The key dimensions of issues related to the integration of successive waves of immigrants are outlined. It is argued that a federal immigrant policy is needed, in which the Federal Government would assume some of the cost burden of public services to immigrants that states and localities now shoulder by themselves. Requiring the Federal Government to internalize the costs of its choices should assure that the trade-offs made serve the broader national interest. These objectives could be accomplished by turning over targeted federal funds to the local institutions that are most affected by the influx of immigrants and their children. These are primarily educational institutions, ranging from early childhood to adult education. General assistance should also be provided to partially compensate localities for costs they incur providing social and health services. The Federal Government should also standardize the requirements for existing federal, social, and other entitlement programs for immigrants. Developing these policy options cannot be done in an information vacuum. Systematic information is needed about the needs and wants of immigrants and service providers. Two figures and five tables illustrate the analysis. (Contains 25 references.) (SLD)
Needed: A Federal Role in Helping Communities Cope with Immigration

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Program for Research on Immigration Policy
Needed: A Federal Role in Helping Communities Cope with Immigration

Georges Vernez

Over the last decade, Los Angeles, along with a half dozen other large metropolitan areas, has experienced an unprecedented growth in international immigration. Immigrants accounted for more than 60 percent of the three million population growth in the Los Angeles consolidated metropolitan area, and similar or larger effects have been felt in other areas.

Immigrants have contributed to the nation's economic growth, primarily by providing a growing and relatively cheap and eager labor pool. They have also enriched the nation's already unique cultural diversity. At the same time, their sheer numbers, relatively high fertility rates, relatively low wages, and competition for jobs and public benefits place considerable demands on state and local jurisdictions and may stress the sociopolitical fabric of the communities in which immigrants are concentrated.

In the context of a steadily growing economy, these demands can usually be accommodated. But they become more visible and intense during periods of economic slowdown or stagnation. During such periods, demands for public services by immigrants and their children continue to grow while the local revenues to meet the demands decline. At the same time, competition for jobs and public services among immigrants and other groups may also intensify. At worst, immigrants may become the symbol of an area's problems and the target of recrimination and occasional violence.

In the past, federal immigration policy-making, which is the exclusive prerogative of the federal government, has not been sensitive to the costs that concentrated flows of immigrants impose at the state and local levels. Now, however, since immigration is expected to continue at peak levels throughout the 1990s, the local effects of immigration and the fiscal capacity of local areas and of

individual communities to integrate successive waves of immigrants have emerged as significant policy issues. This essay outlines the key dimensions of these issues and argues for the development of a federal immigrant policy in which the federal government would assume some of the cost burden of public services to immigrants that states and localities now shoulder by themselves. Requiring the federal government to "internalize" the costs of its choices should assure that the trade-offs made serve the broader national interest.

FEDERAL POLICY: REOPENING THE DOOR TO IMMIGRANTS

The decade of the 1980s was marked by a wave of immigrants nearly equal to the peak number who arrived in the first decade of the century (see Figure 1). At that time, the surge of entrants eventually sparked nativist feeling that led Congress to close the door to immigration in the mid-1920s. The door remained closed for more than a generation, allowing for the progressive intergenerational integration of that earlier wave of immigrants and their children. During that period, the foreign-born population in the country declined threefold, from a high of 13 percent in the 1910s to less than 5 percent in the 1960s (Figure 2).

With the accelerated resumption of immigration since then, the proportion of immigrants in the total population has once again increased, reaching 8 percent in 1990. Nearly one of every two foreign-born persons now residing in the country entered within the last decade. They account for 40 percent of the 22 million 1980-1990 population growth in the nation and for more than half of that growth if the U.S.-born children of immigrants are included.

Policy Changes Will Increase and Diversify Immigration

The 1980s were remarkable not only for welcoming the largest and most diverse group of immigrants since the beginning of the century but also for witnessing a comprehensive redesign of U.S. policy toward refugees, undocumented immigrants, temporary immigrants, and those gaining permanent immigrant status. Three new statutes—the Refugee Act of 1980, the Immigration Control and
Reform Act of 1986 (IRCA), and the Immigration Act of 1990—are the most important components of this redesign.\(^1\) Taken together, they will increase the number of immigrants coming into the United States. The key expansionary provisions include the following:

- The number of legal immigrants allowed to enter the United States each year will increase from about 500,000 in the 1980s to 675,000 or more between 1992 and the year 2000.
- Refugees and asylees will remain outside that limit and can be expected conservatively to add from 150,000 to 200,000 entries every year, up from an average of about 100,000 in the 1980s.
The number of refugees to be admitted each year is set annually by Congress and the executive branch, and that ceiling has been exceeded and increased every year since 1988 under the pressures of international events and regional conflicts. In 1992 the ceiling for refugees alone was set at 141,000. More than 60,000 asylees were added to that number. In light of the profound international geopolitical changes and growing incidence of regional conflicts throughout the world, we expect these pressures to continue, if not increase. [1]
In addition, the new laws provide for four new categories of immigrants that, over the long run, will significantly affect the size and composition of immigration in the United States:

1. The largest amnesty program for undocumented immigrants ever implemented by any nation, with more than 3 million applications submitted in 1987 and 1988—1.7 million under the pre-1982 program and 1.3 million under the Special Agricultural Workers (SAW) program. The majority of applicants to both programs are Mexicans (75 percent), reside in four states along the U.S.-Mexico border (84 percent), are between the prime working ages of 15 and 34 (64 percent), and are male (67 percent). Nearly half are married (41 percent). Over time, as amnestied immigrants become permanent immigrants and eventually U.S. citizens, they will be able to bring additional immigrants into the country via family reunification.

2. An increase in each individual country's quota for legal immigrants from 20,000 to about 47,000. Countries most likely to benefit are those with long waiting lists, including the Philippines (472,000), Mexico (466,000), India (254,000), China, Korea, and Vietnam.

3. The creation of a "diversity" visa (55,000 annually starting in 1995) to be granted to nationals from countries that had been sending few immigrants to the United States under existing laws favoring family reunification. This is likely to open the door to increased immigration from some European countries (e.g., Ireland and Eastern Europe) and from Africa. Over time, immigration from such countries may also be accelerated through family reunification.

4. The establishment of a "temporary protected immigration status" for a selected group of undocumented immigrants. Beneficiaries of this status are not subject to deportation and are authorized to work. Currently two groups are so covered: spouses and children of the nearly 3 million persons granted amnesty under IRA and nationals from El Salvador and a few other countries experiencing civil strife. The new law provides the seeds for extending this protection to other groups as the need arises (e.g., undocumented nationals from war-torn countries such as Kuwait, Lebanon, Liberia, and Somalia and from repressive countries such as China). It also foreshadows the possibility of subsequent amnesty and permanent immigration for beneficiaries of that initially temporary, but legal, status. It is only a
matter of time before these immigrants will have established eco-
nomic and social ties here and will not return voluntarily to their
country of origin, regardless of whether the conditions that pushed
them out have changed. In other words, these “temporary immi-
grants” should be considered permanently settled here and will soon
meet the conditions that prompted congressional passage of IRCA’s
amnesty programs in the first place.

Undocumented Immigration Continues

While Congress has increased the range of opportunities for legal
immigration, it has also sought to stem undocumented immigration
by making it illegal for employers to hire undocumented immigrants,
a path taken earlier by most European nations. Although IRCA’s em-
ployer sanctions have been in effect for more than four years, ana-
ysts generally agree that the sanctions have only modestly reduced
entries of undocumented immigrants. [2,3,4,5] There was a brief
decline in that flow in 1987 immediately after the passage of the law,
but over time undocumented immigration seems to have regained its
pre-IRCA levels. This modest effect of the new law is due primarily to
two factors:

1. A low level of enforcement activity as initial governmental efforts
have focused on educating employers about the new law and on
seeking voluntary compliance.

2. The ease with which one or more of the 19 different acceptable
proofs of “work authorization” can be falsified and obtained on
the black market.

In the end, reducing undocumented immigration will depend largely
on the handling of three issues: whether an enforceable and rela-
tively fraud-proof documentation system can be developed and ap-
proved by Congress; whether enforcement of IRCA’s employer pro-
hibition against hiring undocumented immigrants is eventually co-
ordinated with the enforcement of other labor laws; and whether
additional funding will be allocated for more aggressive enforcement
of the new law. Widespread concerns about protecting individual
civil rights and liberties and growing pressures to reduce the federal
budget deficit have put enforcement low on the scale of the nation’s
priorities. It is likely to remain there for the foreseeable future. [6]
Expected: 10 Million Immigrants in the 1990s

The current statutes assure the expansion of opportunities for immigration, and undocumented immigration is likely to continue unchecked. As a consequence, we can expect immigration to reach one million a year or more during the 1990s. Arguably the current economic recession might curtail this growth. However, family reunification and humanitarian immigration will continue to constitute 80 to 90 percent of legal entries, and this type of immigration is not likely to be sensitive to economic fluctuations, at least in the short and medium run. Other pressures that could reduce immigration include public backlash generated by continuing pressures at the local and community levels. As we will see later in this discussion, such pressures are growing, but may be alleviated either by renewed economic and job growth and/or by federal policy actions. Undocumented immigration is potentially most affected by a prolonged recession. Yet even in this case, a sizable portion of the immigration is family related or otherwise linked to social support networks, whose response may lag behind economic fluctuations in the United States.

