

The Adverse Impacts of Immigration on Minorities

Testimony to House Judiciary Committee
Subcommittee on Immigration

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1 Executive Summary

We are indeed a nation of immigrants, with diverse ancestries. In fact, though a stereotypical American would have British ancestors who came to this continent during the 1700s if not earlier, the fact is that rather few of us fit that description.

The adventurous spirits of those who came to this country in earlier times contributed greatly to America's success. Immigration continues to add vitality to our society today. Yet conditions have changed significantly from those earlier times, and the current high rate of immigration does have its downsides, one very important class of which is the adverse impact immigration has on minorities. In particular:

- Immigration adversely impacts native-born African-Americans.
- Immigration adversely impacts both native-born and earlier-arriving immigrant Asian-Americans and Latino-Americans.
- The sharp distinction made by many politicians and political activists between legal and illegal immigration are artificial and unwarranted. The adverse impacts on minorities are due to *both* legal and illegal immigration. (Except when otherwise qualified, the use of the term *immigration* in this report will mean both legal and illegal immigration.)
- The adverse impacts are both economic *and* noneconomic in nature: increased job competition; lowered wages; reduced opportunities for entrepreneurs; reductions in quality of education and housing; increased exposure to disease.
- Immigration is resulting in diminished attention being paid to the problems of African-Americans and other native-born minorities. As Model Minority Asian immigrants pour into the country, African-Americans are becoming the Forgotten Minority.
- Much worse than U.S. natives, immigrants tend to have racist attitudes toward African-Americans. The U.S., by accepting large numbers of immigrants, is in effect importing racism.
- Even activists in immigrant communities have publicly conceded that the current influx of immigrants is much higher than their communities can absorb.
- Poll after poll in recent years has shown that minorities recognize these adverse impacts, and wish for relief, in the form of reduced levels of both legal and illegal immigration.

2 Author's Background

I am a former statistics professor, with extensive experience with observational studies, and have served as a statistical consultant for the Kaiser Hospital chain, the UCLA Neuropsychiatric Institute, and so on.

I am a former Chair of the Affirmative Action Committee at UC Davis, and have long been active in work supporting minorities, particularly African-Americans, Asian-Americans and Latino-Americans, in programs such as MEP, MORE and SURPRISE.

I have been close to immigrant communities all my life. I spent part of my formative years in predominantly-Latino East Los Angeles, and my father was an immigrant from Lithuania. I am particularly close to the Chinese immigrant community:

My wife is an immigrant from Hong Kong; I speak Chinese (Cantonese and Mandarin), and my wife and I are raising our daughter to be bilingual; many of our social friends are Chinese immigrants; the television

sets in my home are tuned to Chinese-language stations as often as to English ones, and I read the Chinese-language press; I have extensive experience as a volunteer worker in San Francisco's Chinatown; I have long been active in efforts to combat discrimination against Chinese-Americans (see, for example, my article in *Asian Week*, July 14, 1995, reporting the racially-related firing of a Chinese immigrant engineer). In 1995, Dr. Lester Hsin-Pei Lee, a prominent Chinese-American and former member of the University of California Board of Regents, appointed me to the Committee for Rational Relations with China.

2.1 Reason for the Preponderance of Chinese and Asian Examples

The large numbers of Chinese examples in this report stems from my background in the Chinese communities. I believe that data analysis alone does not give an accurate picture of a process. "Number-crunching" is good, but one must know which numbers to "crunch" in the first place, and what the results mean. For this one needs personal, up-close observation of the process. In my case, this observation comes from my extensive involvement with the Chinese communities, detailed above. I hope the reader does not find this to be unrepresentative of immigration as a whole, or (perish the thought!) boring.

3 Economic Aspects

On a general societal level, the economic impacts of immigration are exceedingly complex, and virtually impossible to analyze. Furthermore, though some top-flight economists specialize in immigration issues, macro-level, econometric analyses have their limitations.

As a professional statistician, I wish to emphasize that it is vital to keep in mind that statistical methodology is at best something to be resorted to when one merely has numbers in lieu of insight. Number-crunching alone cannot replace qualitative insights which come from intimate knowledge of immigrant communities. Immigration economists who spend their time in front of computer terminals instead of in immigrant communities are working blindly, merely speculating as to the meanings of their numbers. Indeed, often they do not even know *which* numbers are the most relevant to analyze.

In short, it is the author's view that direct, micro-level observation, especially by those who understand minority communities, provides the most reliable gauge of immigration's economic impacts, including impacts on minorities.

Here are some examples of adverse economic impacts on minorities:

- *Immigrants are entering the U.S. faster than minority communities can absorb them.*

When asked why most Latino Americans wish to see reduced immigration, Antonia Hernandez, president of the Mexican American Legal Defense and Educational Fund (MALDEF), explained that "Migration, legal and undocumented, does have an impact on our economy...[particularly in] competition within the Latino community...There is an issue of wage depression, as in the garment industry, which is predominantly immigrant, of keeping wages down because of the flow of traffic of people."

(Ms. Hernandez made these remarks at the Forum on Immigration, UC Davis, March 11, 1994. After the author included this quotation in his op-ed piece in the *Los Angeles Times* on September 30, 1994, Ms. Hernandez responded with a letter to the editor in that newspaper on October 12, 1994. There she added, in a remark relevant to the discussion on impacts on African-Americans later in this report, "[MALDEF and other civil rights groups] recognize the truism that immigrants tend to compete economically with the most disadvantaged sectors of the population.")

Numerous case studies in New York's Chinese-American community by sociologist Hsiang-Shui Chen show how the influx of Chinese newcomers—both legal and illegal—reduces employment op-

portunity for native and earlier-immigrant Chinese, as well as resulting in reduced market shares for established Chinese entrepreneurs (*Chinatown No More*, by Hsiang-Shui Chen, Cornell University Press, 1992).

Louisiana State University sociologist Min Zhou makes similar comments, noting the low wages in New York's Chinatown caused by "the large pool of surplus immigrant labor" (*Chinatown*, Temple University Press, 1992, p221).

Po Wong, director of the Chinese Newcomers Service Center in San Francisco, told the MacNeil-Lehrer Newshour (July 7, 1993), "The community is not ready even for the influx of legal immigrants looking for housing, looking for work, looking for other social services, health services." More recently he was interviewed by Sanford Ungar (*Fresh Blood: the New American Immigrants*, Simon and Schuster, 1995, p.49): "I don't think our community is equipped to welcome this large a number. It is especially difficult to find employment for those who speak only Chinese, who have very little education, or who have never acquired a skill to compete in this new market. It's very depressing to see so many people come here looking for work."

The same themes show up in the study by Peter Kwong of Hunter College (*The New Chinatown*, Noonday Press, 1987). In a very vivid excerpt (p.68) on the hardships faced by native-born and earlier-arriving immigrant entrepreneurs, caused by the arrivals of large numbers of later immigrants, Kwong says:

"In the 1980s, business in Chinatown reached the point of saturation: too many immigrants, too many new businesses, and exorbitant rents. Suicidal competition developed throughout the community."

Kwong also gives many more recent examples in his *Forbidden Workers* (The New Press, 1997). Though in this book his focus is on illegal immigrants rather than the legal immigrants he analyzed earlier, Kwong makes it clear that legal immigration has indeed impeded the progress of African-Americans. After a brief summary of how legal immigration from Europe harmed African-Americans during the 19th century (and, Kwong suggests, this was deliberate action by the American power elite of the time), Kwong points out that

The 1964 Civil Rights Act eliminated legal discrimination based on race and African-Americans were promised opportunities for economic mobility through a series of social and affirmative action programs. Yet once again their progress into the American mainstream was hindered by the arrival of the new immigrants. With the passage of the 1965 Immigration Act, a new wave of immigrants swept across America, this time from Latin America and Asia...[who] have been highly competitive and have been able to move ahead while, sadly, anti-African-American racism continues. Again and again surveys confirm that white employers prefer new immigrants of virtually any nationality or ethnicity to African-Americans.

