

EconoFact Chats: The Economics of Immigration in the Age of Fear

Tara Watson, Williams College

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Michael Klein:

I'm Michael Klein, executive editor of EconoFact, a nonpartisan web-based publication of The Fletcher School at Tufts University. At EconoFact, we bring key facts and incisive analysis to the national debate on economic and social policies, publishing work from leading economists across the country. You can learn more about us and see our work at www.econofact.org.

Michael Klein:

An important part of the American ethos and our own self-image as a country is reflected in the famous lines of the Emma Lazarus poem, "give me your tired, your poor, your huddled masses yearning to breathe free." But immigration has been a topic of great controversy over the past few years. And in fact, as pointed out by Professor Tara Watson of Williams College and her co-author the writer Kalee Thompson at the beginning of their new book, 'The Border Within: The Economics of Immigration in the Age of Fear,' they write, Americans have always struggled with immigration, particularly as it intersects with race, poverty, and economic opportunity. In their book, Tara and Kalee survey research on immigration, and also tell the stories of six immigrant families. Tara served as deputy assistant secretary at the US Treasury from 2015 through 2016. And currently she's a Rubenstein Fellow at the Brookings Institution. Tara, it's good to have you on EconoFact Chats once again.

Tara Watson:

It's nice to be here.

Michael Klein:

Tara, you were earlier on EconoFact Chats when you were in the midst of working on this book. And now that the book's been published, can you reflect again on what we know about the scale of undocumented immigration in the United States? Of course, if it's undocumented, we don't have statistics, but we do have some way of knowing things, right?

Tara Watson:

That's right. There are demographers who do a really pretty good job of estimating the number of undocumented immigrants in the US based on survey data and other sources. We believe there are about 11 million people, and that seems to be something that is commonly believed across Department of Homeland Security, the Pew Research Center, the Migration Policy Institute. The numbers all come out to around 11 million, but there is the fact that we actually don't know what's happened since COVID because the latest data is from 2019.

Michael Klein:

Do you think there are big changes in the COVID era, either in or out of the United States?

Tara Watson:

Of course, it's hard to say for sure, but we can look at what's happened with legal, permanent residents over that time. And there have been really radical declines in the number of legal, permanent residents since COVID started. And also may any fewer people coming on tourist visas or student visas. So it looks

like immigration overall has fallen during that time and I expect that's probably true for undocumented immigration as well.

Michael Klein:

Unauthorized immigration used to be dominated by people from Mexico. Is that still the case?

Tara Watson:

It's not act actually. Recently it became the case that Mexico represented less than half of undocumented immigration. And now there are a lot more unauthorized immigrants from Asia and Africa than there used to be.

Michael Klein:

In the book you profile families coming to the United States. Can you tell us a little bit about some of those families and how they arrived here, and what it reflects about undocumented immigrants in the United States?

Tara Watson:

Sure. We follow six families in the book. Most of them came some time ago and came across the Southern border, which used to be the most common way that people would enter the US without authorization. One example is a woman that we talked to named Annabel, who was raised in the US as a child, but her mother who was from Mexico believed that the authorities might take away her children if she had her children in the US hospital system. So every time her mom was pregnant, they would all trek back to Mexico to have the baby, and then they would cross the desert again to come back into the US. More recently though, the border security's gotten a lot tighter. So the most common way now actually is to come on a legal visa and then overstay that visa. And that happened to one of the families in our book. Two young adults who came as children with their dad on a student visa, their dad was on the student visa, and they came from South Korea and didn't realize until they were going to college and starting to work that they in fact didn't have legal work authorization in the country.

Michael Klein:

That's actually an important source of undocumented immigrants residing in the United States. The people that didn't necessarily cross the Rio Grande, but they might have actually been here on some kind of visa that expired and then didn't leave.

Tara Watson:

Yeah. It seems that recently maybe 60% or so of unauthorized immigration is coming through that overstay of the visa channel rather than through border crossings.

Michael Klein:

About border crossings, you mentioned that it used to be easier to cross the border than it is now. What is the situation now?

Tara Watson:

Well, it's become much more difficult to cross the border. There is a lot more surveillance across many parts of the border. And there was a lot of attention of course, paid to Trump's wall, but it turns out that even before the Trump era, there were 700 miles of walls or fences along that border. So now the ways that one can cross without encountering a wall or a fence are mostly through really dangerous desert

territory and that has become a more common pathway. That means that there are a lot of deaths each year, several hundred deaths of people trying to cross the border and people are pretty likely to use a coyote, which is a paid guide to help them cross through that dangerous terrain.

Michael Klein:

And what's happened with that. I've heard that it's becoming more and more expensive to hire these coyotes to help you cross. I guess as an economist, you would think that would reflect the greater risk and greater difficulty. Is that correct?

Tara Watson:

That's right. Economists use that data to try to gauge how difficult it is, and it does seem that prices have gone up. People sometimes use that as a measure of the effectiveness of border enforcement.

Michael Klein:

What happens to people when they attempt to cross the border, but they get caught?

