WELFARE RECIPIENCY AND ITS EFFECT ON IMMIGRANT EARNINGS

Raaj Tiagi
Department of Economics

Mark A. Leach
Department of Sociology

University of California, Irvine

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INTRODUCTION

Public and scholarly debates surrounding immigration policy often focus on illegality and concerns that immigrants will become public charges after their arrival while ignoring immigrants' contributions to the U.S. economy and society at large. (Bean and Stevens 2003). Major changes in federal immigration policy the past 20 years reflect this bias by attempting to further restrict who comes into the country and by limiting access to public assistance after their arrival. Major components of the Immigration Control and Reform Act (IRCA) in 1986 and the Immigration Act of 1990 both attempted to deal with growing flows of unauthorized migration in part by significantly increasing border security (Massey, Durand and Malone 2002). And the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), passed in 1996, enacted significant restrictions on immigrants' access to public assistance, or welfare. The efficacy of immigration policy, of course, requires that it address immigrants' true behaviors and not on perceptions or assumptions about their behavior. Otherwise, unintended consequences of policy may be more detrimental than the original problem it intended to solve. The component of PRWORA that restricts immigrants' access to public assistance may be such a policy. Supporters of the policy believed that immigrants should not become public charges and thus wanted to restrict non-citizens from any and all benefits (Haskins and Blank 2001).

Such positions are typically founded on two assumptions; one has to do with immigrants motives for migrating to the United States and the second has to do with

their labor market activity subsequent to welfare recipiency. The first assumes that immigrants come to the United States for the explicit purpose of receiving public assistance. Most research on immigrant welfare recipiency focuses on answering this question (for review, see Bean and Stevens 2003). In fact, there is little empirical evidence that shows immigrants have such motives. As for the second assumption, very little research has attempted to answer questions of labor market behavior and outcomes subsequent to welfare receipiency, undoubtedly due to the lack of data sources that enable such investigations. Our lack of knowledge about this later assumption is unfortunate because the implications of the former, that welfare receipt of any kind or duration should be minimized, largely depend upon subsequent labor market outcomes. For example, if immigrant welfare recipiency actually enhances labor market outcomes rather than limiting them, as is commonly assumed, then the implication of welfare receipt among immigrants would be entirely different than that of native residents.

We seek to fill this major gap in the research on immigrants' welfare recipiency and its effect on subsequent labor market outcomes by answering the following question: do immigrant groups who have higher rates of welfare recipiency experience slower earnings growth than others who do not receive welfare? In other words, does welfare inhibit labor market success? If welfare acts as a barrier to economic mobility by dissuading recipients from pursuing better opportunities in the labor market, then one would expect to find slower earnings growth among those more likely to have received welfare at a previous point in time. Alternatively, faster earnings growth would provide at least some evidence that public assistance is just that, assistance that provides

immigrants with resources to do better in the labor market.Our findings, in fact, suggest the opposite; immigrant groups with higher rates of welfare recipiency actually experience faster earnings growth. Such findings imply that welfare receipt may serve as a temporary "helping hand" and speed earnings mobility rather than inhibit engagement in the labor market.

PREVIOUS RESEARCH AND THEORETICAL PERSPECTIVE

There is no shortage of research on labor market outcomes among immigrants, including studies on immigrants' earnings. Chiswick's (1978) pioneering study showed the importance of immigrants' length of residence in the United States to explain earnings inequality between natives and immigrants. Since then scholars have debated whether growing earnings inequality has been primarily due to changes in immigrants' levels of human capital, or changes in the earnings structure of the U.S. economy. Human capital comprises a worker's skills that are related to his productivity for which employers are willing to pay a premium (Becker 1993). Borjas and others (1995; 1985; Trejo 1997) have argued that changes in the national-origin composition of the foreign-born population have led to relatively lower skills and increased inequality between natives and immigrants. Others contend that declines in immigrants' earnings relative to natives is primarily due to growing inequality in the wage opportunity structure in general (Bean and Stevens 2003; Butcher and Dinardo 2002). Over the past several decades, the earnings of those at the highest end of the earnings distribution, regardless of nativity, have been growing at a rapid pace while those situated at the lower end of the distribution have experienced wage stagnation, all the while middle-

incomes have been disappearing (Levy 1995). Although immigrants enter the U.S. labor market across the earning structure, most are situated at the lowest rungs and have thus experienced wage stagnation to a greater extent than natives.

Regardless of whether changes in skills composition or the wage structure is more responsible for growing immigrant-native inequality, there is little doubt from such research that when immigrants enter the labor force with relatively more skills and training, particularly with regard to language skills and education, not only are they likely to have an immediate earnings advantage over less-skilled immigrants but their earnings are likely to grow relatively faster over time given the potentially better starting point in the earnings distribution (Chiswick 1991; Duncan, Hotz and Trejo 2006). Where they enter the labor market, thus, becomes very important for their future outcomes and any opportunities to improve their position upon arrival in the United States should be beneficial. We suspect that transfer payments may be one way that offers some immigrants such an advantage.

