Immigration and Poverty in the Northwest Area States

by Katherine Fennelly
University of Minnesota

Working Paper No. 65
December 2005

Julian Samora Research Institute
MICHIGAN STATE UNIVERSITY
301 Nisbet Building
1407 S. Harrison Road
East Lansing, MI 48823-5286

Phone: (517) 432-1317
Fax: (517) 432-2221
E-mail: jsamora@msu.edu
Web: www.jsri.msu.edu

The Midwest's premier Hispanic center undertaking research on issues of relevance to the Hispanic community in the social sciences and economic and community development. JSRI is a unit of the College of Social Science and is affiliated with various units on the Michigan State University campus.
About the Author: Katherine Fennelly

Katherine Fennelly is Professor of Public Affairs at the Hubert H. Humphrey Institute, University of Minnesota. Before coming to Minnesota she taught at Penn State and Columbia University. Fennelly holds a certificate of studies from the University of Madrid, and a masters of philosophy, a masters of health education, and a doctorate in adult education from Columbia University. Her research, teaching, and outreach interests include immigration and public policy, leadership in the public sector, the human rights of immigrants and refugees in the United States, and the preparedness of communities and public institutions to adapt to demographic changes.

Acknowledgements

This report is part of a larger Humphrey Institute Report to the Northwest Area Foundation on Poverty in the Northwest. The author would like to thank Cindy Anderson at Iowa State University and Wendy Thomas at the Minnesota Population Center for special data tabulations.
The Julian Samora Research Institute is committed to the generation, transmission, and application of knowledge to serve the needs of Latino communities in the Midwest. To this end, it has organized a number of publication initiatives to facilitate the timely dissemination of current research and information relevant to Latinos.

- **Research Reports**: JSRI’s flagship publications for scholars who want a quality publication with more detail than usually allowed in mainstream journals. These are produced in-house. Research Reports are selected for their significant contribution to the knowledge base of Latinos.

- **Working Papers**: for scholars who want to share their preliminary findings and obtain feedback from others in Latino studies.

- **Statistical Briefs/CIFRAS**: for the Institute’s dissemination of “facts and figures” on Latino issues and conditions. Also designed to address policy questions and to highlight important topics.

- **Occasional Papers**: for the dissemination of speeches, papers, and practices of value to the Latino community which are not necessarily based on a research project. Examples include historical accounts of people or events, “oral histories,” motivational talks, poetry, speeches, technical reports, and related presentations.
Table of Contents

Introduction and Working Definitions .................................................................1

Understanding the Issues ....................................................................................4

Public Policy Issue
Increases in Immigrants and Hispanics in Rural Areas .....................................4

Public Policy Issue
Employment and Poverty ..................................................................................5

Public Policy Issue
Educational Disparities ....................................................................................7

Public Policy Issue
English Language Proficiency ...........................................................................9

Public Policy Issue
Health Status and Health Care ..........................................................................10

Public Policy Issue
Immigration Policies create systemic barriers to integration of Immigrants and Latinos ......................................................................................11

Public Policy Issue
Racism and Xenophobia ..................................................................................12

Public Policy Issue
Worker Rights ................................................................................................14

Promising Areas for Future Research ...............................................................14

Conclusions and Recommendations ................................................................15

Endnotes ..............................................................................................................17

References ............................................................................................................18
Introduction and Working Definitions

The purpose of this paper is to present an overview of the relationship between immigration and poverty in the eight-state region that comprises the ‘Northwest Area,’ and to make recommendations for poverty alleviation. The states are Idaho, Iowa, Minnesota, Montana, North Dakota, Oregon, South Dakota, and Washington. Before beginning the report it is important to clarify the use of some confusing, and at times overlapping, definitions that are inherent in any discussion of immigration.

*Immigrant* is a term that is often used generically to mean anyone who is foreign-born, or even to encompass foreign-born residents and their U.S.-born children. On the other hand, it is also used in a more specific, legal sense to mean individuals who entered the United States on immigrant visas. In this report we use the former definition, unless otherwise specified, but we present the legal categories below, as summarized by Massey and Bartley (2005):

*Naturalized citizens* are individuals who were admitted to the United States as ‘legal resident aliens’ and subsequently granted American citizenship. “In theory they are entitled to the same privileges as native-born citizens” (p470).

*Legal immigrants* are individuals who have been granted permanent legal residence in the United States. “They share some, but not all, of the rights of United States citizens. Since 1996 their access to United States social services and benefits has been constrained, and after the passage of the U.S. Patriot Act in 2001, their access to due process was significantly curtailed” (p470).

*Legal non-immigrants* are persons who in the United States legally for specified periods of time. This diverse category includes “employees of foreign corporations, members of diplomatic missions, international students, temporary workers, asylum seekers, traders and investors, as well as spouses and dependents of people in these categories.” “They have very limited rights. Many are not allowed to work, and they have no right of access to U.S. social services, although they are entitled to emergency medical care and public education in areas where they live” (p471).

*Illegal immigrants* are individuals who have entered the country “without inspection” or who have violated the terms of their nonimmigrant visas by working or staying too long. Illegal immigrants do not have the right to reside in or work in the United States. If apprehended they face immediate incarceration or deportation, or both. “As a result, they are generally fearful and seek to remain in the shadows of society, thus severely limiting their geographic, social, and economic mobility. They have no political rights, few legal rights, and little in the way of access to U.S. social services (again, the exceptions are public schooling and emergency health care)” (p471).

*Refugees* are a subset of immigrants who are individuals granted entry by the United States government because of a “well-founded fear” of persecution due to political or religious beliefs, or group membership. In recent years there have been few refugees from North, Central, or South America, but many from Asia, Eastern Europe, and the former Soviet republics and Africa.

