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Theme

*The Contribution of Recent Immigrants in the
Prosperity of America Economy
California as Case of Study*

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DEDICATION

I dedicate this work to :

- My parents who have always been there for me .
- My dear sister « Nacira » who has always encouraged and help me.
- All the members of my family: my brothers , my sisters.
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Abstract

For centuries, the United States has welcomed and embraced generations of new immigrants and given them a chance to create their own version of the American Dream. Between 1990 and 2000, the number of foreign-born in the United States grew at high speed, one in nine individuals now living in the United States was born abroad, as was one out of eight labor force participants. Moreover, immigration promotes entrepreneurship and innovation, which have been cornerstones of the U.S. economy since the country's founding. Accordingly, this led to faster economic and employment growth, productivity and wage improvement, and federal deficit reduction. This research looks at the economic benefits that accompany the sensible immigration policies that attracted the brightest minds and hardest workers from around the world. This research draws upon mostly primary sources including books, memoirs, and was enriched with updated statistics. This thesis concludes that immigration has an overall positive effect on America's economy success as immigration strengthens both national security and boosts economic growth.

Key words: The United States, Immigration, Immigrants, Economic Growth.

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List of abbreviations

GDP: Gross Domestic Product.

IRCA: Immigration Reform and Control Act.

IIRIRA: Illegal Immigration Reform and Immigrant Responsibility Act.

LPRs: Legal Permanent Residence

STEM: Science, Technology, Engineering, and Maths.

TPS: Temporary Protected Status.

U.S: United States.

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General Introduction

From its earliest days, America has been a nation of immigrants. In fact, coming to America has always been a dream of everyone. People from all over the world came to this country seeking economic opportunities and looking for better life. From its side, the United States integrated them successfully and helps them to be a productive part in their economy.

Immigration is what has made America what it is today. Their contributions do not occur outside of historical prospective .Almost every discussion about immigrants or immigration is focused on economic aspects. When analysing contribution of immigrants a lot of analysis overlook many economic elements i.e. productivity, building, developing factors, creation of jobs and wealth. Therefore, it was considered necessary to search for the reasons, factors standing behind the immigration and the prosperity of America economy.

To assess this problematic situation, this research project canters on two fundamental questions:

1. How has the United States of America benefited from Immigrants?
2. What impacts have recent immigrants had on the states' economy?

For these research questions, the research hypothesised

1. Immigration has a positive effect on US economic growth
2. Immigrants help and contribute in US economy

General Introduction

Therefore, through this investigation, the researcher attempts to explore the contribution immigrants have on the growth of the U.S economy, identify and quantify the effects of years of continuous flows of immigrants on the U.N state's population, its economy, public and private institution.

To achieve the objective of study and answer the former questions that constitute this dissertation which is divided into three main chapters. The first chapter contains detailed information about immigration and outlines the history of mass immigration during the last decades. The second chapter highlights the impact of recent immigration on America economy. It aims to demonstrate the relationship between immigration and America economy success. The researcher attempts to analyse how immigrants influence America society and leads to its economic development.

The third chapter gives a special analyse of the role immigrants play on the California economy. The role which may seems stronger on the growth of this state than other states of America.

The selection of this topic is because immigration has been an important issue in the American history from ancient time. Since it is a strong and developed country, the researcher wants to explore the impact immigrants have on the prosperity of this nation.

Though the topic is not recent and seems clear, it has several limitations. Many of the phenomena, the researcher analyse depending upon the interaction over times of a variety of economy and policy factors this is what make sorting out all the effects of immigration on U.S economy difficult and not possible.

Chapter I

American Migration Flows

1-1 Introduction:

The United States of America is a large country in North America, often referred to as “the U.S.A”, “the States” or simply “America”. Home to the world’s third-largest population, with more than 318 million people, it includes both densely populated cities and vast uninhabited natural zones. With its history of mass immigration dating from the seventeenth century, it is viewed as “melting pot” of cultures from around the globe. Migration to the U.S is the subject of this chapter as well as a subject of repeated policy debate throughout the nation’s history, has once assumed a central position on the policy agenda. Despite the fact that much has been written recently about immigration and its economic, social and political impact, the vast majority of this material has focused on specific aspect of immigration and the characteristics of a particular ethnic community. This chapter focuses on this issue. It begins with general definition of the word immigration and its types. Next, it presents reasons behind immigration toward the U.S. It then deals with the diversity of immigrants in the United State and its policy toward immigrants.

