EconoFact Chats: Immigration and Deportation

Tara Watson, The Brookings Institution

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I'm Michael Klein, executive editor of EconoFact, a non-partisan, 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
Immigration has been a contentious issue for years. It has become even more of a hot topic during this election campaign, with false claims being made about immigrants, and former President Trump saying he will order a mass deportation of 11 million non-citizens if elected. What are the facts about immigration and deportations? Is mass deportation even feasible? Even at a smaller scale, what would its likely effects be? To address these questions, I'm very happy to welcome back to EconoFact Chats, Tara Watson of the Brookings Institution. Tara served as Deputy Assistant Secretary for Microeconomic Analysis at the U.S. Treasury from 2015 through 2016. She and the writer Kalee Thompson co-authored the book, *The Border Within: The Economics of Immigration in an Age of Fear*, the topic of an earlier EconoFact Chats episode. Tara, welcome back to EconoFact Chats.

Tara Watson
Thanks. It's nice to be here.

Michael Klein
So, Tara, let's begin with some demographic facts. Population growth is determined by the rate of change of the native-born plus net migration. How important has net migration been for U.S. population growth in recent years?

Tara Watson
It's been extremely important, and that's because we have a situation where we have a declining fertility rate in the U.S., and most of our population growth is, in fact, now coming from net migration to the U.S. Migrants come and obviously add directly to the population, and also immigrant populations on average tend to have more kids. So, that means that both factors are contributing to our overall population growth and labor force growth.

Michael Klein
So, to the extent that we can know this, how has net migration been divided between those who come through legal channels and those who do not? I guess the latter set of people, it'd be harder to count them.

Tara Watson
It is challenging to count the undocumented population, and there's also a fairly large group of people who are in a nebulous legal status where they have come, to usually the border. They have encountered an official. They've been given permission to come into the U.S. to seek an asylum claim or on a parole program, but they don't have long-term rights to stay in the U.S. So, we are able to count that population pretty well. There have been several million in that group who have come to the U.S. in the past couple of years. We also are able to count pretty well people who come through the regular visa channels, which averages around a million a year. And then we have a population that has come across the border without encountering anyone, which is sometimes called entries without inspection. And that is, of course, a harder group to measure, but some estimates suggest hundreds of thousands of people a year coming that way, too, in the past couple of years.

Michael Klein
So, it's increasingly challenging to get legal status because of the backlog of cases in immigration courts, right? For the people you say who are coming and asking for refugee or asylum status.

Tara Watson
People who come to the border and make an asylum claim at the border typically have to go through a fairly long and involved process in order to actually have their case adjudicated, and potentially receive asylum. And what has been happening in the past couple of years, especially, is that people are waiting within the U.S. for that process to happen. We do have an extremely backlogged system so that as people arrive, there isn't capacity to really handle their asylum cases right away. And sometimes it can take months and even years for people to get in front of a judge. And in the meantime, often they're living and working in the U.S., contributing to society.

Michael Klein
We have an EconoFact memo by Randy Akee that surprised me. Its main point is that there's a lot of churn…that many immigrants to the United States end up returning to their home countries. Is this what you find in your research as well?

Tara Watson
It's really challenging to measure how many people leave the U.S. Randy has done some great work focused on the population of people who are within our formal system. And there it's a little bit easier to measure because we have a sense of who is coming and who is leaving. But for a population like the undocumented population or people with temporary status, it's a little harder. We don't necessarily know when they leave the country. But experts think that there is a fair amount of coming and going. And especially when people first arrive, they tend to not necessarily stay very long. Some of them decide that that's not the right fit for them or have some other reason to leave fairly quickly, whereas once people have been here a couple of decades, it looks like they're likely to stay longer.

Michael Klein
So, Tara, we're discussing the change in population. But what about the levels? How many people in the United States are foreign born? And how does that number break down to the extent we can understand between those who have legal status to stay in the country and other people?

Tara Watson
The Census came out with an estimate just last month about 48 million foreign-born population was their estimate. There's a little bit of disagreement among experts around that number, but that's roughly correct. And when we break that down, we see, loosely speaking, about half of that group would be citizens. So, people who were born outside the U.S. but have now gone through the citizenship process, we see for the other half, roughly half are here with a legal status, a green card, or some other formal visa that allows them to be here on a temporary or permanent basis. And then we have roughly 11 to 12 million undocumented immigrants. And as I mentioned before, there's a group of people who don't naturally fit into any of those buckets, that is probably several million people.

Michael Klein
So 48 million out of a population of about 330 million, that's about 14%, if my math is right.

Tara Watson
Yes, your math is right.

Michael Klein
That's good. I used a calculator. Well, there's, say, 14% of the U.S. population were born outside the U.S., but the profiles of those people are different, right? And in particular, the age profile of the native-born and the foreign-born are quite different. And I suppose there's some really important implications of that.

