



Policy Brief

American Immigration Control Foundation P.O. Box 525, Monterey, Virginia 24465

How Immigration Drove California's Decline

By John Vinson

Is mass immigration really the blessing that its proponents claim it is? The advocates say continuous large-scale immigration, legal and illegal alike, is the pathway to “cultural enrichment” and a robust and prosperous economy.

But is it true?

Immigration advocates often cite abstract measurements supplied by various studies at universities and think tanks to support their claim. But are those studies consistent with what is undeniably happening in the real world, or do they simply reflect the wishful thinking of the researchers?

To get a “real world” perspective on immigration, there is no better place to begin than the state of California, the state most heavily impacted by the wave of mass immigration that began after passage of the landmark 1965 immigration act and became a veritable flood around 1990.

Two major immigration laws helped swell that wave. The first was the Immigration Reform and Control Act passed by Congress in 1986 that granted amnesty (legal status and a pathway to citizenship) to 2.7 million illegal aliens, 55 percent of whom lived in California. The amnesty enabled those aliens to sponsor their relatives from abroad to come to the U.S. Then in 1990 Congress passed additional legislation raising the limit on legal immigration by 40 percent.

As a result, from 1980 to 1990 the foreign-born population of California climbed from 15.1 percent to 21.1 percent in 1990, reaching a total of 6.4 million immigrants. From 1990 to the present, the foreign-born population in the state rose to 27 percent, for a total of 10.2 million immigrants. Today, California — by far — leads the nation as the state with the largest number and percentage of foreign-born. One-quarter of all foreign-born people in the U.S. live in California, and their number exceeds that of all foreign-born people in the entire United States in 1970 (9.6 million). [1]

If mass immigration is culturally enriching and increases wealth, as immigration enthusiasts claim, California should have become ever more appealing and prosperous, particularly since the “enriching” wave of immigration since 1990.

But in fact it hasn't. Indeed, it has become far less so.

From the end of World War II to about 1990, noted the Manhattan Institute, California was “a destination of Americans in search of a better life” because many of them saw it as “the state with most jobs, more space, more sunlight, and more opportunity.” [2]

But after 1990, it was obvious that the once Golden State was rapidly losing its luster. So much so, that the flow of Americans began to reverse, with more leaving than entering. During the past two decades, there were nearly four million more Americans leaving California than were arriving. A stronger indicator of dissatisfaction would be hard to imagine. [3]

Particularly striking has been the exodus of middle class and working class citizens. The consequence is a state increasingly taking on the social and economic character of the Third World countries sending us the most immigrants — a relatively few well-to-do at the top of income earners, and many, many more not so well-to-do at the bottom. [4]

What specifically has caused citizens to leave California? A report by the Manhattan Institute mentions several factors. They include: 1) economic adversity, including a bad business climate, high taxation, and unemployment; 2) fiscal instability of local governments and state government; 3) excessive population density and crowding. [5]

Immigration advocates concede these problems exist, but they point to factors other than immigration to

explain them. Certainly these issues are complex, but there is no doubt, whether directly or indirectly, that mass immigration is a significant factor in all of them.

Some pro-immigration conservatives and libertarians maintain that immigration has nothing to do with the bad business climate in the state. They attribute that to the overregulation of business by liberal Democrats. But they neglect to explain why liberal Democrats have gained such power in what once was a relatively conservative state, the home of Ronald Reagan. Today it is becoming difficult for even a moderate Republican to gain statewide office, let alone a conservative like Reagan.

The undeniable reality is that the electorate has shifted to the left, in no small part because of immigration. The majority of foreign-born citizens in the state are Hispanic, and whether they arrived legally or illegally, they tend to support liberal causes and the Democrat Party that espouses them. A study by the Pew Hispanic Center found that 48 percent of Americans in general favor smaller government with fewer services, while 41 percent want more government and more services. Among Hispanics, however, only 19 percent prefer small government, while 75 percent prefer big government. [6]

Providing more services, of course, means higher taxes. Immigrants alone don't account for the state's rising tax rates. But they disproportionately demand tax-funded services, and disproportionately use them. Probably the most extensive and impartial assessment of the cost and benefits of immigration, and one still relevant for consideration, was the study of the National Research Council, published in 1997. It found that in California, native taxpayers paid \$1,178 in state and local taxes per year for the cost of services used by immigrants whose own taxes failed to cover. [7]

One illustration of the fiscal cost to California of illegal immigration alone, comes from Los Angeles County. In 2012 County Supervisor Mike Antonovich reported that illegal immigrants cost the county a projected total of \$1.6 billion for welfare, public safety and health care. He added that "hundreds of millions" more went to provide for their public education. [8]

Even with taxes continually increasing, California's state and local governments are having trouble making ends meet. Bankruptcy has overtaken some local governments, and it is a distinct prospect for others. Yet only a few decades ago, prior to the full impact of mass immigration, the state and local jurisdictions were far more solvent. [9]

The fiscal costs of immigration are not the most significant and direct cause of the state's fiscal crisis. That cause, according to most accounts, is the upward spiral of public-employee pay and pension benefits. Nevertheless, immigration — by shifting the electorate to the left — has indirectly contributed to this source of insolvency. Facing fewer political restraints from the declining number of Republicans, Democratic leaders have had little incentive to brake runaway spending for public employees.

