

# A Comparison of Today's Unauthorized Immigrants and the IRCA Legalized: Implications for Immigration Reform

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Policy Brief

María E. Enchautegui

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This brief compares the demographic and economic characteristics of today's unauthorized immigrants and those who were legalized under the Immigration Reform and Control Act of 1986 (IRCA). The purpose is to gain a better understanding of the economic benefits and implementation aspects of a legalization program for unauthorized immigrants currently residing in the United States in a manner that recognizes possible changes in the characteristics of the undocumented population since IRCA.<sup>1</sup> One of the most contentious issues in immigration reform discussions is how to deal with the growing number of unauthorized immigrants residing in the United States—estimated at over 11 million people (Passel and Cohn 2012). The bill passed by the Senate on June 2013 (S. 744) provides a pathway to legalization and citizenship for the undocumented. Immigrants could obtain Registered Provisional Immigrant status, gain legal permanent residence (LPR) after 10 years, and obtain citizenship 3 years after that. A proposed blue card program for agricultural workers would allow for legal permanent residence after five years.<sup>2</sup>

The last major legalization program undertaken in the United States took place in 1986 under IRCA. Consequently, the ongoing immigration debate often turns to the IRCA experience for guidance about what would happen under a legalization program similar to the one proposed by the Senate. IRCA provided a pathway to legalization and citizenship to undocumented immigrants residing in the United States. It contained two main programs: the General Legalization Program for undocumented immigrants who were residing in the United States as of December 31, 1981 and the Special Agricultural Worker Program for individuals who had performed at least 90 days of seasonal agricultural during the 12 month period ending on May 1, 1985 (Cooper and O'Neil 2005; Enchautegui 2013). About 2.7 million persons obtained LPR status under this act (Cooper and O'Neil 2005).

Research on the potential impacts of a legalization program for unauthorized immigrants draws heavily from the 1986 IRCA experience, specifically on the expected gains for immigrants and the economy (see Enchautegui, Lindner, and Poethig 2013). Earnings growth and upward occupational mobility upon legalization mean larger benefits for the legalized and for the economy, through more spending, larger tax revenues and less reliance on government programs (Amuedo-Dorantes and Banzak 2011; Institute for Taxation and Economic Policy 2013; Lynch

and Oakford 2013; Kossoudji and Cobb-Clark 2002). Researchers are looking at the lessons learned from IRCA to provide guidance about implementation aspects of a possible legalization program (Roney 2013; Cooper and O’Neil 2005).

The IRCA experience could shed light on the possible effects and implementation aspects of the legalization program proposed in the current immigration bill. However, as IRCA took place almost three decades ago, there could be changes in the characteristics of the undocumented population that would come to bear on implementation and possible economic benefits. A comparison of IRCA immigrants and today’s undocumented can inform the debate about gains from legalization for immigrants and for the economy, the reach of such a program, and the possible implementation challenges.

## **Socio-demographic Characteristics of the Undocumented: Impacts on Legalization Outcomes and Changes over Time**

Prior work on IRCA suggests ways in which different sociodemographic characteristics could affect outcomes from legalization. Research shows that, while IRCA improved the earnings of the legalized, not all the undocumented fared as well. Better educated immigrants gained more from legalization than immigrants with lower levels of education (Kaushal 2006; Pan 2012), which may be because the better educated are more constrained by legalization and therefore mismatched to their jobs (Kossoudji and Cobb-Clark 2002).

Gender and geographical location also played a role in IRCA legalization. Women were at a disadvantage in applying for immigration benefits in IRCA because their husbands’ names and not theirs’ were in documents necessary to attest residence and because of their high concentration in the informal sector as maids (Baker 1997; Hagan and Baker 1993; Salcido and Menjivar 2010). Studies on earnings, however, show larger earnings gains and more upward occupational mobility for women than for men (Amuedo-Dorantes and Bansak 2011; Powers and Seltzer 199; Rivera-Batiz 1999). Another factor is place of residence. Undocumented immigrants in areas of high immigration were better informed and better able to take advantage of the legalization program, possibly the result of stronger networks and the presence of more immigrant-serving organizations (Baker 1997; Hagan and Baker 1993).

Over time, the characteristics of undocumented immigrants may have changed, which could have implications for the economic gains from legalization, the reach of such a program, and the way it can be implemented.

