

Illegal Immigration to the United States

Causes and Policy Solutions

What are the main causes of illegal immigration to the United States?

The number of illegal, or unauthorized, immigrants entering the United States is estimated to have increased over the past several decades, from approximately 180,000 per year in the 1980s to as many as 850,000 per year since 2000 (see Figure 1).¹

The reasons for this are both simple and complex. Simply stated, most immigrants who come to the United States illegally – especially those from less-developed nations – do so because U.S. employers hire them at wages substantially higher than they could earn in their native countries. This much is clear. But, on a more fundamental level, illegal immigration is a symptom of the fact that the U.S. immigration system is seriously out of step with global political and economic realities that drive people to migrate and pushed U.S. employers to hire these migrants. The three main drivers of this process are:

- 1) global economic change, 2) the inadequacy of channels for legal economic migration, and 3) ineffective employer sanctions.

Global Economic Change

The current wave of global economic integration – or “globalization” – is one cause of illegal immigration. But globalization involves more than liberalized trade (such as through treaties like NAFTA and World Trade Organization conventions). Additional changes in today’s global economy include information and transportation technologies that foster internationalized production, distribution and consumption, and labor. India, China, and the former Soviet republics have opened their economies

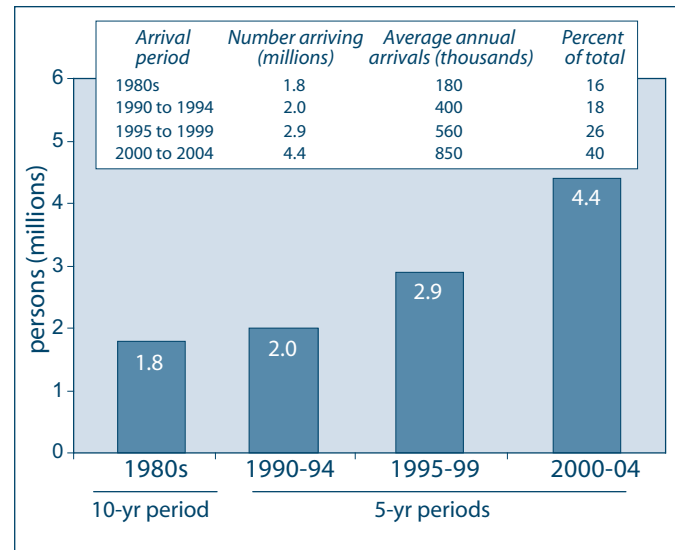


Figure 1: Arrivals of unauthorized immigrants by time period, 1980-2004.

Source: Passel, Jeffrey S.¹

to outside investment, thereby greatly increasing the number of low-skilled workers participating in global labor markets and making low-skilled labor markets all the more competitive. Further, developed countries are shifting away from manufacturing-based to knowledge-based economies.

All of these factors have significantly shifted global competitive advantage, realigning economic activity around the world. This, in turn, has resulted in increased labor mobility. Labor has become more international as individuals have migrated seeking work, in spite of attempts by government to control this migration.

¹ Passel, Jeffrey, 2006. “The Size and Characteristics of the Unauthorized Migrant Population in the U.S.: Estimates Based on the March 2005 Current Population Survey,” March 7, 2006. Washington, DC: Pew Hispanic Center. p. 2.

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...worksite enforcement has decreased ...

Inadequate Channels for Legal Economic Migration

A second cause of illegal immigration derives from the fact that the U.S. immigration system, whose structure was created in 1965, provides only limited channels for legal permanent economic migration, especially of low-skilled workers. And due to this shortage of legal channels, economic incentives have trumped legal structures, creating a large pool of low-skilled immigrants in the country illegally and embedded in the U.S. economy. Reflecting the political and economic realities of 40 years ago, the U.S. immigration system rests on just three pillars:

- 1) family reunification, 2) provision for scarce labor such as agricultural and specific high-skilled workers, and 3) protecting American workers from competition with foreign workers.

The U.S. education system creates relatively few people who either lack a high-school diploma (low-skilled workers) or who hold Ph.D.s (especially in math and science). The U.S. immigration system attempts to compensate for shortages in these areas by providing for temporary immigration by farm workers and seasonal low-skilled workers and for permanent immigration of high-skilled workers, such as bioscience researchers and computer programmers (Pillar 2). The system otherwise strictly limits permanent legal immigration by other categories of workers (Pillar 3). These existing legal channels have not been adequate to fill specific gaps in both the size and the composition of the U.S. labor force that result from recent trends.

