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**UNDERSTANDING AMERICA'S
LEGAL IMMIGRATION SYSTEM**

BY STUART ANDERSON

EXECUTIVE SUMMARY

Ronald Reagan called America a “shining city on a hill” and praised the country’s tradition as a nation of immigrants. To continue with that tradition, policymakers and the general public need to understand how the legal immigration system operates and to place current immigration laws and numbers in context.

Among the facts readers can gain from this report:

- Legal immigration to the United States has not been rising, but remained at approximately the same level between 2001 and 2015. In fact, the number of lawful permanent residents admitted was slightly lower in 2015 than in 2001.
- The current flow of legal immigrants (approximately 1 million a year) is not high by U.S. historical standards. The 2015 legal immigration level of only 0.3 percent of the U.S. population is about 1/5 the level of 1907 as a percentage of the U.S. population. Back in 1907, the U.S. accepted approximately 1.3 million immigrants when America’s population was at only 87 million people – an annual flow of immigrants representing 1.5 percent of the U.S. population.
- Illegal entry has declined by about 80% along the Southwest border since 2000. The overall unauthorized immigrant population has dropped by at least 1 million since 2009. “In FY17, CBP recorded the lowest level of illegal cross-border migration on record, as measured by apprehensions along the border and inadmissible encounters at U.S. ports of entry,” according to a report from U.S. Customs and Border Protection (CBP). “CBP recorded 310,531 apprehensions by U.S. Border Patrol agents and 216,370 inadmissible cases by CBP officers in FY17, a 23.7% decline over the previous year.”
- Reducing legal immigration would lead to less economic growth and a lower U.S. standard of living, and would not help native-born lower-skilled workers, according to economists.
- Without immigrants, U.S. labor force growth – an essential element of economic growth – would fall. By 2035, without future immigrants, “the total U.S. working-age population would drop by almost 8 million (or more than 4%) from the 2015 working-age population,” reports the Pew Research Center.
- Family and employment-based immigrants can now wait decades for permanent residence due to low annual quotas and per-country limits.

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- The education levels of recent immigrants have been rising and today are higher, on average, than native-born levels.
- "Chain migration" is a contrived term that relies on casual observers being unaware of important facts. Immigrants have always come to America, succeeded and later supported the immigration of close family members. It is an important part of American history and an outgrowth of the natural human inclination to help one's family. The difference today is immigration is more restrictive than in the past and Americans can only sponsor family members in preference categories under strict numerical limits established by Congress.
- The timeframe between the application of a first immigrant and the entry of a second family-sponsored immigrant can take 45 years, according to an analysis of data published by the U.S. Citizenship and Immigration Services Ombudsman and the U.S. Department of State. To use the Ombudsman's example, the wait for a Mexican-born married adult son or daughter of a U.S. citizen would be about 20 years. If the spouse of that adult son becomes a citizen after 5 years and petitions for her brother in Mexico, then it would take another 20 years for the brother to arrive – a total of at least 45 years between the first application and the arrival of the second immigrant.
- Further evidence refuting the claims of endless "chains" of immigrants can be seen in a simple fact: Legal immigration to the United States has not risen since 2001.
- There are no "extended family" categories in the U.S. immigration system and claims to the contrary are untrue. U.S. citizens can sponsor a spouse, child, sibling or parent.
- The spouses and minor children of U.S. citizens and lawful permanent residents make up nearly two-thirds (about 62 percent) of family-based immigration. Approximately 82 percent of family-based immigration consists of the spouses, minor children (under 21) and parents of U.S. citizens and the spouses and minor children of lawful permanent residents.
- In trying to eliminate the immigration category for the sons and daughters of U.S. citizens, some critics imply children cease to be members of a family once they turn 21 years old, even though no Americans consider their children to be "extended family members" just because they turn 21 years of age.
- Family immigrants have proven highly adaptable to the labor market, particularly because they are not recruited for specific jobs. Family immigrants start many of America's small businesses, pooling capital and labor in cities across America. "Immigrants account for more than 90 percent of the growth in self-employment since 2000," according to economist Magnus Lofstrom.

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- The waiting list for family immigrants now reaches 4.3 million people, according to the U.S. Department of State. If Congress were to eliminate one or more family immigration categories, as some current bills propose, it would prevent millions of people waiting for years who have applied legally from immigrating to the United States.
- The evidence indicates assimilation is alive and well. "Among 18-to-24-year-old children of immigrants, [only] 7% have not completed high school and are not enrolled in school," reports the Pew Research Center.
- Immigrants increase the supply of labor, including by serving as caregivers in families so mothers can work, and expand the economy's productive capacity, particularly when compared with reducing legal immigration and eliminating family categories.
- Immigration to America has been made up of millions of individual stories of immigrants (and their children) achieving the American Dream. The contributions to America made by immigrant entrepreneurs, Nobel Prize winners, cancer researchers, and workers across the skill spectrum are an essential part of the country's economy and culture. The children of immigrants are vital to strong families and keeping the country growing, while also important to the nation's future in science and engineering.

America's legal immigration system is ultimately in the hands of the American people. Commenting on the uniqueness of America, Ronald Reagan once told a class of students: "I got a letter from a man the other day, and I'll share it with you. The man said you can go to live in Japan, but you cannot become Japanese – or Germany, or France – and he named all the others. But he said anyone from any corner of the world can come to America and become an American."¹

¹ Ronald Reagan remarks to students at Suitland High School in Suitland, MD, January 20, 1988.

OVERVIEW: THE BENEFITS OF IMMIGRATION TO AMERICA

IMMIGRANTS: KEY ROLE IN ECONOMIC GROWTH AND LABOR FORCE GROWTH

"Immigration is integral to the nation's economic growth," concluded a recent National Academy Sciences report. "Immigration supplies workers who have helped the United States avoid the problems facing stagnant economies created by unfavorable demographics – in particular, an aging (and, in the case of Japan, a shrinking) workforce. Moreover, the infusion by high-skill immigration of human capital has boosted the nation's capacity for innovation, entrepreneurship, and technological change."²

Labor force growth and productivity growth are the key elements of America's economic growth. "Economic growth stems from two main sources: putting more people to work or enabling workers to operate more efficiently (i.e., better productivity)," as *The Economist* explains.³

How important are immigrants to labor force growth in the United States? "Without future immigrants, the working-age population in the U.S. would *decrease* by 2035," according to projections by demographers at the Pew Research Center.⁴ The numbers should alarm policymakers: By 2035, without future immigrants, "the total U.S. working-age population would drop by almost 8 million (or more than 4%) from the 2015 working-age population."⁵ In addition to future immigrants, the other saving grace is the children of immigrants, who between 2015 and 2035 will account for 13.5 million additional workers in the U.S. ages 25 to 64.⁶

REDUCING IMMIGRATION: A BAD IDEA

Reducing legal immigration is a bad idea, particularly given America's aging workforce. According to Joel Prakken, senior managing director and co-founder of Macroeconomic Advisers, reducing legal immigration by 50%, as proposed in the RAISE Act, would initially reduce the rate of economic growth in the United States by an estimated 12.5% from its projected level, with this penalty increasing in later years when the United States becomes even more dependent upon immigration for the country's population growth.⁷ The role immigrants play in preventing a declining labor force is one factor, while productivity is an additional factor.

² The National Academies of Sciences, Engineering, and Medicine. (2016). *The Economic and Fiscal Consequences of Immigration*. Washington, DC: The National Academies Press.

³ "Working Hard for the Money," *The Economist*, June 2, 2016.

⁴ Jeffrey S. Passel and D'Vera Cohn, "Immigration Projected to Drive Growth in U.S. Working-Age Population Through at Least 2035," Pew Research Center, March 8, 2017.

⁵ Ibid.

⁶ Ibid.

⁷ Patti Domm, "This Is What Immigration Means to the U.S. Economy in Two Charts," CNBC, March 28, 2017.

"Prakken said a proposed bill in the Senate would limit immigration, reducing it to roughly half the 1.1 million immigrants who arrived in 2015," according to CNBC. "He said over time that could dent the secular growth rate of 2 percent by about a quarter

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In a study for RAND, economists Nicole Maestas, Kathleen J. Mullen and David Powell, write, “We find that a 10% increase in the population ages 60+ decreases the growth rate of GDP per capita by 5.5% . . . Our results imply annual GDP growth will slow by 1.2 percentage points this decade and 0.6 percentage points next decade due to population aging.”⁸ They forecast America will face problems with both the growth of labor and productivity.

Immigrants, including high-skilled foreign nationals on H-1B temporary visas, contribute to America’s productivity growth in crucial ways. “When we aggregate at the national level, inflows of foreign STEM [science, technology, engineering and math] workers explain *between 30% and 50% of the aggregate productivity growth* that took place in the United States between 1990 and 2010,” according to economists Giovanni Peri (UC, Davis), Kevin Shih (RPI) and Chad Sparber (Colgate University).⁹ In sum, immigrants make important contributions to America by increasing both the supply of productive labor and productivity growth.

