

IMMIGRATION TO THE UNITED STATES

HEARINGS BEFORE THE SELECT COMMITTEE ON POPULATION NINETY-FIFTH CONGRESS

SECOND SESSION

APRIL 4, 5, 6, 7, 1978

[No. 5]

Printed for the use of the
Select Committee on Population



U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1978

CONTENTS

WITNESSES

TUESDAY, APRIL 4, 1978

	Page
Opening statement of Mr. Scheuer.....	1
The Honorable B. F. Sisk, a Representative in Congress from the State of California.....	4
Ms. Doris Meissner, Deputy Associate Attorney General, U.S. Department of Justice.....	21
Dr. Charles Keely, Visiting Associate, Center for Policy Studies, Population Council.....	32
Mr. David North, Director, Center for Labor & Migration Studies, New TransCentury Foundation.....	51
Dr. Roy Bryce-Laporte, Director, Research Institute for Immigration and Ethnic Studies, Smithsonian Institution.....	64

WEDNESDAY, APRIL 5, 1978

Opening statement of Mr. Scheuer.....	81
Dr. John Tanton, Vice-President, Zero Population Growth.....	81
Dr. Mary Powers, Department of Sociology, Fordham University.....	88
Dr. Vernon Briggs, Department of Economics, University of Texas, Austin.....	94
Dr. Michael Piore, Department of Economics, Massachusetts Institute of Technology.....	111

THURSDAY, APRIL 6, 1978

Opening statement of Mr. Scheuer.....	135
Mr. Leonel Castillo, Commissioner, U.S. Immigration and Naturalization Service, U.S. Department of Justice, accompanied by Dr. Guillermina Jasso, Special Assistant to the Commissioner, and Mr. David Crosland, General Counsel.....	135
Mr. Daniel Stanton, Associate Director, U.S. General Accounting Office, accompanied by Mr. George Grant, Los Angeles office, General Accounting Office.....	166
Ms. Evelyn Mann, Director of Population Research, Department of City Planning, New York City.....	174
Mr. Burdette Wright, Senior Administrative Analyst, County of Los Angeles, (Washington Office).....	183
Dr. Sheldon Maram, Department of History, California State University, Fullerton.....	190

FRIDAY, APRIL 7, 1978

Opening statement of Mr. Scheuer.....	199
Dr. Milton Morris, Senior Fellow, The Brookings Institution.....	199
Ms. Melanie McClintock, Policy Analyst, Alan Guttmacher Institute.....	211
Dr. Earl Huyck, Social Demographer, Behavioral Sciences Branch, Center for Population Research, National Institute of Child Health and Human Development.....	230
Dr. Guillermina Jasso, Special Assistant to the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice.....	235
Mr. Robert Warren, Demographer, Office of Planning, Evaluation and Budget, U.S. Immigration and Naturalization Service, Department of Justice.....	241
Mr. Jacob Siegel, Senior Statistician for Demographic Research and Analysis, Population Division, U.S. Bureau of the Census.....	246
Dr. Alfred Blumstein, Urban Systems Institute, School of Urban and Public Affairs, Carnegie-Mellon University.....	261

APPENDIX

PREPARED STATEMENTS, AND ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

Tuesday, April 4, 1978

	Page
Hon. B. F. Sisk.....	269
Ms. Doris Meissner.....	297
Dr. Charles B. Keely.....	316
Mr. David North.....	347
Dr. Roy Bryce-Laporte.....	355
Mr. Ivan Timonin.....	379

Wednesday, April 5, 1978

Dr. John Tanton.....	404
Dr. Leobardo F. Estrada.....	421
Dr. Mary Powers.....	438
Dr. Vernon Briggs.....	462
Dr. Michael J. Fiore.....	472

Thursday, April 6, 1978

Mr. Leonel Castillo.....	497
Mr. Daniel Stanton and Mr. George Grant.....	505
Ms. Evelyn Mann.....	554
Mr. Burdette Wright.....	572
Dr. Sheldon Maram.....	584

Friday, April 7, 1978

Dr. Milton D. Morris.....	632
Ms. Melanie J. McClintock.....	647
Dr. Earl E. Huyck.....	654
Dr. Guillermina Jasso.....	687
Mr. Robert Warren.....	704
Mr. Jacob S. Siegel.....	707
Dr. Alfred Blumstein.....	727

**STATEMENT OF DR. VERNON BRIGGS, UNIVERSITY OF TEXAS AT
AUSTIN**

[Prepared Statement in Appendix on p. 462]

Dr. BRIGGS. Thank you. I'd like to make one brief introductory statement that—

Mr. SCHEUER. Please do.

Dr. BRIGGS. Since I am associated with a rather strong position on believing that illegal immigration and immigration is having adverse effects on our labor force, I'd like to be sure that—

Mr. SCHEUER. That came through in your testimony.

Dr. BRIGGS. OK, I want to be sure it is understood in the way of background that my views come from a strong effort and a commitment to try and establish unions for low-wage workers, especially farm workers in south Texas and a deep concern for successful manpower training programs. I have watched manpower programs being converted into income maintenance programs. I have seen situations in which the wages in the local labor market are below nationally set stipends provided by participation in the programs.

This means that there is a negative incentive to go into a training program. If you come out of it, you are going to find yourself working for less than what you were receiving in the program. This means that it is very difficult to demonstrate to young people that there is any payoff or any reward for human capital investments for staying in schools.

We have chronic dropout rates in schools. There is great difficulty showing people any reason why they should stay in schools in terms of any payoff that will come from training and education. Currently, I am evaluating the Youth Employment Demonstration Projects Act of 1977 and its operations in the Southwest, specifically in El Paso, Albuquerque, and Corpus Christi.

I have also recently finished a long study of rural labor markets in the Southwest for the Department of Labor. It's a concern for these—

Mr. SCHEUER. Dr. Briggs, let me say that your deep concern shines forth from your testimony.

Dr. BRIGGS. OK, well, I do not want anyone to say that my views are unconcerned about people in low-wage labor markets.

Mr. SCHEUER. You're a decent and a caring and compassionate human being and believe me, that shows. [Laughter.]

Dr. BRIGGS. All right. Let me just say briefly then, with respect to my testimony, that most of what I want to speak about pertains to illegal immigration. But I also want to say a little about legal immigration. Our legal system manifests a national policy about which we should be very proud. It is very liberal with respect to the number of people we're allowing into this country.

Mr. SCHEUER. You note in your testimony that there are only half a dozen nations in the world which are still accepting substantial numbers of legal immigrants. Which are those, just for my curiosity?

Dr. BRIGGS. Well, from what I can ascertain, it's Israel—

Mr. SCHEUER. I wouldn't think so.

Dr. BRIGGS. Well, all I'm saying is—

Mr. SCHEUER. Except for returning Jews. I think they have fairly tough immigration standards for non-Jews.

Dr. BRIGGS. None of them have as liberal a policy as we do, with respect to impartiality.

Mr. SCHEUER. Which countries, in addition to Israel, are still accepting substantial numbers of legal immigrants?

Dr. BRIGGS. Australia, New Zealand, Canada—

Mr. SCHEUER. Oh, no, no way. I was in Australia and New Zealand last year and they are pretty tough.

Dr. BRIGGS. Well, I'm saying these are only six that I can—

Mr. SCHEUER. Australia, New Zealand, Canada—

Dr. BRIGGS. Well, Argentina has been suggested to me by other panel members, but it was not one that I had in mind. The sixth nation is South Africa.

Mr. SCHEUER. Countries of—

Dr. BRIGGS. Of this nature.

Mr. SCHEUER. Of the South Africa nature?

Dr. BRIGGS. Yes; well, I will let that stand on its own.

Mr. SCHEUER. Yes.

Dr. BRIGGS. But there are very few countries that I've been able to find who are accepting anyone at all. And as you point out even these may have changed. It may be even fewer than six.

Mr. SCHEUER. Yes, I think it's fewer. I think I'm familiar with three of those.

Dr. BRIGGS. OK.

Mr. SCHEUER. Israel considers itself legally the homeland for the Diaspora, for Jews all over the world and they will take anybody who is a Jew.

Dr. BRIGGS. Yes.

Mr. SCHEUER. But for non-Jews there, it is tough.

Dr. BRIGGS. That's what I was saying in terms of—the next line in that testimony was that there are none of these countries that I know of that—

Mr. SCHEUER. That's right. Even fewer admit persons impartially with respect to race and ethnic background. In the past, it's been virtually impossible for a black to get into New Zealand or Australia.

Dr. BRIGGS. That's exactly my point. That even with these other ones who are admitting people, they are generally doing it on a very highly discriminatory basis or a very limited basis. And even in all those countries that are admitting, there is usually a strong labor force need test that's applied.

