

**THE CASE FOR CITIZEN, NOT IMMIGRANT, PREFERENCE FOR A
DECLINING NUMBER OF AMERICAN JOBS**

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Mr. Chairman and members of the Subcommittee, it is my honor to testify on the subject of making immigration "work" for American minorities. The answer can be summarized in one sentence. Current American immigration and labor laws, plus the mandatory application of E-verify procedures, should and must be vigorously enforced, especially at a time when all American workers, and especially African American workers, are so economically vulnerable.

I will first note that immigrant workers have a privileged status in the American economy. They are privileged as preferred job applicants; they benefit from the non enforcement of laws for which there is no parallel for American workers; and last but not least, they benefit from a false immigrant/US civil rights struggle analogy. I will then point out that this privilege differential should not be maintained because of very negative present and future economic and labor market trends for American workers, which require that the shrinking supply of American jobs, especially jobs that require less education and skill, should be reserved for American workers, or at a minimum, should not place American workers at a disadvantage because of the non enforcement of laws and policies which could help them.

Immigrant Privilege

This hearing is timely because our immigration and labor law enforcement practices reinforce what is a de facto privileged status in favor of immigrant workers, especially illegal immigrant workers compared to American minority workers, and especially less educated and skilled minority workers. While the conservative number of unemployed Americans exceeds 14 million, more than 7 million illegal alien immigrants hold American jobs. Less than one quarter of these jobs held by immigrants are in agriculture.¹ Americans are the overwhelming majority of workers nationwide in sectors where the majority of illegal alien immigrants are employed in fields such as light manufacturing, health, construction, cleaning including janitorial services, and food preparation. These are supposedly jobs which Americans will not do, in spite of the fact that the overwhelming numbers of workers in these job fields, are Americans. These workers have escaped the scrutiny of identification documents subject to verification through E-verify.

¹ Jeffery S. Passel, "The Size and Characteristics of the Unauthorized Migrant Population in the U.S." Pew Hispanic Center, Washington D.C. March 7,2006

There is no greater evidence of immigrant employment privilege than the latest figures which show that over the past two years (2008-2010) while US unemployment remained near double-digit levels, and the economy shed jobs in the wake of the financial crisis, over a million foreign born workers, many of whom were and are illegal, found work.² These 1.1 million new migrants who have come since 2008, found jobs while US household employment declined by 6.26 million over the same period.³ Andrew Sum the well respected director of the Center for Labor market Studies at Northeastern University has been quoted as concluding.... "Employers have chosen to use new immigrants over native born workers and have continued to displace large numbers of blue-collar workers and young adults without college degrees.....One of the advantages of hiring, particularly young, undocumented immigrants, is the fact that employers do not have to pay health benefits or basic payroll taxes."⁴

As an African American, I am sensitive and outraged when non citizens have the benefit of not having American laws enforced against them, especially American laws with the intent to help American workers. African Americans have long suffered from the stringent enforcement of American laws such as those enforcing segregation, and American terrorism like lynching, and racial profiling which were enforced as law, but were not official law. African Americans continue to suffer the disproportionate effects of the intensive enforcement of American drug laws. American prison population has increased sevenfold in less than 30 years going from about 300,000 to more than 2 million. More than two million African Americans are currently under the control of the criminal justice system. African Americans make up 80 to 90% of the non violent drug offenders in some states, despite the fact that studies continually show that people of all races use and sell drugs at remarkably similar rates.⁵ No principle of justice can be considered fair when laws which negatively impact them are strictly enforced while laws meant to protect their workplace rights are not enforced or minimally enforced to the benefit of non citizens who have broken multiple other American laws.

² Ed Stoddard, "More than a million land U.S. jobs: Stepped-up enforcement is not deterring trend of foreign born employment." Reuters. January 20, 2011 at <http://www.msnbc.com/id/41182482/ns/business-u...>

³ ibid.

⁴ ibid.

⁵.Michelle Alexander. "The New Jim Crow: How mass incarceration turns people of color into permanent second class citizens." The American Prospect. Vol.22 number 1, January/February 2011, pp A 19-21.

