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Statement of Vernon M. Briggs, Jr.,
Professor of Labor Economics, School of Industrial
and Labor Relations, Cornell University, Ithaca, NY.

In its final report in 1981, the Select Commission on Immigration and Refugee Policy (SCIRP) concluded that immigration to the United States was "out of control." It recommended to Congress that it pursue a "cautious approach" and that the nation must accept "the reality of limitations". It specifically stated, "this not the time for a large-scale expansion in legal immigration -- for resident aliens on temporary workers." The conclusions of SCIRP, however, were disregarded by the subsequent actions of Congress. Immigration was expanded by legislation in 1990 to the highest levels since immigration ceilings were imposed in 1921. Illegal immigration has continued to flourish after a weak and ineffectual law intended to stop the process was enacted in 1986. By 1995, the conditions described by SCIRP are far worse by every standard of comparison than they were in 1981. Consequently, the actions by Congress can only be described as representing a massive betrayal of the public trust.

It is time for real immigration reform. There should be no effort to try to patch-up the hodge-bodge of laws that currently constitute the nation's immigration policies. Rather, an entirely new approach is required. To do this, it is necessary to recognize that immigration is primarily an economic policy, not a political or social policy. Immigrants must work to support themselves or be supported by those who do. Even the children of immigrants have economic consequences by their presence because they represent future workers. The economic conditions under which such children are raised can have significant intergenerational effects that affect the opportunities for preparation for the future labor force. The perspective for the design of immigration policy, therefore, must be its congruence with emerging labor market needs. The extant policy does not meet that standard.

The current level of immigration is too high. Unlike earlier eras of immigration (in the 19th and early 20th Centuries), mass immigration in the 1980s and 1990s is taking place at a time when significant growth re-occurring in the native born population. This growth is due to the demographic positioning of the baby boom generation (who in these years have been in their prime working years) and the dramatic increases in the labor force participation of women. There has been no general shortage of labor in the United States to warrant the scale of immigration that has taken place over these same years. National unemployment rates in the 1980s and 1990s have been considerably above those of the 1960s and 1970s.

The human capital attributes of the immigrant flow of the 1980s and the early 1990s are completely out of synchronization with emerging labor demand trends. The recently published findings of the 1990 Census confirm what many labor economists have been saying: the flow of immigrants is disproportionately and significantly characterized by person who are unskilled and poorly educated. The 1990 Census disclosed that 25 percent of the adult foreign born population (those over the age of 25) had less than a 9th grade education (compared to only 10 percent of the native born adult population and that 41 percent of the adult foreign born population had less than a twelfth grade education (compared to 23 percent of the native born adult population). The unemployment rates of both of these educational attainment groups are considerably above the unemployment rates of the better educated (see Chart 1). Hence, the flow of immigrants is disproportionately and significantly impacting the segment of the labor force that is having the greatest difficulty adjusting to the rapidly changing labor market conditions currently affecting the U.S. economy. The fact that a disproportionate number of the nation's native born black and Hispanic populations are concentrated in these same low skilled segments of the labor market should not be ignored either (see Table 1). It is not surprising, therefore, to find that the unemployment rate for foreign born workers was 7.8 percent in 1990 (10 percent for foreign born workers who have arrived since 1980) compared to 6.2 percent for native born workers in 1990.

The 1990 Census also disclosed that 79.1 percent of the foreign born population (5 years old and over) speak a language other than English (compared to 7.8 percent of the native born) and that 47.0 percent of the foreign born (5 years old and over) reported that they do not speak English "very well". The ability to speak English in a service-oriented economy has been definitively linked to the ability to advance in the labor market of the post-1965 era. For these reasons and others, it should come as no surprise that incidence of poverty among families of the foreign born population in 1990 was fifty percent higher than that of native born families or that 25 percent of the families with a foreign born householder who entered the country since 1980 were living in poverty in 1990.

As for immigrant children, the U.S. General Accounting Office reported in 1994 that two million immigrant youth enrolled in U.S. public schools in the 1980s. It found that they are "twice as likely to be poor as compared to all children" and that many, "including those of high school age, have had little or no schooling and are often illiterate even up in their own language." Children raised in poverty have a bleak future in the labor market of the 1990s and of the next century.

