



Myth: Immigrants are responsible for increasing unemployment

Fact:

- “...modern econometrics cannot detect a single shred of evidence that immigrants have a sizable adverse impact on the earnings and employment opportunities of natives in the United States.”¹ - George Borjas
- High end services, such as accounting, payroll, and computer technical assistance are increasingly going abroad. Worldwide economic restructuring is the major cause of the employment shifts occurring in the US to a much greater extent than is the rise of the immigrant population.
- “About 79% of employers are permanently eliminating jobs for a variety of reasons, including a permanent slump in demand, improved productivity, new technologies, reorganization, and domestic or *international outsourcing*”.²
- The greatest outsourcing levels are expected in software development and customer service and call centers.³ Customer call centers and data entry facilities are increasingly being relocated where labor can be found at lower wage levels. Higher skilled professional jobs ranging from engineering, computer chip design, to nanotechnology research are also starting to move overseas.”⁴
- A recent study predicts that fewer than 40% of employees whose jobs are moved offshore through 2005 will be redeployed by their current employers.⁵ Over the next 15 years, 3.3 million U.S. services jobs and \$136 billion in wages will move offshore.⁶ Of this total, 473,000 will be IT-related jobs, representing 8% of all current IT jobs in the country.⁷
- The office of Sen. Joe Lieberman states that if “our engineering, design, and research and development (R&D) capabilities continue to follow the manufacturing and services facilities going abroad, our competitiveness will be weakened, putting our economic prosperity and national security at risk”.⁸
- According to the U.S. Census Bureau, in 2002, 1.6 million Hispanic-owned firms provided jobs to 1.5 million employees, had receipts of \$222 billion, and generated a payroll of \$36.7 billion.⁹

¹ George Borjas, *Friends or Strangers: The Impact of Immigrants on the U.S. Economy*. New York, NY: Basic Books, 1990, p. 80-81.

² Milbergs, Egils (January 2004) Innovation Metrics, IBM Corporation. Quoted from Office of Sen. Lieberman, “Offshore Outsourcing...” (2004, p.8).

³ “Digital Economy 2003 at p. 33, citing Forrester Report. Quoted from Office of Sen. Lieberman, “Offshore Outsourcing...” (2004,p.11).

⁴ Office of Sen. Joseph Lieberman (, May 11th, 2004), p.2. *OFFSHORE OUTSOURCING AND AMERICA’S COMPETITIVE EDGE: LOSING OUT IN THE HIGH TECHNOLOGY R&D AND SERVICES SECTORS*.

⁵ Morello, Diane (July 15th, 2003). “U.S. Offshore Outsourcing: Structural Changes, Big Impact”, Gartner Research Note Commentary. Quoted from Office of Sen. Lieberman, “Offshore Outsourcing...” (2004,p.8).

⁶ Forrester Report, 3.3 Million U.S. Jobs To Go Offshore, November 11, 2002. Quoted from Office of Sen. Lieberman, “Offshore Outsourcing...” (2004,p.11).

⁷ Forrester Report, 3.3 Million U.S. Jobs To Go Offshore, November 11, 2002. Quoted from Office of Sen. Lieberman, “Offshore Outsourcing...” (2004,p.11).

⁸ Office of Sen. Joseph Lieberman (, May 11th, 2004), p.5. *OFFSHORE OUTSOURCING AND AMERICA’S COMPETITIVE EDGE: LOSING OUT IN THE HIGH TECHNOLOGY R&D AND SERVICES SECTORS*.

⁹ U.S. Census Bureau, *Hispanic-Owned Firms: 2002* (SB02-00CS-HISP), 2002 Economic Census, Survey of Business Owners, Company Statistics Series, March 2006, Table 8: Statistics for Hispanic-Owned Firms by Kind of Business and Receipts Size of Firm: 2002, p. 267.