And no one else is really doing it in terms of family reunification, which is the major characteristic of the American immigration system. So what I'm suggesting is that our legal system is something that I think we should be very proud of as a country, with respect to the numbers of persons as well as the fact that at least since 1965 it is a nondiscriminatory system. Yet, in recent years this same system is in many ways becoming something which is an increasing subject of controversy. I believe, as far as low-wage workers in this country are concerned, it is increasingly becoming a cause of oppression. And it's something that—

Mr. SCHEUER. Oppression not only to the immigrants, but to our own low-income people too.

Dr. BRIGGS. That's right. To the people who are seeking employment in these labor markets. With respect to legal immigration, the data shows that only about six States account for about 75 percent of all legal immigrants and most of those people are found in urban areas of these few States—that—

Mr. SCHEUER. And half of that is in New York and California—

Dr. BRIGGS. That's right and Texas close behind.

Mr. SCHEUER. Between Congressman Beilenson and myself, we represent these two great problem areas and so—

Dr. BRIGGS. Based upon extensive interviews in south Texas with many school officials and public officials, I would say that legal immigration is one of the most serious problems they have because they can clearly see its impact; that is, increased numbers of students to serve and inadequate community services and what have you.

And I think that legal immigration, while I support it wholeheartedly, I do think we need some sort of national policy to help impacted areas like New York, California, Texas, that are disproportionately carrying the lion's share effects of a national policy.

Mr. SCHEUER. New York and California seem to carry a disproportionate share of our own poor, our domestic-born underclass, who have gone to these two States because Congressman Beilenson and I and some of our colleagues are more compassionate, more caring than Congressmen from other States and we have higher benefits.

Our civilizations in New York and California have acted as a magnet to the poor and we're coping with them without the benefit of any assistance from the Federal Government, although it is a national problem. Do I carry your proxy on that statement, Congressman?

Mr. BEILENSEN. As the author of Governor Reagan's Welfare Reform Act of 1971, I'm not sure that I should be included. [Laughter.]

Dr. BRIGGS. Well, I'd say that there are a lot of poor people in the South as well. The South still accounts for about 40 percent of the poor of the nation and I think that we forget that too. But in the South the poor are not very well represented.

Mr. SCHEUER. Yes.

Dr. BRIGGS. Well, let me turn to the other issue. That is illegal immigration, which is the major part of our total immigration.

Mr. SCHEUER. Yes.

Dr. BRIGGS. A lot of people try to raise questions about the numbers. When I talk on this issue in the southwest, this is the first question that comes up all the time. I'm certain and, of course, Ray Marshall has also made it clear, that he doesn't even believe we need any more research on the question of the numbers of illegal aliens.

I would agree with that view. Such inquiries are likely to be fruitless. The number of illegal aliens, by its very nature, is something we're never going to be able to count.

Mr. SCHEUER. We may never count it with mathematical exactitude to the last decimal point, but don't you think we ought to know within 1,000 percent?

Dr. BRIGGS. If you can know—

Mr. SCHEUER. We ought to have some ballpark estimate of the dimension of the problem. The problem may be insignificant or it may be monumental. If we don't know whether we have a million illegal aliens or 12 million illegal aliens, it seems to me, we don't have a sufficient data base to make national policy.

I don't say it's terribly important to know whether we have $11\frac{1}{2}$ or $11\frac{3}{4}$, but we ought to establish some parameters describing the scope of the problem. We ought to know better than some place between 1 million and 12 million.

Dr. BRIGGS. I don't have any objection to what you say. All I'm saying is that to me a lot of people simply say this is a false issue because we don't know the numbers and until we find the numbers, we can't discuss it. My only point is that everybody familiar with this issue that I know of, admits that illegal immigration is an issue. Whether the numbers are 3 million, 6 million, 9 or 12, which have all been cited in the studies that we are familiar with is irrelevant if you concede that the number of persons is large and that it is increasing.

Mr. SCHEUER. The same thing is true with the impacts on the labor market and the impacts on the social welfare system. It's not necessary to know within a fraction of 1 percentage point what the impacts are, but we ought to know whether they're negative impacts or positive impacts.

Dr. BRIGGS. That's right. I have no objection to that. All I'm saying is that I think it's likely to be a fruitless quest to learn the precise numbers.—By its very nature, it is an illegal activity and it's one that we're not going to be able to find out very much about.

People talk about the census figures. The fact is no one knows whether they're counting illegal aliens or not. They don't know. They can't say they're not counting them. How do they know? There is no way to find out. We don't know whether they're being counted in all this data or whether they're not being counted.

Nobody can really ask them. And if you ask them, I'm sure they're not going to admit it. I doubt that they're going to admit it to a census or to any recognized Government official. They may admit it to an interviewer. But my only point is that, as I look at most of the serious social questions in this country, it's sad to say we don't have data on any of them.

Energy is a good example. When I was here in Washington 2 weeks ago, the Federal Energy Administration reduced the estimate of oil off the east coast from 60 billion barrels to 6 in 1 day. Well, that tells me they have no idea what we have in terms of energy supplies.

We know we have an energy problem. The same, I think, can be said with respect to local labor market data. We are all concerned with youth unemployment in this country. But you get into a specific labor market and you have a devil of a time trying to figure out exactly who is unemployed and how many are.

Local labor market data is awful, when you get down to local labor markets. Crime, mental health, health statistics—all these things—we know we have national issues, but the data about all of them is awful. And all I'm saying is we go ahead, we pursue policy, even though we know the data is poor.

And I think the same should be true of our immigration question. Everybody familiar with this issue admits we have an issue and I think we should go ahead regardless of uncertainty about the numbers.

Now as for labor market impact, I'm not one of those economists who believes that economics is a precise, mechanistic type of science. I think there is a lot of human meddling in economics. And I think that what we have here is a good example. You can manipulate the supply of labor.

And in the Southwest that has been the historic way in which the labor market has been kept in surplus. A substantial low wage population exists because of policies that substantially increase the supply of labor by tolerating either illegal immigrants or legal immigrants. In the past, other means such as Braceros, green carders, white carders have also been used to accomplish the same goal.

We've got all kinds of variations of people that come across the border into the local labor markets.

Mr. SCHEUER. In his written testimony, Dr. Piore gave some almost ludicrous examples of how the Immigration and Naturalization Service fine-tunes its enforcement policies to manipulate this labor market.

For example, he mentioned that they'll have a big crackdown of illegal aliens in restaurants and hotels in the spring when the kids are about to finish school and are looking for summer jobs. So they clean out all the illegal aliens and make space for the kids to take summer jobs.

There's a seasonal aspect to enforcement to accommodate kids who are looking for summer employment. Then, there is a cyclical aspect to it. In other words, when employment is full, they sort of turn the other cheek, or look the other way.

When there's a letdown in the economy and jobs are tight, then they'll have a crackdown to make way for jobs for Americans. Dr. Piore, am I paraphrasing you with reasonable accuracy?

Dr. PIORE. Exactly.

Mr. SCHEUER. I think you could fairly well call that a manipulation of enforcement to achieve what you would consider desirable goals from the point of view of our own unemployed, and especially our own youth. But, it certainly is manipulation.

Dr. BRIGGS. Yes.

Mr. SCHEUER. Please, proceed.

Dr. BRIGGS. In talking about who is adversely affected, I have tried in my paper to identify what I think are really the three issues. Namely, there are some people who are exploited clearly.

And these are people who do work for below minimum wages. In many cases, people are smuggled in who become indebted to the smugglers for the cost of credentials. These are terrible types of exploitation. And I think that there is no citizen worker who can at all compete nor should they have to compete with people in that type of labor market situation.

But I would say that's still no reason not to act. That's all the more reason to act on this question. Let us not worry about the displacement effect, but simply say there is exploitation in our society. If we

had an employer who wanted to pay below the Federal minimum wage, we'd act strongly against him, hopefully. And I would say here that—this ought to be a grounds for acting and not an excuse for saying: "Well, they're not displacing American workers. Let's let it go on." Now that to me is no excuse.

I do think that the major impact is in the low wage labor market that pays at or above the Federal minimum wage. For the life of me, I cannot understand why Professor Piore and I disagree so much on policy in this low wage labor market, because I admire his general analysis of low wage labor market workers very much.

But I suppose we probably will disagree today.

The impact of illegal aliens is still much more likely to be concentrated in certain cities and in certain areas of our country. Their very presence explains why wages remain low so long in some of these industries. By their very presence, they make valid the argument that many employers say they can't find citizen workers to do the work anymore. It is a self-fulfilling prophecy.

As long as you allow more of the illegal aliens into these labor markets, it is for certain that citizen workers are not going to be able to compete with them. They will either have to move on or move out of the labor force or onto welfare or onto Unemployment Compensation or something on this line.

