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Immigration Policy and the Labor Force of New York

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Beginning in the mid-1960s, the United States economy has witnessed the revival of one of its most distinguishing features: Mass immigration. Indeed, a recent comprehensive study of U.S. society, conducted by an international team of social science scholars, concluded that "at a time when attention is directed to the general decline in American immigration continues to flow at a rate unknown elsewhere in the world."[1] The prospect for the foreseeable future is for a continuation -- and probable acceleration -- of the phenomenon.

Public recognition that immigration has once again assumed a prominent role in the U.S. economy however, has been slow to develop. Immigration had significantly declined in importance from the 1920s through to the mid-1960s. As officially measured, the foreign born percentage of the population had steadily fallen from 13.2 percent in 1920 to 4.7 percent in 1970. The foreign born population in 1980, however, rose to 6.2 percent of the population (a 46 percent increase over the 1970 figure). Given policy developments during the 1980s, the figure for 1990 could easily approach 8.5 percent (or almost one of every eleven persons in the U.S. population). Even these national percentages are suspected of being too low due to the belief that there was a significant undercount of illegal immigrants by the 1980 Census and the anticipation of similar problems in the 1990 Census.[2]

Mass immigration does not receive more attention because the impact is geographically concentrated. Six states -- California, New York, Florida, Texas, New Jersey, and Illinois -- account for 38 percent of the U.S. population but 79 percent of all

legal immigrants admitted to the U.S. in 1989. They probably account for at least the same proportion of illegal immigrants.

Moreover, within the states, immigrants have overwhelmingly settled in urban areas. They are essentially "an urban phenomenon."[3] In 1980, 92 percent of the foreign born population that was actually counted by the Census lived in metropolitan areas compared to only 72 percent of the native born population. The actual urban impact of immigration is even more concentrated. Five metropolitan areas in 1980 (New York, Los Angeles, Chicago, San Francisco, and Miami) accounted for 40 percent of the nation's foreign population born but only 11 percent of the native born population. As regards central cities, eight (the five listed in the proceeding sentence plus Houston, San Diego, and Philadelphia) had more than 100,000 foreign born persons residing within them. These eight central cities, however, accounted for over 26 percent of the foreign born population. The city with the highest percentage was Miami (53.7 percent). Given the scale of immigration developments in the 1980s and what is now legislatively in place for the 1990's, these numbers and percentages have certainly increased and will continue to do so. These urban areas are the largest labor markets in the U.S. economy. Hence, there is national as well as local significance to these developments.

New York is an excellent case in point. The state has always been a primary receiver of immigrants. In 1960, the foreign born population accounted for 12.5 percent of the state's population. By 1980, the percentage should be in excess of 17 percent. Within the state, it has been New York City, of course, that has traditionally borne the bulk of the accommodation pressure. In 1960, 20 percent of the City's population were foreign born; by 1980 the percentage had risen to 23.6 percent (almost 4 times the national percentage). The 1990 Census should reveal that about 30 percent of the City's population will be foreign born (or about one of every 3 New York City residents). Even these high percentages are believed to be too low due to the widely perceived notion of an extensive undercount of

illegal immigrants in the City's population and work force. (For example, City officials estimated that only 200,000 of the 750,000 illegal immigrants in New York City were counted in the 1980 Census).[4] Thus, New York City accounted for slightly over 70 percent of the New York State's total foreign born population. Of the immigrants who have moved into New York State since 1965, 80 percent have settled in New York City with an additional 13 percent moving into its adjacent suburbs. It is not surprising, therefore, that a 1988 study of immigration concluded that "immigration into New York State is almost entirely immigration into New York City and its suburbs."[5]

The sheer magnitude of the immigrant flow -- especially into a state like New York -- is sufficient cause to review the intentions of the nation's existing immigration policy. But, given the fact that mass immigration is occurring at a time when the labor markets of the nation in general and of New York in particular are both in a stage of radical transformation, uncertainty about the human capital characteristics of the immigrant flow adds necessity to such an inquiry. Old industries that once provided an almost insatiable demand for immigrants as well as for many native born workers are now in a stage of sharp employment contraction. New industries have developed but they often have employment requirements that make it difficult for many citizens and immigrants to qualify. Hence, ease of labor force adjustment cannot simply be assumed.

Perceptions of the Role of Immigration Policy

It is precisely because of the issue of labor market transformation that the issue of labor shortages has arisen. A transformation means a rapid break from the slow evolutionary patterns of change. In such a context, the relevant question is: are there actual shortages of workers because there are simply not enough of them or is there a mismatch that involves shortages of qualified workers co-existing with surpluses of unqualified workers or would-be workers?

