





Immigration Myths and the Facts

April 14, 2016

Dear Reader,

Despite the numerous studies and carefully detailed economic reports outlining the positive effects of immigration, there is a great deal of misinformation about the impact of immigration. Policymakers and the public need to be educated about the facts.

The U.S. Chamber of Commerce's Labor, Immigration & Employee Benefits Division last prepared this report in October 2013 to refute many of the most common myths about immigrants coming to our country. This update to our 2013 report examines prevalent myths that have emerged during the current immigration reform debate. We summarize the facts on the relationship of immigrants to jobs, wages, taxes, entrepreneurship, population, crime, integration, welfare, and border security.

Our compilation shows that immigrants significantly benefit the U.S. economy by creating new jobs and complementing the skills of the U.S. native workforce, with a net positive impact on wage rates overall.

Recognizing that legislative solutions are difficult, the U.S. Chamber is also working to promote regulatory and policy reforms at the relevant federal executive agencies to improve the operability of our employment-based immigration system. We hope that these administrative reforms, along with much needed legislation that overhauls our outdated immigration system, will lead to concrete improvements so that our country can reap the full benefits of immigration.

The U.S. Chamber of Commerce will continue to champion common-sense immigration reforms, and we urge you to join us in our efforts.

Randel K. Johnson

Senior Vice President

Labor, Immigration & Employee Benefits



MYTH: Jobs filled by immigrants are jobs that could be filled by unemployed Americans.

FACT: Immigrants typically do not compete for jobs with native-born workers, and immigrants create jobs as entrepreneurs, consumers, and taxpayers.

Employment is not a "zero-sum" game. The U.S. economy does not contain a fixed number of jobs for which immigrants and native-born workers compete. For instance, if the 8.1 million undocumented immigrant workers now in the United States were removed from the country, there would not be 8.1 million job openings for unemployed Americans. The reason for this is two-fold. First, removing 8.1 million undocumented workers from the economy would also remove 8.1 million entrepreneurs, consumers, and taxpayers. This would cause the U.S. economy to lose jobs. Secondly, native-born workers and immigrant workers tend to possess different skills that often complement one another, and are therefore not interchangeable.

One of the principal ways in which immigrants create jobs is through the businesses they establish. Immigrants to our country join native-born Americans in being risk takers. According to the Kauffman Index of Entrepreneurial Activity, in 2014 immigrants continued to be "almost twice as likely as the native-born to become entrepreneurs." Using census data, the Partnership for a New American Economy estimates that immigrant-owned businesses "generate more than \$775 billion in revenue, \$125 billion in payroll, and \$100 billion in income, employing one out of every 10 workers along the way." Moreover, immigrants made up 28.5 percent of all new entrepreneurs in 2014—up from 13.3 percent in 1996.

Immigrants play an important role in job creation in both small and large businesses. A report from the Fiscal Policy Institute found that immigrant-owned small businesses employed 4.7 million people and had \$776 billion in receipts in 2007. In addition, 18 percent of business owners in the U.S. were foreign-born—higher than the immigrant share of the population (13 percent) or labor force (16 percent). Furthermore, 28 percent of "Main Street" business owners—those who bring businesses like grocery stores, restaurants, and clothing stores to neighborhoods—were foreign-born. With respect to large businesses, a report from the Partnership for a New American Economy estimated that Fortune 500 companies founded by immigrants account for 18 percent (or 90) of all Fortune 500 companies, generate \$1.7 trillion in annual revenue, and employ more than 3.6 million workers worldwide. These companies include AT&T, Verizon, Procter & Gamble, Pfizer, Kraft Foods, Comcast, Intel, Merck, DuPont, Google, Cigna, Kohl's, Colgate-Palmolive, PG&E, Sara Lee, Sun Microsystems, United States Steel, Qualcomm, eBay, Nordstrom, and Yahoo!. Similarly, a 2008 study found that one-quarter of all engineering and technology-related companies established in the United States between 1995 and 2005 had an immigrant founder or co-founder, and these companies had \$52 billion in sales and 450,000 employees as of 2005.

