

by David S. North

It was dusk in El Paso. Two Washington visitors and this writer were driving along the Rio Grande in a Border Patrol sedan. No one was in sight on the American side of the river, but hundreds of people dawdled on the other side, in Juarez. The older ones watched and waited; the younger ones played in the shallow river.

The border's international railroad bridge, with its 8-foot high gate, was also crowded with Mexicans. Some of the young men had climbed over the gate and were a few feet on the United States side, as if daring the Americans to do something about it. The driver stopped the car but told his passengers not to get out. "Sometimes they throw stopes; one of our men was hurt here last week."

We watched the Mexicans for a while, and they watched us before we drove off. Later that night, the gate's big padlock was broken by a battering ram. Everyone on the bridge dashed through the open gate, across the railroad yards, over a small fence or two, and into downtown El Paso—some to work, some to visit friends, a few of the youngsters to snatch purses.

The scene offered dramatic evidence to refute one of the prevailing myths about illegal aliens, in this case, the implied myth that the United States has made a serious effort to control its borders. The Border Patrol is stretched so thin that it cannot afford to post a single agent at the bridge, even during the hours of darkness, and even though the padlock is broken almost nightly.

There are, in fact, a quintet of prevailing myths, some of them contradictory, that clutter the dialogue about illegal

David S. North, formerly assistant to former Secretary of Labor W. Willard Wirtz, is director of the Center for Labor and Migration Studies of the New Transcentury Foundation.

aliens, a subject that is, even without the myths, extremely complex. These are

• The good jobs myth, that a substantial portion of the illegal aliens hold well-paid jobs.

• The no-harm-to-the-labor-market myth, rival to the first myth, which suggests that since illegal aliens are badly paid they are not competing with resident workers.

• The social services myth, that illegals are a major expense to taxpayers because of receipt of income transfer payments.

• The Mexican male myth, that the illegals are primarily young men from Mexico.

• The Berlin Wall myth, which suggests that the United States is making a serious effort to control the border.

The first two of these myths distort—in opposing ways—the true impact of illegal aliens on the Nation's labor market. The good jobs misconception is the older of the two. It has largely been generated by anecdotal evidence, like the story of two illegal aliens who were found painting the Statue of Liberty at more than \$8 an hour. Such cases have led to the conclusion that illegal aliens are taking "good paying jobs" which would otherwise be in the hands of legal residents of this country.

While there are success stories among illegal aliens, as there are among any group, illegal aliens typically do unattractive work, the dirty work of the Nation, at low wages. This has been confirmed by a variety of studies, including one Marion F. Houstoun and this writer completed for the Employment and Training Administration's Office of Research and Development.² This survey of 793 illegal aliens who had worked all over the Nation found that their average wage, in 1975, was \$2.71 an hour. In fact, fully a quarter of the respondents earned less than the minimum wage of the time. Since only about 3 percent of the total work force is estimated to be earning the minimum wage or less, this provides a strong indication of the extent to which the illegals are an exploited element in the labor force.

Further confirmation of the generally low wages paid to illegal aliens appears in an unpublished Immigration and Naturalization Service survey of apprehended illegal aliens who were found working during the first 3 months of 1975. Of the 47,947 workers covered, only 1.1 percent made more than \$6.50 an hour, the top bracket recorded, while 65.2 percent made less than \$2.50 an hour, the lowest of the wage categories. The balance earned between \$2.50 and \$6.50 an hour.

The grim, underlying truth is that even minimal wages in this country are attractive to illegal aliens from Mexico and the other poverty-stricken nations around the rim of the Caribbean—the homelands of most illegal immigrants. Those nations all have slim resource bases, rapidly growing populations, and inequitable patterns of income distribution. Unemployment in these countries is high, and those fortunate enough to hold jobs earn wages far lower than those paid in marginal jobs here.

The alternative—and somewhat newer—labor market myth correctly reflects the wages paid to illegal aliens, but then interprets the data to suggest that the illegal aliens are not a problem to our economy. "Many of the jobs held by illegal aliens are the kind that few Americans accept, regardless of their skills," according to a recent article in Washington

Monthly, which goes on to argue that "the aliens don't mat much difference to unemployment because unskilled Americans understandably prefer subsisting on welfare or unemployment payments to working long hours at low-paying drudgery

The missing element in this analysis is that the presence illegal aliens who are desperate for work of any kind ar docile to their employers creates a self-fulfilling prophec. The illegals do, in fact, take jobs that no legal resident waccept, and in the process, they undermine the structure the labor market in the places where they cluster and in the occupations and industries where they can secure work.

