. By contrast, for every one non-working age native in the U.S. there were less than two working-age natives.<sup>25</sup>

Denhart, Matthew. "America's Advantage: A Handbook on Immigration and Economic Growth." The Bush Center. George W. Bush Institute, n.d. Web. 18 Feb. 2016.
 Ibid.

#### **NEGATIVE ARGUMENTS**

### 1. Millions of immigrants are currently here illegally and that hurts both our economy and our rule of law.

Since 2005, there have been at least 10 million illegal immigrants residing in the United States, with numbers peaking at 11.8 million in 2007.<sup>26</sup> This is problematic from an economic and political sense for many reasons. First of all, illegal immigrants pose a financial burden on taxpayers because of immigration regulation costs. In 1990 the Border Patrol's budget was \$468 million; by 2011 it had increased to \$3.68 billion. This increase of over 600% cost taxpayers billions. If it were not for illegal immigration, these tax dollars could be used elsewhere, or taxes could perhaps even be reduced. Illegal immigrants largely avoid the income tax but despite this, they still use government resources that are at least partially paid for by taxes, such as emergency room visits and public schooling.

Illegal immigrants may not gravitate to the sectors of the economy where they are the most efficient because of real or imaginary legal barriers. For instance, an illegal immigrant may not apply for a job because they fear it will lead to their discovery and deportation. If that job is best suited their skills, then their decision to not pursue it is inefficient and bad for the economy.

Additionally, illegal immigrants generally have lower incomes than legal workers meaning they save, invest and consume less. A study from the University of Southern California found that "unauthorized Latino immigrants in California missed out on approximately \$2.2 billion in wages and salary income" in 2009, mostly due to wage differences between documented and undocumented workers.<sup>27</sup> This loss of income represented a \$310 million loss in income taxes, as well as, billions of dollars of lost consumption, savings, and investment.

Finally, such large scale illegal immigration erodes respect for the rule of law. Under the DREAM Act, immigrants who brought children over the border without going through the proper process would be let off the hook without any consequence. Rule of law is a fundamental prerequisite for a well-functioning economy. Illegal immigration threatens this.

<sup>&</sup>lt;sup>26</sup> Denhart, Matthew. "America's Advantage: A Handbook on Immigration and Economic Growth." The Bush Center. George W. Bush Institute, n.d. Web. 18 Feb. 2016.

<sup>&</sup>lt;sup>27</sup> Pastor, Manuel, Justin Scoggins, Jennifer Tran, and Rhonda Ortiz. "The Economic Benefits of Immigrant Authorization in California." (n.d.): n. pag. Center for the Study of Immigration Integration. University of Southern California, Jan. 2010. Web. 17 Feb. 2016.

# 2. Immigrants compete with natives for jobs and wages. This competition can cause a "race to the bottom" resulting in greater unemployment and lower wages for everyone.

Allowing foreign-born youth to stay and eventually enter the workforce means there will be an increase in the supply of labor. Like any industry, when supply increases, the price tends to fall. In the case of immigration, the supply is workers, and since that supply increases, it means the price for workers (i.e., wages) can be expected to fall. It makes intuitive sense that with more available workers and therefore more competition among workers for jobs, firms will be able to offer lower wages. This means that native workers will see their wages go down or they may even be driven to unemployment.

Examining this issue in the U.S., Harvard economist George Borjas finds that between 1960 and 2001, increasing the number of immigrant workers in the U.S. by 10% within a particular skill group reduced wages by around 3% to 4% for natives in that same skill group. In another study, Borjas and co-author Lawrence Katz find that in the U.S. during the period 1980–2000, immigrant inflows from Mexico reduced wages for U.S. natives without high school degrees by 8.2% in the short term and 4.2% in the long term. For typical natives, Borjas and Katz estimate immigrant inflows from Mexico reduced wages 3.4% in the short term but had no effect at all in the long term.

It should be the goal of governments to protect their own citizens first. If increasing immigration causes wages to go down for native workers, then liberalizing immigration can be thought of as bad for the workers within the economy.

