Why Blocking Poor Immigrants Could Be Very Costly

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Worse health outcomes, especially among pregnant women. A jump in emergency room usage. More communicable diseases. Higher poverty and housing instability, including among U.S. citizen children. Lower productivity. Reduced educational attainment. And “downstream and upstream impacts on state and local economies, large and small businesses, and individuals.”

What are all these terrible things? They’re all potential consequences of a new Department of Homeland Security (DHS) rule—according to DHS itself.

The rule seeks to bar noncitizens from obtaining green cards if the government determines that they’re likely to become “public charges”—individuals likely to use public benefits, such as food stamps (SNAP), Medicaid, some parts of Medicare, and Section 8 and other housing subsidies. Its long-term effect, should it be implemented in its current form, would be to strengthen barriers to entry for low-income people who are immigrating through family.

DHS says that this will save billions for local governments and “promote immigrant self-sufficiency and protect finite resources by ensuring that they are not likely to become burdens on American taxpayers.” But critics of the rule fear that the Trump administration’s latest effort to strangle immigration could have another, more immediate effect: spooking existing immigrant populations enough to encourage them to withdraw from public benefits programs. And that could have all sorts of expensive repercussions—especially for cities with large immigrant populations.

“As rumors of this mean-spirited plan have swirled for months, public officials across the country, including city leaders and health administrators, have spoken out against it given the far-reaching, negative implications it would have on the health and well-being of families including those living and working in the U.S. in lawful status,” said Anastasia Tonello, president of the American Immigration Law Association (AILA), in a statement. “Anyone with immigrant ancestors should ask themselves, would they have been allowed to stay here under these rules? The simple answer for so many is no.”

Just who is a “public charge” anyway?

But first: a bit of history. Conditioning the rights of a person on their extent of economic need goes back to slavery. In antebellum Alabama, the state legislature allowed emancipation in individual cases, only if the enslaved people were able to certify that they would not become a burden on the government. For citizenship, this criteria was first applied in 1882 with the Chinese Exclusion Act, which forbade not only Chinese immigrants but also “any person unable to take care of himself or herself without becoming a public charge." In the decades since, the term has often been employed as justification to keep out poor, ethnic minorities and LGBT groups.

Since the 1990s, the government has only taken into account the reliance on cash-based assistance such as Supplemental Security Income (SSI) or Temporary Assistance for Needy Families (TANF) when considering that criteria. Today, only 3 percent of noncitizens use these benefits. Still, all visa applicants have to demonstrate that they have sufficient funds to support themselves. Green card applicants—even those who've lived in the country for many years—have to submit detailed medical records, noting specifically any mental or physical illnesses or disabilities that may require them to be institutionalized. They also already have to answer a series of questions in interviews with government officials about whether or not they have used cash assistance in the past, and whether they might need it in the future. Denials on the basis of these conclusions currently make up a small share of overall denials of immigration benefits.

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The new rule expands the types of public benefits that make someone a public charge, thrusting a much larger share of the noncitizen population into uncertainty. It still has to go through the public rule-making process, but if it is implemented, the government will base its decisions on a variety of differently weighed factors that include extent of public benefits usage, income, education, and family size—"dramatically expanding the discretion that officials will have and inviting a lot more bias," said Gabrielle Lessard from National Immigration Law Center (NILC). Primarily, it's likely to hurt the immigration prospects of low-income individuals from poor countries who are hoping to immigrate to America through the family-based pipeline.

Just how many people would be covered by the rule? Shawn Fremstad of the left-leaning think tank Center for American Progress (CAP) pointed out on Twitter that DHS itself notes that around 500,000 noncitizens in the U.S. would be subject to this new rule, and it would also apply to 500-600,000 additional people who apply for visas from abroad.

Cutting benefits could be expensive

Because rumors of the rule change have been circulating for months, some immigrants have already started to withdraw from public benefits. Service providers have noticed a drop in immigrant enrollment among immigrants who had fears of losing status. Parents aren't taking children for check-ups and vaccines. Pregnant women are withdrawing from prenatal care. Families are not pursuing health insurance through the Affordable Care Act. All that is now likely to increase.

This withdrawal could spell trouble for the communities that host large immigrant populations. Immigrant families—including those with U.S.-born children—might lose their homes, especially in those West Coast cities that are experiencing surges in their homeless populations. A host of public health concerns could be aggravated, from communicable disease transmission rates to emergency room admissions. Working immigrants may forgo Medicaid services, depleting much-needed revenue for providers who serve rural areas and immigrant-rich cities, alike. They may not be able to put in the same hours at their jobs, with affects their ability to contribute to state and local taxes, and Social Security and Medicare. As Lessard notes, this chilling effect could have “an adverse effect on the entire city.

Many U.S. mayors agree. Some, like New York City’s Bill de Blasio, have spoken out against the rule, pointing out its potential effects on working-class residents. On Monday, Cities for Citizenship, a bipartisan coalition of 175 mayors taking steps to encourage naturalization, released the following statement:

By forcing immigrants and their families to make a choice between obtaining permanent residency and utilizing public programs that support health, nutrition, and economic security, this proposal would deal immigrant communities a harsh blow, particularly for the elderly and people with disabilities. It would stand to increase poverty and inequality among already vulnerable populations and damage our local economies.

More rich immigrants, please

Proponents of the public charge rule argue that it’s necessary “to preserve a flow of qualified, capable immigrants.” That idea, which has enjoyed bipartisan support in the past, is based on the notion that highly educated immigrants with well-paying jobs are better for the country than those who’re poorer and less educated. (Think President Donald Trump’s infamous demand for “more people from Norway.”)

The assumption is that often underpins these beliefs is that low-income immigrants who use public benefits embody the “welfare queen” stereotype—they’re unwilling to work and taking advantage of the taxpayers who fund these government benefits. Proponents of these views often cite research by Harvard economist George Borjas, whose body of work has shown that immigrant workers depress wages of native workers of a similar profile and are a drain on the taxpayer.

But other economists dispute those findings, or at the very least, agree that they don’t present a full picture. The most rigorous analysis of the economic effects of immigration by the National Academy of Sciences concludes that while there may be short-term winners and losers, immigration has a net positive benefit to the American economy. And sure, immigrants—particularly the working poor who have very young, very old, or disabled family members—may need public assistance. But even poor ones are less likely to use public benefits compared to native born counterparts, per recent analyses conducted by the libertarian Cato Institute. (This makes sense because they’re simply not eligible for many of them.)

Other research emphasizes the fact that low-income immigrants do crucial jobs. And it’s not just well-off “high-skilled” immigrants, but a diversity of immigrants in U.S. cities that help raise wages for everyone. (Even undocumented ones pay billions in federal and local taxes, buy goods and services, and start businesses.)

“How you contribute to your community—and not what you look like or the contents of your wallet—should be what matters most,” said Marielena Hincapié, executive director of NILC, in a statement. “This proposed rule does the opposite and makes clear that the Trump administration continues to prioritize money over family unity by ensuring that only the wealthiest can afford to build a future in this country.”

The intensity of the debate over the economic costs and benefits of immigration has risen and fallen with nativist sentiment throughout history. But accompanying it is a moral argument: Immigrants are people, and people have value beyond the sum total of what they contribute to the economy. Immigration advocates, therefore, see the public charge rule as the latest in a long line of efforts aimed at dividing immigrants into good and bad, worthy and unworthy, based on income and race.

“This is an ideological policy,” Lessard said. “The guiding philosophy is that it’s driven by rhetoric that immigrants are coming here and taking from the government … ultimately, it’s a part of the white supremacist agenda in response to demographic change.”