Who are the winners and the losers in this situation? I some extent, the winners are the illegals themselves and the families, often still in their homelands, to whom they sen remittances. The governments of their home countries also win; they are silently pleased to be exporting their unemployment to the United States and importing, in turn, U.St dollars. Employers of the illegals also benefit economically and, should the employers' savings be passed along, so doconsumers of the employers' goods.

The losers are, to some extent, the same illegals, who work hard in unattractive jobs, live in fear of deportation, and are separated from their families and friends. Many of them have plunged into debt to make the trip to the United States; the expensive investment pays off for some, but not for many others.

At a time when almost 7 million American citizens are unemployed, however, the most significant losers are the more disadvantaged workers in this Nation—blacks, Puerto Ricans, legal immigrants, women, teenagers, and the handicapped. These legal resident workers are competing with the illegal aliens for specific jobs—and often losing to them—while simultaneously experiencing the depressive influence of these aliens in the labor market. Jobs are less attractive than they could be, and wages are lower, because of the presence of the illegals in the labor market.

United States taxpayers also feel the adverse impact of illegal aliens, primarily because of the income transfer payments made to legal residents who have become unemployed directly or indirectly because of the illegals. It does not appear to be true, however, that illegal aliens are a major expense to the U.S. Treasury because they are busily collecting money from our smorgasbord of income transfer programs welfare, Social Security, Food Stamps, Unemployment Insurance (UI), and similar programs. This social services myth is another misconception about illegal aliens.

This myth has been spread through uninformed estimates by government officials, as well as by reports (such as on the CBS-TV program "Sixty Minutes") that legal aliens are making use of welfare programs. The distinction between legal immigrants—who have lawful access to welfare programs—and illegal aliens—who do not—sometimes becomes blurred in the public mind.

During the North-Houstoun study, interviewers asked the illegal aliens surveyed the extent to which they had interacted with various governmental programs, including paying taxes

¹ While this article uses the term "illegal aliens," many authorities call illegal entrants who hold or are looking for jobs "undocumented workers."

² The Characteristics and Role of Illegal Aliens in the U.S. Labor Market: An Exploratory Study, March 1976.

³ From "Let the Aliens In," by Stephen Chapman, July/Aug. 1977, p. 44

and receiving benefits. Given that the survey sample was largely male, had few dependents in this country, was generally in age brackets that suggest good health, and generally wanted as little to do with the Government as possible, the results, shown in the accompanying box, were not surprising.

Illegal Aliens' Participation in U.S. Tax and Social Service Programs

Program Activity	Percentage of Respondent Participation
Program Activity	- III. III. III. III. III. III. III. II
Input	an well as the
Social security taxes withheld	77.3
Federal income taxes withheld	. 73.2
Hospitalization payments withheld	44.0
Filed U.S. income tax returns	31.5
Output Used hospitals or clinics	27.4
Collected I or more weeks of unem-	
ployment insurance	3.9
Have children in U.S. schools	. 3.7
Patiented in U.S. schools	
Participated in U.S. funded job train	1.4
programs	1.3
Secured food stamps	0.5
Secured welfare payments	0.5

Source: Respondents were 793 illegal aliens who had worked in the United States for at least 2 weeks at the time of their apprehension in 1975. From David S. North and Marion F. Houstoun, *The Characteristics and Role of Illegal Aliens in the U.S. Labor Market: An Exploratory Study* (U.S. Department of Labor, March 1976), p. 142.

The illegals surveyed were far more likely to pay taxes than to receive benefits. (This may be at least partly because paying taxes through the withholding technique requires no individual action, while applying for benefits does require the individual to approach a government agency directly.) The results indicated that these illegals were probably *subsidizing* benefit systems, notably the Social Security Trust Fund, rather than *depleting* them.

Some skeptics may immediately ask, "But weren't they lying?" Probably not. While many respondents refused to answer some questions, mostly those about their knowledge of other illegals, they did not shy away from questions about taxes and receipt of benefits. Moreover, the survey involved illegals who had already been caught, had been through Immigration and Naturalization Service (INS) processing, and were on their way back to their homelands; they therefore had little more to lose by being truthful.

Meanwhile, government agencies have made little effort to determine the extent to which their programs are being used by illegal aliens. This may be partly because it is very difficult for someone other than an INS professional or a lawyer specializing in the field to determine validly who is, and who is not, an illegal alien. Moreover, in some programs, illegal alien status is irrelevant; social security and workers' compensation benefits, for example, are paid to eligible persons without regard to alien status.