Similar dynamics appear to be at work among Korean immigrants in New York. An article in *New York* magazine (April 10, 1995) quotes Sung Soo Kim, president of the Korean-American Small Business Service Center: "We're in the middle of a tragedy. Last year, we had 700 stores open but 900 close. Growth has completely stopped."

A *Los Angeles Times* article on the Latino-populated Lennox area near the Los Angeles International Airport tells the same story, saying that Latino residents believe that "an oversupply of immigrant workers has saturated the job market, depressing salaries and generating intense competition for any employment, however ill-paid."

- Presumably motivated by similar concerns of job competition, United Farm Workers co-founder Dolores Huerta testified to a California Assembly committee that "With 1.5 million legalized immigrants living in California, and only approximately 250,000 agricultural jobs in the state, there is no need for additional farm workers." (*Summary Report Prepared for the Assembly Select Committee on Statewide*

Immigration Impact, California Assembly Office of Research, Sacramento, May, 1994.) Studies by the U.S. Department of Agriculture and others show clearly that immigration has eroded wages of farm workers. (*New York Times*, March 31, 1997.)

- A 1988 study of the Los Angeles hotel industry by the General Accounting Office found that jobs formerly held by African-Americans were now performed mainly by immigrants. Again, this study was not based on some econometric model. On the contrary, it was a direct report of the hotel owners' actions to break up the largely-black unions, and replacement by immigrant workers. Studies have shown a similar displacement of blacks in the restaurant industry, at airports, and so on. See for example the *New York Times*, February 17, 1997.
- Many immigrant entrepreneurs refuse to hire blacks, and state and federal civil-rights agencies have, for whatever reasons, not taken any interest in this problem (*Wall Street Journal*, June 6, 1995).
- Jack Miles of the *Los Angeles Times* has found that even black social workers are being displaced by Latinos. The blacks hope to keep their jobs by learning Spanish, but this may or may not succeed (*Atlantic Monthly*, October 1992). Ezola Foster, a black Los Angeles school teacher, describes a similar situation for teachers (*ABC Nightline*, March 24, 1995).
- The competition for jobs was illustrated in a rather dramatic manner in an article, "Immigrants Split Over Job Scarcity: Legal Residents in Marin Tell INS [Immigration and Naturalization Service] About Illegals," in the May 17, 1994 edition of the *San Francisco Chronicle*. The lead sentence in the article reports, "A shortage of jobs is provoking cutthroat rivalry among immigrant day laborers in San Rafael's Canal Area, where some [legal immigrants] are getting ahead by turning in their undocumented peers to the INS, authorities say."
- The adverse economic impact on minorities is not restricted to the low end of the wage scale. Asian-Americans, who comprise more than 50% of new graduates of computer science curricula in California universities, are often shunted aside by Silicon Valley employers in favor of foreign nationals. Computer industry employers continue to hire the foreign nationals and sponsor them for immigration or work visas, in spite of a labor surplus which has existed since the late 1980s. Often the employers' motivation is a desire for cheap, compliant labor; see the author's testimony on this at

<http://heather.cs.ucdavis.edu/itaa.html>

A number of authors have claimed that the Silicon Valley depends on immigrants for its technical edge. But this claim simply does not hold water. The presence of a large number of immigrant engineers in the Silicon Valley is merely a consequence of the fact that the computer field is famous in Asia as a means to immigrate to the U.S. The immigrants are, for the most part, not the ones making the technical advances in the industry. This can be seen in rough form, for instance, in the awards given by the Association for Computing Machinery for software and hardware innovation: of the 56 awards given, only one recipient is an immigrant. One General Dynamics subcontractor has even referred to the foreign employees' status as being "indentured." In a statistical analysis of the Census data, the author found that foreign-born computer professionals in the Silicon Valley were paid on average nearly \$7,000 less than the natives, even after taking into account age and level of education.

Even Stanford Law Professor Bill Ong Hing, a nationally prominent immigrant-rights advocate, has expressed concern over the impact of hiring of foreign professionals on our nation's minorities (*Asian Week*, April 29, 1994).

In other words, the frequently-heard adage, "Immigrants take jobs which Americans don't want," simply does not jibe with reality. In those hotel jobs described above, for instance, the African-Americans had wanted those jobs and indeed had been working in them. *In regions of the U.S. in which the number of*

immigrants is low, those jobs are indeed done by U.S. natives, and employers are forced to pay them a decent wage.

And it is sad that many analysts who defend the current high immigration levels concede but dismiss the adverse economic impacts of later-arriving immigrants on earlier-arriving immigrants. Those earlier-arriving immigrants are now Americans, after all, and any concerns we have that immigration reduces economic opportunities for Americans must include these newer Americans. I find it odd that many who defend immigration do not defend immigrants.

As Cornell University economist Vernon Briggs has said, the effort “to raise disadvantaged urban black Americans out of poverty was undermined from the beginning by the flood of cheap foreign labor.”

On the other hand, cheap wages do not tell the whole story. Another major factor is networked hiring. News of job openings are spread by tight social networks among immigrants, alleviating the employer of the need to advertise. As a result, says Richard Rothstein, a columnist for the Spanish-language *La Opinion*, “In the garment districts of Los Angeles, New York, or Miami, entire plants are staffed by immigrants from the same village in Mexico, El Salvador or China.” Significantly, Rothstein adds that “Once such powerful networks are established, policy is impotent to break them.” (*Dissent*, Fall 1993.)

And again, networked hiring is not limited to the low end of the wage scale. Chinese and Indian immigrant engineers in the Silicon Valley are also frequently hired via Chinese and Indian social networks. It is common to find that most or all of a division in a company consists of immigrants from Taiwan. Since hiring is often done via word of mouth, those who are not from Taiwan may not even be aware of job openings.

Some employers hire immigrants because they are perceived to be reliable. Peter Skerry (*New Republic*, January 30, 1995.) notes that Latino workers in Los Angeles tend to use carpools to get to work, whereas a black worker might not show up for work if his car breaks down.

Indeed, questions might be raised along the lines of “Why blame the immigrants? Why can’t blacks form networks, use carpools, etc.?” The answer is that although it is true that many poor blacks lack these work skills, the continuing influx of large numbers of immigrants is working to insure that poor blacks never will develop these skills. The availability of immigrant labor is certainly giving employers no incentives to develop skills among poor blacks.

Incentives for government to develop black skills are dwindling too. As I will argue in more detail below, the large influx of immigrants is causing distractions of government attention, leading to African-Americans becoming what I call the Forgotten Minority.

4 Adverse Impacts on Education, Health and Social Services

It is important to keep in mind that the adverse impacts of immigration on minorities are by no means limited to the economic sphere. In this section, we will outline other types of problems.

4.1 Education

It is estimated that there are 300,000 illegal immigrant students in California’s schools. Yet some schools in the West Contra Costa Unified School District recently closed their doors to enrolling new students. (*San Francisco Examiner*, September 8, 1994.) As the district contains many black and Asian-American students, we see again that minorities comprise a major class of victims of immigration problems.

But again, the problem extends to legal immigration as well. For example, last year the San Francisco School

District announced that, due to a dearth of bilingual teachers fluent in Cantonese, Russian and Vietnamese, it was resorting to hiring uncredentialed teachers. (*San Francisco Examiner*, August 10, 1994.) In other words, the quality of instruction is being reduced because of the influx of immigrant children. Once again, the principal victims are the Asian, black and Latino kids who comprise the bulk of San Francisco's student population.

4.2 Child Care

Low-income black single mothers in Pasadena are being given lower priority for child-care services, because immigrant Latino women often have even lower incomes, thus higher priority for child care. (*Atlantic Monthly*, October 1992.)

4.3 Housing

San Francisco's *Comprehensive Housing Affordability Strategy* (San Francisco Mayor's Office of Housing, November 5, 1993) illustrates another impact of immigration on minorities. It states that due to the city's "dire financial condition," the city faces an "enormous challenge" in providing housing for the poor (p.97), 61% of whom are minority (p.6). And yet the report also discusses the housing pressures arising from a burgeoning immigrant population (pp.57-58), with its "huge need" for not only ordinary housing services, but especially bilingual housing services. According to Anni Chung of Self-Help for the Elderly, a Chinese megachain of nonprofits based in San Francisco, 14,000 senior housing units will be needed to serve immigrants in the next five years. (Memo to the U.S. Commission on Immigration Reform, November 10, 1995.)