In contrast to African American workers, immigrant workers benefitted from the lax enforcement of immigration laws at both border and internal enforcement. They also have benefitted from not automatically becoming at risk of immediate deportation from interactions and even convictions in the criminal justice system. Many immigrant advocates attempt to imply that these justice system interactions are congruent with the Black civil rights struggle.

Let me now address why the false comparisons of privileged immigrants, including illegal alien immigrants, with the Black Civil Rights movement is in error. The most benign interpretation devalues the magnitude of the civil rights struggle, and in its most reprehensive comparison, mocks the struggle by implying that citizens who have suffered for centuries, had a privileged place in the American workforce enhanced by the non enforcement of American law. Specifically and briefly, the comparisons are not valid for the following reasons.

1. The analogy implies that actions of American citizens to challenge the constitutionality laws at personal risk of life in some cases, are equivalent to advocating the lax or none enforcement of laws for non citizens, some of which have violated and ignored numerous laws for personal benefit.
2. The analogy implies that the current employer preference to hire and pay immigrant workers in a modern American economy is equivalent for employment preferences the last time African Americans were the preferred "employees" during slavery, contract exploitation in chain gangs or agriculture sharecropping. Last hired and first fired is still a meaningful slogan and reality for African American workers.
3. In contrast to immigrants, African Americans did not have another home nation to return to for jobs that pay less than in America, nor did African Americans have diplomatic representatives from another nation monitoring any potential US human rights violations against them or to keep them from being extradited to the US to face the death penalty US citizens must face.
4. In contrast to the often mentioned "merit principles used to deny African Americans employment, immigrants with less education and deficient English language skills have been given employment preferences over American workers with more education and better English language skills. Education and deficient English language skills (Ebonics) deficits have been constantly used to exclude African

American workers as being less or unqualified for employment.

It is relevant to note here that charges of racism during immigration debates are always leveled toward those in favor of reduced immigration regardless of their reasons. Ironically we Americans deny the consistent American racial history of always accepting, welcoming, and treating most immigrants better than they treat and value fellow African American citizens and yet falsely do not treat that as racism.⁶

Deteriorating Labor Market Conditions Require Course Corrections

The need to address this is urgent because current economic trends suggest that the conditions of American workers are at even greater risk. If we acknowledge or assume economic uncertainty for American workers, it does not make economic sense, to continue to permit the current level of legal and illegal immigration when there are almost five American workers for every job opening while unemployment among African American workers continues at a depression level.⁷ This is especially the case while we as a nation suffer from weak and lax border and internal enforcement of labor laws.

The preference for illegal workers devastates potential entry level jobs for young workers⁸ and eliminates most potential opportunities for the employment of the more than 600,000 African Americans released from jails and prisons each year and greatly in need of the employment opportunities that only come with a tight labor market. In contrast to a tight labor market, younger and less educated American workers including many African American workers, do the same jobs as immigrants⁹.

Our great recession has recently cost America 8 million jobs and our weak jobless "recovery" has neither come close to replacing those jobs lost nor provided jobs to keep up with our immigration driven population increases. The best estimate is

⁶ See my introduction to "Cast Down Your Bucket Where You Are: Black Americans on Immigration." Center for Immigration Studies., June, 1996.

⁷ Heidi Shieholz, "Three years after start of Great Recession, no jobs for three out of four unemployed workers." Economic Policy Institute, February 8, 2011, [http://www.epi.org/authors/bio/shierholz_heidi/]

⁸ Andrew Sum et al., "Vanishing Work Among US Teens 2000-2010..."Center for Labor Market Studies Northeastern University. July 2010, P. 5

⁹ Stephen A. Camarota. "From Bad to Worse: Unemployment and Underemployment Among Less Educated US Born Workers 2007 to 2010. Washington DC. Center for Immigration Studies. August 2010.

that we are currently 10 million jobs short.¹⁰ There is no way we can conclude that we have a labor shortage in the United States that can justify high levels of immigration, especially unskilled and less skilled and educated immigrants legal and illegal. We permit this situation in violation of American laws because we do not value vulnerable American workers, as much as we really value legal and illegal immigrants. No other industrial nation in the world has similar practices.

