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POLICY BRIEF

Immigrant Success or Stagnation?: Confronting the Claim of Latino Non-Advancement

by Walter A. Ewing and Benjamin Johnson*

Latinos experience substantial socioeconomic progress across generations compared to both their immigrant forefathers and native Anglos. But this fact is lost in statistical portraits of the Latino population which don't distinguish between the large number of newcomers and those who have been in the United States for generations. Advocates of restrictive immigration policies often use such aggregate statistics to make the dubious claim that Latinos are unable or unwilling to advance like the European immigrants of a century ago.

A question that arises repeatedly in the immigration debate is whether or not the children and grandchildren of modern-day immigrants from Latin America are moving up the socioeconomic ladder like the descendants of European immigrants who came to the United States in the late 19th and early 20th centuries. However, comparing immigrant communities from these two eras is no simple task. The progress enjoyed by previous waves of European immigrants can be evaluated with a century's worth of hindsight. Successive generations of Italian Americans, for instance, have provided an increasingly clear contrast to the first-generation (foreign-born) immigrants who arrived at Ellis Island a hundred or more years ago with little – if any – money, education or knowledge of English. Such neat historical comparisons are not possible for Latinos, nearly half of whom are first-generation immigrants just starting the process of advancement begun decades ago by their European counterparts. While evidence indicates that Latinos are experiencing substantial progress across generations, this fact is lost in statistical portraits of the Latino population which don't distinguish between the large number of newcomers and those who have been in the United States for generations. Some advocates of restrictive immigration policies have seized upon such aggregate statistics to advance the dubious claim that Latinos are more resistant to upward mobility or “assimilation” than the Europeans of a century ago.

Latino Advancement Across Generations

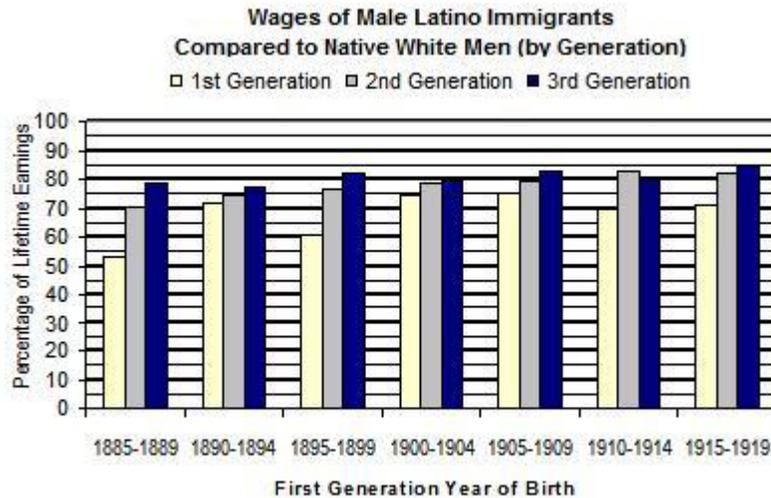
First-generation immigrants in general tend to have lower incomes and less education than their adult children and grandchildren born in the United States. This has important implications for evaluating Latino socioeconomic progress given that almost half of Latinos are newcomers to this country. According to U.S. Census Bureau statistics, first-generation immigrants from Latin America account for only 6.2% of the U.S. population as a whole, but constitute 45.6% of all Latinos. Among Mexican Americans, who account for 63.4% of all Latinos, 41.1% are first-generation immigrants.¹ Moreover, a large number of these immigrants are very recent arrivals, with 52.1% having come to the United States between 1990 and 2002, and an additional 25.6% arriving during the 1980s.² Statistical snapshots of Latinos in the United States thus reveal little about their progress over time unless distinctions are made between different generations. When first-generation immigrants are compared with their children and grandchildren, the evidence of advancement in wages, education and English proficiency becomes clearer.

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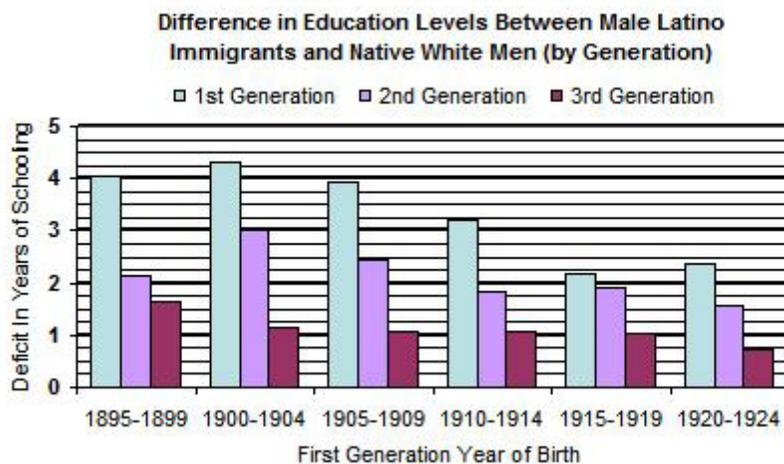
Figure 1



(Source: James P. Smith, “Assimilation across the Latino Generations,” *American Economic Review*, May 2003.)

