



# Standard-Examiner

## **Guest op-ed: Fear of refugees depriving Americans of jobs is groundless**

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Arrival of refugees at an increasing rate at the U.S.-Mexico border in the past couple of years has further heightened the hostility of the Trump administration toward refugees and immigration. Now the administration has issued proclamation 10014 (June 22, 2020) to stop the entry of aliens as immigrants for 60 days with some exceptions ([www.whitehouse.gov](http://www.whitehouse.gov)). The excuse is to protect Americans from adverse health outcomes and job loss to aliens due to the COVID-19 outbreak.

Since 1947, various attempts have been made by the U.S. administrations to reform the chaotic rules and regulations that deal with the refugees' issue, according to a State Department study from August 2017. Finally, Congress decided to pass the Refugees Act in 1980 and used the U.N. definition of refugees. It also standardized the procedures for their resettlements and established the Office of Refugees Resettlement (ORR).

The question is whether the fear of refugees (including asylees) taking jobs from Americans and becoming a burden on American society is grounded in facts. Perhaps the fear created by the Trump Administration is not based on the evidence of the economic status of refugees in the labor market.

Courtney Bell, Christian Dustman and Ian Preston (*Journal of Economic Perspective*, Winter 2020) find that male refugees, even with less human capital, lacking language and job skills, caught up to the employment rates of other immigrants within two years and to the natives within 10 years after their arrival, a better outcome than Canada, Australia and many countries in Europe. However, employment rates of refugee women were less than their male counterparts, other migrants and native women.

The complaint that refugees would affect employment and wage rates of lower-skilled workers is also unsubstantiated. The research by professor David Card of Princeton University in 1990 examined the consequences of the Mariel boatlift of 125,000 Cuban refugees in 1980 to Miami. Close to 45,000 Cuban refugees, who permanently settled in Miami, had almost no effect on wages and unemployment of less-skilled workers in the Miami labor market.

Other studies reported by National Immigration Forum (June 14, 2018) also support this result. In addition, the Forum found that in 2015 there were more refugee entrepreneurs than native-born entrepreneurs. Over 181,000 refugee entrepreneurs generated \$4.6 billion in business income. Refugees' total net fiscal contribution to budgets at all levels of government was \$63 billion during 2005-2014.

Gardner Policy Institute reports (April 2017) that Utah had 11,408 total new refugee arrivals from 2006 to 2016. Most were concentrated in Salt Lake County and were from nations such as Congo, Syria, Vietnam and Iraq.

The IZA Institute of Labor Economics in Bonn, Germany, (February 2018) reports that during 2005-2010 Utah's average employment rate among all refugees was slightly less than 30%, ranking 24th out of 41 reported states. Their self-employment rate ranking (a sign of entrepreneurship) was even worse than other states (see IZA DP NO 11343). Utah policy makers need to pay more attention to this unsatisfactory record.

Despite the general success in the employment sector of the U.S., refugees faced a greater wage gap than in many other countries within two years of arrival: 60% lower than natives and 51% lower than other immigrants. The wage gap, though lower, persisted even a decade after their arrival (see BDP).

Perhaps poor health and lack of language and job skills may be contributory factors. However, after 25 years, refugee households' median income was \$14,000 above the overall median income of U.S. households (see NIF), thus the fear of economic burden of refugees is illusory.

The U.S. has thrived on the contributions of immigrants and refugees. Cato Institute (July 20, 2018) finds that Australia and most western and northern European countries are more accepting nations for refugees than the U.S.

The fear created by the Trump administration about refugees and immigrants is unwarranted. However, an orderly admission process is needed. Congress is obligated to pass a comprehensive immigration bill to resolve the current chaos caused by haphazard policies on refugees and immigration