Critics of immigration often make several assumptions about immigrants and welfare recipiency that are based on knowledge about welfare recipients in general, regardless of nativity. The first assumption is that prospects of receiving transfer payments and other forms of public assistance motivate immigrants to come to the United States, and the second is that welfare receipt acts as a disincentive for further socioeconomic incorporation (Bean, Stevens and Van Hook 2003). In other words, immigration critics argue that many immigrants come to the United States for the explicit purpose of receiving welfare benefits, and furthermore, they subsequently become dependent upon such benefits and do not engage in the labor market. Research thus

far has largely focused on the first assumption—that immigrants come to the United States for the purpose of receiving welfare—by investigating the *levels* of welfare receipt among immigrants (for review, see Bean et al. 2003). The second assumption regarding the *effects* of welfare recipiency—that it encourages dependence and takes away incentives to engage in the labor market—has largely not been investigated.

Research on immigrant welfare receipt has largely been concerned with whether immigrants to come to the United States explicitly to receive public assistance. This has been investigated largely by observing temporal changes in rates of recipiency among immigrants. Both policy makers and scholars alike became concerned in the 1980s with the fact that welfare receipt was growing among immigrants relatively faster than among the native-born population, which some interpreted as immigrants' increasing dependency on public assistance (Bean et al. 2003; Borjas 1999a). George Borjas and his colleagues (Borjas and Hilton 1996; Borjas and Trejo 1991, 1993) have consistently concluded that welfare receipt has increased among immigrants because relatively more immigrants are coming from developing countries that make welfare benefits a more attractive alternative than the economic circumstances in their home country from which they come. They typically conclude that immigration policy should be changed to further restrict low-skilled immigrants, whom he argues are more prone to receive welfare, from entering the country, and welfare policy should thus be changed to restrict immigrants from receiving benefits after their arrival (Borjas 1999a). Others disagree with this assessment. While the national-origin composition of the foreign-born population explain much of the rise in welfare receipt among immigrants, other research finds that individual immigrants are *less likely* to receive welfare than native-born

residents after controlling for various individual-level differences (Bean et al. 2003; Ono and Becerra 2000; Tienda and Jensen 1986). Thus, assumptions that imply immigrants tend to come to the United States are simply unfounded when research shows that they are actually less likely to receive such benefits than the native-born population.

Additionally, research has investigated immigrants' propensity to seek out welfare benefits by also considering changes in immigrant settlement patterns since the enactment of led to more variation in eligibility rules and benefit levels across states. PRWORA reduced the federal government's role in public assistance by shifting to state governments responsibility for eligibility rules and funding additional benefits beyond what the federal government funds. In response some states replaced or expanded benefits that were eliminated by the federal government while others took no action and allowed certain benefits to disappear when federal funding stopped. The result was a great deal of variation in levels of welfare benefits across states (Borjas 2001; De Jong, Roempke Graefe and St. Pierre 2005). Thus, some scholars hypothesized that states with relatively higher levels of benefits would become magnets for persons seeking to maximize the amount of public assistance they could receive (Moffitt 1992). Research largely does not support this hypothesis. While George Borjas (1999b) finds that immigrants who receive welfare tend to be more clustered in high-benefit states to a greater degree than those who are less likely to receive welfare, this research says more about immigrant settlement patterns prior to welfare reform and the relative costs of where to settle once they have migrated than it does about immigrants' tendency to settle in high-benefit states (Bean and Stevens 2003). Contrary to Borjas' results, Passel (2001) finds that immigrants are actually increasing their presence in low-benefit

states, and Kaushal's (2005) results show that other factors more strongly predict immigrants' location choices relative to state welfare benefits.

Such research, whether it investigates immigrants' propensity to receive welfare or the influence of welfare benefits on location choices, thus provides little evidence that immigrants tend to migrate to the United States for the purpose of receiving welfare benefits. As such, one might expect, in turn, that immigrants' patterns of welfare recipiency may differ from the nature of recipiency among natives. In other words, if immigrants have less tendency to seek out and receive welfare, than the immigrants that seek out such benefits may do so under circumstances and for reasons wholly different than native residents (Van Hook and Bean 2006). If this is the case, then patterns of behavior and labor market outcomes subsequent to welfare receipt may appear different for immigrants relative to natives or even other immigrants who do not receive welfare. For example, immigrants may employ welfare recipiency as a strategy to *improve* their occupational prospects in anticipation of entering the labor market rather avoiding the labor market altogether. If so, then one might expect immigrants to exhibit patterns of short-term recipiency rather than long-term dependency relative to natives because their intention was to enter the labor market all along. Under such a strategy, if successful, immigrants who receive welfare might experience greater labor market success given their improved skills and better position in the labor market relative to those who did not receive welfare, ceteris paribus. The present research seeks to shed light on this later question of whether welfare recipiency among immigrants improves their labor market outcomes.