If the issue the former, than the prevailing unguided immigration policy of the United States is acceptable. There are millions of people who want to immigrate to the United States, so just let some of them in. There is no need to be picky about their skill, education, fluency in English, or where they wish to settle. Indeed, just such a course of action is precisely what the Wall Street Journal has recently advocated in an irresponsible editorial saying that the United States should simply admit everyone in the World who wants to enter.[6]

If it is the latter case, however, a diametrically different policy is required. The existence of a mismatch means that the nation should have a carefully administered and flexible immigration policy. Immigration could provide a means of filling job vacancies in the short run while long run domestic human resource development policies are adopted to prepare the native born population for these emerging jobs. The mismatch scenario also has a vital corollary. It is that immigration policy should also be used to keep-out those persons who lack the skills and education to qualify for the new types of jobs that are emerging. Admitting such persons would only hinder efforts to upgrade the employability of the native born population who require adjustment assistance in a period of economic flux. Moreover, such immigrants, if admitted, would increase the competition for a diminishing number of jobs with the native born who are being displaced and are also unprepared for the newly created jobs. If there is a racial dimension to the mismatch scenario, -- and in New York City there surely is, it is imperative that priority be given to preparing those minority groups who are native born who are being adversely affected for the newly created jobs. Immigration policy should not be allowed to sabotage this incorporation process. On the positive side, the mismatch scenario means that the nation and the City are confronted with a golden opportunity to rid themselves of the real threat of economic polarization along racial lines. Jobs exist for workers who can be trained and educated to fill them.

Thus, immigration policy is emerging as a critical element of both national economic and social policies. How immigration policy should be shaped, therefore, depends directly upon how one interprets the prevailing economic trends and domestic social conditions.

The Anomalies of Immigration Policymaking

Although immigration policy is not mentioned in the U.S. Constitution, it has -- since a series of U.S. Supreme Court decisions in the late 19th Century -- become the sole policymaking province of federal government. But because "everyone has to be somewhere," the actual impact of immigration policy is played-out in those states and their respective cities and towns where the immigrants actually reside. Thus, policymakers in state and local governments can only respond to what the federal government decides to do (or not to do) with immigration policy at any given time. Neither the level nor the human capital attributes of these immigrant flows are within the policymaking domains of these receiving states or communities to shape. Policy responsibility, in other words, does not correspond with the levels of government confronted with the consequences of policy design.

Immigrants in mass numbers can themselves cause changes in labor market conditions as well as respond to prevailing conditions. Immigration is the one aspect of population and labor force growth that public policy should be able to control. Most of the other key factors -- fertility, mortality, emigration, internal migration and the whole range of labor force participation issues dealing with population demographics (e.g., those characteristics associated with age, gender, and race) are not directly controllable in a free society. To date, however, federal policymakers in the United States have been unwilling to view immigration policy as a form of economic policy. The design of immigration policy is largely dominated by political objectives that are intended to appease powerful special interest groups. These fragmented groups have manifested little, if any, concern for the national interest. They, have also found that by working together they can form a powerful coalition. The result is that immigration policy is not responsible for its sizable economic

consequences. Less than 4% of the immigrants and refugees who are legally admitted to the United States each year are admitted on the basis that the skills and educations they possess are actually believed to be in demand by U.S. employers. The percentage is considerably less than 1% if illegal immigrants are included in the total immigrant flow. In addition, little serious effort is made to find out if citizen workers could be used to fill jobs for which non-immigrant foreign workers are currently being recruited and employed by U.S. industries. The newly enacted Immigration Act of 1990 (which goes into effect on October 1, 1991) will not change this basic thrust of prevailing policy.

The immigrant flow -- in all of its diverse forms -- accounts for anywhere from one-quarter to one-third of the annual growth of the U.S. labor force. The presence of a considerable number of illegal immigrants complicates efforts to be precise. It is highly probable that, when the female labor force participation rate (that have been rising for several decades) eventually stabilizes and when the flow of "baby boomers" into the work force begins to add (as it now doing), immigration could, by the turn of the 21st Century, comprise almost all of the annual growth of the nation's labor force. Thus, the critical importance of adopting a rational basis for the nation's immigration policy should be apparent.

The Extant Immigration System: Its Priorities and Indifferences

There is no simple or quick way to describe the process by which immigrants enter the labor force and population of the United States. The complexity is, of course, one of the reasons there are please for reform. Few policymakers and even fewer citizens understand what the existing admission practices are. As with the tax laws and the welfare laws, the nation's extant immigration system is the cumulative collection over the years of a hodge-podge of dubious political compromises. Also like the tax and welfare systems, the immigration system suffers from considerable abuse due to enforcement laxities and legal limitations inherent in a free society.

A comprehensive discussion of the history of the immigration policy of the United States is beyond present purposes.[7] Succinctly stated, the primary rationale for legal admission is family reunification. Eighty percent of the immigrants are given on this nepotistic basis as they will continue to be when the new legislation goes into effect on October 1, 1991. Family reunification, in this case, refers to the admission of adult children over the age of 21 of U.S. citizens; spouses and unmarried children of permanent resident aliens; and adult brothers and sisters of U.S. citizens. the complex admission system, however, is easily circumvented by persons who simply enter illegally. They do not concern themselves with whether they are needed but rather they come and join the competitive lottery for whatever jobs or means of survival they can find. Relatedly, the Immigration Reform and Control Act (IRCA) provided provisions for about 3.2 million former illegal aliens to adjust to a legal status. In addition, the Refugee Act of 1980 removed refugees from the legal immigration system where they had been since 1965 and created an entirely separate system for their admission. The number permitted to enter each year is set by the President after a largely pro forma consultation with Congress. The President is under enormous political pressure by various religious, ethnic, and human rights organizations to admit large numbers of persons -- especially those with whom these groups have special interests. Obviously, there is no labor market test associated with refugee and asylee admissions. Immigration policy also permits a substantial number of foreign persons to work in the United States as non-immigrant workers. In most cases -- but not all -- U.S. employers are supposed to seek citizen workers to fill those jobs before turning to non-immigrants but, in actuality, this often is not the case.

