

AILA Backgrounder

Myths and Facts in the Immigration Debate

Anti-immigration groups, in their efforts to further restrict immigration and oppose any positive reforms to our immigration system, often propagate myths to support their agenda. Several of these myths are addressed below—together with facts to set the record straight.

Myth Number 1: Immigrants take jobs away from Americans.

It is not true that immigrants take jobs away from Americans. Here's why:

- **Immigrants do not increase unemployment among natives.** A study by economists Richard Vedder, Lowell Gallaway, and Stephen Moore found that states with relatively high immigration actually experience low unemployment. The economists believed that it is likely immigration opens up many job opportunities for natives. They wrote, “First, immigrants may expand the demand for goods and services through their consumption. Second, immigrants may contribute to output through the investment of savings they bring with them. Third, immigrants have high rates of entrepreneurship, which may lead to the creation of new jobs for U.S. workers. Fourth, immigrants may fill vital niches in the low and high skilled ends of the labor market, thus creating subsidiary job opportunities for Americans. Fifth, immigrants may contribute to economies of scale in production and the growth of markets.”¹
- **Research on immigration's labor market consequences on minorities has also yielded information that suggests little negative impact.** In her study on immigration's impact on the wages and employment of black men, the Urban Institute's Maria E. Enchautegui concluded, “The results show that in the 1980s black men were not doing worse in areas of high immigration than in other areas and that their economic status in high-immigration areas did not deteriorate during that decade.”² The National Academy of Science study *The New Americans*, while finding there may be some impact of immigration on some African Americans locally, concluded that “While some have suspected that blacks suffer disproportionately from the inflow of low-skilled immigrants, none of the available evidence suggests that they have been particularly hard-hit on a national level.”³

- **Even in particular sectors of the economy, the evidence of a negative impact of immigrants on natives is limited.** A review of studies by Jeffrey Passel of the Urban Institute found that “The majority find no more evidence of displacement than is revealed by the aggregate data. Even studies of more highly skilled occupations, (e.g., registered nurses), find no strong evidence of displacement.”⁴
- **Immigrants fill niches at the high and low ends of the labor market.** This will be increasingly important in the future. As the U.S. population ages, many skilled workers and professionals will retire, leaving gaps for employers. Meanwhile, as jobs in the skilled professions become more attractive, natives will continue the trend of gaining higher levels of education and abandoning lower skilled jobs. (Today, less than 10 percent of native-born Americans have not completed high school.) That will create gaps at the lower end of the job market, as the demand in health care, hospitality, and other service jobs increases as the U.S. population ages.
- **Some wage studies are dubious.** Harvard economist George Borjas has argued that immigrants lower the wages of native high school dropouts. His theory is that these impacts do not show up locally, since natives move out of state in response to immigrants moving into an area. However, research by Columbia University economist Francisco L. Rivera-Batiz shows the flaw in Borjas’ theory, since Rivera-Batiz found that native out-migration in states that receive many immigrants is barely measurable and to the extent it occurs it is college-educated natives who have left, presumably for a variety of reasons. Rivera-Batiz concluded that “Although the supply of workers with less than a high school education has been increased by immigration, both theory and empirical evidence suggest that there has been very little, if any, impact of immigration on the wages of high-school dropouts.”⁵
- **There is no such thing as a fixed number of jobs.** Contrary to the belief that an increasing number of people compete for a static number of jobs, in fact, the number of jobs in America has increased by *15 million* between 1990 and 2003, according to the Bureau of Labor Statistics (U.S. Department of Labor).⁶ Between 2000 and 2010, *more than 33 million new job openings* will be created in the United States that require only little or moderate training, according to the Bureau of Labor Statistics. This will represent 58 percent of all new job openings.⁷

Myth Number 2: Most immigrants are a drain on the U.S. economy or treasury.

