

Academic Literature on Immigration, Jobs, and Wages

Abramitzky, Ran, et al., 2021. The Effect of Immigration Restrictions on Local Labor Markets: Lessons from the 1920s Border Closure. *American Economic Journal: Applied Economics*.

https://ranabr.people.stanford.edu/sites/g/files/sbiybj26066/files/media/file/aej_oct222021.pdf.

The loss of new immigrant labor after the 1921 quota law was replaced on a nearly one-for-one basis by internal migration, as well as immigration from unrestricted countries, suggesting that income for the existing workforce likely rose in urban areas immediately after the quotas were imposed, thereby attracting in new workers who reversed any initial income gains. In rural areas, farmers substituted toward capital-intensive crops.

Ager, Philipp and Hansen, Casper Worm and Hansen, Casper Worm, Closing Heaven's Door: Evidence from the 1920s U.S. Immigration Quota Acts (October 30, 2017). Available at SSRN:

<https://ssrn.com/abstract=3061716> or <http://dx.doi.org/10.2139/ssrn.3061716>

Immigration restrictions signed into law in the 1920s increased Black wages in the most affected areas, decreased white wages, and narrowed the racial wealth gap.

Amior, Michael, 2021. The Contribution of Immigration to Local Labor Market Adjustment. CEP Discussion Paper No. 1678. <https://cep.lse.ac.uk/pubs/download/dp1678.pdf>.

New immigrants tend to settle in high-employment areas, crowding out internal migration.

Anastasopoulos, Jason, et al. 2019. Job Vacancies, the Beveridge Curve, and Supply Shocks: The Frequency and Content of Help-Wanted Ads in Pre- and Post-Mariel Miami. NBER.

<https://www.nber.org/papers/w24580>

Localized immigration “supply-shocks” are typically followed by a decline in advertised job openings that take years to recover.

Belsie, Laurent, 2007. Effects of Immigration on African-American Employment and Incarceration. NBER.

<https://www.nber.org/digest/may07/effects-immigration-african-american-employment-and-incarceration>

The 1980-2000 increase in immigration was a significant factor in the declining wages and opportunities of Black Americans with less than a college education during that period, but by no means the only factor.

Bertoli, Simone and Steven Stillman, 2019. All That Glitters Is Not Gold: Wages and Education for U.S. Immigrants. *Labour Economics*, Vol. 61.

<https://www.sciencedirect.com/science/article/abs/pii/S0927537119300752>

One out of four highly educated immigrants has lower earnings than a less educated immigrant selected at random. Heavily relying on education to select immigrants might fail to markedly improve their quality, and better educated immigrants may wind up competing with less educated natives.

Borjas, George J. and Lawrence F. Katz, 2007. Mexican Immigration to the United States. University of Chicago Press and National Bureau of Economic Research. <http://www.nber.org/chapters/c0098>

Mexican immigration into the U.S. in the last decades of the 20th century widened the U.S. wage structure by adversely affecting the earnings of less-educated native workers and improving the earnings of college graduates.

Borjas, George J. and Joan Monras, 2017. The labour market consequences of refugee supply shocks, *Economic Policy*, Volume 32, Issue 91, July 2017, Pages 361–413, <https://doi.org/10.1093/epolic/eix007>

Exogenous supply shocks adversely affect the labor market opportunities of competing natives in the receiving countries, and often have a favorable impact on complementary workers. In short, refugee flows can have large distributional consequences.

Borjas, George J. and Anthony Edo, 2022. Gender, Selection into Employment, and the Wage Impact of Immigration. NBER, Working Paper 28682. <https://www.nber.org/papers/w28682>.

The post-1976 immigrant supply shock in France did not change the wage of French women, but led to a sizable decline in their employment rate. In contrast, immigration had little impact on the employment rate of men, but led to a sizable drop in the male wage. Natives may respond to the lower wage by moving to markets that were not directly targeted by immigrants and where presumably the wage did not drop.

Borjas, George J., 2013. Immigration and the American Worker, A Review of the National Literature. Center for Immigration Studies. <https://cis.org/Report/Immigration-and-American-Worker>

Immigration from 1990-2010 reduced the wages of high school dropouts by 6.2 percent in the short run and 3.1 percent in the long run; and of workers with more than a college degree by 4.1 percent in the short run and 0.9 percent in the long run.

