



Are Immigrants Really Freeloaders? New Study Backs Trump's Attacks

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Back in April, a study of the fiscal implications of illegal immigration made the notable finding that millions of undocumented workers were paying billions of dollars in state and local taxes and that considerably more revenue might be generated if President Obama succeeded in protecting many of them from deportation.

The 50-state analysis by the Institute on Taxation and Economic Policy found that about 8.1 million of the 11.4 million illegal immigrants who were employed paid in excess of \$11.8 billion in state and municipal taxes in 2012.

The implication of the report by the tax analysis foundation was that — amid growing opposition to immigration reform on Capitol Hill — many of these undocumented immigrants were not “freeloaders” and were willing to pay taxes to defray government costs.

As controversy over immigration policy rages, with GOP presidential frontrunner Donald Trump denouncing illegal immigrants as rapists and domestic job killers, a new study issued Wednesday by a group that favors tighter controls on immigration concludes that immigrants may be freeloaders after all.

The report by the conservative Center for Immigration Studies found that households headed by immigrants — both legal and illegal — use welfare programs at a rate significantly higher than households headed by native-born Americans.

Fifty-one percent of households headed by immigrants reported using at least one welfare program during 2012, based on the latest available data provided by the Census Bureau's Survey of Income and Program Participation. That compares with just 30 percent of so-called native households that avail themselves of welfare programs, according to the report.

While dependence on Medicaid, food stamps and other welfare programs has risen in recent years as many Americans struggled through a major recession and stubbornly high unemployment, households headed by immigrants made far greater use of these federal benefits than their non-immigrant counterparts, the study finds.

For instance: Households headed by immigrants made greater use of food programs than “native households,” 40 percent to 22 percent, and Medicaid by 42 percent to 23 percent. Immigrant households also used government cash programs at a higher rate than native households, 12 percent versus 10 percent. Both types of households used government housing programs at a similar rate.

The report warns that federal social safety-net spending on immigrants from Mexico, Central America and elsewhere is posing a serious fiscal problem for this country. Although the center’s report doesn’t quantify the cost of welfare spending on immigrants, a new study by the Government Accountability Office this week identified 82 federal social-welfare programs and assorted tax expenditures totaling \$742 billion in fiscal 2013.

About a third of the overall population received benefits from some of these programs, including both legal and illegal immigrants, though most of the immigrants receiving those benefits are legally living in the U.S.

“Two decades after welfare reform tried to curtail immigrant welfare use, immigrant households are using most programs at higher rates than natives,” wrote Steven Camarota, the center's director of research and chief author of the report. “The low-skill level of many immigrants means that although most work, many also access welfare programs. If we continue to allow large numbers of less-educated immigrants to settle in the country, then immigrant welfare use will remain high.”

But the study’s findings were almost immediately repudiated by yet another think tank, the libertarian Cato Institute. It asserted that the study grossly exaggerated immigrants’ dependence on welfare programs.

Alex Nowrasteh, an immigration policy analyst for Cato, wrote that CIS had overstated immigrant welfare use by omitting “a lot of information that would make for a better comparison between immigrants and natives.” One problem he cites is that the study counts households instead of individuals in gauging the extent of the reliance on welfare. “Immigrant-headed household variables CIS uses are ambiguous, poorly defined and less used in modern research,” according to Nowrasteh.

What’s more, Nowrasteh complains, the CIS study fails to correct for income. “Since means-tested welfare programs are designed for those with lower incomes, it makes sense to only compare use rates among those with lower incomes,” he said. “It is not enlightening to

statistically compare the welfare use rates of rich immigrants and Americans like Elon Musk or Bill Gates to poorer immigrants and Americans as the CIS report does.”

“Simply put,” Nowrasteh concludes, “the CIS study does not compare apples to apples but rather apples to elephants.”

Get ready for more dueling studies and research like this as the immigration issue heats up even more.

Trump is continuing to promote his proposals for mass deportations of millions of illegal immigrants, construction of a wall along the 2,000-mile U.S.-Mexico border to keep others out, increased fees for visas and border crossings and stepped-up security.

Some of his Republican rivals are trying to out-trump Trump on border security. Just last week, Wisconsin Gov. Scott Walker said he was giving serious thought to construction of another wall along the border with Canada.

William Galston, a former domestic policy adviser to President Bill Clinton and now a government expert with the Brookings Institution, disputed the contention that immigrant reliance on federal social safety-net programs is blowing a huge hole in the federal budget and jeopardizing the government’s fiscal security.

“I’ve been listening to this argument for so long that I can no longer figure out what’s new about it,” Galston said in an interview Wednesday. “Some safety-net programs are very responsive to overall economic conditions. So food stamps expanded very significantly during the Great Recession and immediate aftermath.”

Galston said that food stamp usage has been declining for the past year or two and that “I would expect the same from safety-net programs that are clearly connected to the increments of economic distress caused by recessions or slow growth.”

“But the idea that we’re breaking the bank on domestic spending is ridiculous,” he said.