A key point is that funding for housing is fixed, if not dwindling. (This was also emphasized in an interview by the author with Ted Dienstfrey, Director of the Mayor's Office of Housing, June 29, 1994.) Thus one sees a direct negative impact on low-income African-Americans and other minorities (some of the latter are themselves earlier-arriving immigrants). In her November 10 memo cited above, Anni Chung notes that there are 10,000 applicants for public housing on the waiting list (the city manages 6,700 units), and there is a five-year wait for Section 8 rent subsidies. Significantly, Chung also stated that many immigrants continue to take advantage of public housing even after they have become economically able to buy their own homes!

In the midst of this worsening fiscal crisis, the city announced that it would spend \$23 million on rebuilding the International Hotel in Chinatown, to provide subsidized housing, largely for elderly immigrants. (*San Francisco Examiner*, September 8, 1994.) Many, if not most, of those immigrants have well-off children; see the author's testimony at

<http://heather.cs.ucdavis.edu/ssi.html>

It is estimated that 85 percent of the public housing in St. Paul, Minnesota is occupied by Southeast Asian immigrants. (See Sanford Ungar, *Fresh Blood: the New American Immigrants*, Simon and Schuster, 1995, p.188.) These are not the well-off seniors described in the last paragraph, but the point is still that resources intended for the native poor are being used heavily by immigrants.

4.4 Health Care

Immigrants, being on the average poorer than natives, heavily use public health care resources, which again were intended for the native poor.

Also, both legal and illegal immigration have brought a substantial increase in tuberculosis rates in recent years. (See “Most TB Cases Found Among Immigrants,” *San Francisco Chronicle*, August 17, 1994.) This, for example, is why the developers of a new tuberculosis treatment center chose to locate the center in the predominantly-immigrant Mission District in San Francisco.

But that in itself illustrates another way in which minorities are adversely impacted by immigration. Minorities often live in poor, urban areas with high concentrations of immigrants, so the tuberculosis brought by immigrants places minorities at higher risk of contracting the disease.

These points were also brought out in a recent General Accounting Office report. (*Tuberculosis: Costly and Preventable Cases Continue in Five Cities*, March 16, 1995, GAO/HEHS-95-11.) The report states that “legal immigrants accounted for 60 percent of the rise in TB cases from 1986 through 1992. The states with the highest increases in new TB cases were New York, California, Florida, Texas, and New Jersey. These states were also listed as the intended residence of 70 percent of the legal immigrants entering the United States in 1992.” It goes on to report that “a Los Angeles TB control official estimated that about half of the legal immigrants who enter Los Angeles County are infected with TB.”

Significantly, the report adds that “one TB official estimated that screening as many as 150,000 legal immigrants a year, and providing preventive therapy to the estimated 50 percent of these immigrants who might need it, would overwhelm the county’s health system.”

On the question of immigration’s impact on minorities, the same report then points out that “Tuberculosis is an increasing public health problem among America’s racial and ethnic minorities. In all the cities we visited, TB cases have been rising rapidly among these populations...This growth was most evident among African Americans in Los Angeles, Newark, and Atlanta and among Hispanics in El Paso. The growth in TB cases among African Americans in Los Angeles, Newark, and Atlanta was more than twice the national growth rate.” In an accompanying table, one finds, for instance, that Asian TB cases in Newark increased by 300 percent during 1985-1992.

5 Diminished Attention Given to Native-Born Minority Problems

The heavy influx of immigrants is resulting in rapid shift of political power away from African-Americans to Asian and Latino immigrants. (See Peter Schuck, *Current*, January 1994.) In government, the press and other institutions, there is a general (though sometimes unconscious) treatment of minorities as forming a kind of hierarchy, with immigrants occupying a higher position than blacks, and within the immigrant category Asians occupying a higher position than Latinos.

What is most disturbing about this trend is that African-Americans, previously central in the thoughts of those who wish to improve conditions for minorities, are simply being forgotten. Just as the Asians have become the Model Minority, blacks are becoming the Forgotten Minority.

Following is a sampling of this trend of an Asian/Latino/black hierarchy:

- A number of blacks are souring on the idea of affirmative action, claiming that many firms are hiring immigrant Asians and Latinos (the “preferred minorities”) instead of blacks to fulfill affirmative action requirements (*Cleveland Plain Dealer*, December 19, 1993).

A May 28, 1995 *San Francisco Examiner* article on affirmative action in the San Francisco city government dramatically shows how African-American influence is waning in the public section. During 1980-1993, the share of civil service jobs held by Asians and Latinos increased by 60% and 80%, respectively, while the share for blacks decreased 80%. During 1990-1993, the volume of city contracts to Asian business increased at a rate which was 2.9 times the rate for blacks. There are of course many

factors underlying these actions, but nevertheless the point is that blacks are losing much of the gains they made in the 1960s and 1970s to immigrant groups.

- Currently a ballot initiative is being prepared in California to banish affirmative action. Many of those supporting such an action with regard to university admissions have been citing Model Minority Asians to buttress their remarks.

And Henry Der of Chinese for Affirmative Action (and Chair of the California Postsecondary Education Commission) says that the Asians welcome this. Interviewed the UC Davis' *Dateline* (July 28, 1995), Der said, "If you repeal affirmative action, it will be because of the unbridled selfishness and shortsightedness on the part of Asian Americans and other Californians."

- Mabel Teng, a Chinese immigrant who at the time was a member of the San Francisco Community College Board, boasted how the lobbying of the Chinese American Democratic Club had resulted in no layoffs of high-level Asian-American college administrators during the city's fiscal crisis. What she did not say, though, was that several African-American administrators had been laid off (*Asian Week*, October 14, 1994).

A number of African-Americans were angered both by the city's seeming discrimination, and also by Teng's insensitive boasting.

- Monterey Park, a Los Angeles suburb, has received an large influx of Chinese immigrants, mainly from Taiwan, since the late 1970s. Longtime Latino residents of the city (most of them native-born) were angered recently when the popular Spanish-speaking priest at the mainly-Latino St. Thomas Aquinas Catholic Church was replaced by two Chinese-speaking priests. (*The Politics of Diversity*, John Horton, Temple University Press, 1995, p.235.)
- After Chinese- and other Asian-American advocacy groups claimed that affirmative action admissions programs for blacks and Latinos at the University of California at Berkeley made it more difficult for Asian-American applicants to be admitted, a Chinese-American, C.L. Tien, was appointed as chancellor of the campus. While Tien is well-liked and is doing well as chancellor, his appointment was taken by all parties concerned to be motivated primarily to mollify the Asian critics of the university. Apparently for good measure, a second Chinese-American chancellor was subsequently appointed at UC Santa Barbara. Yet there has never been an African-American chancellor at any UC campus, and there has been only one Latino.
- The 1996 welfare reform bill's (and the earlier 1994 Clinton administration proposal's) restrictions on immigrant eligibility for welfare were motivated in part by the fact that many well-off/professional immigrants are sponsoring their elderly parents to immigrate and then placing the parents on welfare, renegeing on promises to financially support the parents; see the author's testimony at

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Asian and other immigrant advocacy groups have lobbied heavily against closing the loopholes which allow this. Though the 1996 bill passed and was signed into law, most of the restrictions in the bill were later rolled back, Significantly, Vice President Al Gore's January 1999 announcement of further rollbacks was made at a Chinese senior center in San Francisco. (*San Francisco Chronicle*, January 26, 1999.)

In other words, the 1996 welfare bill rushed, say, a functionally illiterate African-American single parent off welfare while still allowing a Chinese immigrant couple, both computer engineers with a combined income well over \$100,000, to put their parents on welfare, in spite of the couple's promise to support the parents. This inequity is not deliberate, but it arguably does exemplify the rise in power of the Asian immigrant advocacy groups, and the dwindling influence of black advocates.