Tara Watson
There are. So on average, immigrants are younger than the U.S.-born, so more likely to be in the labor force because of that, and because of fairly high labor force participation rates. And because immigrants tend to arrive when they're young, they tend to have a long time to work and contribute to things like Social Security and Medicare through payroll taxes before they potentially become beneficiaries of those programs. And so one reason it's really important is just for the size of our workforce. But a second reason is for the financial security of those programs that support people in old age.

Michael Klein
One of the earliest memos that we have is by Fran Blau and Gretchen Donehower, and they did a report for the National Academies of Science about the contributions of immigrants to the fiscal situation of the United States. And they looked expansively not just at when immigrants arrived, but over their life cycle and, importantly, over the life cycle of their children. And they found that, on net, the immigrants were contributing a little bit less fiscally than the native-born, but their children were contributing a lot more. So on net, it was actually a positive. Immigration was a positive for the fiscal situation in the United States.

Michael Klein
So I'd like to shift a little bit more to your own research on the interior and border removal of people here without proper documentation. Can you explain the difference between interior and border removals, and how these numbers have evolved over time?

Tara Watson
The term "deportation" is used pretty broadly to mean both people who are removed from the country right when they cross the border, right at the border, as well as people who have been living here a long time. And in terms of the statistics that are collected, those are distinct groups, in part because the agencies that are actually responsible for the implementation are distinct. So we have interior enforcement that focuses on people who have typically been here a while, who are living within the interior of the U.S. And then we have border enforcement, which might be the group that is perhaps intercepting someone who's crossing over the border to claim asylum or perhaps trying to come across without inspection. And the border statistics and the interior statistics are aggregated to get that deportation number. But I think it's pretty important to think about them separately, because when the policy conversation evolves, those are really very different populations of people, people who are already living here, and people who have just recently arrived.

Michael Klein
In fact, you have a recent EconoFact memo where you present the numbers on these different groups. Roughly speaking, how does it break down between interior, and border deportations? Using that term, which you told us is actually incorrect, but I'll use it anyway.

Tara Watson
It's a little hard to say because it does fluctuate quite a bit based on the policy environment. And so, for example, in the Title 42 era, which was the public health emergency that was declared that allowed border patrol to turn back people without any kind of process at all, those did not count as removals. And so they weren't showing up in the removal or deportation numbers, whereas, now when people are confronting a border patrol officer and they're removed, it is showing up as a removal. We've seen a lot of activity at the border recently in the past few years, as everyone has heard about. And so the removal numbers are quite high at the border right now, and especially, in late 2023. But in general, interior enforcement has been fluctuating as well based on the administration in charge. So we saw quite high numbers under the first Obama administration, for example. We saw, um, pretty low numbers during the Biden administration and Trump was somewhere in between when he was president.

Michael Klein
So Trump actually deported, from the interior, fewer people than Obama—or their administrations deported fewer people from the interior than Obama. Is that correct?

Tara Watson
That's true. If you compare Trump's term to Obama's first term, Obama changed policy quite significantly in the second term and did not do as much removal.

Michael Klein
So former president Trump said that if elected, he would oversee mass deportation up to 11 million people. Disregarding for now the effects of this, how realistic is this goal?

Tara Watson
I don't think anyone thinks that it's literally possible to deport 11 million people. I've heard him say numbers the size 20 million people, which is more people than even would be theoretically, um, you know, at risk of deportation. But I think it's important to remember that even if Trump were to remove, from the interior, something like a million people, that would be really a very dramatic departure, not just from what we've seen in the Biden administration, but even from what we saw in the first Trump administration and would really be very visible to everyone in the country. It would represent a really pretty different mindset and policy approach than we've seen in any time in recent history.

Michael Klein
So, even at a smaller scale, like you're talking about, I imagine the economic effects of this kind of deportation would be very damaging to the economy.

Tara Watson
I think so. I'm working here at Brookings with some people trying to think about some different scenarios. And even if you had just a million people, for example, be removed, you also will have some likely changes in terms of legal migration that will come along with a Trump administration. And so combined, you would see a pretty radical shift in the number of people coming to the U.S., especially the net inflows, coming to the U.S. And so for the same reasons we were talking about before, that will affect both population inflows and labor market growth pretty substantially. That is going to have a lot of spillovers for things like the ability of employers to hire. We will also see in this scenario, which again is a pretty extreme scenario, and I'm not sure it will come to pass. We could see pretty dramatic slowdowns in consumer spending, which could have macroeconomic consequences as well.

Michael Klein
And the interview I did of a panel of journalists that we aired in the previous podcast, Binyamin Appelbaum of The New York Times spoke to the claim that deporting immigrants would help housing. And he said, it actually works the other way, because a lot of immigrants work in construction and it would throttle the construction industry, which would actually hurt new housing and make the housing problem worse, not better.

