Immigrants and the Economy

Micheline Maynard

After emigrating from Syria to the United States in 1906, Ed Hyder’s grandfather got his start peddling shirt collars and dry goods to men maintaining the Erie Canal and railroads in New York state. Hyder’s father and uncles eventually took over the business, opening shops that sold meat and groceries.

The first two generations of Hyders would have been dazzled to see what the third and fourth generations of the family have done with the business. In a converted firehouse in Worcester, Mass., Hyder and his son Gregory run a popular Mediterranean market with a staff of 15 workers, drawing an avid foodie audience with far more upscale tastes than the working-class customers who gave the early Hyders their start. The shelves are filled with big containers of flour and racks of exotic spices, and refrigerator cases contain homemade Middle Eastern specialties and soups.

For Hyder, the heated debate over the Trump administration’s hard-nosed immigration plans hits home. Friendly immigration policies allowed his ancestors to immigrate to the United States, he says; restrictive ones would have kept them out. “Limiting immigration limits the possibilities of what we can achieve as Americans,” Hyder says. “I don’t want to indiscriminately let in people who hate America. But it’s a hard call, who’s good and who’s bad.”

Since taking office, President Trump has moved on several fronts to tighten immigration policy. On Jan. 25, he signed an executive order to build a wall on the U.S.-Mexico border to keep migrants from Mexico and Central America from crossing into the United States. He then signed a second order on Jan. 27 temporarily blocking immigration from seven predominantly Muslim Middle East
countries. And on Feb. 21, the Department of Homeland Security detailed a more aggressive approach to arresting and deporting undocumented immigrants — even those who have committed minor offenses — including enlisting local police as enforcers, building new detention facilities and speeding up deportations.1

Reaction was swift on all sides. Supporters of the tough new policies believe they will protect the country’s security and provide more jobs to American citizens. But other Americans and businesses that rely on immigrants to spur innovation and keep operations flowing voiced deep reservations.

The furor underscored how deeply conflicted Americans are over the impact of immigration on jobs and the overall U.S. economy. Opponents focus mainly on illegal immigration and say it takes jobs from Americans and costs the treasury billions of dollars. Supporters discount these concerns and say immigration — especially legal immigration of highly educated foreigners — is a boon to the economy.

After a federal judge issued a stay on implementing parts of Trump’s executive order on refugees and travel — which the Trump administration appealed — more than 100 chief executives from technology and other companies filed a brief with the Ninth U.S. Circuit Court of Appeals, arguing the President’s so-called “Muslim ban” violated the U.S. Constitution and would badly hurt their businesses.

“The backbone of our engineering team is from overseas,” said Randy Wootton, CEO of the advertising-technology firm Rocket Fuel, which signed the brief. “Imagine not having access to that talent — it’s a real disservice to American business.”2 (See sidebar, p. 14.)

In addition, a coalition of nearly 600 colleges and universities sent a letter to Homeland Security Secretary John Kelly saying the country could maintain its “global scientific and economic leadership position” only if it encouraged talented people to come to the United States.3

A number of experts and others dispute these arguments, saying undocumented workers take jobs from Americans and cost state, local and federal governments billions of dollars in educational, health and welfare benefits. Some also oppose legal immigration. Trump’s chief strategist, Stephen Bannon, who is pushing an “America First” agenda, said last March that Asian immigrants have been filling American graduate schools and keeping American students from finding work in Silicon Valley and elsewhere. “Twenty percent of this country is immigrants. Is that not the beating heart of this [unemployment] problem?” he asked.4

Boston College political science professor Peter Skerry, who has written extensively on immigration issues, says anti-immigration arguments resonate with Americans who believe globalization and the free movement of workers across borders have hurt them. “If you’re some white American in a disadvantaged situation, you wouldn’t have to be a mean-spirited bigot to say, ‘Gee, do we really want more of these guys?’” he says.

The stakes in the debate over the impact of immigration on the U.S. economy are high. The 35 million people who identify as Hispanic are a significant economic force in the United States, representing a consumer market of $1.3 trillion.5
Close behind in economic importance are the nation’s 12.7 million people who identify as being of Asian descent. If current population trends continue, Asian immigrants will outnumber Hispanic immigrants by 2055, according to the Pew Research Center, relying on census data.

The nation’s 42 million immigrants are more likely to start businesses than native-born Americans. As a result, immigrants represent 18 percent of all small-business owners but only about 13 percent of the population.

Regarding the impact of legal immigrants on the U.S. economy, experts mostly debate how many additional skilled foreign workers should be encouraged to come to the United States through visas and other means. Richard Florida, a University of Toronto professor of management who coined the phrase “the creative class,” warned that Trump’s effort to restrict immigration threatens “the very core of America’s innovative edge — the ability to attract global talent.”

But at the other end of the economic scale, says Skerry, “if you haven’t got a high school diploma, you’re bound to be competing with immigrants.”

Much of the president’s focus has been on the nation’s 11 million undocumented immigrants, who critics say are more of a drain than a boon to the economy.

The 8 million undocumented immigrants who are working pay about $13 billion a year in state, local and federal taxes, says the Federation for American Immigration Reform (FAIR), a conservative group that wants to restrict immigration. But in a widely quoted 2013 study, the group contended that undocumented immigrants cost the economy $113 billion a year, largely in state and local services — a figure that immigrant advocates dispute.

“Right or wrong, opponents are concerned about the risks of market competition” from immigrant workers who often are willing to work for less, said Cass R. Sunstein, who directs the Program on Behavioral Economics and Public Policy at Harvard Law School. Among the factors he thinks are driving immigrant opponents, he says, “they want native-born Americans to keep their jobs, and they don’t want them to face wage cuts.”

Because the number of undocumented immigrants equals about 5 percent of the working population, some critics say the nation’s unemployment rate could be reduced to zero if authorities expelled as many as 3 million of these people. Others argue they should be allowed to stay legally, which would enable them to earn higher incomes and pay more in taxes.

AnnaLee Saxenian, dean of the University of California, Berkeley School of Information and an expert on Silicon Valley and technology, says much of this discussion misses the point. “The debate over immigration is deteriorating into a conversation over, ‘Are they stealing jobs?’” she says.

Undocumented immigrants hold large numbers of jobs in construction, health care and restaurants, especially in Texas, which has the second-largest number of undocumented immigrants behind California. Evicting

**U.S. Immigrant Count on the Rise**

The nation’s foreign-born population has doubled in the past quarter-century, with more than 40 million legal and undocumented immigrants making up almost 13 percent of the total U.S. population in 2013, the latest tally. The immigrant count dipped in the 1960s and ’70s, hitting a low of 4.7 percent of the total, before beginning a sharp increase.

**Foreign-Born Population in the United States, 1850-2013**

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<thead>
<tr>
<th>Year</th>
<th>Total Foreign-Born Population (in millions)</th>
<th>Percent of Total Population</th>
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<tr>
<td>1850-1860</td>
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<td>1860-1870</td>
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them, Saxenian says, might mean immediate hardships for the companies that employ them, because of a worker shortage in a tight job market.

Such concerns did not stop Arizona from enacting a series of tough laws between 2000 and 2010 aimed at stemming the flow of illegal immigration.

The state’s undocumented immigrant population peaked at about 500,000 in 2007 and has dropped 40 percent since then, in part because the 2008 recession caused construction jobs to dry up. Nationwide, the number of undocumented immigrants has been basically unchanged since 2008, partly because economic opportunities have increased in Mexico due to new investments there, according to the Pew Research Center, a Washington, D.C., polling and research organization.13

Saxenian says that although technology and other business sectors highly value immigrants, foreign-born workers look at the controversies over immigration as evidence of an unwelcome American climate. This, she says, could lead some foreign entrepreneurs to establish their companies elsewhere.

“In the 1970s and ’80s, everybody felt they were welcome in the U.S.,” she says. “And since 9/11, they’ve encountered a pretty hostile immigration system. Making them feel welcome is important. These are people who would like to stay.”