- A case which is similar to the last one, but features a more direct illustration of the prioritizing we are discussing here, arose recently in Alameda County in the San Francisco Bay Area. A majority on the county board of supervisors originally supported a proposal to deny welfare to immigrants with well-off sponsors (*San Francisco Chronicle*, September 14, 1994), but then reversed itself and dropped the proposal (*San Francisco Chronicle*, October 26, 1994). Yet it then took up consideration of a proposal to cut funding for senior community centers serving the poor, mainly black and Latino (*Oakland Tribune*, November 1, 1994). A year later, the board finally did resurrect and approve the plan to restrict immigrant welfare eligibility (*San Francisco Chronicle*, September 27, 1995), but their earlier set of priorities again illustrates the Asian/Latino/black hierarchy which is developing.
- Even Sanford Ungar, who revels in the new immigration in his book, *Fresh Blood: the New American Immigrants* (Simon and Schuster, 1995), quotes Minneapolis journalist and teacher Ruth Hammond as noticing the hierarchy (p.183): “I think a lot of people in the Twin Cities have gotten a kick out of helping the [Southeast Asian refugee] Hmong—more than, say, helping black people. You can identify with the Hmong as needy people who have not created their own situation.”
- During the 1994 election campaign, nightly television news reports of California’s Proposition 187 on illegal immigration repeatedly showed dramatic pictures of Mexicans climbing over border fences. Yet there was not even one picture, to my knowledge, of the many Chinese coming in illegally on boats in 1993, scenes which were certainly on file in TV newsrooms and which would have been equally dramatic. (Ironically, it was those dramatic pictures which brought national attention to the problems of illegal immigration, and which helped to galvanize the movement which led to Prop. 187.) Again, this omission was not deliberate, but the point is that the general image of Chinese immigrants is so positive, and the image of Latino immigrants so much less positive, that the news producers simply never thought of Chinese as illegal immigrants.
- Peter Skerry reports that positions as aides to a city councilman representing traditionally-black South Central Los Angeles which had previously gone to blacks are now filled by Latinos (*Mexican-Americans: the Ambivalent Minority*, Peter Skerry, Free Press, 1993, p.82).
- According to the *San Jose Mercury News*, May 31, 1993, “Soon after Southeast Asian immigrants began arriving in the mid-1970s, [San Jose] programs that had held promise for Hispanics—government social service and jobs programs—were dropped [in favor of the Asians].”
- The New York Times, February 17, 1997, reporting on the impact of Latino immigration on blacks in Miami, noted:

M. Athalie Range became Miami’s first black city commissioner in 1965, a time when the civil rights movement was “roaring,” she says, and blacks nationwide had the promise of new political and economic frontiers.

A string of other black politicians followed her in the commission seat, the only one of the five seats ever held by blacks. But last November, three decades after Ms. Range fought to bring things like sidewalks and street lights to her constituency, the seat was lost to a Hispanic man. For many blacks, that political setback has come to symbolize unfulfilled promise in the Miami metropolitan area, where so many other Floridians have prospered. “We feel more or less left out,” said Ms. Range...

But as whites have come from the northern states and Hispanic immigrants from foreign countries to the south, Florida’s transformation has come at a cost to part of its black population. Restaurant and hotel jobs once held by blacks now go to white and Hispanic applicants...

...blacks have lost influence or failed to gain the economic and political foothold envisioned by many in the 1960s...

The divisions have been played out in politics. The last two elections, for the mayor of Dade County, where half of two million residents are Hispanic, and for the Miami City Commission, were fought along racial lines, with the black candidates losing despite virtually unanimous support from black voters...

- In 1992 Congress passed the Chinese Student Protection Act, which in effect gave mass political asylum to all students from China studying in the U.S. during the 1989 demonstrations in Beijing. This “protection” was unnecessary, as pointed out by Sidney Jones, executive director of Asian Watch/Human Rights Watch; only a small percentage of students needed asylum, and those few could have used regular political asylum channels, without the Act. (*US News and World Report*, September 20, 1993. *San Jose Mercury News*, June 3, 1993. “The Coupling of Green Cards and MFN for China,” Norman Matloff, *San Francisco Examiner*, May 20, 1994.) The Act, ostensibly written to protect those who faced arrest if they were to return to China, contradicted itself by including in its coverage those who *had* returned to China (and had then come back to the U.S.). Even Augustus Fragomen, a prominent immigration lawyer who frequently lobbies Congress for more liberal immigration policies, called the Act “misguided.” (Voice of America interview, November 22, 1995.)

Yet at the same time, Congress turned down a rider to the bill, which would have extended temporary residence to Haitian refugees. In other words, 80,000 Chinese were offered permanent residence, while 11,000 black Haitians could not even get temporary residence.

- The 1990 Immigration Act instituted, and Congress and the President renewed in 1995, the “McDonald’s” program, which allowed foreign students in American colleges to work off campus, typically in low-skilled jobs such as fast-food preparation. This clearly leads to at least some degree of job displacement of low-income minority youth. In other words, foreign students, typically Asians who are using their American studies as steppingstones to immigration, are being allowed to compete for jobs with our nation’s black and Latino impoverished youth.
- Asian and Latino political organizations are becoming increasingly focused on immigrant issues, with less attention given to issues which traditionally have been the concerns of native Asian and Latino Americans. For example, a 1995 *Clinton Report Card* published by the Organization of Chinese Americans is dominated by immigrant issues. When asked what his organization is concerned with, Henry Der, executive director of Chinese for Affirmative Action, answered “First and foremost, immigration”; only later did he cite issues of interest to native-born Chinese-Americans, such as job discrimination. (Interview with the author, March 23, 1994.)
- The hierarchy being described here, with Asians higher on the totem pole than Latinos, and immigrants higher than native blacks, is sometimes even promoted by ethnic civil rights activists. The August 1993 newsletter of the Oakland chapter of the Organization of Chinese Americans (OCA) featured a disturbing editorial in this regard. The editor, Peter Eng, writes that
“...[A]s an ethnic community group, Chinese Americans will have to separate and distance ourselves from other ethnic immigrant groups...Chinese Americans have distinguished themselves in business, science, government, etc...[whether] we were illegal or legal immigrants had no perceptible effect...we have more than paid our fair share in taxes to fund the cost of the little public assistance given for our people (contrary to Eng’s claim, the percentage of elderly Chinese immigrants on welfare is the highest of all major nonrefugee immigrant groups—NM)...perhaps we should advocate a voucher system, where the taxes designated for public assistance paid by Chinese Americans should be placed in a special fund to be dispensed to our people as desired...”

Eng then goes on to say that while restrictions on illegal immigrants from Mexico would be fine with him, he is opposed to broadbrush legislation which includes “all immigrants, favorable or unfavorable to this country. It has been my contention all along that this country has benefited economically, politically and socially by allowing Chinese immigrants to migrate to this country, whether legal or illegal.” In other words, Eng is saying we should take more Chinese and keep out the Mexicans.

As OCA is a civil rights organization, such comments are particularly troubling, especially coming from a chapter in such a minority-rich region as the San Francisco Bay Area.

Even Henry Der of Chinese for Affirmative Action, who usually strongly supports blacks and Latinos, made similar comments in the author's interview with him: "We could even take more Chinese immigrants if that was permitted. But that is not going to happen, because Chinese immigrants are broadstroked with [all other immigrant groups]."

- Even if they do not comprise a "mutual admiration society," many Asian and Latino political activists have concluded that they at least have some mutual interests. This sometimes leads to Asian/Latino alliances which are to the detriment of African-Americans.

For example, bilingual education has become a political icon among Asian and Latino activists. Their work in this direction—and the positive response given to them by government agencies regarding it—angers many urban black parents, who believe that their children's education is being diluted by the forced bilingual environment their children are subjected to. (See, for example, *U.S. News & World Report*, November 7, 1994, and *ABC Nightline*, March 24, 1995. Also, in 1998 a black parent sued the Oakland, California school district when his son was forced into a Cantonese-bilingual class. By the way, it should be noted that many Asian and Latino immigrant parents do not want bilingual education for their children either.) The black parents' protests appear to be futile.