CONTRIBUTIONS TO AMERICA MADE BY INDIVIDUAL IMMIGRANTS

Measuring immigrants in the aggregate, while useful, misses many outstanding individual contributions made by immigrants. It also overlooks the ways in which immigrants bring forth new ideas, encourage specialization and fill niches in the labor market at both the high and low end. “Immigration” is made up of millions of individual stories of people aspiring to – and achieving – the American Dream.

IMMIGRANT NOBEL PRIZE WINNERS

Scientific awards reflect the nation’s ability to attract, retain and assimilate talent to achieve breakthroughs that benefit the country and, ultimately, the world. America’s openness to immigrants has paid dividends in science by attracting many fine minds that teach students and collaborate with native-born scientists and researchers. Between 2000 and 2017, immigrants have been awarded 39 percent, or 33 of 85, of the Nobel Prizes won by Americans in Chemistry, Medicine and Physics.¹⁰ In 2017, America’s sole winner of the Nobel Prize in Chemistry was immigrant Joachim Frank, a Columbia University professor born in Germany. Rainer Weiss also was born in Germany and immigrated to the United States as a teenager. Weiss won the 2017 Nobel Prize in Physics, sharing it with fellow

point.” That would equal a 12.5 percent reduction from the projected growth rate of 2 percent. “The effect gets bigger over time because the Census assumptions for immigration keep growing and growing and growing, and the bill would not allow any growth,” said Prakken.

⁸ Nicole Maestas, Kathleen J. Mullen and David Powell, “The Effect of Population Aging on Economic Growth, the Labor Force and Productivity,” RAND Working Paper, August 2016.

⁹ Giovanni Peri, Kevin Shih and Chad Sparber, “STEM workers, H-1B Visas and Productivity in U.S. Cities,” *Journal of Labor Economics*, vol. 33 No. S1. U.S. High-Skilled Immigration in the Global Economy (Part 2, July 2-2015), pp. S225-S255. Emphasis added.

¹⁰ *Immigrants and Nobel Prizes: 1901-2017*, NFAP Policy Brief, National Foundation for American Policy, October 2017.

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Americans Kip S. Thorne and Barry C. Barish. In 2016, all 6 American winners of the Nobel Prize in economics and scientific fields were immigrants.¹¹

IMMIGRANT CANCER RESEARCHERS

Americans also gain from the remarkable achievements of immigrants in cancer research and other types of medical research that saves lives and improves the quality of life for millions of Americans and their families. “More than 40 percent of the cancer researchers at America’s top cancer institutes are immigrants,” according to recent research. “At the University of Texas MD Anderson Cancer Center 62 percent of the cancer researchers are immigrants and at Memorial Sloan-Kettering Cancer Center in New York, 56 percent of the researchers are foreign-born.”¹²

The first director of the National Cancer Institute was immigrant Carl Voegtlin. Mexican-born immigrant Dr. Alfredo Quiñones-Hinojosa, a Professor of Neurosurgery, Oncology, Neuroscience, and Cellular and Molecular Medicine at Johns Hopkins University, “performs over 250 brain surgeries a year, often removing life-threatening tumors and his work in brain cancer is funded by the National Institutes of Health.”¹³

The Fred Hutchinson Cancer Research Center, based in Seattle, Washington, is a prime example of how Americans benefit from accepting immigrants from across the world. “Immunotherapy research, which is revolutionizing the way cancer is treated and cured by harnessing a patient’s own immune system to fight the disease, is being conducted by a virtual United Nations of scientists,” reports the Fred Hutchinson Cancer Research Center. “Among them are Dr. Stanley Riddell (Canada); Dr. Aude Chapuis (Switzerland); and Drs. Marie Bleakley and Cameron Turtle (Australia). Elsewhere on campus, epidemiologist Dr. Chu Chen (Taiwan) unravels the secrets of tobacco- and hormone-related head and neck cancers. Infectious disease specialist Dr. Michael Boeckh (Germany) fights back infections in bone marrow transplant patients and others with weakened immune systems.”¹⁴

Approximately one-quarter of physicians in America are foreign-born.¹⁵ Foreign-born nurses and physical therapists also play an important role in delivering health care to an aging U.S. population. Despite this role, U.S. immigration policy does not make it easy for foreign-born physicians, nurses or physical therapists to work in America on either temporary visas or to gain permanent residence.

¹¹ Ibid.

¹² Stuart Anderson, *The Contributions of Immigrants Cancer Research in America*, NFAP Policy Brief, National Foundation for American Policy, February 2013.

¹³ Ibid.

¹⁴ Mary Engel, “Science Without Borders,” *Hutch News*, October 16, 2017. Evolutionary geneticist Dr. Harmit Malik (India) is a Howard Hughes Medical Institute Investigator at Fred Hutchinson who focuses on viruses that affect humans.

¹⁵ “A Census of Actively Licensed Physicians in the United States, 2014,” *Journal of Medical Regulation*, vol. 101, no. 2, Federation of State Medical Boards, 2015, p. 11. About 23 percent of the physicians licensed to practice in the United States are International Medical Graduates but the number of foreign-born doctors in the U.S. is higher, since that figure does not include, for example, Canadians or immigrants educated at U.S. medical schools.

IMMIGRANT ENTREPRENEURS

Entrepreneurs are the lifeblood of a market-based economy and immigrants are leading the tip of the economic spear. A man or woman willing to risk everything on life in a new country is the type of individual likely to expend the time, energy and capital needed to start a new business. “Immigrants are almost twice as likely as the native-born to become entrepreneurs,” according to the Ewing Marion Kauffman Foundation.¹⁶ Despite this, America has no startup visa to allow immigrants to gain permanent residence after founding a new, job-creating business that attracts capital.

Economists now recognize the key role of immigrant entrepreneurs in the U.S. economy. “In the United States, immigrants increasingly contribute to entrepreneurship,” writes economist Magnus Lofstrom. “*Immigrants account for more than 90 percent of the growth in self-employment since 2000.*”¹⁷

Entrepreneurs such as Elon Musk (SpaceX and Tesla) and Sergey Brin (Google) are part of a long line of immigrants who have founded or co-founded valuable cutting-edge companies. “Immigrants have started more than half (44 of 87) of America’s startup companies valued at \$1 billion or more and are key members of management or product development teams in over 70 percent (62 of 87) of these companies,” according to the National Foundation for American Policy. “The research finds that among the billion dollar startup companies, immigrant founders have created an average of approximately 760 jobs per company in the United States.”¹⁸

FAMILY IMMIGRANTS

From the beginning, immigration to America has been *family* immigration. Immigrants came here as family units, joined existing relatives or sent a father, brother or son ahead to set down roots to allow other family members to follow. The great American science fiction writer Isaac Asimov, author of *I, Robot* and other classics, came to the United States when his mother’s brother arranged for the Asimov family to immigrate from the Soviet Union.¹⁹ John Tu founded the 3,000-employee Kingston Technology after being sponsored by his sister for immigration.²⁰

The advantages of family-based immigrants are many. First, family immigrants have proven highly adaptable to the labor market. “Perhaps counterintuitively, family-based immigrants add dynamism to the U.S. labor markets

¹⁶ 2017 Kauffman Index of Startup Activity, Ewing Marion Kauffman Foundation, May 2017.

¹⁷ Magnus Lofstrom, “Immigrant Entrepreneurship: Trends and Contributions,” *Cato Journal*, Fall 2017.

¹⁸ Stuart Anderson, *Immigrants and Billion Dollar Startups*, NFAP Policy Brief, National Foundation for American Policy, March 2016.

¹⁹ Isaac Asimov, ed. By Janet Jeppson Asimov, *It’s Been a Good Life* (New York: Prometheus Book, 2002), p. 13.

²⁰ Testimony of John Tu, “Immigrant Entrepreneurs, Job Creation, and the American Dream,” Hearing before the Subcommittee on Immigration, Committee on the Judiciary, United States Senate, April 15, 1997.

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precisely because their skills do not instantly fit,” according to economists Mark Regets and Harriet Duleep. “Rather than being recruited for a specific job, family-based immigrants often have to adapt their skills to the U.S. labor market. They invest in U.S. human capital at astonishing rates, both through formal enrollment in schools and training programs and in their willingness to change jobs and occupations.”²¹

Regets and Duleep explain that as immigrants “learn new skills, they also become increasingly able to make their older skills valuable in the U.S. economy.” In short, admitting people “willing to learn new skills” provides the economy with an “extraordinarily flexible labor force that responds to business innovations.”²²

Second, family immigrants start many of America’s small businesses, pooling capital and labor in cities across America. And not only small companies. Family-sponsored immigrants have started approximately 13% of recent privately-held companies that received venture capital, according to a survey by the National Venture Capital Association.²³

“Family-based immigration is also associated with immigrant entrepreneurship,” write Regets and Duleep. “Finding or creating new niches in the economy where they can be valuable is another way to adapt their skills. And in a family business, there are obvious advantages to being able to sponsor a sibling for immigration. Indeed, when we studied what factors encourage immigrant entrepreneurship, sibling admissions was the star, out-trumping education.”²⁴

Third, family-based immigrants help increase the labor supply and, therefore, the U.S. economy’s productive capacity, particularly when compared with efforts to reduce legal immigration by 50% by eliminating most family immigration.

