# Debate Warming Up on Legal Migration Policy

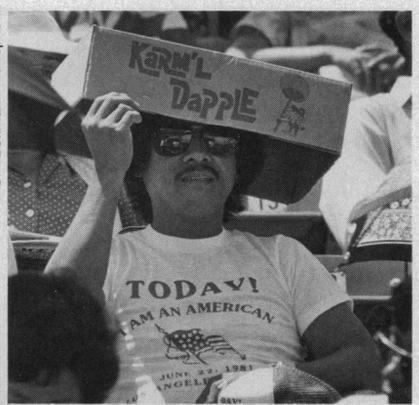
*If domestic fertility levels remain low, immigrants—mainly Asians and Hispanics—will have an ever growing impact on the nation's culture and economy*

THE UNITED STATES is now the destination of about half the world's immigrants who seek permanent resettlement. This decade has seen the highest level of immigration, in terms of absolute numbers, since the beginning of the century; the total (including illegal immigrants) during the 1980s may top the 8.8 million who arrived between 1901 and 1910.

Immigrants, who now account for roughly one-third of annual population growth in the United States, are going to have a growing impact on the country's labor force and on its demographic profile. New arrivals total about 600,000 a year including refugees, who last year numbered 70,000. Immigrant groups have suddenly become highly visible in recent years—witness, for example, the sprouting of Korean markets in inner cities, the Iranian entry into Houston real estate, the Indian domination of New York newsstands—not to mention the transformation of Miami by the Cubans and of Los Angeles by Hispanics and Asians. But the cumulative effects of these changes is in dispute despite a growing body of research on the subject, and people have scarcely begun to address what kind of long-term effects are desirable.

Now that a new law to curb illegal immigration is in place (see box), politicians, public policy analysts, and lobby groups are increasingly turning their attention to legal immigration policy. The Senate in March passed a measure, coauthored by Alan Simpson (R–WY) and Edward Kennedy (D–MA), which would establish a firm ceiling on annual immigration and increase the proportion of those admitted on the basis of occupational skills. Two other proposals are pending, one in the House and one designed by the Immigration and Naturalization Service (INS).

But most observers believe that a consensus on immigration will be a long time coming. In the broadest terms the question is whether the purpose is fundamentally the humanitarian one of offering America's bounties to those seeking to breathe free and make a buck, or whether immigration policy should become a rational tool for enhancing the country's future economic well-being. Then there are the difficult questions of how many, what kinds of people, and from where.

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**Then and now.** *Czech immigrants en route to Ellis Island in 1920 and an Hispanic at a mass naturalization ceremony in Los Angeles in 1981. Until the 1960s, immigrants came mostly from Europe; now, with immigration running at its highest level since the first decade of the century in terms of absolute numbers, Asians and Latin Americans predominate.*

Current policy, largely premised on principles of equity and humanitarianism, was framed in 1965 when immigration was low and immigrants had little impact on the nation's economy or culture. At that time, the quotas in effect since 1924 were eliminated, and the reunification of families was established as the chief criterion for entry. Congress also expected that this approach would maintain the existing patterns of immigration, in which about 50% of new arrivals were still coming from Europe.

However, an unforeseen consequence of the policy has been a dramatic change in the composition of the immigrant population. Educated Asians (including Indians) were among the most aggressive in taking advantage of provisions for allowing in skilled workers, and quickly started bringing in their relatives, in a process referred to as "chain migration." The large number of Spanish-speaking residents similarly took advantage of the high priority given family members. Thus, the immigrant population has become dominated by these two groups and—for the first time in history—a majority of immigrants (if illegal ones are included) speak the same language—Spanish.

The most prevalent criticism of current policy is that family reunification now accounts for 90% of new admissions, a circumstance often characterized as "nepotistic" and unfair to would-be immigrants who have no family ties in the United States. This has reinforced the tendency for immigrants to cluster in high concentrations in a limited number of areas. The policy, according to some critics, has raised the dangers of an anti-immigrant backlash and has resulted in an influx of low-skill people who do not have as much talent and drive as is customarily associated with venturers to a new land.