The following statement by a Korean-American community activist in Los Angeles, might well be regarded as a "smoking gun" by African-Americans. (In *The State of Asian America: Activism and Resistance in the 1990s*, ed. by K. Aguilar-San Juan, South End Press, 1994.):

Someone from MALDEF (Mexican-American Legal Defense and Educational Fund) pulled me aside during a meeting about re-districting to point out that due to demographic shifts, Asians and Latinos could work together because we never had very much to begin with. "We have little to lose and a lot to gain by working together," he said, "while African-Americans stand to lose their hard-won civil rights gains from the 1960s, given their declining numbers."

This was not idle talk. For instance, the *San Jose Mercury News* reported on May 31, 1993 that "In Oakland, Hispanics and Asian-Americans [recently] drew up a re-districting plan to challenge one proposed by ruling black politicians." The Asian/Hispanic coalition won, and then in 1997 sued the city of Oakland, claiming it awards too many city contracts to black-owned firms.

- Some Latinos feel that statements to the effect that illegal immigration must be stopped but legal immigration has no problems are sometimes actually (not so thinly) veiled expressions of the notion that Asian immigrants are welcome while Latinos are unwelcome. The same comment applies to some of those who say our immigration policy should be "more skills-based," which again is perceived as a euphemism for "less Latino-laden."

I have observed increasing evidence that such perceptions by Latinos are accurate.

A number of the incidents cited above occurred in California. This is partly a result of the fact that the author's observation post is in California, and partly due to the fact that California's populace includes high numbers of the three minority groups. However, a number of the examples are national in scope, and such events will become increasingly numerous as the numbers of Asian and Latino immigrants grow in other parts of the country.

Whether or not the parties involved here have good intentions, the bottom line is that high levels of immigration have resulted in a hierarchy in treatment of minorities by government and the media, with the following features:

- blacks losing influence to immigrant Latinos and Asians
- native Latinos and Asians losing influence to immigrant Latinos and Asians
- Latinos losing influence to Asians

African-Americans at the present time still do have a substantial degree of political influence, based on gains made during the 60s and 70s. The current trend, though, is that they are beginning to lose those gains to immigrant groups.

Clearly, all of this is an extremely unhealthy situation. The current rate of influx of immigrants is much higher than our fragile race-relations situation can tolerate.

6 Problems of Immigrant Racist Attitudes Toward Blacks and Latinos

(Disclaimer: As I mentioned at the outset of this report, my own “observation post” in the immigrant community is in the East Asian portion of the population. Thus this section will focus on them, but such focus should not be construed to mean that other immigrant groups do not have racist attitudes toward blacks; Latinos definitely have this problem too, for instance.)

Starkly put, most East Asian immigrants have racist attitudes toward African-Americans and Latinos. Moreover, the prevalence of such attitudes among the East Asian immigrants is much higher than among the U.S. native population.

Again, there are no villains here; people are, after all, products of the societies in which they live. When discussing negative attitudes harbored by many Chinese immigrants toward African-Americans, Henry Der of Chinese for Affirmative Action (interview with the author, March 23, 1994) pointed out that immigrants “are not educated in the American context,” in which mutual respect among races is at least a goal, if not a reality. Sociologist Elijah Anderson of the University of Pennsylvania has made similar comments. (*Wall Street Journal*, June 6, 1995.)

But the damage that results from this problem is real and tangible. As noted earlier, for example, many immigrant entrepreneurs are unwilling to hire black employees. The role black perceptions of Korean immigrant racism toward blacks played in the 1992 Los Angeles riots is described in *The New Asian Immigration in Los Angeles and Global Restructuring*, ed. by Paul Ong *et al*, Temple University Press, 1994.

The “politically correct” explanation by Asian political activists for Asian immigrant racism toward blacks is that the immigrants pick up these attitudes from negative images of blacks on American television. Some of this may indeed occur, but it is not the primary factor. For example, many of the immigrants do not even watch mainstream, i.e. English-language, television, preferring to watch programming in their own languages and aimed at their own cultural interests.

The fact is that the Asian immigrants have such attitudes before they come to the U.S. Anyone who travels in Asia and speaks to people there in the local language will quickly find deep prejudices against blacks. The root cause is probably the general Asian prejudice against even dark-skinned Asians. Lighter-skinned Chinese, for instance, will look down on darker-skinned Chinese, because dark skin is traditionally associated with peasantry.

Even more importantly, the “PC” explanation also ignores the fact that the immigrants’ antipathy for blacks is often much worse than that of the natives. Even Sanford Ungar, who says that he wrote his book, *Fresh Blood: the New American Immigrants* (Simon and Schuster, 1995) because he hopes “to convince many of my readers that...immigration is still an extraordinarily positive feature of American life” (p.24), quotes Korean-American Yumi Park as saying, “Asians overall are more prejudiced than other people [toward

blacks].” An article in *New York* magazine (April 10, 1995) notes that many of the American-born children of Korean immigrants are deeply ashamed of their parents’ blatant racism. In her Stanford University study of Vietnamese immigrant high school students Quynh Tran (herself a Vietnamese immigrant) found that the students who grew up in the U.S. were less prejudiced toward blacks than were the students who immigrated at a later age. (*San Jose Mercury News*, May 31, 1993.) Academic studies in New York and Los Angeles found that Korean immigrants were much more prejudiced against Africa-Americans than the blacks were toward the Koreans. *Caught in the Middle: Korean Communities in New York and Los Angeles*, Pyong Gap Min, University of California Press, 1996, pp.120-125.)

Ethnic activists also claim that these racist attitudes were “learned” during former American colonial periods. Yet this does not explain racist attitudes among immigrants from China, Korean and Taiwan, for instance, or as Professor Min points out in the above reference, even among Filipinos, who have good attitudes toward blacks. Nor does it explain the fact that the average intensity of racism among the East Asian immigrants is higher than among U.S. natives.

Indeed, quite contrary to the “PC” explanation, many educated Asians actually disdain, even laugh at, Westerners who have sympathy for the black underclass. An illustrative incident occurred in the 1980s in Hong Kong, concerning a subway ad for a certain brand of toothpaste. The brand’s logo had always featured a smiling black man, and the brand name in Chinese was “*Hei Ren Ya Gao*,” literally “Black Man Toothpaste.” The English name was “Darky.” Some Westerners had protested this, so the company changed the English name to “Darly.” But they retained the Chinese name “*Hei Ren Ya Gao*,” as well as the logo. In the subway ad, along with the English name “Darly” for the benefit of non-Chinese, the Chinese portion of the ad said, “*Hei Ren Ya Gao reng ran shi Hei Ren Ya Gao*,” i.e. “Black Man Toothpaste is still Black Man Toothpaste.” In other words, the ad seemed to be saying to the Chinese readers, “We’ve changed the name to mollify those foolish Westerners, but we Chinese know better, don’t we?” The ad (and the reactions of Chinese with whom I discussed it) seemed to be recognizing, even pandering to, the fact that the Chinese are more racially insensitive than the Westerners.

Similarly, I have observed that Chinese immigrant engineers in the Silicon Valley also laugh at Americans who sympathize with the black underclass. Anti-black attitudes among the Chinese immigrant engineers are far more prevalent and severe than in their native co-workers.

The ethnic community leaders are not taking proactive approaches to dealing with racial tensions; in short, the “leaders” were not leading. A prime example arose during San Francisco Supervisor Mabel Teng’s guest appearance on a Chinese radio talk show in San Francisco on June 3, 1997. A caller, complaining to Teng about some rough black children at her son’s school, repeatedly used the term *haak gwai* (“black devil”), a derogatory Cantonese word for African-Americans. Yet Teng did not object to the caller’s language. Eventually the show’s host, Joseph Leung, stepped in and asked the caller to stop using the offensive term. But as a prominent Chinese community leader, Teng should have been the one to speak up and set a good example for the show’s large audience.

One immigrant from Hong Kong has complained to me (probably with justification) that she encountered prejudice against Asians in the 1992 Democratic convention, where she served as a delegate. Yet five minutes later in the conversation, she started talking about “those lazy blacks.” When I asked her how she reconciled juxtaposing a complaint about prejudice with a racial slur of her own, she replied, “What is there to reconcile?”

