

EXECUTIVE SUMMARY

After a year of congressional debate over immigration reform, mass mobilizations across the country, and midterm elections in which the question of immigration reform often played a central role, the Drum Major Institute for Public Policy releases “Principles for an Immigration Policy to Strengthen and Expand the American Middle Class: 2007 Edition.” First published in December 2005, “Principles” is updated to reflect recent legislative proposals and a discussion of issues that have emerged as important. It is intended to serve as a guide for those who wish to advance a progressive immigration agenda that reflects the best interests of America’s current and aspiring middle class.

We argue that any debate over immigration policy must be connected to the larger conversation about America’s squeezed middle class and those striving to attain a middle-class standard of living. Accordingly, the Drum Major Institute offers a lens through which to evaluate immigration policy that operates from the basic principle that immigration policy is sound only if it also helps to strengthen and expand America’s middle class. Our litmus test for evaluating immigration policy by its impact on the middle class is two-fold:

1) Immigration policy should bolster—not undermine—the critical contribution that immigrants make to our economy as workers, entrepreneurs, taxpayers and consumers, because:

- On average, immigrants pay more in taxes each year than they use in government services, and these taxes fund programs like Social Security that strengthen and expand the middle class.
- Undocumented immigrants alone are estimated to have contributed nearly \$50 billion in federal taxes between 1996 and 2003.
- The middle class relies on the goods and services that the authorized and undocumented immigrants in the U.S. now produce.
- By increasing consumer demand, immigrants generate economic growth that benefits the middle class: immigration is a major contributor to the expansion of Hispanic and Asian-American consumer markets—an estimated 12 percent of the nation’s 2004 purchasing power.
- Immigrants also stimulate the economy by starting small businesses and attracting investment capital from their countries of origin.

Since the American middle class relies on the economic contributions of immigrants both legal and undocumented, a pro-middle-class immigration policy must not include mass deportation or aim to shut down future immigration arbitrarily.

2) Immigration policy must strengthen the rights of immigrants in the workplace

- Under current immigration law, immigrant workers compete with their U.S.-born counterparts on an uneven playing field—to the detriment of both groups.
- Because employers threaten undocumented immigrants with deportation, these workers cannot effectively assert their rights in the workplace by, for example, asking for raises, complaining about violations of wage and hour or workplace safety laws, or by supporting union organizing drives.
- As long as this cheaper and more compliant pool of immigrant labor is available, employers are all too willing to take advantage of the situation to keep their labor costs down.
- U.S.-born workers are left to either accept the same diminished wages and degraded working conditions as immigrants living under threat of deportation or be shut out of whole industries where employers hire predominantly undocumented immigrants.

When immigrants lack rights in the workplace, labor standards are driven down and all working people have less opportunity to enter or remain part of the middle class. A pro-middle-class immigration policy must therefore guarantee immigrants full labor rights so that employers cannot use deportation as a coercive tool in the labor market.

Current immigration policy fails both aspects of the test. It is disconnected from our nation's economic reliance on undocumented immigrants, and it threatens to undermine the middle class because these undocumented workers cannot exercise workplace rights. But not just any reform policy will do. "Comprehensive" immigration reform is a term that has been used by many advocates on all sides of the debate to describe legislation including a myriad of proposals. The term "comprehensive" in this context does not have an established meaning and does not necessarily mean that the legislation would be progressive. Although compromise is a positive step forward, it is important that we focus on the end product of any legislative package and its ability to meet the needs of middle-class Americans, rather than on the appearance of bipartisanship for its own sake.

A progressive immigration policy must be one that strengthens and expands the American middle class from San Diego, California, to Portland, Maine. DMI's "Principles for an Immigration Policy to Strengthen and Expand the American Middle Class" is our contribution to this important policy decision.