I want to also point out that in line with American tradition and history, African American incomes fell more than any other major American racial group during the great recession. The percentage loss for African American household income was almost double the percentage losses for white and Asian households and almost 30% more than for Hispanic households¹¹.

We also exclude from the immigration and American jobs debate factors such as how the loss of past manufacturing jobs, especially in industries such as steel, automobile manufacturing and even rubber have resulted with little, if any access to middle class jobs which do not require post secondary educational credentials. The manufacturing job losses plus the likely pending great reductions coming in state and local government employment are a double whammy against jobs to the middle class that had been especially important to African American workers. This is reinforced by the latest data which shows a disappointing downward, not upward mobility, of African American children, even those from middle class homes in our land of the Horatio Alger story. Among children raised in black middle income homes, in 2008 45% of children moved to the poorest quintile as adults compared to 16% of white children¹².

In any wealth discussion, I must point out how black family wealth is disproportionately held in home ownership and these homes have been disproportionately foreclosed upon¹³. This has happened because of the likely deliberate negative racial targeting of sub-prime loans to minority borrowers, especially

¹⁰ Economic Policy Institute, *The State of Working America*, "Recession has left in its wake a jobs shortfall of 10 million" www.stateofworkingamerica.org/great/recession Washington DC, Feb. 14, 2011.

¹¹ Economic Policy Institute, *The State of Working America*. "Black incomes fell more than any other US racial groups during the recent great recession." www.stateofworkingamerica.org/greatrecession/ Washington DC Feb.14, 2011.

¹² Ron Haskins, Julia Isaacs and Isabel Sawhill. 2008. *Getting Ahead or Losing Ground: Economic Mobility in America*. Washington DC: Brookings Institution Press

¹³ Kai Wright. "Backward Mobility: The recession is wiping out the jobs, homes, and dreams of the African American middle class." *The American Prospect* Vol.22, Number 2, March 2011. Pp A 16-17.

African American borrowers. At the height of the subprime excess in 2006, African American borrowers at all income levels were three times more likely to be sold subprime loans than their white counterparts, even those with comparable credit scores. This reflects the fewer credit choices and great economic vulnerability associated with the lack of wealth and limited employment opportunities.¹⁴

African American workers not only suffer from a jobs and wealth deficit, they also suffer from an unequal payoff from an education finance deficit while they accumulate more college debt. According to 2008 College Board data 27% of black college students left school with more than \$30,500 in debt, by far the highest rate among all races and ethnicities in spite of lower earnings prospects¹⁵.

While our labor market gives preference to immigrants throughout labor categories, more than 15% of today's Black college graduates are unemployed compared to less than 8% of white college graduates¹⁶. Even more important for the focus of this testimony, one in three black high school graduates under 24 years old are out of work¹⁷. While this situation exists, 42% of the 1.1 million new immigrants who have landed US jobs since 2008 were under 30. Most of these immigrants were undereducated, and unskilled or semi-skilled as well as being young. 86,000 of these post 2008 arrivals have found American jobs in the construction sector where Andrew Sum has noted unemployment is almost 21%.¹⁸ Note that the unemployment rate for young black high school graduates who cannot find full time employment was 41% in 2010 and for black high school drop outs in direct immigrant competition, more reliable unemployment measure (the Labor Department U-6) was 43%¹⁹

The evidence in this section should ignite a fairness and equity concern for fairness for minority workers compared to immigrant workers. If these ominous trends for minority workers were not enough, there are additional future labor market trends that will make job procurement even more precarious for American workers. Let's now examine a few because my allotted time is running out.

¹⁴ Kai Wright. "The Assault on the Black Middle Class," The American Prospect. July/August 2009.

¹⁵ Wright. 2011, P.17.