Immigrants also create jobs as consumers. Immigrant workers spend their wages buying food, clothes, appliances, cars, and other products and services from U.S. businesses. ¹³ Furthermore, businesses respond to the presence of new immigrant workers by investing in new restaurants, stores, and production facilities. ¹⁴ The end result is more jobs for more workers. For instance, a study by the University of Nebraska, Omaha estimated that spending by immigrants generated roughly 12,000 jobs for the state of Nebraska in 2006—including more than 8,000 jobs in the Omaha and Lincoln metropolitan areas. ¹⁵



Leaving aside the role that immigrants play in job creation, the fact remains that most immigrant and native-born workers are *not* competing with each other, even in times of high unemployment. Most foreign-born workers differ from most native-born workers in terms of what occupations they work in, where they live in the U.S., and how much education they have. Even among less-educated workers, immigrants and native-born workers tend to work in different occupations and industries. If they do work in the same occupation or industry—or even the same business—they usually specialize in different tasks, with native-born workers taking higher-paid jobs that require better English-language skills than many immigrant workers possess. In other words, immigrants and native-born workers usually *complement* each other rather than compete. 17

This dynamic is illustrated by the fact that cities experiencing the highest levels of immigration tend to have relatively low or average unemployment rates for African-Americans. A 2012 analysis of census data by Saint Louis University economist Jack Strauss found that cities with greater immigration from Latin America experience lower unemployment rates, lower poverty rates, and higher wages among African-Americans. Latino immigrants and African-Americans fill complementary roles in the labor market—they are not simply substitutes for one another. In addition, cities that have suffered the effects of a declining population are rejuvenated by an inflow of Latino immigrants. ¹⁸

Immigrants do not "steal" jobs from American workers. Immigrants come to the United States to fill jobs that are available, or to establish their own businesses. Research has found that there is no correlation between immigration and high unemployment at the regional, state, or county level. ¹⁹ Nor is there any correlation between immigration and high unemployment among minorities. ²⁰ Immigrants go where the jobs are, or they create jobs on their own.

MYTH: Immigrants drive down the wages of American workers.

FACT: Immigrants give a slight boost to the average wages of Americans by increasing their productivity and stimulating investment.

Immigrant workers increase the wages of native-born workers in two ways. First, immigrants and natives tend to differ in the amount of education they have, the occupations in which they work, and the skill sets they possess. The jobs which immigrants and natives perform are often interdependent. This increases the productivity of natives, which increases their wages. Second, the addition of immigrant workers to the labor force stimulates new investment in the economy, which in turn increases the demand for labor, exerting upward pressure on wages. ²¹

The average wage increase that native-born workers experience as a result of immigration is measurable. A 2010 report from the Economic Policy Institute estimated that, from 1994 to 2007, immigration increased the wages of native-born workers by an average of 0.4 percent. The amount of the wage gain varied slightly by the education level of the worker. College graduates received a boost of 0.4 percent, workers with some college 0.7 percent, high school graduates 0.3 percent, and workers without a high school diploma 0.3 percent. Similarly, economist Giovanni Peri has estimated that, from 1990 to 2006, immigration increased the wages of native-born workers by, on average, 0.6 percent. In the long run, native college graduates experienced an increase of 0.5 percent, workers with some college 0.9 percent, high school graduates 0.4 percent, and workers without a high school diploma 0.3 percent. Similarly, a percent of 0.5 percent, and workers without a high school diploma 0.3 percent.



Local-level studies have reached similar conclusions about the positive impact of immigration on wages. Studies of two communities that experienced a large influx of immigrants over a short time period (Dawson County, Nebraska²⁴ and Miami, Florida²⁵) found that wages increased—even for lesser-skilled workers who were most likely to be in competition for jobs with new immigrants. Likewise, a study of more than 100 cities by economist David Card found that the wages of natives tend to be higher in cities with large immigrant populations.²⁶

MYTH: The sluggish U.S. economy doesn't need more immigrant workers.

FACT: Immigrants will replenish the U.S. labor force as millions of Baby Boomers retire.

The U.S. economy is facing a demographic crisis. Roughly 76 million Baby Boomers (nearly one-quarter of the U.S. population) are now starting to reach retirement age. ²⁷ This wave of aging over the next two decades will have a profound economic impact. Social Security and Medicare are projected to experience shortfalls. 10,000 baby boomers turn 65 each day. ²⁸ As a smaller number of workers and taxpayers will support a growing number of retirees, immigrants will play a critical role in replenishing the labor force and, therefore, the tax base. ²⁹

As the native-born population grows older and the Baby Boomers retire, immigration will prove invaluable in sustaining the U.S. labor force.³⁰ Projections by the Bureau of Labor Statistics (BLS) indicate that, between 2014 and 2024, the U.S. population age 55 and older will increase by 18.2 million—reaching 102.9 million, or 38.2 percent of all people in the country.³¹ As a result, "replacement needs"—primarily retirements—will generate 35.3 million job openings between 2014 and 2024.³² On top of that, economic growth is expected to create 9.8 million additional job openings.³³ In other words, demand for workers will increase. Yet as more and more older Americans retire, labor-force growth will actually slow, averaging only 0.5 percent between 2014 and 2024 (even when calculated with current rates of immigration).³⁴ The rate of labor-force growth would be even lower over the coming decade if not for the influx of new immigrants into the labor market.³⁵

Immigrant workers will do more than replace retiring native-born workers in the labor force. They will also look after the retirees themselves. BLS expects that the aging of the U.S. population will generate a high demand for healthcare workers of all kinds, both high-skilled and lesser-skilled. Between 2014 and 2024, employment is projected to increase by 23 percent in healthcare support occupations, 16.4 percent in healthcare practitioner and technical occupations, and 13.2 percent in personal care and service occupations. Immigrants will likely be employed in health care services to meet growing demand.