Fourth, parents and other caregivers allow women to enter the workforce during child-bearing years, thereby allowing women to utilize their skills and education in the workforce.

²¹ Mark Regets and Harriet Duleep, “What Trump Doesn’t Get About Family Immigration: Why It’s So Vital to America’s Economic Vitality,” *Daily News*, August 7, 2017.

²² Ibid.

²³ *American-Made 2.0: How Immigrant Entrepreneurs Continue to Contribute to the U.S. Economy*, National Venture Capital Association, 2013.

²⁴ Regets and Duleep, “What Trump Doesn’t Get About Family Immigration: Why It’s So Vital to America’s Economic Vitality.”

THE CHILDREN OF IMMIGRANTS

The children of immigrants are keeping America growing. “The population of children of immigrants grew, while the population of native-born parents shrank” between 2006 and 2014, according to the Urban Institute. The children of native-born parents dropped 3 percent, while children under 18 years old with “at least one foreign-born parent” increased 12 percent from 2006 to 2014.²⁵

The children of immigrants also supply America with the next generation of scientists and engineers. “An impressive 83 percent (33 of 40) of the finalists of the 2016 Intel Science Talent Search, the leading science competition for U.S. high school students, were the children of immigrants,” according to a recent study. “That compares to 7 children who had both parents born in the United States. The science competition has been called the ‘Junior Nobel Prize.’ These outstanding children of immigrants would never have been in America if their parents had not been allowed into the U.S.”²⁶

INTERNATIONAL STUDENTS

“The United States has the enormous international advantage of being able to attract talent in science, technology, and engineering from all over the world to its most prestigious institutions,” writes University of California, Davis economist Giovanni Peri. “The country is certainly better off by having the whole world as a potential supplier of highly talented individuals rather than only the native-born.”²⁷

Enrolling in a U.S. university as an international student is a common way for future immigrants, particularly employment-based immigrants, to first enter the United States. More than 20 recent founders of billion dollar startup companies came to America as international students, helping to establish such companies as Gusto, Cloudflare, Stripe, SpaceX, Eventbrite, Moderna Therapeutics and Cloudera.²⁸

International students are a crucial source of scientists and engineers in the U.S. economy. At U.S. universities, 79 percent of the full-time graduate students in computer science and 81 percent in electrical engineering are

²⁵ Tyler Woods and Devlin Hanson, *Demographic Trends of Children of Immigrants*, Urban Institute, October 2016.

²⁶ Stuart Anderson, *The Contributions of the Children of Immigrants to Science in America*, NFAP Policy Brief, National Foundation for American Policy, March 2017.

²⁷ Giovanni Peri, *Immigrants, Skills, and Wages: Measuring the Economic Gains from Immigration*, (Washington, DC: Immigration Policy Center, March 2006), p. 7.

²⁸ Anderson, *Immigrants and Billion Dollar Startups*.

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international students.²⁹ Between 1995 and 2015, without international students, the annual number of full-time graduate students at U.S. universities in electrical engineering would have declined by 17 percent.³⁰

A high level of international students allows U.S. universities to attract and retain top faculty, since large numbers of graduate students are essential to conducting research. Foreign students also help keep academic programs available for U.S. students. In computer science and electrical engineering, the majority of full-time graduate students (master's and Ph.D.'s) are international students at *approximately 90 percent of U.S. graduate school programs*.³¹ Many prominent schools have too few U.S. students to support graduate-level programs in certain STEM fields without international students.³²

Research shows international students help domestic U.S. graduate students, including by subsidizing their tuition costs. "The primary findings reveal that international students actually raise domestic enrollment," concluded Rensselaer Polytechnic Institute economics professor Kevin Shih. "Preferred estimates indicate that 10 additional international students increase domestic enrollment by roughly 8."³³

²⁹ *The Importance of International Students to American Science and Engineering*, NFAP Policy Brief, National Foundation for American Policy, October 2017.

³⁰ Ibid.

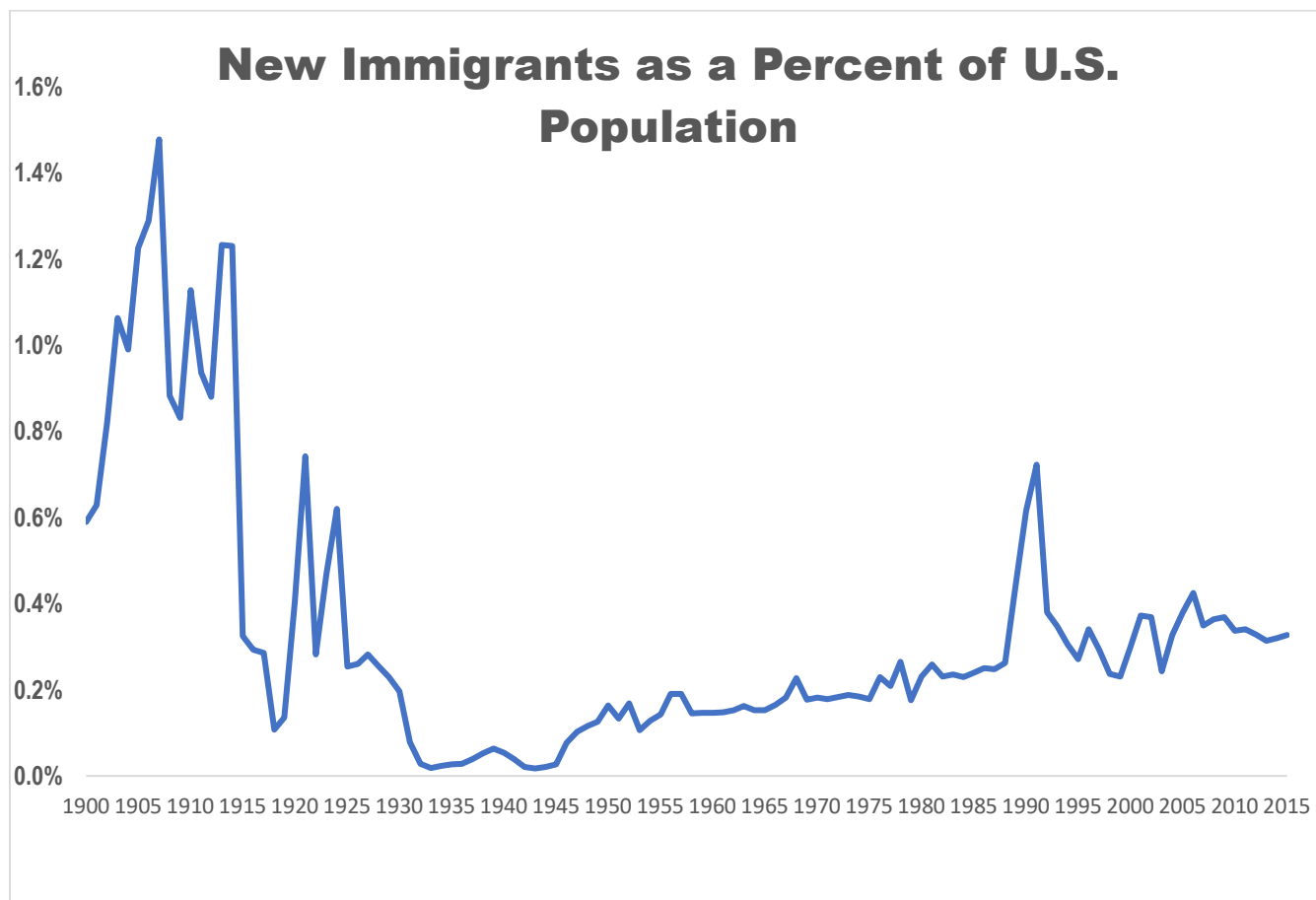
³¹ Ibid.

³² Ibid.

³³ Kevin Shih, *Do International Students Crowd Out or Cross-Subsidize Americans in Higher Education?* September 25, 2017.

LEGAL IMMIGRATION IN CONTEXT**THE NUMBER OF LEGAL IMMIGRANTS IS NOT HIGH BY HISTORICAL STANDARDS AND AS A PERCENTAGE OF U.S. POPULATION**

The late Ben Wattenberg described legal immigration as follows: Imagine you are in a giant ballroom filled with 1,000 people enjoying snacks and drinks. Into that room walks 3 people. Those 3 people represent the annual flow of legal immigrants to the United States. As they mix in with the 1,000 people in the room, the 3 newcomers are not spoiling the party.