# 3. Many immigrants are in poverty and speak English poorly, and are therefore likely to cost the federal government money in terms of social services and welfare programs.

Poverty rates for immigrants are higher than those of natives. In 2013 the national poverty rate for native-born residents was 15.4% but for foreign-born residents it was 18.7%.32 Part of this might be explained by low English proficiency between immigrants. In 2013 nearly 50% of immigrants reported speaking English "less than very well."<sup>30</sup>

Language proficiency is an essential skill; particularly in the service based economy of the U.S. Immigrants that cannot effectively communicate will likely have a much harder time finding high paying employment or advancing up the social ladder.

<sup>&</sup>lt;sup>28</sup> George J. Borjas, "The Labor Demand Curve Is Downward Sloping: Reexamining the Impact of Immigration on the Labor Market," The Quarterly Journal of Economics 118, no. 4, doi:10.1162/003355303322552

<sup>&</sup>lt;sup>29</sup> George J. Borjas and Lawrence F. Katz, "The Evolution of the Mexican-Born Workforce in the United States," in Mexican Immigration to the United States, ed. George J. Borjas (Chicago: University of Chicago Press, 2007), 13-56. <sup>30</sup> Ibid.

#### 4. Many immigrants are low-skilled without much education.

While it is true that many immigrants are highly-educated, there is also a very large portion of immigrants that are low-skilled. Indeed, a large share of the U.S. immigrant population has not earned even a high school degree. In 2013, almost one in every three immigrants did not have a high school diploma, compared to only one in every 10 native-born Americans.<sup>31</sup>

These low-skilled immigrants do not offer the same kind of productivity benefits to the economy that high-skilled immigrants do. And since such a large proportion of immigrants are low-skilled, the economic benefits of immigration generally are greatly overstated.

#### 5. Immigrants can impose fiscal burdens on the taxpayers of the receiving country.

One of the most common arguments made as to why immigration should be restricted is that immigrants can impose a fiscal burden on the natives of a country. That is to say, many believe that immigrants receive more in government benefits than they pay in taxes. After all, even if

immigrants don't qualify for all or even most government-supported benefit programs, their children typically do attend public schools and they add to the pressure on other government services like the police, fire, and emergency rooms.

It is very difficult to accurately determine precise fiscal costs (or benefits) from immigration. But in general studies show that lesser-skilled immigrants do tend to receive more in government benefits than they contribute in taxes. This is especially true in regions where government benefit programs are unusually generous. For example, in 1996, a careful analysis of immigrants in New Jersey and California showed that both states had high concentrations of lesser-skilled immigrants and rather generous public benefits. In New Jersey, immigrants received \$1,484 more (in 2006 dollars) in government benefits than they paid in taxes. In California, the net fiscal cost of immigrant households was even greater: \$3,463 per year.<sup>32</sup>

Low skilled immigrants also received a disproportionately large percent of welfare benefits compared to comparable native populations. In 2007, 47% of low skilled immigrant households received at least one welfare benefit compared to only 30% of low skilled native households.<sup>33</sup> This percent was even higher (55%) for immigrant households where the head of the household had less than a high school diploma.<sup>34</sup>

<sup>31</sup> Ibid.

<sup>&</sup>lt;sup>32</sup> James P. Smith and Barry Edmonston, eds., The New Americans: Economic, Demographic, and Fiscal Effects of Immigration (Washington, DC: National Academy Press, 1997).

<sup>&</sup>lt;sup>33</sup> Denhart, Matthew. "America's Advantage: A Handbook on Immigration and Economic Growth." The Bush Center. George W. Bush Institute, n.d. Web. 18 Feb. 2016.

<sup>&</sup>lt;sup>34</sup> Orrenius, Pia M., and Madeline Zavodny. Beside the Golden Door: U.S. Immigration Reform in a New Era of Globalization. Washington, D.C.: AEI, 2010. Print.

# 6. Liberalizing immigration can lead to the mass migration of people resulting in costly unauthorized immigration and putting the migrants themselves in danger.