MYTH: During periods of high unemployment, the U.S. economy does not need temporary foreign workers.

FACT: Temporary workers from abroad fill specialized needs in specific sectors of the U.S. economy.

Even when the unemployment rate was relatively high, the demand for specific kinds of workers in particular sectors of the economy remained high as well. For instance, farm workers, nurses, high-skilled manufacturing workers, and high-skilled technology workers continue to be in short supply. Unemployment for Americans in some of these areas remains remarkably low. For example, a 2012 report from the Information Technology



Industry Council, the Partnership for a New American Economy, and the U.S. Chamber of Commerce found that unemployment for the native-born is particularly low in science, technology, engineering, and mathematics (STEM) occupations, such as petroleum engineers (0.1 percent), computer network architects (0.4 percent), nuclear engineers (0.5 percent), environmental scientists and geoscientists (1.2 percent), database administrators (1.3 percent), statisticians (1.6 percent), engineering managers (1.6 percent), and aerospace engineers (1.9 percent). Under these circumstances, the U.S. economy would benefit from channels of legal immigration that are flexible enough to respond to labor shortages in particular occupations at a particular time and place. Temporary worker programs provide just the sort of flexibility that is required in many industries. Moreover, evidence indicates that expanding the supply of temporary workers from abroad would not undermine wages or job prospects of native-born workers. This is true at both the high-skilled and lesser-skilled ends of the occupational spectrum.

Among the many types of temporary worker visas, the largest category is the "H," which includes one subcategory for highly skilled workers and two for lesser-skilled workers. The H-1B is for highly educated and skilled professionals and is capped by Congress at 65,000 per year with an additional 20,000 visas available for immigrants with graduate degrees from U.S. universities. The H-2B program is intended for nonagricultural seasonal, peak load, or intermittent workers (landscaping, forestry, amusement parks, etc.) and is capped at a maximum of 66,000 per year. The H-2A program is designed for seasonal farm workers. While this last program is not subject to any numerical cap, the regulatory burdens associated with the program are so cumbersome that the program is simply unworkable for most agricultural employers. Given that the kinds of work covered by the H-2A and H-2B programs require jobs that are seasonal or temporary in nature, they demand a temporary work force. However, in the case of all three programs, demand fluctuates with the condition of the U.S. economy—rising when times are good and falling when they are bad. The caps placed on the H-1B and H-2B programs have proven to be grossly inadequate when economic conditions are favorable. For example, the FY 2017 H-1B cap was met within the first few days of the filing period preceding the fiscal year, 42 and for several years the H-1B cap has been met before, or early in, the fiscal year.

Regardless of skill level, U.S. employers first test the labor market to locate qualified and available workers already here, whereas temporary workers from abroad fill gaps in the U.S. labor force and do not harm the employment prospects of native-born workers. In the case of the H-2A and H-2B programs, the lesser-skilled workers who obtain these visas find themselves in direct competition with few native-born Americans. A 2013 study by the American Enterprise Institute and ImmigrationWorks USA notes that the rising educational attainment of native-born workers suggests that few of them are in the market for the kinds of less-skilled seasonal jobs filled by H-2A and H-2B visa holders. According to this study, "in 1950, more than half of U.S.-born workers had not completed high school. Today the figure is less than 5 percent—compared to nearly one-quarter of immigrant workers." In addition, less-skilled immigrant workers tend to work in different fields than less-skilled native-born workers. The study observes that "low-skilled Americans are twice as likely as immigrants to work in sales. In contrast, low-skilled immigrants are three times more likely than low-skilled Americans to fill farming, fishing and forestry jobs." The study observes that "low-skilled than low-skilled Americans to fill farming, fishing and forestry jobs." The study observes that three times more likely than low-skilled Americans to fill farming, fishing and forestry jobs.