Recently, however, welfare officials in California's San

mine the extent to which local illegal aliens were receiving Aid to Families with Dependent Children (AFDC) benefits, a type of aid for which illegals are not eligible.

The techniques used were sound; welfare caseworkers were instructed to separate out recipients who were clearly citizener or legal residents and to refer names of those whose statuwas in doubt to INS. Individuals in the second category were invited to appear at the local INS office to clarify their status some who came forward were found eligible, and some were not. Others, presumably not legally entitled to benefits, failed to report and were dropped from the rolls.

After screening all 80,000 persons on the county's AFDC rolls, a process which took a year, officials found that about 800 individuals, roughly I percent of the caseload, were illegal aliens. Given that more illegals are apprehended in San Diego County than in any other county in the Nation, the I percent figure does not suggest massive utilization of this program.

Another myth is that illegal aliens are overwhelmingly Mexican and male. And if a myth can have a corollary, it is that the population is located primarily in the Southwest. This leads to suggestions that no nationwide action—such as the introduction of a work permit system—is needed because the situation is regional.

There are sound reasons for these misconceptions. The illegals do include many males and many Mexicans, and the most obvious entries do take place across the United States-Mexican border. But it must be remembered that virtually all the available information on illegal aliens relates to those apprehended by INS, which focuses most of its resources on catching illegal aliens crossing the United States-Mexican

U.S. Immigration and Naturalization Service Photo



Cluster INS allocates its men and money to stop this cular flow of illegals, it catches the kind of persons who to enter the country this way. And these are mostly rexican males. In fiscal year 1976, for example, most INS apprehensions were in the border region, and 89.2 percent of all 875,915 illegals caught were Mexicans. (INS does not keep apprehension data by sex, but officials agree that more than 90 percent of those caught are males.)

Two studies—both done with the cooperation of INS—offer opportunities to review the characteristics of the whole stock of illegal aliens. One study focuses on illegal aliens who, by using a variety of techniques, sought to pass through legal ports of entry fraudulently. (Most lie to the immigration inspectors; only a small minority carry forged or altered

documents.)

Of the 901 fraudulent entrants in that study, which covered the major ports of entry at the Mexican border as well as the busiest international airports, 475, or 53 percent, were women. Since the study estimated the annual flow of fraudulent entrances through these ports of entry at about 500,000, it appears that numerous female illegals are entering the Nation, but they are not arriving by crossing the Rio Grande or the desert, as men do.

The North-Houstoun study also investigated the composition of the stock of illegal aliens by asking respondents how many times they had been apprehended, and how long they had been in the country, cumulatively. Illegal aliens from outside Mexico were only one-eighth as likely to report previous apprehensions as illegals from Mexico, suggesting that the available data seriously overstate the percentage of Mexicans among the Nation's illegals. Ironically, the survey

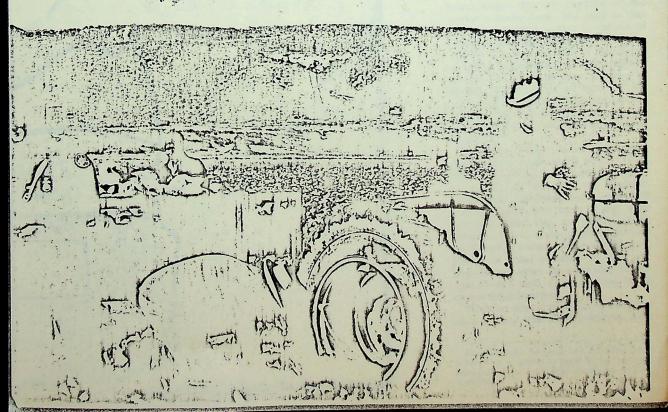
also suggested that the illegal aliens least likely to be picked up by INS, those from countries other than Mexico, were the ones most likely to make use of income transfer programs.

No matter where they come from or how they enter, however, illegal immigrants present myriad social and economic problems. And, as the unguarded bridge in El Paso shows, much more could be done to stop the flow.