I've never felt that illegal aliens come here to get on welfare or to take advantage of our social systems.

Mr. SCHEUER. There doesn't seem to be any evidence——

Dr. BRIGGS. That's right. There's none of it. And I've never even understood why people even raise that question. The real question in my mind is why the people who write these articles on their impact on welfare, then try and dismiss the issue, don't address the real issue—namely, how many U.S. citizens may be forced out of the labor market or are on Unemployment Compensation or welfare because of the presence of illegal aliens with whom they cannot actively compete?

Mr. SCHEUER. Would you describe why they can't actively compete?

Dr. BRIGGS. Well, citizen workers, and I think rightly so, feel they have rights and entitlements in this country. No citizen can compete with someone who doesn't feel he has any rights or entitlements and is——

Mr. SCHEUER. In other words, it's not just the dollars for which they're willing to work. It's their docility, their supine acquiescence to every conceivable kind of mistreatment. The native born Americans just won't put up with that.

Dr. BRIGGS. That's right. Well, in many cases that's right.

Mr. SCHEUER. The employers know they're not going to complain; they know they're not going to organize; they know they're not going to demonstrate; they know they're not going to report them to any Government agency. It's in that area that the domestic workers can't compete, I take it.

Dr. BRIGGS. That's right. And it's also in many cases because the dollar difference is real. That is, compared to the wages they received in their own country, these wages look good to an illegal alien. They don't feel exploited in that sense.

Mr. SCHEUER. The conditions at work may be a great deal better, even though they're very substandard from our perspective.

Dr. BRIGGS. That's right. Many nonunion firms in Texas—and throughout the Southwest—use illegal aliens specifically for that purpose. They don't really exploit them in terms of paying substandard wages. There are, of course, some exploitive employers who will work people below minimum wages.

But many will pay good wage rates. The main reason they want to use these people is because they cannot be unionized. They will not join unions. There's not going to be any way to get unionization in the south Texas as long as willing strikebreakers are available.

I was very sad last year when the Texas Farm Workers marched all the way to Washington. They came here as part of a cause I support very strongly—unions for farmworkers. But at the same time they were arguing their own case—the Texas Farm Workers are not the United Farm Workers; it's a breakoff from them—they were also trying to organize illegal aliens. But by including illegal aliens in their membership, they are encouraging people to continue the very practice that makes it impossible to raise an effective union. By encouraging illegal aliens to join their membership, they make it more difficult to ever unionize. They make it impossible to fulfill their goal. Well, my point is that anybody concerned with low wage labor markets and poor people in this country should include the immigration system as part of the need for policy reform.

Mr. SCHEUER. Right.

Dr. BRIGGS. In my estimation, immigration is not the sole cause, but is a factor in perpetuating low wage labor markets. In my view, it's the constant increase in supply of illegal aliens into the low wage labor market that keeps it suppressed and depressed.

And I suggest in my testimony that if these people coming across were doctors, lawyers, college professors, and business executives, this issue would be stopped. And I think the evidence is, if I'm not mistaken, the Health Professions Act of 1976, which has now made it very difficult for doctors to come in legally into the United States.

They saw what was perceived as being unfair competition from the legal system and have secured legislation to see to it that doctors can't get into this country anymore, legally. And I would dare say that it's because these are blue-collar and service occupations that make the greatest use of these illegal aliens that we're willing to tolerate as long as we are, this farcical system that we now have in our immigration system.

The whole issue to me is should we have an immigration policy that's enforceable? We don't have one now. Our legal system is a very humane policy, but it's actually unenforceable in a sense that everybody is running around the system.

The system we have on paper is not the way most people come into the system. And we ought to have an enforceable policy. What we have now is a script for a Keystone Cops comedy. If it wasn't for the human tragedy involved in it, one would laugh at any system that does not put any penalty on employers for hiring them and doesn't put any penalties on the people who come and take the jobs. They are given voluntary departures back. An INS that has virtually no manpower and virtually very little hardware in many ways—I

think Mr. Castillo stated when he first came up here that there was only one helicopter to patrol the border along California and he said, "You know we had 14 in Houston for traffic control." INS only had one. Perhaps that's been changed now. But its budget is miniscule, given its assigned tasks. I say it's a script for a comedy, if it wasn't for the human tragedy that's involved in this whole thing.

So I think that again if these were white-collar workers, we wouldn't be here today because they would not be coming in. This issue would've been stopped long ago. Penalties and sanctions would have been invoked. But because they are disproportionately blue-collar and service workers who are feeling the brunt and bearing the brunt of this, we're willing to tolerate it and let it go on.

And I must say just for the record what is already in this testimony. I am appalled at the INS policy that Mike has talked about quite a bit; namely, the INS practice of concentrating more on the better jobs. In fact, I read Mr. Castillo's testimony in U.S. News and World Report on the airplane a week or so ago in which he said, "Our effort now is to concentrate on the better jobs because that's where the direct displacement is likely to be the most real."

What he really is saying is that we will crack down where the Americans wearing white collars or in unions are going to scream the most. And so as usual, our Government seeks to protect the people who need the protection the least and leaves the people who need to be helped the most out there to compete in a low wage labor market that's essentially wide open.

I mean why should restaurant workers and maids and laborers and motel workers—why should they have to compete with a market that's essentially wide open to the supply of alien labor to enter? It's just wrong. The emphasis of the INS ought to be on the low wage labor markets.

And I know that's not popular politically but I believe that it's an issue of what is right and wrong. I think the Government ought to help the people who need the help the most. I think it is the workers in the low wage labor market who are least able to articulate their views and who are bearing the brunt of this impact of illegal immigration.

Well, just a last thing I want to say in terms of long-run consequences. I think this is the real issue. Specifically, we are establishing a subclass in this society. And in my estimation that subclass is a real time bomb. Illegal aliens are denied the political right to vote. They are denied legal protections. Technically they have it. In fact, they don't. We're excluding them from almost every form of social systems that we have developed in this country—Supplemental Security Income, Medicaid, Aid for Dependent Children. I'm shocked—in my own state, children of illegal aliens are now charged public school tuition, which effectively means they cannot go to school. Even though I happen to support restrictive border policies, I am violently opposed to the idea of taking it out on children. In other words, tolerating workers who come here to work, but then punishing their children. I think that's just criminal.

Mr. SCHEUER. I'm not sure that we're punishing their children as much as we're punishing ourselves. I just can't think of a more counterproductive social policy than raising a whole generation of

educationless, skill-less, illiterate kids. Looking at it very selfishly from the point of view of our society, the kind of problems we're creating for ourselves a decade or two hence, when we've raised these kids without education, without skills, without the sort of acculturation effect of the schools, will seem insurmountable.

Excluding kids from our educational system, to my mind, is barbaric; but looking at it from a very cold, hard-nosed point of view of national self-interest, it's also an exercise in utter disaster.

Dr. BRIGGS. I agree 100 percent and I say I'm shocked at what my own State is doing and I—

Mr. SCHEUER. As a matter of fact, Dr. Piore hits this point even harder than you do. You refer to it in one sentence in your testimony some place, but he hits this on page after page after page. In terms of the adverse effects on our society, it may be that this generation of illegal immigrants, coming from an agricultural environment, may be willing to accept the hardship, the second-class status, the poor working conditions, the mistreatment, because they perceive of themselves as here only temporarily.

They're not interested in security. They're not interested in upward mobility. They're interested in aggregating a little capital and going back home; but their kids consider themselves as part of an industrial society. They're interested in security. They're interested in upward mobility.

Dr. Piore carries this thought further to illustrate that our inability to fulfill expectations for these kids a generation hence is going to create social dynamite. In your written testimony, you say:

The adults may be grateful for the opportunities provided them, but it is certain that their children will not be and they should not be.

Dr. BRIGGS. That's right.

Mr. SCHEUER. Your solution to this, I take it, is to eliminate to the maximum extent possible illegal immigration. I take it you would do it at the border?

Dr. BRIGGS. Well, I would strongly support adding deterrent policies, but I also suggest in here a much broader thing.

Mr. SCHEUER. You do. You talk about enlightened foreign aid policy and development—

Dr. BRIGGS. That's right. And tariff things especially, which is not part of the administration's package. I would support everything the administration puts up, but I don't think it goes far enough. And I think because they do not address the identification question in their package, I think, if it should be enacted, it's going to be almost meaningless unless you address the identification question.

Mr. SCHEUER. Right. You talk about increased economic aid, special tariff concessions, technical aid and information on population control. I think those are items that this committee has already determined it's going to pursue very vigorously.

What would you do to actually cut off the flow of illegal immigration? I take it you would have some kind of obligation on the employer—

Dr. BRIGGS. Absolutely.