What is missing in the formulation of U.S. immigration policy, since its accidental revival of mass immigration in the mid-1960s, is an appreciation for the radical changes that are occurring in the nation's labor market. For despite the reasons that they enter, all must work or be supported by those who do.

The Changing Nature of the U.S. Labor Market

The United States had entered its post-industrial stage of economic development. The goods producing industries -- which had been the major employment sector throughout U.S. history have declined significantly. Agriculture has been a negative source of employment every year since the late 1940s. It provides jobs for less than 3 percent of the labor force. Likewise, manufacturing -- especially its blue collar occupational categories -- has been, since the mid-1950s, in sharp relative decline (accounting in the late 1980s for less than 20 percent of the employed labor force). Employment in mining has also fallen sharply. The construction industry has shown modest employment increases but it is an industry that is subject to frequent cyclical fluctuations.

The dramatic fall-off in employment in the goods producing industries has been sparked by the introduction of new forms of computer controlled technology. With computer technology, an electronic "mind" has been created for coordinating, guiding, and evaluation most routine operations. With the introduction of a vast array of mechanical and electrical substitutes for the human nero-muscular system, it is now possible to link these new computer-driven machines together into self-regulating systems that can perform an enormous variety of work tasks. All of this is taking place in an environment of unprecedented international competition which was <u>not</u> present at any earlier time when mass immigration occurred.

Thus, the new technology and the international competitive pressures mean that high paying jobs for poorly skilled and inadequately educated workers are largely a thing of the past. As former Secretary of Labor William E. Brock aptly said in 1987, "the days of disguising functional illiteracy with a high paying assembly line job that simply requires a manual skill are soon to be over."[8] The new technology is creating new jobs but the growth is concentrated in occupations that reward extensive training and education.[9] It is unlikely in the foreseeable future that there will be an abundance of unskilled jobs. But, unless public

policy changes dramatically with regard both to labor force preparativeness and immigration admissions, there is likely to be a chronic excess supply of unskilled job seekers. Worse yet, there could be large numbers of unemployable persons discouraged from even seeking employment in the legitimate labor market.[10]

In the wake of the sharp declines in employment in the goods producing sector, there have been dramatic increases in the service producing industries. Responding to major shifts in consumer spending patterns, 76 percent of the U.S. labor force is now employed in service industries. The U.S. Department of Labor projects that 90 percent of the new jobs that will be created in the remainder of the 20th Century will be in the service industries.[11] Thus, the demand for labor is being radically restructured. The supply of labor is slowly adapting but the adjustment process is not as easy nor is it as automatic as it was in earlier eras in the nation's history.

The displaced workers from the agricultural sector in the early 20th Century had little difficulty qualifying for newly created jobs in the burgeoning manufacturing sector. they only had to relocate and, when immigration flows were sharply reduced between the 1920s through to the 1960s, they tended to do so. But the emergence of the service economy has imposed an entirely different set of job requirements on the actual and potential labor force. While the technology of earlier periods stressed physical and manual skills for job seekers, the service economy stresses mental, social, language, and communication skills. As a consequence, the shift to services has meant declining job opportunities for those who lack quality educations and good work skills. Tragically, a disproportionate number of those who are vulnerable to such adverse employment effects are racial minorities, women and youths.[12]

Related to these dramatic trends in industrial employment patterns are the derivative changes in occupational patterns. Since the early 1970s, over one-third of the growth in employment has occurred in the professional, technical and related workers classifications.[13]

Other broad occupational groups experiencing substantially faster-than-average growth over this period were managers, administrators, and service and sales workers. The greatest decline in employment was among operatives, farmers, farm laborers, and private household workers. The U.S. Department of Labor projects for the balance of this century that occupational growth will continue to be extremely uneven. Occupations expected to experience the most rapid growth over this period are those that require the most highly educated workers. These include executives, administrators, and manager; professionals; and technicians and related support workers. Collectively, these three occupational categories accounted for 25 percent of total employment in 1986 but are expected to constitute 40 percent of the nation's employment growth for the remainder of the century. Absolute declines are projected for the lower skilled occupations in farming and private household work, and only marginal growth is expected in the operative and laborer occupations.

Without unduly belaboring the obvious, the critical conclusion is best summarized by a Department of Labor study of anticipated occupational demand projections up to the year 2000: "It should be pointed out that the occupational clusters projected to decline or grow slowly are generally those requiring the least amount of education and training and those projected to grow the fastest require the most education and training."[14] Thus, the occupational trends of the present and near future are apparent. The question is the ability of the supply of labor to adequately respond.

The New York City Experience

The New York City labor market provides an excellent example of the twin effects of rapid shifts in industrial employment patterns (on the demand side) and of mass immigration (on the supply side).[15] The New York City labor force, with about 3.2 million resident workers and another 700,000 daily commuting workers from its suburbs, is larger than the individual labor forces of 42 states. The City accounts for about 38 percent of the State's

labor force. The New York City SMSA also has the largest absolute number of foreign born persons in its population in the nation (1.9 million persons in 1980). In addition to the foreign born, the City also has about one million Puerto Ricans who, as citizens, are counted among the native born.