Moreover, BLS projects that 26.6 percent of job openings from 2012 to 2022 will not require a high school diploma, while an additional 29.6 percent will require no more than a high school education. ⁴⁶ In other words,



there will be too few less-educated native-born workers willing and able to fill all of the lesser-skilled jobs the U.S. economy creates. Lesser-skilled immigrant workers will, in all likelihood, fill this gap. ⁴⁷

At the other end of the spectrum, the high-skilled recipients of H-1B visas fill available jobs in STEM occupations without "crowding out" or reducing wages for their native-born counterparts. According to a 2013 report by researchers from The Brookings Institution, "evidence suggests that the H-1B program does help fill a shortage in labor supply for the occupations most frequently requested by employers. Most of these are for STEM occupations." The report also found that for "occupations with the most H-1B requests, recent wage growth has been much higher than the national average." On average, in the 100 largest metropolitan areas in the United States, 46 percent of job openings requiring significant STEM knowledge go unfilled for one month or longer. In San Jose, California, for example, two-thirds of job vacancies that remain unfilled after one month, despite advertising the positions, are for STEM occupations. In many other metropolitan areas, that share remains close to half. Significantly, the American Enterprise Institute has found that each approved H-1B worker will help create an additional 1.83 jobs among native-born American workers.

A 2013 report from Regional Economic Models, Inc. explores the outcomes of an expansion of high-skilled (H-1B) and lesser-skilled (H-2A and H-2B) visas. The report finds that overall economic effects of the policy changes would be positive, increasing gross domestic product (GDP) for the entire country and gross state product (GSP) for each state, as well as increasing net new jobs across industries. Nationwide, this would amount to 1.3 million jobs and a GDP increase of more than \$158 billion by 2045. An increase in H-2A agricultural visas would result in total employment increases of around 39,600 by 2045. Fully utilizing the H-2B seasonal worker visas up to the cap would increase total U.S. employment by around 24,000–25,000 over the next 30 years. The creation of a lesser-skilled, non-seasonal temporary worker program would lead to a total gain of about 365,000 jobs by 2045 and a rise in GDP of \$31 billion. ⁵³

MYTH: There is no shortfall of native-born Americans for open positions in the natural sciences, engineering, and computer science and thus no need for foreign-born high-tech workers.

FACTS: Job openings are expanding at educational levels where demographic data show too few nativeborn students, so we can expect these shortfalls to persist in the future. Moreover, relative to other economic indicators, wages are increasing in STEM jobs requiring higher education.

Some claim that job creation in STEM fields cannot properly be viewed as outstripping the supply of qualified Americans since unemployment persists more than is desirable for American workers in some STEM occupations, and plenty of STEM grads work in non-STEM positions. Three critical facts belie this approach. First of all, this outlook ignores the fact that there are many STEM jobs that require less than a Bachelor's degree. However, most immigration reform proposals have targeted the approximately 20 percent of STEM jobs that require a Master's degree or higher. The next fact to consider is that job growth in positions requiring graduate-level STEM training is exploding—far outpacing the American STEM training pipeline. Currently, the number of American students pursuing STEM fields is growing at less than one percent per year, and by 2018 there will be more than 230,000 advanced degree STEM jobs that will not be filled even if every new American STEM grad finds a job. The third fact to consider is that data shows that wages are increasing in STEM jobs requiring higher education, with wage increases being a commonly accepted indicator that the number of qualified Americans is insufficient to fill the number of jobs being created.



In assessing whether job openings in a particular STEM field or area have sufficient numbers of qualified Americans available to fill those jobs, it is critically important to be specific about what types of jobs, particularly jobs that require specific skill sets and advanced educational levels, employers are having difficulty filling with sufficient numbers of Americans. In the computer science and mathematical occupations, for example, many jobs require *less* than a bachelor's degree. More precisely, the job distribution in computer science and mathematical jobs is as follows: 6.9 percent are filled by workers with skills at the high-school diploma level or less, 18.7 percent with skills based on some college, 10.5 percent with skills at the associate degree level, 43.8 percent at the bachelor's degree level, 17.7 percent at the master's degree level, 0.8 percent at the professional degree level, and 1.7 percent at the doctorate degree level.

Furthermore, the Bureau of Labor Statistics has projected that the number of jobs requiring a master's degree will grow by 18.4 percent through 2022, while those requiring a doctorate will grow by 16 percent. In order to fill these job openings in our economy, employers will be faced with a situation where 10.6 percent of the foreign-born population in the U.S. between age 25 and 34 have earned master's, professional, or doctoral degrees, while 8.5 percent of the native-born population of the same age have the same credentials. Moreover, to the extent job duties are best filled by individuals with STEM degrees, more than 40 percent of master's and doctoral degrees in STEM fields awarded by U.S. universities go to foreign-born students. With respect to bachelor-level STEM degrees, a notable disparity is displayed among the native-born as compared to foreign-born degree holders. About 19 percent of the native-born pursue bachelor's degrees in STEM fields, while about 35 percent of the foreign-born residing in the United States possess a STEM bachelor's, most often earned abroad. Simply put, our economy will need the brainpower of foreign-born STEM graduates in the future.