Figure 1

Source: U.S. Census Bureau and DHS Office of Immigration Statistics. Note: Based upon numbers of new Lawful Permanent Residents (green cards) and estimates of July 1st population.

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The current flow of 1 million legal immigrants is not high by U.S. historical standards. Back in 1907, the U.S. accepted approximately 1.3 million immigrants when America's population was at only 87 million people – an annual flow of immigrants representing 1.5 percent of the U.S. population. In contrast, the 2015 level of about 1,050,000 legal immigrants represents only 0.3 percent of the U.S. population – about 1/5 the level of 1907 as a percentage of the U.S. population.³⁴

As the late economist Julian Simon explained, “From the point of view of the economic impact on natives, more appropriate than the absolute numbers is the volume of immigration as a proportion of the native population.”³⁵ One million people immigrating to China (population 1.4 billion) is different than 1 million people immigrating to Micronesia (population 104,000), while 8 new students enrolling at a 2,000-person U.S. high school would have a different impact than 8 students moving to a small 12-person schoolhouse from *Little House on the Prairie*.

THE ANNUAL LEVEL OF LEGAL IMMIGRATION HASN'T CHANGED IN 15 YEARS

Legal immigration to the United States is not rising. In 2001, the number of people who became lawful permanent residents was 1,058,902. And in 2015? The number was an almost identical, if slightly lower, 1,051,031.³⁶ In short, legal immigration is not rising.

Table 1
Legal Immigration By Year

YEAR	Persons Obtaining Lawful Permanent Resident Status
2015	1,051,031
2014	1,016,518
2013	990,553
2012	1,031,631
2011	1,062,040
2010	1,042,625
2009	1,130,818
2008	1,107,126
2007	1,052,415
2006	1,266,129
2005	1,122,257
2004	957,883
2003	703,542
2002	1,059,356
2001	1,058,902

Source: *2015 Yearbook of Immigration Statistics*, Office of Immigration Statistics, Department of Homeland Security, December 2016.

³⁴ U.S. Department of Homeland Security, additional calculations.

³⁵ Julian Simon, *Immigration: The Demographic and Economic Facts*, Cato Institute and National Immigration Forum, 1995.

³⁶ The average level of immigration over these 15 years was 1,043,521.

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Even without Congress changing the law, legal immigration will almost certainly be at lower levels in FY 2017 and FY 2018 due to the Trump administration's decision to admit fewer refugees.³⁷ The requirement for employment-based immigrants to undergo in-person interviews is likely to delay when high-skilled immigrants can obtain permanent residence, which will also affect the level of legal immigration.

ILLEGAL IMMIGRATION AND UNAUTHORIZED ENTRY HAS FALLEN

The population of unauthorized immigrants in the United States declined from 12.2 million in 2009 to 11.1 million in 2014, according to a report from the Pew Research Center.³⁸

The Department of Homeland Security has highlighted "record" low levels of attempted illegal entry into the U.S. "In FY17, CBP recorded the lowest level of illegal cross-border migration on record, as measured by apprehensions along the border and inadmissible encounters at U.S. ports of entry," according to a report from U.S. Customs and Border Protection (CBP). "CBP recorded 310,531 apprehensions by U.S. Border Patrol agents and 216,370 inadmissible cases by CBP officers in FY17, a 23.7% decline over the previous year."³⁹ (Emphasis added.)

Apprehensions are considered a proxy for illegal entry, with fewer illegal entries meaning fewer people attempting to enter the United States illegally. Since 2000, the number of Border Patrol apprehensions at the Southwest border has declined by approximately 80%, from a high of over 1.6 million in FY 2000 to around 303,916 in FY 2017.⁴⁰

While violence in Central America has recently compelled many women and unaccompanied minors to flee to the U.S. Southwest border, due to demographic changes in Latin America it is unlikely the United States will ever again experience the level of illegal entry seen 10 to 20 years ago. "The total fertility rate in Mexico was seven in 1965, which then plummeted over the next several decades, dropping to 2.5 by 2000, close to the U.S. level of 2.1 (Tuiran et al. 2002)," according to economists Gordon Hanson, Chen Liu and Craig McIntosh. "This means that in the past decade, a major demographic driver of unskilled immigration to the U.S. has effectively switched into neutral. These demographic changes are likely to have substantial impacts on the relative scarcity of unskilled to skilled labor, regardless of which immigration policy the U.S. pursues on its border . . . even a return to robust labor demand growth in the U.S. seems incapable of causing undocumented immigration to approach its pre-recession levels."⁴¹

³⁷ When released, FY 2016 legal immigration numbers could see a slight increase from FY 2015 due to processing differences between the two years and higher FY 2016 refugee admissions, but the numbers would drop down again once FY 2017 numbers are released due to lower refugee numbers in FY 2017.

³⁸ Jeffrey S. Passel and D'Vera Cohn, *Overall Number of U.S. Unauthorized Immigrants Holds Steady Since 2009*, Pew Research Center, September 20, 2016.

³⁹ *CBP Border Security Report, Fiscal Year 2017*, U.S. Customs and Border Protection, December 5, 2017.

⁴⁰ *Ibid.*

⁴¹ Gordon Hanson, Chen Liu and Craig McIntosh, "Demographic Drivers in the Americas Will Reduce Undocumented Immigration and Wage Inequality in the U.S." Vox CEPR's Policy Portal, October 4, 2017.

EXAMINING THE LEGAL IMMIGRATION SYSTEM

People immigrate legally each year to the United States through a variety of categories, including close family members of U.S. citizens, high-skilled professionals sponsored by employers, refugees and others. Below are some of the most important facts about legal immigration to the United States.

MOST FAMILY IMMIGRANTS ARE SPOUSES AND CHILDREN

The spouses and minor children of U.S. citizens and lawful permanent residents make up nearly two-thirds (about 62 percent) of family-based immigration. Approximately 82 percent of family-based immigration consists of the spouses, minor children (under 21) and parents of U.S. citizens and the spouses and minor children of lawful permanent residents.⁴²

THERE ARE NO “EXTENDED” FAMILY CATEGORIES

American citizens can sponsor a spouse, a parent, a sibling or a child (both above and below the age of 21). Critics of immigration display particular animus toward family immigration categories, often asserting the individuals sponsored by Americans are “extended relatives.” There is no “aunts, uncles and cousins” category in the U.S. immigration system.

The two primary categories most targeted by critics are the unmarried sons and daughters of U.S. citizens (21 years or older) and the married sons and daughters of U.S. citizens (also 21 years or older). No Americans consider their children to be “extended family members” just because they turn 21 years of age.

It's worth noting that the categories for the unmarried sons and daughters of U.S. citizens and the married sons and daughters of U.S. citizens each represent only 2 percent of total legal immigration to the United States. The unmarried sons and daughters of lawful permanent residents come to only 1 percent of total legal immigration. Policymakers should ask: What national purpose is served by preventing about 24,000 people a year in the two sons and daughters categories from being reunited with their U.S. citizen parents?

⁴² 2015 Yearbook of Immigration Statistics, Office of Immigration Statistics, Department of Homeland Security, December 2016.

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Table 2
Legal Immigration (FY 2015)

Category	Number of Immigrants	Percentage of Annual Total
IMMEDIATE RELATIVES		
Spouses of U.S. Citizens	265,367	25%
Children of U.S. Citizens (under 21)	66,740	6%
Parents of U.S. Citizens	132,961	13%
FAMILY-SPONSORED PREFERENCES		
1 st Preference: Unmarried Sons and Daughters of U.S. Citizens	24,533	2%
2 nd Preference: Spouses, Children and Unmarried Sons and Daughters of Lawful Permanent Residents	104,892	10%
3 rd Preference: Married Sons and Daughters of U.S. Citizens	24,271	2%
4 th Preference: Brothers and Sisters of U.S. Citizens	60,214	6%
EMPLOYMENT-BASED PREFERENCES		
1 st Preference: Priority Workers	41,688	4%
2 nd Preference: Professionals with Advanced Degrees or Aliens of Exceptional Ability	44,344	4%
3 rd Preference: Skilled Workers, Professionals, Unskilled Workers	37,243	4%
4 th Preference: Certain Special Immigrants	10,584	1%
5 th Preference: Employment Creation (Investors)	10,188	1%
Diversity	47,934	5%
Refugees	118,431	11%
Asylees	33,564	3%
Various: Children Born Abroad to Alien Residents (403), NACARA (49), Parolees (23), HRIFA (9), Cancellation of Removal (4,713)	5,197	0.5%
Other – primarily Iraqis/Afghans employed by U.S. gov't, adjustments for U (crime victim/witness) and T visas	22,880	2%
TOTAL	1,051,031	

Source: 2015 Yearbook of Immigration Statistics, Office of Immigration Statistics, Department of Homeland Security, December 2016. Notes DHS Statistical Yearbook, Tables 6 and 7. Percentages are rounded. Note: Refugees in FY 2017 and FY 2018 expected to be substantially lower.