1-2 Immigration: Conceptual and definitional framework

According to International Migration Organization, migration is defined as: “A process of moving either across an international boarder or within a state. It is a population movement, encompassing any kind of movements of people whatever its length composition and cause.” (Perruchoud 41). There are two terms that related to migration:

Migration: is the movement of a person or a group of people from one place in the world, to live or settle in another place. It is usually done across political boundaries.

Immigration: means people leave their home country to new places.

1-3 Types of migration:

Sociologists divide immigration into several types. Here we mention briefly some of the main types:

Ñ *Internal migration:*

This type of migration occurs inside a particular country and between regions especially from economically poor areas and countryside to cities (Simon and Susana18).

Ñ *International migration:*

International migration refers to change of residence over national boundaries. International migrants are classified as: legal immigrant, illegal immigrant or refugees. Legal immigrants are those who moved without legal permission of the receiver nation, illegal immigrant, however, are those who moved without legal

permission. By contrast, refugees are those who crossed an international boundary to escape persecution (Bell and Aves 17).

Ñ ***Chain migration:***

It is a series or connection of migrants within a family, or a defined group of people belonging to the same ethnicity. It begins with one individual who brings the other number after a period of time.

Ñ ***Forced migration (population transfer):***

This type is also known as population transfer. It occurs when a government pushes or forces a group of people out of the country. Forced immigration is also called involuntary immigration.

Ñ ***Intercontinental migration:***

It is the movement of people from one continent to another.

Ñ ***Seasonal migration :***

Sometimes people move during specific seasons, then they return back when the season is over i.e. when a person goes for a summer holiday.

1-3 Types and Characteristics of Immigrants

As the volume of immigrants increased, their characteristics changed from one period to another. This research tries to state the different types and characteristics of immigrants that entered the United States.

1-3-1 Legal Immigrant:

Ñ Citizenship test in English and pass personal investigation previously fitting the bill to naturalization (Fortuny and Capps 3).

1-3-2 Unauthorized Immigrants:

Ñ Unauthorized immigrants don't have a valid visa or any other official documents, since they entered the United States illegally and they stayed longer than their temporary visas permitted. Later, some of them adjust their status and attain legal residency after a relative, partner, or employer has filed a sponsorship petition; most of these immigrants have Temporary Protected Status (TPS), which was granted to those who escape wars and natural disasters (Fortuny and Capps 3).

1-3-3 Natives :

Ñ Native -born citizens or people born in the United States are allowed inheritance citizenship, without the standing of their origin or lawful status (Fortuny and Capps13).

Table1. Foreign –born population in the U.S, By legal Status, million,2008

Total Foreign Born	39,9	100
Legal immigrants	23.0	70
Naturalized citizens	14.2	36
Legal permanent Resident Aliens	12.3	31
Legal Temporary Migrants	1.4	4
Undocumented Immigrants	11.9	30

Source: U.S. Census 1990 PUMS.

The table above estimates that 30 percent of all foreign-born people residing here in 2008 lacked legal status, or 11.9 million from a total 39.9 million, compared to 36 percent of native born and 31 percent of Legal permanent Resident Aliens ; while 1.4 percent of Legal Temporary Migrants are age 65 or older, compared to 12 percent of native born and 16 percent of legal immigrants.

1-4 Motives behind immigration towards the United States

People do not make the decision lightly to uproot their lives and leave their home and family without strong reasons. To understand the reasons behind immigration towards the United States, we have to know ,why people immigrate, who and how many people migrate, and how they choose where to go – depends on combination of structural factors that are difficult for government to control and the policy environment in which migration decision-making occurs. Structural factors are the primary reason of migration and fall into three important factors (Robsen and Brick 2):

Ñ *Push factor:*

This consists of one set of factors which tend to push a person into becoming a migrant and to leave his original place of residence. Immigrants' countries of origin encourage out flows because of a wide range of factors that limit economic opportunities in much of the developing world, including low wages and insufficient sector employment, poor investment opportunities, and function of under development, however, as economic development often creates its own

conditions while generating the capital necessary to finance migration. Noneconomic push factors such as authoritarian or corrupt governments, worse, natural disasters can be equally important reason that people immigrate, and have an important role in the first waves of Central American migration to the United State (Robsen and Brick 2)..

Ñ ***Pull factor:***

A set of factors which pull immigrants towards a certain destination states that encourage inflows. The primary pull factors that attract immigration are the availability of jobs and associated economic opportunities for immigrants and their families, including safety, limited government and equality before the law. And even though job opportunities for low-skilled immigrant are concentrated in jobs that are dirty, and dangerous as well as poorly paid .These pull factors create an enormous opportunity differential from relative countries of origin which makes the decision to emigrate a default option in many cases (Robsen and Brick 2).