Changes in immigration policy, or even perceived changes in policy, can lead to mass migration. One example is the phenomenon in recent years of thousands of unaccompanied minors showing up at the U.S. border. During the last two years, thousands of immigrant children have come across the Southwest border and entered the U.S. illegally. The U.S. Border Patrol reports that more than 68,500 unaccompanied immigrant minors were apprehended along the Southwest border in fiscal year 2014. This is substantially more than the 38,759 apprehended in FY 2013. And the 2013 number itself is substantially more than the 24,403 apprehended in FY 2012 and the 15,949 in FY 2011.<sup>35</sup> These immigrants are children, meaning that they are not ready to work. Furthermore, their parents are not even with them, meaning that they must be cared for in U.S. custody while they await their court proceedings.

A large influx of immigrants over a short period of time can be damaging to the economy in the short run. While the economy may adjust to a population increase over time, a sudden large growth will likely leave many without jobs and put strain on local and state governments, particularly in terms of welfare benefits, law enforcement, and education.

#### 7. Immigrants might negatively alter American culture if they fail to assimilate.

Large influxes of immigrants can make the process of assimilation break down. A country should not have a divided civic culture and it is ultimately harmful to the immigrant population to have them pitted against the majority population.

In the U.S. there is some tension over what some see as a lack of assimilation currently. This frustration is often manifested in debates about whether immigrants should be required to learn English. In 2013, half of the U.S. foreign-born population reported speaking English less than "very well," and among immigrants from regions like Latin America, the proportion that could not speak English well was even larger. Not being able to communicate effectively puts a damper on economic productivity, complicating normally routine transactions.

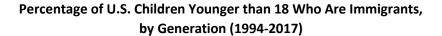
There exists other evidence that immigrants are not assimilating properly. Only half of working age immigrants who have been in the U.S. for at least 10 years have naturalized. Some immigrants reject assimilation. Due to these factors, there could be a great anti-immigrant backlash if we enact bills such as the DREAM Act.

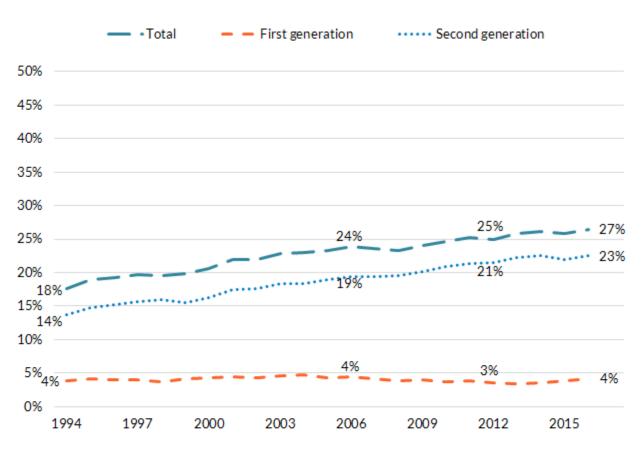
<sup>&</sup>lt;sup>35</sup> "Total Unaccompanied Alien Children (0-17 Years Old) Apprehensions By Month." (n.d.): n. pag. U.S. Customs and Border Protection. U.S. Department of Homeland Security. Web. 18 Feb. 2016.

<sup>&</sup>lt;sup>36</sup> "American Community Survey (ACS)." American Community Survey (ACS). United States Census Bureau, n.d. Web. 18 Feb. 2016.

#### **APPENDIX A. Percentage of U.S. Children Who Are Immigrants**

The figure below shows the rising percentage of child immigrants to the United States. Immigrant children are defined as those who have at least one foreign-born parent. First-generation immigrant children are defined as children who were born outside the United States. Second-generation immigrants are those who were born within the United States or its territories. The chart comes from Child Trends, a research organization that studies issues related to the nation's youth.





<sup>\*</sup> Immigrant children are those with at least one parent born outside of the United States. First-generation immigrant children were born outside of the United States and second-generation immigrant children were born inside of the United States or its territories.

Source: Child Trends' original analysis of data from the Current Population Survey, March supplement, 1994-2017.

### **APPENDIX B. Immigration and Economic Data for the United States**

The table below shows key immigration and economic data by state, sorted by the percent of the population that is immigrant for a given geographic area.