Despite the contrasts, the distinction between immigrant and refugee communities becomes blurred because family members of refugees enter the U.S. as immigrants under family reunification programs. In addition, when refugee or immigrant adults have U.S.-born children, they become “mixed status” families. In fact, it is common for families to include a combination of refugees, immigrants, and U.S. citizens.
Other terminology: To further complicate definitions of immigrants, many programs and publications employ terms that have nothing to do with immigration status, or that obscure individuals’ statuses. Examples are the designation of African-born children as “African Americans” in school data, classifications of individuals by foreign surnames or primary language spoken in the home, or counts of individuals who self-designate as members of a particular ethnic or national origin group. We are also severely limited by the lack of data on primary versus secondary migrants (i.e. individuals who come directly to a particular state from another country, versus those who settle first in other states).

Even when published data are available on immigrants by country of birth, there may be problems of inaccuracies of official data, as demonstrated by a recent Census Bureau follow-up survey that demonstrated that Minnesota has the largest margin of error in census enumeration of any state.

Another term that is frequently employed in studies of immigration is foreign-born. The U.S. Census uses this category to refer to individuals of any status who were not U.S. citizens at birth.

Finally, it is worth mentioning terminology used to describe Hispanics or Latinos, because they are the both the largest group of immigrants to the United States, as well as the largest ethnic minority group. Most Latinos enter the United States as economic migrants (i.e. people who come to the United States to improve their economic status), with or without legal documentation. A majority are born in the United States, and therefore are citizens (see Figure 1), or have family members who are citizens, but because of the stigma and legal penalties associated with being an “illegal alien,” it is impossible to know with certainty what percentage of Latinos are documented (or “authorized”). It is also virtually impossible to distinguish documented or undocumented immigrants from Chicanos or other U.S.-born Latinos. For this reason we present data on poverty among immigrants, and also provide data for the broad category of Hispanics/Latinos.

There are two other reasons to include data on Hispanics in a report on immigrants and poverty. First, many Latino families include individuals of mixed status with very high levels of socioeconomic disadvantage — for example, undocumented adults with children who are U.S. citizens, or families in which one spouse is documented and the other is not. Secondly, many sources of published data on poverty include important comparisons of Latinos and other ethnic groups without defining place of birth.

The percentages of Latinos who are foreign-born vary greatly by state (see Figure 1). In the Northwest Region, very low percentages of Latinos in Montana (9%) and North Dakota (7%), and a slightly higher percentage in South Dakota (25%) were born outside of the United States. In the other states, however, the percentages are closer to the national average of 40%.

Asians, like Latinos, can be foreign-born or US-born. We have not focused on U.S.-born Asians in this report because they are better off than Latinos (and even than U.S.-born whites) on many measures of social and economic status, and because there are relatively few Asian immigrants in rural communities in the Northwest area states. Much higher percentages of Asians than Latinos are foreign born, although they are significantly less likely to be undocumented.

Rural communities. Particular attention is focused on immigrants in rural areas. Definitions of rural communities are addressed elsewhere in this project. Although the formal definitions of rural and non-metropolitan communities differ, in this section we use them synonymously, as is the practice in much of the available government and research data sources (see www.ers.usda.gov/briefing/Rurality).
Fig. 1. Percent of Latinos Who are Foreign-born, NWAF States, 2000

Source: Bump, et al., 2005

Fig. 2. Latino Population in the Northwest Eight States

Percent Latino per County
- 19.4% - 35.9%
- 8.1% - 19.3%
- 3.4% - 8.0%
- 1.5% - 3.3%
- 0.1% - 1.4%

Capital City
Major City
Major River
Metropolitan Statistical Area (MSA)
Major Water Body

Data Source: U.S. Census Bureau, Census 2000, Summary File 1 (SF 1)
* Data from the U.S. Census Bureau does not distinguish between Latino and Hispanic Population data used includes those classifying themselves as either Hispanic or Latino.
Understanding the Issues

Public Policy Issue

Increases in Immigrants and Hispanics in Rural Areas

The vast majority of immigrants in the United States — 96% — live in metropolitan areas, yet between 1990 and 2000 the foreign-born population in rural areas increased faster than that in urban areas, and faster than the growth of native-born rural residents (57% compared to 13%; Perry, 2001). The increases are the result of economic growth that has created a high demand for immigrant workers. Faced with the mechanization and consolidation of farms, and the loss of jobs and population, rural communities across the United States have offered tax abatements, environmental easements, and the provision of land and guarantees of nonunion labor as incentives to lure manufacturing plants (Naples, 2000). The success of these efforts is seen in the dramatic increases in foreign-born workers in non-traditional destinations across the country.

As mentioned, a number of studies of immigration focus on increases in the Hispanic/Latino population although the category may include both U.S.- and foreign-born individuals. Figure 2 shows the concentrations of Latinos in the Northwest states in 2000.

Some of the highest concentrations of Latinos are in rural communities with low wage industries. The non-metro Hispanic population in the United States as a whole is the fastest-growing demographic group in rural and small-town America, largely due to the growth of the meat and poultry processing industries, furniture and textile manufacturing, and service jobs in resort areas (Kandel and Cromartie, 2004). In 2000, the 3.2 million rural Hispanics represented less than 6% of all non-metro residents in the United States, but they accounted for a quarter of the growth in that population between 1990 and 2000 (Flora, 2005).