Unfortunately, very little research has investigated, largely due to data limitations, duration patterns of welfare recipiency and its effects on subsequent labor market outcomes *among immigrants*. Most research on such questions, typically referred to as "leaver" studies, focuses on native-born single mothers, on whom most post-recipiency studies are based (Blank and Schmidt 2001). The empirical evidence typically shows long spells of welfare recipiency and low employment subsequent to recipiency (Blank and Schmidt 2001; Van Hook and Bean 2006). In other words, welfare generally acts as a disincentive to labor force participation among native-born single mothers. Van Hook and Bean (2006) find, however, different behavioral patterns among immigrants, shorter spells and higher employment, and suggests their welfare recipiency occurs under different circumstances relative to natives. They conclude that welfare recipiency may actually act as a boost to labor market outcomes among immigrants due to the circumstances under which they receive transfer payments. This is more consistent with notions that immigrants come to this country to work and, in particular circumstances, may initially need economic assistance until they find stability in the labor market, which may, in turn, provide them advantages in the labor market.

Refugees may provide evidence of such notions. The various refugee groups in this country have arrived under a variety of economic and political circumstances which has affected their experiences in the labor market. Some, such as Eastern Europeans and Iranians, have largely experienced economic success while others, Cambodians and Mariel Cubans for example, have arrived in the country under precarious circumstances and often have few skills to help their entry in the labor market (Portes and Rumbaut 1996). In spite of the difficult circumstances under which some arrive in

the United States, refugees are provided an advantage over other low-skilled immigrants in that they are immediately eligible for public assistance upon their arrival. One might expect that refugee groups would have relatively better labor market outcomes than other immigrants, if in fact, that welfare recipiency provides such an advantage. Cortes (2004) found such an advantage among refugee groups relative to other immigrant groups; that is, refugees experienced faster earnings growth relative to other immigrant groups in their first 10 years in the United States. Although we find her results useful, we disagree with her assessment of why such a result occurred. She attributes better outcomes among refugees to their stronger "motivations" to succeed given that they do not have an option to return to their home country as other kinds of immigrants apparently have. Alternatively, refugees are immediately eligible to receive welfare upon arrival whereas labor migrants have no such advantage or safety net to fall back on should they experience difficulty in the labor market; so if anyone is motivated to succeed in the labor market it would be labor migrants. Alternatively, we believe the transfer payments that refugees receive provide them with a "cushion" upon arrival that potentially enables them to acquire training and skills and take time in their job search, both of which likely improve their initial position in the labor market. Such an advantage, as we argue above, may translate into faster subsequent earnings growth relative to those who enter the labor market at the same time but who do not have such advantages.

Thus, if welfare recipiency is the primary influence on future labor market outcomes, and not simply refugee status and whatever motivations may or may not

accompany such status, then we expect to find faster earnings growth among all immigrant groups with relatively higher welfare receipt regardless of refugee status.

DATA AND METHODS

We carry out our analysis for the most recent arrival-cohort of immigrants as of 1990 using the 5% census data samples for 1990 and 2000, extracted from the Integrated Public Use Microdata Series (IPUMS). The sample consists of the 1985 – 1990 arrival-cohort of male and female immigrants, ages 16 – 45 in 1990 and ages 26 – 55 in 2000. Further, the sample is restricted to include only full-time workers.

Tables 1A and 1B describe the 1985-1990 arrival-cohort of Refugee and Non-refugee immigrant groups (male and female, respectively) by country or region of origin. Note that since most data sources do not collect information about immigration status at entry, 'country of origin' is used to classify immigrants into Refugee and Non-refugee immigrant groups. This works because "countries that send refugees usually do not send large number of other legal immigrants (Bean and Stevens, 2003)." Following Bean & Stevens and Kalena Cortes (2004), Immigrants from Afghanistan, Cuba, the Soviet Union, Ethiopia, Cambodia, Laos, Vietnam, Romania, Poland, Iran, Haiti and Nicaragua are classified as Refugees while Immigrants from other countries are classified as Non-refugee Immigrants[1].

In tables 1A and 1B, the second and the third columns give the number of immigrants (male and female, respectively) in 1990 and 2000. As can be seen from these columns, immigrant counts in 1990 and 2000 do not match - immigrant numbers

[1] According to Bean and Stevens, almost all of the Immigrants (during the 1980s) from Afghanistan, Cuba, the Soviet Union, Ethiopia, Cambodia, Laos, Vietnam, Romania, Poland, Iran and Nicaragua were refugees. Kalena Cortes also includes Haitians in her grouping of Refugee Immigrants.

in 2000 exceed those in 1990. Several reasons may account for this differential: undocumented immigrants in 1990 may have legalized their status in 2000 or immigrants not in the job market in 1990 due to age or other factors may have found a job in 2000. However, this should not be a concern as (explained below) our variable of interest is an 'average' for a group.