As the immigration debate continues among economists, politicians and the public, here are some of the questions they are asking:

Are undocumented immigrants good for the U.S. economy?

As a candidate and now as president, Trump has cited a widely quoted figure from the Federation for American Immigration Reform: Illegal immigration costs U.S. taxpayers about $113 billion a year at the federal, state and local level.14

Other conservative think tanks and countless opinion pieces also cite the $113 billion figure as they seek to ban undocumented immigrants or expel them from the country. “Illegal immigration increases income inequality and corrupts our democracy,” wrote University of Maryland economics professor Peter Morici in The Washington Times.15

He added, “When the nation is flooded with immigrants in skill categories without genuine shortages,” such as jobs in which employers would have to pay higher wages in order to find qualified applicants, “illegal immigration drives down wages and increases unemployment, especially for America’s lowest-paid workers.”

That $113 billion figure, according to FAIR, includes federal expenses for education, medical treatment and law enforcement, as well as other expenditures covering undocumented immigrants, who have been blocked from receiving federal welfare since passage of the 1996 welfare reform law.16 The bulk of the expense, however, is paid by state and local governments, estimated by FAIR at $84 billion.

The American Immigration Council, a pro-immigrant think tank in Washington, said FAIR’s report relied “upon flawed and empirically baseless assumptions to inflate its estimate of the costs.” It added: “Much of what FAIR counts as the cost of unauthorized immigration is actually the cost of education and health care for U.S. citizen children.” PolitiFact, a Pulitzer Prize-winning fact-checking website, said the cost of undocumented immigrants to the country was as low as $1.9 billion, but noted that the estimates vary widely.

“It’s uncertain how much immigrants in the United States illegally cost taxpayers,” said PolitiFact.17

The Center for American Progress, a liberal think tank, argues that undocumented immigrants contribute significantly to the U.S. economy — and that the country is missing an economic opportunity by creating an atmosphere hostile to newcomers. “Immigrants in fact are makers, not takers,” wrote three experts on immigration and the economy.18

They cited research by Raúl Hinojosa-Ojeda, an immigration expert at the University of California, Los Angeles, concluding that undocumented residents could contribute $1.5 trillion to the U.S. gross domestic product (GDP) over a decade if all 11 million were granted legal resident status. His reasoning: Legal workers earn higher wages than undocumented workers, and they use those higher wages to buy homes, cars, appliances and electronics. As this money flows into the economy, businesses expand to meet demand, and jobs are added.

James H. Johnson Jr., a professor of strategy and entrepreneurship at the University of North Carolina’s Kenan-Flagler Business School, says immigrants have an economic
immigrants and the economy  5

ripple effect that is not widely recognized. “People are not fully accounting for the way that immigrants add value to the economy,” Johnson says. “They create additional jobs that would not be there.” For instance, undocumented immigrants need attorneys to help them navigate U.S. laws. Or they may need translators or help filing their tax returns.

In addition, some industries might have trouble functioning without undocumented workers. For instance, undocumented immigrants constitute about 50 percent of hired farmworkers, down about 5 percentage points from the peak in 1999-2001, according to a 2016 report by the U.S. Department of Agriculture. About 69 percent of agricultural employees are from Mexico. The same is true in the construction industry; experts say immigrants are helping to fill labor shortages, and they constitute more than 25 percent of the housing construction workforce.19

Even as the number of undocumented workers has fallen in recent years in many places, Texas has continued to see its immigrant population rise. In construction, for example, about 25 percent of jobs go to undocumented workers, according to an in-depth series in The Texas Tribune. “There are almost always jobs waiting for them,” it said, because of a building boom in the state’s biggest cities.20

But using undocumented workers carries both benefits and costs, according to a study on immigrants’ impact on the Texas economy by two researchers for the Texas Public Policy Foundation, a conservative think tank in Austin. “The peripatetic ways of immigrants, both legal and illegal, serve as an economic lubricant,” they said. But on the negative side, the authors continued, 65 percent of the state’s illegal immigrants are in or near poverty, and a majority are forced to use a “major [Texas] welfare program.”21

Restaurant owners are among those concerned about a crackdown on undocumented workers. “If every one of [the undocumented immigrants] working in a restaurant was gone tomorrow, you’d have to close down the entire industry,” says Mike Monahan, owner of Monahan’s Seafood in Ann Arbor, Mich.

The true cost of undocumented workers to American society may be debatable, but Maria Minniti, a professor of entrepreneurship at the Whitman School of Management at Syracuse University, sees advantages, both to the country and the workers themselves.

Many would not be employable in parts of the job market that require higher skill levels, she says. But working in restaurants or in similar jobs lets the newcomers get their bearings while they learn English and the ways of American society, Minniti says. “It’s one of the great diversifying features of the country, the importance of freedom, the stress on the market, the commitment to work that gets you where you are,” she says.
Do local economies benefit from the arrival of legal immigrants?

In Durham, N.C., City Council member Steve Schewel says his community’s economy needs immigrants to prosper.

“Durham is [experiencing] a construction boom and a cultural renaissance,” Schewel says. “None of that would be possible without our immigrant population, both documented and undocumented.”

Durham is best known as the home of Duke University and Research Triangle Park, one of the nation’s leading centers of biotechnology and life sciences research, with more than 200 companies. The city’s restaurant scene is flourishing, and Durham has attracted new residents from around the world.²²

Durham’s population has grown from 149,000 in 1990, when only 4 percent were foreign born, to more than 295,000 in 2016, with 14 percent foreign born, primarily from Latin America and Asia, according to the Census Bureau.²³

The newcomers help fill both lower-paying jobs and positions at startups, Schewel says. “There is almost nothing that we’re doing that doesn’t depend on immigrant brain power,” he says. “We’re very much a foodie town, and immigrants are vital to that. We have a massive cluster of startup companies, and immigrants are vital to that.”

Immigration opponents see things differently. Trump adviser Bannon has argued that legal immigration hurts American communities and the fabric of American life. “A country’s more than an economy. We’re a civic society,” Bannon said in 2015. Bannon advocates an economic nationalism that puts native-born Americans first.²⁴

Ohio real estate agent Mary Theis backs Trump’s proposals to limit immigration and renegotiate trade deals that she said favored other countries. Citing the president’s business skills as a deal-maker, Theis said that “with Donald Trump negotiating on trade, maybe we’ll get some of these [lost] jobs back.”²⁵

Schewel says he can understand such frustrations, especially among older, white Americans who have been displaced by economic change. “I think that’s real. I acknowledge and affirm that experience,” he says. “But keeping immigrants out won’t help them. It will hurt them [because limiting immigration will limit economic growth]. We need the kind of economy that can grow and be prosperous.”

A number of economists argue that legal immigrants boost local economies in several ways. One is their impact on small businesses — the lifeblood of small towns. According to a 2012 report, 18 percent of small-business owners in the United States are immigrants, employing an estimated 4.7 million people and generating revenue of more than $776 billion annually. They are especially well represented in retail, including restaurants, groceries and dry cleaning.²⁶

California and New Jersey benefit the most from immigrant-owned businesses in terms of jobs created, said a 2017 study by the personal finance website WalletHub.²⁷

Another benefit of immigration is its ability to help revive struggling rural communities, according to the American Immigration Council.²⁸

One example the council cited is Ottumwa, a town of 25,000 in southeastern Iowa. Its Hispanic population rose from 1 percent in 2000 to 11.3 percent in the latest U.S. census, with mostly legal Hispanic workers being drawn by the lure of jobs at a Cargill pork processing plant. As the Hispanic population rose, Latino-owned groceries and restaurants followed. The influx helped spark a downtown revival, city officials said, with new businesses opening, including a home-improvement store and a Kohl’s department store. “Hispanics,” said loan officer Nicole Banner of U.S. Bank, “are pulling this town out of a long recession.”²⁹

Ottumwa was not alone. The Hispanic population in the Midwest jumped 49 percent between 2000 and 2010, according to the census.³⁰

In Michigan, Republican Gov. Rick Snyder said he supports legal immigration because of its potential to boost the state economy. The state’s population fell seven years in a row, from 2005 to 2011, reflecting an economy battered by the 2008 recession and job cuts resulting from the auto industry’s struggles.