![Fig. 3. Hispanic Growth, Rural Counties, 2000](image)

*Source: Kandel and Parrado, 0803. Calculated by ESRI using data from the U.S. Census Bureau*
Figure 3 shows Hispanic high growth non-metro counties across the United States (Kandel and Cromartie, 2004). These counties are characterized by low unemployment and economic growth. Kandel and Parrado (2004) calculate that, without Hispanic residents, over 100 non-metro counties would have lost population between 1990 and 2000. Nearly 500 others had increases in the Hispanic population that were not large enough to offset decreases in non-Hispanics. However, the economic growth of these counties does not extend to the workers who drive it. Compared with non-Hispanic whites, Latinos in the high growth areas have lower wages, lower levels of English language proficiency, fewer years of schooling, and are less likely to be naturalized citizens.

Within the Northwest region there is a good deal of variability in Hispanic growth rates. During the 1990s it ranged from 49% in Montana to 205% in Minnesota. Minnesota ranked ninth out of the 50 states on this indicator, and Iowa ranked eleventh (Migration Information Source, see Figure 4).

**Figure 4. Percent Growth in the Nonmetro Hispanic and Total Populations, Northwest States, 1990-2000**

<table>
<thead>
<tr>
<th>State</th>
<th>Hispanic Growth</th>
<th>Total Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>IA</td>
<td>190</td>
<td>90</td>
</tr>
<tr>
<td>ID</td>
<td>140</td>
<td>40</td>
</tr>
<tr>
<td>MN</td>
<td>90</td>
<td>90</td>
</tr>
<tr>
<td>MT</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>ND</td>
<td>90</td>
<td>30</td>
</tr>
<tr>
<td>OR</td>
<td>140</td>
<td>40</td>
</tr>
<tr>
<td>SD</td>
<td>90</td>
<td>90</td>
</tr>
<tr>
<td>WA</td>
<td>140</td>
<td>40</td>
</tr>
</tbody>
</table>

**Public Policy Issue**

**Employment and Poverty**

Immigrants in the United States and the Northwest states are disadvantaged on a variety of social indicators (see Table 1).

In spite of the obstacles of travel, language and education, immigrants have relatively high labor force participation rates, compared to native-born adults in the United States. Nationally, 71% of immigrants and 78% of natives were employed in 2000; in the Northwest states, there was a wider gap (69% and 81% respectively). These differences are skewed by very low employment of foreign-born adults in North Dakota (56%) and by high rates of 83%-85% among native-born residents of North Dakota, South Dakota, Iowa and Minnesota.

Immigrants in the Northwest states are also much more likely than natives to have incomes that are 150% of the official poverty level or lower (31% and 22% respectively), and much less likely to own their own homes (53% vs. 74%). There are important differences among the Northwest states in these poverty comparisons (see Figs. 5 and 6). The greatest gaps are in Idaho; large disparities also exist in Minnesota and Oregon. North Dakota is an anomaly, because in 2000 there was a slightly lower rate of relative poverty for natives than for immigrants.
Aggregate measures of poverty also mask dramatic differences among immigrant groups by country or region of origin. On all social indicators Asians do better than Latinos (although there are some sub-groups of Asians who are disadvantaged on particular measures of income or education). In both 1990 and 2000 poverty rates among the children of immigrants were 50% higher than among children of natives (Figure 7), with the highest rates for Mexican immigrant children (van Hook, 2003).

In sum, low skilled immigrants — and particularly Latinos — have high poverty rates in spite of high labor force participation primarily because of their concentration in low wage jobs. This reflects a nationwide trend in which individuals with strong technical skills receive high wages, but those with fewer skills and years of education are relegated to a low-wage, secondary labor market.

---

Table 1. Comparison of U.S.- and Foreign-Born on Various Social Indicators

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>U.S. NATIVE</th>
<th>U.S IMMIGRANT</th>
<th>N.W. NATIVE</th>
<th>N.W. IMMIGRANT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage in Labor Force</td>
<td>78.0</td>
<td>70.5</td>
<td>81.0</td>
<td>69.3</td>
</tr>
<tr>
<td>Percent of adults at 150% of Official Poverty Level</td>
<td>22.0</td>
<td>29.9</td>
<td>21.8</td>
<td>30.6</td>
</tr>
<tr>
<td>% of Adults Owning Their Home</td>
<td>72.2</td>
<td>54.5</td>
<td>73.8</td>
<td>52.6</td>
</tr>
<tr>
<td>Mean Years Education</td>
<td>13.1</td>
<td>12.1</td>
<td>13.2</td>
<td>11.9</td>
</tr>
</tbody>
</table>

Source: calculated from data presented by Bump et al., 2005

---

Fig. 5. Poverty Rates for Immigrants & Natives of NWAF States, 2000 - Metro

Source: Wendy Thomas, MN Population Center, 0805: PUMS

Fig. 6. Poverty Rates for Immigrants & Natives of NWAF States, 2000 Non-Metro

Source: Wendy Thomas, MN Population Center, 0805
Public Policy Issue

Educational Disparities

Nationally, only slightly over half (53%) of Latinos have graduated from high school, compared with over three-quarters of non-Hispanic whites. Latinos, in particular, have dramatically lower graduation rates than white, non-Hispanics in the United States (Manhattan Institute, 2002). In fact, 11% of Mexican-origin immigrants had no formal schooling at all, compared with less than 1% of natives. At the other end of the educational spectrum, immigrants from India, China, and the Philippines are more likely than U.S.-born adults to have professional or graduate degrees.

One of the most important predictors of future social and economic success for children is the educational attainment of their parents. The children of parents with low levels of education are themselves more likely to be behind in school and to suffer long-term economic disadvantage. The contrasts between immigrant and native children on this measure are striking: in 2000, 60% of U.S.-born children had parents who were college graduates, compared to only 5% of immigrant youth (Hernandez, 2004).