Our primary goal is to investigate whether welfare receipts in general lead to any earning gains for Immigrants. For such analysis, a longitudinal data series would be ideal since it would then be possible to observe the same individuals on welfare across the two census years. However, since census data does not track individuals across time periods, we do not know how earning changed at the individual level and whether this varied by welfare receipt. Thus, with our data set, an individual-level analysis is not possible. It is possible, however, to group immigrants by their country or region of origin and to then assess whether groups with higher proportions of welfare receipt had higher average earnings growth. In other words, we carry out our analysis at the group level.

In Table 1A, male Immigrants are grouped by country or region of origin, giving us a total of 35 immigrant-groups[2]. The figures in column marked 'Group-Welfare, 1990' are the proportion of immigrants within origin groups that received at least $1 of welfare benefits in 1990. For example, just over two percent of Iranians that arrived in the US between 1985-1990 received welfare. For our analysis, immigrant groups in 2000 were assigned the same group-welfare levels as in 1990. This enables us to analyze the effect of welfare receipts in 1990 on changes in average earnings across the decade.

[2] Individuals within countries without sufficient number of cases were aggregated into regional groups.

As can be seen from the table, groups that receive higher welfare tend to be mostly Refugees. This is because refugees are eligible for welfare as soon as they get their refugee status. Simple correlation between the columns 'group-welfare' and 'average wages in 1990' turns out to be -0.17. This is not surprising because immigrants who have lower wages tend to have higher welfare. However, our variable of interest is the change in earnings over the 1990s (the last column in table 1A) and how this relates to wages. Correlation between group welfare receipts – change in earnings yields a positive 0.53. This implies that groups that receive higher welfare tend to have a greater earnings growth over the decade. As with males, correlation between Group-Welfare and 'average wages in 1990' for females (Table 1B) is -0.13 while correlation between group welfare receipts – change in earnings turns out to be 0.45. This then is suggestive evidence that Immigrants within groups that have higher welfare receipts in 1990 experienced higher wage growth over the decade. In the next section, this is more rigorously tested after controlling for individual differences.

ECONOMETRIC FRAMEWORK

The human-capital framework is used to carry out our analysis, where:

$$\text{Log}(Y_t) = \alpha + \beta_1(\text{Year 2000}) + \beta_2\,\text{Group-Welfare}_t + \beta_3(\text{Group-Welfare}_t)*(\text{Year2000}) + \beta_4\,\text{Poor-English}_t + \beta_5\,\text{Education}_t + \beta_6\,\text{Region}_t + \beta_7 Z_t + E_t \quad (1)$$

where log (Y_t) is the log of wages in 1990 and 2000, Year 2000 is the year dummy (with 1990 as the reference), Group-Welfare represents welfare levels for Immigrants grouped by country-of-origin, (Group-Welfare$_t$)*(Year2000) is our variable of interest: the interaction of the group-welfare and the year 2000 term, Poor-English$_t$ is a vector indicating English language skills (reference category is 'not poor English'), and an interaction with the year 2000 term, Education is a vector which includes dummies for High school, Some college, College graduate and all these variables interacted with the year 2000 term, Region is a vector of dummy variable for regions in the US (West, North-East, Midwest and South, which is the reference region), and finally, Z_t is a vector of personal characteristics: age, age-squared, age-cubed and a marriage dummy.

In the above equation, β_1 reflects the average change in earnings for all immigrant groups across the decade while β_2 reflects the differential earnings for each percentage point increase in welfare receipt. Our parameter of interest, β_3, reflects the differential change in earnings across the decade for each percentage point increase in welfare receipt, after controlling for other factors.

Results from running the above regression are shown in table 2. This has been done separately for males and females:

Model 1 in the table is obtained from regressing wages on only the group-welfare terms. As can be seen from the first column, males who were a part of a group that received high welfare 1990 had lower (though not statistically significant) wages (compared to male Immigrants who were a part of a group that had lower welfare in 1990). This seems obvious as welfare receipts are determined by wages to a large extent. However, our chief parameter of interest is β_3 as explained above. This term

measures the change in earnings between 1990 and 2000 as the level of group welfare receipt varies. A statistically-significant, positive coefficient of 0.08 confirms our expectations that individuals of groups with higher levels of group welfare receipt had higher rates of earnings growth, such that a 1% increase in group-welfare increases earnings by 8%. In other words, if an Immigrant was a part of a group that received higher welfare in 1990 (compared to a group that received lower welfare in 1990), then such a group would experience greater socioeconomic mobility over the decade, as measured by the growth in wages. For females we get similar results, though the change in wage over 1990-2000 for groups on higher-welfare (in 1990) is 7%. The results from model 1, of course, do not control for individual-level and regional differences that are known to explain variation and change in earnings.