Tara Watson:

In the past it used to be the case that people could attempt, they would get caught, and they would get turned away at the border without any really serious ramifications in many cases. Now the policy is to formally process people and its processed as a formal removal, which is a deportation. And that means that if people do eventually come to the US, that's on their record as a prior removal, which means they're treated much less favorably by the immigration courts later.

Michael Klein:

That actually started in the Obama era. Right?

Tara Watson:

That's right. There was an effort to reduce the amount of times that people would just try and try again until they finally were able to cross and to be more serious about turning people away at the border. There's also been a movement to move people who try to cross to more remote places. So not just sending them back to the Mexican side of the border where they tried to cross, but actually busing them perhaps to a different place in Mexico.

Michael Klein:

One part of this is the way in which people who are claiming refugee status are treated. And the UN convention is that refugee should be allowed a hearing. That's not been happening though, right?

Tara Watson:

It's been difficult because there's a large backlog in asylum cases. People are legally allowed to present themselves at the border and request asylum and see if they can get refugee status, but it's been hard to find enough judges essentially to hear those cases. Right now we have this policy, which is informally known as remain in Mexico, which encourages people to stay on the Mexican side of the border while they're waiting for the cases to be processed.

Michael Klein:

Encourages is kind of a euphemism in this case, isn't it?

Tara Watson:

Yes, that's fair. There have been some really difficult stories about the conditions on the Mexican side of the border where people are waiting and there's a lot of violence and gang activity in those camps.

Michael Klein:

So moving from the border, I guess both figuratively and literally, a focus of your book is what you and Kalee call interior enforcement. Can you describe what that is please?

Tara Watson:

Sure. Interior enforcement takes place, not at the border, but in the US interior. And it includes things like work site raids, traffic stops that lead to a removal of a person. It also includes a pretty robust apparatus that we have in the jail system. So if someone is arrested, their fingerprints get sent to the FBI and to Department of Homeland Security. And that is another way that people are caught up in the enforcement system and sometimes deported.

Michael Klein:

My wife is an immigration attorney, as you know, and she just published a book called 'The Journey From There to Here.' And she tells a story of a very beloved Boston teacher who was undocumented, as it turns out, and after a traffic stop, he was then deported. So, that's one human example of what's going on.

Tara Watson:

Yeah. Actually several of the families in our book were caught up in the immigration enforcement system because of traffic stops.

Michael Klein:

Can you discuss one of those stories?

Tara Watson:

Sure. There was one case where one of the families that we followed, the husband of the family was going to work and he came upon some traffic cones and said local traffic only. So he thought about it, but his work was within that local traffic area. So he just went ahead and he got pulled over. He explained that he was just on his way to work. They asked for ID. He had a Mexican ID. And so he was then processed into the immigration enforcement system. One kind of interesting thing about that particular story is that the officer who arrested him had actually just by coincidence, gone to the same gas station to get coffee on certain days of the week. And so they actually sort of had a friendly connection, which the officer realized after he had called immigration and he apologized. He said, "Oh, I didn't realize you were that guy. I wouldn't have called immigration if I had known." It kind of illustrates the capriciousness of the system that kind of personal connection would've been enough to change the whole trajectory for this one person.

Michael Klein:

Yeah. We're a nation of laws supposedly, but there's a huge amount of discretion in all of these decisions.

Tara Watson:

Yeah, [inaudible 00:12:26].

Michael Klein:

Looking a little bit more broadly, what did interior enforcement look like in the past?

Tara Watson:

Well, if we think about the Obama era, Obama was known as the 'deporter-in-chief.' There were actually a very large number of deportations. Some of that was because of what we had talked about earlier with the way that border crossings were treated. So those were now counted as deportations, but actually even if you look at interior arrests, those also went up under the first Obama term. And then in the second term, Obama really scaled back on the interior enforcement, trying to prioritize just a few categories of people with criminal histories. And then, of course, Trump came along and that was a different story.

Michael Klein:

What was that story?

Tara Watson:

Well, Trump's rhetoric was of course very much about immigration and immigration enforcement, but when you look at the actual statistics of the removals, they were not as dramatic as people had feared. The numbers were somewhere between Obama's second term, which were fairly low, and the Obama's first term, which as I mentioned was fairly high. What changed though was the lack of prioritization of who was going to get deported. So the administration under Trump argued that there should be no priorities, that everyone should be at risk. And that created a lot of fear in the community.

Michael Klein:

So the subtitle of your book is 'The Economics of Immigration in the Age of Fear.' What did this fear do?

Tara Watson:

Well, it really created a lot of hardship for undocumented individuals and families. They were nervous about going about their daily lives. We worry about participation of their kids in safety net programs and sometimes even school. We saw that families just became much more nervous and felt a lot of uncertainty about the future and it became debilitating for some families.