Foreign-born Latinos generally have the lowest graduation rates of all, in part because they leave school before entering the United States. However, American-born Latino youth are less likely to complete high school or college than Whites, Asians, or African-Americans (Fuligni and Hardway, 2004). The socioeconomic consequences of school-leaving can be seen in the fact that only about half of Latino high school dropouts were employed in 2002.

Comparisons of Latino and white high school graduation rates in Northwest Area states are presented in Figure 8. In Montana, South Dakota, and Washington graduation rates for Latinos is similar to the graduation rates for whites. In Iowa, Minnesota, and Oregon, whites have very high graduation rates, but Latinos (and other minority students) are much less likely to complete high school. In these states, Latino graduation rates were 25-32 points lower than the corresponding rates for white students. Ironically, Minnesota ranked seventh out of the 50 states in graduation rates for white students in 2000, while recording one of the lowest graduation rates in the country for Latinos (53%). These rates are especially low for Latinos in rural communities.
Fuligni and Hardway (2004) identified several basic characteristics of high schools that promote academic achievement. They include qualified teachers, a positive school climate, and the availability of college preparation and advanced placement courses. In contrast, immigrants and limited English proficiency (LEP) students are more likely to have inexperienced teachers, and to attend large, over-crowded schools in poor neighborhoods. They conclude that “it is difficult to imagine how students from Latino immigrant families and those from African American families can raise their high school completion and college attendance rates without a significant improvement in the quality of the schools that they attend” — at a minimum, enhancing teacher quality, school climate and enrollment in advanced courses. They also identify financial barriers to participation in school enrichment activities and academic prep programs, lack of information about eligibility and rights in terms of access to services, and lack of help negotiating the complex system of college applications and financial aid. If these services are scarce in metropolitan schools, they are virtually non-existent in rural school districts with limited funds and declining enrollments.

School testing programs, such as No Child Left Behind (NCLB), can exacerbate problems of retention for minority and immigrant children if testing is not culturally normed or offered in languages other than English, and if use of the tests discourages low achieving students from staying in school. Test-related dropouts result from student discouragement over repeated failure to pass exams, or to retention at lower grade levels. Tests can also create incentives for schools to push out or fail to enroll students who cannot pass, in order to avoid being penalized in test-based school ratings. Darling-Hammond, et al., (2005) cite a number of studies that demonstrate that high school graduation exams increase the probability that the lowest achieving students will drop out.

Some states in the Northwest Area region adhere to practices designed to reduce the likelihood that testing programs penalize minority children or their schools. Montana, for example, offers alternative assessments for students with limited English proficiency. Washington State permits portfolios as alternative performance assessments. In Idaho, first-year English language learners are exempted from English tests. Acceptance of a variety of measures to assess K-12 student learning yields more complete and culturally sensitive assessments than complete reliance on traditional test scores (Darling-Hammond, et al., 2005). This may be one reason both Washington and Montana have high graduation rates for Latino students, similar to their white counterparts.

Low school achievement and high dropout rates among immigrant children and Latinos highlight the urgent need to support education at the preschool, K-12, and post-secondary levels as a poverty alleviation strategy. As Dreier, et al., (2001) have emphasized, “we need to spend more on the schools that teach poor students, in order to provide them with a level educational playing field.”

Culturally responsive practices, which include having high expectations and standards for learning, are related to student success. Demmert and Towner (2003) have examined the research base on Native education and found six critical elements of “culturally based education” (CBE) that suggest an impact on academic achievement of Native American students. These elements are equally relevant to immigrant youth. They include recognition and use of native languages; pedagogy using traditional cultural characteristics; teaching strategies and curriculum congruent with traditional culture and traditional ways of knowing; strong Native community participation in education; and knowledge and use of political mores of the community.
The Center for Research on Education, Diversity, and Excellence (CREDE) has also developed standards of pedagogy based on research regarding effective educational programs for diverse students. They include:

- **Teachers and students working together;**
- **Developing language and literacy skills across the curriculum;**
- **Connecting lessons to students’ lives;**
- **Engaging students in challenging lessons;**
- **Emphasizing dialogue over lectures .**

In a qualitative study documented by Minnesota Public Radio (Baxter, 2004), the non-profit research group, HACER, went to Long Prairie, Minn., to find out why a school district with 5% Latino enrollment had not yielded one Hispanic high school graduate. They interviewed students, school personnel, and educational specialists. A Latino professor at the University of Minnesota, who was familiar with the community, noted that it is difficult for Latino students to become integrated if they spend most of the school day in a separate ESL classroom. He recommended establishing recreational activities to connect youth to the school, and hiring and retaining good ELL (English Language Learner) teachers and counselors to help Hispanic students understand the value of a high school diploma.

However, high school diplomas may not lead to economic success for many Latinos under current state and federal laws because post-high school options are unavailable to Latino students who derive their immigration status solely from parents who are “undocumented.” A bill introduced to Congress each of the past several years, called the DREAM Act, would provide a path to legal status for many undocumented immigrants who graduate from high school and who serve in the military or go on to college.4

Many Latino students who do graduate from high school go on to community college because of the availability of vocational education, lower tuition costs, and open enrollment policies. Hispanics are significantly under-represented at 4-year colleges, but over 55% of those attending post secondary schools enroll in community colleges (Saenz, 2002). On the other hand, high dropout rates from community colleges suggest that they are not a panacea.