Changes in characteristics can be attributed to secular trends such as increases in educational levels in sending countries in the last three decades (Organisation for Economic Co-operation and Development [OECD] 2011), and can also be analyzed through the lens of immigration law. Since 1990, there has been an increase in border and interior enforcement (Cornelius and Salehyan 2007; Massey and Riosmena 2010; Meissner et al. 2013) and this could affect the characteristics of unauthorized immigrants. Crossing the border illegally has become more costly and dangerous (Hinojosa-Ojeda 2010; Thom 2010). Literature suggests increased border enforcement results in more male and better educated undocumented border crossers (Lozano and Lopez 2013; Orrenius and Zavodny 2005; Thom 2010). There are also changes in the areas where the undocumented settle (Durand, Massey, and Capoferro 2005). Enhanced enforcement at the border also reduces circularity as the undocumented are “locked” in the United States out of fear not being able to return if they went back to their home countries (Massey 2004; Thom 2010). This may increase the age of the unauthorized immigrant stock and make them more experienced in the US labor market, especially since undocumented immigration declined during the Great Recession and the recovery years (Passel, Cohn, and Gonzalez-Barrera 2012).

## Data

Data about the characteristics of IRCA immigrants are from the 1989 Legalized Population Survey (LPS1). Only persons who legalized under the general legalization program were sampled and hence Special Agricultural Workers (SAWs) are not part of the survey. All characteristics presented in this analysis using LPS1 refer to information at the time of the application for legalization. Characteristics of today’s unauthorized come from immigrant status imputations on the March 2012 Annual Social and Economic Supplement (ASEC) of the Current Population Survey following a residual methodology.<sup>3</sup> Only immigrants ages 18 to 64 are part of the analysis. Characteristics for the currently undocumented presented here generally agree with

portraits of this population by Passel and Cohn (2009) and Hofer, Rytina, and Baker (2012), although data from those reports are for all unauthorized immigrants, not only those age 18 to 64.

## Findings

The differences between the IRCA legalized and today's undocumented, through the examination of the data from the 1989 LPS1 and imputation of immigration status on the 2012 ASEC are given below and in table 1.

- **More country diversity:** Unauthorized immigrants today are more diverse in terms of country of origin than IRCA immigrants. At 82 percent, the IRCA legalized were overwhelmingly from Mexico and Central America. Though immigrants from Mexico and Central America still dominate the current unauthorized population, their representation has declined to 67 percent. The proportion from Mexico was 69 percent among IRCA immigrants but only 53 percent among unauthorized individuals in 2012.
- **More geographic dispersion:** Today's unauthorized immigrants are more geographically dispersed than IRCA immigrants. Only 44 percent lives in California, Texas, and New York, the states with the largest immigrant populations, in comparison to 77 percent of IRCA immigrants.
- **Better educated:** Today's unauthorized immigrants are better educated than their IRCA counterparts. Among the IRCA immigrants, 72 percent did not have a high school diploma while in 2012, 42 percent of undocumented individuals did not have a high

**Table 1. Characteristics of Unauthorized Immigrants in March 2012 and IRCA Legalized in 1989 (Ages 18 to 64)<sup>a</sup>**

	LPS 1989 Not SAW program	Likely undocumented 2012
Percent from Mexico	69	53
Percent from Mexico, Central America	82	67
Percent residing in California, Texas, and New York	77	44
Percent with no high school diploma	72	42
Percent with college education	12	29
Mean age	34	37
Mean period of entry to the United States	1979	1998–1999
Percent in United States for more than ten years <sup>b</sup>	16	61
Percent male	58	55
Percent married	62	55
Percent employed	80	71
Percent working in agriculture, forestry, and fishing	7	2
Median weekly earnings (ages 18 to 64)	\$225	\$420
Median weekly earnings in 2012 prices (ages 18 to 64) <sup>c</sup>	\$455	\$420
Ratio of earnings to all US full-time workers <sup>d</sup>	60%	55%
<p>a. Tabulations by the author are based on data from the 1989 Legalized Population Survey (LPS1), and Current Population Survey Annual Social and Economic Supplement 2012. Imputations of undocumented status using methodology described in <b>Passel and Clark 1998 and Passel, Van Hook, and Bean 2004</b>. Data for IRCA refers to the time of application, generally 1987.</p> <p>b. IRCA immigrants refers to IRCA immigrants who were residing in the United States in 1986 and who arrived to the US before 1976.</p> <p>c. Using the inflation calculator of the Bureau of Labor Statistics (BLS).</p> <p>d. The median weekly earnings of all US full-time workers were \$374 in 1987 and \$768 in 2012 (Bureau of Labor Statistics data series LEU0252881500). The 1987 earnings in 2012 prices are \$756 using the BLS inflation calculator.</p>		

school diploma. The percentage with a college degree in 2012 is more than double the IRCA figure. This may reflect gains in educational attainment across time in sending countries. It could also be that increased enforcement selects in favor of better educated persons crossing the border illegally (Thom 2010; Orrenius and Zavodny 2005).