Michael Klein:

Turning from the second part of that subtitle in the age of fear, to the first part, the economics of immigration, let's talk a little bit about the economics of immigration. First off, there's a lot of discussion about bearing the cost of immigration. We have a very nice memo by Fran Blau and Gretchen Donehower based on a report they did for the National Academy of Sciences on the cost of legal immigrants in the United States. And then they show that the cost of legal immigrants isn't that high, but in fact, the advantages that their children bring to the United States outpace those of the native born. So if you think sort of multi-generationally, there's actually a benefit fiscally, but what about unauthorized immigration? What is the fiscal cost of that?

Tara Watson:

It's a good question. We see that unauthorized immigrants don't use safety net benefit programs as much as people might fear. They're ineligible actually for most programs, the major federal programs that you

would be thinking about. However, their kids are sometimes, as US citizens, eligible for some programs. So there is some use of programs like food stamps and Medicaid among that population. On the other hand, unauthorized immigrants also pay taxes and those revenues can be significant. Even unauthorized immigrants who are working under fraudulent Social Security number do pay payroll taxes, for example, and many unauthorized immigrants file income taxes. So the overall estimates are hard to determine as far as whether it's a net positive or negative from a fiscal point of view, meaning government expenditure versus government revenue. But what we do see is that states and localities tend to bear a lot of the cost of providing benefits, whereas the federal government tends to get more of the revenue.

Michael Klein:

In a household you might have some people who are undocumented and others who are legal immigrants or US citizens. But I would imagine in those households, there's also this sort of atmosphere of concern and fear. So they probably draw less on government benefits because one member of the household is undocumented. Is that accurate?

Tara Watson:

That seems to be the case. I have some work of my own looking at ramped up enforcement in the 1990s and showing that when there was aggressive enforcement, children of immigrants, including US citizen children of immigrants were less likely to participate in the Medicaid program, the public health insurance program. So it does seem that people are reluctant to have any contact with the government if they can avoid it, in times of aggressive enforcement, especially.

Michael Klein:

In fact, you have an EconoFact memo about that. Right?

Tara Watson:

I believe I do.

Michael Klein:

So that's a good advertisement for the memo. What about, we're talking about the fiscal costs, but there are other economic implications of immigration into the United States as well. There are jobs that immigrants are disproportionately participating in. So that would seem to be another important part of how immigration affects the United States, not just legal immigration, but undocumented immigration as well.

Tara Watson:

Absolutely. There's a lot of economics literature, as you know, on the labor market impacts of immigration. It's a contentious literature, but I think most economists would agree that on net immigration is good for the economy. The contentious part comes about thinking about effects on less educated workers who are US born, and most economists tend to estimate that those effects are pretty small, but there are a variety of views out there on that actually.

Michael Klein:

What's been going on lately with the Biden Administration, as we move to the current day? Has there been much of a sea change in immigration with the election of Joe Biden?

Tara Watson:

It's definitely been a change in the attitude and approach to immigration. It's been a bit slow I would say to unwind some of the policy changes that happened under the Trump administration. So there's some legal processes that the administration is trying to go through. For example, they're trying to resurrect the DACA program, which is that program that assists young adults who arrived as children who-

Michael Klein:

People who are known as 'dreamers,' right?

Tara Watson:

That's right. That group was given temporary relief from deportation and work authorization under the DACA program that Obama introduced in 2012. But then the Trump administration tried to ratchet back those protections. And now Biden is trying to bring those back up to be stronger again. The challenge here is that Congress really hasn't done much on immigration recently and there's a policy vacuum. So it's up to each executive to try to move in the direction that they prefer to move, but my own view is that it would be better for Congress to step up and make some policy decisions.

Michael Klein:

Yeah, I guess that's the view of a lot of people, about a lot of things for Congress and that's just not happening, unfortunately.

Tara Watson:

Yeah.

Michael Klein:

Tara, the last time we spoke, your book was still under process and now it's been published. What would you say were things that changed in your view of immigration or in the environment of immigration or to immigrants between the time we last spoke, which was about a year and a half ago, and now?

Tara Watson:

My sense is that there is a lot less of that fear than that existed when Trump was still president. I think messaging has gotten through to many undocumented immigrants that the approach and attitude of the US government has changed. Nevertheless, I think there's still a lot that could be done to improve the situation. There are many, many people, as we talked about, who are sort of in a legal limbo. I think the number is 1.4 million people waiting for their immigration cases to be resolved. Most of those are fairly longterm residents of the US who may have families here and it creates sort of a...one of the people we interviewed described it as even if you're not actually in prison, it feels like an imprisonment to be in that limbo, not knowing for sure what your future might hold.

Michael Klein:

Yeah, that would be a very, very difficult way to live. Well, I'll just remind our listeners that the new book by Tara Watson and Kalee Thompson is called 'The Border Within: The Economics of Immigration in the Age of Fear.' It's available now for purchase. I've read the galleys of it. It's a wonderful book and it's really compelling. It combines these stories of six families with some really important underlying facts and I strongly recommend it.

Michael Klein:

Tara, thank you very much for joining me today.

Tara Watson:

Happy to be here.

Michael Klein:

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