Chapter 10: We Can’t Live (Prosperously) Without You, but We Might Be Willing to Try

One of the more heated topics in recent years, at least in terms of political rhetoric, is that of immigration. President Bush, somewhat surprisingly, broke from his party’s base, with a proposal for immigration law reform that included some provisions for what the President called “earned citizenship,” but which opponents harshly criticized as “amnesty” for illegal aliens. Despite backing from all Senate Democratic hopefuls in the presidential campaign, the bill failed to pass. Colorado Republican Congressman Tom Tancredo mounted a campaign for the 2008 nomination based almost entirely on maintaining and increasing restrictions on immigration.

Two recent articles by Miriam Jordan in The Wall Street Journal help to highlight some of the issues that make up the immigration debate. Estimates suggest there were as many as 12 million illegal immigrants in the U.S. in 2005, with between 7 to 8 million of them working, despite the fact that it is also illegal for employers to employ illegal immigrants. According to sources named by Miriam Jordan, at least one-third of the workers in the construction industry are undocumented, as are as many as 70 percent of all agriculture workers. Estimates show 436,000 illegal workers in cooking positions, 342,000 in housekeeping, and 299,000 in groundskeeping.

For decades, the Social Security Administration has written letters to employers, advising them when the social security numbers they submit on employees do not match up with legally registered names, often indicating an illegal worker with fake documents working in a legitimate job. The workers have social security taxes deducted from their paychecks but do not draw benefits. According to the head of the Department of Homeland Security, nearly four percent of the Social Security wage reports filed each year do not match a legally registered name. (Illegal workers working in off-the-books jobs would not have social security contributions to track and are therefore much harder to find; they are also much more likely to be exploited with poor wages and working conditions since they lack the legal protections afforded to workers in legitimate jobs.)

The employers of many of these “unmatched” workers claim that they would not be able to replace them if government enforcement policies drove out illegal workers. And that is one possibility, in light of the failed attempts to enact new immigrations laws. Now, Homeland Security is threatening to impose “stiff penalties or sanctions,” higher than fines of up to $2200 per worker already available under current law, if employers do not dismiss workers who have been identified or otherwise clear up mismatches between names and social security numbers within 90 days of notification. The response from business has been almost universally negative, with the U.S. Chamber of Commerce and numerous trade groups joining in a suit filed by the AFL-CIO to block the new policy. While their legal arguments suggest that the policy would impose excessive costs on employers and might lead to discrimination against some legal workers, it seems more likely that employers’ primary concern is they could not operate without the illegal workers. Jordan quoted one owner of a small manufacturing company, who believes she might lose 15 percent of her 120 employees, describing her plight as follows: "Because of the role they play and the tight labor market, it is probable that we would go out of business."

There are also many immigrants working legally in the U.S., of course, and another The Wall Street Journal article by Ms. Jordan discussed how the city of Louisville, along with others, is deliberately seeking to become more attractive to immigrant populations as a way of alleviating local labor shortages. The city has also had help from some of its larger employers in creating a more hospitable environment for immigrants, one that can help them assimilate more quickly, and gain access to programs that will help aid their transition, such as language programs and after school programs for children. Though the city did not and is not actively recruiting immigrants, it is trying to create a welcoming atmosphere for them and provide some support systems. Mayor Jerry Abramson says, "What I am trying to do aggressively is ensure they become assets."

Ms. Jordan’s focus in Louisville was on a specific population of Somali Bantu, who have been legally resettled in the U.S. after escaping oppressive conditions in their home country following a civil war. But it is likely that the same conditions that are considered welcoming by the legal Bantu would also, to at least some degree, be welcoming for illegal immigrants, so some potential for conflict is there, including the concern that some locals have expressed about immigrants "robbing Americans of jobs."
Questions:

1. Explain the purpose behind having fines and other sanctions on employers who employ undocumented workers. Facing such costs, might it still be rationale for employers to deliberately violate the law?

2. If immigrants dominate—or are at least very highly represented in certain job categories, such as agricultural workers, cooking, housekeeping, and groundskeeping—are they really "robbing Americans of jobs"? In what sense do these jobs “belong” to Americans? Is there a way in which Americans can, in effect, give up their “ownership” of such jobs?