**Public Policy Issue**

**English Language Proficiency**

Immigrants in rural areas are less proficient in English than their counterparts in urban and suburban parts of the country. Lack of English is a major barrier to social and economic advancement. As stated by the Chicago Council on Foreign Relations (2004), “the single most important skill an immigrant can possess to succeed in the United States is a command of the English language.” They urge the government to “make a concerted effort to address the barriers to English language training for adult immigrants, including expanding language training opportunities and access to such opportunities.” In an Urban Institute survey of immigrant families in New York and Los Angeles, limited English proficiency was more strongly correlated with poverty and hunger than legal status or length of time in the United States (Golden, 2005). The high concentration of immigrants with limited English in parts of the Northwest Region is a major problem that needs to be addressed in any successful program of poverty alleviation.

Percentages of Asian and Latino-origin LEP (Limited English Proficiency) students in the Northwest Area states range from a remarkable low of 0.8% in North Dakota (a state with very few immigrants), to a high of 9.4% in Oregon. Reasons for these marked differences are unclear.
The National Research Council has tentatively concluded that bilingual education programs seem to be effective for immigrant students, although they emphasize that programs should be designed to meet the particular needs of students and schools (Fuligni and Hardway, 2004). Naples (2000) spent eight years conducting fieldwork in a rural Iowa town with a large meatpacking plant. She interviewed a high school teacher who described the need for special training for K-12 teachers regarding ways to meet the special needs of LEP students:

We had several Hispanic students coming in who did not speak English. So, it was real frustrating for the teachers because they had not been trained in how to deal with these students, and so we just kind of had to play it by ear, and we did just things that we knew to do with other kids... obviously the families at home don’t speak English, so when the kids are here for seven hours a day, that’s not really enough... We also discovered that the parents are not well educated, not even in their own language, so many of them can’t read or write in Spanish, let alone English. So their language skills are really confused, and uh, I don’t know, it’s just been really hard as teachers who aren’t trained to know what to do.” Cited in Naples (2000).

Lack of English language proficiency is also a barrier for foreign-born adults. Gozdziak and Melia (2005) identified promising practices in the integration of immigrants in communities identified as “non-traditional” destinations. Chief among the programs cited were a variety of English language and literacy programs for adults, based in public schools, libraries and family centers. Equally important were vocational training, recredentialing and access to higher education.

In spite of the need for English language training for both youths and adults, it is important to remember that the great majority of immigrants in the United States and in the Northwest states speak English well or very well. The percentages range from 67% of the foreign-born in Idaho, to 91% in Montana. This may be another reason why Montana has high graduation rates for Latino students, similar to their white counterparts.

Public Policy Issue

Health Status and Health Care

A growing body of literature describes what has come to be known as the ‘healthy migrant’ phenomenon — the fact that immigrants to the United States and Western Europe countries are often healthier than native-born residents in their new countries of residence. Similar deterioration of wellbeing has been noted in the socioeconomic status of second and third generation Latinos. Landale and Oropesa (1996) report that, for all groups of Latinos, the percentage of third-generation children in poverty is much higher than among non-Latino whites, while among Asians, the socioeconomic status of children generally improves with each succeeding generation in the United States.

Over time, many immigrants lose their initial health advantage for reasons that are not fully understood (Fennelly, 2005b). Ironically, it is post-immigration experiences that seem to lead to tangible stresses that compromise health and well-being, particularly in the areas of medical insurance, housing, and occupations.

Some of the explanation for the increasingly poor developmental outcomes for the children of immigrants as compared to the children of native-born parents is that they are significantly less likely to receive health insurance, public assistance, or food stamps (Haskins et al., 2004). It is troubling to recognize that almost a third of uninsured children in the United States are in immigrant families (Parker and Teitelbaum, 2003).
Inadequate housing is another important determinant of poor health outcomes. In a series of focus groups in rural Minnesota with Latino parents (HACER, 1995), individuals in all the groups described problems related to their inability to find affordable housing. As a result they were forced to live in overcrowded conditions in substandard buildings.

Finally, many immigrants are concentrated in high risk occupations, with high rates of hazards and likelihood of injury. Loh and Richardson (2004) have shown that, while the share of employment by foreign-born workers increased 22% between 1996 and 2000, their share of fatal occupational injuries during this period increased by 43%. Rates were particularly high in private construction, retail trade, and transportation and public utilities.

The policy implications of the changing health status of immigrants are significant. First it belies the arguments of some anti-immigrant groups that immigrants pose a health threat to Americans. Immigrants are, in fact, healthier than natives when they arrive in the United States. Secondly, the healthy migrant phenomenon illustrates that the most economically sound policies would be to invest in services to maintain the good health of this important and growing segment of the population, rather than to continue to cut benefits and create barriers to preventive care. To do otherwise will prove far more costly in the long run.

**Public Policy Issue**

**Immigration Policies Create Systemic Barriers to Integration of Immigrants and Latinos**

The expansion of the free flow of capital, goods, and services created by the North American Free Trade Agreement (NAFTA) has not been accompanied by a corresponding easing of restrictions on the flow of labor. Indeed, as noted in a report by the U.S.-Mexico Migration Panel of the Carnegie Endowment for International Peace (2001), labor movement across American borders is subject to massive enforcement efforts and legal restrictions.