Here’s the truth about immigrants, taxes and the economy:

- **All individuals who work in the United States are required to pay federal income taxes.** The only exception is if they are exempted due to their level of earnings, a provision of the tax code that results in no taxes, or a bilateral tax treaty.
- **Significant total taxes are paid by immigrants.** Immigrant households paid an estimated \$133 billion in direct taxes to federal, state, and local governments in 1997, according to a study by Cato Institute economist Steve Moore.⁸
- **State level tax payments approximate natives.** Immigrants in New York State pay over \$18 billion a year in taxes, over 15 percent of the total, and roughly proportional to

their size in the state's population, according to a study by the Urban Institute. Average annual tax payments by immigrants are approximately the same as natives—\$6,300 for immigrants versus \$6,500 natives.⁹

- **Long-run benefit.** The National Academy of Sciences concluded that “Over the long run an additional immigrant and all descendants would actually save the taxpayers \$80,000.”¹⁰
- **States come out ahead.** In Congressional testimony, University of California, Berkeley economist Ronald Lee, the principal author of the fiscal analysis in the National Academy of Sciences study, concluded that a dynamic analysis, with the appropriate assumptions, would likely show that 49 of the 50 states come out ahead fiscally from immigration, with California a close call.¹¹
- **Some of the Academy study is misused.** Professor Lee testified that some have misinterpreted the Academy study's use of the annual costs of immigrant households to argue that immigrants are a large fiscal cost to states. He has stated that “These numbers [annual costs of immigrant households] do not best represent the panel's findings and should not be used for assessing the consequences of immigration policies.” He found that it is misleading, on an annual basis, to calculate the school-age, native-born children of immigrants as costs caused by immigrant households but not to include the taxes paid by those children when they enter the workforce. Professor Lee also testified: “Reducing immigration would make it more difficult to support the health and retirement of the baby boom generation.”¹²
- **Overall economic benefits of immigration.** The report by the National Academy of Sciences also found that immigrants benefit the U.S. economy overall, have little negative effect on the income and job opportunities of most native-born Americans, and may add as much as \$10 billion to the economy each year. As a result, the report concluded, most Americans enjoy a healthier economy because of the increased supply of labor and lower prices resulting from immigration.¹³
- **Economists agree on immigration's benefits.** In a poll of eminent economists conducted by the CATO Institute in the mid-1980s and updated in 1990, 81 percent of the respondents opined that, on balance, twentieth-century immigration has had a “very favorable” effect on U.S. economic growth.¹⁴ Moreover, 56 percent of the economists polled believed that *more* immigration would have the most favorable impact on the U.S. standard of living, while another 33 percent felt that the current levels of immigration would have the most favorable impact.¹⁵

Myth Number 3: America is being overrun by immigrants.

Here are the facts on immigration statistics:

- **The number of immigrants living in the United States remains relatively small as a percentage of the total population.** While the percentage of U.S. residents who are foreign-born is higher today than it was in 1970 (currently about 11 percent), it is still less than the 14.7 percent who were foreign-born in 1910.¹⁶

- **The annual rate of legal immigration is low by historical measures.** Only 3 legal immigrants per 1,000 U.S. residents enter the United States each year, compared to 13 immigrants per 1,000 in 1913.¹⁷
- **The 2000 Census found that 22 percent of U.S. counties lost population between 1990 and 2000.** Rather than “overrunning” America, immigrants tend to help revitalize demographically declining areas of the country, most notably urban centers.¹⁸

Myth Number 4: Immigrants aren’t really interested in becoming part of American society.

Here’s information about immigrants’ feelings about the country and the future:

- **Immigrants more optimistic about nation’s future.** “A poll of Hispanics finds they are far more optimistic about life in the United States and their children’s prospects than are non-Latinos,” according to an August 2003 *New York Times*/CBS News poll.¹⁹
- **Immigrants identify with America.** “Nearly 70 percent of foreign-born Hispanics say they identify more with the United States than with their country of origin,” according to the *New York Times*/CBS News poll. Only 16 percent, including those here fewer than 5 years, said they identify more closely with their native country.²⁰
- **Immigrants believe in the American Dream.** A CNN/*USA Today* poll reported that more immigrants than natives believe that hard work and determination are the keys to success in America, and that fewer immigrants than natives believe that immigrants should be encouraged to “maintain their own culture more strongly.”²¹
- **Immigrant children learn English.** In San Diego 90 percent of second-generation immigrant children speak English well or very well, according to a Johns Hopkins University study. In Miami the figure is 99 percent.²²
- **Naturalization rates rising.** Statistics from the 2000 census indicate a steady rise in the naturalization rates of immigrants. In 2000, slightly more than 37 percent of all foreign-born residents were naturalized, a 3 percent increase from 1997.²³
- **Immigrants want to become proficient in English.** Reports from throughout the United States indicate that the demand for classes in English as a second language far outstrips supply. Data from fiscal year 2000 indicate that 65 percent of immigrants over the age of five who speak a language other than English at home speak English “very well” or “well.”²⁴ The children of immigrants, although bilingual, prefer English to their native tongue at astounding rates. In fact, the grandparents and parents of immigrant children have expressed some concern that their youngsters are assimilating too quickly.
- **Immigrants learn English.** Only 3 percent of long-term immigrants report not speaking English well, according the National Academy of Sciences.²⁵

Myth Number 5: Immigrants contribute little to American society.

The facts show that immigrants contribute significantly to America:

- **Immigrants show positive characteristics.** A Manhattan Institute report showed that immigrants are more likely than are the native born to have intact families and a college degree and be employed, and they are no more likely to commit crimes.²⁶
- **High levels of education for legal immigrants.** According to the New Immigrant Survey, which measures only legal immigrants, “The median years of schooling for the legal immigrants, 13 years, is a full one year higher than that of the U.S. native-born.” The New Immigrant Survey is a project headed by the Rand Corporation’s Jim Smith.²⁷
- **Immigrants help with the retirement of baby boom generation.** While countries in Europe and elsewhere will experience a shrinking pool of available workers, the United States, due to its openness to immigration, will continue healthy growth in its labor force and will reap the benefits of that growth. Federal Reserve Board Chairman Alan Greenspan has stated that “Immigration, if we choose to expand it, could prove an even more potent antidote for slowing growth in the working-age population.”²⁸
- **Foreign-born expertise aids U.S. research and development.** Foreign-born scientists and engineers make up 28 percent of all individuals with PhDs in the United States engaged in research and development in science and engineering, helping to spur innovation.²⁹
- **Immigrants contribute to entrepreneurship.** *Inc. Magazine* reported in 1995 that 12 percent of the Inc. 500—the fastest growing corporations in America—were companies started by immigrants.

Our understanding of the meaning of American patriotism would not be complete without considering the pride and commitment immigrants demonstrate on behalf of the United States. **According to the U.S. Department of Defense:**

- More than 60,000 immigrants serve on active duty in the U.S. Armed Forces.
- Immigrants make up nearly 5 percent of all enlisted personnel on active duty in the U.S. Armed Forces.
- Nearly 7 percent of U.S. Navy enlisted personnel are immigrants.³⁰

Historically immigrants have made significant contributions to the defense of America:

- More than 20 percent of the recipients of the Congressional Medal of Honor in U.S. wars have been immigrants, a total of 716 of the 3,406 Medal of Honor recipients have been immigrants.
- 500,000 immigrants fought in the Union Army during the Civil War.

- A special regimental combat team made up of the sons of Japanese immigrants was the most decorated of its size during World War II.
- Major U.S. weapons, such as a more advanced ironclad ship, the submarine, the helicopter, and the atomic and hydrogen bombs were developed by immigrants.³¹
- On July 3, 2002, President Bush recognized the contributions of immigrants in the U.S. Armed Forces by signing an executive order that provided for “expedited naturalization” of noncitizen men and women serving on active-duty since September 11, 2001. The order granted some 15,000 members of the U.S. military who served fewer than three years the right to apply for expedited citizenship in recognition of their service.
- After the passage of Section 329 of the Immigration and Nationality Act, 143,000 non-citizen military participants in World Wars I and II, and 31,000 members of the U.S. military who fought during the Korean War, became naturalized American citizens, according to White House statistics.³²
- At a time when Americans value patriotism more than ever, immigrants demonstrate that they are a part of this spirit through their service in the military. Paul Bucha, President of the Congressional Medal of Honor Society, has stated: “I put to you that there is a standard by which to judge whether America is correct to maintain a generous legal immigration policy: Have immigrants and their children and grandchildren been willing to fight and die for the United States of America? The answer right up to the present day remains a resounding ‘yes.’”³³