FROM NATIONAL POLICY TO LOCALIZED EFFECTS

For more than a century, formulating and enforcing immigration policy have been the exclusive prerogative of the Congress and the federal executive branch. But today, as in the past, the effects of immigration policy are felt mainly at the local level, a fact that has yet to be fully recognized by Congress, by immigration advocacy groups, or even by analysts. The latter have typically taken a national perspective on how immigration affects the nation's economic growth and whether immigrants take jobs from other groups of workers. Analysts have also tended to take the long-term view, neglecting the significant geographic concentration of immigrants in specific areas of the nation and the consequent short- and medium-term strains on those affected areas. In fact, as we shall see below, the geographic concentration of immigrants is increasing over time, and their socioeconomic characteristics distinguish them in important ways from native residents.
Concentration of Immigrants Is Increasing

Between 1980 and 1990, 8.7 million new immigrants (legal and undocumented) entered and remained in the country. Seventy-one percent of these immigrants reside in just five states: California, New York, Illinois, Florida, and Texas (Table 1). These new immigrants joined 11 million earlier immigrants, 66 percent of whom also live in these five states. Because of the now well-documented self-reinforcing development of social networks of immigrants, [7,8] we can expect the trend toward geographic concentration to continue throughout the 1990s.

Table 1

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>California</td>
<td>6,450</td>
<td>22</td>
<td>50</td>
<td>54</td>
</tr>
<tr>
<td>Florida</td>
<td>1,506</td>
<td>12</td>
<td>44</td>
<td>26</td>
</tr>
<tr>
<td>Illinois</td>
<td>952</td>
<td>8</td>
<td>39</td>
<td>908(^a)</td>
</tr>
<tr>
<td>New York</td>
<td>2,859</td>
<td>16</td>
<td>42</td>
<td>275(^a)</td>
</tr>
<tr>
<td>Texas</td>
<td>1,245</td>
<td>7</td>
<td>58</td>
<td>26</td>
</tr>
<tr>
<td>United States</td>
<td>10,767</td>
<td>8</td>
<td>44</td>
<td>39</td>
</tr>
</tbody>
</table>

\(^a\)Values in excess of 100 percent mean international immigration has substituted for a decline in native-born population.


Relative Concentration Increases as Size of Jurisdiction Decreases

The relative concentration of immigrants increases as the size of the jurisdiction decreases. Within a state, about 80 percent of immigrants are concentrated in the largest metropolitan areas. With the exception of New York and Chicago, these metropolitan areas have been among the fastest-growing areas in the country, expanding at rates two to three times the national average. In these areas, international immigrants in the last decade have accounted for 60 to 100 percent of population growth (Table 2). In New York and Chicago,
**Table 2**

Population and International Immigration in Selected Large Metropolitan Areas, 1980–1990

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td>Population (in millions)</td>
<td>Foreign Born (%)</td>
<td>Population (in millions)</td>
<td>Foreign Born (%)</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>11.5</td>
<td>18</td>
<td>14.5</td>
<td>27</td>
</tr>
<tr>
<td>New York</td>
<td>17.5</td>
<td>15</td>
<td>18.9</td>
<td>15</td>
</tr>
<tr>
<td>Chicago</td>
<td>7.9</td>
<td>8</td>
<td>9.9</td>
<td>11</td>
</tr>
<tr>
<td>San Francisco</td>
<td>5.1</td>
<td>14</td>
<td>6.3</td>
<td>20</td>
</tr>
<tr>
<td>Dallas</td>
<td>2.9</td>
<td>4</td>
<td>3.9</td>
<td>18</td>
</tr>
<tr>
<td>Houston</td>
<td>3.1</td>
<td>7</td>
<td>3.7</td>
<td>12</td>
</tr>
<tr>
<td>Miami</td>
<td>2.6</td>
<td>26</td>
<td>3.2</td>
<td>34</td>
</tr>
<tr>
<td>United States</td>
<td>226.5</td>
<td>6</td>
<td>248.7</td>
<td>8</td>
</tr>
</tbody>
</table>

international immigrants have offset an otherwise large out-migration from these areas, with the net effect of maintaining a relatively stable population.