MYTH: Immigrants hurt communities that are struggling economically.

FACT: Immigrants have economically revitalized many communities throughout the country.

In addition to boosting the national economy and strengthening America's global competitiveness, immigrants and immigrant entrepreneurs are important for metropolitan regional economies. ⁶² This is true not only in San Jose and Silicon Valley, but in many regions across the country. In Texas, the universities and research industries located in San Antonio and Austin have built knowledge economies; Houston attracts high-skilled workers for the area's oil industry. In South Carolina, Greenville and Spartanburg have attracted industries that need high-skilled workers. In Boise, Idaho, knowledge-based employment has spurred the local economy and population growth. The universities and research organizations of the North Carolina Piedmont—in Greensboro and the Research Triangle area—create a high demand for high-skilled workers.

Long-term research shows that in addition to bringing more jobs and higher salaries to communities where they cluster, the impact of innovative industries has a profound multiplier effect on localities. ⁶³ Jobs in the innovation economy generate a disproportionate number of local jobs in other industries. An analysis of 11 million American workers in 320 metropolitan areas shows that each new high-tech job in a metropolitan area creates five additional long-term local jobs outside of the high-tech sector. ⁶⁴ Furthermore, the five new jobs created for each new high-tech job benefits a diverse group of workers: two new jobs for professional workers such as attorneys and doctors, and three new positions in nonprofessional occupations such as service industry



jobs.⁶⁵ In many U.S. metropolitan areas, the innovation economy—and the high-skilled jobs related to it—drive prosperity for a broader base of workers living in the region.⁶⁶

Beyond the Silicon Valleys and Research Triangles of the United States, immigrants and immigrant entrepreneurs are making significant contributions to local economies and communities across America's heartland. In many places, the need for foreign talent is critical. For decades, large numbers of U.S. workers have been migrating from "Rustbelt" cities to the "Sunbelt." The cities and towns experiencing a decline in native-born populations must find ways to maintain a viable workforce. As a result, an increasing number of local communities are recognizing the need to be receptive to immigrants and are officially becoming places of welcome that encourage openness to immigration and support immigrant integration. ⁶⁷

In Michigan, for example, while only six percent of the state's population is foreign-born, immigrants founded about one-third of the high-tech companies in the state over the past decade.⁶⁸ The state, through its "Welcoming Michigan" campaign of building immigrant-friendly communities, clearly sees the need to attract immigrants to the area.⁶⁹ Detroit also recognizes this need. In 2010, the city released the "Global Detroit" report, which documents a start-up rate for immigrant-founded high-tech firms in Michigan that is six times the rate for the native-born population.⁷⁰

Additionally, cities such as Dayton, Ohio⁷¹ have passed "welcoming resolutions"—formal proclamations by local elected leaders expressing their recognition of the importance of immigration to their local economy and their openness to the continued contributions of immigrants. ⁷² In Minnesota, local leaders also acknowledge the positive contributions of immigrants. As the Minnesota Chamber of Commerce stated, "Immigrants aren't just an asset because they numerically increase the workforce. They are also playing a key role as entrepreneurs in Minnesota and have transformed neighborhoods in both Minneapolis and St. Paul while helping revitalize downtowns in several regional centers around our state."

MYTH: Undocumented immigrants do not pay taxes.

FACT: Undocumented immigrants pay billions of dollars in taxes each year.

Undocumented immigrants pay sales taxes, just like every other consumer in the United States. Undocumented immigrants also pay property taxes—even if they rent housing. More than half of undocumented immigrants have federal and state income, Social Security, and Medicare taxes automatically deducted from their paychecks. However, undocumented immigrants working "on the books" are not eligible for any of the federal or state benefits that their tax dollars help to fund. As a result, undocumented immigrants provide an enormous subsidy to the Social Security system in particular. Each year, Social Security taxes are withheld from billions of dollars in wages earned by workers whose names and Social Security numbers do not match the records of the Social Security Administration (SSA). According to the SSA, undocumented immigrants paid \$13 billion in payroll taxes into the Social Security Trust Funds in 2010 alone.

Tax payments by undocumented immigrants and their families are also sizable at the state and local levels. The Institute for Taxation and Economic Policy (ITEP) estimates that households headed by undocumented immigrants paid \$11.6 billion in state and local taxes in 2013. That included just under \$1.1 billion in personal income taxes, \$3.6 billion in property taxes, and more than \$6.9 billion in sales and excise taxes. The states with



the largest tax contributions headed by undocumented immigrants were California (\$3.2 billion), Texas (\$1.5 billion), New York (\$1.1 billion), Illinois (\$743.3 million), and Florida (\$588 million).