A BRIEF HISTORY OF FAMILY IMMIGRATION

Individuals and any accompanying family members immigrated to America without numerical restriction from the time of the first colonies in the 1600s up until the “national origins” legislation passed in 1921 and 1924. The 1921 and 1924 immigration laws were based largely on eugenics theories, since discredited, and imposed harsh quotas aimed primarily against Jews, Italians and Eastern Europeans.⁴³ About three decades later, the Immigration and Nationality Act of 1952 resumed support for family reunification by specifically permitting up to 25% of a country’s quota for “brothers, sisters, sons, or daughters of citizens of the United States.”⁴⁴ Up to 30% was allocated for the parents of U.S. citizens.⁴⁵

There is evidence that the 1965 Immigration Act did not represent a sharp break on family immigration but rather a continuation of policies mostly in place prior to the law’s enactment. Between 1952 and 1965, for immigrants admitted under the quota system, “86% of the 242,546 visas used went to family immigration while skill-based used only 34,643, or 14%,” according to the Congressional Research Service.⁴⁶ The Immigration Act of 1990 increased admission numbers in both family and employment-based preference categories.

In the years leading up to the 1965 Immigration Act, Congress poked holes in the national origins quotas and helped families reunify through immigration legislation. According to a House Judiciary Committee report on legislation in 1959: “The recognized principle of avoiding separation of families could be furthered if certain categories of such relatives were reclassified in the various preference portions of the immigration quotas.”⁴⁷

An analysis of the 1965 Immigration Act by Joyce Vialet of the Congressional Research Service concluded, “In response to the demand for admission of family members, Congress enacted a series of amendments to the Immigration and Nationality Act (INA), beginning in 1957, which gave increasing priority to family relationship. *The family preference categories included in the 1965 Act evolved directly from this series of amendments. Arguably, the 1965 Act represented an acceptance of the status quo rather than a shift to a new policy of favoring family members.*”⁴⁸ In other words, the Congressional Research Service analysis concludes that the 1965 Immigration Act was not a break but rather a continuation of U.S. immigration policy on family reunification.

⁴³ This does not include restrictions imposed against people from Asia.

⁴⁴ Section 203 of Public Law 414 (June 27, 1952).

⁴⁵ Ibid.

⁴⁶ Joyce Vialet, *Significance of Family Ties in Immigrant Admissions, 1952-1965*, Memorandum to the Senate Committee on the Judiciary, December 14, 1998. Emphasis added.

⁴⁷ Ibid.

⁴⁸ Ibid. Emphasis added.

THE MYTHS OF “CHAIN MIGRATION”

To love and offer assistance to one's family is natural. It is the foundation of civilization and does not harm other people. “Chain migration” is a contrived term that places a negative spin on something that has taken place throughout American history – some family members come to this country and succeed, and then sponsor other family members.

The rhetoric on the misleading term “chain migration” relies on the casual observer being unaware of at least 3 important facts:

- 1) Anyone who immigrates under a family preference category (adult children and siblings of U.S. citizens) can only do so under *strict numerical limits established by Congress*. In other words, if one person's family did not immigrate, then someone else's family would immigrate within the same preference categories.
- 2) The timeframe between the application for the first immigrant and the entry of a second family-sponsored immigrant can take more than *40 years*, according to an analysis of data published by the U.S. Citizenship and Immigration Services Ombudsman and the U.S. Department of State.⁴⁹ In short, the notion that one new immigrant arrives at the airport and quickly sponsors another family is a myth. To use the Ombudsman's example, the wait for a Mexican-born married adult son or daughter of a U.S. citizen would be about 20 years. If the spouse of that adult son becomes a citizen after 5 years and petitions for her brother in Mexico, then it would take another 20 years for the brother to arrive – a total of at least 45 years between the first application and the arrival of the second immigrant.
- 3) The rhetoric surrounding “chain migration” is contradicted by an empirical fact found in the annual statistical yearbook published by the Department of Homeland Security: *The overall level of legal immigration of approximately 1 million has remained virtually the same between 2001 and 2015*. There is no “endless” chain of immigration taking place in the United States. These numbers contradict a White House “report” (in reality a document that simply added up immigration by category) that asserted family immigration was leading to an “explosive” number of green cards.⁵⁰ The numbers simply do not support the assertion that there have been increases in legal immigration over the past 15 years.

To be sponsored for immigration, an individual must be eligible. In the case of DACA (Deferred Action for Childhood Arrivals) recipients and other young people brought to America, it is unlikely their parents would be able to immigrate

⁴⁹ Citizenship and Immigration Services Ombudsman, *Annual Report 2010*, U.S. Department of Homeland Security, June 30, 2010, p. 32; *Reforming America's Legal Immigration System*, NFAP Policy Brief, National Foundation for American Policy, September 2015. Additional analysis of Visa Bulletin for November 2017.

⁵⁰ “White House Releases ‘Explosive’ Tally of Green Cards Issued in ‘Chain Migration,’ Fox News, November 30, 2017.

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in most cases. Individuals out of status because they entered unlawfully are unlikely to be eligible to adjust to legal status inside the country. Parents who entered the United States unlawfully with a child would be subject to bars against reentering the U.S. for 10 years unless such individuals received a waiver, and obtaining such a waiver is not guaranteed. "Over a lifetime, the average legalizing DREAMer would sponsor at most about one family member," concluded an analysis by the Migration Policy Institute.⁵¹

NUMERICAL LIMITS

Family-based preferences are generally limited to a total of 226,000 a year, with about 40 percent comprised of the spouses (and minor children) of lawful permanent residents.⁵² Immediate Relatives of U.S. citizens (spouses, children and parents) immigrate without numerical restriction and accounted for 44 percent of total legal immigration to the United States in FY 2015, and 69 percent of family immigration.

EMPLOYMENT-BASED IMMIGRANTS ARE ALREADY WORKING HERE

The vast majority (86 to 95 percent) of high-skilled employer-sponsored immigrants are already in the United States, typically working in H-1B or L-1 temporary status, and adjust their status inside the country to receive a green card (permanent residence).

BROTHERS AND SISTERS: A SMALL PERCENTAGE OF NEW IMMIGRANTS

At 65,000 a year, the brothers and sisters of U.S. citizens account for only about 6 percent of overall legal immigration to the United States. It is possible cultural differences explain why some U.S. policymakers consider siblings "distant relatives," even though relationships among brothers and sisters in many countries are exceedingly close. Approximately 2.5 million people on the immigration waiting list are in the brothers and sisters category.⁵³

DIVERSITY VISAS

Under the Diversity Visa lottery, "up to 55,000 immigrant visas [in practice, 50,000] each fiscal year to permit additional immigration opportunities for persons from countries with low admissions during the previous five years," according to the U.S. Department of State.⁵⁴ Diversity Visas were criticized recently after it was discovered that Sayfullo Saipov, who killed 8 people with his truck in a New York City terrorist attack, entered the United States from Uzbekistan on a Diversity Visa.

⁵¹ Julia Gelatt and Randy Capps, "Legalization for DREAMers: A Realistic Appraisal of Potential Chain Migration," Migration Policy Institute, November 2017.

⁵² Calculations in this section come from data contained in *2015 Yearbook of Immigration Statistics*, Office of Immigration Statistics, Department of Homeland Security.

⁵³ *Annual Report of Immigrant Visa Applicants in the Family-sponsored and Employment-based preferences Registered at the National Visa Center as of November 1, 2016*, U.S. Department of State.

⁵⁴ Visa Bulletin, November 2017, U.S. Department of State.

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To qualify for the Diversity Visa lottery, individuals must have at least a high school education, its equivalent, or “two years of work experience within the past five years in an occupation that requires at least two years of training or experience to perform.”⁵⁵ An advantage of allowing the immigration of people from a diverse set of countries is it can provide the United States with people familiar with more languages, cultures and commerce in more nations, which could be beneficial for trade, military affairs and U.S. foreign policy.

In 1997, Abdel Rahman Mosabbah entered America after winning a place in the Diversity Visa lottery. He shared an apartment with other men and heard two of them discussing plans to explode bombs the next day on the New York City subway. He took a walk and, after many hours in a police station, convinced detectives he had information about an impending terrorist attack. The police raided the apartment and captured the would-be terrorists and the bombs they intended to use against subway passengers. “This Muslim Diversity Visa recipient saved the lives of scores of Americans he had never met,” concluded the *Daily Beast*.⁵⁶

FAIRNESS FOR THOSE ON IMMIGRATION WAITING LISTS

Even if Congress were to eliminate an existing immigration category, fairness and good government should compel lawmakers to “grandfather” in those who have applied legally and waited patiently for years to immigrate. A number of lawmakers have argued that legalization for individuals who entered unlawfully would be unfair to those who applied the “right way” and “waited in line” to immigrate legally. It would be best to support such arguments with deeds and keep the U.S. government’s commitment to those who have applied for legal immigration.

