

THE DAILY CALLER

Does Illegal Immigration Cost Jobs? (A Debate)

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My friend Ken Blackwell's recent op-ed, "[Obama's Immigration Legacy: Lower Wages And Less Security For Americans](#)," got some pushback from [Cafe Hayek's Don Boudreaux](#), who argued the growth in wages from 1915-2015 "occurred, not despite, but largely *because* of population growth."

This is an interesting debate, and it isn't over, yet. Without editorializing myself, Blackwell has responded with the following open letter. I present it to you without comment.

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Things to think about:

Start with Dr. Steve Camarota's [response](#) to Adam Davidson's "[Debunking the Myth of the Job-Stealing Immigrant](#)" in the New York Times. Steve just wrote in National Review:

- "The fact that workers in general and less-educated natives in particular have not fared well in the last 35 years is not what we would expect if immigration improved the employment prospects and wages of natives across the board. After all, the immigrant share of the work force roughly tripled after 1980, so if Davidson is right, this should have been a boom time for wages and employment. In fact, the opposite happened."
- "Davidson seems unfamiliar with other studies showing that immigration reduces the employment of the native-born, such as [this one](#) by a Federal Reserve economist that indicates immigration has significantly reduced the employment of American teenagers, or [this study](#) and [this study](#), both of which show that immigration reduces the employment of African Americans."

Here are many more facts, each with sourcing (Your request): African Americans have been jobless at rates roughly twice that of whites since 1972. They also have worse jobless rates than immigrants despite advantages in education – likely because they don't have the same network advantages as immigrants. (Michael A. Fletcher, "[Black jobless rate is twice that of whites](#)," *Washington Post*, December 14, 2012). African Americans did not benefit from the jobs boom in the 1990s the way non-blacks did. (Michael Gerson, "[The overlooked plight of young black males](#)," *Washington Post*, December 13, 2012). Immigration from 1970-2010 averaged

770,976 after averaging only 181,725 from 1930-1970 (Yearbook of Immigration Statistics, Department of Homeland Security). The percentage of Blacks in the middle class grew from 22 percent in 1940 to 71 percent in 1970. (Roy Beck, "The Case Against Immigration," W.W. Norton & Company, pp. 223-224).

A 2010 study, "Latino Employment and Black Violence: The Unintended Consequence of U.S. Immigration Policy," by LSU sociology professor Edward Shihadeh and doctoral student Raymond Barranco found that immigration policies have flooded low-skill markets, displaced Black workers, and increased violence in the African-American community. The findings are published in the journal "Social Forces." The findings echo those of Professor Jeffrey Grogger of the University of Chicago who found that immigration accounted for approximately 10 percent of the increase in African American incarceration between 1960 and 2000.

There is no question that immigration grows the overall economy but not everyone wins. Canada and Mexico have economies of similar size but there is no debate about whether the average Mexican is as well off economically as the average Canadian.

Real wages have been stagnant for 30 years ("The middle class is 20 percent poorer than it was in 1984" by Matt O'Brien, Wonkblog, Washington Post, July 29, 2014)

There are trade offs to mass immigration; winners and losers. That is at the heart of George Borjas' work. From George Borjas' Cato Institute presentation on his book "Immigration Economics," June 11, 2014:

- "How much do native workers lose? Well if you believe this model, \$400 billion" (32:30)
- "What immigration basically does is create a redistribution of wealth from labor to people who use immigrants." (32:45)
- "All of the lessons that economics teaches you don't really imply a single thing about what kind of policy the US should pursue and the reason is that the kind of policy the US should pursue depends not just on the facts but also depends on the kind of country we want to be—what is the objective function of immigration policy? What do we want it to accomplish?" (49:11)
- "The question you have to ask yourself is who are you rooting for?" (53:08)

79% of illegal aliens have no more than a high school education, so they are competing directly for jobs with lesser educated American workers. 7 million illegal aliens currently hold a job in the U.S.