Looking first at employment patterns, Table 1 shows that while employment in the State has increased since 1960, virtually all of the growth has come outside the City of New York. Secondly, it shows that the manufacturing sector of the City has drastically declined but considerably less so in the balance of the State. Table 2 shows the employment trends since 1960 for the nine industrial sectors for the City and for the balance of the State. The long list of minus in the City's column tells a grim story. Only two of the eight private sector industries have shown any absolute growth. Both of these growth industries are disproportionately composed of white collar occupations. The public sector has sustained marginal growth and one component -- federal employment -- is actually falling. Aside from the devastating decline of manufacturing, the most disturbing revelation in Table 2 is the fact that the retail and wholesale trade sectors both show minus figures for New York City. This is shocking! Nationwide and in the balance of New York State, both of these trade sectors are booming. The retail and wholesale trade are sectors that traditionally are large employers of women, youth, minorities and part-time workers. They often provide entry level jobs for large numbers of workers. Such no longer is the case in New York City. Clearly, the industrial patterns are being radically transformed. There is serious reason for concern over labor force adjustment in such circumstances.

On the labor supply side, the resident labor force essentially has no racial majority.[16] In 1987, 51 percent of the labor force were non-Hispanic whites; 21 percent were Hispanics; and 29 percent were blacks and others (separate data for Asians were not tabulated). Fully, 75 percent of the State's minority population live in New York City and most of the remainder live in the adjacent suburbs. The minorities are the fastest growing component in

MANUFACTURING AND NONMANUFACTURING EMPLOYEES ON NONAGRICULTURAL PAYROLLS IN NEW YORK STATE, NEW YORK CITY, AND STATE MINUS CITY TOTALS, 1960 AND 1990

Industry/Years	N.Y. State	N.Y. City	State Minus City
Total Nonagricultural Employees			
1960	6,181	3,538	2,643
1990	8,209	3,570	4,639
Difference	+2,028	+ 32	+1,996
Manufacturing			
1960	1,878	946	932
1990	1,131	336	795
Difference	- 747	- 610	- 137
Nonmanufacturing			
1960	4,303	2,591	1,712
1990	7,077	3,234	3,844
Difference	+2,774	+ 643	+2,132

Note: Parts my not equal totals due to rounding
Source: New York State Department of Labor

TABLE 2

EMPLOYEES ON NONAGRICULTURAL PAYROLLS IN NEW YORK STATE, NEW YORK CITY, AND STATE MINUS CITY TOTALS, 1960 AND 1990
(in thousands)

Industry/Years	N.Y. State	N.Y. City	State Minus City
Manufacturing			
1960	1,878	946	932
1990	1,131	336	795
Difference	- 747	- 610	- 137
Mining			
1960	9	2	7
1990	5	1*	4
Difference	- 4	- 1	- 3
Construction			
1960	266	127	139
1990	314	113	201
Difference	+ 48	- 14	+ 62
Transportation, Communication, & Public Utilities			
1960	482	318	164
1990	428	225	203
Difference	- 54	- 93	+ 39
Wholesale Trade			
1960	420	315	105
1990	466	219	247
Difference	+ 46	- 96	+ 142
Retail Trade			
1960	831	430	401
1990	1,129	386	833
Difference	+ 388	- 44	+ 432
Finance, Insurance, & Real Estate			
1960	480	384	96
1990	777	517	260
Difference	+ 297	+ 133	+ 164
Personal Services			
1960	978	607	371
1990	2,396	1,163	1,233
Difference	+1,418	+ 556	+ 862
Government			
1960	837	408	429
1990	1,472	608	864
Difference	+ 635	+ 200	+ 435

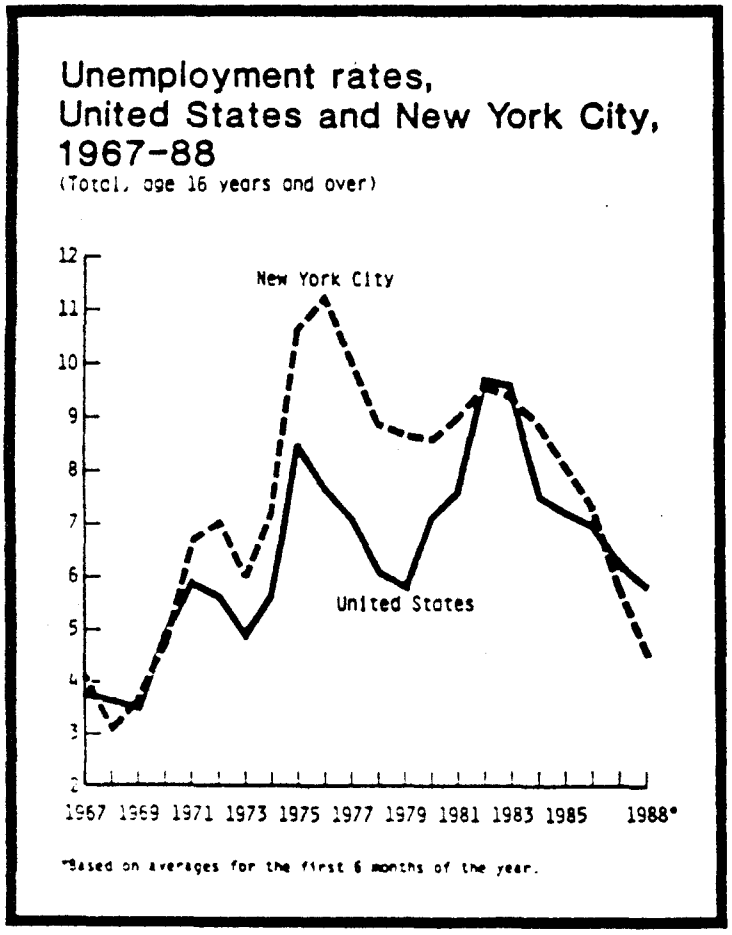
** Actual number is considerably less than 1.*
Note: Parts my not equal totals due to rounding
Source: New York State Department of Labor