In 2014, Snyder created the Michigan Office for New Americans in an effort to attract foreign entrepreneurs and encourage foreign students to stay in Michigan to get advanced degrees. “We want the world to know Michigan is a welcoming state,” Snyder said.³¹

Michigan’s efforts to attract more immigrants are paying off in small ways so far. Between 2000 and
2014, Detroit lost 36,000 native-born residents but gained 4,400 immigrants, hardly enough to offset the loss, but at least a sign the city was appealing to newcomers. Statewide, Michigan has gained 50,000 immigrants in the past six years, Snyder said in his most recent state-of-the-state address.\(^32\)

Citing the impact of foreigners in Silicon Valley, the University of California's Saxenian says immigrants bring energy to communities, creating a flow of ideas between their new and old homes — what she calls “brain circulation.”

She says she discovered this phenomenon in the 1990s, when she began studying Silicon Valley’s venture capitalists.

These company founders set up satellite offices in their home countries, such as India and Taiwan. The practice has encouraged companies in those countries to invest in the United States, too, Saxenian says. More than 600 Taiwanese companies have operations in the United States, while 100 Indian firms have collectively invested more than $15 billion in American operations.\(^33\)

Says Saxenian: “This circulation has been mutually beneficial. It’s clear there’s so much opportunity elsewhere in the world. People can move quickly, and communication is much cheaper.”

**Should more H-1B visa holders be allowed to remain in the United States?**

Every April, foreigners from around the world take part in the H-1B lottery to get one of the coveted, special visas that allow a limited number of highly skilled foreigners into the country each year. The winning applicants are allowed to work in the United States for three years, with the possibility of applying for additional time when their visas expire. Competition is stiff: In 2015, a record 348,699 people applied and 257,317 slots were approved.\(^34\)

Each applicant must have a corporate sponsor, who must show that the applicant is earning as much as native-born employees, that the company has unsuccessfully tried to recruit Americans with similar skills and that the applicant’s work is essential to the company’s operations.

Applicants generally are scientists, engineers or computer programmers working in highly skilled “specialty occupations.” A 2014 estimate said 65 percent of H-1B visas went to tech workers, mostly from India. H-1B visas also are available for those with other graduate degrees, such as MBAs.\(^35\)

Critics say companies use the visas to import cheaper labor to suppress wages across the country. They say universities and hospitals also use the visas to hire low-wage teaching assistants and nurses.

Then-Sen. Jeff Sessions, R-Ala., now the U.S. attorney general, said in 2016 Congress should consider eliminating the program.

“We shouldn’t be bringing in people where we’ve got workers,” Sessions said in Indianola, Iowa. “There are a number of ways to fix it. I don’t think the republic would collapse if it was totally eliminated.”\(^36\)

Trump senior policy adviser Stephen Miller has proposed scrapping the lottery system used to award the visas and potentially replacing it with a program that would seek to prevent foreign workers from undercutting domestic salaries.\(^37\)
Yet, Labor Department records showed that Trump’s golf club and model management companies had received two dozen H-1B visas for employees in the past five years, and he later said the United States needed to ensure that companies could retain employees brought to the U.S. under the H-1B program.38

The month before Trump took office, he convened a group of tech company CEOs, whose top priorities include expanding the H-1B program in order, they say, to recruit the most talented workers.39 For years, many executives have been urging the White House and Congress to allow more immigration. In 2013, Facebook CEO Mark Zuckerberg co-founded FWD.us, an effort backed by Silicon Valley companies that is pushing for “commonsense” reform solutions that will satisfy both sides in the debate.

However, some startups and other small firms see the H-1B visa program as favoring bigger tech companies. If employees cannot obtain H-1B visas, they must apply for legal residence, which can take years. “Small companies can’t afford to put them through the green-card process,” says Syracuse University’s Minniti, referring to a permit that allows a foreigner to live and work permanently in the United States.

Infosys, an Indian company whose U.S. operations are based in Plano, Texas, is the country’s top applicant for H-1B visas, according to MyVisaJobs.com, a website that tracks companies’ applications. Between 2014 and 2016, Infosys filed 82,506 applications for H-1B visas on behalf of its employees. Of that figure, just 57 were denied or withdrawn, said MyVisaJobs.com. Infosys was sued for visa fraud to circumvent the H-1B system.40

In addition to Infosys, Tata Consultancy Services and Wipro, a global technology and consulting firm, both based in India, have made heavy use of H-1B visas to staff their U.S. operations.41

The government can bar companies from receiving H-1B visas if they’re found to be “willful violators” by displacing U.S. workers with foreign-born ones by failing to recruit Americans for the jobs. Sixteen companies are on the Labor Department’s banned list, including technology and fashion firms and even a dairy.42

Jiangtao Liu, the business development manager for autonomous driving at Intel, who went to the University of Michigan, is among those working in the United States on an H-1B visa, which he obtained in 2015. Says Liu: “The whole U.S. immigration system is a mess.”

But Liu says the H-1B lottery is a crapshoot. “There is no guarantee you will win,” says Liu, who was sponsored by Intel. At least 10 of his foreign-born Michigan classmates failed to get H-1B visas and had to leave the country — some to the United Kingdom, others to Australia. In a few cases, their companies reassigned them to subsidiaries abroad.

Liu says he received a three-year H-1B visa that will expire in 2019 and is eligible to apply for a three-year extension. But he also is thinking about applying for permanent residency. “It’s a painful process,” says Liu.

BACKGROUND

Immigrants Spur Economy

In the 13 colonies that became the United States, immigration and economic growth went hand in hand.

At Jamestown, Va., the first permanent English colony in North America, the settlers struggled to survive in the early years until they developed a marketable crop — tobacco. But planters needed a labor force, and they first tried indentured servants, an arrangement in which they paid for an English worker’s passage to the colonies in return for several years of servitude — usually seven. When the system did not meet the needs of a growing economy, planters increasingly turned to using slaves, who were first brought to Jamestown from Africa in 1619.43

Outside of Virginia, immigration surged, with the Scotch-Irish and Germans making up the two largest groups. Between 1683 and 1775, more than 200,000 Scotch-Irish arrived, followed by some 111,000 Germans. By 1750, the colonial population had reached 1.1 million — a sixfold increase from 1700. The polyglot colonies were peopled by immigrants from across Europe; Pennsylvania alone was believed to be one-third German. The new arrivals built an agriculture-based economy, since most colonists were farmers or planters. The rest were artisans, shopkeepers, merchants or lawyers.44

Upon the outbreak of the Revolutionary War in 1775, immigration for the most part ceased and did not resume until after the fighting ended in 1781. In 1789 the U.S.
Constitution took effect, and Article 1, Section 8, Clause 4 gave Congress the authority “to establish an uniform Rule of Naturalization.” Congress then undertook a long line of legislative efforts to define and regulate immigration in the United States.

The Naturalization Act of 1790 declared that any alien who was a “free white person” was eligible to become a citizen after living in the United States for two years. At the time, about 4,000 white people a year were immigrating to the United States. But that figure was about to swell.

In the 19th century the Irish and Germans were the dominant immigrant groups, along with many Chinese. Then Italian immigration surged with more than 4 million coming between 1880 and 1914, while Caribbean natives and more Chinese arrived later in the 20th century.

One of the most notable British immigrants was William Colgate, who left Kent, England, with his family as a boy in 1795. Colgate settled in New York City in 1803 and soon decided that what New Yorkers needed was soap.