The fact that Chinese-immigrant racism is more prevalent and severe than that of natives is dramatically illustrated in the anti-Latino editorial in the Organization of Chinese Americans (OCA) newsletter cited earlier. Ordinarily this might be dismissed as an isolated incident, but the fact that the OCA is a respected civil rights organization makes this editorial quite significant. One does not find such comments in MALDEF or NAACP newsletters.

In their study of Korean immigrants in Los Angeles, *Blue Dreams* (Harvard University Press, 1995), Nancy

Abelmann and John Lie quote (p.110) an adult Korean immigrant complaining about the raw racism she observed in Korean merchants serving black clientele: “I would hear [the merchants say in Korean], ‘hey you black thing, come here.’ How terrible it would be if they [African Americans] knew how they were being spoken about.”

African-Americans may not hear these things, but they do feel such attitudes. A *Los Angeles Times* poll (reported in the *San Francisco Chronicle*, August 20, 1993) apparently found that when asked whether Asians were racist, more black people answered yes than whites did.

The U.S., by accepting large numbers of East Asian immigrants, is in effect importing racism, when we already have enough “home-grown” racism. This in itself is more than sufficient reason to undergo a thorough re-examination of our immigration policy.

7 A Wish for Relief

Poll after poll in recent years has shown that minorities recognize these adverse impacts, and wish for relief, in the form of reduced levels of both legal and illegal immigration. The Latino National Political Survey in 1992, for example, found that up to 84% of Mexican-Americans agreed with the statement that “There are too many immigrants.” (*Hispanic* magazine, April 1994.) An *AsianWeek* poll found that one-third of Asian-Americans support having a full moratorium on immigration, an amazingly high figure for such an extreme policy.

This emerged too in California’s Proposition 187. Make no mistake about it: Even though Prop. 187 focused on illegal immigration, it was to many voters a referendum on legal immigration as well. Political pundits, who were portraying Prop. 187 as pitting whites versus nonwhites, were shocked by the strong support among minority groups for the measure. Exit polls taken by the Associated Press showed strong majorities of African Americans (56 percent) and Asian Americans (57 percent) for the measure, percentages approximately equal to the vote for 187 in the general population (59 percent). (*Sacramento Bee*, November 13, 1994; the figures in the *Los Angeles Times* poll were somewhat lower, but the two polls were within the margins of error of each other, when the smaller sample sizes of the racial subgroups are accounted for.) Also, 54% of all immigrants voted Yes, again close to the overall state proportion. (*Los Angeles Times*, November 10, 1994.) In pre-election polls two months earlier, more than half of Latinos supported the proposition, and in spite of extremely heavy campaigning by the Spanish-language media and Latino community workers, about a third of Latinos still ended up voting for the measure.

(The pundits were confounded by other seeming anomalies as well. Fifty-six percent of those in Los Angeles County, for instance, voted for 187, a proportion close to the statewide figure. Yet Art Torres, a Latino candidate for state insurance commissioner, won in Los Angeles County (51 percent) but lost statewide (43 percent). If voters in the county were anti-Latino, as the pundits presumed from the voters’ support of 187, why did those voters choose a Latino for insurance commissioner?)

8 Remedies

It should be emphasized again that most of the problems described here arise from both legal and illegal immigration. We will outline some possible remedies on both of these fronts.

8.1 Legal Immigration

Current national policy on legal immigration has three central tenets: to reunify families; to alleviate labor shortages; to provide political safe haven. All three of these goals are widely flouted. For example:

- *Most of those who come to the U.S. under the auspices of “family reunification” do so for NON-family reasons, usually economic, rather than out of a yearning to be with a sibling or other family member.* Even Stanford University law Professor Bill Ong Hing, a strident immigrant advocate, notes that Japanese Americans have sponsored their relatives to immigrate at much lower rates than have Americans of Filipino, Chinese, Korean and East Indian heritage. (*Making and Remaking Asian America Through Immigration, 1850-1990*, by Bill Ong Hing, Stanford University Press, 1993, pp.106-107.) He cites Japan’s strong economy as the most important factor behind this difference. Similar themes may be seen in Min Zhou’s study, *Chinatown* (Temple University Press, 1992, pp.50-54), and in the work of Korean-American Professor Pyong Gap Min of Queen’s College (*Caught in the Middle: Korean Communities in New York and Los Angeles*, Pyong Gap Min, University of California Press, 1996, pp.28-29):

Post-1965 Korean immigrants, like other Asian immigrants, are primarily economic migrants who have crossed the Pacific seeking a higher standard of living...Korean immigration peaked in 1987...but it has gradually fallen off since 1988...The improved economic, social and political conditions in South Korea are largely responsible for the recent gradual reduction of Korean immigration. The standard of living in South Korea has risen greatly...

- As noted earlier, the computer industry continues to sponsor foreign engineers for immigration, in spite of a labor surplus. (See earlier citations.) They often hire foreign nationals out of a desire for cheap, compliant labor, contrary to the expressed intent of the law.
- In 1992 Congress passed the Chinese Student Protection Act, giving mass political asylum to tens of thousand of students from China who were in the U.S. during the 1989 protests in Beijing. As noted earlier, the vast majority of the students did not need this protection, and those who did need it could have applied for asylum individually. (See earlier citations.)

For these reasons, the line between legal and illegal immigration is finer than many people realize. If for example Mr. X immigrates ostensibly because he longs to rejoin his son who immigrated earlier to the U.S., but Mr. X then settles in a city 1,500 miles away from the son, we must question just exactly what we mean when we say that Mr. X immigrated “legally.” Mr. X may be following the letter of the law, but he certainly is violating its spirit.

The same comment applies to those immigrants who sponsor their elderly parents to come to the U.S. but then renege on their promises to keep their parents off welfare. This too is violating at least the spirit of the law, if not the letter. (In fact, it is common for both these violations to occur in tandem. For example, the author interviewed about a dozen elderly Chinese immigrants living in a HUD-subsidized building in Sacramento. All were on welfare, all came to the U.S. under the auspices of family reunification, and yet almost all lived far from their children’s homes in locations such as Los Angeles (400 miles from Sacramento), Texas, Florida and New York.

Thus the oft-heard comment that “unlike illegals, legal immigrants play by the rules” is not entirely accurate.

This is not to say that no legal immigrants ever are motivated to immigrate primarily because they miss their family members, or that no employer-sponsored immigration is ever warranted, or that no applicant for political asylum genuinely needs protection. But the fact is that our immigration policy is very often working counter to its noble goals. Clearly, a thorough overhaul is in order.

In order to reduce the adverse impact of immigration on minorities, both native-born and earlier immigrants, the author recommends:

- (a) The yearly quotas for legal immigration should be reduced to levels which will not exacerbate current economic and social problems.
- (b) The central tenets underlying immigration policy should be re-examined and revised.
- (c) We should “end bilingual education as we know it.”
- (d) Immigration policy should require, as a condition for being granted immigrant status, that persons over age 12 have a conversational knowledge of English.
- (e) As a condition for being granted immigrant status, each adult should be required to learn about American sensibilities regarding respect between races and between genders.

The rationale for recommendations (a), (b) and (c) should be clear from points made earlier in this report.

Recommendation (d) is perhaps more startling. However, it is both reasonable and feasible. It would help reduce the job-competition problems imposed by later-arriving immigrants on earlier-arriving ones, by broadening employment opportunities beyond the immigrant enclave economies. It would aid in the implementation of recommendation (c). It would reduce some fiscal problems (recall, for instance, the cash-strapped San Francisco city government’s noting that there is a “huge need” for bilingual housing services). And, perhaps most importantly, it would help reverse some current trends away from assimilation.

A number of workable approaches could be used to implement (d). Probably the best of these would actually not be a strict requirement, but rather a functional equivalent, in the form of bestowing a very large priority within the immigration queue to those with the desired basic English skills.

It is important to note that I am absolutely NOT proposing any elitist changes in immigration policy. For example, I am opposed to giving “extra points” to those with college educations; this would be contrary to the American spirit, and would ignore the fact that many talented people simply do not have access to higher education in third-world countries.