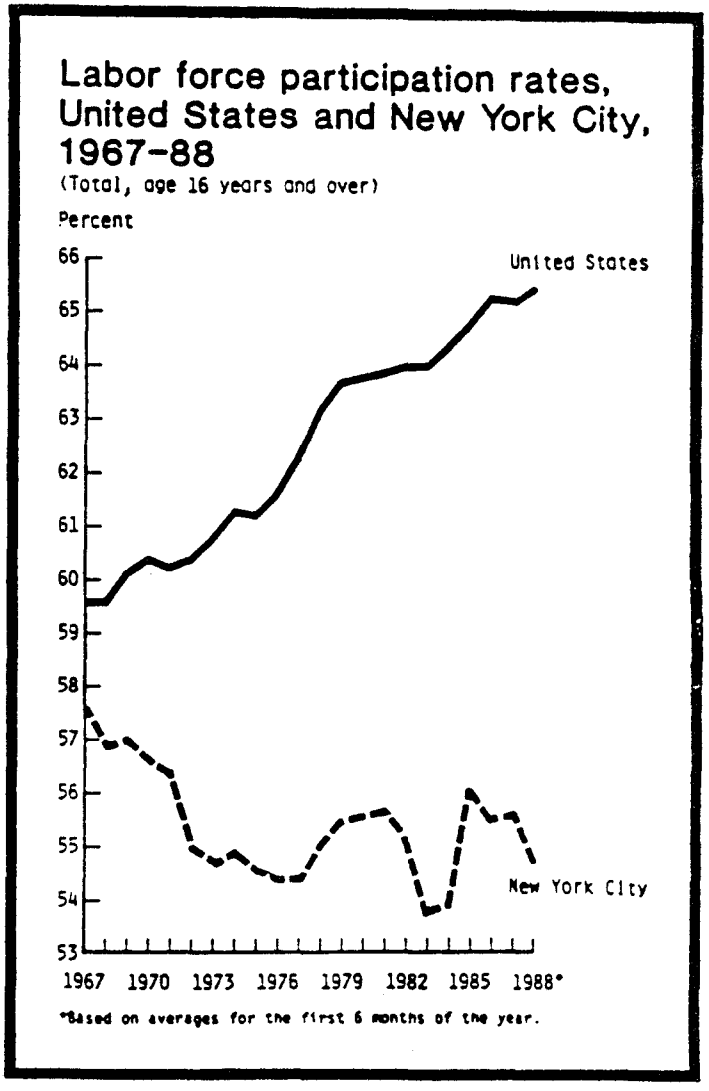
the State's population. It is an ominous sign that the minority populations disproportionately live and seek work in the City's labor market where there has been virtually no absolute growth in the number of jobs; where radical shifts in the industrial employment patterns are occurring; and where entry level jobs are vanishing.

Since less than four percent of New York City residents seek employment outside the City, it is important to try to explain how the labor force is responding to these sweeping changes. Figure 1 shows the unemployment trends and the labor force participation trends for the City relative to the U.S. It is of particular note to see that the unemployment rates in New York City have recently been below those of the United States. No doubt, it is this relationship that has generated the perception that there is a labor shortage in the City. But when the trends in labor force participation rates are examined, the New York City trends are sharply divergent from those of the nation. The national labor force participation rates in the 1980s are following the predicted course taught in the labor economics textbook: as unemployment falls, labor force participation rises. But in New York City, the falling unemployment rate has been accompanied by sharply declining labor force participation rates. Figure 2 shows an even worse picture. It traces the labor force participation trends for 16 to 19 year olds in the nation and in New York City. The figure for youth in New York City for 1987 is more than 32 percent below from the national average for comparably aged youth. The participation rates are even lower for minorities (see Table 3). Thus, this data suggests that a massive withdrawal from the labor force is in progress in the City. This mass discouragement is a symptom of the existence of a mismatch between the types of jobs available and the lack of qualifications of potential job seekers. It means that many persons of working age are either unemployable or they have become discouraged from seeking work. It is also a sign of a growing underclass with strong radically divisive implications.

FIGURE 1

UNEMPLOYMENT RATES AND LABOR FORCE PARTICIPATION RATES, UNITED STATES AND NEW YORK CITY 1967-1987 (TOTAL, AGE 16 YEARS AND OLDER)