Most Americans do not realize that the phenomenon of “illegal immigrants” is created by an economy that relies upon foreign labor and an immigration system that does not issue visas to low-wage workers. In 2002, the U.S. Bureau of Citizenship and Immigration Services admitted 174,968 employment-based immigrants to the country, but only 1% were for low-skilled workers. Furthermore, the estimated backlog of pending immigrant applications was 6.2 million at the beginning of 2004. The result is that there are an estimated ten million unauthorized workers in the country supporting such industries as agriculture, horticulture, hospitality, construction, healthcare, and food processing. Legalizing the status of these workers would bring them into the formal economy, increase tax revenues, and likely improve wages and working conditions for all workers (Waslin, 2004). Proposals to deal with this paradox are mired in political disputes. However, resolution of the problem is essential for the wellbeing of both workers and employers. As Haines (1999) points out, the inability of the United States to address the problem of undocumented workers raises questions about the viability of an economy in which employers in many industries do not provide workers with normal employment contracts or adequate benefits.

Many individuals in the United States argue against providing public and social benefits to undocumented residents. However, attention to their needs is an essential part of the formulation of poverty reduction strategies because of the prevalence of mixed status households. Restriction of benefits not only affects undocumented parents, but also their citizen children. Massey and Bartley (2005), for example, estimated that almost half of settled Mexican households in the United States with legal immigrants also contain someone without documents. It is the children who are American citizens who suffer when their undocumented parents are unable to secure public benefits or educational loans or their undocumented parents are deported.
The combined effects of federal immigration and welfare reforms over the past 10 years has been to greatly restrict access to social services, health services, education and training to authorized immigrants as well. Approximately 4.5 million legal immigrants who entered the country after the enactment of welfare reform in 1996 have been barred from receipt of federal “means-tested benefits” until they become citizens. As a result, immigrants’ wages and working conditions have declined while access to a social safety net was removed (Nightengale and Smith, 2005).

One criticism that is sometimes leveled at immigrants is that they make relocation choices to take advantage of public assistance benefits. Kaushal (2005) studied this and found that immigrants’ location choices were unaffected by whether or not a state offered generous benefit programs. He notes that “states should not erroneously believe that they can export their immigrant problem by denying welfare benefits.” Typically, immigrants choose a state or region because of the availability of jobs, or to be near extended family.

**Public Policy Issue**

**Racism and Xenophobia**

Punitive legislation at state and federal levels that bars immigrants from education, social, and health benefits is the result of public fear over the impacts of immigration. The perception that “immigrants cost more than they contribute” is a major determinant of support for restrictive immigration policies (Fennelly and Federico, 2005). In spite of strong research evidence of the economic and social benefits of immigration, and its increasing importance for an aging society, close to a majority of Americans believe that immigration should be decreased (see Table 2 and Fig. 9). These sentiments have been exacerbated by the terrorist attacks of Sept. 11, 2001, and they are actively promoted by organized and well-funded anti-immigrant groups, political caucuses, and some sources in the national media.

Overt discrimination against immigrants is a fact of life in many rural communities.

**Fig. 9. Barrier: Anti-Immigrant Attitudes**

Gallup Polls on Whether Immigration Should Be Kept at Current Levels, Increased, or Decreased

<table>
<thead>
<tr>
<th></th>
<th>DECREASED</th>
<th>CURRENT LEVEL</th>
<th>INCREASED</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAR ‘01</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JUNE ‘01</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OCT ‘01</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JUNE ‘02</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JULY ‘02</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Naples (2000) describes what she calls “sites of contestation” that emerge as a result of the rapid increases in immigrant and minority populations in formerly white rural communities. These include “the economic development corporation the police, state licensing agencies, the schools, and health and social services, as well as employment practices, housing provision, gender relations, and language” (p16). Other researchers have described meatpacking towns in which foreign-born workers who do not speak English are far down on the social hierarchy (Fennelly and Leitner, 2002; Amato, 1996; Benson, 1999).

In the HACER (1995) focus groups with rural Latino parents to which we referred to earlier, parents in every group reported daily incidents of discrimination, and described the need for bilingual advocates to help with their contact with police and the schools to address injustices encountered at the workplace.

The perception that immigrants cost more than they contribute is not based on fact. As Passel and Clark (1998) have pointed out, “most research and public discussions have tended to focus on the costs of immigrants and their implications, with considerably less attention to the fiscal contributions of immigrants.” They note that, because it is easier to estimate the cost of use of services than tax payments, few analysts take into account the fact that immigrants pay billions of dollars in federal and state income and sales taxes, Social Security taxes, residential property taxes, and unemployment insurance payments. Furthermore, few studies distinguish between short- and long-term costs and contributions of immigrants and their descendants.

Peterman and Nyden (2001) examined 14 stable, racially and ethnically diverse communities in nine U.S. cities and drew conclusions that are applicable to rapidly diversifying rural areas as well — particularly observations of unplanned demographic change in what the authors call “diverse-by-circumstance communities.” They suggest that stable communities are ones that forge connections linking different groups, and that have community organizations committed to preserving diversity, and public discussion of community values, as well as certain physical characteristics that continue to attract new residents.

The national funders group, Grantmakers Concerned with Immigrants and Refugees (GCIR, 2002) identifies among its top recommendations for funders, research on the economic incorporation of immigrants, and public education and media campaigns to increase understanding of immigrants, particularly their contributions to the economy.