Table 3
Family-Sponsored Waiting List

CATEGORY	Applicants Waiting as of Nov. 1, 2016
Family First Preference	310,884
Family Second Preference	700,212
Family Third Preference	781,810
Family Fourth Preference	2,466,667
TOTAL	4,259,573

Source: U.S. Department of State.

⁵⁵ U.S. Department of State.

⁵⁶ Christopher Dickey, “The Diversity Visa Winner Who Saved New York From a Terror Attack,” the *Daily Beast*, November 2, 2017.

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The waiting list for family immigrants now reaches 4.3 million people, according to the U.S. Department of State.⁵⁷ That means if Congress were to eliminate one or more family immigration categories it would prevent millions of people who have applied legally from immigrating to the United States.

LONG WAITS TO IMMIGRATE

Many Americans grow frustrated if they must wait 10 minutes in line to buy a movie ticket, which explains the success of apps and websites like Fandango. Now imagine waiting 10 years – or even 20 years or more – to immigrate to the United States. Those are the timeframes many immigrants must endure to become permanent residents and, later, U.S. citizens.

Table 4
How Long Can People Wait to Immigrate?

COUNTRY OF BIRTH & CATEGORY	WAIT TIME FOR GREEN CARD
Indian-Born Professional	10 to 25 years and longer
Chinese-Born Professional	4 to 5 years
Mexican-Born Married Adult Child of U.S. Citizen	20 years
Filipino-Born Brother or Sister of U.S. Citizen	20 years

Source: Estimates of wait times to obtain lawful permanent residence based on examination of State Department Visa Bulletin and USCIS data.

The reason for the long wait times for potential immigrants is a combination of low annual limits and per-country limits. What are per-country limits? “The INA [Immigration & Nationality Act] also specifies per-country limits equal to 7 percent of the combined total number of visas allotted to family- and employment-based preferences,” according to the U.S. Department of Homeland Security. “In 2015, these limits amounted to 25,956 immigrants from any single country.”⁵⁸ The per-country limits do not apply to the “Immediate Relatives” of U.S. citizens but exert a significant impact on the wait times of immigrants in the family and employment-based preference categories.

The way to solve the long waits for employment-based green cards is to increase the annual number, exempt categories of individuals from the numerical quotas and eliminate the per-country limit for employment-based immigrants. In practice, the per-country limit means the wait times for H-1B visa holders from India in the third employment-based preference (EB-3) can last from 10 years to theoretical wait times of at least 25 years or even

⁵⁷ *Annual Report of Immigrant Visa Applicants in the Family-sponsored and Employment-based preferences Registered at the National Visa Center as of November 1, 2016*, U.S. Department of State.

⁵⁸ Ryan Baugh and Katherine Witsman, *U.S. Lawful Permanent Residents: 2015, Annual Flow Report*, Office of Immigration Statistics, U.S. Department of Homeland Security.

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much longer.⁵⁹ While waiting for a green card, an individual may hesitate to change jobs (for fear of needing to re-start the immigration process) and is unlikely to be able to start a company. A Chinese-born professional can wait 4 to 5 years for permanent residence.

For family-sponsored immigrants the waits can also be long, though unlike employer-sponsored immigrants, most family immigrants are waiting outside the United States rather than working in a temporary status. The current immigration quotas and per-country limits mean a U.S. citizen can wait 20 years for a married son or daughter to immigrate to America from Mexico. A U.S. citizen would also wait about 20 years for a brother or sister from the Philippines or Mexico to immigrate to the United States. The waits exceed a decade for adult children and siblings in other countries.⁶⁰

TEMPORARY VISAS PLAY CRITICAL ROLE IN LEGAL IMMIGRATION SYSTEM

Temporary visas enable foreign nationals to work, study and visit the United States.⁶¹ Temporary status allows an individual to remain in America on a temporary basis and can be closely connected to the system for awarding lawful permanent resident, or a green card, which allows an individual to live permanently in the U.S.

HIGH-SKILLED TEMPORARY WORK VISAS

H-1B – These visas generally represent the only practical way for an international student graduating from a U.S. university or highly skilled professional educated abroad to work in the United States. However, the supply of H-1B petitions has been exhausted annually for the past 15 years, forcing many individuals seeking to work in America to leave or to be hired by foreign or U.S. companies abroad. High-skilled foreign nationals in H-1B status must be paid as much as or more than comparable U.S. workers.⁶² Criticism of the category notwithstanding, new H-1B petitions each year represent only 0.07% of the U.S. labor force.⁶³ New H-1B petitions by the top 7 Indian-based companies in 2016 came to only 9,356, or 0.006% of the U.S. labor force.⁶⁴

Allowing high-skilled foreign nationals to work in the United States can help create jobs. “The rejection of 178,000 H-1B visa applications in computer-related fields in the 2007 and 2008 H-1B visa lotteries caused U.S. metropolitan areas to miss out on creating as many as 231,224 often highly-sought after tech jobs for U.S.-born workers in the

⁵⁹ *Reforming America's Legal Immigration System*, NFAP Policy Brief, National Foundation for American Policy, September 2015. Based on information available at the time, one estimate has been that an Indian-born applicant in the 3rd employment-based preference could theoretically wait up to 70 years for a green card.

⁶⁰ Estimates based on the State Department Visa Bulletin, November 2017.

⁶¹ The Visa Waiver program allows nationals of selected countries to travel to the United States without a visa for a limited period of time.

⁶² Section 212(n)(1) of the Immigration and Nationality Act.

⁶³ U.S. Citizenship and Immigration Services, Bureau of Labor Statistics.

⁶⁴ *Ibid.*

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two years that followed,” according to a study from the New American Economy. “The total number of U.S.-born workers with computer-related jobs would have exceeded 2 million by 2010 with that additional employment.”⁶⁵

L – L-1A visas allow U.S. companies to transfer executives and managers from abroad, while L-1B visas permit the transfer of personnel with “specialized knowledge” from their overseas operations into the United States to work. L-1 beneficiaries must have worked for the employer overseas at least one continuous year (within a three-year period) prior to a petition being filed. An executive or manager can work for 7 years in the U.S., while employees with specialized knowledge can remain for 5 years, based on USCIS regulation. High denial rates and Requests for Evidence have plagued employers in this category in recent years. Imposing new restrictions, such as wage requirements, could violate U.S. trade commitments on the movement of people under the General Agreement on Trade in Services. In general, L-1 visas are important for attracting foreign investment, since companies would be unlikely to make large investments in America if they were unable to transfer executives or other personnel into the United States.

TN – This status is for professional workers from Mexico and Canada who qualify under the North American Free Trade Agreement (NAFTA). Canadians can enter the U.S. in TN status without a visa.

O – An O visa holder must demonstrate “extraordinary ability . . . which has been demonstrated by sustained national or international acclaim,” according to the law.⁶⁶

P – A P-1 visa is typically used for artists, entertainers, and professional athletes, both as individuals and groups.

Other temporary work categories include **R**, for religious workers, **I**, for foreign journalists, and **J-1**, for cultural and exchange programs, including au pairs and summer youth work programs, as well as physicians, who must return to their home country after 2 years unless the physician receives a special waiver. **T** visas are used by victims of trafficking, **U** visas are for crime victims who assist in a prosecution and **S** visas are for informants. An E-1 visa “allows a national of a treaty country (a country with which the United States maintains a treaty of commerce and navigation) to be admitted to the United States solely to engage in international trade on his or her own behalf. Certain employees of such a person or of a qualifying organization may also be eligible for this classification.”⁶⁷

⁶⁵ Giovanni Peri, Kevin Shih, Chad Sparber and Angie Marek Zeitlin, *Closing Economic Windows: How H-1B Visa Denials Cost U.S.-Born Tech Workers Jobs and Wages During the Great Recession*, A New American Economy, June 2014.

⁶⁶ Section 101(a)(15)(O)(i) of the Immigration and Nationality Act. According to USCIS regulation: “Extraordinary ability in the field of science, education, business, or athletics means a level of expertise indicating that the person is one of the small percentage who have arisen to the very top of the field of endeavor.”

⁶⁷ E-1 Treaty Traders, U.S. Citizenship and Immigration Services.

LOW-SKILLED TEMPORARY VISAS

The United States does not have a year-round temporary work visa for jobs that do not require a high school degree. That has contributed both to illegal immigration and to more than 7,000 immigrant deaths at the border over the past 20 years.⁶⁸ H-2A and H-2B visas are both available for “lower-skilled” workers but only for work considered seasonal.

H-2A – U.S. employers use H-2A temporary visas to hire workers in agriculture and related specialties, such as nurseries and landscaping. There is no annual limit on H-2A visas but use of H-2A has been affected by the bureaucratic process that accompanies it, including a risk for employers that an application will not be approved in time to harvest a crop.