Mr. SCHEUER. And that would decrease the pull. What would you do about interception at the borders?

Dr. BRIGGS. Well, I think that deterrence has to be a part of the policy. I don't think that all of it's going to be—but there is no single answer to this.

Mr. SCHEUER. Yes.

Dr. BRIGGS. It's a multitude of policies that are needed. And I think that you've got to put deterrents on the employers. Make that an illegal act. Although I'll admit, I think it'll be totally ineffective. But it's necessary to set the moral tone.

But I don't think—for example, I've testified in favor of such an act in the State legislature level in Texas. And one of the reasons I hope we have Federal legislation is so we don't get 50 different State laws. But California already has one. Texas did not vote for it, but I—

Mr. SCHEUER. Why do you think it would be ineffectual?

Dr. BRIGGS. Well, I got an interesting reply from a State legislator in Texas, who, after I finished my testimony, said, "Son"—he was older than I was and I knew I was in for a disciplining—he said, "Look, I've been district attorney in Fort Worth for many years."

And he said:

Do you think that any district attorney who has to deal with rapists and murderers and assault and all the rest of this thing is going to prosecute an employer for providing jobs? Not a chance in the world. And do you think that any jury in Texas is going to prosecute an employer for the crime of providing jobs for anybody? Not a chance in the world.

So he decided he was against it. I agree. I think it'll not be very effective in impact. But I'll say this—it'll set the moral tone. I think the Civil Rights Act, which I strongly supported—I don't think it has made it very much easier to prove individual acts of discrimination.

Mr. SCHEUER. Yes.

Dr. BRIGGS. But it has set a moral tone. It has set the stage so we know who's doing what's good and who's doing what's bad. Right now no employer is doing anything wrong. They have nothing to be ashamed of. They're not doing anything wrong.

They're hiring the people. It's quite legal. Of course, it used to be quite legal and right to keep a black at the back of the bus. That was the law. And I think that the law was wrong then and I think this law now or the absence of a law here is wrong. We need to put the moral weight of the State on this issue.

But, in effect, I think it'll have no impact. And this is why I disagree with my Chicano friends who are very worried it'll have a significant impact. I tend to minimize it. They're quite fearful of this thing and certainly I can understand some of their fears.

On the other hand, I don't think until you make that moral statement you can do anything else. You've got to make the issue either morally right or wrong in some sense before you act in order to justify doing anything. And then I would go on, I think, with a voluntary departure system I think has got to be greatly reduced.

Mr. SCHEUER. Voluntary what?

Dr. BRIGGS. The voluntary departure system. There's no reason not to come over now—no reason whatsoever. Because if you get caught, all you're going to do is get a free trip home. And I think that has got to be changed.

I don't like to say that, but I must say that when I weigh out all the alternatives of continued illegal immigration on a lot of other people's lives, I think perhaps some of these things are not—in a relative sense—not quite as abusive as continuing to let this thing go on.

And I think you've got to increase the Immigration and Naturalization Service's manpower and their budgets and perhaps even their mandate.

Mr. SCHEUER. You as a liberal, a person who really feels this issue cutting right to the bone and feels almost emotional about it, you would approve a determined effort to tighten up the border?

Dr. BRIGGS. Absolutely. Absolutely. And, of course, this is one of these issues in which it splits liberals. It even splits conservatives. I know conservatives who are split on this issue too. It has split the Chicano community. In some sense even, it splits everybody.

Because immigration really is what this country is all about in a sense; it obviously goes to the roots of a lot of people.

Mr. SCHEUER. And we're saying close the door now.

Dr. BRIGGS. Well, we're not closing it. I think as long as we keep our 400,000 legal immigrants a year—maybe even increasing it—no one can say we are closing the door. I would increase the number coming from Mexico, by the way. I think the recent law setting Mexican quotas at 20,000, making them equal with everybody else, is just unrealistic.

Mr. SCHEUER. I do, too.

Dr. BRIGGS. I think it ought to be at least 50,000 or maybe more.

Mr. SCHEUER. Or 100,000. Yes.

Dr. BRIGGS. But at least they would get into the legal labor market. I think that setting it at 20,000 was a terrible mistake. It just encourages the illegal route. And I think that given the patterns that we've built up and the pressures from Mexico, we can, I think, absorb 50,000 legal immigrants a year.

What we cannot continue to absorb is an uncontrolled supply of illegal immigrants.

Mr. SCHEUER. Congressman Beilenson?

Mr. BEILENSEN. Thank you, Mr. Chairman. Actually in the last few minutes you just pursued all of the questions which I was going to ask. I am taken and I agree with the statement Dr. Briggs makes toward the end: "Much of our present problem stems from the fact that our current immigration laws are essentially unenforceable."

But again I'm not so sure where that takes us. You go on to say that there are no penalties placed against employers for hiring illegal aliens, but you've just told us that perhaps that might not be terribly enforceable either. Unless you were just speaking in terms of a local law rather than—

Dr. BRIGGS. No, I still think it's necessary, because it sets the moral tone. But I think that until you do that, you can't do anything else. I mean, if you allow people to be employed and not put any sanctions on it, I think you're going to find yourself in a—

Mr. BEILENSEN. Well, from the beginning I've been bothered by other things beyond the specifics by the same thing you have; that our existing law is a farce. It's not enforceable and I just don't like

us to have any law on the books which can't be and isn't being enforced and everybody knows is that kind of law.

But that leaves us hanging really. I'm not at all sure just what kind of a—or whether we possibly can't have an effective immigration law. I mean it may just be an impossible problem.

Dr. BRIGGS. Well, I think it's an important part of it. Again I'm not saying that it would be totally impossible. The people that I've talked with—some people have suggested to me that maybe selective enforcement—that picking on a few cases may—and actually trying to push hard on a few cases may set a pattern for others to follow.

And in other words, it will give voluntary compliance. I'm willing to believe there are some district attorneys who might fight a couple of these cases or push them. And there may be some jury somewhere who might be willing to test it.

Mr. SCHEUER. If it's a Federal law, it won't require action by a local district attorney. It would require action by the U.S. attorney, and then that's national policy.

Mr. BEILENSEN. It would require a local jury, wouldn't it?

Mr. SCHEUER. It would require a local jury. Yes. But I'm not as pessimistic as you are—

Dr. BRIGGS. Well, I'm just repeating what he told me.

Mr. SCHEUER. I think if we describe it as a matter of national policy and send employers a clear message that we expect them to obey the law—assuming the law is passed—I think corporations would begin to behave differently after a couple of prosecutions.

That's the way it's been on corporate bribery and on various consumer and antitrust matters.

Dr. BRIGGS. And civil rights.

Mr. SCHEUER. The first couple of guys get hit hard and their corporations are embarrassed and a few chief executive officers are fired. After that the word gets around that they have to change their life style. And Federal grand juries have gone in where local grand juries have been reluctant to act.

In cases of murders of civil rights activists, a local jury wouldn't convict for murder, but a Federal grand jury was convened for deprivation of civil rights and they got a conviction. I'm not saying it's going to be a perfect instrument, but I don't think it's going to be quite the exercise in futility that you seem to think.

I agree with you that as a statement of national purpose it's very important.

Mr. BEILENSEN. I agree too and if we can—if we can empanel on those local juries some local unemployed, unskilled workers, we'll get some convictions.

Mr. SCHEUER. Yes; you bet.

Mr. BEILENSEN. Yes; you bet.

Mr. SCHEUER. And local taxpayers. The corporations, by hiring illegal immigrants, are depriving native born Americans of jobs—Americans, who therefore may be on unemployment insurance or welfare that they wouldn't be on otherwise. You're hitting some pretty sensitive nerves there.

Dr. BRIGGS. Yes. I've finished all of my—

Mr. SCHEUER. OK. That was very thoughtful and stimulating testimony. What do you perceive to be the impact of the 70,000

permanent resident aliens who actually live in Mexico but cross the border to work every day—these green card commuters that we've heard about?

Dr. BRIGGS. I think that the green carder issue along the border is perhaps even more important than illegal aliens on that strip right along the border. In fact when I mentioned earlier about the impact of illegal aliens and farm unionization, what I saw down there firsthand were buses picking up green carders right at the border and taking them right into the fields.

And there was nothing we could do to stop it. But I also worked this last year on a bilingual vocational education project and had occasion to tour the whole border from one end to the other, talking to junior college officials. And in doing background study on this labor market, the border—just that strip—the 25 counties along that border—there are about—in 1970 there were 900,000 people employed.

Now the estimate today may be as high as 100,000 green carders that actually do come across the border each day to work in that border labor market. That is significant. That means out of 900,000 or 1 million people, at least one-tenth of them are border crossers.

