



The Social, Political and Economic Imperatives of Immigration II



*Prepared and Presented by Dr. Adriela Fernandez
Associate Dean- College of Liberal Arts*

Purdue University



Why do People Migrate?

- Movements of people across the planet's landscape is as old as the history of humankind
- The common denominator in all migrations: survival instinct



Impact on Jobs

- **Immigrants contribute to strengthening the economy**
 - * Immigrant workers are necessary for the growth of our economy
 - * Immigrant workers represent 13% of our nation's workers



Impact on Jobs

- The U.S. will have a shortage of 10 million workers by the middle of this decade, and **immigration offers a viable solution to the threat that this shortage poses to our economy**
- the Employment Policy Foundation has noted that without immigrant labor, US output of goods and services would be, "at least 1 trillion smaller than it is today..."



Immigrants Create Jobs

- **Immigrant entrepreneurs create jobs for U.S. and foreign workers, and foreign-born students allow many U.S. graduate programs to keep their doors open**
- **Small businesses, 18% of which are started by immigrants, account for up to 80% of the new jobs available in the United States each year**



Some Contradictory Information

- In fact, research purportedly by the Bureau of Labor Statistics declares that immigrants are responsible for "about 50% of the decline in real wages for the lowest-skilled workers." **Yet this "study" was never sanctioned or endorsed by the BLS; it is also contradicted by virtually all other studies on the subject**



There is a consensus among business leaders that immigration is vital to maintaining economic growth

- Between 2000 and 2010, *more than 33 million new job openings* will be created in the United States that require only little or moderate training, according to the Bureau of Labor Statistics. This will represent 58% of all new job openings



Immigration has increased world-wide

The United Nations estimates that over 60 million people, or 1.2 percent of the world's population, now reside in a country where they were not born



Why my Community?

- **Suspicion and doubt met every new wave of immigrants and yet, ultimately, we vindicate and salute every past wave of immigrants**



Is Difficult for ALL New Comers

- The percentage of the U.S. population that is foreign-born now stands at 11.5%; in the early 20th century, it was approximately 15%.
- Similar to accusations about today's immigrants, those of 100 years ago initially settled in mono-ethnic neighborhoods, spoke their native languages, and built up newspapers and businesses that catered to their fellow émigrés. They also experienced the same types of discrimination faced by today's immigrants and integrated within American culture at a similar rate



More on Perceptions of New Comers

- Every new wave of immigrants has been described with the same characteristics – lazy, dirty, immoral
- Building a hospitable community now and recognizing the value of diversity can only strengthen our country



How does our Economy Grow?

- For Indiana, and the US, to grow and prosper we need:
 - * Financial capital
 - * Technology and innovation
 - * Labor, that is, people



The Demographic Crunch

- A steadily aging population, as Baby Boomer retirement time approaches, labor force growth in Indiana will slow, then cease and eventually go into decline
- Estimates of the future labor force projects a peak in 2020, followed by a decade of contraction resulting in a labor force in 2030 roughly the size of its level in 2012



What does it mean for Indiana in a Global Economy?

- An official projection of approximately 500,000 additional persons to Indiana's population over the next 25 years
- At the same time, the population as a whole will become older, 2006 estimates showed that **12 percent** of the population will be 65 or older
- Estimates predict that by 2030, the 65 and older cohort will represent more than **18 percent** of the population



A Question of Critical Mass

- We need
 - * An understanding of baseline population and labor force projections that clarifies the links between
 - slowing population
 - labor force growth
 - aging, and
 - immigration

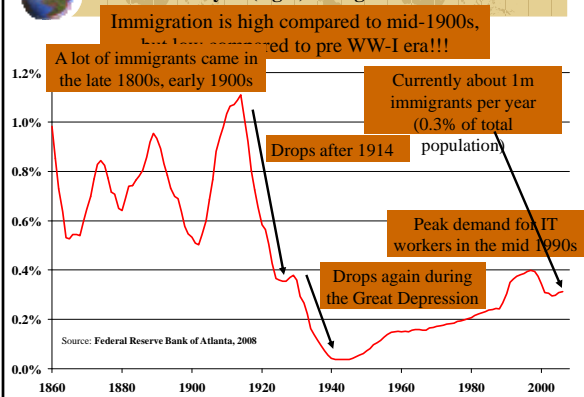


Migration to the US

- First immigrants, the wanderers who left Africa and walked until they reach the verdant vistas of North America
- After them successive waves of Europeans, Africans, Asians and Latin Americans