Borjas, G.J., et al. 2010. Immigration and the Economic Status of African-American Men. *Economica*, 77: 255-282. <https://doi.org/10.1111/j.1468-0335.2009.00803.x>

Between 1960–2000, a 10% immigration-induced increase in the supply of workers in a particular skill group reduced the black wage of that group by 2.5%, lowered the employment rate by 5.9 percentage points, and increased the incarceration rate by 1.3 percentage points.

Borjas, George J., et al. 2006. Immigration and African-American Employment Opportunities: The Response of Wages, Employment, and Incarceration to Labor Supply Shocks. NBER Working Paper No. w12518

Immigration explained about 25 percent of the decline in employment of Black men with no more than a high school education, and up to 60 percent of the decline in wages between 1980-2000.

Bound, John, et al., 2018. Understanding the Economic Impact of the H-1B Program on the U.S. Eds. Hanson, Gordon H., et al. University of Chicago Press. <https://www.nber.org/papers/w23153>.

In the absence of 1990s immigration, wages for US computer scientists would have been 2.6% to 5.1% higher and employment in computer science for US workers would have been 6.1% to 10.8% higher in 2001; consumer prices would have been higher, and corporate profits would have been lower.

Briggs, V. M. (2003). The Economic Well-Being of Black Americans: The Overarching Influence of U.S. Immigration Policies. *The Review of Black Political Economy*, 31(1-2), 15-42.

<https://doi.org/10.1007/s12114-003-1002-y>

Given the harrowing experiences of Black Americans as the only racial or ethnic group to have ever been collectively subjected to both enforced slavery and *de jour* segregation, no form of public policy should be allowed to do harm to their quest to overcome these imposed handicaps. Unfortunately, U.S. immigration policy has not held to that standard. The burden of this neglect continues to this day.

Briggs, Vernon M. Jr., 1999 U.S. Immigration Policy and the Plight of Unskilled Workers. Cornell University. Centre for Population and Urban Research. <https://hdl.handle.net/1813/76147>

Immigration creates winners and losers. Low income workers and taxpayers in immigrant states lose; those who employ immigrants or use immigrant services win, as do the immigrants themselves.

Brunello, Giorgio, et al., 2020. Does Low-skilled Immigration Increase Profits? Evidence from Italian Local Labour Markets. *Regional Science and Urban Economics*, Vol. 85.

<https://www.sciencedirect.com/science/article/abs/pii/S0166046220302672>.

Low-skilled immigration increases profits by reducing average wages and total labour costs.

Camarota, Steven A. and Karen Zeigler, 2018. 2018 Shaping Up to Be Another Bad Summer for Teen Employment. Center for Immigration Studies. <https://cis.org/Report/2018-Shaping-Up-to-Be-Another-Bad-Summer-Teen-Employment>

Since the 1990s, teen employment declined more rapidly in states with the largest increase in competing (older) immigrant workers than in states with more modest increases.

Camarota, Steven A. and Karen Zeigler, 2013. Are There Really Jobs Americans Won't Do? Center for Immigration Studies. <https://cis.org/Report/Are-There-Really-Jobs-Americans-Wont-Do>
American workers and immigrant workers compete for the same jobs.

Camarota, Steven A. and Karen Zeigler, 2023. Working-age, but not Working. Center for Immigration Studies. <https://cis.org/Report/WorkingAge-Not-Working>
From 1960-2023: the number of U.S.-born men (16 to 64) *not in* the labor force increased by 13.8 million from 1960 to 2023. At the same time the number of working-age immigrant men *in* the labor force increased by 13.7 million.

Churchill, B. F., et al., 2022. The Effect of E-Verify Laws on Crime. ILR Review, 75(5), 1294--1320. <https://doi.org/10.1177/00197939211044449>.
State E-Verify laws induced increases in the employment of low-skilled natives of Hispanic descent and out-migration of younger Hispanics.

Congressional Budget Office, 2020. The Foreign-Born Population and Its Effects on the U.S. Economy and the Federal Budget--An Overview. <https://www.cbo.gov/system/files/2020-01/55967-CBO-immigration.pdf>.