Model 2 is the same as Model 1 but includes these additional controls. With regard to these long-known factors, among both men and women, there is substantial loss in earnings due to poor English language skills, though 'poor English skills' does not significantly impact earnings over the decade. The last two columns also indicate that there is substantial premium to getting educated: both male and female groups gain significantly from going to high school or graduating college. Further, these gains increase with the level of education, that is, one gains more from graduating college than from high school. Also, as expected, there is a significant concave relationship between the age-earning variable, for both male and female groups. Finally, there is a premium for marriage among males (23%) but a significant (though not very large) penalty among females. With the inclusion of controls, the Group-Welfare term for 1990 becomes significant, for both males and females. As mentioned earlier, welfare receipt

depends upon one's earnings, so one would expect that this would have a negative association with earnings. Thus, in 1990, males Immigrants that were a part of a group that received high welfare in 1990 (compared to groups that were on lower welfare in 1990) had significantly lower earnings in that year. This was true for females as well (significant at the 0.1-level).

The rate of growth in earnings subsequent to having received welfare, however, is not endogenous to welfare receipt. After including our control variables, while individual-level differences explain some earnings growth, we find that earnings among individuals in groups with higher welfare receipt in 1990 grew faster than those in groups with lower welfare receipt. This finding is consistent for both men and women. For males, Immigrant groups experienced 5% wage-growth for every percentage point increase in welfare receipt, while female groups experienced 4% wage-growth. This re-affirms our point that welfare plays a positive role in the socioeconomic mobility of Immigrants.

THE CASE FOR REFUGEES

The above results hold for the pooled sample of refugee and non-refugee immigrants. However, as pointed out by Kalena Cortes, a distinction between refugee and non-refugee immigrants is warranted since these groups migrate under very different circumstances. Once in the host country, refugees have more of an incentive to invest in human capital since they know that they would be living in their host country whereas non-refugee immigrants have the option of returning to their home countries. This fact is reaffirmed in table 3. Compared to non-refugee immigrants, refugees have

lower language skills and fewer are college graduates in 1990. Overtime though, more refugee immigrants invest in the above skills compared to non-refugees. For example, in 1990, 43% of the refugees claimed to have poor English skills. In 2000 the percentage who claimed 'poor english' went down to 24%, a decrease of 19 percentage points. For non-refugee immigrants, this decreased by only 10 percentage points. Similarly, while only 19% of the refugee immigrants were college graduates in 1990, this went up to 28% in 2000. For non-refugee immigrants, percentage college graduates went up from 22% to only 23%. Other variables in table 3 are as expected: there were more male Immigrants compared to female Immigrants in both the years- one would expect more males immigrating to the US in search of jobs. Over the decade however, the percentage of females increase for both groups: for refugees, from 40% in 1990 to 43% in 2000 while for non-refugees, from 34% to 37%, respectively. The percentage married is roughly the same, especially in 2000.

An important point of difference between refugees and non-refugees (and perhaps more relevant) is that in the US, refugee immigrants are immediately eligible for welfare while non-refugee immigrants are not (Bean and Stevens 2003). Further, since refugees are not positively selected,[3] this translates into lower earnings for these groups at their time of arrival (tables 1A and 1B). For this reason, it could be argued that one *would* expect rapid earnings growth for these groups overtime. However, if within the refugee group, welfare receipts still provided a boost for refugees with higher receipts, we make for a stronger case for our welfare-induced earnings growth argument.

[3] The mean earnings of Refugees in 1990 were $18,762 while those for non-refugees were $20,794. Also, as per table 2, in 1990, refugees had poorer English abilities and fewer were college graduates when compared to non-refugee Immigrants.

For convenience, tables 4A and 4B provide information on average wages and group welfare levels for refugee male and refugee female groups (by country-of-origin), extracted from tables 1A and 1B. As can be seen from these tables, though refugee groups have lower earnings than non-refugee immigrant groups, there is substantial variation in welfare receipts by country-of-origin. For example, the Soviet Union or Afghanistan comprises the high welfare receiving group while Haitians and Nicaraguans are a part of the low welfare receiving group. Between them is an entire spectrum of refugee groups that differ in their welfare receipts.

To determine whether refugee immigrants who are a part of a group that receives higher do better than the other refugee groups, we run regression equation (1) for our sample of refugee immigrants. Results from the above regression are provided in table 5. Note that these results are presented controlling for all variables (similar to Model 2 in table 2).

As with table 2, all control variables have the usual signs: there is a premium to education for both male and female groups, a penalty for poor English skills and a concave wage-age relationship. Further, as before, there is a significant premium to marriage for males. For females, there is a premium to marriage as well, but this is not significant. Again, as in table 2, the group-welfare and year interaction term is positive and significant (at the 0.1 level) for both males and females. Thus, male and female refugee groups that receive higher welfare in 1990 compared to refugee groups that do not, experience a (significant) wage growth of 4%. In other words, refugee groups that receive higher welfare do better in terms of their socioeconomic mobility (as measured by wage growth over the decade) compared to groups that receive lower welfare.