In those days, wrote historian Tyler Anbinder, “manufactured soap was considered a luxury item only the wealthy could afford.” Most people either used no soap at all, leading to the term “the unwashed masses,” or made a crude version by boiling fat drippings from their food with potash. This homemade soap, according to Anbinder, was “greasy, foul smelling and extremely abrasive.”

Colgate discovered that if he could significantly cut the price of soap, New Yorkers would be willing to buy it. By 1817, after much experimentation, Colgate was the leading soap in the New York market. By the 1840s, after he had added scent to his soap, Colgate’s Manhattan factory was producing 20 tons of soap a day to keep up with demand.

Colgate later expanded well beyond soap to toothpaste, toothbrushes and mouthwash. Today, Colgate is one of the nation’s best-known brands.

Great Famine

Ireland’s Great Famine, a period of mass starvation and disease caused by catastrophic failures of the potato crop, killed 1 million people and led to the emigration of possibly 2 million more between 1845 and 1849. Most went to the United States, especially Boston and New York.

Some of the earliest Irish arrivals joined New York City’s ranks of prosperous businessmen, becoming known as “lace curtain Irish” because they took on an air of respectability. Other, less-educated Irish immigrants, known as “shanty Irish,” worked on ships and raised pigs in the city’s teeming neighborhoods.

Irish immigrants who settled near City Hall in lower Manhattan received an especially hostile reception. A nativist political party that opposed both immigrants

Mexican visitors enter the United States at a border crossing in Nogales, Ariz. Homeland Security Secretary John Kelly has signed sweeping guidelines that empower federal authorities to more aggressively detain and deport undocumented immigrants. The department also plans to hire thousands of additional enforcement agents and enlist local law enforcement to help make arrests — plans that alarm immigration advocates.
and Catholics — the Native American Democratic Association — condemned the appointment of Irish-Americans to political office. In 1836, the party ran Samuel F.B. Morse, inventor of the single-wire telegraph system, as its candidate for mayor. However, Morse received only 6 percent of the vote, and the party soon faded.49

By 1860, the Irish had become New York’s largest ethnic group — and they achieved a milestone of sorts in gender history that year: 35 percent of Irish-born women worked at jobs outside their homes, compared with 18 percent of other immigrant women.50

The leading jobs were in garment factories, domestic service and needle trades such as sewing; 4 percent of Irish women were listed as business owners, twice as many as other immigrant women.51

German immigrants were outnumbered by their Irish counterparts in New York, but they were numerous enough that a swath of the city was called Kleindeutschland — Little Germany. “What multitudes from Germany are in our midst,” The New York Times wrote in 1855.52 German influence spread far beyond New York to Chicago, Milwaukee, Cincinnati and smaller cities such as Ann Arbor, Mich.

Many German immigrants prospered, including artisans such as cabinetmakers and gilders, shoemakers, bakers, locksmiths, brewers and cigar makers, Germans owned half the grocery stores in New York, even in Irish neighborhoods.

German Levi Strauss arrived in New York just as men and women from all over the country were streaming to California and points west for the 1849 Gold Rush. He followed them to San Francisco in 1853 and by 1860 was selling tents, clothing and other dry goods to stores from Nevada to Hawaii.

After the Civil War, a tailor came to him with an idea for a more rugged pair of overalls with pockets reinforced with metal rivets. Blue jeans were born in 1873.53

But by far, German influence was felt most significantly in big business. John Jacob Astor, the country’s first multimillionaire, was of German descent. So was Harvey Firestone, the founder of Firestone Tire and Rubber Co. Others included Henry Heinz, the ketchup company founder; Otto Kahn, the investment banker; Conrad Hilton, founder of the hotel chain; and Isaac Singer of the sewing machine company. Nevertheless, German immigrants endured two waves of anti-German sentiment, one before and during World War I, the other during World War II.

“World War I had a devastating effect on German-Americans and their cultural heritage,” wrote Katja Wüstenbecker, a historian of migration at the University of Jena, Germany.54

Until the war’s outbreak in 1914, she said, German-Americans were viewed mostly as well-integrated and esteemed. “All this changed with the outbreak of the war. At once, German ancestry was a liability.” In 1910, German-Americans made up about 10 percent of the U.S. population, and their presence in virtually every major U.S. city made them instant targets.

“The battle against all things German” ran from business to entertainment, Wüstenbecker said. Music halls closed. Teachers had to sign loyalty oaths. By March 1918, the teaching of German in schools had been restricted or ended in 38 of the 48 states, Wüstenbecker wrote.

In 1918, President Woodrow Wilson declared German-Americans to be “alien enemies.” About 2,000 people were confined to internment camps in Utah, Georgia and North Carolina. To protect themselves, some German-Americans anglicized their family and business names. (In Britain, the royal family did so as well, changing its name from the House of Saxe-Coburg and Gotha to the House of Windsor.)

German-Americans were barred from living near military facilities and airports, and business owners had to turn over their books to an “alien property custodian.”

After the war ended, Congress passed the Quota Act of 1921, which restricted immigration, and the Johnson-Reed Act of 1924, which banned immigration by anyone from Asian countries. The latter act also set quotas on immigrants from other places.

For instance, 34,000 visas were allotted to Great Britain, but just 6,000 to Poland and 100 to Greece. In all, quotas cut immigration to 164,000 annually in the late 1920s. The figures were not revised until after World War II.55

German immigrants faced a new round of trouble when the world went to war in 1939 and the United States entered it in December 1941. Some 11,000 German-Americans were interned during World War II. Ten times that many Japanese-Americans were sent to camps in the United States.56
### CHRONOLOGY

**1600s-1800s** Immigration fuels economy.

- **1607** Virginia Company founds the first permanent English settlement in North America at Jamestown.
- **1619** First slaves arrive in Virginia.
- **1775** Revolutionary War causes a near halt to immigration.
- **1790** Naturalization Act declares that “any alien, being a free white person, may be admitted to become a citizen.”
- **1820** German immigration expands, peaking with about 1.4 million arriving between 1880-1890.
- **1845** Ireland’s Great Famine prompts migration to the U.S. As many as 4.5 million Irish arrive between 1820 and 1930.
- **1849** Chinese immigration accelerates.
- **1882** After riots, Congress passes the Chinese Exclusion Act, virtually halting Chinese immigration.

**1900s-1950s** Immigration backlash grows.

- **1907** Peak year for immigration as 1.3 million enter U.S.
- **1917** Anti-German sentiment builds with U.S. entry into World War I.
- **1924** Johnson-Reed Act curtails immigration; Asian immigrants are barred entry.
- **1930s** During the Depression, hundreds of thousands of Mexican immigrants are deported.
- **1941** U.S. enters World War II. Tens of thousands of Americans, most of Japanese descent, are declared “enemy aliens.”
- **1942** Bracero Program allows Mexican workers to enter the U.S., easing a wartime labor shortage.
- **1952** McCarran-Walter Act ends Asian exclusion.

**1960s-1990s** Illegal immigrations grows.

- **1965** Hart-Celler Act removes immigration quotas based on nationality.
- **1972** President Richard Nixon visits China and begins normalization of relations. The move opens the door to increased Chinese immigration.
- **1975** Vietnam War ends with fall of Saigon to communist forces; emigration from Vietnam, Thailand and Cambodia picks up.
- **1986** Immigration Reform and Control Act sets fines for employers who knowingly hire undocumented immigrants and amnesty for some 3.2 million undocumented immigrants.
- **1990** Congress creates the H-1B visa program for skilled foreign workers, allowing them to work in the U.S. for three years.
- **1996** Undocumented immigrant population reaches 5 million.