Conclusion

In sum, who are these people we call immigrants? They could be your parents, your grandparents, your teachers, your friends, your doctors, your policemen, your grocer, your waiter, your cook, your babysitter, your gardener, your lawyer, your favorite actor, actress, or sports hero, your shopkeeper. Immigrants permeate the fabric of America. They are an integral part of our society, its goals and its values. The backbone that helps make this country great, they set us apart from every nation in this world. In short, they are us.

END NOTES

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- ² Maria E. Enchautegui, “The Effect of Immigration on the Wages and Employment of Black Males,” Urban Institute, Washington, D.C. (May 1993) at p. 17.
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- ⁴ Jeffrey S. Passel, *Immigrants and Taxes: A Reappraisal of Huddle’s ‘The Cost of Immigration’*, The Urban Institute, Washington, D.C. (Jan. 1994) at p. 51.
- ⁵ <http://www.columbia.edu/~flr9/>
- ⁶ Council of Economic Advisers. *Economic Report of the President 2003*, Table B-37.
- ⁷ Daniel E. Hecker, “Occupational Employment Projections to 2010,” *Monthly Labor Review* (Nov. 2001).
- ⁸ http://www.immigrationforum.org/about/articles/tax_study.htm.
- ⁹ <http://www.urban.org/url.cfm?ID=900094>
- ¹⁰ Testimony of Ronald D Lee, Member, National Academy of Sciences Panel on the Demographic and Economic Impacts of Immigration, Before the Senate Immigration Subcommittee, “Economic and Fiscal Impact of Immigration,” (Sept. 9, 1997).
- ¹¹ *Ibid.*
- ¹² *Ibid.*
- ¹³ *The New Americans*, supra note 3.
- ¹⁴ Julian L. Simon, “Immigration: The Demographic and Economic Facts,” *Cato Institute and National Immigration Forum* (Dec. 11, 1995).
- ¹⁵ *Ibid.*
- ¹⁶ Griswold, Daniel T., “Immigrants Have Enriched American Culture and Enhanced Our Influence in the World,” *Insight on the News* (Feb. 18, 2002).
- ¹⁷ *The New Americans*, supra note 3.
- ¹⁸ *Ibid.*
- ¹⁹ Simon Romero and Janet Elder, “Hispanics in the U.S. Report Optimism,” *New York Times* (Aug. 6, 2003).
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- ²¹ <http://www.cato.org/pubs/handbook/hb105-29.html>.
- ²² *Ibid.*
- ²³ American Immigration Law Foundation (AILF) Policy Report “Realities of Immigration Emerge in 2000 Census” (Mar. 2002).
- ²⁴ Elizabeth Grieco, “English Abilities of the U.S. Foreign-Born Population,” *Migration Policy Institute* (Jan. 1, 2003).
- ²⁵ *The New Americans*, supra note 3. The report stated that, according to the 1990 Census, “of those who had been here 30 years or more, only 3 percent reported that they could not speak English well.”
- ²⁶ <http://www.cato.org/pubs/handbook/hb105-29.html>.
- ²⁷ Stuart Anderson, “Muddled Masses,” *Reason* (Feb. 2000).
- ²⁸ Testimony of Alan Greenspan before the Special Committee on Aging, U.S. Senate (Feb. 27, 2003).
- ²⁹ Science and Engineering Indicators 2002, National Science Foundation.
- ³⁰ AILF Policy Report, “U.S. Soldiers from Around the World: Immigrants Fight for an Adopted Homeland” (updated Mar. 2003).
- ³¹ *Ibid.*
- ³² *Ibid.*
- ³³ *Ibid.*