Other studies have yielded similar findings. The Texas State Comptroller estimated that undocumented immigrants in Texas generate nearly \$1.6 billion per year in state tax revenue. In Georgia, the annual tax contributions of undocumented immigrants are estimated at \$215.6 million to \$252.5 million. In Colorado, undocumented immigrants pay between \$159 million and \$194 million. In Oregon, they pay between \$154 million to \$309 million. Additionally, employers in Oregon pay between \$121 million to \$243 million in taxes on behalf of undocumented workers. In Iowa, undocumented immigrants pay \$40 million to \$62 million—and their employers contribute \$50 million to \$77.8 million on their behalf.

The tax payments of undocumented immigrants would be significantly greater if they had legal status. According to ITEP, if undocumented immigrants were allowed to work legally in the United States, they would pay \$13.8 billion in state and local taxes—an increase of \$2.1 billion over what they pay now. This would amount to \$2.2 billion in personal income taxes (an increase of \$1.1 billion), \$4 billion in property taxes (an increase of \$400 million), and \$7.6 billion in sales taxes (an increase of \$600 million).

MYTH: Immigrants come to the United States for welfare benefits.

FACT: Undocumented immigrants are not eligible for federal public benefit programs, and even legal immigrants face stringent eligibility restrictions.

Undocumented immigrants are not eligible for federal public benefits such as Social Security, Supplemental Security Income, Temporary Assistance for Needy Families (TANF), Medicaid, Medicare, and food stamps. Even most *legal* immigrants cannot receive these benefits until they have been in the United States for five years or longer, regardless of how much they have worked or paid in taxes. ⁸³ Given these restrictions, it is not surprising that U.S. citizens are *more* likely to receive public benefits than are noncitizens. ⁸⁴

For instance, the Urban Institute concluded that immigrant families are less likely to use the Supplemental Nutrition Assistance Program, or SNAP (commonly referred to as "food stamps"), than native-born families. While more than two-thirds of children in poor families with U.S.-born parents received SNAP in 2008 and 2009, less than half of children in poor families with foreign-born parents received SNAP in the same years. Similarly, 18 percent of children with native-born parents used TANF, compared to 12 percent of children with immigrant parents. Notably, children in poor families with native parents are more likely to have public health insurance coverage than those with immigrant parents.

Moreover, a number of state studies have demonstrated that, on average, immigrants pay more in taxes than they receive in government services and benefits. For instance, a study in Arizona found that the state's immigrants generate \$2.4 billion in tax revenue per year, which more than offsets the \$1.4 billion worth of educational, healthcare, and law enforcement resources they utilize. A study in Florida estimated that, on a per capita basis, immigrants in the state pay nearly \$1,500 more in taxes than they receive in public benefits.

Nonetheless, some studies have sought to demonstrate that households headed by immigrants make costly use of public-benefits programs. Invariably, most of the "costs" calculated by such studies are for programs utilized



by the native-born, U.S.-citizen children of immigrants. These children are counted as a "cost" of immigration if they are under 18, but as part of the native-born population if they are working, taxpaying adults. Yet all people are "costly" as children who are still in school and have not yet entered the workforce. Economists view expenditures on healthcare and education for children as investments that pay off later, when those children become workers and taxpayers. Healthy, well-educated children are more productive, earn higher wages, and pay more in taxes as adults. ⁹⁰

MYTH: Today's immigrants are not assimilating into U.S. society.

FACT: Today's immigrants are buying homes, becoming U.S. citizens, and learning English.

Throughout U.S. history, each new wave of immigrants has been accused of not assimilating into U.S. society. The Italian, Polish, and Eastern European immigrants who came here at the end of the nineteenth century faced this accusation, and subsequently proved it wrong as they and their children learned English, bought homes, got better jobs, became U.S. citizens, and integrated into their communities in many other ways. The Latin American and Asian immigrants who have come here more recently now face the same accusation. As with their predecessors, they are proving that accusation to be false and are integrating into U.S. society and climbing the socioeconomic ladder over time. ⁹¹

The National Academies of Sciences, Engineering, and Medicine released a groundbreaking report in 2015, which found that as immigrants and their descendants become integrated into U.S. society, many aspects of their lives improved, including educational attainment, occupational distribution, income, and language ability. In terms of education, despite large differences in starting points among immigrants, their children (the "second generation") meet or exceed the schooling level of other native-born Americans. More than one-quarter of the foreign-born have a college education or more and, with few exceptions, their children do exceptionally well in school. As for earnings, not only do immigrant workers themselves make dramatic progress the longer they live in the United States, their children do even better. The children of Mexican and Central American immigrants in particular make a large leap, with 22 percent of second-generation Mexican men and 31 percent of second-generation Central American men working in professional or managerial positions. Second-generation women make even greater progress.