And in economics in a local labor market that's a significant number. And they too are concentrated in certain occupations—heavily in the textile industry, light manufacturing, construction, the retailing, the service industries again.

And they make it very difficult in those local labor markets for wages to ever get above the Federal minimum wage. In fact—

Mr. SCHEUER. I think many of the remarks you're making now apply not just to border areas, but to New York City and Los Angeles. You mention in your testimony that 14 out of these 80 areas of highest unemployment are in the four States bordering Mexico. I think it's significant that 64 of them are not border areas.

Dr. BRIGGS. Yes; I would say that you can carry that analysis into New York with no question. Most of what is said here would apply. But I think with New York and some of these other cities like Chicago, the labor market is so complex—that is, there are so many other factors involved too—that is, the internal migration that you mentioned earlier and migration from the South to the North that have burdened your labor markets—that on the border you can see more clearly the exact impact.

You can isolate more clearly the impact that an essentially open border policy has.

Mr. SCHEUER. Yes.

Dr. BRIGGS. That's my only point.

Mr. SCHEUER. You also stated in your testimony that the jobs that pay only the minimum wage now would attract native born Americans if the supply of illegal immigrants willing to take very low wage jobs were not readily available.

How much would these wage rates have to go above the minimum wage in order to be attractive to native born Americans?

Dr. BRIGGS. I'm not even sure I follow your question now. I think that there are a lot of native born citizens who are getting—

Mr. SCHEUER. At the minimum wage.

Dr. BRIGGS. They're working at Federal minimum wage right now.

Mr. SCHEUER. Yes.

Dr. BRIGGS. And in fact, in south Texas the minimum wage is almost the prevailing wage across an immense array of occupations.

Mr. SCHEUER. Yes.

Dr. BRIGGS. And I would dare say that for youth it is especially the case that the minimum wage is a very prominent part of the youth labor market. And if we're really concerned about teenage unemployment, I think one of the many factors giving us these chronic high unemployment rates in certain labor markets, like New York City, Los Angeles, San Antonio, is the illegal aliens who compete directly for those entry level jobs.

A lot of youth don't want to stay in those jobs. But they want to get work experience and some income and support part-time jobs and this type of thing. And those are exactly the thing they cannot find when illegal aliens are in those labor markets, because those are the jobs that they disproportionately go to.

And I would say that illegal immigration has a serious impact on youth problems. I'm doing an extensive study in El Paso right now and that's clearly the case there with their high youth unemployment problems. Illegal aliens are in those jobs that in many other areas youth would be attracted to. And we're talking about double digit unemployment.

Mr. SCHEUER. Yes. Dr. Piore makes the point that we've always had a low wage sector in our economy and that some group on the bottom of the economic totem pole has always inhabited that as sort of its first step up the ladder, at least its beginning point in employment.

What you're saying is:

Yes, that's true, but at the present time it's not true for legal immigrants or for native born Americans. It isn't providing the opportunity that the low wage sector has provided historically. It's being, to a significant extent, preempted by the illegal immigrants and, therefore, young people, especially young native born Americans and legal aliens, are not getting the benefits or the springboard effect that this low wage sector has always provided.

Dr. BRIGGS. That's true. And also the fact that there are still, despite the fact that many people have moved up the ladder, there are still a lot of U.S. citizens who are—even adults and blacks, Anglos, Chicanos, Puerto Ricans—who would work in that low wage labor market and are hard at work this very hour.

I mean that part of the reason that they are still in low wage occupations, I would argue, is that the supply of illegal aliens keeps those wages from really responding to what would otherwise be perhaps market forces that would be driving up the wage rates for garbage collectors and street maintenance people and maids and things of this line.

What keeps them down is the fact that there's a supply of illegal aliens that can keep that labor market in surplus.

Mr. SCHEUER. I enjoyed your testimony at 2 o'clock last night and I've enjoyed hearing you personally very, very much indeed. Thank you very much.

Dr. BRIGGS. Thank you.

ADDITIONAL QUESTIONS ASKED OF DR. BRIGGS BY THE CHAIRMAN

Question 1. In your oral testimony, you stated that illegal Mexican aliens are directly competing against young workers in the El Paso labor market, and are landing entry-level jobs at the minimum wage. You suggested that such jobs would otherwise be taken by these young workers.

Could you tell us more about this study and your findings?

Answer 1. The study which I mentioned is still in progress. It is not addressed specifically at any aspect of the impact of illegal immigration. The study is a series of case studies of the operation of the Youth Employment and Demonstration Projects Act of 1977. It is being conducted for the National Council on Employment Policy under a contract from the U.S. Department of Labor.

One of the cities that I am studying is El Paso. Here is a city in which the official unemployment rate was 12 percent in 1977. It is persistently at double digit levels. The youth rate is believed to be several times this figure. It is a city of massive poverty. A 1978 study revealed that 45 percent of the students in the El Paso Independent School District were from economically disadvantaged families as officially defined. These figures, of course, only reflect the data for those still in school. The total youth picture, therefore, is even more bleak. El Paso is a booming and growing community yet the labor market has all of the symptoms of a depressed area of Appalachia. Much of the growth of the community is based upon low wages and a weak union movement.

In this situation it is small wonder that the chances for youth to find part-time jobs or to find entry level jobs is very restricted. In my interviews, a number of officials responsible for the development of job sites for youth, report that there are many illegal aliens at work in precisely the types of jobs that often provide work experience for youth in other communities. The saving grace of the federal manpower programs is that they provide money to create jobs. Without these funds there would be even fewer opportunities for youth. All of the problems of the El Paso labor market cannot be blamed on illegal aliens but they certainly are part of the problem.

There are a number of instances in the El Paso study where youth in the federal programs (who receive the federal minimum wage of \$2.65 an hour) are paid more than adults who work for the same public agencies (who are not required to receive federal wage). This makes for a very unhealthy situation, but the public agencies are able to secure workers for these low wages because the whole labor market is so depressed. The presence of illegal aliens, "green carders", and "white carders" have all contributed to this labor surplus. The future holds an even more dismal prospect since El Paso is one of the major entry points of illegal aliens.

Question 2. Dr. Piore suggested in his testimony that any attempt to increase the wages paid in the secondary labor market, indirectly, by restricting the supply of illegal aliens will fail. He argued that we should instead deal with the issue directly, by raising the minimum wage and enforcing present health and safety legislation.

Why do you think the former approach is preferable to the latter?

Answer 2. I honestly do not understand Dr. Piore's views on this matter. I certainly support the full enforcement of social legislation—minimum wage laws, health and safety laws, and provisions protecting the right of workers to unionize. It seems to me that this is an entirely different question for the topic of illegal immigration. These laws should be enforced regardless of whether or not there are illegal aliens in the labor market.

But it seems to me that he misses the entire point by playing down the role of additional policies needed to deter illegal immigration. By this I mean that he seems to be unaware of how laws are enforced. In the case of minimum wages, the enforcement of the statutes depends upon people who are willing to file complaints. If there is no complaint, there is no charge. Short of a full-fledged police state, there is no way the Wage and Hour Division of the U.S. Department of Labor can enforce the minimum wage laws if people who are not receiving the proper wage do not file charges. But it is the distinctive characteristic of illegal aliens that they usually will not file charges. Many of them do not know what the prevailing laws are. Many of them are grateful for whatever wage they receive because they know it is for more than what they would receive in their native land. And, most importantly, even if they do know that they are receiving sub-standard wages, they are not willing to risk

exposure of their covert presence in this country by filing charges with a government agency. The same can be said about the enforcement of health and safety provisions.

The point should be obvious. It is precisely because illegal aliens are in low wage labor markets that enforcement of abuses of existing laws cannot take place. Illegal aliens will be hired in place of citizen workers if aliens can be found.

Likewise, with respect to efforts to unionize, the National Labor Relations Act does not guarantee any group of workers, that they will have a union. It simply says that you can have one if you can get it. To get a union, you must win an election. If certified as a union and you have a strike, the employer is still able to operate his facility if he can find workers willing to cross a picket line. Moreover, after a year, striking employees who are permanently replaced by an employer lose the right to vote in any de-certification election that might be called. All of these conditions explain why many employers consider illegal aliens to be preferred workers. They are unlikely to avow any interest in joining a union. If strikes do occur, they are often willing to be strikebreakers. In Mexico, for example, when a strike occurs, an enterprise must shut down. There is no option of continuing work if strikebreakers can be found. Hence, many Mexican aliens in the country do not understand the fact that a company can be struck but still continue to operate. This often happens in agricultural strikes. Hence, they are glad to go to work and they often do not even see themselves as being strikebreakers. Thus, to talk about downplaying deterrent measures to control entry of illegal aliens but, instead, rely upon enhanced enforcement of the NLRA is simply unrealistic to put it mildly.