Dr. Daryl Scott, Professor of History at Howard University, said during a CIS panel discussion: "[W]hat we're witnessing is that individuals and corporations both seem to be making a decision not to employ teenagers....for poor kids, what this means to me is that these kids are going to find work and opportunity outside the legitimate system. And whether we're talking about black kids, white kids or Hispanic kids, our kids who are poor are going to increasingly be our problem because we have failed them once again by, in effect, eliminating them from the workforce because we do not think that they're the proper group to perform the labor and there's no place for them.

According to a 2014 [study](#) by the Federal Reserve Bank of Boston, “for every foreign-born nurse that migrates to a U.S. city there are between one and two fewer native RNs observed working in the city.” The study found that over a 10-year period, the flow of foreign-born nurses in the United States has reduced the number of native-born Americans sitting in licensing exams:

- “We find evidence of large displacement effects ... over a 10-year period.”
- “An increase in the flow of foreign nurses significantly reduces the number of natives sitting for licensure exams in the states that are more dependent on foreign-born nurses compared to those states that are less dependent on foreign nurses.”
- “We find evidence suggesting that some of the displacement effects [caused by the presence of foreign nurses] could be driven by a decline in the perceived quality of the workplace environment.”

From “Obama’s Amnesty-Inequality Trap” by Scott McConnell, *The American Conservative*, September 10, 2014:

- “It’s been more than a decade since immigration was a major concern of mine. I can think of numerous reasons why diverse multicultural immigration has been or might eventually be quite okay, even on balance beneficial.”
- “Still, it’s hard not to be struck by the failure of the immigration debate, on every side, to touch on the heart of the matter. The heart of it isn’t the end of white cultural and political dominance (the end of America, as some would have it) though that is surely an element behind some immigration restriction sentiment. It’s that mass immigration is a frontal assault on America as a country with a fair degree of social equality.”
- “I would submit that a country where the rich have to complain about their difficulty getting good help is morally superior to one where the working class is under constant threat of falling into dire poverty.”
- “One can of course point to ways in which the lives of upper middle class and above Americans are enriched by the existence a large class of poorer immigrants. The freedom of American women, indeed of almost all ‘first world’ women, was surely enhanced with child care options made possible by an influx of poorer immigrant women. Nonetheless, there are probably better ways to solve child care problems than eliminating the border.”

From “Does Immigration Harm Working Americans?” by David Frum, *The Atlantic*, January 5, 2015:

- “If you assume that all low-education workers are potential substitutes for each other — the 23-year-old recent arrival from Guatemala with the 53-year-old who proceeded from high school to the Army — then your model will show a less dramatic effect of immigration on wages. If, however, you assume that the 23-year-old Guatemalan is competing with 20- and 30-something native-born workers who lack diplomas, then your model will show a very big effect.”
- “When economists minimize the impact of immigration on wages, they aren’t denying that immigration pushes wages down in the jobs that immigrants take. They concede that immigration does do that. They celebrate that immigration does that. Instead, they join their celebration of immigration’s wage-cutting effects with a prediction about the way

that the natives will respond.”But what if the prediction is wrong? What if natives respond to immigrant competition by shifting out of the labor market entirely, by qualifying for disability pensions?”

- ““The ratio of CEO pay to other workers has skyrocketed. Obviously we are suffering from a glut of workers and massive CEO scarcity. We should issue work permits automatically to any executive with a job offer that pays more than \$500,000 a year. Americans with organizational skills will be pressed to shift to the public sector, improving the quality and lowering the cost to taxpayers of government services.””But that’s not how things are done. In the United States, the hypothesis of native-immigrant complementarity is deployed to justify policies that intensify competition for the lower and middle echelons of the society, rarely near the top. Perhaps it doesn’t have

Finally, Don, keep in mind that most people think of illegal alien workers as primarily working in field agriculture. In fact, less than 5% do. We have an unlimited legal guestworker program to provide farmers with all the foreign labor they can ever want. But 95% of illegal aliens are competing with high-unemployment-rate, poverty-level, lower-educated Americans for jobs in construction, manufacturing, hospitality and other service occupations.