The National Academies also found that the overall poverty rate declines over generations, from over 18 percent among the first-generation immigrants to 13.6 percent in the second generation and 11.5 percent in the third. Over time, and across generations, most immigrant groups gradually become less segregated from native-born whites and more dispersed across regions, cities, and neighborhoods. Finally, the National Academies found that all available evidence indicates that today's immigrants are learning English at the same rate or faster than earlier waves of immigrants.

A study by demographer Dowell Myers demonstrates the integration and socioeconomic progress of immigrants over the course of two decades. Myers focuses on those immigrants who came to the United States between 1985 and 1989, using census data to take a socioeconomic snapshot of these long-term immigrants in 1990 and again in 2008—after they had lived in the United States for 18 years. The data indicate that, since coming here, a growing number of long-term immigrants have bought homes, earned higher wages, and become U.S. citizens. Between 1990 and 2008, the share of these immigrants who owned homes jumped from 16 percent to



62 percent. The share who earned incomes above the "low-income" level rose from 35 percent to 66 percent. The share who were U.S. citizens grew from seven percent to 56 percent.

Likewise, data from the Office of Immigration Statistics at the Department of Homeland Security (DHS) reveal that the number of immigrants applying for U.S. citizenship has been growing for decades. A DHS report found that the average number of immigrants naturalizing each year increased from fewer than 120,000 during the 1950s and 1960s to 210,000 during the 1980s, 500,000 during the 1990s, and 680,000 between 2000 and 2009. The number of naturalizations grew from 619,913 in 2010, to 694,193 in 2011, to 757,434 in 2012, to 779,929 in 2013. Moreover, immigrants today are naturalizing at a faster rate than in the past. According to a 2008 DHS report, "approximately one third of immigrants who obtained LPR [legal permanent resident] status from the mid-1970s through the mid-1980s naturalized within 10 years, whereas nearly half the immigrants who obtained status in the mid-to-late-1990s did so." 101

The economic and social integration of immigrants is an ongoing process that will continue over the decades to come. In a 2011 report, Myers concludes that the share of immigrants who own homes is projected to increase from 25.5 percent in 2000 to 72 percent in 2030. The share that speak English "well" or "very well" is projected to grow from 57.5 percent to 70.3 percent over the same period. And the share living in poverty is projected to decrease from 22.8 percent to 13.4 percent. ¹⁰² In other words, immigrants are not settling into "ethnic enclaves" that exist apart from mainstream America. Rather, they are becoming progressively more "American" in every sense of the word.

Integration and upward mobility are most apparent among the children of immigrants. For instance, according to surveys by the Pew Research Center, "adults in the second generation are doing better than those in the first generation in median household income (\$58,000 versus \$46,000); college degrees (36 percent versus 29 percent); and homeownership (64 percent versus 51 percent). They are less likely to be in poverty (11 percent versus 18 percent) and less likely to have not finished high school (10 percent versus 28 percent)." A study by economist James P. Smith found that the wages and educational attainment of Latino men increase significantly from generation to generation, with wages increasing 15 percent from the first generation, and an additional 5.6 percent in between the second and third generations.

MYTH: Immigrants are more likely to commit crimes than native-born Americans.

FACT: Immigration does not cause crime rates to rise, and immigrants are actually less likely to commit crimes or be behind bars than native-born Americans.

High levels of immigration are not associated with more crime. Since 1990, the foreign-born share of the U.S. population grew from 7.9 percent ¹⁰⁵ to 13.1 percent ¹⁰⁶ and the number of unauthorized immigrants tripled from 3.5 million to 11.2 million. ¹⁰⁷ During the same period, FBI data indicates that the violent crime rate declined 48 percent and the property crime rate fell 41 percent. ¹⁰⁸ Likewise, a report from the conservative Americas Majority Foundation found that crime rates are *lowest* in states with the *highest* immigration growth rates. In 2006, the 10 states with the most pronounced, recent increases in immigration had the lowest rates of crime in general and violent crime in particular. ¹⁰⁹



Moreover, immigrants are much less likely to be behind bars than native-born Americans. A study by the American Immigration Council found that, among young men, incarceration rates are lowest for immigrants. This holds true regardless of ethnicity or educational attainment, even for Mexicans, Salvadorans, and Guatemalans who comprise a majority of the undocumented population. In 2010, the incarceration rate for young immigrant men was only 1.6 percent—less than half of the 3.3 percent incarceration rate among young native-born men. A study by the Public Policy Institute of California yielded similar results. The study found that, in 2005, the incarceration rate for foreign-born adults in California was 297 per 100,000—compared to 813 per 100,000 for native-born adults. Moreover, immigrants made up 35 percent of California's adult population, but only 17 percent of the state prison population.