Another perceived problem is the absence of any agreement on the desirable number of immigrants. The 1965 law puts an arbitrary ceiling of 270,000, with 20,000 per country. In practice, however, these numbers are meaningless for most countries because immediate family members of U.S. citizens are not counted within the ceiling. The numerical limitations are contained in a complicated set of "preferences." Of the six categories, four are for various types of relatives, including the "fifth preference"—for brothers and sisters of citizens and their families—which is now a primary target of critics. Only two of the preferences, making up 10% of available visas, are reserved for people with desirable occupational skills.

Immigration is a social policy which, like many other social policies, is not based on any research or on any long-term vision of the country's values and needs. Anyone who steps into the subject is stepping into a

morass. As Simpson is fond of saying, immigration policy has traditionally been formed of "equal parts of emotion, racism, guilt, and fear."

Demographer Michael Teitelbaum of the Alfred P. Sloan Foundation has pointed out that "immigration and refugee policy is one of those subjects in which the liberal-conservative continuum is utterly meaningless." Some liberals, for example, favor sharing more of America's bounties with the world's less fortunate; others are concerned that immigrants are taking jobs from America's less fortunate. Labor groups are split; many employers want more cheap labor; ethnic groups want more of their own kind. Those who fear the decline of the West want more immigrants to make the economy grow and reinforce American values. On the other hand are concerns (fed by the rising tide of illegal immigrants) voiced by people such as former Colorado governor Richard D. Lamm who fear that the United States will become peopled by "Third World" cities with exacerbated housing, employment, crime and drug problems, open racial conflicts, and a widening gap between rich and poor.

What should be the goals for immigration policy? In this value-laden field, research does not offer any clear-cut answers according to speakers at the recent conference held by the Federation for American Immigration Reform (FAIR), a "restrictionist" group that is concerned with long-term economic, environmental, and demographic effects of immigration. Speakers, most of them researchers and academics, tended to the conclusion that immigration policy should be designed to benefit the nation economically, and that the overwhelming emphasis on family reunification is no longer in the national interest.

Cornell University labor economist Vernon M. Briggs, Jr., is an outspoken partisan of this school of thought. "There is only one relevant standard: economic impact," he said. To Briggs it is clear that the present "nepotistic" system is "blatantly discriminatory," and he believes half of available visas should be set aside for applicants with particular skills. "There are 27 million adult illiterates in the U.S. The last thing we need is unskilled, uneducated immigrants."

But it is by no means agreed what kind of policy would best benefit the nation economically. A large portion of the immigration debate hangs on estimates of the country's future labor needs, but long-term supply-demand projections are nothing if not controversial. The labor force is expected to undergo slower growth in the 1990s, after two decades of rapid expansion with the addition of women and members of the Baby Boom generation. But labor demand statistics are notoriously unreliable, as Teitelbaum says, because they hinge on so many variables, such as technology, trade, and labor participation rates. Predictions of a 7-million labor shortage by 1985, made in 1979, turned out to be way off when the recession created 8 million unemployed. The Bureau of Labor Statistics has acknowledged the uncertainty with its recent decision to update its projections every 2 years.

Speakers at the FAIR conference offered radically opposing views on the labor question. Garrett Hardin of the University of California at Santa Barbara, who thought net immigration should be reduced to zero, said "the U.S. has had no labor shortage since the beginning of the century." In his view, labor shortages in particular sectors—such as the current nurse shortage—are "a warning signal that there's something wrong with how we reward those who work." The economy is a "self-adjusting system," he said, and every attempt to use immigrants as a substitute for internal adjustments "stores up trouble for the future."

This view was flatly contradicted by Karl Zinsmeister of the American Enterprise Institute, who claimed "we are entering an era of long-term labor shortage." He said immigrants are an extremely valuable tool as filler of gaps, smoother of economic bumps, and "overall invigorator" of the economy; that they contribute to government social service funds; serve as an antidote to America's increasingly "underqualified and weakly committed workers," and can "rescue the nation from the financial imbalances of an aging society."

Available research has not so far supplied

## Effect of 1986 Law Still Unproven

The Immigration Reform and Control Act (IRCA), the Simpson-Mazzoli bill, which finally passed as the Simpson-Rodino bill, became law in 1986 after 5 years of debate, compromise, and near-misses. Originally designed as a sweeping reform of immigration policy, it was cut back to tackle the worst part of the problem—the 200,000 to 500,000 illegal migrants estimated to come into the country each year.