Tara Watson
It can be pretty hard to assess the impacts because in general, immigrants have effects on both demand and supply for most sectors of the economy. So construction would be a great example. We know immigrants are overrepresented in the construction industry. We've seen in terms of housing in particular, a lot of…a big increase in requests for permits to start new housing construction, but we haven't actually seen a big change in the housing construction starts in the past year or so. So what I imagine is that some of those effects take a little time to work through the process, and I agree that if we saw massive exodus of, of immigrants leaving the country, we, we could see shortages both in the construction industry, also in other sector like retail, leisure,

hospitality, direct care workers is an area I focus on. So a bunch of different consequences that I think could be pretty disruptive, especially if it happens very suddenly.

Michael Klein
In your book that I mentioned in the introduction, *The Border Within: The Economics of Immigration in an Age of Fear*, you make the point that there'd be a chilling effect through racial profiling or a fear of racial profiling, if this kind of policy was undertaken. Is that correct?

Tara Watson
Yeah, I think even if deportations ramp up only on a relatively modest scale, we will see effects that are not just felt by the current undocumented population. We know that the way that this is implemented in practice involves a lot of street confrontation, so street harassment and people who are targeted tend to be people of color. But I think also more broadly, we may see just a broader erosion of civil rights that really affects everyone depending on how far a future administration really takes this policy.

Michael Klein
You also make the point that a lot of people who are undocumented in here are parts of families with people who have legal status. So it'd involve breaking up families as well. Is that right?

Tara Watson
Definitely. That's true. The typical undocumented immigrant has children who are U.S. citizens. And so by definition, there is no sort of separate undocumented population. There are families and communities where the undocumented population is very integrated into the broader community or family. And so it is really important to think about these things in a more holistic way, I think.

Michael Klein
So speaking of thinking about these things in a more holistic way, there was an effort in Congress to come up with immigration reform, but it was reported that former President Trump convinced Republican members to scuttle this effort so it would not be seen as a win for the Democrats before the election. Tara, what do you think Congress should do?

Tara Watson
Congress hasn't had any major immigration reform in decades. So I think my biggest hope is that Congress will just take this issue seriously and get some comprehensive reform done. Typically when people talk about this, they're talking about a package that would include things that appeal more to the right, as well as more to the left. So things like more border security and enforcement from the interior, combined with more legal migration flows, combined with relief for people who have lived here a long time. Perhaps a pathway to citizenship for them. So that's the sort of package of things you usually hear about. It's been a really challenging political environment lately where the polarization that we have in many issues has translated here into neither side wanting to relinquish its priority in order to reach a compromise. And so I am concerned that Congress will continue to kick the ball down the field, or whatever the right analogy is. But it's really critical that we address this issue because we are, as we've already discussed, facing this demographic challenge. And I think immigration is one of the only ways that we're going to be

able to reconcile our need for more people and more workers. And so we need to come up with a system that is politically viable going forward.

Michael Klein
In fact, Tara, we have examples of countries like Japan where there's very limited immigration and they've suffered the kinds of problems that we've been talking about. Is that correct?

Tara Watson
That's true. We see a rapidly aging population in Japan and that's put a lot of pressure on their systems. And I think the fact that they don't have an expansive immigration system has definitely not helped them. By contrast, we've seen other countries like Australia really taking a more expansive approach. And Australia now is up to, I believe, 29% foreign-born population; so double what we have. So there's definitely a wide range of ways that countries address this issue. As you know, we have a history of claiming that we're a country of immigrants and celebrating our immigrant history. And so I imagine that there's hope for us to be more expansive than we are now.

Michael Klein
In fact, some of us are the children of immigrants. So Tara, neither you nor I are political scientists, we're economists, and we probably use the idea of comparative advantage to go into economics instead of political science. But do you see, perhaps, more of a chance of a resolution of this post-election when there wouldn't be the same kind of political pressure to take a stance that is speaking to your constituents in a certain way?

Tara Watson
Well, there's certainly not more of a chance that will happen before the election than after. So yes, I am optimistic that that's the case. I think it will depend how things evolve in the next couple of months. But it is true that immigration is a wedge issue. It can be used to rally a base. And if you look at Republicans and Democrats, Republicans are much more likely to say it's a central issue. So that makes it a natural candidate as a wedge issue for Republicans, especially. And I think once the pressure of the political season is sort of over, or at least temporarily to the side, there's potentially hope for some coming together in Congress. I think it will take some real leadership and some willingness for people on both sides to not just speak to their bases, but really come to the middle where most Americans are in terms of immigration reform.

Michael Klein
And if, and when they do that, I hope that they're smart enough to look at research of great scholars like yourself to help inform what they do to change this situation, which is really a problem, but something that we do need to address. So Tara, thank you for joining me once again on EconoFact Chats. I always enjoy our conversations and learn a lot from you.

Tara Watson
It was great to be here. Thanks.

Michael Klein
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