The inverse relationship between concentration of immigrants and size of jurisdiction is further illustrated in Table 3, which shows the proportion of foreign born for various jurisdictions within the Los Angeles metropolitan area. In many of these jurisdictions, immigrants account for all growth or have replaced a previously black or white population. As Sam Roberts of the New York Times noted (August 1, 1992, p. 7), if metropolitan areas and cities within those metropolitan areas seem foreign to the rest of America, and for that matter to the natives remaining in those cities and surrounding areas, it is because they are.

The most visible effect of this concentration is growing ethnic diversity. Already no one ethnic group is a majority group for most central cities in these areas. As Peter Morrison puts it, "the term 'minority' is becoming increasingly obsolete." [9]

Socioeconomic Characteristics of Immigrants

Increasing numbers and increasing concentration are not the only salient characteristics of recent immigrants. The demand for public services and the income from tax revenues in a jurisdiction are in part determined by the socioeconomic characteristics of its population, including its growth, age, sex, education, and income distribution. For immigrants, these characteristics—and how they differ from those of native-born residents—have been relatively well documented, although their implications have yet to be fully recognized in federal, state, and even local public policies.

Age and sex. As in the past, newly arrived immigrants are generally younger than the native population, evenly distributed between males and females, and just as likely to be already married (or to marry) as the native population. There are, of course, variations depending on the country of origin and on the category of immigrant. For instance, Mexican immigrants, who constitute the largest group of new immigrants (about one-third), are somewhat more likely to be
Table 3
Foreign-Born Population in Selected Areas
of California and Los Angeles, 1980–1990

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>California</td>
<td>6.459</td>
<td>22</td>
<td>3.255</td>
<td>50</td>
</tr>
<tr>
<td>LA (consolidated metropolitan area)</td>
<td>3.938</td>
<td>27</td>
<td>NA&lt;sup&gt;a&lt;/sup&gt;</td>
<td>NA&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>LA (county)</td>
<td>2.895</td>
<td>33</td>
<td>1.526</td>
<td>53</td>
</tr>
<tr>
<td>LA (city)</td>
<td>1.337</td>
<td>38</td>
<td>754</td>
<td>56</td>
</tr>
<tr>
<td>South Central LA</td>
<td>164</td>
<td>31</td>
<td>97</td>
<td>59</td>
</tr>
</tbody>
</table>

<sup>a</sup>NA means not available.

SOURCE: Census of Population and Housing, 1990, STF-3A.
males than are other immigrants. But in general, this broad-brush portrait is valid. [10,11]

In addition, most groups of immigrants have higher fertility rates than native women. Jasso and Rosenzweig show that the number of children born to immigrant women who entered the country between the ages of 15 and 24 in 1970 exceeds that for native-born women of the same age by 27 percent for Western Hemisphere women, by 5 percent for European women, and by 1 percent for Asian women. [12] They also show that fertility rates of the more recent female immigrants have been increasing. This trend is occurring at the same time that there are more female immigrants who are younger, particularly if they come from the Western Hemisphere. This combination of higher fertility rates and younger population implies higher demand for elementary, secondary, and adult education and some health services, particularly those associated with prenatal and postnatal care.

Education. The new wave of immigrants has relatively low levels of education, and the educational gap between native-born persons and newly arrived immigrants has been increasing since the 1960s. [10,11,13] This is best illustrated by examining the school deficit of male Mexican immigrants who entered the country within the five years preceding the various decennial censuses. The ratio of Mexican immigrants completing eight years or less of schooling to other immigrants and to natives has increased from 1.5 to 3.2 and from 2.5 to 5.1, respectively, between 1960 and 1980 (Table 4).

Data for the period from 1980–1990 are not yet available, but there are indications that these trends may have been magnified by the Refugee Act of 1980 and IRCA. The average schooling completed by the amnesty population in their country of origin is 5.6 years. [14]

Economic status and mobility. In part because they have less education, immigrants command lower earnings and experience higher unemployment rates than the native born; thus they are at somewhat greater risk for needing publicly supported services such as medical care and income transfers. In 1980 immigrant households were only slightly more likely than native households to receive welfare, 9 percent versus 8 percent, respectively. However, Mexican immigrants
Schooling of Natives, Immigrants, and Mexican-Born Immigrants Aged 18 or Older, 1960 and 1980

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Native, 1960</td>
<td>Immigrants(^a)</td>
</tr>
<tr>
<td>8 years or less</td>
<td>32</td>
<td>52</td>
</tr>
<tr>
<td>2 or more years</td>
<td>15</td>
<td>13</td>
</tr>
</tbody>
</table>

\(^a\)Includes foreign born from all countries except Mexico.