Table 2. American Attitudes Towards Immigrants
*NPR/Kaiser/Kennedy School Poll, 2004

<table>
<thead>
<tr>
<th>SURVEY ITEMS</th>
<th>URBAN</th>
<th>SUBURB</th>
<th>RURAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are too many immigrants in the U.S. today*</td>
<td>51.0%</td>
<td>54.0%</td>
<td>62.0%</td>
</tr>
<tr>
<td>Immigrants do not pay their fair share of taxes**</td>
<td>60.0%</td>
<td>66.0%</td>
<td>71.0%</td>
</tr>
<tr>
<td>Immigrants are a burden on our country**</td>
<td>45.0%</td>
<td>46.0%</td>
<td>66.0%</td>
</tr>
<tr>
<td>The Federal Government is not tough enough on Immigration**</td>
<td>58.0%</td>
<td>65.0%</td>
<td>73.0%</td>
</tr>
</tbody>
</table>

*chi square significant at p<.01
**chi square significant at p<.001
Public Policy Issue

Worker Rights

The social and economic disadvantage of immigrants in many rural communities is indicative of a larger shift from stable to contingent work. Winson & Leach (2004) describe the entrenchment of inequality in rural communities and the ways in which increasing “corporate flexibility” has become a euphemism for curtailing worker rights. This trend, combined with lack of statutory, political, or social support for protection of immigrant workers and their families, leaves them subject to serious exploitation. The result is a lack of wage, safety, or benefit protections. These conditions led the Immigrant Task Force of the Chicago Council on Foreign Relations (2004) to conclude that “supporting efforts to organize low wage workers is perhaps the highest priority strategy to reduce poverty among immigrants in rural areas.” It urges federal and state governments to vigorously enforce workplace protection and labor laws equally for native- and foreign-born employees. Similarly, Grantmakers Concerned with Immigrants and Refugees, has called for “multiracial, multiethnic coalition building and campaigning at the local, state, and national levels, among diverse immigrant groups and between immigrants and native-born communities on issues of common concern, such as enforcement of worker protection laws and improvements in public education.”

Promising Areas for Future Research

Virtually all of the published research on poverty among foreign-born residents of the United States focuses on urban areas, where the majority of immigrants reside (Slack and Jensen, 2002). However, a number of important research questions pertinent to the design of strategies for alleviating rural poverty rural are suggested by the data in this report.

- What accounts for the high immigrant labor force participation rate in Iowa and South Dakota, and the dramatic disparity between native and immigrant employment rates in North Dakota?
- How has North Dakota achieved a lower poverty rate for immigrants than for natives, when all other states in the region have lower rates for U.S.-born adults? What accounts for the dramatic disparities in poverty rates between immigrants and natives in Idaho and Minnesota?
- How has Montana achieved a Latino graduation rate of 82% — only two points lower than the rate for non-Hispanic whites? In contrast, what accounts for the disturbingly low Latino graduation rate (43%) in Oregon? Why does Minnesota have one of the highest graduation rates in the nation for white students (85%), and one of the lowest for Latino youth (53%)?
- What is to be learned from the “healthy migrant” effect — the fact that first generation immigrants are healthier than non-immigrants on a wide variety of indicators, but that their health deteriorates with each year of residency in the United States?
- What are the protective factors that seem to help second and third generation Asian youth succeed, when the percentage of Latino children in poverty increases with each successive generation in the United States?
- What are the characteristics of rural communities with successful integration programs? How can these programs be replicated across the region?
- What are the important ingredients for increasing electoral participation and success on the part of naturalized citizens and the U.S.-born children of immigrants?
- What are the characteristics of American residents who see the value of a healthy, multicultural society? Which of these characteristics is amenable to programmatic intervention and replication?
Conclusions and Recommendations

Rural population loss is a sign of economic decline (McGranahan and Beale, 2002), yet few research reports describe the economic gains represented by the influx of foreign-born residents to rural areas. These include labor force growth, the rejuvenation of local economies, strengthened tax bases, and the reversal of declining population and school enrollments — and with that, increases in per pupil funding. Kandel and Parrado (2004) estimate that more than 100 non-metro counties would have lost population without the influx of Hispanic residents, and Fennelly (2005) plotted rural school enrollments in Minnesota communities with meatpacking plants and high concentrations of immigrant workers to demonstrate that minority children accounted for all of the growth (or reversal of declines) in the schools 1991-2002.

Immigrants in the United States accounted for almost half of the net growth in the American labor force between 1990 and 2000, and the fastest rates of increase have been among Latino workers moving to rural communities. Nevertheless, contributions to the economy and high labor force participation rates have not translated into economic opportunity for many of these foreign-born workers at either national or local levels. Instead, high concentrations of immigrants in small towns and high rates of poverty among first and subsequent generations of Latinos have led to stresses on local services and schools. Local citizens’ groups need help from national and regional organizations in putting pressure on multinational companies to take greater responsibility for the welfare of immigrant workers and their families, and on state and federal governments for a more equitable devolution of related tax revenues.

In addition to education about the fiscal benefits of immigration, there is a need for public information campaigns to discredit myths about the “instant success” of European immigrants from the turn of the previous century and to help the public understand that contemporary immigrants face additional barriers for upward socioeconomic mobility (Gerstle and Mollenkopf, 2001). These include greater educational disparities with native residents, weakened labor unions, and the bifurcation of jobs into those available to high skilled workers (such as South Asian immigrants in the high tech industries) and those available to workers with low levels of education or training. The latter often provide few prospects for advancement, and relegate immigrants and rural Latinos to low wage roles in food processing and manufacturing, leading to employment gains without wage increases. As a result, in the late 1990s, a robust economy produced strong employment among Hispanic men, but their median wages rose 50% more slowly than those of native men (Rochhar, 2005).

On the other hand, upward mobility takes time, and expectations of short-term success may be unreasonable. Gerstle and Mollenkopf (2001) note that “not until the 1940s and 1950s, sixty to seventy years after the new immigrants began arriving, could their descendants point with some assurance to their groups’ economic and social progress.” (p.7) However, the prospects for similar long-term social and economic advancement of contemporary immigrants may be constrained by economic restrictions on job mobility faced by low wage workers (Shipler, 2004) and by discrimination facing persons of color.