**2000s-Present** Presidents Bush, Obama and Trump seek to change immigration policy.

- **2000** H-1B cap is raised to 195,000; in 2004, Congress lowers it to 65,000.
- **2006** Number of undocumented immigrants reaches 11.6 million.
- **2007** Congress rejects George W. Bush administration’s attempt to create pathway to citizenship for longtime undocumented immigrants.
- **2012** President Barack Obama signs an executive order protecting undocumented children, known as “Dreamers.” An appeals court blocks his actions; the Supreme Court upheld the ruling in 2016.
- **2014** Immigration reform efforts fail in Congress.
- **2017** President Trump tightens immigration policy, signing an executive order blocking refugee immigration and temporarily banning entry by nationals from seven Muslim-majority countries. An appeals court upholds a lower court’s stay of the order.
A “Dreamer” Fears for Her Family

Children who were undocumented when they arrived could face deportation.

Surf through the videos Maria Garcia posts on YouTube and you’ll get a joyous picture of a young woman who loves the camera. She posts videos about eye makeup, nail polish, the Halloween costumes she makes and last-minute Christmas shopping.1 But one of her videos tells a far less upbeat story. Garcia, 20, of Los Angeles is a “Dreamer” — the child of parents who brought her to the United States as an undocumented immigrant. The name comes from a 2012 executive order, signed by then-President Barack Obama, called the Deferred Action for Childhood Arrivals program (DACA).

Under it, more than 725,000 young people provided personal information such as their passport numbers, school records and travel histories in order to obtain work permits, access to driver’s licenses and the ability to get college educations. They received a renewable two-year moratorium on deportation.2

But DACA has been hotly debated, with opponents saying it encourages illegal immigration. Throughout his campaign for the White House, Republican candidate Donald Trump vowed to quickly repeal the act as part of his broader plan to expel undocumented immigrants. He has not moved to repeal DACA during his first weeks as president, during which he issued a temporary ban on entry to the United States of all refugees as well as immigrants from seven predominantly Muslim countries. (The ban has been stayed by a federal court.) Asked at a Feb. 16 news conference whether he will repeal DACA, Trump did not indicate what he will do, saying this “is a very, very difficult subject for me, I will tell you . . . because you know, I love these kids.”3

Garcia says she is watching the immigration debate with dread. “I’m scared for everyone in this undocumented situation,” she says. “I can already see the number of families who are going to be affected by Trump’s actions. I’m put in a situation where I would be very concerned over my family’s safety and unity.”

In 2014, House Republicans voted to defund DACA, saying it amounted to a temporary legalization program that ran counter to U.S. immigration law. (The vote had no impact on the program, because defunding failed in the Senate.)4

Mark Krikorian, executive director of the conservative Center for Immigration Studies, which wants to reduce immigration, derided the Dreamers act as “green-card lite” — a way for children of undocumented immigrants to permanently stay in the United States.5

Garcia, a junior at California State University who is majoring in communications, defends DACA. Her goal, she says, is to become an American citizen. She says her parents emigrated from Jalisco, Mexico, when she was a child and that her younger brother and sister — both born

Chinese Contributions

In the nation’s early years prejudice stalked another important immigrant group: the Chinese. Migration from China to the United States came in two waves: the 1850s to the 1880s, when Congress halted Chinese migration, and from the 1970s to the present, after U.S.-China relations were normalized in 1972. As a result, Chinese immigrants are now the third-largest ethnic group in the United States, behind natives of Mexico and India.57

In the early years, Chinese immigrants took mostly low-skilled and temporary jobs, working in mining, construction (especially helping build the nation’s expanding railroads), manufacturing and service industries such as laundries and restaurants. Immigration records show that as many as 300,000 Chinese entered the United States in the first wave, although many returned to China, especially after Congress passed the Chinese Exclusion Act in 1882. That law barred Chinese immigrants from becoming U.S. citizens, a restriction that was not lifted until 1943.

In the 1950s, Chinese immigrants began to return to the United States. Some were escaping the oppressive policies of Communist leader Mao Zedong, while many came from the then British colony of Hong Kong, some arriving illegally.
after her parents moved to California — are citizens. But she and her parents are undocumented. She says her father is working, but she declines to be more specific. Her mother is a homemaker.

Garcia says her parents “didn’t see much of a bright future in our native country due to the lack of resources and poverty. This caused them to take the risk and migrate to the U.S. That decision has turned into a greater opportunity in education and well-being for myself and my siblings.”

Garcia says she faces obstacles that American-born students do not. Obtaining financial aid in the form of student loans is one difficulty. Undocumented students are not eligible for federal assistance and must turn to private aid.6 Although she’s been able to get small grants, “it is not enough,” she says. “I’ve paid my taxes since I started working when I was 17. I have had to work a bit harder” than native-born students “for the chance to continue to pursue higher education,” Garcia says.

It is also difficult for Garcia to travel outside the United States. Many of her fellow students have spent semesters abroad or have vacationed in other countries. For Dreamers, however, “the opportunity is very rare. You have to go through a lot of paperwork and investigation just to be allowed to go.”

Says Garcia, “I yearn to learn and experience other cultures. I’ve heard from my professors that it is an experience that can open your mind and help you grow.”

Garcia says her video about her Dreamer status generated personal stories and messages of support from her YouTube followers, but a number of people posted negative comments expressing opposition to the Dreamers act. “You are an illegal student, draining our resources,” wrote one, who called himself Julio Iglesias, the same name as the Spanish singer.

“Dreamer = illegal immigrant. I think it’s better you cut the bull and get to the point. You want something. For nothing,” wrote another, called Onaturalia.7 Garcia calls the comments “very upsetting.” But she says she will continue posting YouTube videos and, after graduation, will try to become an entrepreneur and create a scholarship fund for undocumented and low-income students.

Beyond that, she wants to create financial security for her family. That would be “part of achieving the American dream,” she says.

— Micheline Maynard

1 Maria Garcia’s YouTube videos can be found at http://tinyurl.com/h9uvshj.
5 Ibid.
7 The comments were posted on YouTube at http://tinyurl.com/h73zucx.

However, Chinese immigration did not truly accelerate until President Richard M. Nixon and Mao normalized relations between the two countries in 1972. In 1980, Chinese immigrants in the United States numbered 385,000; by 2013, the figure topped 2 million, according to the U.S. Census Bureau.58

Unlike the first wave of Chinese migration, the second, still underway, tends to include immigrants who are well-educated and highly skilled. Most Chinese settle in California and New York; Chicago and Boston also are popular.

Nearly half of Chinese immigrants ages 25 or over hold a bachelor’s degree or higher, compared with 28 percent of the total immigrant population and 30 percent of the native-born population. Their professions include management, business, science and the arts.59

Mexico’s Ups, Downs

Today, Mexican immigrants are greeted warily in some parts of the country. The story was different during World War II.

In 1942, the United States and Mexico agreed on what became known as the Bracero Program, which allowed Mexican “guest workers” to fill agricultural jobs left vacant when American servicemen went to war. The Mexicans signed contracts allowing them to work in the
Immigrants Help Tech Engine Run

“I don’t know if we can close our borders and be self-sustaining.”

Lesli Ann Mie Agcaoili, an engineer at Tesla Motors in Fremont, Calif., has a front-row seat to the role that immigrants play in the technology sector — and to their fears of the Trump administration’s restrictive plans on immigration.

Throughout the day, she says, she interacts with coworkers from Mexico, Canada, Germany and Australia. She socializes with people from India, who shop in their own section of Fremont called Little India.

Agcaoili says it’s normal to hear conversations in different languages. Lately, much of the talk has been about President Trump’s executive order — which several federal courts have blocked — temporarily barring entry to nationals from seven Muslim-majority countries.

“It has crossed peoples’ minds: ‘What if I have to go back?’” Agcaoili says. “People who are here legally ought to be fine, but I think there is some fear and apprehension about the [Trump] administration.”

