

# Illegal Immigration and the American Labor Force

The Use of "Soft" Data for Analysis

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## THE ISSUE

In 1974, the Commissioner of the Immigration and Naturalization Service (INS) of the U.S. Department of Justice publicly stated that "the United States is being overrun by illegal aliens" and, he warned, "we are seeing just the beginning of the problem" (San Antonio Express, 1974: 1). During the 1974 fiscal year, when 788,000 illegal aliens were actually apprehended, the INS estimated that the number of *undetected* illegal aliens who entered the United States during the year ranged upward to 4 million (Meyer, 1975: A-1, A-5). Moreover, the INS estimated the accumulated number of illegal aliens currently residing in the United States in 1974 to be between 7 and 12 million (Saxbe, 1974: 2). As the limited amount of research actually conducted on illegal entrants has shown that the vast proportion of illegal aliens come to the United States to work (Samora, 1971), the impact on the labor force of the nation has to be substantial. As noted authority (Piore, 1974: 687) on the economics of labor markets in the United States recently stated: "Virtually unnoticed, illegal aliens have become

a factor of tremendous—and still explosively growing—importance.”

Given these introductory observations, it would seem that the nation is in the midst of the largest in-migration in its history. Yet a careful assessment of both the quantitative (i.e., the aggregate numbers involved) and the qualitative (i.e., the types and location of the jobs held by illegal aliens) aspects of the problem is largely precluded due to the covert nature of the entry and work process. Nonetheless, social scientists must take cognizance of critical social issues even if they are denied readily accessible and professionally acceptable data. In fact, the obligation to pursue these areas of inquiry is all the more necessary because of the “softness” and sometimes questionable nature of the data. For how else can society be informed as to the validity of an emerging social issue? The issue may be real; or it may be a figment of imagination; or it may be an instrument of political demagoguery; or it may be some combination of these or other extremes. The difficulty of data collection and the dangers of professional criticism, however, cannot be allowed to deter investigation of such subject matters.

The objective of this paper, therefore, is to examine a “knowledge crisis” as it relates to the study of the contemporary impact of illegal immigration on the labor force of the United States.

### **THE EXISTING DATA SOURCES**

In its annual report, the Immigration and Naturalization Service lists the number of aliens who have been apprehended and/or deported in the preceding fiscal year. Over time, the definitions used for reporting purposes have changed considerably, so that precise long-run comparisons are difficult to make (Samora, 1971: 46-47). Moreover, it is understood that apprehension levels are—to a significant degree—a function of the size of the INS staff assigned to the task (Abrams and Abrams,

1975: 22). But the greatest difficulties with this data series are: (1) it contains a substantial amount of double-counting (i.e., many aliens from Mexico especially are apprehended more than once during a given year); and (2) the figures measure only those illegal aliens who are caught. The apprehension figures, therefore, are only the tip of the iceberg. The size of the total flow of illegal aliens can only be approximated.

In addition to apprehensions, therefore, the INS in recent years has undertaken the task of estimating the *total* illegal alien flow (i.e., those apprehended *plus* those not apprehended). These figures are *not* published in any regular series. Rather, they are used during congressional hearings, in news releases, and in public speeches by officials of the INS. Exactly *how* this estimate of *total* illegal immigration is computed is somewhat of a mystery. Indeed, it seems that even the highest officials in the INS are uncertain precisely how the figure is derived. For instance, the Commissioner of INS, Leonard F. Chapman, Jr., told an inquiring reporter from the *Washington Post* in early 1975 that the overall estimate of illegal aliens was a composite of separate estimates provided by 32 district offices of the INS.

The local estimates, he stated, were made by the district directors who each used "a formula" as a basis for their respective estimates. But when the *Post* reporter called several of the district directors to learn the nature of the formula, he was told flatly that none existed. Upon further investigation, Meyer (1975: A-12) learned that the estimates are based upon a composite of factors. Among these are:

- (1) "leads" which the INS investigators are *unable* to follow-up;
- (2) monitoring of electronic sensors planted in the desert and border areas of the Southwest;
- (3) estimates made by local police;
- (4) an appraisal of the economic conditions in the home countries of the immigrants; and
- (5) "street wisdom."