Voluntary, cooperative efforts to help alleviate poverty among rural immigrants and U.S.-born Latinos are important, but insufficient. Several of the problems described here require state and federal solutions. In a discussion of urban poverty, Dreier, et al., (2001) cites the positive economic impact of federal programs for rural electrification and creation of the national park system and advocate for the allocation of federal resources in ways that provide more help to less well-off regions. He notes that the disparities between metropolitan and non-metropolitan regions do not stem entirely from natural advantages. “Acting alone, towns and their regions can make only limited progress on reducing and deconcentrating poverty. In the long run, only the nation as a whole can limit, and ultimately reverse, the factors that created the current situation.” This is particularly
true of the need to extend legal status to undocumented workers, to insure worker protection, and to reverse the federal limits to social supports and benefits for legal immigrants.

Although this report presents some stark challenges, there are a few positive signs regarding prospects for poverty amelioration among immigrants and Latinos. First, legislative changes that provided child health insurance to some immigrant children (SCHIP) have led to a decline in the percentage of uninsured children of immigrants from 23% to 18% in the three years between 1999 and 2002 (Parker and Teitelbaum, 2003). There were also substantial declines in Latino child poverty rates between 1990 and 2000, as well as declines in the percentages of Latino children living in deep poverty.

A Pew Hispanic Center analysis of data from the Bureau of Labor Statistics in May of 2005 found a rapid decline in the Hispanic unemployment rate over the previous 18 months. Yet real weekly earnings for Hispanics declined by 2% in 2003 and almost 3% in 2004. However, the vast majority of new jobs were in low-skill occupations, and Latino wages fell for the second year in a row (Kochhar, 2005). These trends underscore recommendations made in this report regarding the importance of reinstatement of benefits and social safety nets for immigrant and Latino workers and their families, and attention to workers rights and wages overall. On the other hand, these gains occurred during periods of economic prosperity, and future downturns are likely to foster more restrictive policies (Wells, 2004). Continued gains (and reversal of negative trends) will require reinstatement of the “safety nets” of eligibility for social benefits for non-citizens that were removed under state and federal welfare reform, and support for major school and workplace education reforms. They will also require attention to workers’ rights. Supporting efforts to organize low wage workers is one of the highest priority strategies to reduce poverty among immigrants in rural areas.

A concerted strategy to strengthen rural schools and to improve Latino graduation rates is an essential ingredient of any effective poverty alleviation program. Foundation funds should be dedicated to studying the successes in some communities in the region, and to sponsoring broad-based community-school-business partnerships to strengthen schools. These same partnerships can be harnessed to advocate for additional state funding for schools that serve high percentages of minority youth.

The lack of English language proficiency is another major barrier to the advancement of immigrants and Latinos in the Northwest Region. There is a need for trained interpreters and community advocates, bilingual education programs in the schools, and language accessible welfare-to-work and job training programs.

The successful implementation of some of the broad policy recommendations included in this report will require an increase in the political capital of immigrants and their U.S.-born children. Suro (2005) notes that Hispanics accounted for half of the population growth in the United States between the elections of 2000 and 2004, but only one-tenth of the increase in the total votes cast. Many Latinos are ineligible to vote because they are too young or because they are undocumented. With the coming of age of these young people, continued rapid growth in the Latino population in the United States, and the possibility of legislation to legalize some undocumented workers, the political clout of Latinos should increase substantially. Their political capital is likely to be the impetus behind contemporary Republican and Democratic Party proposals for immigration reform, and recent attempts by some labor unions to reverse years of policies that excluded and ignored immigrant workers.
Nevertheless, there are equally strong attempts to vilify all immigrants in general, and “illegal immigrants” in particular. The virulently anti-immigrant coalition formed by Rep. Tom Tancredo of Colorado has gained a great deal of national attention and support from social conservatives and moderates alike in Congress. These efforts are abetted by so-called “research tanks” like the Center for Immigration Studies, by widespread local and national lobbying from FAIR (Forum for American Immigration Reform) and spin-off organizations, and by recurrent broadcasting of anti-immigrant programming by national media (such as Fox News and CNN). To counteract these well-funded, ideologically-driven programs will require major, coordinated initiatives to demonstrate to the American public that promoting policies that insure the success of immigrants and their children is not only socially responsible — it is in the national interest.

Endnotes

1 This section is taken verbatim from a chapter by Fennelly in Gzodziak and Martin, 2005.

2 Hispanic population growth of 150% or more between 1990 and 2000, and at least 1,000 Hispanic residents in 2000.

3 The official poverty rate is published by the U.S. Bureau of the Census; an alternative rate of relative poverty is set at 150% above the official thresholds.

4 “To qualify for immigration relief under the DREAM Act, a student must have been brought to the U.S. more than 5 years ago when s/he was 15 years old or younger and must be able to demonstrate good moral character. Under the DREAM Act, once such a student graduates from high school, he or she would be permitted to apply for conditional status, which would authorize up to 6 years of legal residence. During the 6-year period, the student would be required to graduate from a 2-year college, complete at least 2 years towards a 4-year degree, or serve in the U.S. military for at least two years. Permanent residence would be granted at the end of the 6-year period if these requirements have been met and if the student has continued to maintain good moral character. The DREAM Act also eliminates a federal provision that discourages states from providing in-state tuition to their undocumented immigrant student residents, thus restoring full authority to the states to determine state college and university fees” (nilc.org, 2005).

5 Although the focus here is on the low wage labor force, it is worth noting that there are also important shortages of visas for high skilled workers.

6 Compared to modest wage increases in 2003 among non-Hispanic White and Black workers, and 1% decreases in 2004; wages for Asians increased in each of the two years.
References