The law has two phases—amnesty programs for the legalization of illegal residents and farm workers, and an employer sanctions program which went into effect 1 June, making it illegal for employers to hire illegal immigrants. That marks the demise of the infamous "Texas proviso" which exempted employers from charges of "harboring" illegals.

Of an estimated 5 million illegal aliens in the country, about half have applied for the legalization program, including 1.7 million for the general amnesty and 0.6 million for the agricultural amnesty.

If IRCA works as designed—and there is much skepticism on that score—it would ultimately spell the end of American dependence on massive flows of cheap unskilled labor. But it will be a long time before the true impacts can be measured—including pressures for improved wages and working conditions from newly legalized workers, and increased burdens on government benefits and education systems.

IRCA is spawning a big new spate of research, including a 2-year study by the Rand Corporation and the Urban Institute with $2.765 million from the Ford Foundation. Researchers will study the impact of the law on labor force characteristics and distribution as well as its effect on the sending countries, primarily Mexico.

In Washington, the new law has established a U.S. Commission for the Study of International Migration and Cooperative Economic Development. Headed by former ambassador to Brazil Diego Ascencio, the commission is spending 3 years studying factors affecting illegal immigration. Commission member Michael Teitelbaum of the Alfred P. Sloan Foundation notes that immigration pressures from Mexico continue to increase. The Mexican economy has not grown at all for the past 5 years since oil prices collapsed, while the labor force has grown by 18%.

A horrifying picture of growing pressures from the countries of the Caribbean Basin is painted in a report by David Simcox and Leon Bouvier at Washington's Center for Immigration Studies. It says that if Mexico, whose population has tripled since 1950, achieves only a 2% growth rate, close to half the work force will be unemployed by 2000. The report also relates that the population of the entire Caribbean Basin, including Colombia, Venezuela, and Guyana, will have tripled between 1980 and 2010 to 320 million. Given the political turmoil and economic stagnation in many of these countries, no foreseeable measures "will significantly alter intense migration pressures for the rest of this century." ■ C.H.

any definitive answers to whether unskilled immigrants are good for the economy. "The data are so bad you can say almost anything you want," asserts Briggs. Public opinion polls reflect a widespread belief that cheap foreign labor takes jobs from Americans, depresses wages, and constitutes a drain on public benefits. According to Rick Swartz of the Citizenship Immigration and Nationality Forum, a coalition of church, ethnic, labor, and other groups that favor increased immigration, "the broad consensus is that immigration has had aggregate positive impacts."

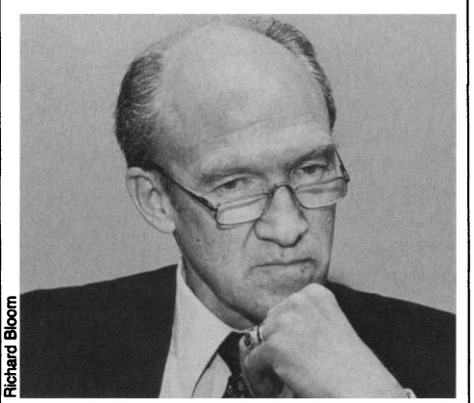
But most research projects have concentrated on small groups in particular parts of the country. The results are mixed and the varied nature of circumstances makes generalizations all but impossible. In one recent article (*Science*, 6 February 1987, p. 645) George J. Borjas of the University of California (Santa Barbara) and Marta Tienda of the University of Wisconsin concluded that "the impacts of foreign workers on the earnings and employment of native workers are quite small." On the other hand, they also point out that, because immigrants have lower skill levels than in previous years, "the more recent cohorts . . . are substantially less productive than earlier cohorts."

Studies done at the Urban Institute and the Rand Corporation in California have revealed a modest positive economic impact. For example, Thomas Espenshade of the Urban Institute has reported from studies of Mexican immigrants in southern California that their presence has little effect on the income of blacks in comparable jobs. He also concluded that the low wages they command lead to less price escalation, and that they have a job-creating effect—in some cases enabling businesses to keep going that otherwise would have to fold or leave the country. Other studies have suggested that while immigrants in high concentrations constitute heavy burdens on local social services, this is counterbalanced by the tax revenues they generate.