There is also a strong pattern of geographic concentration associated with the post-1965 immigration experience. The 1990 Census revealed that 66 percent of the foreign born population resided in only six states (California, New York, Florida, Texas, New Jersey, and Illinois). Furthermore, within all states, the foreign born population tends to be concentrated in urban centers and especially in their respective central cities. The current immigration phenomenon is overwhelmingly an urban experience. Indicative of this urban concentration is the fact that 24 percent of the foreign born population of

the nation in 1990 lived in only seven cities. These cities and the percentage of their respective populations who were foreign born in 1990 is as follows: New York (28 percent); Los Angeles (38 percent); Chicago (17 percent); Houston (18 percent); San Francisco (34 percent); San Diego (21 percent); and Miami (60 percent). The real percentages are certainly higher if allowances are made for uncounted illegal immigrants. The unemployment rates in these cities in the 1990s have been consistently above the rates for the states of which they are a part and have generally exceeded those of the nation as a whole.

Policy Proposals

In order to develop an immigration policy that enhances the national interest rather than undermines it, I would recommend the following:

1. The annual level of legal immigrant admission must be flexible. It should not be written into legislative stone which can only be changed every few decades. It must be able annually to respond to changing domestic economic circumstances (as is the case in Australia and Canada). To do this, a government agency should be empowered to set the number of immigrant admissions in advance of each fiscal year. The number should include zero. An annual consultation with Congress (as in the case with refugee admissions) should be part of the process in order to permit a public defense of the level that is set. Congress could set an absolute ceiling on immigration levels that could not be exceeded each year but the actual level for any one year should be set by an administrative agency.
2. Responsibility of immigration policy should be shifted out of the U.S. Department of Justice and given to an agency (as indicated in #1) responsible for employment and human resource development policies. This could be a new agency responsible solely for immigration issues or, under present circumstances, to the U.S. Department of Labor (which had jurisdiction over immigration matters from 1914 to 1940).
3. The present emphasis on non-economic admission criteria should be dramatically reduced. To do this.
 - a.) The family admission criteria for adult brothers and sisters of U.S. citizens should be eliminated along with all of the existing backlog of persons waiting for visas from this category.
 - b.) the "diversity immigrant" category should be eliminated as an admission criteria.
4. As for what is presently the employment-based admission categories:
 - a.) the employment-based category that annually admits up to 10,000 unskilled workers should be eliminated. Any admission of unskilled

workers should be restricted to the use of the non-immigrant visa classification for temporary non-agricultural workers (i.e., H-2B visas who can only be in the country for less than one year.

b.) The employment-based category for "special immigrants" should be eliminated.

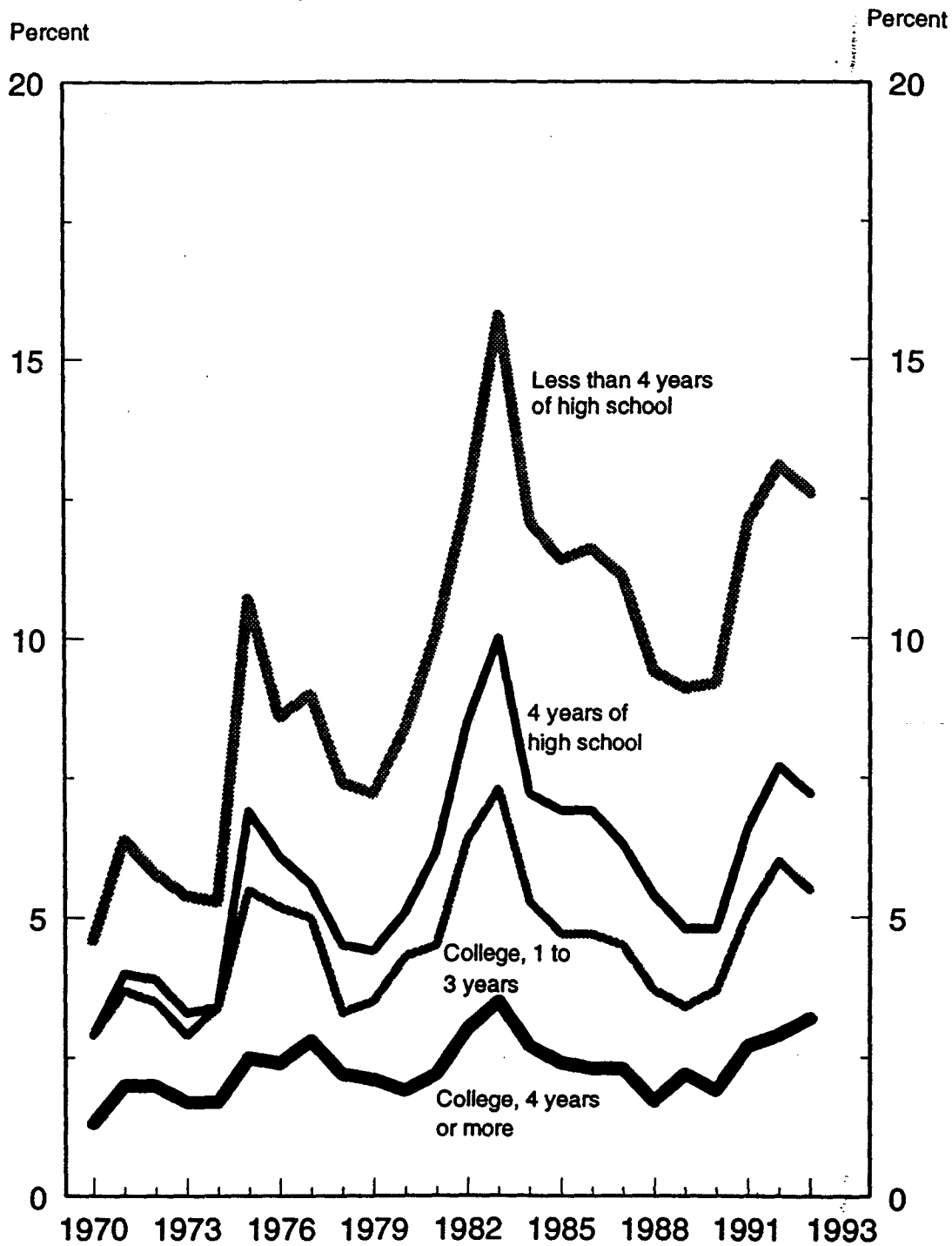
c.) The employment based category for "investor immigrants" should be eliminated.