Founded by Elon Musk, who was born in South Africa, Tesla sits among a sea of companies started by people from outside the United States. More than half of 87 technology companies individually worth $1 billion or more have at least one foreign-born founder, according to the National Foundation for American Policy, an immigration research group in Arlington, Va.¹

About two-thirds of people working in computing and mathematics jobs in San Mateo and Santa Clara counties, which comprise Silicon Valley, were born outside the United States, said the Silicon Valley Institute for Regional Studies, the research arm of Joint Venture Silicon Valley, an organization studying the region’s economy. Immigrants make up 60 percent of those working in engineering and architectural jobs.

Critics say Silicon Valley recruits cheap labor from overseas. The tech industry, they say, is especially misusing the H-1B program — special visas that allow a limited number of highly skilled foreigners into the country each year. Sixty-five percent of H-1B petitions approved in the 2014 fiscal year went to tech workers, most of whom were from India, according to the U.S. Citizenship and Immigration Services.²

Trump senior adviser Stephen Bannon has denounced “progressive plutocrats in Silicon Valley” who want the freedom to bring overseas workers into the United States. American graduates, as a result, can’t find work in the tech field, Bannon complained in March 2016.³

However, Trump told technology executives in a recent meeting that his immigration order was intended to stop “bad people” from entering the United States, but said he was open to amending the H-1B program so talented workers can come.⁴

Despite the low wages, workers routinely overstayed their contracts, prompting the Immigration and Naturalization Service in 1954 to undertake Operation Wetback, a pejoratively named policy in which more than 1 million Mexicans and their children were deported. But some major farmers protested and persuaded Congress to extend the Bracero Program.⁶²

In 1980, 2.1 million Mexican immigrants were in the United States, according to the Census Bureau. By 2010, the total number of Mexican immigrants had mushroomed to 11.7 million.

United States, with some people coming back multiple times. In all, 4.6 million contracts were signed under the Mexican Farm Labor Program.⁶⁰

Employers were supposed to hire braceros (manual laborers) only for jobs certified to have a domestic labor shortage. They also were barred from using the workers as strike breakers. In practice, employers took full advantage of this cheap labor, paying workers 30 cents an hour, according to government statistics. That was slightly higher than the rate for Texas agricultural workers in 1940 but well below the 81 cents an hour that agricultural workers were earning by the end of the war in 1945.⁶¹
To Agcaoili, the thought of a technology sector minus immigrants makes no sense. “Just in terms of labor, they’re vital to the companies and helping make them run,” she says. “I just don’t think it’s going to be good for the economy” if the administration imposes immigration limits. “I don’t know if we can close our borders and be self-sustaining.”

For Agcaoili, a 45-year-old Asian-American, the issue is personal. Born in Los Angeles, Agcaoili spent her childhood traveling between there and Hawaii, where her ancestors emigrated to work on plantations. Some of her mother’s relatives were placed in internment camps during World War II.

Agcaoili, who has also worked for Ford Motor Co. in Dearborn, Mich., and the parent company of BlackBerry in Waterloo, Ontario, says immigration scares have happened before. In the early 2000s, when jobs were scarce, she says foreign-born classmates in business school were worried about whether they would be able to stay in the United States after they earned their degrees.

“It was a huge, huge deal,” she says. “Will you sponsor a visa? That was the first thing anyone would talk about before figuring out if a job was a good fit.”

Agcaoili says the multiculturalism of Silicon Valley is key to its companies’ success. Tech CEOs argue much the same. The problem, they say, is not just a shortage of workers but the need to find the best talent possible. Restricting immigration “will make it far more difficult and expensive for U.S. companies to hire some of the world’s best talent — and impede them from competing in the global marketplace,” the CEOs of 100 tech companies said in a legal filing opposing Trump’s executive order.

Executives say this need extends far beyond Silicon Valley. Manufacturers in Columbus, Ind. — the hometown of Vice President Mike Pence — are heavily dependent on skilled immigrants. Dave Glass, CEO of LHP Engineering Solutions, said his company makes hiring American engineers a priority, but he can’t find enough of them to fill openings. “In the last few years, we’ve had, like, three [Americans] apply,” he said. So relying solely on domestic labor is “not an option” for his company, he said.

Micheline Maynard

Historians say a search for economic opportunity, political instability in Mexico and fears about crime spurred Mexican immigration to the United States. Also, says Boston College’s Skerry, many older Mexican immigrants did not intend to stay; their plan was to earn money and then return home.

Once in the United States, Mexican immigrants tend to achieve less than other immigrants and native-born Americans, according to the Migration Policy Institute, a Washington think tank that researches immigration. Only 6 percent have college degrees, compared with 28 percent of all immigrants.

Mexican immigrants, both legal and undocumented, are more likely to be employed in service occupations, construction and maintenance jobs than other immigrants or the native-born population, the institute said. Their wages are significantly lower than other immigrants’, with their average household income in 2014 at $37,390, compared with $49,487 for all immigrants and $54,565 for native-born residents.

But Mexican immigrants’ income in the United States is three times the average household income in Mexico, according to the Organisation for Economic

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4 Rosenberg, Nellis and Stephenson, op. cit.
Co-operation and Development (OECD), a Paris-based economic research organization, made up of 34 developed nations, that promotes market-based economic policies. About 28 percent of workers in Mexico work more than 10 hours a day, compared with 13 percent of workers in other OECD member countries.66

The higher income helps explain why so many Mexicans risk crossing the border illegally, experts say.

The federal government in recent years has attempted to reform immigration policy, with much of the debate focusing on the economic implications of legal and illegal immigration.

In 1986 the Republican-controlled Senate and Democratic-controlled House passed, and Republican President Ronald Reagan signed, the Immigration Reform and Control Act, which among other things required employers to verify that their workers were in the country legally and created fines for businesses that knowingly hired undocumented immigrants. It also awarded “amnesty” to undocumented immigrants who had entered the United States before Jan. 1, 1982.

But experts say the act did little to reduce illegal immigration.67

Since then, immigration-reform measures have repeatedly failed to pass, regardless of which party controlled the White House or the chambers of Congress. In 2007, Republican President George W. Bush pushed a comprehensive reform that sought to satisfy supporters and foes of immigration by providing legal status to undocumented migrants and giving them a pathway to citizenship while tightening border security.

He also proposed a controversial temporary worker program that he said would help meet the demands of a growing economy. “This program would create a legal way to match willing foreign workers with willing American employers to fill jobs that Americans will not do,” Bush said. “Workers would be able to register for legal status for a fixed period of time, and then be required to go home.” But critics opposed the temporary worker program, saying it would harm American workers, and they denounced the granting of citizenship to undocumented immigrants as “amnesty” for law-breakers. The bill passed the House but died in the Senate. (Democrats controlled both chambers.)68

Democratic President Obama’s administration tried again in 2013, proposing a reform package that went beyond Bush’s. Besides giving undocumented workers a chance at citizenship and tightening border security, it included a new visa program for lesser-skilled workers and provisions designed to attract immigrants with needed work skills, such as in technology. Despite having bipartisan support and being passed by the Democratic-controlled Senate, the measure died after House Republicans opposed the citizenship provision as amnesty.69

The Obama administration, meanwhile, was aggressively expelling undocumented immigrants. In all, it deported about 3 million people during Obama’s eight years in office, earning him the title of “Deporter-in-Chief” from some immigration groups critical of his policies.70
CURRENT SITUATION

Immigration in Crosshairs

President Trump is moving aggressively against illegal immigration by cracking down on “sanctuary cities” (places that provide haven to undocumented immigrants) and loosening the rules on who can be deported. Businesses and immigrant advocates are warning in response that limiting immigration will hurt the U.S. economy.

To dramatize the importance of immigrants to the economy, advocates staged a “Day Without Immigrants” on Feb. 16 in which shops and restaurants nationwide closed for the day. Their goal was to show what would happen if the United States were to lose large numbers of foreign-born residents in a crackdown on illegal immigration.

“From doctors to dishwashers, immigrants are integral to daily life in the U.S.,” said Janet Marguía, president and CEO of the National Council of La Raza, a Latino advocacy group.