Ñ ***Social Net Work :***

The factor connects migrant to host-state jobs and communities of co-nationals, typically from the same village and area. Family and social Net Work facilitate migration by providing funds and information to would-be migrants, and by assisting with their integration in the host- state economies. This Net works also help immigrants understand and negotiate the new environment, including how to relate to a public authorities .With nine percent to twenty percent of Latin

Americans now living in the United States, social net works are particularly important factor in this region.

Though it is impossible to list all the factors and the reasons why this people want to immigrate to the United States, here we mention briefly some of other main causes:

Ñ **Geography:** the United States is well- endowed with natural resources and well defended by its geographical features such as the oceans.

Ñ **Ideology:** the idea of the American dream and general mindset leads many migrants hope making U.S. their home since it is the greatest nation on earth.

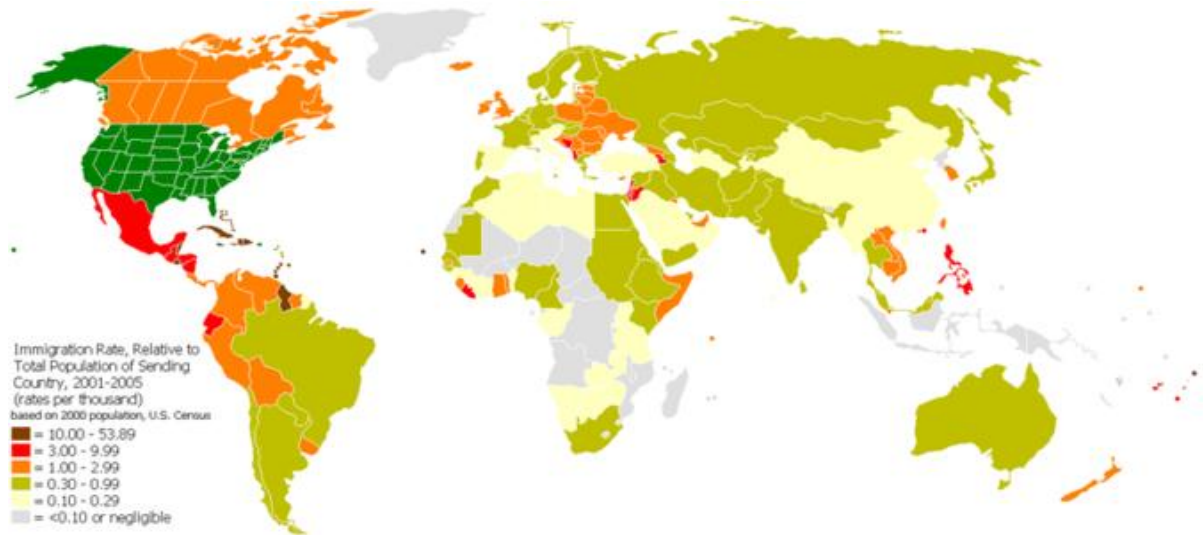
Ñ **Social purpose:** social crisis, such as lack of jobs, poverty and hunger led people to search for a better life.

Ñ **Economical purpose:** many immigrants enter America for economic reasons either looking for jobs or studies opportunities. For instance, many students migrate to United States for either short or long duration to study in the schools and universities. Many others are the result of hardship or oppression, as the growth of refugees in Northern Europe attests.

1-6 Diversity in the United States

America is a diverse country racially and ethnically. It is considered as home to all people, such that no one group can call itself pure American than another. The mixture of culture is so unique and exceptional that citizens can be just proud of their origins and cultural heritage as they are to be an American. Each culture from

Asia to Africa to Latin America provides its own contributions to the prosperity of America today.



2001-2005 Immigration Rate to the United States: Rate of immigration to the United States relative to sending countries' population size, 2001–2005

the «melting pot society “ of America, without this rich cultures, America would not be the nation that is today , a country can only be described as a nation off equality an freedom for all people.

Thus, diversity in America presents the struggle of nationalities to integrate into nation that it is today. A country can be describes as a nation of equality and freedom for all people (A publication of the Population Reference Bureau 1999).

1-7 The Composition of Immigrants in the United States

American viewed immigration to United States as a complex demographic phenomenon that leads population and cultural change throughout US history. It can be classified to four epochs: the colonial, the mid-nineteenth century, the turn of twentieth century, and post –1965. Each one of them demonstrates a period of time,

a particular national groups, races, ethnicities immigrating to the United States. This chapter focuses on the post- 1965 period.