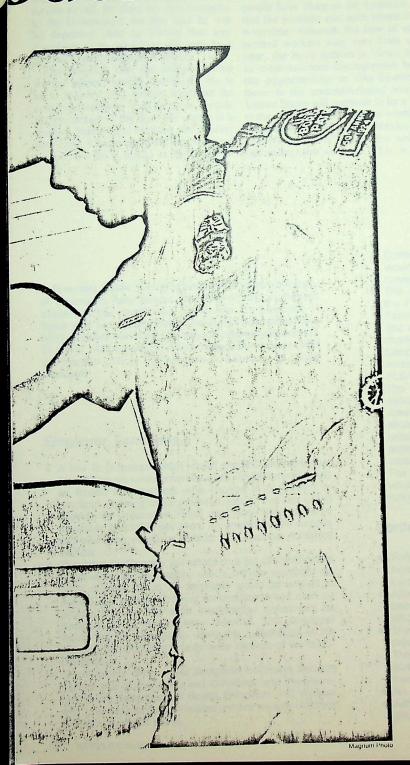
Only the most skimpy allocations of money and personnel are available to enforce immigration law. In late 1976, for example, the INS had only about 2,000 border patrol agents to cover all our boundaries. By contrast, the Federal Bureau of Investigation employed 8,600 agents, there were 4,300 metropolitan police officers in the District of Columbia, and 3,800 corrections officers worked in Federal prisons. Further, for fiscal year 1977, Congress authorized the employment of 1,140 Capitol Hill police officers to guard its buildings, compared with only 900 plus investigators who handle all INS enforcement work away from the Nation's borders as well as many nonenforcement functions.

Far more resources are clearly needed to patrol this country's borders. Similarly, additional research and analysis are needed to determine the size of the illegal immigrant population, its demographic characteristics, and the impact of illegal aliens on the labor force. The evidence already shows, however, that the prevailing beliefs are incorrect. Illegal aliens are a more polyglot and sexually integrated population than is generally realized. Their principal impact on American life is on the labor market and not on the U.S. Treasury. And the nature of that impact is to depress wages and working conditions and to alter the very character of the labor market, much to the detriment of disadvantaged citizens.

Detecting illegal entrants among authorized alien workers is many times a hit-and-miss operation



Juitside the Law



by Ray Marshall

Recently, a comic strip appeared in *The Washington Post* which sheds some light on the grave problem of illegal aliens, or as 1 prefer to call them, "undocumented workers."

The comic strip featured the owner of a Chinese restaurant, but it could have as easily been a Mexican restaurant or a greasy-spoon diner. The restaurant owner is saying. "Some of my chefs do get temperamental, but I know how to keep them in line." At this point, the straight man says, "How's that, Lee?" And the owner answers. "I just pick up the kitchen phone and say, 'Operator, give me the Immigration Service."

It's one of those moments where humor cuts a little too close to reality for comfort. For, in a few words, this comic strip has accurately portrayed the working conditions that many undocumented

workers face in this country.

It is a classic carrot-and-stick situation. The carrots are jobs in America that pay better wages than are available in the worker's native land. The stick is that the undocumented worker is subject to blackmail every day of the year.

What few have realized is the degree to which the problem of undocumented workers is one of the most serious civil liberties problems that we face. For the undocumented workers represent an underclass who live among us but are outside of the protections of all of our basic labor laws.

There have been studies which have found that as many as 40 percent of all Mexicans working in this country illegally are being paid less than the minimum wage. Other undocumented workers find that they have been hired at one wage and paid—when they are paid at all—at another. Often, undocumented workers are forced to endure unsafe working conditions or brutal treatment by their employers and other unscrupulous people who always seem to be standing by to exploit the defenseless.

When an American citizen or a resident alien is faced with these problems, there

Ray Marshall is Secretary of Labor. This article is based on a speech he made to the American Immigration and Citizenship Conference in New York City.

side / Outside

are many effective remedies available under the law. When an undocumented worker is deprived of his rights, he has no one to call. He does not dare complain to the Government for fear that he will be deported. And he knows that any complaint to his employer will only lead to a call to the Immigration Service.

The result is that the undocumented worker labors "scared and hard." He is in a country that prides itself on its political freedoms, but he lives outside the protection of the law. He works in a country that prides itself on the "safety nets" that it has created for the American worker, yet he is totally at the mercy of

his employer. In a very real sense, the undocumented worker is a man—or woman—without a country.

Unlike unemployment, or energy, or welfare reform, the problem of undocumented aliens has not received long-standing public discussion. Too many people have clung to the mistaken notion that the problem was both temporary and reversible. Although the flow of undocumented workers may vary from year to year, the basic pattern is clear. As long as there are vast discrepancies between the opportunities in this country and those in the underdeveloped world, the United States will continue to be a beacon to the unemployed around the world.