The claim that immigrants are doing jobs American workers won't do has significant truth to it. Industries such as construction, meat-packing, and service industries need large numbers of non-seasonal, low-skilled workers. But it is also the case that immigrants are doing jobs that American workers aren't available to do. The native-born population is growing slowly and is aging. Since 1990, over half of the growth in the U.S. labor force occurred through immigration and 1 of 8 U.S. workers today is an immigrant, up from 1 in 16 in 1970.²

Because the current system makes it nearly impossible for low-skilled workers to legally and permanently enter the country to work, illegal entry is the mechanism whereby migrants respond to the lure of jobs in the United States that pay much more than could be earned at home.

Quick Facts on Economic Migration

- Between 1996 and 2000, the U.S. economy created over 14 million new jobs, while during the same period, total population growth (including immigration) was just over 12 million people.^a
- Approximately 20 percent of the workforce in the service, production, and construction industries is immigrants.
- U.S. unemployment rates have remained low in spite of an influx of about 1.8 million immigrants per year between 2001 and 2005.^b

^a Bean, Frank D., and Gillian Stevens, 2003. *America's Newcomers and the Dynamics of Diversity*. New York, NY: Russell Sage Foundation. p. 6. Based on data from the U.S. Bureau of Labor Statistics.

^b Meissner, Doris, Deborah Meyers, Demetrios Papademetriou and Michael Fix, 2006. *Immigration and America's Future: A New Chapter; Report of the Independent Task Force on Immigration and America's Future*. Washington, DC: Migration Policy Institute. p. 33.

² Mosisa, Abraham T., 2002. "Foreign-Born Workers in the U.S. Economy," *Monthly Labor Review*. Vol. 125, no. 5.

Ineffective Employer Sanctions

A third cause of illegal immigration is the ineffectiveness of employer sanctions for illegal hiring. This assures that immigrants who are in the country illegally can readily find employment.

There are at least three reasons why employer sanctions are ineffective:

- 1) absence of reliable mechanisms for verifying employment eligibility,
- 2) inadequate funding of interior immigration enforcement, and
- 3) absence of political will due to labor needs of the U.S. economy.

Verification

It has been unlawful since 1986 to knowingly hire an immigrant in the country illegally, but the law simply requires that employers determine whether documents presented as proof of eligibility to work appear authentic. There are no reliable mechanisms or legal requirements for employers to verify whether they actually are authentic.

Consequently, widespread use of unverifiable, fraudulent documents has made it easy for employers to comply with little more than the paperwork provisions of the law³ and immigrants in the country illegally have become embedded in the economy. Because little is spent by the United States on worksite enforcement, even those flagrantly violating the law have little to fear.

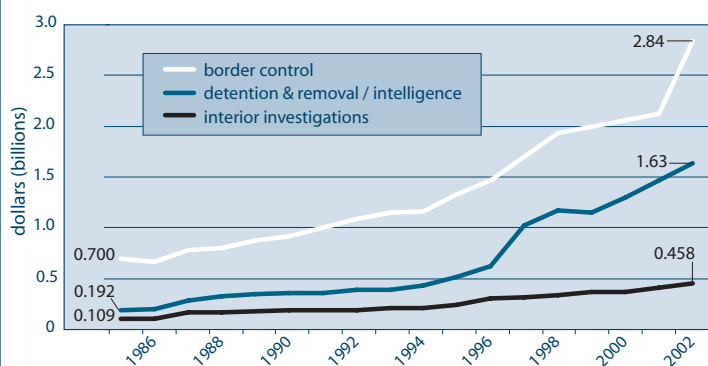


Figure 2: Enforcement spending by category, 1985-2002

Source: Migration Policy Institute ⁴

Interior Enforcement and Political Will

Public concern over illegal immigration has meant that the budget for patrolling the border skyrocketed from \$700 million in 1985 to \$2.84 billion by 2002,⁴ although illegal immigration has continued apace (see Figure 2). Why? Competing political pressures are at work. Legitimate public concern about sovereignty and violations of U.S. law compels attempts to stop illegal border crossing. At the same time, legitimate public desire for strong economic performance works against disrupting the economic activity that workers in the country illegally make possible. The result of these competing political pressures has been that enforcement has overwhelmingly focused on

the U.S.-Mexico border while the budget for interior enforcement is tiny compared to the U.S. economy.