TABLES

Table 1A: Male Immigrants and Group-welfare, 1990 - 2000

Birthplace	Classification	1990	2000	Group-Welfare, 1990 (%)	Average Wages, 1990	Average Wages, 2000	% Earnings Growth, 1990-2000
Soviet Union	Refugee	413	1189	9.244	25,302	54,773	116.5
Afghanistan	Refugee	56	118	4.598	18,779	35,275	87.8
Vietnam	Refugee	778	1705	3.907	17,689	30,774	74.0
Cambodia	Refugee	127	158	3.226	18,516	31,105	68.0
Laos	Refugee	199	454	3.161	18,913	25,429	34.5
Romania	Refugee	194	224	3.012	29,880	51,992	74.0
Iran	Refugee	372	464	2.177	29,442	49,665	68.7
Cuba	Refugee	383	529	1.335	19,406	33,602	73.2
Other Caribbean	Non Refugee	437	837	1.115	21,052	35,109	66.8
Poland	Refugee	730	930	1.048	25,985	44,536	71.4
Ethiopia	Refugee	124	166	1.031	20,203	34,010	68.3
El Salvador	Non Refugee	1848	3138	1.021	14,798	24,087	62.8
Other North America	Non Refugee	819	770	1.020	45,673	68,853	50.8
Central Eastern Europe	Non Refugee	741	739	0.979	40,158	57,649	43.6
Mexico	Non Refugee	17599	25418	0.920	13,531	22,499	66.3
Dominican Republic	Non Refugee	733	1341	0.786	18,763	27,041	44.1
Haiti	Refugee	449	700	0.759	17,072	28,207	65.2
Other Central America	Non Refugee	670	976	0.742	17,832	27,091	51.9
Columbia	Non Refugee	816	861	0.711	20,371	32,486	59.5
Others	Non Refugee	2842	1051	0.688	20,819	35,230	69.2

Southern Europe	Non Refugee	761	820	0.675	32,310	47,399	46.7
Guatemala	Non Refugee	1140	1709	0.672	14,920	22,514	50.9
Nicaragua	Refugee	798	797	0.649	16,055	26,905	67.6
Oceania	Non Refugee	337	277	0.543	36,845	49,751	35.0
Other South America	Non Refugee	1329	1583	0.527	26,288	39,663	50.9
East Asia	Non Refugee	4129	4817	0.507	39,127	49,154	25.6
Western Europe	Non Refugee	522	335	0.472	54,737	83,027	51.7
Northern Europe	Non Refugee	1772	1293	0.441	48,811	76,930	57.6
South East Asia	Non Refugee	2266	3108	0.402	23,046	37,002	60.6
Africa (excluding North Africa)	Non Refugee	677	1279	0.378	32,419	48,200	48.7
Ecuador	Non Refugee	412	634	0.311	19,033	26,445	38.9
Middle East/ Asia Minor	Non Refugee	959	1167	0.302	30,399	53,355	75.5
North Africa	Non Refugee	357	433	0.227	31,866	48,436	52.0
South Asia	Non Refugee	2171	3452	0.217	27,299	59,300	117.2
Peru	Non Refugee	487	698	0.118	21,571	32,374	50.1

Note The Groupwelfare term reflects the proportion of Immigrants within each immigrant group that received at least $1 of welfare in 1990.This term is obtained in the following manner: Immigrants were grouped according to country or region of origin and assigned a 1 if they received at least $1 of welfare in 1990, else they were assigned a 0. The proportion of immigrants on welfare was calculated for each group and multiplied by 100 to get the groupwelfare term.
Source: IPUMS and Own Calculations

Table 1B: Female Immigrants and Group-welfare, 1990 -2000

Birthplace	Classification	N, 1990	N, 2000	Group-Welfare, 1990 (%)	Average Wages, 1990	Average Wages, 2000	% Earnings Growth, 1990-2000
Peru	Non Refugee	311	502	0.118	15,494	24,864	60.5
South Asia	Non Refugee	951	1639	0.217	19,050	38,129	100.2
North Africa	Non Refugee	65	128	0.227	21,668	31,656	46.1
Middle East/ Asia Minor	Non Refugee	274	355	0.302	22,365	34,933	56.2
Ecuador	Non Refugee	203	334	0.311	15,200	19,199	26.3
Africa (excluding North Africa)	Non Refugee	328	814	0.378	22,417	33,715	50.4
South East Asia	Non Refugee	2870	3841	0.402	22,132	34,740	57.0
Northern Europe	Non Refugee	1027	760	0.441	23,529	37,520	59.5
Western Europe	Non Refugee	294	179	0.472	25,671	42,285	64.7
East Asia	Non Refugee	2721	4223	0.507	18,491	34,144	84.7
Other South America	Non Refugee	833	1199	0.527	17,438	29,230	67.6
Oceania	Non Refugee	188	178	0.543	22,555	34,781	54.2
Nicaragua	Refugee	550	556	0.649	11,549	17,510	51.6
Guatemala	Non Refugee	564	809	0.672	10,771	16,763	55.6
Southern Europe	Non Refugee	370	420	0.675	19,070	31,120	63.2
Others	Non Refugee	1800	1218	0.688	18,877	29,956	58.7
Columbia	Non Refugee	521	684	0.711	15,254	21,250	39.3
Other Central America	Non Refugee	483	789	0.742	13,321	21,222	59.3
Haiti	Refugee	323	640	0.760	14,730	23,356	58.6
Dominican Republic	Non Refugee	618	1102	0.786	13,788	20,755	50.5
Mexico	Non Refugee	5255	10198	0.920	10,131	15,216	50.2
Central Eastern Europe	Non Refugee	620	667	0.979			75.1