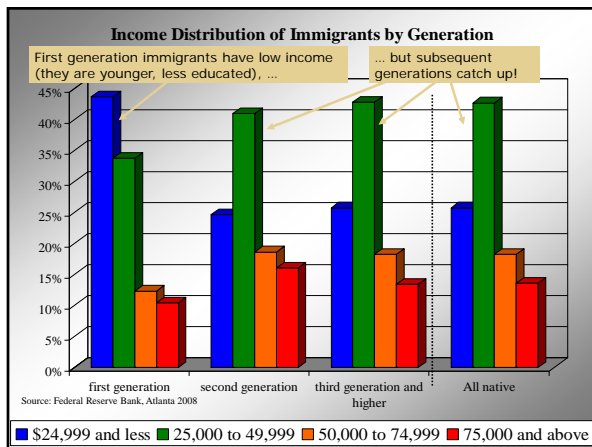
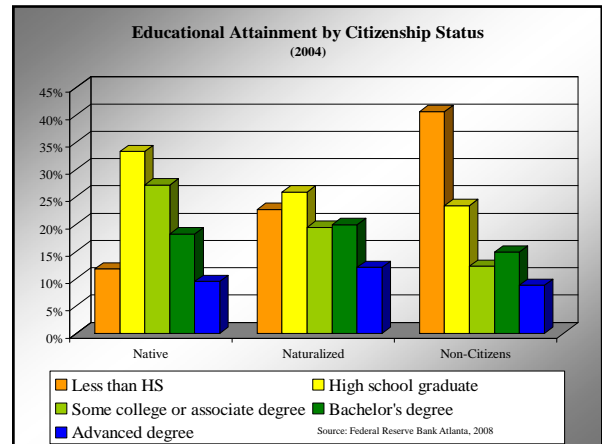
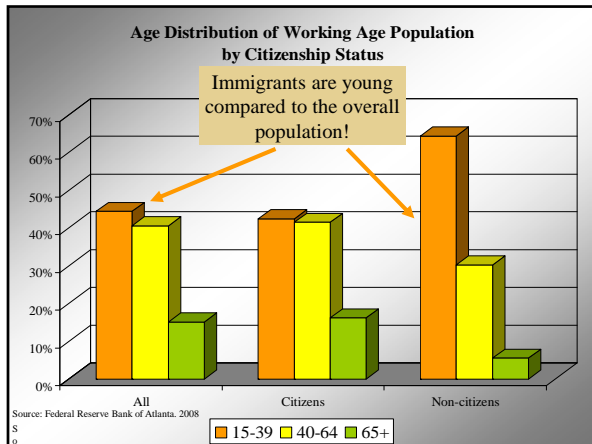


History of (legal) immigration:



We Want to Know

- Who are the New Immigrants?
- How old are they?
- How much money do they make?



More and More Productive Workers Needed

- Indiana is not alone in facing this demographic crunch. States that have given priority to economic growth in their development strategies, will be better off
- There are two broad elements of success: **more workers and more productive workers**

Which Will be the Successful States?

- Those that maximize the education and skills of their workforces
- Those that have taken steps to add to their labor force populations through programs to reduce full retirement behavior among Baby Boomers, as well as favorable policies toward bringing in new workers
- Some of these new workers will be immigrants

Immigration and its Laws

- Laws of economics (supply and demand) supersede current U.S. immigration laws
- Given that we cannot change laws of economics
- Needed: New and better Immigration Laws



Summary

- Large flow of immigrants, though not as large as in the 1800s and early 1900s
- Immigrants tend to be young: They help alleviate impending problems of baby boomer's retirement (but can't solve the problem either)
- Immigrants become more economically like the native population over time
- Immigration helps the economy balance growth in labor demand with supply