In a 2003 study by the RAND Corporation, economist James P. Smith finds that successive generations of Latino men have experienced significant improvements in wages and education relative to native Anglos {See Figures 1 and 2}. According to Smith, “the reason is simple: each successive generation has been able to close the schooling gap with native whites which then has been translated into generational progress in incomes. Each new Latino generation not only has had higher incomes than their forefathers, but their economic status converged toward the white men with whom they competed.” For instance, Latino men born during 1895-1899 who immigrated to the United States earned 60.5 cents for every dollar earned by the white men with whom they competed over their lifetime and had 4.0 years less schooling. Their adult sons, in turn, went on to earn 76.3 cents for every dollar earned by white men and had 2.1 years less schooling, while their grandsons earned 81.9 cents on the dollar and had 1.6 years less schooling. Smith concludes from his analysis that “fears are unwarranted” that Latinos are “not sharing in the successful European experience, perhaps due to a reluctance to assimilate into American culture.”³

Figure 2



(Source: James P. Smith, “Assimilation across the Latino Generations,” *American Economic Review*, May 2003.)

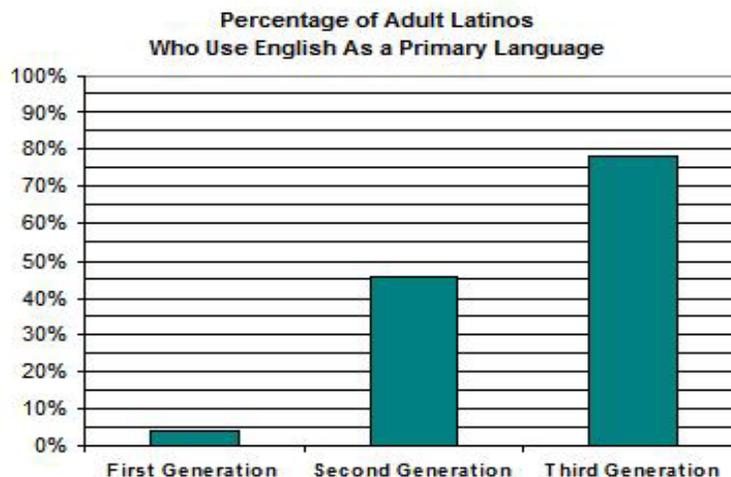
Smith’s data does indeed reveal a general trend of progress among successive generations of Latino men in closing their wage and education gaps with native Anglos. Yet the rate of progress in closing the wage gap slows among later groups of third-generation Latino men. For instance, Smith’s data on the progress experienced specifically by Mexican Americans indicate that more recent groups of third-generation Mexican American men experience roughly the same wage gap as their fathers, although they continue to

close their education gap with white men.⁴ At first glance, this would seem to reinforce a conclusion reached by economists Jeffrey Grogger and Stephen J. Trejo in a 2002 Public Policy Institute of California study that progress “appears to stall after the second generation” among Mexican Americans.⁵ However, Grogger and Trejo come to this conclusion using a statistical method different from that used by Smith. While Smith compares successive generations – matching up immigrant fathers with their native-born sons and grandsons – Grogger and Trejo compare all first-, second- and third-generation Mexican Americans within the same 1996-1999 time period. As a result, their study does not measure the inter-generational progress experienced by earlier groups of Mexican Americans. Moreover, as Smith points out in a 2001 study, the relative “stagnation” experienced by Latinos in closing their wage gap with native whites began in the 1980s and also occurred among African Americans, suggesting it is related to changes in the U.S. labor market not specific to any one ethnic group.⁶

Despite their methodological differences with Smith, Grogger and Trejo reach a number of similar conclusions. They find that “Mexican Americans experience dramatic gains in education and earnings between the first and second generations. On average, U.S.-born Mexican Americans have three and a half years more schooling and at least 30 percent higher wages than do Mexican immigrants.” Given that both the second and third generations experienced such large advances over their parents and grandparents, Grogger and Trejo conclude that the “experiences of second- and third-generation Mexican Americans reveal the long-term economic prospects of the Mexican-origin population, and these prospects are considerably brighter than what is suggested by statistics that do not distinguish between foreign-born immigrants and U.S.-born Mexican Americans.”⁷