H-2B – Workers can enter and work in the United States for short-term seasonal jobs not in agriculture using H-2B visas. As interpreted by federal agencies, the type of job and the employer’s need to fill the position must be temporary. Picking crabs in the Chesapeake Bay is an example of an H-2B-eligible job.

⁶⁸ *7,000 Deaths and Counting*, NFAP Policy Brief, National Foundation for American Policy, August 2017.

THE ECONOMICS OF IMMIGRATION

Two questions some policymakers have focused on in recent years are: 1) Do immigrants increase the unemployment rate or prevent natives from gaining jobs? 2) Are new immigrants mostly unskilled and unsuited to today's economy? The answer to both questions is "no."

IMMIGRANTS DO NOT INCREASE THE UNEMPLOYMENT RATE

As a recent representative economic study concluded: "There appears to be no statistical link between unemployment and immigration."⁶⁹ The reason new immigrants do not increase the unemployment rate is the same reason why adding new native-born workers to the economy does not automatically increase the unemployment rate – the number of jobs is not static but flows with consumer spending, capital investment, business startups and other factors. University of Michigan-Flint economics professor Mark J. Perry, explains, "There is no fixed pie or fixed number of jobs, so there is no way for immigrants to take away jobs from Americans. Immigrants expand the economic pie."⁷⁰

Economists Richard Vedder, Lowell Gallaway and Stephen Moore found no evidence immigration increases state unemployment levels and detailed why immigrants both fill and create new jobs in the U.S. economy:

First, immigrants may expand the demand for goods and services through their consumption. Second, immigrants may contribute to output through the investment of savings they bring with them. Third, immigrants have high rates of entrepreneurship which may lead to the creation of new jobs for U.S. workers. Fourth, immigrants may fill vital niches in the low and high skilled ends of the labor market, thus creating subsidiary job opportunities for Americans. Fifth, immigrants may contribute to economies of scale in production and the growth of markets.⁷¹

REDUCING IMMIGRATION WILL NOT RAISE WAGES, WILL HARM ECONOMIC GROWTH

Admitting fewer immigrants will not raise wages. However, admitting fewer immigrants will mean lower U.S. economic growth, which will translate into a lower standard of living for Americans.

⁶⁹ Guillaume Vandenbroucke and Heting Zhu, "Mixing the Melting Post: The Impact of Immigration on Labor Markets," *The Regional Economist*, First Quarter 2017.

⁷⁰ Interview with Mark J. Perry, cited in Stuart Anderson, *Immigration* (Denver, CO: Greenwood, 2010), p. 169.

⁷¹ Richard Vedder, Lowell Gallaway and Stephen Moore, *Immigration and Unemployment: New Evidence*, Alexis de Tocqueville Institution, Arlington, VA (March 1994), p. 2, as cited in Stuart Anderson, *Employment-Based Immigration and High Technology*, (Washington, DC: Empower America, 1996), p. 66.

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Reducing immigration (including family categories) would not raise the wages of lower-skilled workers, as some contend. University of California, Davis economist Giovanni Peri analyzed 30 years of research on immigrants and concluded, “There is little evidence of immigration lowering wages of less educated native workers.”⁷² Peri noted, “Decades of research have provided little support for the claim that immigrants depress wages by competing with native workers,” according to the analysis. “Most studies for industrialized countries have found, on average, no effect on the wages of native workers.”⁷³

Even if research showed past immigrants affected the wages of native-born workers it would not necessarily follow that lower levels of particular immigrants would *increase* wages. In fact, stopping the Bracero program in 1964 did not improve the wages of U.S. agricultural workers – and that action prevented the lawful admission of hundreds of thousands of Mexican farm workers each year on the Bracero program. “The exclusion of Mexican bracero workers was one of the largest-ever policy experiments to improve the labor market for domestic workers in a targeted sector by reducing the size of the workforce,” according to economists Michael A. Clemens (Center for Global Development and IZA), Ethan G. Lewis (Dartmouth College and NBER) and Hannah M. Postel (Center for Global Development). “We find that bracero exclusion *failed to raise wages* or substantially raise employment for domestic workers in the sector.”⁷⁴

Eliminating family immigration categories would be even less likely to raise the wages of native high-school dropouts – the group that immigration critics allege have seen their wages lowered by competition from immigrant workers who have not completed a high school degree. About 25,000 or fewer legal immigrants who did not complete high school would be blocked from immigrating each year if critics succeeded in eliminating the categories for the siblings and unmarried and married adult children of U.S. citizens. (These are the primary categories targeted in recent legislation.) It is implausible to assume that preventing the arrival of 25,000 people annually, about 0.01 percent of the nearly 160 million people in the U.S. labor force, coming in at different times of the year and in different parts of the country, could raise the wages of lower-skilled U.S. workers.⁷⁵ This is particularly the case since, as noted, economists have been hard pressed more generally to find negative wage impacts from immigration.

⁷² Giovanni Peri, “Do Immigrant Workers Depress the Wages of Native Workers?” *IZA World of Labor*, May 2014. “Decades of research have provided little support for the claim that immigrants depress wages by competing with native workers,” according to Peri. “Most studies for industrialized countries have found, on average, no effect on the wages of native workers.”

⁷³ Ibid.

⁷⁴ Michael A. Clemens, Ethan G. Lewis and Hannah M. Postel, *Immigration Restrictions as Active Labor Market Policy: Evidence from the Mexican Bracero Exclusion*, IZA Institute of Labor Economics, January 2017. Emphasis added. The researchers noted the reason for this “null result”: Employers either changed “production techniques” or altered how much they produced in response to the lower supply of farm labor.

⁷⁵ See Stuart Anderson, *A Point System and Its Impact on Agriculture and Other Sectors*, National Immigration Forum and National Foundation for American Policy, 2017; *2015 Yearbook of Immigration Statistics*, Office of Immigration Statistics, U.S. Department of Homeland Security, December 2016; Migration Policy Institute calculations of recent legal arrivals to the U.S.

INCORRECT TO BLAME IMMIGRATION POLICY FOR JOB LOSSES IN THE NEWS

Even if people understand that as a matter of economics foreign-born workers do not increase the unemployment rate and have little impact on wages, some may have read newspaper articles alleging that foreign-born tech workers replaced laid-off tech workers. I reviewed the 6 to 12 cases on this topic reported in the media over the past few years and interviewed almost a dozen advisors at firms who evaluate and provide recommendations on whether or not a company should contract out services. The conclusion reached was that companies make decisions to contract out information technology (IT) and other services to focus on core competencies, gain access to new technology and to save money that can be reinvested elsewhere in the company. Immigration policy is not a factor in these types of decisions.⁷⁶

“Companies decide to contract out key functions *before* knowing which contractor (or the makeup of the contractor’s workforce) would be selected,” concluded the report. Unfortunately, once a company decides to contract out a non-core function the jobs of employees who work in that function are at risk. In cases cited in the news, companies put a contract out for bid and after awarding the contract at least some of the workers who came onsite to transition to the new services were foreign nationals on visas. After seeing the visa holders, employees concluded they were being replaced by these visa holders and some lawmakers asserted the employers laid off the workers in order to replace them with foreigners.⁷⁷

Companies lay off workers and/or contract out work all the time without any regard to immigration policy. However, the presence of the foreign nationals being seen on the premises sparks the charge that immigration policy is to blame, even though there is no evidence in these cases that the employees would have retained their jobs if a different contractor had been chosen or if only U.S. workers were employed by the contractor. When Citizens Bank of Rhode Island contracted out IT work and laid off workers (the same as other companies had done), the action received virtually no media attention, since the entire transition to the new contract was conducted via the phone or the Internet and no foreign nationals stepped foot on the bank’s premises.⁷⁸

Approximately 20 million people in America lose their jobs involuntarily every year, according to the U.S. Department of Labor, and about 50 million people lose, change or retire from jobs each year.⁷⁹ Although it can be disruptive

⁷⁶ *U.S. Companies and Contracting for Services in the New American Economy*, U.S. Chamber of Commerce, December 2016.

⁷⁷ *Ibid.*

⁷⁸ Patrick Thibodeau, “As it Sets IT layoffs, Citizens Bank Shifts Work to India Via Web,” *Computerworld*, August 13, 2015.

⁷⁹ Job Openings and Labor Turnover Survey News Release, Bureau of Labor Statistics, U.S. Department of Labor, March 17, 2016.