The protest was spurred by Trump’s executive order on immigration, his proposal to build a wall on the Mexican border and his crackdown on sanctuary cities, as well as recent federal raids on workplaces.

Homeland Security Secretary John Kelly has signed sweeping guidelines that empower federal authorities to more aggressively detain and deport undocumented immigrants. The department also plans to hire thousands of additional enforcement agents and enlist local law enforcement to help make arrests.

During the week of Feb. 5, U.S. Immigration and Customs Enforcement (ICE) agents arrested hundreds of undocumented immigrants in raids in Atlanta, Chicago, Los Angeles, New York and other cities. The raids and roundups created great fear among undocumented immigrants and their defenders. ICE, however, said the raids were not unusual and the alarms raised are greatly exaggerated. “We do not have the personnel, time or resources to go into communities and round up people and do all kinds of mass throwing folks on buses. That’s entirely a figment of folks’ imagination,” a Department of Homeland Security official told reporters on a conference call. “This is not intended to produce mass roundups, mass deportations.”

In Durham, N.C., City Council member Schewel says he hopes authorities do not deport undocumented immigrants or restrict legal immigration. “I think this is one world, and to shut off the immigration spigot is to shut off the way this country was built and made great.”

Immigration Restrictions

Tech companies, meanwhile, are campaigning against Trump’s plans to tighten immigration controls. Immigration is the lifeblood of the technology sector, they say, with immigrants bringing much innovation to the economy. Half of the technology companies in the United States worth $1 billion or more are headed by chief executives with roots elsewhere, according to a letter signed by more than 200 industry leaders and investors. The roster includes Microsoft and Google, while firms such as Apple have sizable numbers of non-U.S. natives in their management and staff ranks.

“In my conversations with officials here in Washington this week, I’ve made it clear that Apple believes deeply in the importance of immigration — both to our company and to our nation’s future,” Apple CEO Tim Cook said in a memo to staff in late January after Trump’s immigration order was announced. “Apple would not exist without immigration, let alone thrive and innovate the way we do.”

“The reality is that high-skilled immigrants can choose where to go,” said the University of Toronto’s Florida. “Countries like Canada and Australia have come to understand the economic advantages of attracting immigrants, and have upped their efforts to attract the top talent from around the globe.”

On Feb. 9, Trump suffered another legal setback in his effort to temporarily ban immigrants from seven Middle East countries and halt the flow of refugees for 120 days. The San Francisco-based Ninth U.S. Circuit Court of Appeals refused to lift a lower-court suspension of his executive order, the result of a lawsuit filed by the state of Washington. Trump reacted harshly, saying the judges’ motivations were political, the decision was “disgraceful” and the country’s security was in peril.

Trump’s executive order had caught airports, airlines and immigration officials off guard. The Washington Post reported that administration officials were divided over the breadth of the order, especially when it came to
Will limiting illegal immigration protect U.S. economic interests?

**YES**

**Steven Camarota**
Research Director, Center for Immigration Studies

The notion that enforcing our immigration laws will harm the economy is not supported by the facts. First, illegal immigration is a trivial share of the United States’ $18 trillion economy, accounting for 2 or 3 percent of gross domestic product (GDP), according to Harvard’s George Borjas, the nation’s top immigration economist. This tiny addition to GDP almost entirely goes to the illegal immigrants themselves as wages and benefits.

Yes, the aggregate size of the U.S. economy would fall a little if these immigrants went home — fewer people means a slightly smaller economy. But what matters is the per capita GDP — the nation’s total output, divided by the number of people in the United States — and not aggregate GDP. And there is no indication that reducing illegal immigration would reduce the per capita GDP of natives or legal immigrants.

The best way to think about enforcement is that it creates winners and losers. If more immigrants here illegally went home, low-skilled Americans who compete with them would benefit. Borjas has estimated that by increasing the supply of workers, illegal immigrants may reduce wages by $99 billion to $118 billion a year. Their departure would mean higher wages at the bottom of the labor market. It also would mean that some of the 23 million working-age Americans with no education beyond high school who are not employed might find work.

The other winners from enforcement would be taxpayers. On average, adult illegal immigrants have only about a 10th-grade education. As a result, they tend to earn low wages, and this allows them — or more often their U.S.-born children — to qualify for welfare programs.

My own research indicates that 62 percent of such households use one or more major welfare programs. Consistent with all prior research, a 2016 report by the National Academies of Sciences, Engineering and Medicine found that immigrants with no education beyond high school create significantly more costs for government than they pay in taxes. As a result, the departure of those immigrants in the United States illegally would save taxpayers billions.

It is true that some low-wage employers and the illegal immigrants themselves would lose if we enforced our immigration laws. But the poorest and least-educated Americans would benefit, as would taxpayers. Furthermore, enforcing immigration laws could help reduce crime, enhance national security and restore the rule of law.

**NO**

**Ediberto Román**
Law Professor; Director of Citizenship and Nationality Initiatives, Florida International University

Limiting immigration and undertaking mass deportations are not the solutions to the purported immigration crisis. In fact, the leading studies on the subject conclude mass deportation will harm the economy and is an irresponsible policy that will fail, especially if businesses’ demands for undocumented labor continue.

The Immigration Policy Center, for instance, said mass deportation would reduce U.S. GDP by 1.46 percent a year. Over 10 years, the cumulative GDP loss would be $2.6 trillion, not including the actual cost of deportation. This approach would lower wages for higher-skilled natives and lead to widespread job loss.

Similarly, the Center for American Progress concluded the “costs of a massive deportation policy would not only be substantial, but in many ways, financially reckless.”

A number of prominent Republicans agree. Tom Ridge, former secretary of Homeland Security, for instance, stated: “Attempting to deport everybody is neither feasible nor wise.” Sen. John McCain, R-Ariz., said: “I have listened to and understand the concerns of those who simply advocate . . . rounding up and deporting undocumented workers. . . . But that’s easier said than done. . . . I have yet to hear a single proponent of this point of view offer one realistic proposal for locating, apprehending and returning to their countries of origin over 11 million people.”

Besides the economic costs, mass deportation is simply inhumane. The advocacy group Families for Freedom observed: “Every year, nearly 200,000 non-citizens — many with kids who are U.S. citizens — are deported and torn away from their families . . . resulting in more single-parent households and psychological and financial hardship, or forcing their U.S. citizen children into deportation with them.”

It continued: “These American children may have to start over in a country with a new language, fewer resources and an uncertain future. America’s immigration laws force American children to lose their parent or their country. Mandatory deportation is a life sentence of exile. Such a severe ‘one size fits all’ punishment cannot be the basis of our immigration system.”

It is thus time to end baseless assertions that immigration restrictions are a viable option to the immigration debate. We must turn to data, not demagoguery; we must demand facts and not merely accept economically baseless as well as inhumane rhetoric.
holders of green cards, who also were temporarily barred entry back into the United States. 78

In challenging the order, Washington state’s attorney general argued that Trump’s actions represented executive overreach and would hurt those who “have, overnight, lost the right to travel, lost the right to visit their families, lost the right to go perform research, lost the right to go speak at conferences around the world.” 79

Throughout the legal wrangling, Trump insisted that the Constitution gives the president wide latitude to set immigration policy, and government lawyers told the appeals court that the president has “unreviewable authority to suspend the admission of any class of aliens” — an assertion the three-judge panel rejected. The Justice Department told the appeals court on Feb. 16 that the administration will rescind the executive order and replace it with a new one. 80

Sanctuary Cities

Businesses also are worried about the economic impact of Trump’s crackdown on sanctuary cities, in which he is threatening to cut off federal funding to any municipality that offers safe haven to undocumented immigrants.