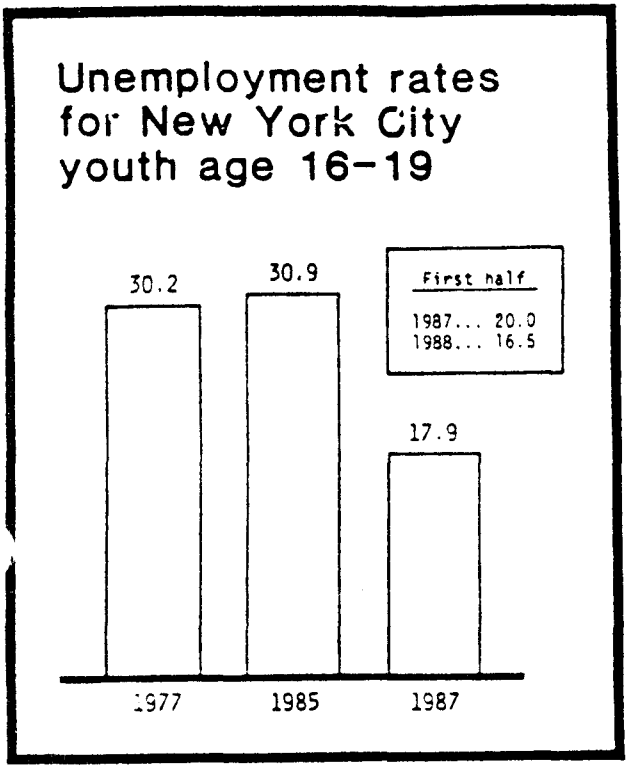


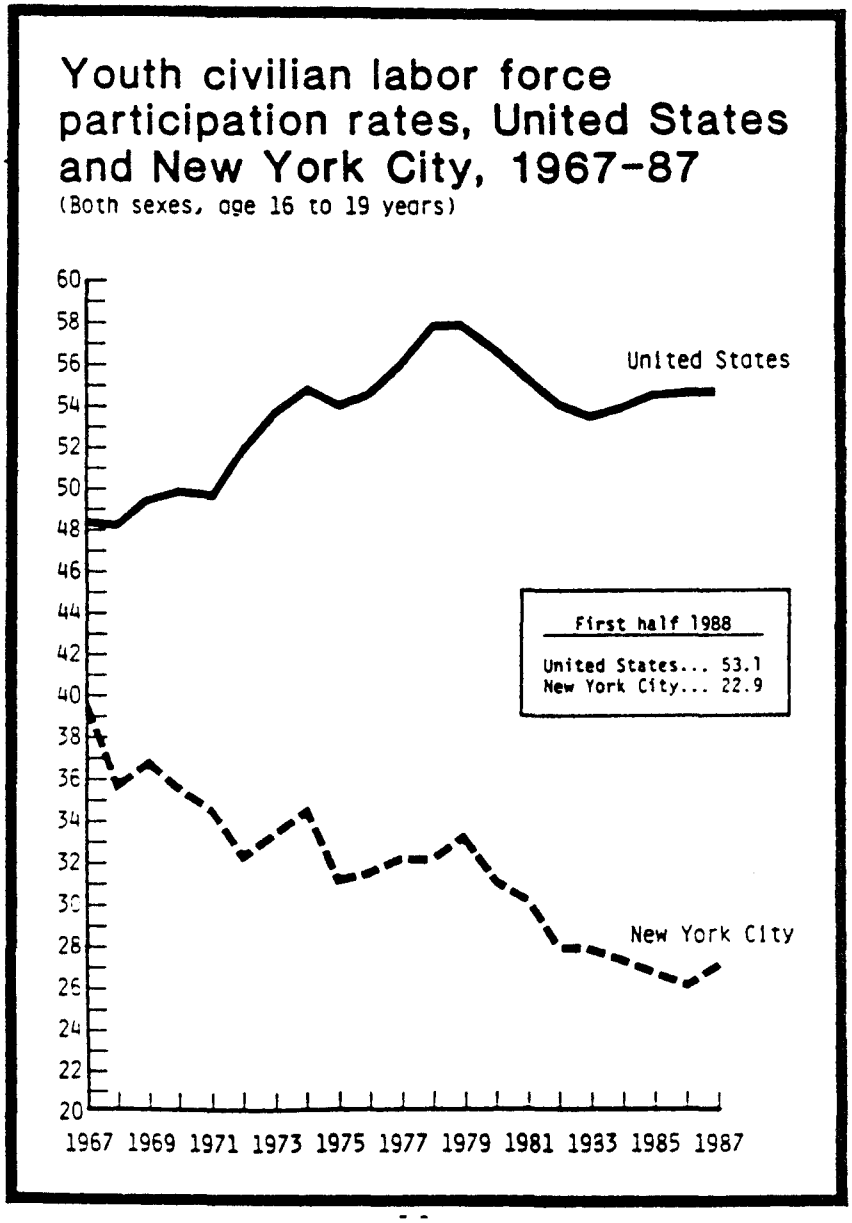


Source: U.S. Department of Labor

FIGURE 2

YOUTH UNEMPLOYMENT RATES AND LABOR FORCE PARTICIPATION RATES, UNITED STATES AND NEW YORK CITY, 1967-1988
(BOTH SEXES, AGES 16 TO 19 YEARS OLD)





Source: U.S. Department of Labor

TABLE 3

CIVILIAN UNEMPLOYMENT RATES AND LABOR FORCE PARTICIPATION RATES, BY RACE AND GENDER, UNITED STATES AND NEW YORK CITY, 1987 AND 1988

Civilian unemployment rates and labor force participation rates, United States and New York City

(not seasonally adjusted)