The budget for interior enforcement increased between 1987 and 2002, from \$109 to \$458 million – still a small portion of the overall enforcement budget (see Figure 2). In comparison, the worksite enforcement portion of the budget has been miniscule. As of 2002, fewer than 200 agents nationwide and less than three percent of the budget for patrolling the border were

³ Bach, Robert L. and Howard Brill, 1991. *Impact of IRCA on the U.S. Labor Market and Economy: Final Report to the U.S. Department of Labor*. Institute for Research on Multiculturalism and International Labor, State University of New York at Binghamton. pp. 124-128.

⁴ Meyers, Deborah Waller, 2005. "U.S. Border Enforcement: From Horseback to High-Tech," Migration Policy Institute Insight: Independent Task Force on Immigration and America's Future, No. 7. Washington, DC: Migration Policy Institute. p. 21.

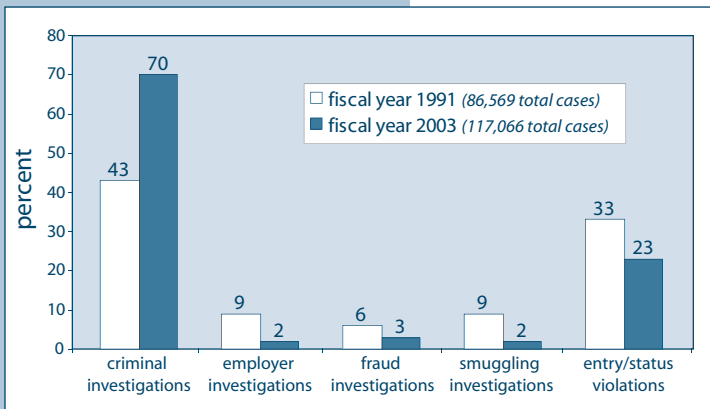


Figure 3: Types of interior investigation cases as a percent of interior enforcement budget, 1991 and 2003

Source: Migration Policy Institute ⁵

used for worksite enforcement.⁵ In fact, worksite enforcement has decreased between 1992 and 2002: employer investigations were nine percent of the interior enforcement budget in FY1991 and only two percent in FY2003 (see Figure 3). While interior enforcement has increased recently and there have been a few highly-publicized raids at specific worksites around the country, spending on interior enforcement remains a small fraction of spending at the border.

In other words, there has been little consistent political will to disrupt the economic activity fueled by immigrants in the country illegally. Focusing enforcement at the border rather than at the worksite responds to two conflicting political pressures: to do something about illegal immigration, but to avoid disrupting economic activity.

Policy Solutions

Policy solutions to the problem of illegal immigration require each of three ingredients:

- **Reliable mechanisms for workplace verification:** Employers must have both the tools and the legal responsibility to verify a prospective employee’s eligibility to work (and, therefore, legal presence in the country). Significant investment will be required to create such a mechanism.
- **Legal avenues for immigrants to enter the country to work:** A temporary worker program is a part of the solution. But temporary worker programs create a distinction between workers and citizens, set up social divisions, and work against immigrant integration into the fabric of American society. These problems, along with U.S. demographic trends, suggest a need for increased permanent economic migration as well.
- **Enforcement beyond the border:** Adequate resources must be devoted to enforcement in the workplace as well as at the border. All must be convinced that real penalties will result from employing immigrants who are in the country illegally or otherwise not authorized to work in the United States.

While solutions to the problem of illegal immigration are conceptually straightforward, there are real political obstacles to implementing them. Both political parties are divided in their approaches to immigration policy. Political debate over what to do with the estimated 12 million unauthorized immigrants already in the country is a key stumbling block that obscures solutions. Meanwhile, illegal immigration continues to undermine the rule of law and migrants, responding to the “Help Wanted” sign of available jobs are, at their peril, ignoring the “Keep Out” sign that intensified border enforcement erects.

⁵ Jacoby, Tamar, 2005. “An Idea Whose Time Has Finely Come? The Case for Employment Verification,” Migration Policy Institute Policy Brief: Independent Task Force on Immigration and America’s Future, No. 9. Washington, DC: Migration Policy Institute.

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