Question 3. What would happen to wages and prices in the U.S. if illegal immigration were halted tomorrow?

Given the current high rates of inflation, wouldn't the halt in illegal immigration only serve to further increase the inflationary spiral?

Might this inflationary effect reduce the demand for the products and services produced by this labor, resulting in the unemployment of American citizens and legal immigrants?

Answer 3. There are so many influences that affect wages and prices that it is impossible to say with precision what changes a halt to illegal immigration might have. My impression, nonetheless, is that it would have little or no adverse effects. By common agreement, most researchers have found that most aliens are in low wage jobs. The alternative supplies of citizen workers are composed of groups who have some of the highest unemployment rates in the nation (youths, minority groups, etc.). With a surplus of alternative workers, it is hard to see how any increased demand would trigger any inflationary wage pressures.

The experience of the past year with the public service employment program (Title VI of CETA) as well as the programs created under amended Title III of CETA (i.e., the Youth Employment and Demonstration Projects Act of 1977) show that there exists a great demand by citizen workers for jobs—even though most pay the existing Federal minimum wage. I think that most unemployed persons in this country want to work if they are given the opportunity.

I would hope that there is no one who believes that in those cases in which aliens are paid below the minimum wage that those practices should be tolerated in the name of anti-inflation goals. If it is politically decided that certain wages should be paid for all citizen workers, the same should apply to alien workers. No one would tolerate a situation in which one employer is required to pay the minimum wage and another is not. That would be unfair competition. But that is exactly the situation that exists when some employers exploit illegal aliens by paying below minimum wages (or in some cases not paying any wage but turning in aliens shortly before pay day).

The only way that a curtailment of illegal immigration might force wages and prices to increase is the situation in which shortages occur in certain occupations. But why all the concern if wages begin to increase in low wage labor markets? Why should low wage workers be subjected to vigorous wage competition when high wage workers are not? I hope no one is saying that the perpetuation of low wages for some workers is a good thing. The current legal immigration system protects high wage workers from immigrant competition. The best example is the provision of the Health Professions Act of 1976 which limits the immigration of doctors to the United States. Certainly no one would argue that doctors' fees are too low.

With low wage workers, it is illegal immigration that is in some cases the source of their additional job competitors. It is not the legal system. Accordingly, it is this failure to create an enforceable policy that is the root of their problem.

But even if one grants the premise of the question that wages will go up if illegal immigration is stopped, it is very doubtful that any increases would be substantial. In agriculture, for instance, direct farm labor costs are only a small fraction of the final price of the product. Estimates of most crops that are still hand-picked are that the farm labor costs are no more than one penny or a penny and a half of final consumer prices. Wages of farm workers could double or triple without adding more than a couple of pennies to the final costs of most farm products. The irony of the present situation is that the people who really do all the hard work of working long hours out-of-doors picking most crops receive only the federal minimum wage (or less) but those who transport and who work in the stores receive two to three times higher wages for doing a lot less work. The war on inflation should be fought out in the high wage and high salary occupations. If low wages begin to disappear as a result of a stop to illegal immigration, it would be the result of supply and demand forces and I would see it as a social blessing.

Also if one considers all of the long run costs, I would say that it is going to be far more costly to follow the present course than it would be to stop illegal immigration, even if a few wages and prices go up as a result.

Question 4. Some experts argue that the overwhelming majority of illegal Mexican aliens are males who migrate to the United States to work for about six months out of the year, and return regularly to their families in Mexico.

Do you think this is an accurate assessment?

If not, do you think that significant numbers of Mexican illegal aliens are bringing or establishing families in the United States, and are becoming de facto permanent residents?

Answer 4. I do not think that characteristic profile of illegal aliens as being single, young males is correct. These profiles are usually based on either the Samora or the North and Houston studies and are based entirely upon apprehended aliens. There is no available profile on unapprehended aliens. I have had several chances to meet and discuss this very question with illegal aliens in specially arranged meetings. These people disagree strongly with this profile. They say the young single males have less to lose if caught and that they are more careless. The older aliens with their families have learned to stay away from the cafes and bars on the weekends where fights often break out. They have learned to stay away from bus stations and train depots where the INS agents are likely to be. The aliens here with their families know they have much more to lose if they are caught and they act accordingly.

I also feel the number of females is larger than prevailing conventional wisdom holds. It is known that INS officers are often hesitant to arrest female aliens for fear of charges of molestation. Also, if any attention was ever paid to the number of "tourists" who actually use their I-186 cards (i.e., white carders) to work in border communities illegally, I know the number of females would be greatly enlarged.

Question 5. It has been suggested that the United States should legalize the illegal alien flow from Mexico by permitting large numbers of Mexican citizens to work six months out of every year in the United States, wherever and for whomever they wanted, as long as they returned to Mexico.

Would you support such a policy?

What do you think its impact would be on the American labor market?

Answer 5. Any proposal to revive the Bracero Program or anything similar to it would be very ill-advised. I would strongly oppose such a move. In fact, my greatest fear is that policymakers will adopt such a move as an expedient solution. By doing so, they would give legitimacy to what is happening and it would avoid the controversies incumbent upon the adoption of an effective set of policies. The proposal offers the attractiveness of a short run solution but its dangers are its long run consequences.

The forerunner policy—the Bracero Program—was enacted in 1942 as a temporary program. It took over twenty years to end it (1964) but its long run consequences are still with us. Namely, it is no accident that the illegal alien problem emerged as the Bracero Program ended. Most Braceros in 1964 continued to come to the U.S. in subsequent years as illegal aliens. The Bracero Program

exposed hundreds of thousands of Mexican workers to the higher wages and broader array of job opportunities available in the United States. They spread the word when they returned home which has encouraged many more to come each year subsequently. Any thought that the number of persons desiring to enter the United States could be controlled by some arbitrary number allowed to enter is an exercise in self-delusion. Those not included will still come.

Also, of course, there is the issue as to what are these people going to do. Does anyone think that a program of the size required to handle the number of interested people could not have an impact on the domestic labor market? The Bracero Program forced hundreds of thousands of Chicanos who lived in the rural Southwest into the urban areas. In most cases, these citizens were totally unprepared for urban jobs. The Southwest is still paying the price of the Bracero Programs. The effect of the Bracero Program was to remove the agricultural sector of the Southwest from competition with the non-agricultural sector. By depressing wages in the agricultural sector from what they would have been in the absence of the Bracero Program, citizen workers were forced to move to other occupations and, often, other areas.

Any proposal to renew a Bracero Program needs to be very specific about which citizen workers are going to be condemned to poverty and unemployment by their own government's actions. There is not a single low wage occupation in the United States that is not dominated by citizen workers. There is no single occupation that belongs only to illegal aliens. Rather than provide opportunities for wages to increase as shortages begin to develop in low wage labor markets, this proposal would say to those affected citizens that they must forever remain in a deprived status. For if their wages begin to go up, the government will open the flood gates of foreign workers to drive your wages back down.

If anyone would propose a Bracero Program that only allowed doctors and lawyers to enter this country, there would be holy hell to pay. But because these new Braceros are likely to be unskilled workers, it is the unskilled workers of our own society who could be adversely affected. They are often voiceless and, in most cases, they probably would never know why their continued work brings such a low return.

There is absolutely no way that anyone can demonstrate that the renewal of a Bracero Program would be of benefit to citizen workers.

Mr. SCHEUER. We'll hear now from Professor Michael J. Piore, Professor of Economics, Massachusetts Institute of Technology. We're happy to have you here, Professor.

STATEMENT OF DR. MICHAEL J. PIORE, PROFESSOR OF ECONOMICS, MASSACHUSETTS INSTITUTE OF TECHNOLOGY

[Prepared Statement in Appendix on p. 472]

Dr. PIORE. Thank you, sir. I'm glad to be here. I guess what I'll try and do maybe is to see if I can get my hands on what the difference is between my view of this problem and Dr. Briggs'. I hope it's not in terms of the degree of sympathy which we feel for underprivileged and disadvantaged—

Mr. SCHEUER. Let me just interrupt a moment. Both of you come out as being really not just cool, scholarly types operating in your ivory tower, but people who are out there in the field who really feel deeply about essential equities, human problems, and human needs.

It's really of striking interest to me that both of you, being really involved as human beings, and coming up with much the same analysis of the situation, come out on totally opposite ends of the spectrum as to what should be done about it.