					19,015	33,300	
Other North America	Non Refugee	590	526	1.020	25,081	40,504	61.5
El Salvador	Non Refugee	993	1755	0.000	11,245	17,347	54.3
Ethiopia	Refugee	62	136	1.031	17,569	27,132	54.4
Poland	Refugee	451	612	1.048	17,448	30,165	72.9
Other Caribbean	Non Refugee	428	898	1.115	18,054	29,154	61.5
Cuba	Refugee	255	345	1.335	11,846	21,659	82.8
Iran	Refugee	211	305	2.177	20,449	36,535	78.7
Romania	Refugee	126	171	3.012	17,500	36,595	109.1
Laos	Refugee	143	335	3.161	13,689	20,200	47.6
Cambodia	Refugee	86	131	3.226	13,462	24,841	84.5
Vietnam	Refugee	560	1322	0.000	15,226	25,101	64.9
Afghanistan	Refugee	26	51	4.598	15,476	24,031	55.3
Soviet Union	Refugee	263	1007	9.244	18,685	38,045	103.6

Note The Groupwelfare term reflects the proportion of Immigrants within each immigrant group that received at least $1 of welfare in 1990.This term is obtained in the following manner: Immigrants were grouped according to country or region of origin and assigned a 1 if they received at least $1 of welfare in 1990, else they were assigned a 0. The proportion of immigrants on welfare was calculated for each group and multiplied by 100 to get the groupwelfare term.
Source: IPUMS and Own Calculations

Table 2: Regression of Log Wages, Male and Female Immigrant Groups, 1990-2000

	MODEL 1		MODEL 2	
Variables	**Male**	**Female**	**Male**	**Female**
Year 2000	0.412313***	.4164659***	0.128627***	0.108663***
	(0.039828)	(.068726)	(0.040978)	(.0198743)
Group-Welfare	-0.06434	-.0430634	-0.04283***	-0.02482*
	(0.045519)	(.0290616)	(.0112085)	(.0136839)
(Group-Welfare)	0.077495***	.0715304***	0.048653***	0.040592***
(Year 2000)	(0.019636)	(.0161096)	(.0118496)	(.0086038)
Poor-English	-	-	-0.20518***	-0.26633***
			(.0256634)	(.0180761)
(Poor-English)	-	-	-0.0194	-0.01569
(Year 2000)			(.0290123)	(.0226809)
West	-	-	0.009478	0.032387
			(.0167454)	(.0261054)
North-East	-	-	0.128076***	0.18932***
			(.0328844)	(.028609)
Midwest	-	-	0.089326**	0.04046
			(.0325808)	(.0373823)
High School	-	-	0.136571***	0.164934***
			(.0146436)	(.0172978)
(High School)	-	-	0.00603	0.057768**
(Year 2000)			(.0133005)	(.0265177)
Some College	-	-	0.186105***	0.278714***
			(.0266011)	(.0212738)
(Some College)	-	-	0.123954***	0.198152***
(Year 2000)			(.0221036)	(.0264553)
College Graduate	-	-	0.548681***	0.519895***
			(.0453054)	(.0377278)
(College Graduate)	-	-	0.245329***	0.358389***
(Year 2000)			(.0515583)	(.0465959)
Age	-	-	0.223029***	0.278865***
			(.0436693)	(.0587501)
Age-Squared	-	-	-0.00501***	-0.00651***
			(.0010772)	(.0015295)
Age-Cubed	-	-	.0000367***	.0000504***
			(9.11e-06)	(.0000128)
Marriage	-	-	0.226146***	-0.03876***
			(.0117552)	(.0133126)
Constant	9.693058***	9.389929***	6.380092***	5.429509***
	(0.140448)	(.1027358)	(.561013)	(.6964906)
N	112,587	64, 183	112,587	64,183
R-Squared	.07	.06	0.29	0.25

*Note1: * p<0.1, ** p<0.05, *** p<0.01, Standard Errors in parenthesis*
Note2: All wages/ earnings are in 2000 dollars.
Source: IPUMS, 1990 and 2000

Table 3: Characteristics of the 1985-1990 Cohort of Refugee and Non-Refugee Immigrants (Percent)