A comprehensive 2002 survey of Latinos in the United States by the Pew Hispanic Center and Kaiser Family Foundation provides additional evidence of advancement across generations, particularly in terms of English proficiency {See Figure 3}. The survey found that English is the primary language among only 4% of first-generation adult Latinos, but this increases to 46% among second-generation Latinos and 78% among Latinos who are third generation or higher. Conversely, Spanish is the primary language among 72% of first-generation Latinos, but this figure falls to 7% among second-generation Latinos and zero among Latinos who are third generation and higher. The share of Latinos who are bilingual is 24% in the first generation, rises to 47% in the second generation, then falls to 22% in the third generation and higher. In addition, the survey found that “Among foreign-born parents, 45% say their children communicate with their friends predominantly in English and another 32% say their children use both English and Spanish equally. Just 18% of immigrant parents say that their children only speak Spanish with their friends.” These pronounced generational advances would be lost in aggregate statistics on English proficiency among Latinos as a whole given that 63% of the people surveyed were first-generation immigrants.⁸

Figure 3



(Source: Pew Hispanic Center & Kaiser Family Foundation, 2002 *National Survey of Latinos*, December 2002.)

In a 2003 report by the Pew Hispanic Center, economist Richard Fry demonstrates how the failure to make even a basic generational distinction between foreign born and native born has led to vastly inflated estimates of the Latino high-school dropout rate. Fry observes that “dropout rates of 30 percent or more are frequently cited for Hispanics overall, but these figures include a great many immigrants who never set foot in a U.S. school.” He points out that the most commonly cited statistics on Latino dropout rates, such as those of the U.S. Department of Education, fail to distinguish between “the native-born, foreign-born who attend U.S. schools, and the foreign-born who emigrate primarily for employment and do not enroll in U.S. schools.” While not minimizing the “long-term policy challenges in language and employment training” posed by young immigrants “who left school before coming to the United States,” Fry points out that “their level of school completion does not reflect the quality of U.S. schools or of Latino achievement in those schools.” When these groups are analyzed separately, Fry finds that the “native-born Latino high school dropout rate among 16- to 19-year-olds fell from 15.2 percent to 14.0 percent during the 1990s.” Although this decline is admittedly “marginal,” and leaves native-born Latinos with a dropout rate “substantially above the white rate of 8.2 percent,” it occurred at a time when the educational system was confronting a 56% increase in the total number of 16- to 19-year-old Latinos. Moreover, even a slight downward trend in the native-born Latino dropout rate under these circumstances may be an indication that educational and language training efforts are having a positive impact.⁹

A Lesson From History

The socioeconomic progress experienced by successive generations of Latinos casts doubt upon the dire predictions of immigration restrictionists that today’s immigrants aren’t integrating into U.S. society like the immigrants of old. The striking similarity between warnings issued by contemporary restrictionists about Latin American immigrants and those issued by their counterparts during the previous wave of immigration from Europe suggest that these concerns are more a matter of historical perspective than of substance. For instance, Representative Tom Tancredo (R-6th/CO), chairman of the Congressional Immigration Reform Caucus, declares that in the United States today the “vast majority of immigrants are low-skill, low-wage earners, and are a drain on this nation due to their level of poverty.” He asserts that “we are reducing the standard of living for millions of Americans. We are creating linguistic ghettos where millions of immigrants speak no English while replicating living standards such as those found in Haiti, Calcutta and poor nations.”¹⁰ Tancredo argues that “contrary to what has happened in the United States in the past in our history where immigrant families have come, labored hard, their children have then gone on to the next stage,” the children of Mexican immigrants “are dropping out of high school, never getting to college, and Hispanic Americans...are not moving ahead and achieving the same sorts of goals as immigrants of the past.”¹¹ He warns that “Massive immigration in this country will determine not just what kind of Nation we will be, but whether we will be a Nation at all.”¹²

In 1891, then-Representative Henry Cabot Lodge (R-MA) expressed similar worries about the wave of immigration that brought Representative Tancredo’s grandparents from Italy to the United States. He warned “that immigration to this country is increasing and...is making its greatest relative increase from races most alien to the body of the American people and from the lowest and most illiterate classes among those races.” He was speaking principally of the Italians, but also the Russians, Poles and Hungarians. He observed that these immigrants, “half of whom have no occupation and most of whom represent the rudest form of labor,” are “people whom it is very difficult to assimilate and do not promise well for the standard of civilization in the United States.”¹³ Lodge complained that many of them “have no money at all. They land in this country without a cent in their pockets.” Of the Italians in particular he objected that many “stay but a short time in the United States” in order to “then return to their native country with such money as they have been able to save here.” He warned that these sorts of immigrants, “who come to the United States, reduce the rate of wages by ruinous competition, and then take their savings out of the country, are not desirable. They are mere birds of passage. They form an element in the population which regards home as a foreign country, instead of that in which they live and earn money. They have no interest or stake in the country, and they never become American citizens.”¹⁴

The passage of time has since proven Lodge wrong concerning the upward mobility of Italian Americans, as Representative Tancredo can attest. Many observers, when confronted by large numbers of first-generation immigrants who have not yet begun to climb the socioeconomic ladder and master English, fear that these newcomers and their descendants never will rise above their humble beginnings. But this fear owes much to the difference in perspective inherent in experiencing a wave of immigration while it is occurring as opposed to studying it a hundred years after the fact.