Don't go to any great lengths to prove that you really care. It really comes out. Anyone who has read your testimony, even at 2:30 in the morning, couldn't help but come away with the feeling

Labor Market Implications of Prevailing Immigration
Policies and Practices

Vernon M. Briggs, Jr.*

No subject more fundamentally touches the essence of the American experience than the topic of immigration. An ethnically heterogeneous population in quest of a homogeneous national identity has been the history of the United States. In its evolving and often controversial role, immigration policy has served as a foundation stone for numerous components of public policy. It has been instrumentally involved in such diverse areas of public concern as human resource policy, foreign policy, labor policy, agricultural policy, and race policy. Yet until only recently, immigration policy itself has been among the least examined of all public policy measures. Changing events dictate that this neglect of attention be changed.

The Context of the Issue

As the nation's formal immigration policy has developed, it has passed through three distinct eras: no restriction of any kind (prior to 1888); numerical restriction based upon ethnic discrimination (from 1888 to 1965); and numerical restriction with ethnic equality (since 1965). With the legal and numerical restrictions, of course, has come the problem of illegal immigration.

The Immigration Act of 1965 ended the blatant discrimination that had been contained or condoned in all previous immigration statutes. Under the 1965 act, the number of legal immigrants admitted to the United States has averaged about 400,000 persons a year (or twice the annual flow allowed prior to enactment). Over 60 percent of these legally admitted immigrants go directly into the labor force. Accordingly, legal immigration has accounted for about 12 percent of the annual increase of the civilian labor force since 1969. If allowance is made for emigration, the annual growth rate is reduced to about 7 percent. These percentages, of course, do not include any estimate of the influence of illegal immigration.

* Professor of Economics, University of Texas at Austin

The United States is today only one of about a half dozen nations in the world which is still accepting substantial numbers of legal immigrants. If not the only, it is certainly among the even fewer number which admit persons impartially with respect to race and ethnic background. This is a fact about which every citizen can be justifiably proud.

Yet the formal immigration system of the United States has been rendered a mockery. Illegal immigration is by far the major avenue of entry. In 1976, for instance, a total of 875,915 illegal aliens were apprehended by the Immigration and Naturalization Service (INS) of the U.S. Department of Justice. This figure represents a 500 percent increase over the figure of a mere decade ago. To be sure, these apprehension figures are artificially inflated due to the fact that many persons are caught more than once. On the other hand, the vast majority of illegal aliens are not caught. It is believed that for every person apprehended, four or five are not. When the annual number of legal immigrants is combined with conservative estimates of the annual number of illegal immigrants, it is apparent that the United States is in the throes of the largest infusion of immigrants in its history.

Thus, as there are two distinctly different avenues of immigrants into the United States--the legal route and the illegal route, an assessment of the labor market impact of immigration requires that they each be examined separately. The illegal route, because it is by far the dominant method, will receive the bulk of attention.

The Impact of Legal Immigration

Given the size of the inflow, it is somewhat surprising that there is virtually no attention given to any possible labor market ramifications that might accrue from legal immigration. In accord with the generally humane character, the present legal system gives highest priority to family re-unification. In 1975, for instance, 72 percent of all visas were granted on the basis of family reunification. For non-family related immigrants, a nominal effort is made to see that legal immigration does not adversely affect the domestic labor market. The Secretary of Labor has since 1952 been empowered to block the entry of legal immigrants if their presence would in any way threaten prevailing wage standards and employment opportunities. The Act of 1965 bolstered the permissive language of the earlier legislation

by making it a mandatory requirement that immigrants who are job-seekers receive a labor certification. Due to numerous exemptions, however, only one of every 13 legal immigrants is subject to the labor certification process. But even for these few persons subject to the certification process, there is no probationary period to assure that they remain in the geographical areas and occupational categories that were the conditions of their receipt of their certification. Perhaps even more revealing of the lack of concern for local labor market impact is the fact that about 40 percent of all certifications since 1970 have occurred after the applicant had already illegally entered the country and secured a job.

As a result, the legal immigration system has become a highly mechanistic, case-by-case, process in which family reunification has become the principal characteristic. Literally no concern is manifested by the system as it now functions as to the ability of local labor markets to absorb the new immigrants or of their individual ability to adapt to its local requirements.

If the flow of legal immigrants to the United States were distributed somewhat equally about the nation, there would be no particular problem concerning the absorption of the quarter of a million legal immigrants who are annually entering the civilian labor force. Unfortunately, this is not the case. Legal immigrants have tended to concentrate in six states--California, Florida, Illinois, New Jersey, New York, and Texas. These six states account for about 75 percent of the total annual flow. Actually the concentration is even more specific as California and New York received over half of the total. Moreover, in each state, the immigrants have flocked to the large urban areas. Hence the impact of legal immigration is highly concentrated in a few local urban labor markets of a few states. It is this concentration of impact that is the critical issue. Many of these urban labor markets have severe unemployment and poverty problems (e.g., New York City, Chicago, El Paso, San Antonio, San Diego, and Los Angeles). The fulfillment of national immigration goals should not be allowed to adversely impact selected labor markets. As the system currently does, it is essential that special adjustment programs be made to assist these localities to overcome these nationally imposed local problems.

The Impact of Illegal Immigration

It is not the purpose of this paper to describe the issue or the pressures that have propelled the subject of illegal immigration to the forefront of policy issues. Rather, it is because illegal immigration is the major source of new immigrants to the United States that the subject demands attention with respect to labor market consequences. In assessing the impact, several questions seem paramount. Among these are: how many people are involved? how is their impact felt? who is adversely affected? and what are the long run consequences?

How Many People Are Involved?

Obviously, a crucial concern to any discussion of illegal immigration is the number of persons involved. But by the very illegal nature of the movement, precise data will never be available. Only figures pertaining to apprehensions exist and even they are suspect due to numerous duplications. The staggering growth of apprehensions, however, over the past decade does imply that the direction of change is toward increasingly larger numbers. But public discussion of this issue should not be diverted by debates over the actual numbers.

It makes little conceptual difference whether the stock of illegal immigrants in the nation is 3 million, or 6 million, or 9 million or 12 million persons. All of these numbers have been cited in various official reports and research studies. Actually, the precise number is irrelevant if one concedes--as everyone familiar with this issue does--that the number of persons involved is substantial and that the direction of change is toward annually increasing numbers.

Frankly stated, there will never be any better data available on this question. Secretary of Labor Marshall has even been quoted as saying that there is little need for more research on this question. He is correct in the sense that the illegal character of the entire process forestalls the possibility that we will ever know much more about the actual number of persons involved. Estimates and anecdotes are all that is ever going to be available. But before one despairs that little can be learned because the data is so poor, it should be realized that this also is the case with most of the major social problems of the day. Reliable data are unavailable about the size of energy supplies, local labor market conditions, crime, health, and mental health, to name only a few. The problem of illegal immigration is real and

it is going to get much worse in the near future. Illegal aliens themselves are streaming into the United States from almost every nation in the world. President Carter's message on illegal immigration in August 1977 stated that "at least 60 countries are significant regular source countries." In one unpublished report by the INS in November 1976, a breakdown by nationality, showed that only half of the illegal aliens believed to be in the country were from Mexico. Illegal immigration is a national issue and not a regional issue alone.

How Is Their Economic Impact Felt?

I am not one of those people who believes that economics is a precise science with laws that are universally and mechanistically operational. There is much room for human manipulation. On the other hand, there is general truth to the laws of supply and demand. When the supply of anything increases, the effect is either to reduce the price or to restrict the rate of price increase from what it would have been in the absence of the increase in supply. There simply cannot be any debate over this point. It is a truism. In fact, it is precisely because of this phenomenon that the labor supply in the Southwest has historically been kept in surplus. Historically, conscientious human efforts have been made to keep wages low, to keep incomes depressed, and to keep unionism to a minimum by using waves of legal immigrants (from China, Japan, Mexico, and from Europe as well), braceros (from Mexico), border commuters (from Mexico), and now illegal aliens (mainly from Mexico but by no means exclusively so). The objectives of these efforts have been generally effective. The poorest metropolitan areas in the nation are found in South Texas (i.e., the Brownsville SMSA and the McAllen SMSA). Among the poorest rural counties in the United States are many in the border regions of the Southwest. Unemployment rates all along the border are regularly among the highest in the United States. These rates are frequently in double digits. It is no accident that of the 80 labor markets in the nation that are listed by the U.S. Department of Labor to be "major labor areas of substantial unemployment," 14 of these (or 18 percent) are in the four states that comprise the border with Mexico. Similarly, unionism in the Southwest is hardly known outside of California, and even there it has had its organizational problems due to the availability of hordes of willing strikebreakers. The effect of past immigration policies in the Southwest has been to maintain a labor surplus throughout much of the region.

Immigration policy in the Southwest has been used as an instrument to oppress many of our poorest citizens who are least able to protect themselves. It is precisely to end this institutional manipulation of the supply of labor that there is a need to control illegal immigration. It is the only chance there is to provide opportunity for higher income levels, to organize workers into unions (if they so wish), and to give hope to many youngsters from low income families in the region that human capital investments pay off. Let me be clear on this point--illegal immigration is not the total cause of the widespread economic disadvantage in the Southwest. But it certainly is a factor.