Indeed, I would submit that recommendation (d) would not result in any large changes in the mix of immigrants we currently accept. Most immigrants do come to the U.S. for a better economic life. Learning a minimal level of English would be a small price to pay for that privilege, and I submit that the immigrants would readily agree to such a condition. It should also be noted that most immigrants must undergo a period of up to ten years of waiting before receiving their immigrant visas; thus they would have more than adequate advance opportunity to develop English skills.

I have been asked how would-be immigrants in poor third-world countries would learn English. My answer is that given the huge economic opportunity immigration represents to them, we would find that they are quite resourceful in learning English to meet the requirement for immigration. The would-be immigrants’ U.S. relatives could send them books and tapes to learn English, for example. Even the governments of the would-be immigrants’ home countries would have incentive to provide English instruction, say on the radio, because these governments depend so heavily on financial remittances from their nationals in the U.S. (e.g. China and Mexico).

Recommendation (e) is just as important as the others. Most immigrants come from monoracial societies which do not have traditions of racial tolerance and mutual respect. In addition, many immigrants come from societies in which there are severe problems regarding the status of women.

We cannot even deal with the racism already existent in the country, and yet immigration is bringing us people who are (on the average, in whatever sense) are even more racist than we are. Our setting such a

generous immigration policy is tantamount to importing racism into the country. Even aside from the myriad other adverse impacts of high yearly rates of immigration, this reason alone should be sufficient to reduce those rates.

In addition, part of the formal immigration process should include learning about the American goal of racial tolerance, both in its abstract form and also in its legal forms. For example, many immigrants later become landlords, and it is important that they know that they may suffer legal penalties if they discriminate against tenants of other races.

Implementation of (e) could take on a variety of forms, possibly in combination. For example, a short presentation could be given at the INS office (or U.S. consulate abroad) when the applicant's immigration is approved. Later reinforcement could be applied in the form of public-service commercials on ethnic television stations in major U.S. cities.

The author has received positive reactions to recommendation (e) (or variations of it) from several immigrant advocates with whom the author has discussed it (e.g. immigration attorney Mark Silverman of the Immigrant Legal Resource Center in San Francisco, Professor Bill Flores of the California State University at Fresno, and Rosemarie Fan of the Oakland Chinese Community Council).

8.2 Illegal Immigration

Rather than make recommendations, the discussion here will be restricted to comments on the *efficacy* (not necessarily their desirability) of recent proposals to reduce the level of illegal immigration:

- Increased border patrols. These have obvious value, but cannot be a full solution to the problem, as immigrant advocacy groups themselves have conceded. (*Sacramento Bee*, December 17, 1993.) Both Attorney General Janet Reno and INS Commissioner Doris Meissner strongly assert this as well. (*San Francisco Chronicle*, October 29, 1994.) Sylvester Reyes, chief of the El Paso sector of the Border Patrol, has said, "We're never going to seal off this border, not 100%, not ever," said Silvestre Reyes. "It's unrealistic to think we can." (*Los Angeles Times*, July 3, 1994.)

(Note, by the way, that recent reductions in apprehension rates of persons illegally entering the country lead to overly optimistic conclusions. In the past, many illegals from Mexico made periodic trips home. Their reactions to beefed-up border patrols are just the go home less often. So, an illegal who simply stays put in the U.S. is reducing the apprehension rates without reducing the number of illegals in the U.S.)

Immigrant advocates also concede that at least 30-50% of the illegal aliens originally cross the border legally, say on tourist visas, and then live here illegally after the visas lapse. (As pointed out by Yeh Ling-Ling of the Diversity Alliance for a Sustainable America, a computerized system is needed to track those who enter with temporary visas.)

- Enforce minimum-wage and other labor laws. This is obviously desirable. However, it must be kept in mind that most illegals, at least Latino ones, make more than minimum wage. (David Heer, *Undocumented Mexicans in the United States*, Cambridge University Press, 1990, pp.204-205, notes that most undocumented men make more than minimum wage, and notes elsewhere (p.145) that most of the undocumented women are not in the workforce. Similar comments were also made by *La Opinion* columnist Richard Rothstein in *Dissent*, Fall 1993, and in a personal communication to the author.)
- Deny education and public services to illegals. This of course, is what made California's Proposition 187 so controversial. From a pure efficacy point of view, though, many specialists on Mexico indicate that it could be effective. The *Los Angeles Times* of November 10, 1994 quoted Mexico's Undersecretary of Regional Development Enrique del Val as saying, "If those services [education and health

care] are denied them there, they will come back.” The December 7, 1994 issue of the *San Francisco Bay Guardian* featured an article by Mexican analyst John Ross, author of *Rebellion from the Roots: Indian Uprising in Chiapas*, who says that validation of 187 by the courts would result in “igniting the return of [possibly] as many as a million [Mexican] citizens from California.” In discussions between the author and participants at the Western Farmworker Advocates Conference in November, 1994 (and in a number of other similar forums on immigration), there was apparent agreement with the notion that, at least, undocumented Mexican men would not bring their wives and children with them to the U.S. if services were not available, though the men themselves might still come here. In particular, denial of educational services would not result in the development of a population of illiterate undocumented children in the U.S., as has been claimed by some.

Presumably intermediate plans, under which some services would be denied, but not as many denied as under Prop. 187, would produce intermediate results.

Note, though, that while denial of services would definitely solve some of the fiscal problems caused by illegal immigration, it may not solve some of the problems of job competition.

Note also that, again viewed purely from the standpoint of effectiveness in reducing the illegal alien population, the provisions of Prop. 187 which require state agencies to report to the INS applicants for services who cannot prove legal status are virtually useless. Knowing that they would be denied service, the illegals would not apply for service, and thus there would be no one to report. There was thus no need to include such a provision in the measure.

- Set up a tamperproof work identification card, backed up by a computer database, as proposed by the Commission on Immigration Reform. This would be helpful, but one must realistically presume that unscrupulous employers, often of the same ethnicity as their illegal workers and knowing how to intimidate them, will continue to ignore such requirements.

A Impact of Immigration on the Economy

A.1 Barriers to Insight

The basic question of immigration’s impact on “the” economy is flawed to begin with. Instead of viewing the economy as a monolith, one should recognize that immigration’s impact produces both winners and losers. For instance, an increase in the labor supply helps the owner of a Chinatown sewing factory by reducing wages, but hurts Chinese-American workers for exactly the same reason. Or, as pointed out earlier, immigration to San Francisco is a boon to bilingual people who wish to become teachers, but results in a degraded quality of education to the children.

Furthermore, as the father of modern economics, John Maynard Keynes, once joked, “You could lay all the economists of the world end-to-end, and they would never reach a conclusion.” This is doubly true for economic analyses of immigration, for two main reasons.

First, an economist’s analysis is often colored by his/her political views, and this is exacerbated in the case of emotional topics involving race, such as immigration.

Second, and even more important, as discussed earlier, most analysts, though they may be fine statisticians, do not live in immigrant communities, and thus do not know how to interpret the statistics they gather. Moreover, because these analysts do not know immigrant communities, the analysts do not know which statistics to gather.

This latter point is of the utmost importance. One of the most frequent errors made in statistical studies in general is to study a pair of variables, say X and Y, while ignoring the effect of a third variable, or “covariate,” Z (or, more often, many covariates). This is a very serious error. For example, omission of covariates can

change the correlation between X and Y from positive to negative or vice versa, thus resulting in completely wrong conclusions about relations. Similar effects occur in other types of statistical analyses. Again, this is a particularly serious problem in immigration studies, because the analysts do not know which “Z’s” to account for.

Another problem is the attribution of causation. For example, some studies have shown that cities with high rates of immigration tend to have high growth rates. Aside for “Z”-type problems noted above, a major point here is immigrants are naturally attracted to cities which have high growth rates. That is quite different from saying that the immigrants *caused* the growth.

Thus one should be very careful when evaluating any economic analysis of immigration, both pro or con.

A.2 Job Creation by Immigrants

Immigrant advocates claim that immigrants (legal and illegal), through consumerism, are creating many jobs for native-borns. This is a serious oversimplification.