Geographic Area	Percent Immigrant (2014)	Per Capita Income (2013)	GDP per Capita (2014)	Unemployment Rate (2014)
United States	13.1%	\$41,706	\$49,110	6.2%
California	27.0%	\$40,236	\$54,196	7.5%
New York	22.3%	\$44,047	\$63,633	6.3%
New Jersey	21.5%	\$45,113	\$56,498	6.6%
Florida	19.6%	\$39,159	\$38,664	6.3%
Nevada	19.1%	\$37,269	\$43,571	7.8%
Hawaii	17.9%	\$36,267	\$48,914	4.4%
Texas	16.5%	\$42,305	\$54,055	5.1%
Massachusetts	15.3%	\$49,744	\$62,122	5.8%
Maryland	14.2%	\$45,280	\$53,454	5.8%
District of Columbia	14.0%	\$59,688	\$160,582	7.8%
Illinois	13.9%	\$43,364	\$51,968	7.1%
Connecticut	13.7%	\$52,126	\$63,642	6.6%
Arizona	13.5%	\$35,537	\$39,129	6.9%
Washington	13.3%	\$43,109	\$54,710	6.2%
Rhode Island	13.1%	\$44,670	\$47,335	7.7%
Virginia	11.6%	\$44,233	\$51,223	5.2%
New Mexico	9.9%	\$35,293	\$39,711	6.5%
Colorado	9.8%	\$42,786	\$52,167	5.0%
Oregon	9.8%	\$37,648	\$50,568	6.9%
Georgia	9.7%	\$38,415	\$42,959	7.2%
Delaware	8.4%	\$41,202	\$60,806	5.7%
Utah	8.4%	\$35,141	\$43,007	3.8%
North Carolina	7.6%	\$39,341	\$44,017	6.1%
Minnesota	7.5%	\$45,385	\$52,970	4.1%
Alaska	7.1%	\$44,114	\$65,946	6.8%
Kansas	6.8%	\$45,619	\$44,974	4.5%
Nebraska	6.5%	\$48,600	\$52 <i>,</i> 508	3.3%
Michigan	6.2%	\$38,666	\$41,788	7.3%
Pennsylvania	6.1%	\$43,715	\$47,215	5.8%
Idaho	6.0%	\$36,340	\$35,081	4.8%
New Hampshire	5.6%	\$44,942	\$49,006	4.3%
Oklahoma	5.6%	\$43,428	\$41,884	4.5%
Indiana	4.8%	\$39,397	\$43,694	6.0%
South Carolina	4.8%	\$36,940	\$35,898	6.4%
lowa	4.7%	\$46,247	\$49,099	4.4%
Tennessee	4.7%	\$40,738	\$41,577	6.7%
Wisconsin	4.7%	\$43,392	\$46,114	5.5%

4.6%	\$39,119	\$36,989	6.1%
4.2%	\$42,337	\$42,957	4.1%
4.1%	\$42,747	\$45,131	5.7%
3.9%	\$42,144	\$46,084	6.4%
3.9%	\$42,501	\$42,069	6.1%
3.5%	\$38,794	\$37,643	6.8%
3.5%	\$39,056	\$37,339	5.7%
3.4%	\$37,916	\$38,726	6.5%
3.4%	\$51,410	\$64,402	4.3%
2.9%	\$54,261	\$66,910	2.8%
2.9%	\$48,989	\$47,517	3.4%
2.2%	\$36,441	\$31,607	7.8%
2.0%	\$38,895	\$38,435	4.7%
1.5%	\$37,473	\$36,350	6.5%
6.2%	\$38,666	\$41,788	7.3%
6.1%	\$43,715	\$47,215	5.8%
	4.2% 4.1% 3.9% 3.9% 3.5% 3.5% 3.4% 2.9% 2.9% 2.2% 2.0% 1.5% 6.2%	4.2% \$42,337 4.1% \$42,747 3.9% \$42,144 3.9% \$42,501 3.5% \$38,794 3.5% \$39,056 3.4% \$37,916 3.4% \$51,410 2.9% \$54,261 2.9% \$48,989 2.2% \$36,441 2.0% \$38,895 1.5% \$37,473 6.2% \$38,666	4.2%       \$42,337       \$42,957         4.1%       \$42,747       \$45,131         3.9%       \$42,144       \$46,084         3.9%       \$42,501       \$42,069         3.5%       \$38,794       \$37,643         3.5%       \$39,056       \$37,339         3.4%       \$37,916       \$38,726         3.4%       \$51,410       \$64,402         2.9%       \$54,261       \$66,910         2.9%       \$48,989       \$47,517         2.2%       \$36,441       \$31,607         2.0%       \$38,895       \$38,435         1.5%       \$37,473       \$36,350         6.2%       \$38,666       \$41,788