In this context, one is not totally dismayed to learn that Commissioner Chapman (Abrams and Abrams, 1975: 21), in testimony before a subcommittee of the House of Representatives as to how the INS in 1973 had estimated the magnitude of illegal immigration to be 4 or 5 million, stated: "It is just a mid-point between the two extremes. I have heard one or two million at one end of the scale and eight or 10 million at the other. So, I am selecting a mid-point. . . . Just a guess, that is all. Nobody knows."

In early 1975, Chairman Joshua Eilberg (Meyer, 1975: A-12) of the Subcommittee of the Judiciary Committee of the House of Representatives responsible of immigration matters, candidly admitted that the INS "gives us [i.e., the Subcommittee] a rule of thumb that for every one that gets caught, five or six get through." This rule is apparently the basis for the estimate (see above) of 4 million undetected illegal aliens in 1974 (i.e., 5 times 788,000 = 3.9 million). Obviously, the available data are makeshift and not the kind that inspire confidence among those who must rely on them.

In all probability, the poor data base is the major reason why economists have generally avoided the topic until only recently. Volumes of studies have been made by economists of internal migrations and labor market impacts of subgroups of the nation's work force (i.e., of blacks, Appalachian whites, southerners, migratory workers, rural to urban shifts, and so on). But virtually nothing has been done by economists on the topic of illegal immigration despite the fact that the topic is saturated with overtones and implications for economic policy-making.

## DEMANDS FOR INFORMATION

In recent years, various legislative studies have sought to focus attention upon the impact that illegal immigrants are having on various components of the American labor force. In 1969 and 1970, Senator Walter F. Mondale conducted exhaus-

tive hearings for the Subcommittee on Migratory Labor of the U.S. Senate Committee on Labor and Public Welfare, to determine the reasons for migrant, seasonal farmworker powerlessness. The committee concluded that a principal reason for the pervasive and prolonged poverty status of so many Chicanos in the Southwest was the "massive hemorrhage" of the border by alien workers from Mexico (Mondale, 1970: 4548). The same fears led Subcommittee No. 1 of the U.S. House of Representatives Committee on the Judiciary (chaired at that time by Representative Peter W. Rodino) to conduct an exhaustive series of hearings throughout 1971 and 1972 on the precise topic of illegal aliens. The principal product of this committee's investigation has been the so-called "Rodino bill," which would enact criminal penalties against employers who hire illegal aliens. During the course of one of the subcommittee's sessions in 1973, Representative Joshua Eilberg (1973: 2), who became chairman of the committee in 1973, stated the rationale for the bill as follows:

Whatever sympathy one might have for the underprivileged aliens illegally in the United States in their desire to improve their economic posture, this Government cannot condone employment when it adversely affects American citizens and other persons who are lawfully in the United States. There must be an orderly system of admission and aliens cannot be permitted to violate that system and derive benefits from their illegal acts while bona fide immigrants and non-immigrants are denied early admission.

He added unequivocally that "the consequences of this action compromise labor conditions, depress wage rates, and deprive Americans of jobs."

The "Rodino bill" overwhelmingly passed the House in 1972 (during the Ninety-Second Congress) and 1973 (during the Ninety-Third Congress), only to die both times in the Senate. In September 1975, the Judiciary Committee of the House again approved a variation of such a bill and sent it to the full House for its consideration. It is likely to pass the House again in the late fall of 1975. In the Senate its future is, again, less certain,

although there are some indications that the prospects for passage are now more favorable than in preceding years.

Meanwhile, the courts of the nation have become increasingly involved in trying to prod the legislative branch to act. For under the provisions of the Immigration and Nationality Act of 1952 the national policy is enunciated that immigration policy shall not endanger prevailing working standards or job opportunities. Referring to this act, the California Court of Appeals ruled in 1970 that the number of illegal aliens in the Southwest "represents an abject failure of national policy" (U.S. House of Representatives Committee on the Judiciary, 1971: 179). The court added that the lack of meaningful corrective action "must be ascribed to self-imposed impotence of our national government."

A number of states—including California—in the Southwest have sought to place restrictions on the employment of illegal aliens by employers only to have them declared unconstitutional. The courts have consistently ruled that immigration matters are the exclusive province of the federal government.

Thus, the level of responsibility for action or inaction is clearly defined; the federal level of government has exclusive jurisdiction with respect to public policy formulation and enforcement. And while social scientists may quarrel over whether or not this really is an issue, legislative and judicial bodies have largely prejudged the case and, it seems, they are on the verge of acting with or without hard data to support their beliefs.