When it comes to long-term effects, there is little to go on but speculation. One perspective, however, is offered by Philip Martin, agricultural economist at the University of California at Davis. He contends that the jobs created by the availability of cheap labor are often marginal ones that contribute little to the economy. In the long run, he speculates that cheap immigrant labor has the effect of preserving the status quo, keeping marginal enterprises in business, and preventing employers from investing in more labor-saving, high technology and ultimately more economic means of production. For example, he says that after the United States started importing temporary farmworkers from Mexico, the number of projects on how to mechanize orange-picking dwindled from 50 to 1.

Martin and others also speculate that the availability of unskilled immigrants, especially illegal ones, is preventing the country from coming to grips with the problem of the chronically unemployed "underclass." In years of fast-growing labor supply, it is argued, it is cheaper to "buy off" these people with welfare than to try to absorb them in the work force. But in the long run, as the underclass grows, the price may be too great.

Since most research is focused on where the biggest problems are, there has not been much attention paid to an outstanding oddity of current immigration patterns, which is the bipolar distribution between Asians—referred to by Kevin McCarthy of Rand as "the most highly skilled of any immigrant group we've ever had"—and Hispanics, who



Richard Bloom

**Senator Simpson:** *Immigration policy has traditionally been formed of "equal parts of emotion, racism, guilt, and fear."*

are the least skilled. In 1980, for example, 73% of immigrants from Asia had completed high school, and close to half of Indian adults came not only with a college degree but some graduate school. The income of Asian families, reports the Population Reference Bureau (PRB), is likely to exceed that of the average American family within 15 years of arrival. Mexicans, on the other hand, by far the largest (and least well educated) Hispanic immigrant group, averaged no more than an 8th-grade education. According to economist Barry Chiswick of the University of Chicago, Hispanic immigrants' earning levels eventually match those of native-born Hispanics of comparable education, but never reach the levels of non-Hispanic whites.

Nowhere is the Asian-Hispanic discrepancy more evident than in California, which is home to one-third of all Hispanic immigrants and 40% of Asian immigrants. In a booklet for the PRB, Martin and demographer Leon F. Bouvier warn of the "possible emerging of a two-tier economy with Asians and non-Hispanic whites competing for the high status positions while Hispanics and blacks struggle to get the low paying service jobs. . . ."

Because immigrants tend to be so highly concentrated in certain areas—particularly California, Texas, and Florida—the challenges posed by the continuation of present policies will be unevenly felt around the nation. But California, as usual, is the testing ground for pressures that will emerge elsewhere. "The state's identity is at a crossroads," write Bouvier and Martin. By 2000, non-Hispanic whites will be a minority in the school system. They will also be a minority in Los Angeles which boasts the largest urban populations of people from Mexico and many Central American countries outside their native capitals.

Using conservative estimates of fertility and immigration, the authors predict that by 2030 California will be 38% Hispanic and 16% Asian. This dramatic change in cultural mix portends a welter of new conflicts, one of which, the issue of bilingualism, has generated a whole new field of political activism and, along with it, fears of the balkanization of American culture.

Immigration policy is beset by so many crosscurrents of emotion and opinion that it is difficult to imagine how rational, long-term decisions can be made in the absence of a larger vision about the future shape of the U.S. population. But population policy has never grabbed widespread interest.

But now that native fertility rates have stood since the mid-1970s at 1.8—below the replacement level of 2—immigration promises to become the main determinant of future population variability. According to Bouvier's figures, if no more immigration were allowed, the present U.S. population of 248 million would stabilize at 270 million and begin to decline in 2020. With immigration at 1 million a year (the highest current estimate combining legal and illegal immigration), the population would reach 320 million by 2020 and (assuming immigrant fertility also declined to 1.8) level off at something under 350 million in the latter part of the next century.

Does the United States need population growth for economic growth? European countries, which have tried to reduce immigration to a minimum, have answered in the negative. So has Japan, which has virtually no immigration. But the United States is a nation of immigrants, and it is unlikely that any cold-eyed economic calculations could significantly alter this country's commitment to such a major part of its heritage.

■ CONSTANCE HOLDEN