Immigration has exerted downward pressure on the wages of relatively low-skilled workers who are already in the country, regardless of their birthplace.

Cortes, Patricia and Jessica Pan, 2014. Foreign Nurse Importation to the United States and the Supply of Native Registered Nurses. FRB of Boston Working Paper No. 14-7. <http://dx.doi.org/10.2139/ssrn.2512428>

Between 1980-2010, for every foreign-born nurse that migrated to a U.S. city there were between one and two fewer native RNs observed working in the city. The displacement affected all age groups and education levels except nurses with advanced degrees. The displacement was likely due to native RNs switching occupations and/or fewer potential nurses choosing to enter the nursing profession.

Cranford, C. J., 2005. Networks of Exploitation: Immigrant Labor and the Restructuring of the Los Angeles Janitorial Industry. Social Problems, 52(3), 379--397. <https://doi.org/10.1525/sp.2005.52.3.379>.
Most janitorial jobs in Los Angeles - pre and post-WWII - were held by unionized African Americans. Immigration and labor policies combined to make unauthorized workers the preferred choice starting in the 1970s. By 1985, only 8 percent of janitors were unionized, the majority of workers were unauthorized, and average wages fell to \$7.00 an hour.

Dustmann, Christian, et al., 2017. Native Wages, and the Adjustment of Local Employment. The Quarterly Journal of Economics, Volume 132, Issue 1, February 2017, Pages 435--483, <https://doi.org/10.1093/qje/qjw032>

An immigration-induced supply shock along the German-Czech border resulted in a moderate decline in local native wages and a sharp decline in local native employment.

Edo, A., 2019. The Impact of Immigration On The Labor Market. Journal of Economic Surveys, 33: 922-948. <https://doi.org/10.1111/joes.12300>

An inflow of immigrants will tend to reduce the wages of competing native workers (with skills similar to those of the migrants), and increase those of complementary workers (with skills that complement those of immigrants).

Edo, Anthony and Hillel Rapoport, 2019. Minimum Wages and the Labor Market Effects of Immigration. Labour Economics, Vol. 61. <https://www.sciencedirect.com/science/article/abs/pii/S092753711930079X?via%3Dihub>.

The impact of immigration on the wages and employment of native workers within a given state-skill cell is more negative in States with low minimum wages and for workers with low education and experience.

Fogel, Robert William, 1994. Without Consent or Contract: The Rise and Fall of American Slavery. W.W. Norton & Company, pp. 355-360). <https://www.amazon.com/Without-Consent-Contract-American-Slavery/dp/0393312194>

The root cause of the depression that engulfed native workers during 1848 -- 1855, as during 1840 -- 1844, was the quintupling of immigration, which put downward pressure on wages, even in thriving industries like construction, and foiled attempts by workers to organize.

Goldin, Claudia, 1993. The Political Economy of the Immigration Restriction in The United States, 1890 to 1921. National Bureau of Economic Research, Working Paper No. 4345.

https://www.nber.org/system/files/working_papers/w4345/w4345.pdf.

In the years leading up to the 1924 immigration restrictions signed into law, a one percent increase in the population share that was foreign born decreased wages by 1-1.5 percent. In specific industries, such as men's clothing, a 1 percent increase in the share resulted in a 1.5 to 3 percent decrease in wages.

Gould, Eric D., 2015. Explaining the Unexplained: Residual Wage Inequality, Manufacturing Decline, and Low-Skilled Immigration. IZA Institute of Labor Economics. <https://docs.iza.org/dp9107.pdf>

A shrinking manufacturing and an influx of low-skilled immigrants increases inequality, and have hollowed-out the overall demand for middle-skilled workers in all sectors, producing downward pressure on the relative wages of workers at the low end of the income distribution.

Hanson, Gordon, 2004. Immigration Policy. University of California, San Diego and National Bureau of Economic Research.

https://gps.ucsd.edu/files/faculty/hanson/hanson_publication_immigration_challenges.pdf

Immigration raises U.S. GDP by slightly more than one-tenth of a percent. The surplus is larger when the wage effects are larger; the larger negative impact on wages, the larger gain in national income.