d.) The primary classifications of "priority workers," "profession workers," and skilled workers should be abandoned in favor of a system that requires the administrative agency responsible for immigration to identify specific professional, executive administrative, managerial, technical, and skilled work occupations in which there are demonstrable labor shortages. The number of specific workers to be admitted in each occupation should be designated by the agency. The number of admissions should not be intended to fill all shortages, only to mitigate shortages until domestic education and training systems can respond to those shortages. Individuals who have work experience, educational credentials or certified training in those occupations would apply for consideration and be selected to enter on a point system that rewards needed human capital attributes for those occupations on a first come, first served basis, or computer selection lottery. The present system simply says if you have certain attributes you can be admitted, whether or not there are labor shortages. It makes no sense. It is designed to accommodate the interests of immigrants but not those of citizens or permanent resident aliens.

5. Unused visas for employment based admissions in any one year should not be made available to admit family categories of visas or be carried over to succeeding years. If not used, they should just disappear.
6. In the non-immigrant visa categories that permit foreign nationals to compete directly with citizen and resident alien workers (i.e., E, H, J, K, L, O, and P visas) should all be capped and be limited to no more than two years presence in the U.S. The caps should be regularly adjusted to reflect actual labor market shortages for such worker. The only exception should be for full time students (i.e., F visas) whose presence should continue to be limited to the time it takes them to complete their studies, but whose actual number should continue to be uncapped.
7. To address the issue of visa "overstayers" by non-immigrants (of any category), no person holding a non-immigrant visa should be permitted to apply or to be considered for immigrant admission while in that status. The term non-immigrant should mean exactly what it says.

8. No person who has entered the United States illegally should be permitted to adjust their status while living in the United States nor should they be considered for legal admission until they have returned to their country for at least the equivalent time that they have lived and/or worked illegally in the United States.
9. The imperative to strengthen the employer sanctions system; to adopt a verifiable worker identification system, and to enhance border enforcement are too obvious to require elaboration.

Chart 1 Unemployment rates of persons 25 to 64 years of age by educational attainment, March 1970-93



NOTE: Data for 1970-91 relate to years of school completed; data for 1992 forward reflect degree attained, and thus are not strictly comparable.

SOURCE: Bureau of Labor Statistics, Current Population Survey

Table 1. Percent distribution of the labor force 25 years and over by educational attainment, sex, race, and Hispanic origin, 1993 annual averages

Educational attainment	Total	Men	Women	White	Black	Hispanic origin
Total, 25 years and over (thousands)	107,657	58,904	48,753	92,168	11,477	8,261
Percent	100.0	100.0	100.0	100.0	100.0	100.0
Less than a high school diploma	11.5	13.0	9.6	10.8	16.3	37.9
High school graduates, no college	35.1	33.8	36.7	35.0	39.1	29.2
Less than a bachelor's degree	26.4	24.9	28.2	26.4	28.0	21.3
College graduates	27.0	28.3	25.5	27.8	16.5	11.7

NOTE: Detail for race and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented and Hispanics are included in both the white and black population groups.