

Are Half of America's Immigrants Really on Welfare?

Tanvi Misra September 8, 2015

'Tis the Summer of Trump. And while his infamous hairdo may not have caught on, his penchant for questionable claims about immigration certainly has. Here's a recent one: Over half of U.S. immigrants are on welfare.

That's the headline of a story that USA Today ran last week. A handful of national news organizations covered the topic, which was based on a recent study by the Center of Immigration Studies—a not-so-non-partisan organization that has been criticized for its misleading immigration studies.

Here's how USA Today summarizes the report's main findings:

About 51% of immigrant-led households receive at least one kind of welfare benefit, including Medicaid, food stamps, school lunches and housing assistance, compared to 30% for native-led households, according to the report from the Center for Immigration Studies, a group that advocates for lower levels of immigration. Those numbers increase for households with children, with 76% of immigrant-led households receiving welfare, compared to 52% for the native-born.

Like other research put forth by CIS, this report has problems. While USA Today does point out some caveats, a more rigorous critique comes from the Cato Institute—a libertarian think tank based in Washington, D.C. Here's Cato's Alex Nowrasteh on the CIS findings, in a blog post:

CIS' methodology, parts of which are suspect, is what produced this result – as we've pointed out to CIS multiple times. They also omitted a lot of information that would make for a better comparison between immigrants and natives. Simply put, the CIS study does not compare apples to apples but rather apples to elephants.

Nowrasteh has four main critiques with the CIS methodology:

1. Over-counting. The center measures welfare use in terms of households, not individuals. That puts immigrants at a disadvantage, since they generally have larger families than native-born Americans, and also fails to control for native-born members living with immigrant relatives.

- 2. Bad comparison. CIS compares welfare usage rates for immigrant households to all native-born households—including wealthy ones that don't need state benefits. Cato found that poor immigrants used welfare at a lower rate than poor native-born Americans.
- 3. Flawed measure. CIS counts welfare usage rate by including any household where a member used Medicaid, or food, housing, or cash subsidies during 2012. What it doesn't measure is the cash value of benefits actually consumed.
- 4. Missing context. CIS also fails to include an analysis of how immigrants use Medicare and social security—two significant public benefit programs. Research suggests that immigrants actually contribute much more to these programs than they consume from it.

These are just some of the problems that jump out in the CIS report, which ultimately serves more as a talking point in the GOP'S anti-immigration narrative ("Let's make America Great Again!") than as a real evaluation of the welfare situation. Here's how the New Republic's Laura Reston sums it up:

While that sentiment is likely to resonate with conservatives, the facts prove otherwise: Native-born Americans aren't footing the bill for immigrants so much as immigrants are contributing to a welfare system that many of them can't take advantage of.

That's not to say American immigrants never struggle with poverty or low wages, just that the economic portrait of new arrivals is far more complicated than what CIS and its pals present. Immigrants, both documented and undocumented, make significant contributions to the economy; they help with tax revenue, add to the labor market, and increase wages. They also commit less crime compared to their native counterparts, and keep the healthcare system afloat. (According to the The Washington Post, immigrants are the "best thing that's happened to Medicare.")

Immigrants—skilled and unskilled—will always come to America in search of better opportunities. Instead of demonizing them and fitting them into a tired old stereotype, it's better to include them when instituting policies (lik eminimum wage hikes) that lessen the dependence of Americans on welfare.