¹⁶ . Ibid.

¹⁷ Ibid.

¹⁸ Stoddard. Reuters 1/20/2011.

¹⁹ Camarota. 2010

Present and Future US Labor Market Threats which Require that American Jobs, Especially Jobs Requiring less Education or Skill be Reserved for American Workers

I want to highlight three American labor market trends that are presently having an impact on the American labor market and are very likely to have a greater impact in the future. Each of these factors show those American jobs, especially jobs which require less education and skill, will become increasingly scarce and thus should be reserved for American citizens.

The first trend is the increasing susceptibility of American jobs toward outsourcing. The best estimate of future outsourcing of American jobs is by Alan Blinder, the esteemed Princeton Professor. He estimated that between 22 and 29% of all US jobs are or will be potentially offshorable within a decade or two. Most estimate that we are talking about 28 to 34 million jobs. Blinder found that there is little or no correlation between an occupation's offshorability and the skill of its workers as measured either educational attainment or wages²⁰. Thus less as well as more skilled jobs are off shore substitution vulnerable.

A second ominous trend for African American workers is the reality of the perception of the need to greatly reduce public sector employment even in a time of inadequate job creation. This is an ominous trend because public sector discrimination has received greater scrutiny and thus has been more diversified than private sector employment over time. Evidence of this comes from the March 2009 Current Population Survey. 15% of all American workers work in the public sector, while 22% of native born black folks work in the public sector. Looking at state and local workers only, 13% of Americans work in this sector while 17% of black workers work in this sector.

This sector is likely to feel tremendous pressure to constrict because it has grown over the last few decades. If we examine the state and local workers with only a high school education or less, 8% of public sector workers but 12% of black workers fit this category. One out of eight less educated US born black Americans work for state and local government. This is 59% higher than for all other workers. Thus they will be especially hard hit as state and local governments cut back.

The last trend is probably the most significant. For the first time in American history, our largest companies have returned to profitability without hiring large numbers of Americans because

²⁰ Alan S. Blinder." How Many US Jobs Might be Offshorable?" World Economics Vol.10 Number 2, 2009, pages 41-78

half their revenues and most of their production now comes from abroad. When the financial crisis hit, America's employers laid off many more workers than their counterparts in other major industrial competitors and have not rehired them. This was in spite of the fact that the US economy contracted less than the competition. Between 2008 and 2009, the US GDP dropped 2.4% compared to 2.6% in France, and around 5% in Germany, Japan and Britain. Yet US unemployment increased by about 5 percentage points since 2007 compared to 1 point in France and Japan and 2 points in Britain. In Germany, unemployment has actually dropped a point since the downturn began and is now 2 points lower than ours²¹.

The needs of American and especially minority American workers need special attention because American corporations have a number of strategies including high immigration to keep American wages low. In addition to shifting employment abroad by offshoring, another strategy has been to increase temporary workers in lieu of full time employees. A recent news report noted that in 2010 American companies created 1.4 million jobs overseas while only creating fewer than 1 million in the US²².

All of these three major present and future trends add up to the fact that American Jobs, especially jobs for the less skilled and educated, are and will continue to be in short supply.

Summary and Conclusion

Immigrant workers have numerous employment advantages when compared to American workers, and especially American minority workers. Most of this advantage comes because of employer preference for the more vulnerable and cheaper employees and the refusal of our government to vigorously enforce our immigration and labor laws to protect our workers in contrast to every other major industrial nation. For immigration to work for American minorities, current American immigration and labor laws, plus the mandatory application of E-verify procedures with stiff sanctions should be vigorously enforced especially at a time when all American workers, especially African American workers, are so economically vulnerable.

²¹ Harold Meyerson. "Business is Booming: America's leading corporations have found a way to thrive even if the American economy doesn't recover" American Prospect. Vol. 22. Number 2. March 2011. Pp 12-16.

²² Robert Scott, Economic Policy Institute quoted by Pallav Gogoi of the Associated Press in the Dallas Morning News December 28th, 2010. pp.D2-5