Source: Author's tabulations from the 1960 and 1980 Public Use Sample of the U.S. Bureau of the Census.

were nearly twice (12 percent) as likely as the native born and other immigrants to receive welfare. [11]

Low levels of education also imply that most immigrants enter with little or no knowledge of English, which places pressure on the adult education system to provide English as a second language (ESL) classes and basic literacy instruction.

The prevalence of relatively low levels of education and resulting low wages is related to a third well-documented characteristic: economic mobility and sociocultural integration occur primarily across generations, not within the first generation of immigrants. Although the literature is replete with anecdotes of immigrants who have made it big in America, the average adult immigrant experiences little if any economic mobility relative to the native born throughout his lifetime. Put another way, the wage differential at which an immigrant starts a career in the United States is the wage differential at which he retires. However, the wage differential is significantly smaller for children of immigrants born here and for immigrants who entered as children or adolescents and hence received part or all of their schooling in the United States. [13,15] These findings underscore the vital role U.S. education has played in the mobility of immigrants' children and the vital role it is once again being called on to play for millions of children of immigrants and immigrant children who will be pouring into the school systems of the country's largest metropolitan areas.
EFFECTS OF INTERNATIONAL IMMIGRATION
ON LOCAL JURISDICTIONS

How do immigrants affect local jurisdictions? To answer this question, we need to know how immigrants affect the demand for the full range of public services primarily funded by state and local governments and how immigrants affect the jurisdictions' ability to pay for these services. Neither of these questions has been systematically and fully addressed in past research. But an examination of the available studies, coupled with the socioeconomic characteristics we have just described, suggests the following pattern:

- A few states and counties bear a disproportionate share of the costs of the socialization, education, and social support of immigrants.
- As immigration has increased over the last decade, these jurisdictions are increasingly unable to meet the demand for public services—not only from immigrants, but from all segments of their population.

Implications for Local Jurisdictions: Demand for Services

Education. Immigrants make their largest service demand in education. Education also represents the largest component of states' budgets and constitutes a significant portion of local county and/or city budgets. In California, for instance, education constitutes 40 percent of the state budget. There, the state covers 61 percent of K-12 expenditures, local districts provide 21 percent, and the federal government funds 7 percent. This pattern generally holds nationwide, with a long-term trend toward increased state and local participation and declining federal participation. In addition, two recent U.S. Supreme Court rulings have broadened state/local responsibility in this area, first by mandating equal access to K-12 education for the children of undocumented immigrants (Plyler v. Doe, 1982), and second by requiring greater state and local attention to language-minority students (Lau v. Nichols, 1974).

Concentrated immigration has significantly increased school enrollments in the districts most affected. Nearly four out of five recent immigrant students (those who have lived in the United States for
three years or less) attend schools in California, New York, Illinois, Florida, and Texas, and a startling 45 percent of them are enrolled in California. In that state alone, new schools and classrooms must be built or otherwise created to accommodate from 180,000 to 200,000 new pupils every year throughout the 1990s. Schools in the same five states serve two out of every three students of limited English proficiency (LEP). [16]

For the largest school districts in these states, recent immigrant students represent from 5 percent of total enrollment (Chicago and Houston) up to 15 percent or more (San Francisco and Miami), with New York and Los Angeles in between with 8 and 10 percent, respectively. Should recent trends continue, as they are expected to do, the number of these student immigrants will increase by about 10 percent a year. [16]

In addition to coping with the sheer numbers, the states and school districts most affected are confronted by a number of additional funding, educational, and logistical problems that are uniquely stimulated by the immigrants’ linguistic diversity and by special needs stemming from the rigors of immigration and adjustment to a new environment. A recent study of school districts most affected by immigration by Hill and McDonnell [16] and a review of the literature in Vernez and McCarthy [6] identified a broad range of coping difficulties, including continuing problems with instructing students with limited English proficiency; inadequate academic preparation, particularly pronounced among children of junior high and high school age; high turnover and high absenteeism among immigrant students and children of immigrants; lack of materials in students’ primary language and shortages of trained bilingual teachers and aides; and adjustment problems for some immigrants, particularly refugees, who suffer from severe emotional stress due to violence they have witnessed, deprivation they have experienced, or simply long separations from one or both of their parents.