Policy and Precision

It is undeniable that disparities in educational attainment and income between Latinos and Anglos in the United States are pressing social concerns. The 2002 Latino poverty rate of 21.4% (compared to 7.8% among Anglos) and the fact that only 57% of Latino adults 25 and older were high-school graduates (compared to 88.7% of Anglos)¹⁵ are not problems that can be explained away by the process of socioeconomic advancement across generations. However, to effectively address these problems, they must first be accurately identified. The challenges confronting – and posed by – a poor immigrant from Mexico differ from those of a poor second-generation Latino whose parents are immigrants, which in turn differ from those of a poor third-generation Latino whose parents are native born. Some of these challenges are unique to the immigrant experience, others derive from being part of a “minority” group in U.S. society, and others stem from dynamics of poverty that are not limited to any ethnic group, immigrant or otherwise. For instance, if some third-generation Mexican Americans – like other minority groups in the United States – have encountered a “glass ceiling” in wage growth, this says more about the need for educational investment in poor communities than it does about a culturally specific lack of ambition. To treat Latinos as a homogeneous group guided by some innate resistance to “assimilation,” as some immigration restrictionists do, serves only to simplistically misidentify what are in fact a diverse range of issues.

Conclusion

Despite the formidable obstacles confronting Latin American immigrants, Latinos are in fact experiencing a process of socioeconomic advancement across generations. Those born in the United States achieve average levels of education, income and English proficiency far greater than their immigrant parents and grandparents. However, because a large percentage of contemporary Latinos are first-generation immigrants, these advances across generations are often lost in aggregate statistics that analyze the Latino population as if it were an undifferentiated whole. This calls into question the rhetorical excesses of immigration restrictionists who claim that Latinos are unable or unwilling to replicate the upward mobility of their European predecessors. Moreover, this rhetoric does little to constructively address the important social problems confronting native-born Latinos who already have overcome many of the obstacles faced by their parents and grandparents.

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Endnotes

¹ U.S. Census Bureau, 2002 American Community Survey Summary Tables: P039 & PCT006.

² Roberto R. Ramirez & G. Patricia de la Cruz, *The Hispanic Population in the United States: March 2002*, Current Population Reports, P20-545. Washington DC: U.S. Census Bureau, June 2003.

³ James P. Smith, "Assimilation across the Latino Generations," *American Economic Review*, May 2003 (Vol. 93, No. 2): 315-319.

⁴ *ibid.*

⁵ Jeffrey Grogger & Stephen J. Trejo, *Falling Behind or Moving Up? The Intergenerational Progress of Mexican Americans*. San Francisco, CA: Public Policy Institute of California, 2002.

⁶ James P. Smith, "Race and Ethnicity in the Labor Market: Trends Over the Short and Long Run," in Neil J. Smelser, William Julius Wilson & Faith Mitchell (eds.), *America Becoming: Racial Trends and Their Consequences, Volume II*. Washington, DC: National Research Council, National Academy Press, 2001, p. 52-97.

⁷ Jeffrey Grogger & Stephen J. Trejo, 2002.

⁸ Pew Hispanic Center & Kaiser Family Foundation, *2002 National Survey of Latinos*, December 2002.

⁹ Richard Fry, *Hispanic Youth Dropping Out of U.S. Schools: Measuring the Challenge*. Washington, DC: Pew Hispanic Center, June 12, 2003.

¹⁰ Paula R. Kaufman, "Tancredo Scores Immigration Crisis," *Insight on the News*, August 19, 2003.

¹¹ Congressional Record – House H7002-H7003, July 16, 2003.

¹² Congressional Record – House H3444-3447, April 29, 2003.

¹³ Henry Cabot Lodge, "The Restriction of Immigration," *North American Review*, January 1891, Vol. 152, Issue 410, p. 27-36.

¹⁴ Henry Cabot Lodge, "Lynch Law and Unrestricted Immigration," *North American Review*, May 1891, Vol. 152, Issue 414, p. 602-612.

¹⁵ Ramirez & de la Cruz, June 2003.