Estimates suggest that Mexico is the country which is the largest source of undocumented workers. This is under-

standable since there is no border in the world with more extreme economic differences than the border between us and Mexico. As long as Mexico has one of the world's highest birth rates, as long as Mexico cannot create enough jobs, then the temptation to sneak across the border will be irresistible.

The Immigration and Naturalization Service has never been one of the more popular Government agencies. This is inevitable since the task of deporting individuals is one of the saddest jobs that any government has to do. It is rarely the affluent who are deported. Those who fear the Immigration Service are almost always the destitute and the friendless.

None of us want to return to the days of mass roundups of aliens. None of us

President Carter has proposed to Congress a variety of actions to help reduce the flow of undocumented aliens into this country and to regulate the presence of those who are already here. The recommendations covered employer sanctions, border enforcement, adjustment of aliens' status, foreign policy, temporary workers, and immigration policy. Following is a summary of those proposals.

Employer Sanctions

- A law is proposed which would prohibit any employer from hiring an undocumented alien. Enforcement would be limited to employers who engage in a "pattern or practice" of hiring undocumented aliens. The law would provide for injunctive relief and civil fines up to a maximum of \$1,000 per alien. An employer who violates any injunction would be subject to a possible contempt citation.
- The Attorney General will establish a list of identification documents, by regulation, which will be accepted as proof of legal status. An employer would be entitled to defend any charge of hiring an undocumented alien by proving that he has seen identification documents as designated by the Attorney General. The employer would not be required to verify the authenticity of the identification document, or to keep records of the documents seen.
- The Attorney General will designate the Social Security card as one of the authorized identifiers, and the Secretary of the Department of Health, Education, and Welfare will take steps to make the card a more reliable indicator of lawful residence status.

Criminal penalties will be applied against persons convicted of receiving pay for knowingly assisting an undocumented alien to obtain or retain a job.

 The Federal Government will increase enforcement of the Fair Labor Standards Act (FLSA) and the Federal Farm Labor Contractor Registration Act, and both civil and criminal penalties for FLSA violations would be used more frequently.

 Cooperation and information exchanges between the Immigration and Naturalization Service (INS) and the FLSA enforcement personnel will be improved.

The Federal Government will strongly oppose discrimination against Mexican-Americans and other ethnic Americans that might result from the undocumented alien program, and Federal civil rights agencies will be ordered to assure that existing antidiscrimination laws protecting Hispanic Americans and other ethnic Americans are fully enforced.

 The proposed new Federal law on employer sanctions would pre-empt State and local laws which prohibit the hiring of undocumented aliens.

Border Enforcement

- Enforcement resources at border areas having the highest rates of undocumented alien crossings will be increased.
- After the on-going border enforcement studies have been completed, it is likely that 2,000 new enforcement officers will be placed on the border.
- The State Department will strengthen its visa issuance procedures abroad to provide for better prescreening. This will include an increase in antifraud action and screening procedures and a new system of issuing more secure visas.
- An antismuggling task force will be formed within the Administration to determine ways to reduce alien smuggling rings.

the border between us and Mexico look like the Berlin Wall. None of us are insensitive to the terrible human tragelies that can accompany immigration policy. Yet continued inaction on the issue of illegal aliens would bring grave consequences, since the existence of an underclass of undocumented workers represents a serious civil liberties problem.

No democracy can flourish with an underclass outside the protections of its basic law. If history is any guide, perhaps the first generation of undocumented workers will endure their privations in relative silence. But the children of these undocumented workers will doubtless be the focus of the civil rights movement of the 1980's.

Another problem with undocumented workers is their effect on the American

labor market. The use of substandard labor becomes a self-fulfilling prophecy. Employers lack an economic incentive to modernize labor-intensive methods that feed on cheap labor. These employers structure jobs that are so demeaning that only the frightened and desperately poor undocumented workers will take them. And then they cla'n that they can't get anyone but the undocumented workers to take these jobs.

In understanding this problem, it is important to recognize the ways in which today's illegal immigrants are different from the immigrant streams who entered this country in the 19th and 20th centuries.

The European immigrants came to this country legally and never had to hide from the Immigration and Naturalization

Service. The European immigrants came in an era when there were no basic protections for American workers. There were no minimum wage laws, no full employment policy, and no occupational safety and health acts. Today's undocumented workers represent a subclass that allows employers to underent these standards that we have fought for so long to enact into law.