Age, race, and sex	Unemployment rate		Participation rate	
	1987	1988	1987	1988
United States				
All persons, 16 years and over..	6.7	5.8	65.2	65.5
White.....	5.8	4.9	65.5	65.8
Black.....	13.7	12.4	63.0	63.1
Hispanic origin.....	9.5	8.7	65.9	67.0
Both sexes, 20 years and over.	5.9	5.1	66.3	66.6
Male.....	6.1	5.2	78.0	77.8
Female.....	5.6	4.9	55.8	56.5
Both sexes, 16-19 years.....	18.2	16.3	52.6	53.1
New York City				
All persons, 16 years and over..	6.0	4.5	55.4	54.7
White.....	4.8	3.6	54.7	54.2
Black.....	9.8	7.0	54.5	54.5
Hispanic origin.....	8.7	6.4	51.6	50.4
Both sexes, 20 years and over.	5.6	4.2	58.1	57.2
Male.....	6.4	4.7	72.7	71.9
Female.....	4.4	3.5	46.5	45.9
Both sexes, 16-19 years.....	20.0	16.5	22.1	22.9

Note: Data based on averages for the first six months of each year.

Source: U.S. Department of Labor

As for the role of immigration, the available date shows that immigrants are highly concentrated into only a handful of industries. As shown in Table 4, almost one half (47 percent) of all post 1965 immigrants are employed in only 13 industries of over 200 industries for which such data are collected. These 13 industries, accounted in 1980 for 34.8 percent of all the jobs in the City. Table 4 also shows the inordinately high penetration of immigrant workers into both declining industries (such as manufacturing, private household work and retail businesses) as well as growth industries (such as hospitals, banking, real estate, insurance, and motels and hotels) in New York City. The Office of Immigrant Affairs for New York City, which compiled and released this data in 1987, warned that "because the census omitted the majority of undocumented aliens and because some are employed off the books, the concentration of immigrants in those industries may be even higher than census data suggest."[17] Indeed, the number of illegal immigrants is so large that a recent New York Times article quoted an illegal immigrant as complaining that there are too many other illegal immigrants in the City. He said "There are too many looking for work" and that "it's filling up here."[18] Given the huge immigrant flows that have occurred since 1980, it is certain that the 1990 Census will reveal even larger concentrations of immigrant workers.

With immigrant concentrations of this magnitude, it is hard to argue that the presence of immigrant workers is not affecting both wage levels and employment opportunities in these particular industries over what might prevail in their absence. It is worth noting in passing, that the study also found striking "ethnic demarcation lines" between which immigrants were employed in which industry and which were not.[19]

Because the decline in employment is so pervasive, many immigrants are in direct competition with the city's considerable unskilled and poorly educated native born population for the jobs that remain in the declining sectors of the economy. A disproportionately high number are minorities, women, and youth. As these urban groups are rapidly growing, the

TABLE 4

NEW YORK CITY INDUSTRIES WITH CONCENTRATIONS OF NEW IMMIGRANTS, 1980
(in rank order by number of post-1965 immigrants employed)

Industry	Total Employed	Post-1965 Immigrants Employed: Number	Post-1965 Immigrants Employed: Percent of Total Employed
Total for all industries	2,897,880	492,760	17.0
Apparel manufacturing	118,540	42,760	36.1
Hospitals	185,820	41,660	22.4
Eating/drinking establishments	110,640	36,820	33.3
Banking	125,320	21,540	17.2
Construction	77,960	15,120	19.4
Real estate/building management	71,660	11,540	16.1
Private households	30,620	11,520	37.6
Nursing facilities	30,960	9,820	31.7
Miscellaneous manufacturing	32,080	9,520	29.7
Grocery stores	47,040	8,920	19.0
Insurance	76,980	8,720	11.3
Motels/hotels	25,420	7,860	30.9
Printing/publishing	74,280	7,760	10.4
Total	1,007,320	233,560	23.2
All other industries	1,890,560	259,200	13.7

Source: Elizabeth Bogen, Immigration in New York (New York: Praeger Publishers, a division of Greenwood Press, Inc., 1987) p. 85. The data in the Table is tabulated from the 1980 U.S. Census Public Use Microdata Samples.

last thing they need is more competition from unskilled immigrants for the declining number of low skilled jobs that provide a liveable income or for the limited opportunities for training and education that are available. Many immigrants -- especially those from Third World backgrounds -- will do whatever it takes to survive. They will double up families in apartments, work dual jobs, have several family members in the labor force, (including minor children), and accept substandard wages and working conditions. These are the characteristics of labor markets in contemporary Third World nations. Yet these appalling living and working conditions -- are being revived once more in the nation's largest city.[20] It should not be surprising that many citizen New Yorkers simply cannot or will not compete for jobs on such demeaning and often unfair terms. For too many citizens, the options are unemployment, or welfare, or participation in the City's enormous "irregular" economy.

It is true that some immigrants do create some new enterprises in the City that are designed to serve the needs of people from the same ethnic background. These small shops, bars, restaurants, and foreign language media would probably not exist without the growing presence of more immigrants. But that conclusion raises the more basic question: How important would their loss be if they were not there? Moreover, while these ethnic enterprises do provide employment opportunities for a sizeable number of immigrants, the proliferation of immigrant-owned enterprises too often also means restricted job opportunities for most others. They typically prefer to hire only workers of similar ethnic backgrounds. The consequence is that "there are tens of thousands of jobs in New York for which the native-born are not candidates."[21] Anti-discrimination laws typically do not apply to enterprises that hire fewer than 15 employees. Many of these ethnic businesses, therefore, are beyond the reach of the law regarding their discriminatory hiring practices. Even for the many immigrant-owned enterprises with more than 15 employees, there appears

to be little interest among policymakers to attack discriminatory behaviors that are blatant violations of national, state, and city policies.