The adverse impact of illegal immigrants is relatively easy to demonstrate in the Southwest. But I would submit that the same effect holds true in other local labor markets--as New York City, Chicago, Miami, and Detroit--where the presence of large numbers of illegal aliens is also known.

In recent months there have been efforts to try to minimize the impact of illegal aliens in the Southwest by claiming that many aliens have no intention of staying in the United States and that many of them simply come only to work on a seasonal basis. Aside from the fact that there is very little reliable data to know if this is correct or not, the fact remains that, even if it is true, this does not minimize their impact. Because a disproportionately high number of illegal aliens who do return to Mexico are those who work in seasonal jobs in agriculture, construction, and service industries does not negate the fact that these same jobs are only seasonally available for citizen workers too. Hence, the impact in these industries is the same as if the aliens remained in the United States year round.

Who Is Adversely Affected?

All of the limited research on the characteristics of illegal aliens show that the major reason that they come is to find jobs. The evidence also indicates that they are largely successful in their quest. Some of the jobs are sub-standard. They exist only because of the availability of an easily exploitable group (i.e., people who will seldom complain and who are grateful for anything they receive). The vast majority of illegal aliens, however, are not exploited in the sense that they receive wages below the Federal minimum wage. But they do work disproportionately in the low wage labor market. Many illegal aliens, however, work in good paying jobs in manufacturing and construction. Brief mention should be made of each of these situations.

For those who work under exploitive conditions, it is likely that they do not take jobs that citizens would tolerate. Yet this is certainly no excuse for the perpetuation of their presence. If it is wrong for citizens to work under legally unfair working conditions, it is also wrong for illegal aliens to do so.

With respect to the low wage labor market (i.e., in the range of the federal minimum wage and slightly above), it must be recalled that there are millions of citizens who are confined to this sector as well. With the newly legislated schedule of annual increases in the minimum wage through 1981, it is very likely that the number of citizens in this group will increase in the next few years. This is especially the case with young workers whose unemployment rates are already so high that they constitute a major national problem themselves.

In many of the local labor markets in which illegal aliens are known to be present in substantial numbers, it is likely that the presence of illegal aliens explain why certain industries remain low wage industries over time. Their very presence also explains why many employers in these same industries attempt to justify the employment of illegal aliens by claiming that citizen workers cannot be found to do the work. No American worker is capable of competing with an illegal alien when the end result of the competition depends upon who will work for the lowest pay and longest hours and accept the most arbitrary set of working conditions. Hence, it is a self-fulfilling prophecy for employers to hire illegal aliens and then to claim simultaneously that no citizen workers can be found to do the same work. Hence, it is clear that illegal immigration hurts all low income workers. Poor blacks, poor Anglos, poor Chicanos, poor Puerto Ricans, and all others are adversely affected. Anyone sincerely concerned with the problems of the working poor of the nation must include an end to illegal immigration as part of any possible policy of improved opportunities.

One of the major ways to increase the job opportunities and the income rewards for working, for our present working poor population, is to reduce the uncontrolled supply of new entrants into the existing low wage sector of the economy. Many of the jobs performed by low wage workers are essential to the operation of our economy. Farm workers, dishwashers, laborers, garbage collectors, building cleaners, restaurant employees, gardeners, maintenance workers, to

name a few occupations, do perform useful and often indispensable work. The tragedy is that the remuneration is so poor and this is largely due to the fact that there is such a large pool of persons available. Most of these tasks are not going to go away if wages increase. One way to see to it that wages do increase and that unionization becomes possible for low wage workers is to reduce the unfair addition of millions of illegal aliens into this sector of the economy. If the illegal aliens were flooding into the legal, medical, educational and business executive occupations of this country, you can be sure that this problem would have received the highest national attention and it would have been solved by now. But because it is the blue collar and service workers occupations who must bear the burden of the competition, the issue remains largely unaddressed.

I must add that I am appalled at the practice of the Immigration and Naturalization Service of focusing its enforcement attention on the apprehension of illegal aliens in "better-paying jobs" rather than in the low wage sector of the economy. It is precisely those helpless citizens who work in low wage industries who require the protection the most from the INS that are again the most neglected by their government.

Of related consequence is the relationship of illegal aliens and the youth labor market. As it is a feature of the low wage labor market that most of the jobs are unskilled, they are often jobs that provide entry opportunities and initial work experience for youth and young adults. As youth labor market problems are now the special subject of national policy initiatives (e.g., the Youth Employment and Demonstration Projects Act of 1977), it is perverse irony to allow the question of illegal immigration to remain unaddressed. For in many local labor markets, it is often illegal aliens who are a major competitor for entry level positions for young workers.

As for the better paying jobs, no one will debate that the illegal aliens employed in these positions cause a displacement effect. Even here, illegal aliens are often "preferred workers" since they are less likely to join unions, or to complain about denial of equal employment opportunity or to make other demands upon employers. Because of their unfair competition, it is in this sector that the INS is most vigilant in its limited enforcement activities. Helping the most privileged of our society has always been a popular role for government agencies. It is only when government helps those who really need it that questions about government's proper role are asked. This inequality of attention needs to be stopped.

What Are The Long Run Consequences?

Aside from the obvious adverse effects of illegal aliens on employment and income opportunities for citizen workers, there are other serious long run consequences. By this, I mean that the nation is rapidly accumulating a growing sub-class of truly rightless persons within our society. Although technically able to avail themselves of many legal rights and protections, few illegal aliens do so. In addition, they and their family members are increasingly being legislatively excluded from much of the basic social legislation in this nation. These exclusions vary from the Federal level where illegal aliens are excluded from receipt of Supplemental Security Income, Medicaid, and Aid to Families with Dependent Children, to individual state exclusions from unemployment compensation programs, and even in some cases, from attending public schools without being charged tuition. At all levels, illegal aliens are denied the political right to vote. These are all signs of growing displeasure by the general populace with the presence of illegal aliens within our midst. Certainly the growth of a sub-class of rightless illegal aliens is in no one's long term interest. It is a time bomb. The adults may be grateful for the opportunities provided them, but it is certain that their children will not be and they should not be.

Concluding Observations

It should be clear that current immigration policy confounds efforts to achieve full employment and to secure adequate income for many citizens. The relationship of immigration and employment policies needs to be completely reassessed. If humanitarian considerations that give priority to family reunification are to remain the mainstay of the legal immigration process, a categorical-assistance program should be created to cushion the economic hardships imposed on communities which receive high numbers of legal immigrants. The fulfillment of national policy goals should not impose severe hardship on any local community without some form of compensatory aid. The program should be based upon the principles of the "impacted areas" programs that once were used to assist communities to adjust to the presence of a new or expanded Federal government installation in a local community. The assistance package should extend beyond simply job-training and language instruction. It should include funds to local public agencies to defer the financial

burdens of education, housing, training, and health services that they are required to make as a result of national policy.

If the seemingly futile system of labor certification is to be continued, consideration should be given to making it meaningful. To accomplish this, a probationary period should be a part of the admission procedure to assure that the legal immigrants who are not family related go to the geographical areas and are actually employed in the occupations that are the conditions of their admission.

With respect to the illegal aliens, it is a problem that a free society can never completely resolve. There are no nice answers to this issue. If you do nothing, citizens are hurt; if you do something, aliens are hurt. There are no other alternatives. Much of the present problem stems from the fact that our current immigration laws are essentially unenforceable. There are no penalties placed against employers for hiring illegal aliens; there is little risk of penalties being imposed on an illegal alien if he or she is apprehended, since 95 percent of all apprehended aliens are given voluntary departures; and the federal agency responsible for enforcement of the immigration statutes has a staff that is miniscule relative to its assigned duties. As every member of the community of nations has an immigration policy, the issue is not whether our nation should have a policy but, rather, should the present farcical policy be replaced by a policy that means something. Simple logic would dictate that our nation should have an enforceable policy if it is going to have a limitation policy at all. Greater deterrence can reduce some of the "pull" factors that contribute to illegal immigration.

But deterrence measures alone are not the answer. They are, however, the required first step in any effort to build an enforceable immigration policy. Other needed measures involve the need to increase economic aid to our neighboring nations of Mexico, the Caribbean Islands, and Central America. Special tariff concessions should also be made to these same nations. Other assistance in the form of technical aid and information on population controls should also be made available. These policies would be addressed at reducing the "push" forces.

For too long our immigration system has been allowed to function in an imperious manner with respect to its employment implications. The quest for full employment and a just society dictates that this past neglect be changed.