

Immigration into the United States: An Important Issue for State and Local Governments

Peter Schaeffer

Immigrants can change the social and economic fabric of a country. Little wonder that all countries reserve for themselves the right to exercise control over who may enter. U.S. officials were concerned early about who was entering the country. In May 1849, George H. Goundie, the American consul in Basel protested: "I'm becoming daily more and more convinced of the necessity of Congress passing an 'immigration law'. The open and public way in which the German and Swiss governments send their convicts, thieves, idlers, and paupers to the U.S. states is an outrage upon common decency, and has the tendency of lowering the character of an American abroad. It is nothing uncommon if you see an outcast of society in the street, he is called a candidate for America — or even an 'American'."

The distribution of recent immigrants is uneven across the nation. More than 40 percent of the permanent resident aliens live in California and New York. Big cities also receive a disproportionate share of the newcomers. Immigrants tend partially to offset the movement from the industrialized North to the South and the West, as well as to offset the decline of the population in older cities. There is no doubt that the migrants have a marked impact on the areas where they settle. State and local governments are directly affected through a changing population composition and the demand for services.

The important relationship between internal and international migrations and the uneven distribution of the costs and benefits is often neglected. Although immigration policy is the domain of the federal government, its effects are most visible at the local and state levels. This is a particularly opportune time to influence the federal government, since we are in the midst of a public debate over immigration. We shall argue that a realistic immigration policy cannot disregard the geographic distribution of the new immigrants.

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MIGRATION : MOTOR OF POPULATION CHANGE

About one-sixth of the U.S. population moves every year. With declining birth rates, the impact of migration on population change will become even more pronounced. Migration is selective with respect to age and education, and regions experiencing a decline are likely to lose some of their citizens of greatest initiative and education. Immigrants from other countries sometimes "mask" this problem when they replace natives who leave. Since the late 1960s, about 400,000 immigrants have been admitted annually. Their ranks are joined by a large number who cross the border illegally. The number of undocumented aliens is estimated to be between 2 and 12 million persons. The wide range reflects the degree of our ignorance.

In internal migrations, two phenomena play important roles. One is the population shift from the industrialized North to the South and the West; the other is the reversal of the long-term trend toward population concentrations. Although older cities have been losing people for some time, metropolitan areas were the fastest growing areas before 1970. However, since 1970 many nonmetropolitan areas are growing at a faster rate. The fact that this is occurring in most advanced industrial countries indicates that this is a lasting reversal.

As noted, when immigrants replace the natives in declining areas, they obscure the current demographic trends. Of the immigrants to the United States in 1975, 80 percent were living in metropolitan areas in 1979. In 1970, 373,919 residents of Chicago were foreign-born, 11.1 percent of the city's population. Immigrants also partially replace the losses of the Northern regions to the South and the West.

Illinois is a primary destination for immigrants. Many enter the United States through Chicago. Only New York and Los Angeles record more arrivals. The state of Illinois ranks sixth in the number of permanent resident aliens, about a quarter of a million in 1974. Immigration and Naturalization Service (INS) data of arrests also indicate that metropolitan Chicago is among the primary destinations for illegal aliens from Mexico. From 1970 to 1980, the population of Illinois increased only slightly, from 11.10 million to 11.42 million. Without incoming foreign residents, Illinois's population probably would have decreased in size.

ILLEGAL IMMIGRANTS

Due to the nature of illegal immigration, we know relatively little about it. Who are the illegal immigrants? While there are a variety of professions and nationalities among them, the majority enter from Mexico, with a low skill level by U.S. standards. In recent years, increasing numbers from other Central American nations have joined the traditional inflow of Mexican workers, probably due in part to political turmoil at home. But economic factors are likely to be the major motivation. Over a cross-section of occupations, the purchasing power of a one-month salary in major U.S. cities is easily double that in Mexico City. The earning disparity for the underemployed and the rural population in developing nations is even more substantial.

Most illegal aliens are young adults. Compared to Americans in the same age group, fewer are married, but many have dependents in their home countries. North and Houstoun [1976] interviewed 793 apprehended illegal aliens, and 80 percent of the respondents supported relatives at home. However, it must be noted that reliance on INS data is likely to result in biased information. Inexperienced newcomers run a greater risk of being detected. Similarly, women are arrested less frequently because many work as domestics, where they tend to be "invisible." Thus, while North and Houstoun had over 90 percent men in their sample, Baca and Bryan's [1980] study includes almost one-third women. Their sample of 1,414 undocumented aliens in metropolitan Los Angeles was obtained through referrals from their first contacts, utilizing the so-called "snowballing technique." While this method has its own shortcomings, it probably yields more representative results than do INS sources.