Source: U.S. Bureau of Labor Statistics; U.S. Department of Commerce; United States Census Bureau.

### **APPENDIX C. Characteristics of Employed Foreign-Born and Native-Born Persons**

The table below shows information for employed foreign-born and native-born individuals who are 16 years old and over. The characteristics are reported by age and sex. 2018 data.

Occupation		Foreign born		Native born		
Occupation	Total	Men	Women	Total	Men	Women
Total employed (in thousands)	27,217	15,714	11,502	128,544	66,984	61,560
Occupation as a percent of total employed						
Total employed	100.0	100.0	100.0	100.0	100.0	100.0
Management, professional, and related occupations	32.7	30.7	35.5	41.6	38.0	45.6
Management, business, and financial operations						
occupations	12.3	12.4	12.1	17.5	18.7	16.2
Management occupations	8.5	9.3	7.5	12.4	14.2	10.5
Business and financial operations occupations	3.7	3.1	4.6	5.1	4.5	5.8
Professional and related occupations	20.5	18.4	23.4	24.1	19.3	29.4
Computer and mathematical occupations	5.1	6.6	3.0	2.9	4.1	1.6
Architecture and engineering occupations	2.2	3.2	0.9	2.1	3.4	0.7
Life, physical, and social science occupations	1.2	1.1	1.2	0.9	0.9	0.9
Community and social service occupations	0.9	0.6	1.3	1.9	1.2	2.6
Legal occupations	0.6	0.4	0.8	1.4	1.3	1.4
Education, training, and library occupations	3.7	2.2	5.7	6.5	3.2	10.0
Arts, design, entertainment, sports, and media occupations.	1.4	1.3	1.6	2.3	2.4	2.2
Healthcare practitioners and technical occupations	5.4	2.9	8.8	6.2	2.8	9.8
	-					
Service occupations	23.3	16.6	32.5	15.9	13.1	19.0
Healthcare support occupations	2.7	0.6	5.5	2.3	0.6	4.1
Protective service occupations	0.9	1.2	0.5	2.3	3.4	1.1
Food preparation and serving related occupations	6.7	6.1	7.6	5.0	4.0	6.0
Building and grounds cleaning and maintenance			40.0			
occupations	8.2	6.9	10.0	2.8	3.5	2.1
Personal care and service occupations	4.8	1.8	8.9	3.6	1.6	5.8
Sales and office occupations	14.9	11.2	19.9	22.9	16.8	29.5
Sales and related occupations	7.7	6.9	8.7	10.7	10.3	11.1
Office and administrative support occupations	7.2	4.3	11.2	12.2	6.5	18.4
Natural resources, construction, and maintenance						
occupations	14.0	22.8	2.0	8.3	15.1	3.0
Farming, fishing, and forestry occupations	1.6	2.0	1.1	0.5	0.8	0.2
Construction and extraction occupations	9.5	15.9	0.7	4.5	8.3	0.3
Installation, maintenance, and repair occupations	2.9	4.9	0.2	3.3	6.1	0.3
Production, transportation, and material moving						
occupations	15.0	18.6	10.1	11.3	16.9	5.1
Production occupations	7.4	7.9	6.7	5.1	7.3	2.8
Transportation and material moving occupations	7.6	10.7	3.4	6.1	9.6	2.3

NOTE: Updated population controls are introduced annually with the release of January data.