In the past, a strong two-party system in California provided a restraint on extreme and irresponsible policies by both parties. Now, as the state becomes a one-party state, that restraint is greatly diminished.

The fiscal problems of localities have brought a significant decline in public services. A most notable example is education. This is a long-standing trend. In 2005, a comprehensive study of public education in California by the RAND Corporation found that the state had gone from being "a national leader 30 years ago to its current ranking near the bottom in nearly every objective category." [10]

This stark decline coincides with the massive growth of the state's foreign-born population. In recent decades the numbers and special needs of immigrants have overwhelmed the resources of the state's schools. In Los Angeles County, 55 percent of children have foreign-born parents, and — as the RAND study notes — students with limited English skills require large expenditure and effort to meet their needs. [11]

Unemployment, another big reason for Americans leaving California, has averaged significantly higher than the national level during the past two decades — as the foreign-born population in the state rose sharply to its present level. The link between working age immigrants flooding the state's job market and unemployment seems obvious. [12]

Some immigration enthusiasts, including some economists, insist that immigration creates jobs in various ways. They say immigrants are often entrepreneurs who create jobs, rather than take them. Examples cited in California are some of the high-tech firms in Silicon Valley. While some nationalities of immigrants do have higher rates of self-employment than natives, immigrants on average — according to the Census Bureau — are slightly less likely to be self-employed than native-born Americans. [13]

If immigration were indeed a net creator of jobs, California with the largest number of immigrants in the U.S. would have less unemployment than most other states. But that is not the case.

Thanks to mass immigration, California's labor force is now the least educated of any state in the union. In its report, "A State Transformed: Immigration and the New California," the Center for Immigration Studies found that the state has the highest percentage of working-age people without a high school diploma. California's immigrants are six times more likely than natives not to have completed high school. The CIS study found that "if only native born persons are considered, California would rank 25th in the nation in terms of the share of its labor force comprised of those with at least a high school education, not last." Without immigrants, the share of California's labor force that has completed high school would be above the national average. [14]

Another reason the native born flee California, according to the Manhattan Institute, is overcrowding. Once the state offered wide-open spaces and the allure of freedom. Today, in too many places, the state suffers overdevelopment and traffic gridlock. As the Institute's research notes, "[T]he Los Angeles and Orange County region now has a population density of 6,999.3 per square mile — well ahead of New York or Chicago. Dense coastal areas are a source of internal migration as well as migration." Orange County got its name from its once abundant orange groves. Today, with the advance of population and development, virtually none remain. [15]

The surge of immigration undeniably has contributed substantially to overcrowding and sprawl. Seeking to minimize this connection, immigrants have claimed that native-born Americans are more likely to cause sprawl by moving to suburbia from urban areas. Be that as it may, many natives probably move out to escape the urban density and other problems caused by immigration.

Another factor causing flight, though one not mentioned by Manhattan Institute, is the hyper-diversity caused by mass immigration. Many claim that diversity at any level is our strength, but it often seems that enthusiasm for it increases in direct proportion to the distance from it. Diversity can often bring a profound sense of alienation and a breakdown of social ties, as different groups have increasing difficulty relating to one another.

The extensive research of Harvard sociologist Robert Putnam confirms these problems. In diverse communities, he found, the "social capital" of trust declines. People there, he stated, tend to "distrust their neighbors, regardless of the color of their skin, to withdraw even from close friends . . . to expect the worst from their community and its leaders, to volunteer less, give less to charity and work on community projects less often, to register to vote less . . . and to huddle unhappily in front of the television." In relation to California, Putnam found that Los Angeles, as the "the most diverse human habitation in history," had the lowest level of trust in the U.S. [16]

Putnam's findings disturbed him because he supports diversity. Despite his findings he claims that diversity will work out well in the end. His location at Harvard may help to sustain his optimism. But, alas, it probably didn't come so easily for many of middle-class and working-class Americans who experienced it in Southern California and decided to leave.

It is said that California sets the trends for the rest of the United States. Americans across our country must hope that this will not be the case with immigration. And it doesn't have to be if enough citizens will look at — and consider with sober judgment — how the impact of mass immigration has changed the state of California.

End Notes

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