The composition of immigration in the United States, by place of origin, has changed dramatically in recent times. Immigrants in huge numbers , from all over the world came to live in America .In particular, Asians and Latin Americans, especially Mexicans, have played a more dominant role in this change since at least the late-1970s. One reason is the Immigration Act of 1965, which relaxed U.S. quotas on immigration from Latin America and Asia, and granted priority status to immigrants with family already legally in the United States. Apart from the 1965 Act, certain social, economic and political changes also led to higher demand for access to the United States by some Latin Americans and Asians, and to lower demand for the same access by Europeans. As table 2 below shows , the flows of US immigrants coming from Europe has declined by more than three- quarters since the 1960s – from nearly 40 percent to about 9 percent from 2000- 2008 – while increased immigration by Latin Americans and Asians has offset those losses : the share of US immigrants from Asia nearly doubled over this period , from 14,5 percent to 27 percent ; and the share from Mexico rose as sharply , from 16,3 percent to 33,7 percent . In the most recent period from 2000 to 2008, immigrants from Latin America, including Mexico, accounted for an additional 26.9percent. Surprisingly, the table shows that largest changes in the composition of the US immigrants by nation origin occurred in the 1970's, following the passage of the 1965 immigration legislation, however, the dominance of immigrants from Latin America and Asia has persisted since the 1970s, even as the total numbers of

immigrants rose sharply, which testifies to the potentially long- lasting effects of immigration reforms (Shapiro and Vellucci 4).

**Table 02: Immigration to the United States,
By Place of Birth Pre- 1970 to 2008 (percentage)**

Region of birth	Pre-1970	1970-1979	1980-1989	1990-1999	2000-2008
Asia	14,5	30.3	31.1	26.6	26.9
Europe	39,6	12.7	6.7	10.8	8.6
Mexico	16,3	28.5	31.3	34.7	33.7
Other Latin America	19,9	23.4	25.3	21.5	22.6
Other Regions	9,8	5.1	5.7	6.4	8.2

Source: U.S. Census 1990 PUMS.

The geographic settlement of contemporary immigrants in U.S. generally takes place in seven states: California, New York, Florida, Texas, Pennsylvania, New Jersey, and Illinois. They are the largest cities in United States, they comprise about 44 percent of the population as a whole. They tend to be younger than the native population of the United States, with people between the ages of 15 and 34 substantially over-represented. Immigrants are also more likely to be married and less likely to be divorced than native-born Americans of the same age. In terms of

regional patterns, immigrants are likely to move to, and reside in, areas populated by people with similar backgrounds. For instance, about 12.4 of U.S population are African Americans or black Americans. Historically, any person with any sub – Saharan African ancestry even if they were mostly white , were classified as Black according to “ one drop rule ” which means any person with one drop of black blood .The African American group is considered the largest racial minority than Hispanics and Latinos .

The word Hispanic or Latino origin is a self –designation made by 47 million Americans, as of 2008. They have origins in the Spanish-speaking nation of Latin America. The Hispanic or Latino population is young and fast-growing due to illegal and legal immigration and higher birth rates. The Census Bureau Projects stated that by 2050 one- quarter of the population will be Hispanic or Latino.

Third significant minority is the Asian American population, comprising 13.4 million in 2008 or 4.5of the United States population and California is home to 4.5 million of them, whereas 495.000 live in Hawaii, where they compose the plurality of the Island people, this is their largest share of any state. The largest sub-groups are immigrants or-descendant of immigrants from Philippines, China, India, Brunei, Malaysia, Vietnam, Taiwan, South Korea, Japan, and Thailand.

Historians claim that more than 300 million people currently living in the United States including of white Americans, who trace their ancestors to the original peoples of Europe, the Middle East, and North Africa. The white Americans settled in forty nine of the fifty states, with Hawaiians as exception. The non-Hispanic

white percentage (66 in 2008) tends to decrease every year and sub- group is expected to become the overall US population after the year 2050. .

To sum up, diversity makes the American country more dynamic and supports the workforce, benefits highlighted by demographer William Frey, a researcher professor at the university of Michigan and senior fellow at the Brookings institution's. Frey said it's to see diversity question in term of age. Forty – seven states and 90 percent of the countries have an absolute decline in white population under age 20. All net growth of children in this country is coming from racial and ethnic minorities (Shapiro and Vellucci 4).

“If we are going to have a productive economy in the future, new young people with new ideas energizing the labor force-taxpayers supporting the Social Security trust Fund and Medicare for retirees – it is in our best interest of this younger generation is treated well and welcomed with open arms into the labor force.” Frey said.