All of these add to the budgetary needs of those school districts that by all accounts (see Chapter Five) already lag in local capacity to meet the educational and social needs of their students, a majority of whom are minorities (Table 5).
Table 5
High Immigration Central Cities or Counties with a Majority of Minorities, 1990

<table>
<thead>
<tr>
<th>Central City or County</th>
<th>Total Population (in thousands)</th>
<th>White (%)</th>
<th>Hispanic (%)</th>
<th>Asian (%)</th>
<th>Black (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>7,322</td>
<td>43</td>
<td>24</td>
<td>7</td>
<td>26</td>
</tr>
<tr>
<td>Chicago</td>
<td>2,783</td>
<td>38</td>
<td>20</td>
<td>4</td>
<td>39</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>3,485</td>
<td>37</td>
<td>40</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td>San Francisco</td>
<td>724</td>
<td>47</td>
<td>14</td>
<td>28</td>
<td>11</td>
</tr>
<tr>
<td>Miami (Dade Co.)</td>
<td>1,937</td>
<td>30</td>
<td>49</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>United States</td>
<td>248,710</td>
<td>NAa</td>
<td>9</td>
<td>3</td>
<td>12</td>
</tr>
</tbody>
</table>

aNA means not available.

SOURCE: Census of Population and Housing, 1990, STF-3A.

Adult education (for basic literacy, ESL, and vocational education) is another service for which demand by immigrant adults may be outstripping the ability of the states and districts to provide. Although the fifth national education goal, driving ongoing national efforts to reform schools, states that “Every adult in America will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship,” adult education has been, and continues to be, the most-neglected area of education, not only for immigrants but for all adults. Two recent studies that focused on the use of adult education by the 2.7 million IRCA amnestied population are suggestive of this latent demand. [14,17] In 1987 states offered ESL/citizenship classes to amnestied immigrants: the size of the demand exceeded by 100 percent the highest state estimates. In California statewide enrollment (in 1988 and 1989) in these classes doubled, and the entire adult education enrollment increased by one-third.

This group’s future economic prospects depend on access to basic adult education: about two-thirds attended six or fewer years of school in their native countries; more than one-third are not literate in their native language; and nearly two-thirds have such low proficiency in English that they would have difficulties functioning in other than entry-level jobs, in most job training programs, and in the community. [14]
Demand for other services. In general, we lack definitive, aggregate information about how immigration affects the demand for or use of other public services. Generally, rapid population growth—fed primarily by immigration—places disproportionate demands on those services that are primarily the responsibility of state and local governments, including public infrastructure (roadways and highways, water and sewerage), public safety (police and fire), social and cultural services (parks and recreation, libraries), and public health. Recent immigrants may be especially heavy users of some services, not because they are immigrants per se, but because, hampered by poor education and inadequate English, they have lower incomes. As a consequence, they must turn to public rather than private services when in need. For instance, 39 percent of Hispanics, a large percentage of whom are recent immigrants, and 22 percent of Asians lack health insurance compared with 14 percent for whites. For Hispanics, this proportion has increased by more than 50 percent in the last 20 years. Again, California, Texas, Illinois, New York, and Florida, the magnet states for immigration, have the largest incidence of uninsured among the Hispanic population—about 40 percent.

Implications for Local Jurisdictions: Ability to Pay for Public Services

The available evidence suggests three reasons why the states and localities most affected by international immigration are feeling financially pinched:

1. Tax revenues from immigrants do not fully cover the costs of the state and local services they use, at least in the short run.
2. Jurisdictions are vulnerable to economic fluctuations.
3. There are conflicting priorities among population groups.

Paying for services to immigrants. Whether immigrants "pay their way" for the public services they receive is possibly the most controversial issue pertaining to immigration. Estimates can be found to support either side of the argument, and all suffer from serious methodological deficiencies. Still, with the growing attention given this issue and as studies at all levels of government become more
numerous, a pattern begins to emerge: the fiscal burden of immigrants increases as the size of the jurisdiction decreases, ranging from neutral or even positive at the national level, to neutral to negative at the state level, to negative at the local (county/city) level.

This sliding scale of fiscal effects appears to stem from the complex interplay between the sources of federal, state, and local revenues and variations in the level of government responsible for funding the services that immigrants most use. Recent estimates of the county costs of services to immigrants in such places as San Diego and Los Angeles suggest that these services may represent a sizable portion of the current budgets in those counties, even adjusting for politically motivated upward biases in the estimates.