- Older and with a longer tenure in the United States: Today's undocumented are, on average, three years older than IRCA immigrants. The average IRCA immigrant entered the United States in 1979 while the average undocumented in the Current Population Survey (CPS) entered during the 1998–1999 period. Moreover, only 16 percent of the IRCA immigrants had resided for more than 10 years in the United States when IRCA was passed in 1986. By contrast, 61 percent of the current unauthorized immigrants have more than 10 years of residence in the United States. The older age and longer tenure in United States is consistent with the idea that increased enforcement has trapped immigrants in the United States and there is no replenished as net immigration from Mexico has declined (Passel and Cohn 2012).
- Less likely to be male and married: A lower share of today's unauthorized are married and male than IRCA immigrants. While there is evidence that stronger border enforcement results in a more male undocumented flow (Lozano and Lopez 2013), in comparison to the IRCA immigrants, the current share of unauthorized males is lower. Research on the implementation of IRCA suggests that the paperwork required makes it difficult for many women to document their work and residence in the United States because leases were not on their name, or because their informal work as housemaids did not provide work documentation. Many of these cases required affidavits, which were subject to greater scrutiny (Baker 1997).
- Lagging behind in earnings: The bottom of table 1 shows median weekly earnings for the unauthorized at the moment of application for IRCA and in 2012 and for all US workers. The earnings of IRCA immigrants were 60 percent the earnings of the median full time worker at that time. By 2012, the unauthorized had earnings that were 55 percent of the median.



## What These Changes Mean for Immigration Reform

Differences in education, place of residence, and demographic characteristics between IRCA immigrants and current unauthorized immigrants shed light on what legalization could mean for the economic status of immigrants, for the economy, and for possible implementation of a legalization program. Three main themes are evident.

The first theme suggested by these figures is the importance of a pathway to legalization and eventual citizenship for undocumented immigrants. As the undocumented become older, better educated, and settled in the United States, policies to move them out of the underground and into the mainstream labor market become more important. Compared with IRCA immigrants, today's undocumented are older and have spent a significant amount of time in the country. They are also better educated, with 29 percent having some college education. A better educational profile results in higher earnings gains and, consequently, more benefits for the economy under a legalization scenario. Long-term job mismatch as a result of their undocumented status is a cost for the economy and means prolonged low earnings and poverty for these immigrants and their families.

A second theme is integration and workforce development in a post-legalization world. Although educational levels among today's undocumented are better than their IRCA counterparts, a large share of the undocumented have low levels of education. Legalization will help these low education levels, but will not level the playing field. The relative earnings standing of the current undocumented is worse than what it was for IRCA immigrants. While legalization can mean economic gains for the legalized, their low educational attainment remains a hindrance to economic mobility in today's labor market which increasingly demands a highly skilled labor force. As the debate about a possible legalization program continues, development of strong workforce programs should be an integral part of these discussions. There is a need to shift the focus of legalization under immigration reform from a purely legalistic and enforcement perspective to an integration perspective.

A third theme that emerges from these figures relates to implementation aspects of a possible legalization program in light of changes in the sociodemographic characteristics of the legalized. The dispersion of the undocumented across the United States calls attention to the importance of the implementation aspects of any possible legalization program. Communities with a longer

immigration history and a larger number of immigrants are better organized around immigration issues, have a better infrastructure to serve the undocumented, and are in a better position to convey information about the program and assist immigrants in meeting the bureaucratic processes of legalization (de Leon et al. 2009). Unauthorized immigrants living away from the high immigration areas may lack the support networks and community resources to navigate a legalization program. Dispersion could result in fewer immigrants applying for the program unless other mechanisms are set in place, like the US immigration office partnering with community-based organizations and funding locally-based information campaigns. Mexicans and Central Americans still dominate the undocumented flow, but today's group of undocumented is more diverse. Implementation of a legalization program should therefore pay attention to smaller undocumented communities, to learn how different nationalities view illegality, and whether undocumented immigrants within communities with few undocumented members will come forward to declare their undocumented status.<sup>4</sup>

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## Endnotes

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<sup>1</sup> The terms unauthorized and undocumented are used interchangeably in this brief.

<sup>2</sup> See Enchautegui (2013) for a comparison of IRCA and S 744.

<sup>3</sup> Imputed status following the methodology is described in Passel and Clark 1998 and Passel, Van Hook, and Bean 2004.

<sup>4</sup> See Lim (2013) for an account of unauthorized status and stigma in some Asian communities.