	Non-Refugees		Refugees	
	1990	**2000**	**1990**	**2000**
GENDER				
Male	66.1	63.2	60.4	57.5
Female	33.9	36.8	39.6	42.6
MARITAL STATUS				
Married	40.8	64.4	45.4	65.4
LANGUAGE				
Poor English	41.7	32.1	43.4	24.4
EDUCATION				
High School	24.7	24.8	33.5	29.9
Some College	17.2	17.1	21.4	24.2
College Graduate	21.9	23.5	18.9	28.1
WELFARE				
Welfare Receipt	0.7	1.2	2.5	1.7

Note 1: Data consists of 185,677 Immigrants of which 21,967 were Refugees and 163,710 were Non-refugee Immigrants
Note 2: Year of immigration 1985-1990 for 1990 and 1985-1990 for 2000
Source: IPUMS 1990 and 2000

Table 4A: Male Refugee Immigrants and Group-welfare, 1990 - 2000

Birthplace	Classification	Immigrant Numbers: 1990	2000	Group-Welfare, 1990 (%)	Average Wages, 1990	Average Wages, 2000	% Earnings Growth, 1990-2000
Soviet Union	Refugee	413	1189	9.244	25,302	54,773	116.5
Afghanistan	Refugee	56	118	4.598	18,779	35,275	87.8
Vietnam	Refugee	778	1705	3.907	17,689	30,774	74
Cambodia	Refugee	127	158	3.226	18,516	31,105	68
Laos	Refugee	199	454	3.161	18,913	25,429	34.5
Romania	Refugee	194	224	3.012	29,880	51,992	74
Iran	Refugee	372	464	2.177	29,442	49,665	68.7
Cuba	Refugee	383	529	1.335	19,406	33,602	73.2
Poland	Refugee	730	930	1.048	25,985	44,536	71.4
Ethiopia	Refugee	124	166	1.031	20,203	34,010	68.3
Haiti	Refugee	449	700	0.759	17,072	28,207	65.2
Nicaragua	Refugee	798	797	0.649	16,055	26,905	67.6

Table 4B: Female Refugee Immigrants and Group-welfare, 1990 - 2000

Birthplace	Classification	Immigrant Numbers: 1990	2000	Group-Welfare, 1990 (%)	Average Wages, 1990	Average Wages, 2000	% Earnings Growth, 1990-2000
Soviet Union	Refugee	263	1007	9.244	18,685	38,045	103.6
Afghanistan	Refugee	26	51	4.598	15,476	24,031	55.3
Cambodia	Refugee	86	131	3.226	13,462	24,841	84.5
Laos	Refugee	143	335	3.161	13,689	20,200	47.6
Romania	Refugee	126	171	3.012	17,500	36,595	109.1
Iran	Refugee	211	305	2.177	20,449	36,535	78.7
Cuba	Refugee	255	345	1.335	11,846	21,659	82.8
Poland	Refugee	451	612	1.048	17,448	30,165	72.9
Ethiopia	Refugee	62	136	1.031	17,569	27,132	54.4
Haiti	Refugee	323	640	0.76	14,730	23,356	58.6
Nicaragua	Refugee	550	556	0.649	11,549	17,510	51.6

Table 5: Regression of Log Wages, Male and Female Refugee Groups, 1990-2000

Variables	Male	Female
Year 2000	0.153864**	0.173411***
	(.0530055)	(0471582)
Group-Welfare	-0.02901**	-0.02065
	(.011097)	(.0134773)
(Group-Welfare) (Year 2000)	0.042374***	0.040557***
	(.01216)	(.0080376)
Poor-English	-0.25608***	-0.26874***
	(.0443369)	(.0457074)
(Poor-English) (Year 2000)	0.069736	0.068095
	(.0383588)	(.0408183)
West	0.081189**	0.098369***
	(.0383588)	(.0217807)
North-East	0.157336***	0.19969***
	(.0279889)	(.0223819)
Midwest	0.177518**	0.089003*
	(.065751)	(.0486804)
High School	0.161943***	0.111812**
	(.0263351)	(.0488088)
(High School) (Year 2000)	-0.05959	0.025523
	(.0285728)	(.0721614)
Some College	0.093089	0.163982***
	(.0526466)	(.0422293)
(Some College) (Year 2000)	0.144598**	0.162702***
	(.0602664)	(.0403976)
College Graduate	0.31627***	0.346809***
	(.0592093)	(.0877115)
(College Graduate) (Year 2000)	0.334809***	0.341627***
	(.0398361)	(.0890544)
Age	0.310971***	0.318649***
	(.0592112)	(.0738387)
Age-Squared	-0.00715***	-0.00773***
	(.0016332)	(.0019945)
Age-Cubed	.0000535***	.0000614***
	(.0000145)	(.0000175)
Marriage	0.149884***	0.021325
	(.0337587)	(.0129605)
Constant	5.25373***	5.058214***
	(.6996156)	(.8372448)
N	12,057	8,667
R-Squared	0.25	0.26

*Note1: * p<0.1, ** p<0.05, *** p<0.01, Standard Errors in parenthesis*
Note2: All wages/ earnings are in 2000 dollars.
Source: IPUMS, 1990 and 2000

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