Harrington, Paul, et al. 2006. The Impact of New Immigrants on Young Native-Born Workers, 2000-2005.

Center for Immigration Studies. <https://cis.org/Report/Impact-New-Immigrants-Young-NativeBorn-Workers-20002005>

Less-educated immigration has greater displacement impacts for in-school youth and for native-born black and Hispanic males.

Hatton, Timothy J. and Jeffrey G. Williamson, 1995. The Impact of Immigration on American Labor Markets Prior to Quotas. Working Paper No. 5185 (Cambridge, Mass.: National Bureau of Economic Research, 1995, p.30. https://www.nber.org/system/files/working_papers/w5185/w5185.pdf.

Mass immigration between 1890-1910 reduced the real wages of urban workers by 34 percent.

Hoen, Maria, et al., 2021. Immigration and Economic Mobility. Journal of Population Economics.

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3286163.

Post-1990's immigration from low-income countries to Norway has reduced social mobility and steepened the gradient in natives' labor market outcomes, whereas immigration from high-income countries has leveled it.

Hoen, Maria Forthun, 2020. Immigration and the Tower of Babel: Using language barriers to identify individual labor market effects of immigration. Labour Economics, Volume 65, 2020, 101834, ISSN 0927-5371. <https://doi.org/10.1016/j.labeco.2020.101834>.

An surge in immigration to Norway from 2004-2007, produced adverse wages effects for younger workers and adverse employment effects for older workers.

Hotchkiss, Julie L. and Quispe-Agnoli, Myriam, The Labor Market Experience and Impact of Undocumented Workers (June 1, 2008). FRB Atlanta Working Paper No. 2008-7c.

<http://dx.doi.org/10.2139/ssrn.1109169>

Illegal labor caused a 2.5 percent wage drop overall and an 11 percent drop in construction wages from 2000-2007 in Georgia. (pp. 36,39)

Jaeger, David A., et al. 2018. Shift-Share Instruments and the Impact of Immigration. NBER Working Paper No. 24285. <https://www.nber.org/papers/w24285>
A common instrument in economic models makes the short-term impact of immigration appear less negative than they really are.

McCarthy, Kevin F. and Georges Vernez, 1995. Immigration in a Changing Economy, California's Experience. Center for Research on Immigration Policy, National Research Defense Institute. https://www.rand.org/content/dam/rand/pubs/monograph_reports/2007/MR854.pdf
Increases in immigration after 1970 drove 1-1.5 percent of native Californian's out of the workforce, between 130,000-200,000 people.

Monras, Joan, 2021. Local Adjustment to Immigrant-Driven Labor Supply Shocks. *Journal of Human Capital*, Vol. 15, No. 1, 2021. <https://www.journals.uchicago.edu/doi/10.1086/713148>.
Local economies recover from immigration supply shocks, in part, due to competing workers leaving the local economy or declining to enter them.

Mussa, Abeba, Uwaoma G. Nwaogu, and Susan Pozo, 2017. Immigration and housing: A spatial econometric analysis. *Journal of Housing Economics*, Volume 35, Pages 13-25, ISSN 1051-1377. <https://doi.org/10.1016/j.jhe.2017.01.002>
An increase in immigration inflows into a metropolitan area is associated with increases in rents and with house prices in that area while also seeming to drive up rents and prices in neighboring areas.

National Academies of Sciences, Engineering, and Medicine. 2017. *The Economic and Fiscal Consequences of Immigration*. Washington, DC: The National Academies Press. <https://doi.org/10.17226/23550>.
Immigration grows the economy, creates a \$50 billion surplus, and redistributes \$500 billion from people who compete with immigrants to people who use immigrants.

National Research Council. 1997. *The New Americans: Economic, Demographic, and Fiscal Effects of Immigration*. Washington, DC: The National Academies Press. <https://doi.org/10.17226/5779>
The increase in low-skilled immigration between 1980-1994 accounted for about 44 percent of the total decline in wages of high school dropouts during that period.

Neumark, David and Cortnie Shupe, 2019. "Declining Teen Employment: Minimum Wages, Other Explanations, and Implications for Human Capital Investment", *Labour Economics*, Vol. 59. <https://www.mercatus.org/students/research/working-papers/declining-teen-employment>.
Immigration is a greater factor in the decline in teen employment than returns to school, but a smaller factor than minimum wages.