Currently, five states and at least 633 counties have adopted practices meant to shield undocumented residents and refugees from deportation, according to the Immigrant Legal Resource Center in San Francisco. Methods range from declining federal requests to hold arrestees in jail because of their immigration status to limiting police cooperation with federal agents. 81

Twenty-eight universities also have declared themselves sanctuaries, including Columbia, Wesleyan and all 23 campuses of the California State University system. 82

University of Michigan President Mark Schlissel said his school would continue to welcome applications from undocumented students and would not disclose information about the immigration status of its international students beyond what was required by law. 83

But foes of illegal immigration, and some who want legal immigration reduced, say the United States needs to regain control of its borders so it can both keep potential terrorists out and protect American jobs. “Decades of record immigration have produced lower wages and higher unemployment for our citizens, especially for African-American and Latino workers,” Trump said in his July acceptance speech at the Republican National Convention. 84

No matter the outcome of the immigration debate and the court battle over Trump’s executive order, Boston College’s Skerry says the country is likely to remain divided.

Many Americans, he says, passionately believe immigrants should be allowed to enter the country and undocumented workers should be able to stay, because their own family members had made similar journeys in search of prosperity.

Several advertisements broadcast during this year’s Super Bowl made pleas for inclusion and tolerance. An ad by Airbnb, for example, showed a series of people from different races, including a man with a turban. The subtitles read, “We believe no matter who you are, where you’re from, who you love, or who you worship, we all belong. The world is more beautiful the more you accept.” And in the most-talked-about ad, Anheuser-Busch depicted German-born founder Adolphus Busch arriving in America, where he’s greeted by people shouting, “Go back home!” 85

Others, however, feel just as passionately that both legal and illegal immigration harms the economy because foreigners create more competition for jobs that Americans need and are often willing to work for less so they suppress wages.

“When the supply of workers goes up, the price that firms have to pay to hire workers goes down,” said George J. Borjas, an economics professor at Harvard University. “Wage trends over the past half-century suggest that a 10 percent increase in the number of workers with a particular set of skills probably lowers the wage of that group by at least 3 percent.” 86

Skerry thinks attitudes on both sides of the debate “are pretty dug in right now. The people who are going to feel sympathetic will feel sympathetic, and those who are angry will be angry, and they’re going to feed off each other.”

OUTLOOK

Searching for Solutions

President Trump remains determined to suspend immigration from seven Muslim-majority countries, and legal experts believe the Supreme Court ultimately may tackle the issue. 87
In the meantime, Saxenian at Berkeley says immigrant executives and venture capitalists in Silicon Valley are watching closely to gauge whether to invest in the United States or in their overseas operations. She hopes the debate does not scare them — or their potential employees — away.

“To the extent that these ecosystems develop outside the United States, we want to make sure the U.S. remains attractive,” Saxenian says. “We’re in a space where anxieties over globalization are so strong that we could see a slowing down” of investment.

Minniti at Syracuse University says attracting younger immigrants is critical to keeping the U.S. economy competitive. “There is a strong correlation between age and starting a business,” Minniti says, noting many businesses are started by people between the ages of 24 and 35 years old.

“You don’t immigrate when you’re 70,” she says. “You immigrate when you’re young.” That’s equally true for lesser-skilled immigrants, who continue to come to the United States in search of advancement.

“When you come, you want to work,” Minniti says. “That is something that’s innately entrepreneurial. They don’t have the skills that others do in the workforce. But they are able and willing to do a lot of work, usually work that is physically demanding. These are usually the people who are accused of stealing American labor, but it is not true.”

Boston College’s Skerry says a compromise on immigration is possible. One solution conservatives could embrace, he says, is to establish a nationwide, government-sponsored effort to teach immigrants to become fluent in English. “It needs the oomph of a national campaign to encourage immigrants to learn English,” he says, similar to the way Scottish-American industrialist Andrew Carnegie jumpstarted the library system by building libraries across the United States.

Such a campaign could “placate people who supported Trump who understandably have been concerned about the cultural changes that have been taking place,” he says. “You tell all those people, ‘English is really important. It’s our language, and we want people to learn it.’ I’ve never met many immigrants who don’t want to learn English.”

In the end, Minniti says immigrants everywhere are an easy target for changes caused by technology and changing consumer tastes. “It’s not immigrants’ fault. It’s not the Chinese’s fault. Unfortunately, the marketplace changes and requires readjustment. Who pays the price? People with lower skills.”

Trump adviser Bannon would agree that Americans with fewer skills are the ones paying the price for globalization. But more immigration is not the answer, he said. The solution, he argued, is to gain control of national borders and construct an economic nationalism that focuses on the needs of the American economy over internationalism.

“Strong countries and strong nationalist movements in countries make strong neighbors,” he said. “And that is really the building blocks that built Western Europe and the United States, and I think it’s what can see us forward.”

NOTES


30. Ibid.
37. Rosenberg, Nellis and Stephenson, op. cit.
38. Ibid.
39. Ibid.
47. Ibid., p. 110.
49. Ibid., p. 124.
50. Ibid.
51. Ibid., p. 188.
58. Ibid.
59. Ibid.
62. Ibid.


65. Ibid.


76. Florida, op. cit.


88. Sellers and Fahrenthold, op. cit.

BIBLIOGRAPHY

Selected Sources

Books


A George Washington University history professor tells the stories of immigrants and the role they played in defining a polyglot New York City.


An associate professor of history at the University of Texas, Austin tells the history of Chinese immigrants and their path from a loathed ethnic group to an educated and admired migrant group.


The author, whose family migrated from the Dominican Republic and became homeless, describes his impoverished childhood — and his rise to salutatorian at Princeton University.


A writer tells the story of a group of 26 Mexican immigrants who got lost in the Arizona desert, of whom just 12 survived.

Articles


An economics professor at Harvard’s Kennedy School of Government argues that during the 2016 presidential campaign, neither Republican Donald Trump nor Democrat Hillary Clinton gave a complete picture of immigration’s impact on the United States.


A journalist explains how many undocumented immigrants collectively pay millions of dollars annually in Social Security taxes, even though they are ineligible to collect retirement benefits.


A journalist explores the steps Arizona took to limit undocumented immigration and how it affected the state’s economy, in both negative and positive ways.


Analysts at a liberal public policy think tank look at ways undocumented immigrants contribute to the American economy and their potential for providing more value.


Technology industry CEOs discuss their priorities, including immigration reform, during the Trump presidency.


The author looks at various data about undocumented immigrants, arguing that they make a positive contribution to the U.S. economy.
The late New York City mayor argued the United States should expand quotas for legal immigrants rather than allow those here illegally to stay.

Reports and Studies
Researchers from a conservative think tank look at the impact of legal and undocumented immigration on the economy of Texas, which has the nation’s second-largest number of undocumented immigrants.

A fellow at the Center for Immigration Studies, which favors limiting legal immigration, analyzes President Trump's actions on immigration.

A political scientist discusses the changes that took place during the Obama years, including the administration’s policy moves on immigration.

The authors look at the demographics of the undocumented immigrant population and the immigrants’ impact on the broader U.S. population.

For More Information

American Civil Liberties Union, 125 Broad St., 18th Floor, New York, NY 10004; 212-549-2500; www.aclu.org. Civil rights group that defends immigrants’ legal rights.


Center for Immigration Studies, 1629 K St., N.W., Suite 600, Washington, DC 20006; 202-466-8185; http://cis.org/. Conservative research group whose goal is to restrict illegal and legal immigration.


Hispanic Federation, 555 Exchange Place, New York, NY 10005; 212-233-8955; http://hispanicfederation.org/. Network of 100 grassroots Hispanic organizations that provides education and job training resources to immigrants and their families.

National Council of Agricultural Employers, 525 9th St., N.W., Suite 800, Washington, DC 20004; 202-629-9320; www.ncaeonline.org. Lobbies on immigration issues and provides guidance to its members on immigration matters.

NumbersUSA, 400 Crystal Drive, Suite 240, Arlington, VA 22202; 703-816-8820; www.numbersusa.com. Advocacy group that wants to reduce legal immigration.


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