Counties and states not only bear a disproportionate share of the costs of the socialization, education, and social support of immigrants, they are also constrained by their constitutional requirement to balance their operational budgets on a yearly basis. This requirement seriously reduces a jurisdiction's ability to respond flexibly to demands for services. For example, education—the service most demanded by immigrants—is both a consumption good and an investment in the future. But states and locals cannot borrow against their future revenue to finance the operating costs of providing it.

Vulnerability to economic fluctuations. Even without further immigration, demand for the services we have discussed above will grow. This is particularly to be expected from the three million amnestied population, whose eligibility exclusion from certain services will expire in 1992 and whose newly gained permanent status is expected to result in increased demand over time. And, for the reasons we discussed earlier, immigration will almost surely grow at an increasing rate throughout the 1990s, thus intensifying the demands placed on the affected communities. But in the current environment of sluggish economic growth and high unemployment, the funding ability of these states, counties, cities, and school districts to meet the growing demand diminishes. The gap between demand and capability is even wider in jurisdictions experiencing continuing and growing immigration: most experts agree that the one group whose job opportunities and wages are consistently reduced by successive waves of immigrants are the immigrants themselves, both the new-
As more immigrants try to enter the job market, incomes and employment fall; the result is increased demand for public services and decreased contributions through taxes to cover the costs.

The results of this service pinch are dramatically illustrated by the plight of affected school districts:

Los Angeles' total funding fell nearly 20 percent between September 1990 and January 1992. Chicago anticipates a $220 million deficit in 1991-1992, on a $2.4 billion budget. Chicago's annual deficit is expected to exceed $500 million within 5 years; New York City and Dade County face years of deficits approaching 10 percent of their prolonged budgets.

All the districts are suspending or abandoning activities that their boards had considered essential elements of program quality. The cuts have immediate effects on student services. Los Angeles, Houston, and New York have increased pupil-teacher ratios and New York has cut costs by furloughing teachers and students for periods during the school year. Miami has slowed the construction of schools in overflow areas, and all have cut back on maintenance and repairs. Chicago's central office, already cut by a school-centered reform movement, will face even deeper reductions due to the budget deficit. Chicago will also further defer an estimated $1 billion in critically needed maintenance and repairs, continue a freeze on teacher hiring, and increase class size in all schools. All districts have reduced extracurricular activities and supportive after-school services. Most Los Angeles schools have gone to year-round schools. New York has suspended special training programs designed to help immigrant professionals become bilingual and ESL teachers, and all districts have curtailed the hiring of replacement teachers. [16, p. 18]

This budgetary crisis is being repeated in Sacramento and Los Angeles (county and city), in Albany and New York City, in Springfield and Cooke County, and in Tallahassee and Dade County. The 1992 budgetary deadlock first in Albany and then in Sacramento are only symptoms of the difficult trade-offs that must be made when demand for public expenditures badly outstrips public revenues.
**Conflicting priorities.** Many have observed that increased fragmentation among subgroups of the population may be eroding the country's ability to reach consensus on vital domestic and international issues (i.e., the development of a policy-making "gridlock" at all levels of government). Increased immigration itself is fueling intense debate that pits the needs for education, training, and other services for the younger age groups—in which immigrants are currently disproportionately represented—against the needs of the growing elderly population, which is disproportionately native born, the natives' desires to control growth and preserve the environment against the need to create jobs for the newcomers, and the rights and entitlements of the native born against the targeted benefits and entitlements of immigrants. This growing political pluralism is highly visible in those jurisdictions experiencing immigration, but it is also emerging as an issue across the nation. It is at the heart of the fights over local decennial redistricting and drives the debate about how immigrants, who cannot voice their priorities on public issues because they have not yet acquired citizenship, should be represented in the public dialogue.

**TOWARDS A NEW FEDERAL ROLE**

We have argued that the costs of the federal government's open door policy and its inability or unwillingness to effectively stem undocumented immigration fall primarily on a few state and local jurisdictions and that these jurisdictions experience increasing difficulties in meeting those costs. Until now the federal government has had little or no incentive to cover these costs for several reasons:

1. Immigration is perceived as having long-term positive socioeconomic benefits for the nation as a whole, and research generally supports this view.

2. The costs of immigration are concentrated in a few jurisdictions, making it difficult in our federal system to muster political support for federal intervention.