Nickell, Stephen and Jumana Saleheen, 2015. The impact of immigration on occupational wages: evidence from Britain. Bank of England. <https://www.bankofengland.co.uk/working-paper/2015/the-impact-of-immigration-on-occupational-wages-evidence-from-britain>
Once the occupational breakdown is incorporated into a regional analysis of immigration, the immigrant-native ratio has a significant small impact on the average occupational wage rates of that region. In the semi/unskilled services sector, a 10 percentage point rise in the proportion of immigrants is associated with a 2 percent reduction in pay.

Ortega, Javier and Gregory Verdugo, 2022. Who stays and who leaves? Immigration and the selection of natives across locations. *Journal of Economic Geography*, Volume 22, Issue 2, March 2022, Pages 221–260. <https://doi.org/10.1093/jeg/lbab029>.
In studying immigration into France, controlling for changes in local composition is crucial to assess how wages adjust to immigration. Immigration temporarily lowers the wages of blue-collar workers, with unskilled workers experiencing larger losses. Location movers lose more than stayers in terms of daily wages but move to locations with cheaper housing.

Price, Joseph, et al. 2020. The Winners and Losers of Immigration: Evidence from Linked Historical Data. NBER Working Paper No. 27156. <https://www.nber.org/papers/w27156>
Significant "losers" from increased immigration, include those who appear to be displaced and move out of their local labor market, and younger and lower-skilled workers, whereas older and higher-skilled workers are "winners."

Salzman, Hal, Daniel Kuehn, and B. Lindsay Lowell, 2013. Guestworkers in the high-skill U.S. labor market. Economic Policy Institute. <https://www.epi.org/publication/bp359-guestworkers-high-skill-labor-market-analysis/>
U.S. colleges graduate 50 percent more students than are hired into those fields each year; real wages have remained flat since the late 1990s; the flow of guestworkers has increased and amount to one-third to one-half the number of all new IT job holders. Large flows of guestworkers will supply labor at wages that are too low to induce significant increases in supply from the domestic workforce.

Shihadeh, Edward S. and Raymond E. Barranco, 2010. Latino Employment and Black Violence: The Unintended Consequence of U.S. Immigration Policy. *Social Forces*, Volume 88, Issue 3, Pages 1393--1420, <https://doi.org/10.1353/sof.0.0286>
There is a positive link between increased immigration, Black unemployment, and violence in Black communities.

Smith, C. L. (2012). The Impact of Low-Skilled Immigration on the Youth Labor Market. *Journal of Labor Economics*, 30(1), 55–89. <https://doi.org/10.1086/662073>
Increases in immigration have greater employment impacts on teenagers than adult workers.

Smith, James P. and Finis R. Welch, 1989. Black Economic Progress After Myrdal. *Journal of Economic Literature* 27, no. 2 (June 1989): pp. 519-564.
Moderated immigration contributed to "The Great Leveling" between 1940-1980.

Sum, Andrew, et. al. 2014. The Plummeting Labor Market Fortunes of Teens and Young Adults. Brookings. https://www.brookings.edu/wp-content/uploads/2014/03/Youth_Workforce_Report_FINAL-1.pdf
High unemployment rates and the presence of immigrants with less than a bachelor's degree were significantly associated with lower teen employment rates in metropolitan areas, 2010-2011.

U.S. Commission on Civil Rights, 2010. The Impact of Illegal Immigration on the Wages and Employment Opportunities of Black Workers. https://www.usccr.gov/files/pubs/docs/IllegImmig_10-14-10_430pm.pdf
Black males are disproportionately employed in the low-skilled labor market in likely competition with immigrants. There are significant negative effects in occupations such as meatpacking and construction.

Xie, Bin, 2017. The Effects of Immigration Quotas on Wages, the Great Black Migration, and Industrial Development. IZA Discussion Paper No. 11214, December 2017. <https://docs.iza.org/dp11214.pdf>.
Immigration restrictions from 1920-1930 significantly increased manufacturing wages and encouraged the southern black population to migrate to the North.