EUROPE'S GUESTWORKER PROGRAM

The magnitude of illegal immigration has contributed to the feeling that control over it has been lost. In the search for solutions, the European guestworker program is often mentioned. If implemented here, such a program would be aimed at that group of workers who now enter this country illegally, and would be a solution only if the foreign workers intend to eventually return to their home countries. The European experience casts doubts on the validity of this assumption.

In the 1950s, Northern European countries began actively recruiting workers abroad to fill what was then expected to be a temporary labor shortage. However, the expansion of the economy did not slow down, and the demand for workers continued to grow. Eventually, foreign workers accounted for a substantial part of the labor force, approximately 9 percent in France and Germany and 20 percent in Switzerland.

Guestworkers in Europe are still regarded as temporary immigrants. The workers seem to agree, but there are indications that attitudes are changing. In a recent survey of Greek, Turkish, and Yugoslavian workers in West Berlin, only 7.3 percent were sure that they would eventually return home, 17.4 percent wanted to stay, and an additional 61.0 percent thought it more likely that they would stay than that they would return [Meier-Braun, 1982]. It is possible that most guestworkers initially intended to stay for a limited time, hoping for more and better jobs to become available at home; but most labor exporting countries were not able to expand fast enough. As the workers realized that they would have to stay abroad for some time, they started to bring their families along. The presence of the children in particular has changed the nature of this migration movement.

The integration of the children of guestworkers is now a pressing issue in Europe. The special needs of these children have not been properly recognized. As a result, the level of their educational achievement is substantially below that of native children. Therefore, many will be confined to low-skill jobs, as are their parents. This has led to the creation of the term *second generation guestworker*. European governments are worried by the prospect of a large pool of alienated young workers who are natives but for their passports.

The European experience provides valuable lessons for the United States. The uncertainty about their eventual return home hinders the integration of the foreign workers. The harm this has done to the children of the immigrants in Europe is now becoming evident. The uneven distribution of immigrants places a disproportionate burden on a few regions. The seriousness of this issue should be recognized, and any new immigration law should reflect it.

ECONOMIC EFFECTS OF IMMIGRATION

We shall assume that the migrants expect to improve their lot, or they would not migrate. Who else benefits or loses? The predominant view is that the relatively unskilled immigrants enter into direct competition with American workers with similar skills, depressing the wages for this group. These native workers lose, while the owners of capital benefit. The magnitude of this effect on native workers depends on whether or not more jobs are created by the presence of the immigrants. This effect is sometimes underestimated. Foreign workers send money home to their families. Goods not consumed in the host country by the foreign workers are available for export. Their remittances provide their home countries with the currency necessary to buy more goods from the host country. The net disadvantage to native workers cannot therefore be determined a priori.

The view that immigrants take the jobs of unskilled native workers has not gone unchallenged. Research among foreign workers shows that they are slow to abandon the social values of their home countries. They do not seek social status in the host country; therefore, they are willing to accept jobs that natives shun. Besides wages, their reward consists of a higher social status at home, because of their ability to provide for the family left behind. The low skill requirements and status of the job are not necessarily seen as disadvantages, as they free them from the necessity to learn English, a precondition for successful integration into the culture of the United States.

It is sometimes feared that cheap foreign labor contributes to slow growth of productivity. Empirical studies do not confirm this pessimistic hypothesis. It is possible, though, that importation of cheap labor is a substitute for the exportation of jobs. However, not all jobs can be exported, e.g., construction and touristic work must be performed at a particular location. Thus, some industries would have to change their methods of production or close down.

A second economic effect of immigration is that immigrants contribute to and benefit from government services. Popular opinion often suggests that immigrants receive more in public services than they pay for. Most empirical evidence indicates otherwise. Due to their age composition, immigrants do not require many of the expensive social services until they have contributed to them for a considerable length of time. But before we conclude that immigration is beneficial to the public coffers, we must observe two additional points. Poor and relatively uneducated immigrants do not increase property values in the commu-

nities where they settle, which therefore cannot expect an increase in revenues. Yet, since most immigrants are less than forty years old, they are more likely to have children who need schooling, even if their fertility does not differ from that of natives in the same age groups. The host community will then experience additional costs, and a negative net effect.