Similarly, economists Kristin Butcher and Anne Morrison Piehl used data from the 1980, 1990, and 2000 censuses to demonstrate that, during the 1990s, "those immigrants who chose to come to the United States were less likely to be involved in criminal activity than earlier immigrants and the native born." The analysis by Butcher and Piehl established that the lower incarceration rate for immigrants could not be explained away with the argument that there are fewer immigrants in prison because so many of them are deported. Nor could it be dismissed on the grounds that harsher immigration laws are deterring immigrants from committing crimes because they are afraid of getting deported. 113

These studies are only the most recent in a very long line of research demonstrating that immigrants are less likely than native-born Americans to commit crimes or to be incarcerated. 114

MYTH: Reforming the legal immigration system will not help secure the border.

FACT: Immigration reform is an integral part of any effective border security strategy.

Since 1986, after passage of the Immigration Reform and Control Act, the federal government has spent nearly \$200 billion on immigration enforcement. Yet during that time, the unauthorized population has tripled in size to roughly 11.2 million. The growth of the undocumented population did not occur because \$200 billion was not enough to "secure" the border. Rather, this money was spent trying to enforce immigration laws that have consistently failed to match either the U.S. economy's demand for workers or the natural desire of immigrants to be reunited with their families. Therefore, enforcement coupled *with* commonsense reforms to our legal immigration system is one of the most effective ways to enhance national security. Immigration reform that includes a pathway to legal status for undocumented immigrants already living in the country, with the creation of flexible avenues for future immigration (through temporary worker programs) and mandatory employment verification, would enhance border security and reduce illegal immigration.

Effective immigration reform would enhance border security in multiple ways. For example, creating flexible employment-based visa programs that respond to the needs of labor markets will improve the legal avenues for entry into the U.S., which would reduce the flow of undocumented immigrants in the future. Workers admitted under these types of visa programs would be screened against law-enforcement databases prior to entering the country. Paired with a workable employment verification system, these new temporary workers would be unable to work in the United States once their visas expire.



Further, an earned lawful status program for the undocumented would have a comparable impact on national security as the undocumented come out of the shadows, register with the federal government, and undergo background checks. Additionally, an earned lawful status program for the undocumented would reduce the lucrative fraudulent document and smuggling industry that currently persists, as well as "shrink the haystack," allowing law enforcement to concentrate on removing individuals with serious criminal backgrounds or who otherwise pose a threat to American society.¹¹⁷

MYTH: Building a wall along the U.S.-Mexico border, and deporting all undocumented immigrants from the United States, would enhance national security.

FACT: A border wall and mass deportation would have little impact on security, while severely damaging the U.S. economy in the process.

The 2016 presidential primary campaigns have provoked a great deal of heated rhetoric on the subject of border security and undocumented immigration. Some candidates have called for the federal government to deport all 11.2 million undocumented men, women, and children from the United States, 118 and to build a wall along the entire length of the 2,000-mile U.S.-Mexico border. Both of these measures are commonly portrayed as means of enhancing U.S. national security. However, the security benefits from a border wall and mass deportation would be small, while the economic costs would be high.

The limited utility of a border wall in putting a stop to undocumented immigration is apparent from the fact that nearly half of all undocumented immigrants in the United States entered the country on a valid visa and then stayed after their visas expired. Moreover, a border wall is unlikely to have a major impact on the well-funded smuggling organizations that lead undocumented migrants into the United States through ports of entry—as well as over, through, or under the 700 miles of border fencing that already exist. Despite its probable ineffectiveness, experts estimate that a border wall would cost between \$15 billion and \$25 billion to build, and another \$750 million per year to maintain.

Even more costly than a border wall would be mass deportation. Apprehending millions of undocumented workers, consumers, taxpayers, and entrepreneurs would inflict a major blow on the U.S. economy. According to estimates from a 2015 report from the American Action Forum, arresting and deporting all undocumented immigrants in the United States would cost between \$100 billion and \$300 billion over the course of 20 years, which would be in addition to existing levels of border enforcement spending. Moreover, mass deportation would cause the labor force to shrink by 6.4 percent, while the Gross Domestic Product (GDP) would be nearly 6 percent or \$1.6 trillion smaller than it would be if the government did not deport all undocumented immigrants. ¹²²

Indiscriminately targeting all unauthorized immigrants, either by trying to deport all those currently in the country or building a wall in an attempt to keep others out in the future, is too unfocused to effectively enhance national security. The real threats to security are the transnational criminal organizations that move people, drugs, guns, and money in both directions across the border. The vast majority of migrants being smuggled—who are looking for work, trying to reunite with family members in the United States, or fleeing violence and persecution—do not pose a danger to American citizens. 123



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