Concluding Observations

Immigration assumes a prominent position in any contemporary assessment of the New York City labor market. As an international city, it is understandable that it would also be an immigrant center. So the reason for concern is not one that pertains to the presence of immigrants *per se*. Rather, it is the fact that immigration policy in the United States has become essentially a political policy that is not held accountable for its economic consequences.

Prevailing national immigration policies are out of step with the emerging employment patterns in both New York City and New York State. Under existing circumstances, immigration policy should be a targeted and flexible policy that is designed to admit only persons who can fill job vacancies that require significant skill preparation and educational investment. The number annually admitted should be far fewer than the actual number needed.Immigration should never be allowed to dampen the market pressures needed to encourage native born workers to invest in preparing for vocations that are expanding and or to reduce the pressure on governmental bodies to provide them with needed human resource development programs.

As it takes time for would-be workers to acquire skills and education, immigration policy can be used on a short run basis to target experienced and qualified workers for permanent settlement who possess such abilities. But it is the "preparedness", or lack thereof, of significant segments of the existing urban labor force that is the fundamental economic issue confronting many of these communities. It is not a shortage of workers per se.

The national goal must be to build a high wage, high productivity labor force.[22] In the process, the existence of shortages of qualified labor offers to this country a rare chance

to reduce its persistently high levels of unemployment; to improve the economic lot of its working poor, and to reduce its large urban underclass. Such shortages can force public human resource development policy and private sector employment practices to focus on the necessity to incorporate into the mainstream economy many citizens who have been "left out". Immigration policy must cease contributing to urban problems and, instead, be redirected to become a source of solutions.

ENDNOTES

1. Oxford Analytica, American in Perspective, (Boston: Houghton Mifflin, 1986), p. 20.

2. For an excellent discussion of the historical and methodological efforts by the Bureau of the Census to enumerate illegal immigrants in the decennial censuses, see Statement of John G. Keane, Director of the Bureau of the Census before the Subcommittee of Energy, Nuclear Proliferation and Governmental Affairs of the Committee on Governmental Affairs of the U.S. Senate, (September 18, 1985), [Reproduced material].

3. Elizabeth Bogen, Immigration In New York, (New York Praeger Publishers, 1987), p. 60.

4. Ibid., p. 53.

5. The Nelson A. Rockefeller Institute of Government, New York State Project 2000: Report on Population, (Albany, NY: State University of New York at Albany, 1986, p. 54.

6. "The Re-Kindled Flame", Wall Street Journal, (July 3, 1989), p. 6.

7. For a more complete discussion, see Vernon M. Briggs, Jr., Immigration Policy and the American Labor Force, (Baltimore: The Johns Hopkins University Press, 1984).

8. William E. Brock, U.S. Secretary of Labor, "Presentation to the National Press Club", Washington, D.C., (March 5, 1987), p. 8.

9. Richard M. Cyert and David C. Mowery (eds.), Technology and Employment, (Washington, D.C.): National Academy Press, 1987), Chapter 4.

10. See Louis Uchitelle, "American's Army of Non-Workers," New York Times, (September 27, 1987) pp. F-1 and F-6, and William J. Wilson, The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy, Chicago: University of Chicago Press, 1987.

11. Valerie A. Personick, "Industry Output and Employment Through the End of the Century," Monthly Labor Review, September 1987, pp. 30-45.

12. Cyert and Mowery, op cit., Chapter 5.

13. Ronald E. Kutscher, "Employment Growth in the Unites States". In Job Generation: U.S. and European Perspectives, edited by Howard Rosen (Salt Lake city: Olympus Publishing Company, 1986), p. 8.

14. George T. Silvestri and John M. Lukasiewicz, "A Look at Occupational Employment Trends to the Year 2000," Monthly Labor Review, (September, 1987), pp. 46.63.

15. For a more detailed discussion of the labor force and population changes in New York, See Leon F. Bouvier and Vernon M. Briggs, Jr. The Population and Labor Force of New York: 1990-2050, Washington: The Population Reference Bureau, 1988.

16. "Minorities on Verge of Becoming New Majority of Labor Force in New York City," News Release of the MIddle Atlantic Regional Office of the Bureau of Labor Statistics of the U.S. Department of Labor, December 14, 1987, pp. 1-5.

17. Bogen, op cit., p. 84.

18. David Gonzalez, "Poor and Illegal, Mexican Gamble on New York City", New York Times (May 19, 1991), p. A-24.

19. Ibid., see Also Bouvier and Briggs, Tables 35 and 36.

20. See Lisa Belkin, "Abuse Rises Among Hispanic Garment Workers: New York Times (November 29, 1990), p. A-16; Constance Hays, "Immigrants Strain Chinatown's Resources: Many Aliens face 'a kind of Indentured Servitude," New York Times (May 30, 1990), p. B-1; "Report: Kids Fill City Sweatshops" Ithaca Journal (May 28, 1990), p. 9A; and Peter Kilborn "Tougher Enforcing of Child Labor Laws is Vowed," New York Times (February 8, 1990). p. A-22.

21. Bogen, op. cit., p. 91.

22. National Center on Education and the Economy, America's Choice: High Skills or Low Wages! Rochester, NY: National Center on Education and the Economy, 1990.