### **SPECIAL DATA PROBLEMS**

The effect of illegal immigration on the American labor force raises a number of serious data problems. Among these are:

- (1) It is impossible to determine the true dimensions of the immigration flow due to the surreptitious nature of the entry process. Likewise, it is difficult to assign labor force status

specifically to aliens or to study with precision their occupational, industrial, or geographic patterns of employment. The data are either merged into established labor market surveys or they are not collected at all (see points 2 and 3 below).

- (2) It is likely that the U.S. Census figures and other official labor market surveys of the federal government include some of the illegal entrants. In 1974, for instance, the INS released estimates that there were a million illegal aliens in New York City (or about 10% of the total population) and over 50,000 illegal aliens in San Antonio (or about 8% of the total population). Obviously, if one is speaking of magnitudes of such high proportions, some of these people have to have been included in official government surveys (i.e., the decennial census and the monthly household survey). If included, it is likely that the illegal aliens are less than honest about their actual birthplace and citizenship and may fabricate backgrounds, work histories, and labor force status in order to lessen the chance of exposing their true identity. Hence, they introduce an unknown factor into existing labor market data. As their numbers mount, of course, so does the significance of this possible error factor.
- (3) Conversely, one can postulate that the official labor market statistics grossly misstate actual labor market conditions due to statistical undercount of aliens. It is likely that most illegal aliens do everything they can to avoid dealing with government officials in general and census and household survey enumerators in particular (see Schmidt, 1972: 5). To this degree, it is likely that a significant distortion from reality exists in the published data. The problem is exacerbated by the fact that illegal aliens probably have a higher incidence of labor market participation than is true of the citizen population. This seems probable because the profile of illegal aliens usually portrays them as being overwhelmingly composed of young adult men (see, for example, Samora, 1971: 90).
- (4) There is reason to believe that a significant amount of commuting occurs by aliens, back and forth between their homelands and the United States. This seems to be especially true of Mexican aliens who compose the vast majority of the total alien population. This flow—especially with Mexico—may distort estimates of the true *number of individuals* involved.

How frequently commuting occurs and for what time duration has important quantitative and qualitative implications for domestic labor market adjustment processes.

- (5) The limited research to date on illegal entry does suggest that there is a considerable difference between the illegal immigration that occurs from Mexico and that which is non-Mexican. In the Southwest, most aliens are from Mexico, and they enter the United States without any official documents at all. In New York, it seems, most aliens are non-Mexicans, and most enter the United States legally with temporary visas that expire without the visitor returning to a native land. It is also likely that if as much attention were paid to illegal aliens outside the Southwest as is the case in the Southwest that the percentage of Mexican apprehension to total apprehension would fall sharply. Since the cost of returning Mexican aliens is much cheaper than the cost of returning aliens from Asia, Europe, Africa, and Latin America, the INS has paid disproportionate attention to the Southwest (New York Times, 1975: 19). It is probable that Mexican and non-Mexican aliens present two situations that should be separately analyzed because their labor market significance is likely to be quite different. For example, in the Southwest, the rural area has traditionally borne the burden of accommodating the illegal aliens. Even though this is changing in the Southwest, the rural economy remains a significant employment sector. It is unlikely in other regions that rural employment has been *or* presently is a major employment factor at all. Moreover, many of the non-Mexicans came as students or travelers, which suggests quite a different occupational background and future horizon than a rural peasant who may be not only poorly versed in English but also in his or her native Spanish.
- (6) It is likely that the apprehension priorities used by INS distort the published apprehension figures from being a true measure of the actual impact of illegal aliens on the work force. A special in-house study conducted by INS itself of the 505,949 deportable aliens in 1972, over 38% were *not* employed at the time they were caught (Eilberg, 1973: 27). Again, this is because of the emphasis placed on the Mexican border region. INS is able to apprehend many individuals before they can find a job.



Conversely, there is some anecdotal evidence that *outside the Southwest* the INS has tended to concentrate more on the apprehension of alien workers in high-paying jobs (where they compete with middle-income workers) and to play down its enforcement role against low-wage alien workers (where the citizen workers are less able to vocalize their opposition). If true in either one or both cases, the possibility of error is present in drawing conclusions about employment patterns from the published apprehension data.