While we must avoid replacing one oversimplification by another, the following argument at least serves as a starting point: Immigrants have the same level of workforce participation as natives, but lower per-capita incomes. (See for example “Immigrants in California: Finding from the 1990 Census,” Hans Johnson, California Research Bureau, 1993.) The lower incomes of the immigrants should lead to a lower level of consumerism, thus a lower level of job creation, relative to natives. In other words, immigrants are creating fewer jobs than would the same number of natives, yet they are taking as many jobs as natives would—suggesting a net job loss for natives.

The claim that immigrant consumerism creates jobs for natives is further counterindicated by the nature of immigrant enclave economies. A large proportion of immigrant consumerism is directed at immigrant-owned businesses, with the jobs thus created being taken by other immigrants, not native-borns.

Consider a hypothetical Mrs. Chan, an immigrant from Hong Kong living in suburban Milpitas in the South San Francisco Bay. On a typical day, she might go to a local Chinese shopping mall. There she might patronize a Chinese grocery, have a nice noodle lunch at a Chinese restaurant, stop by the Chinese bookstore and finally rent a Chinese movie from a video shop there.

All of the employers and employees she encounters there at the Chinese mall will be Chinese. And the mall itself is likely to have been financed by a Chinese bank, and built by a Chinese construction company. The businesses in the mall are likely to have bought their capital equipment, such as stoves, telephones, computers, and so on, from other Chinese businesses as well.

Similar statements hold for businesses not owned by immigrants. The jobs created by immigrants in those businesses are again likely to be held by other immigrants of the same ethnicity. For example, our hypothetical Mrs. Chan, upon returning home, may be called by a Chinese phone canvasser from MCI, soliciting her long-distance patronage. If Mrs. Chan then decides to make MCI her long-distance carrier, she will then be talking to Chinese operators when she needs operator assistance. MCI will make sure to hire Chinese immigrants for these positions, both because Mrs. Chan may not speak English and also because MCI believes, correctly, that Mrs. Chan will feel more comfortable with them, not just linguistically but also culturally; she will feel more at ease with a fellow immigrant.

For the same reason, Mrs. Chan bought her home through a Chinese real estate agent, as is the case with most Chinese immigrants in the South Bay. In fact, had she chosen to do so, Mrs. Chan could have bought her house in a tract built by Chinese developer Jerry Chen near the Chinese mall, where one can find streets named Peking Drive, Shanghai Circle, Hong Kong Drive and Taipei Drive. And like many Honda buyers from Hong Kong, Mrs. Chan bought her Accord at Chinese-owned Grace Honda.

Thus a substantial proportion of jobs created by immigrants are held by other immigrants, not native-borns. To be sure, this does not mean “all” such jobs. Our Mrs. Chan, for instance may well visit Macy’s after she leaves the Chinese mall, thus providing some jobs for natives (as well as for other immigrants). And her American-born children are patronizing McDonald’s, Blockbuster Video and so on.

But the point is that though some jobs for native-borns are created as a result of immigration, the argument given at the beginning of this section suggests that immigrants are creating fewer jobs than they take.

One must also take into account the jobs lost due to reduced levels of consumerism of the displaced native workers. While Mrs. Chan’s patronage of Macy’s ought to be taken into account, one must also take into account the fact that a native who is displaced from a job by Mrs. Chan or her husband will NOT be making many trips to Macy’s while he/she is unemployed.

A.3 Immigrant Entrepreneurship

Proponents of the current high levels of immigration often praise the entrepreneurial activities of immigrants. Indeed, many immigrants do run successful businesses. However, the mere existence of a business is not necessarily an economic plus, for a variety of reasons.

First of all, many immigrants are willing to continue to run a business which has low revenue or is even losing money, for a number of reasons. Since many immigrant businesses rely heavily on labor by the immigrants’ family members who work without wages, the business might survive in spite of low revenues. Or the immigrant may have started the business in order to secure an investment visa, so the revenue is secondary. Or he/she may simply be hoping that the real estate value of the property will appreciate.

Second, Timothy Fong, in *The First Suburban Chinatown* (Temple University Press, 1994), found that in many cases a large nonimmigrant business which is providing substantial tax revenues will be replaced by several smaller immigrant businesses with collectively smaller tax revenues. (An Urban Institute study also found that immigrants have 38% lower tax compliance rates than natives.)

A.4 Effect on Consumers

One might argue that the lowering of wages resulting from immigration is at least a boon for consumers. Yet as pointed out by Rice University economist Donald Huddle, the consumers are in effect paying high prices for those goods via taxes, due to the higher rate of government services used by immigrants (see below). Thus the boon is to the employers, not consumers. Huddle notes, “If you add in the social costs, those jobs would have a very high wage. It’s basically a free ride for the employer, with the taxpayer picking up the difference.” (*Fresno Bee*, November 6, 1994.)

For example, studies show that the average undocumented couple has an income of around \$10,000 per year. (See the David Heer reference, p.155.) They will pay little or no income tax in this bracket, and perhaps a few hundred dollars in sales and other miscellaneous taxes. Yet each of their children will use at least \$4,500 in state and other tax monies per year for schooling (over \$6,000 if the child has limited proficiency in English). In order to survive on this low income, they will also be forced to draw Medi-Cal (California’s Medicaid), AFDC and so on. And this is not even counting the Earned Income Tax Credit for which the family is eligible.

Now suppose this family’s \$10,000 income comes from a \$5/hour job for the husband. The family is receiving services on the order of double its income, so the real wage being paid to the husband (from the point of view of the consumer who buys the goods he produces) is more like \$15/hour. Thus his “low” wages are in reality not low at all, and the claimed boon to the consumers of the goods he produces does not exist.

A.5 Use of Welfare Services

Immigrant advocates state that “Immigrants come here for jobs, not welfare. Also, they pay more in taxes than they receive in services.” This is misleading in multiple senses.

First, it must be noted that in general, statistics about immigrant use of welfare tend to be (intentionally or unintentionally) distorted, in many ways.

For example, the immigrant advocates often state that illegal immigrants are ineligible for most welfare services. What they omit is the fact that the illegals receive welfare via their U.S.-born children, who are U.S. citizens and thus eligible for all services. This produces a serious distortion in statistical comparisons of immigrants (both legal and illegal) with native-borns, since welfare usage by those “citizen children” gets counted on the native side of the accounting ledger, as opposed to the immigrant side, where it should be.

Another common source of distortion arises from restricting statistics to immigrants of working age. This ignores the fact that welfare usage by elderly legal immigrants skyrocketed by 400% in ten years. (*Washington Post*, December 19, 1993.)

For these reasons, it is more realistic to use a household basis for analysis. The 1990 Census data show that about 12% of immigrant-headed households in California contain at least one person on welfare, versus about 8% of the native-headed households. (See again “Immigrants in California: Finding from the 1990 Census,” Hans Johnson, California Research Bureau, 1993. Here “immigrant” refers to both legal and illegal immigrants; the Census data do not distinguish between the two kinds.)

Moreover, there is a larger issue: Claims based on narrowly defining “services” to include only welfare ignore the fact that our taxes go to many things besides welfare, such as schools, roads, hospitals and so on, and this must be taken into account. In other words, to gauge the fiscal impact of immigrants, it is misleading to simply compare taxes paid to welfare used.

However, for illegal immigrant families, even this overly simplistic comparison shows a fiscal loss. As we saw above, the typical illegal-immigrant family has an income of about \$10,000 and pays virtually nothing in taxes, while receiving public services totally several times their income.

Undocumented people come to the U.S. mainly for economic reasons. This of course includes jobs, but it also includes welfare. As mentioned earlier, some immigrant advocates and ethnic community leaders now admit that welfare is a magnet which attracts many elderly LEGAL immigrants to the U.S. (See for example: Yvonne Lee of the Coalition of Asian Pacific Americans, *Cantonese Evening News*, KTSF, Channel 26, San Francisco, June 15, 1994; the *Clinton Report Card*, compiled by the Organization of Chinese Americans (July 1994); Dr. Lester Lee, former member, University of California Board of Regents, *Asian Week*, December 16, 1994.) It would be reasonable to assume from this that a number of ILLEGAL immigrants also find welfare attractive. In any case, as seen above, incomes of illegal families are so low that they are forced to turn to welfare to make ends meet, even if that was not their original intent.