There are many demographic factors that point up the differences, as well. Most of the 19th century immigrants were from countries with low birth rates and declining opportunities. Today's undocumented workers come from countries with birth rates that are soaring out of control and eroding what jobs do exist in their economies. Lastly, the 19th century immigrants came at a time when this

• The Administration will urge the passage of legislation which is presently pending to establish criminal penalties for persons who knowingly use false information to obtain Federal identification documents and who knowingly possess fraudulent Federal or State documents that would be used to obtain any Federal documents.

Adjustment of Status

- All undocumented aliens, including ones whose legal stays have expired, residing in the United States on or before January 1, 1977, and who register with the Immigration and Naturalization Service, will be granted a new temporary resident alien status for a 5-year period.
- Persons granted temporary resident alien status can remain in the United States for at least 5 years; during that period a final decision will be made about the legal status of these residents.
- Those granted temporary resident alien status would be allowed to work and would have 1 year to apply for the new status. However, they would not have political or civil rights to vote or be able to run for office or serve on a jury, and they could not bring in family members from abroad.
- Those with temporary resident alien status would not be eligible for Medicaid, food stamps, the Aid to Families with Dependent Children (AFDC) program, or the Supplemental Security Income (SSI) program. State and local governments could provide general assistance if they chose.
- All undocumented aliens who have been continuously in the United States since January 1, 1970, can apply for permanent resident alien status. This status can lead to full citizenship in 5 years. This will be done by updating the registry provisions already contained in the Immigration and Naturalization Act. Currently, those who entered before 1948 can adjust their status.

Foreign Policy

- Negotiations will be held with Mexico and other countries which are sources of undocumented aliens regarding the nature and extent of their participation in border enforcement and antismuggling work.
- A number of steps will be considered including stimulation of labor intensive projects through multilateral lending institutions and financial assistance for the major source countries. Population education programs for those who request such assistance will also be made available.
- Increased trade with the sending countries, with emphasis on labor intensive products, will be explored—consistent with the objective of not losing U.S. jobs.

Temporary Workers

• The Secretary of Labor is directed to conduct, in consultation with Congress and other interested parties, a comprehensive review of the current temporary foreign worker (H-2) certification program. The program must be structured so that it responds to the legitimate needs of both employees, by protecting domestic employment opportunities, and of employers, by providing a needed work force.

Immigration Policy

- There will be a comprehensive interagency study of immigration policy and laws.
- The Administration will support legislation to increase the current 20,000 person limit on annual Mexican and Canadian immigration to a combined 50,000.

side / Outside

country was not conscious of long-term unemployment. Today's workers, of course, come at a time when we are all seriously worried about job opportunities for American citizens.

Any actions taken to address the problem of undocumented workers must be based on the circumstances surrounding today's illegal influx. The first point is an awareness that the problem of undocumented workers illustrates the degree to which the United States is affected by the problems of the underdeveloped world. We can no longer turn a deaf ear to the problems of world poverty. The millions of undocumented workers who live among us illustrate that world poverty is not just their problem; it's our problem, as well.

Ultimately, the only total solution to the problem of undocumented workers is the creation of jobs in the countries from which these workers flee. There is, of course, a very real limit on how much we can do by ourselves, and we cannot wait for these other countries to solve their problems before we tackle ours. But I think that it is important to target some of the money which we spend on bilateral and multilateral foreign aid on the real problem of creating jobs in the source countries of the stream of undocumented workers.

A second consideration is a recognition that it is important to eliminate the incentives for undocumented workers to enter this country. That means a focus on the employers who hire these workers and subject them to substandard pay and working conditions. Ultimately, illegal immigration must be seen as a labor market problem. And the only way to alleviate it is to develop some system of civil penalties for those employers who hire undocumented workers.

Another important component of any comprehensive policy on undocumented workers is some form of amnesty. Most of the undocumented workers are hardworking, law-abiding men and women who came to this country in quest of greater opportunity. Many of them have developed family and community ties. It would represent a personal tragedy—and a loss of many productive individuals—if they were to spend the rest of their lives in terror of the Immigration Service.

Amnesty is the most compassionate thing that this country can do. It is also the only practical approach to a problem that for too long has been ignored. The days of the mass roundup of suspect aliens is over. That's why amnesty must be an ingredient in any humane policy for dealing with the problem of undocumented workers.

A final point is that the problem of undocumented workers cannot be considered apart from this country's immigration policies. Immigration is a complex issue raising many questions and historically arousing many fears. Yet immigration policy must be a key consideration in efforts to address the problem of undocumented workers equitably and well.

