

IS THE CHURCH WORKING AGAINST THE U.S. ECONOMY BY SUPPORTING IMMIGRATION REFORM? By Martina Keller*

Among the most controversial & emotional issues within the debate surrounding immigration reform is how immigrants, particularly those in the U.S. without documentation, impact the economy and well being of our country. Those in favor of an enforcement-only solution to our broken immigration system argue loudly that undocumented immigrants drain our economy in numerous ways. On the other hand, those in favor of comprehensive immigration reform, including the U.S. Conference on Catholic Bishops, believe that all immigrants play a vital role in the U.S. economy. The following is the second in a series of articles examining some of the important issues driving the debate on immigration reform.

Some people believe: “Immigrants use more resources than they contribute to the economy.” It is true that much of the arriving immigrant population is poor, unskilled and less educated than the average American. What is important to note, however, is that immigrants come to the U.S. to work and reunite with families. Economic research statistics suggest that immigrants actually make a positive contribution to the U.S. economy. For one thing, most legal immigrants, particularly undocumented immigrants, are not eligible for most federal means-tested benefit programs, such as welfare assistance & food stamps. Second, studies show that immigrants contribute more in taxes and Social Security payments than they consume in public resources. Immigrants pay taxes, in the form of income, property, sales, and taxes at the federal and state level. As far as income tax payments go, sources vary in their accounts, but a range of studies find that immigrants pay between \$90 and \$140 billion a year in federal, state, and local taxes. Undocumented immigrants pay income taxes as well, as evidenced by the Social Security administration’s “suspense file” (taxes that cannot be matched to workers’ names and social security numbers), which grew by \$20 billion between 1990 and 1998. (Source: http://www.immigrationforum.org/about/articles/tax_study.htm)

Some people believe: “Immigrants take jobs and opportunities away from Americans.” Today’s wave of immigrants is the largest since the early 1990’s and is the product of changing global development, U.S. demographics and ever increasing communications throughout the world. According to the Bureau of Labor Statistics, the U.S. is expected to create over 56 million new jobs, half of which will require only a high school diploma or less. Add to that the fact that millions of “Baby Boomers” have reached or are approaching retirement age. At the same time, native-born Americans are becoming more educated with each decade. The result is a critical shortage of low and unskilled labor. Already, industries vital to the U.S. economy, including construction, restaurant & manufacturing sectors report that they cannot find enough workers to fill their labor needs. According to a recent study by the University of California-Davis, immigrant workers fill jobs in certain industries that are not filled by American workers. Moreover, immigrant workers live and work in areas different from American workers of the same skill level. The same study finds that immigrant workers fill jobs in areas where there is an absence of native workers. Thus, the evidence shows that immigrant workers *supplement*, rather than *displace*, native workers, and by and large do not compete for the same jobs with native citizens. This does not even take into account the separate example of immigrant entrepreneurs creating jobs in the U.S. (Source: Peri, Giovanni, “Rethinking Gains from Immigration: Theory and Evidence from the U.S.,” August, 2005, University of California-Davis.)

Some people say: “Immigrants send all of their money back to their home countries.” While it is true that immigrants send billions of dollars a year to their home countries, those contributions are direct and effective forms of foreign investment which help to alleviate the economic root causes for migration. These amounts are offset dramatically by the consumer spending of immigrants. In reality, immigrants make up an extremely large consumer group within the United States. Not only do immigrants, including what some estimate to be 70% of all undocumented immigrants, contribute billions of dollars in taxes, they also contribute to the economy by spending the money they need to live here. Even the undocumented pay rent or buy homes, open savings accounts, drive cars, eat food, clothe themselves and seek entertainment while in the U.S. Their lives cannot be viewed in a vacuum. In fact, in the true entrepreneurial spirit of our nation, a myriad of new businesses and sectors have developed to help meet the needs of immigrants, thus creating new jobs and helping our economy to grow. According to one study, consumer spending by undocumented immigrants in the Chicago area generates more than 31,000 jobs. (Source: “Chicago’s Undocumented Immigrants: An Analysis of Wages, Working Conditions, & Economic Contributions,” University of Illinois Chicago Center for Urban Economic Development, 2002).

More discussion on the immigration debate and why the Church is involved will follow in the coming weeks. For more detailed information see www.justiceforimmigrants.org. * Martina Keller, a Queen of All Saints parishioner, is an attorney in private practice and a pro bono advisor to the Catholic Campaign on Immigration Reform for the Archdiocese of Chicago.



THE CATHOLIC CAMPAIGN FOR IMMIGRATION REFORM