3. The phenomenon we are observing today is barely a decade old, and it has taken an unusually long and deep recession to make the "problem" visible and urgent.
Why should the federal government bear some of the costs of its immigration policies now?

- Only the federal government can effectively intervene to control the number of immigrants entering the country. Shifting to the federal government responsibility for the public costs of providing services to immigrants would have a moderating influence on federal immigration policy.

- A finite number of state and local jurisdictions do not have the resources to meet the current demand for services by immigrants and are constitutionally prevented from borrowing from future revenues to cover the operational costs of providing these services. The nation's long-term economic growth and competitiveness as well as the attainment of its national educational goals will be threatened if those areas of the country most affected by immigration falter, as they are giving signs of doing.

To address these issues, federal immigration policy should shift to the federal government a portion of the incremental costs currently being borne by a few states and localities for the services they provide to immigrants. This objective could be achieved by means of one or a combination of the following:

First, targeted federal funds should be made available to the local institutions funded primarily with state and local funds that are most affected by the influx of immigrants and their children. As we have discussed, these are primarily educational institutions ranging from early childhood to K–12, adult education, and community colleges. However the purpose of this assistance should be to improve and sustain the capacity of these affected institutions to serve all students, the majority of whom are minorities, whether immigrants or native born.

Second, general assistance should be provided to partly compensate localities for costs they incur as providers of social and health services of last resort as well as for general services. This assistance could be augmented during recessionary times and reduced or phased out during periods of local economic growth.

Third, the federal government should standardize the requirements for existing federal, social, and other entitlement programs for which
immigrants are eligible. Currently, eligibility for federally funded programs varies across categories of immigrants. Although the federal government has legitimate foreign and domestic policy reasons to set different standards of entry for different types of immigrants, at the local level these distinctions are irrelevant. A public hospital emergency room is compelled to provide service to an undocumented immigrant just as it is to a legal immigrant. The latter may be eligible for Medicaid; the former is not. A legal immigrant temporarily without a job is just as needy as a refugee without a job. Yet the latter is eligible for some federal benefits, while the former is not.

We recognize that whether to provide eligibility for federal programs to undocumented immigrants is a thorny question. Arguably, extending federal program benefits to undocumented immigrants may be an additional incentive for them to come to and stay in the United States. But this argument carries little weight because it ignores the fact that immigration status makes no difference to many local service providers who usually lack the legal authority to ask about status or to deny service because of it. Pragmatic federal recognition of state (and by derivation local) constitutional obligations to serve all immigrants, regardless of status, is long overdue. The intent here is less to broaden eligibility for services not currently being provided to immigrants, including undocumented immigrants, than to restore an appropriate balance in regard to who pays for the services.

Developing an effective and equitable federal immigration policy along the principles outlined above cannot be done in an information vacuum. We lack systematic information about the pattern of public services used by different groups of immigrants; the effects of public service use on the nature and speed of immigrants' linguistic, economic, and social integration and that of their children; and the budgetary, institutional, and community relations effects of sustained cumulative waves of immigrants on local jurisdictions. We particularly need to understand this last set of issues to help define what is meant by the concept of "local community absorptive capacity" (i.e., the ability of a given area to absorb large numbers of immigrants effectively). The term "absorptive (or carrying) capacity" is often used to suggest that there is a limit to the number of immigrants a community can assimilate without threatening national and local values, generating a political backlash, and placing unmanageable demands on resources and existing institutions. We simply do
not know where this limit is, or how it is delineated under various circumstances, but we can and should try to find out.

These proposals, although individually not new, remain controversial. They overlap current efforts to redefine national domestic policies in the areas of education, health, and entitlement programs. And, most important, they interact with immigration policy. The federal government has the power and the means to regulate the flow of refugees and of legal and undocumented immigrants to levels of its choosing. Internalizing the costs of its choices should help ensure that the trade-offs it makes serve the broader national interest.

NOTES

*Although they are related, we make an important distinction between immigration and immigrant policies. Immigration policy is the set of laws, regulations, and programs that determine and enforce the number and characteristics of immigrants allowed to enter and work in the United States. By contrast, immigrant policy is the set of laws, regulations, and programs that facilitate the social adjustment and entry into the work force of immigrants once they have come to the United States.

†See Rolph, Elizabeth J., Immigration Policies: Legacy from the 1980s and Issues for the 1990s, Santa Monica, Calif.: RAND, R-4184-FF, 1992, for a comprehensive review of how these three pieces of legislation have altered the rules governing eligibility for legal status, the benefits available to immigrants, and enforcement strategies.

REFERENCES