- (7) Studies of the effect of the Immigration Act of 1965 (which became effective in mid-1968) are just beginning to appear. One of the first was done for the U.S. Department of Labor, and it concluded that *legal* immigration to the United States is having a substantial impact on the American labor force (North and Weissert, 1973: x). The impact is being felt because the legal immigrants are not distributed equally throughout the nation. Rather, they are settling disproportionately in urban areas; in some states more than others; and are seeking employment in a rather selective array of occupations. It is quite likely that much the same could be said for illegal immigrants. The need for disaggregation of data by separate local labor markets is essential if the impact of aliens is ever to be adequately appraised. Unfortunately, the quality of local labor market data for the regular citizen labor force is not very good.
- (8) The study of illegal aliens also introduces a rather novel problem for measurement in the social sciences. Namely, it is often possible to change one's classification from illegal to legal immigrants. This can be done in a number of ways—say, by marriage to an American citizen, or by having a child born in the United States, or through intervention of influential employers and politicians. Hence, a categorization problem that is not present when one studies employment patterns for racial, ethnic, or sex groups is a potential trouble spot when illegal aliens are the subject of inquiry.

### SUBSTITUTE INFORMATION

To compensate for the lack of reliable data, the social scientist needs to look for substitute information sources. With

regard to the impact of illegal aliens on the labor market, it is necessary to examine local labor market conditions. When one looks at South Texas, for example, and finds

- (1) the unemployment rate consistently much higher than either the state or the national unemployment rate;
- (2) the two poorest SMSAs in the nation in terms of per capita income;
- (3) the poorest counties in Texas in terms of median family income and per capita family income;
- (4) the federal minimum wage rate is, in fact, the *prevailing* wage across large and diverse occupational categories;
- (5) the dropout rates from public schools are considerably higher than elsewhere in the state or nation;
- (6) the manpower programs designed to provide upward occupational mobility are converted into "unofficial" income maintenance programs due to the fact that program stipends are often higher than wage rates that program graduates can expect to earn if they enter the local labor market;
- (7) union activity is scant, if existent at all, and strike-breaking is a common characteristic of labor disputes which do occur; and
- (8) the level of use of food stamps and other forms of welfare assistance is abnormally high.

All of these are signs of labor surplus which is one indication of the presence of sizeable numbers of illegal aliens. But since these characteristics are not positive proof, it is necessary to rely upon personal interviews, newspaper accounts, and INS activities in the local labor market to confirm their presence. Further, confirmation may be found by appraising the views *and* actions of those groups who benefit from a continuation of the presence of illegal aliens as well as those who are hurt by their presence. The frequency, intensity, and means of expression used by various local pressure groups—employers, unions, local government officials, chambers of commerce, farmers, ranchers, etc.—to suggest alterations of the prevailing policies

governing the availability of illegal aliens may offer clues as to the part illegal aliens play in the local labor market. The only groups that are unreliable guides to insight on this issue are those community groups which share the same ethnic identity as the illegal aliens. Often they are internally torn between a fear of direct economic competition and a feeling of cultural affinity with the alien workers. The effect is often to neutralize these groups with regard to their external activities on this question.

### CONCLUDING OBSERVATIONS

In my estimation, the impact of illegal entrants on selective labor markets in the United States is substantial. Elsewhere I (Briggs, 1975) have stated my views and, rather reluctantly, offered my policy recommendations that call for a much more restrictive border policy. I will not re-argue the details here. But the essential point is that alien workers create "a shadow labor force" in a number of cities and regions. The presence of this shadow labor force can seldom be seen but can always be felt. From my own personal field work in Texas, a review of the works of other scholars from many disciplines, a collection of numerous local journalistic accounts, and from a number of personal interviews with knowledgeable persons in local communities, I am convinced that this shadow force is no mystical phantom. My own "street wisdom" convinces me that the problem is going to get worse. This is true, I think, because the issue embraces not only competition for jobs but also competition for a variety of already scarce community commodities—low-income housing, public health facilities, welfare services, crime control, and private charity funds. Moreover, the strong racial and ethnic group dimensions of this issue cannot be overlooked.

This deeply human issue demonstrates once more the chronic need for locally and regionally focused analysis. It also argues for more tailor-made market policies. Moreover, it seems that

better understanding of the issue requires analytical methods that are more intuitive, investigative, and descriptive than are presently in vogue in mainstream economics. The use of substitute information and alternative data sources must be relied upon to link the fragmentary findings into a logical depiction of reality. These approaches are the only alternatives, as I see it, for those scholars who wish to study this complex human dilemma.

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