

# Immigration: Who Suffers?

*An interview with Vernon M. Briggs, Jr.*

by Claire Mencke

The percentage of the U.S. population that is foreign-born has more than doubled in the past 30 years, to 9.7 percent. The effect of immigration on the labor force is even larger: about one in eight U.S. workers was born abroad.

Most immigrants are not highly skilled or educated. One result: 20 percent of the foreign-born live in poverty, compared to the national average of 13.6 percent.

*Investor's Business Daily* spoke recently with immigration reform advocate Vernon Briggs of Cornell University's School of Labor and Industrial Relations on how U.S. policy has evolved — and how it may change.

IBD: *How is the latest wave of immigration different from earlier waves?*

VMB: The supply of immigrants is basically the same as always. But the demand has changed. At the turn of the century it was unskilled, poorly educated, non-English-speaking, *hard-working manual laborers. But that's what most of the jobs (called for).*

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*Claire Mencke is a staff writer with Investor's Business Daily. This interview appeared August 27, 1999 and is reprinted by permission.*

IBD: *How many now are admitted on the basis of needed skills?*

VMB: Of the 675,000 legal immigrants admitted each year, only 140,000 have needed skills. Even that overstates the number because it includes spouses and children. So it may be you're only getting 50,000 people admitted on skills and education.

IBD: *How large or small are the gains in the nation from immigration?*

VMB: There's no easy answer. You've got something that's in motion. The foreign-born population is increasing dramatically. The last estimate from 1997, the most recent, shows foreign-born at 11.5 percent of the labor force. That's nearly one of every eight workers.

IBD: *What worries you most about immigration policy?*

VMB: It's that so much of it is tied to people who have low levels of education, skills and training at a time when the labor market is indicating that's not what it needs. They either have to be given direct remedial services by special education and training programs, or they are going to compete in the labor market with large numbers of native people who are also still at the bottom of the income distribution.

IBD: *And the result?*

VMB: The Council of Economic

Advisors has said immigration is leading to a widening of the income disparity within the country. The last census in 1990 showed that 42 percent of the foreign-born did not have a high school diploma.

IBD: *Who gains?*

VMB: Employers of cheap labor, and the immigrants, most of whom come from countries where wages are even worse than they are when they're at the bottom of the (U.S.) labor pile. Sometimes consumers win when they get cheaper prices. That's probably one reason why inflation is being hampered a bit in this day of tightening labor markets.

IBD: *Who loses?*

VMB: The poor, both native and foreign-born. Also taxpayers in states with high immigrant populations. In New York City close to 40 percent of the population now is estimated to be foreign-born. That's close to the highest percentage ever recorded. That's why unemployment in New York City is still close to 7 percent after seven years of prosperity.

IBD: *Do most people benefit or not from immigration?*

VMB: It's increasingly the case that most people don't benefit. You have an immigration policy that dramatically increasing the cost of all kinds of services — education, incarceration, welfare. That means everybody's going to have to pay.

IBD: *How should immigration*

*policy be changed?*

VMB: The first thing would be to make it flexible. It's now written that we will receive 675,000 legal immigrants every year. If next year the unemployment rate goes to 40 percent we still get 675,000. The Immigration Act of 1990 raised the legal immigration numbers by 35 percent. The year it went into effect, in 1991 we went into a recession. Then, we had 1.8 million immigrants receive green cards in that one year — the largest ever. Also in 1991, we had 1 million fewer people working at the end of

that year than at the beginning. The numbers ought to be set administratively, as in Australia and Canada to be congruent with labor market needs — changing as economic conditions change.

IBD: *What else?*

VMB: I'd also like to see immigration shifting away from emphasis on family reunification. That's where 80 percent of visas go. I would do what the Jordan Commission recommended in 1997 — cut off extended family preferences. Also, I'd not admit any workers under employment-

based categories for unskilled occupations. The unemployment rate for unskilled workers is still close to 9 percent, and it's much higher in urban areas.

IBD: *Most polls show people want less immigration. Why doesn't public policy reflect this?*

VMB: It's like gun control. Specific interests dominate policy formulation. Polls consistently favor immigration reform and a crackdown on illegal immigration, by substantial numbers. It's completely ignored. **TSC**