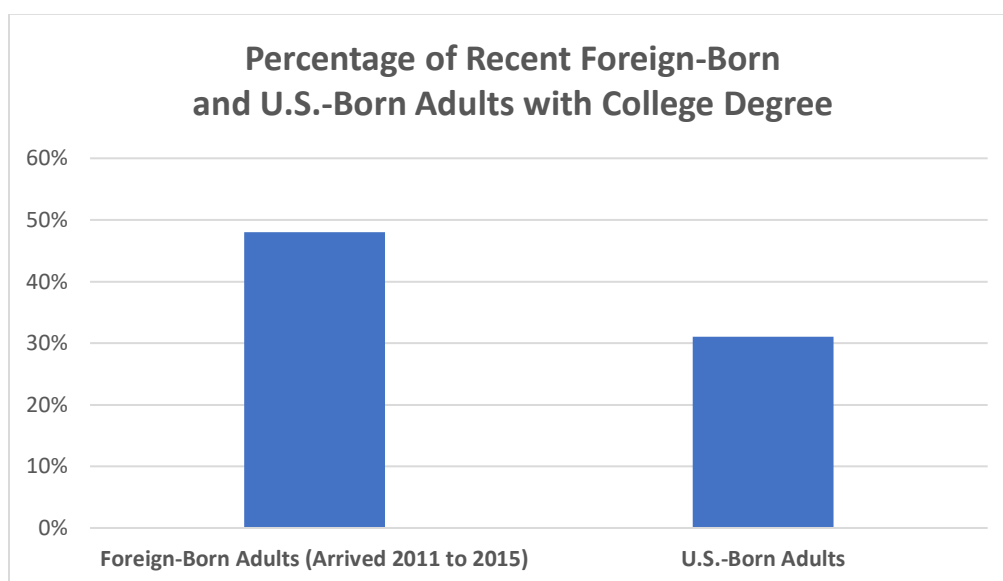
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and, at times, heartbreaking to individuals, this churn in the economy allows the U.S. labor market to function with lower levels of unemployment than in countries with heavier regulations on businesses, wages and work. That is not a consolation to individuals who lose their jobs but it is relevant to policymakers who must make decisions with the broader economy in mind.

IMMIGRANT EDUCATION LEVELS HAVE RISEN SHARPLY, NOW, ON AVERAGE, HIGHER THAN NATIVES

The contention that today's immigrants are without education is incorrect. "Almost half (48 percent) of immigrants coming to the United States between 2011 and 2015 were college graduates (compared to 31 percent of U.S.-born adults in 2015)," concludes the Migration Policy Institute (MPI). (See Figure 2.)

Figure 2



Source: Jeanne Batalova and Michael Fix, *New Brain Gain: Rising Human Capital Among Recent Immigrants to the United States*, Migration Policy Institute, May 2017.

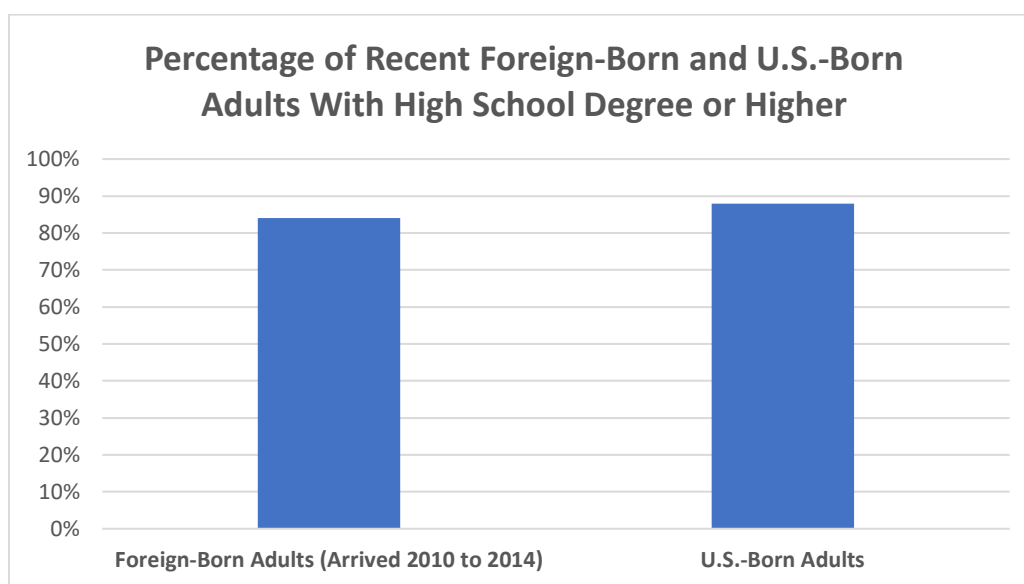
In addition, MPI analysis of Census data shows 84 percent of individuals admitted legally to America between 2010 and 2014 possessed at least a high school degree, similar to the 88 percent of all adults in the United States 25 or older with a high school degree.⁸⁰ (See Figure 3.) The children of immigrants have an even higher level of

⁸⁰ Migration Policy Institute analysis of data from the U.S. Census Bureau 2014 ACS and the 2008 Survey of Income and Program Participation (SIPP), with legal status assignments by James Bachmeier of Temple University and Jennifer Van Hook

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educational attainment. "Among 18-to-24-year-old children of immigrants, [only] 7% have not completed high school and are not enrolled in school," reports the Pew Research Center.⁸¹

Figure 3



Source: Migration Policy Institute analysis of data from the U.S. Census Bureau 2014 ACS and the 2008 Survey of Income and Program Participation (SIPP), with legal status assignments by James Bachmeier of Temple University and Jennifer Van Hook of The Pennsylvania State University, Population Research Institute; *Second-Generation Americans: A Portrait of the Adult Children of Immigrants*, Pew Research Center.

The bottom line on the economics of immigration: Reducing immigration would lead to less economic growth and a lower U.S. standard of living and would not help native-born lower-skilled workers. In addition, the education level of immigrants to the United States has been rising.

of The Pennsylvania State University, Population Research Institute. Special thanks to Jeanne Batalova of MPI. *Second-Generation Americans: A Portrait of the Adult Children of Immigrants*, Pew Research Center, February 7, 2013.

⁸¹ *Second-Generation Americans: A Portrait of the Adult Children of Immigrants*, Pew Research Center, February 7, 2013.

CONCLUSION

America's legal immigration system is far from perfect. The system is plagued by long waits for family and employment-based immigrants and lacks a sufficient number of visas and flexibility for high-skilled professionals. America's immigration laws also lack a reliable way for employers to hire workers to fill year-long jobs in hospitality, construction, dairy, landscaping and other sectors. That has contributed to approximately 11 million unauthorized immigrants living in the United States, including many young people brought to America as children and who face deportation to countries they barely know. The solutions include addressing the situation of those in the United States without legal status (including individuals who arrived as children), increasing the number of employment visas, eliminating or modifying per-country limits for employment and family-based immigrants, and establishing a new work visa that would reduce the incentive for individuals to enter the U.S. unlawfully to work.

While the case for legal immigration is strong – and the case for reducing it is weak – we should remember that additional values are at work, including America's proud tradition as a nation of immigrants. "While the economic case for immigration is important, it does not capture all that is important about immigration policy," said Senate Immigration Chair Spencer Abraham (R-MI) at a hearing on a National Academy of Sciences report. "Much about immigration is embodied in the freedom for people to seek a better life for themselves and their children. The freedom for families to reunite. The freedom to hire individuals who will help American companies grow and compete. And the freedom to live in a land where we do not persecute people based on their religious beliefs or the color of their skin but judge them solely by the content of their character."⁸²

⁸² Opening Statement of Senator Spencer Abraham, before Subcommittee on Immigration, Senate Committee on the Judiciary, on "Economic and Fiscal Impact of Immigration," September 9, 1997.

FURTHER READING

THE CONTRIBUTIONS OF IMMIGRANTS

[Immigrants and Nobel Prizes 1901-2017](#)

[The Contributions of the Children of Immigrants to Science in America](#)

[Immigrants and Billion Dollar Startups](#)

HIGH-SKILLED IMMIGRATION AND INTERNATIONAL STUDENTS

[H-1B Visas By The Numbers](#)

[The Importance of International Students to American Science and Engineering](#)

[International Students and STEM OPT](#)

THE ECONOMICS OF IMMIGRATION AND POINT-BASED SYSTEMS

[The Impact of a Point-Based Immigration System on Agriculture and Other Business Sectors](#)

ADDRESSING ILLEGAL IMMIGRATION

[7,000 Deaths and Counting](#)

[Work Visas Better Than A Wall](#)

ABOUT THE AUTHOR

Stuart Anderson is Executive Director of the National Foundation for American Policy, a non-profit, non-partisan public policy research organization in Arlington, Va. Stuart served as Executive Associate Commissioner for Policy and Planning and Counselor to the Commissioner at the Immigration and Naturalization Service from August 2001 to January 2003. He spent four and a half years on Capitol Hill on the Senate Immigration Subcommittee, first for Senator Spencer Abraham and then as Staff Director of the subcommittee for Senator Sam Brownback. Prior to that, Stuart was Director of Trade and Immigration Studies at the Cato Institute in Washington, D.C., where he produced reports on the military contributions of immigrants and the role of immigrants in high technology. He has an M.A. from Georgetown University and a B.A. in Political Science from Drew University. Stuart has published articles in the *Wall Street Journal*, *New York Times*, *Los Angeles Times*, and other publications. He is the author of the book *Immigration* (Greenwood, 2010).

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