The income and most of the sales taxes paid by the immigrants are received by the state and the federal governments. Although some of these revenues are channeled back to the local government, it is probably not enough to make up for the disadvantage.

CONCLUSIONS

Recent immigrants are distributed very unevenly across the country. Although there is no clear empirical evidence, there is a widespread feeling that they are in competition with low-skilled native workers and that their presence depresses the wages for that group. The concentration of low-skill jobs in urban areas has resulted in a disproportionate share of recent immigrants in cities. The contribution to the public coffers is usually regarded as positive. However, the benefits are distributed unevenly. In the case of unskilled immigrants, it is likely that the costs exceed the benefits to the local community.

The European experience with guestworkers provides some valuable insights into a program which has been repeatedly proposed for the United States as well. The uncertainty of the guestworkers' status has had very negative effects on the education of the children of foreign workers. This problem can only be avoided if families are not allowed to accompany the workers. In this case, from a humanitarian point of view, the average duration of a stay of a guestworker would have to be very short. Unless the labor markets of the sending countries are able to absorb the returning workers, voluntary return after a short period of time will be unlikely; and illegal immigration will continue to be a problem.

The prospects for substantial improvements of the immigration situation are not very good. The changing composition of the immigrants to the United States illustrates that their immigration is an expression of the vast differences in the standards of living between this country and the developing nations. European countries are increasingly experiencing similar problems. Initiatives for new approaches to immigration will have to come from the local and, maybe, state governments. If our arguments are correct, the federal government gains from immigration. Therefore, it does not have the same interest in a change of direction as do the local communities of the new immigrants.

There are no easy solutions for regaining control over immigration. We shall approach this issue on the premise that there is no politically and economically feasible way to eliminate large-scale illegal immigration, particularly in the case of Mexico with which we share a long border.

An effective policy for dealing with illegal immigrants requires sound information. How large is the stock of undocumented aliens; what is its make-up; and how is it distributed across the country? Local governments provide many services which require personal contacts, e.g., schooling and social and health services. These contacts provide opportunities to learn more about the composition of the resident population.

Immigration policy is generally concerned with limitations imposed on potential migrants, and this is the domain of the federal government. But this view is unnecessarily restrictive. Newcomers to this country often require special

attention. Local governments must decide how to meet their needs. If the community is informed about the composition and changes of its resident population, it can anticipate problems and prepare for them. Recent empirical research provides a striking example of the importance of this issue: North and Houston's [1976] research suggests that undocumented aliens are predominately male, while Baca and Bryan [1980] find a much higher percentage of women among them, implying a more mature and permanent immigration movement.

Information about the illegal immigrants would also provide the necessary background for a federal immigration policy. Almost certainly Mexicans constitute the majority of undocumented aliens. It should be easier to prevent individuals from other nations from entering this country without a permit, since there are fewer entry routes available to them. This may provide the rationale for using more resources to check these immigrants and to grant special status to Mexico.

The agreement for free movement among countries in the European Economic Community may serve as a model. However, without adequate knowledge it is impossible to assess the net advantages of such an approach. Therefore, the proposed monitoring of immigrants not only provides better planning information to local governments, but it is a necessary step toward a successful reformulation of immigration policy in general.

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New Publication

The Metropolitan Midwest: Policy Problems and Prospects for Change, edited by Carl Patton and Barry Checkoway, will be published by the University of Illinois Press later this year. Growing out of an interdisciplinary seminar series and funded in part by the Bureau of Urban and Regional Planning Research, the book includes topics on population trends and shifts, infrastructure planning, housing and community development, and the politics of planning. The sixteen contributors include academics and practitioners from across the nation who have been actively engaged in analyzing and shaping public policy.

ETIS Workshop

A training workshop in the Environmental Technical Information System (ETIS) will be held April 12 and 13 at the University of Illinois. ETIS is an interactive computer-based information system developed by the U.S. Army Corps of Engineers Construction Engineering Research Laboratory to assist in the development of environmental impact statements and environmental assessments. It consists of three subsystems: the Environmental Impact Computer System (EICS), the Economic Impact Forecast System (EIFS), and the Computer-Aided Environmental Legislative Data System (CELDS). To register or for more information please call (217) 333-1369.

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