America's attractiveness and respect to immigrants has been a strong reason behind its economic strength in all factors technology, trade and innovation. But, the manner in which the United States deals with immigration will be important to American foreign policy in the future. That's mean U.S behavior towards immigrants should be restricted that not any one is invited to enter.

1-7 U.S Immigration Policy Since 1986

Public attitudes about immigration in the U.S. were heavily influenced by the consequence of the 9/11 attacks. According to a 2009 Gallup poll, after the attacks, only 52% of Americans believed that immigration was a good thing for the U.S, down from 62% the year before. This public pressure to act on the issue of immigration produced results in 1986 with passage of the Immigration Reform and Control Act (IRCA). The IRCA included legalization programs for people who had entered the United States before 1982 and for certain unauthorized farm workers, new funding for border enforcement, and new civil and criminal penalties against employers who hire unauthorized workers. Congress at that point passed the Immigration Act 1990, which also authorized more spending at the border and expanded the number of employment-visas, and the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), which included a wide range of new authorization measures.

This policy debate appeared to reach a turning point in September 2001 as President George W. Bush and Mexican President Vicente Fox reached a framework agreement for a major bilateral migration reform. But the terrorist attacks just days later interrupted bilateral migration negotiation, and the United States of America passed six additional laws between 2002 and 2006 focused wholly or partly on tougher immigration enforcement: the Homeland Security Act of 2002, the Enhanced Boarder Security and Visa Entry Reform Act 2002 (EBSBERA), the

Intelligence and Terrorism Prevention Act of 2004, the REAL ID Act of 2005, and the Secure Fence Act of 2006.

These laws and several associated administrative reforms have resulted in a modest increase in legal migration, growth in border enforcement, new worksite enforcement measures, and an expansion of enforcement within the United States. But after 25 years of increasingly strengthen enforcement, the unauthorized population has tripled, with Mexicans of about 60 percent and 12 percent from Central American (Rosenblum and Brick 6).

1-8 Conclusion:

Although United States has always a special attraction for immigrants prior to the recent flows of immigration to the state that begin 1970, immigration played a relatively minor role in determining both the size and composition of the state population. Since 1970, the traditional role that migration from other state has played (traditionally the driving force behind the state's rapid growth), have been over taker by immigration. As result, immigration is clearly the driving force behind the state's total population growth. The central issue is the current immigration policy debate about the immigrants' participation to the prosperity of the American society.

The following chapter will attempt to prove the role immigrants have played on the overall productivity and the prosperity of America economy.

Chapter II

Immigration and U.S Economic Growth

2-1 Introduction

The economy of the United States is a highly developed mixed economy. It is important to mention that is the largest economy in the world. Statistically speaking, the American economy represents about 20 percent of total global output, and is still larger than any developed country. According to recent researches, the U.S. has sixth highest per capital GDP (PPP) in the world since it has highly developed features and technologically advanced services sector, accounting for about 80 of its output. The U.S. economy is dominated by services – oriented companies in areas such as technology, financial, services, health and retail. Moreover, large U.S. Corporation also plays an important role on the global stage, with more than a fifth of companies on the fortune global 500 coming from United States. Even though the services sector is the main engine of the economy, the U.S. also has an important manufacturing base, which represents roughly 15 of output. The U.S. is the second largest manufacturer in the world and is a leader in higher-value industries such as automobiles, aerospace, machinery, telecommunications and chemicals, mean while, agriculture represents less than 2 of output.

2-2 The Main Reasons behind the Prosperity of American Economy

The United States economy is the most successful system in the world. It is divided into three productive sectors: the primary, the secondary and the tertiary sector.

2-2-1 The Primary Sector:

It includes the extraction of natural resources and the processing of these raw materials into products which are generally sold to manufactures as inputs. Industries in the primary sector include agriculture, commercial fishing, mining, and the timber industry. Generally, the primary sector's products are not sold directly to households but are sold to manufacturers as inputs. For instance, the wheat grown, harvested, sorted, and dried in the primary sector, then sold to milling and baking companies which would process the wheat into bread (Goodwin, et al 9).

2-2-2The Secondary Sector:

This sector involves changing the raw materials of the primary sector into items suitable for use or consumption. For instance, includes manufacturing industries such as aerospace, automobile production, the chemical industry, petroleum, refining, the pharmaceutical industry, and electronics production. It also includes the construction of buildings, highways and public service corporation (electric power, water or transportation) (Goodwin, et al 9).

2-2-3 The Tertiary Sector:

Unlike the previous sectors this sector is a service sector. It includes services such as the transportation, marketing, and selling goods to consumers. It also includes direct services without the distribution of any physical goods, such as consulting, education, technology, administration and tourism (Goodwin, et al 9).

2-3 The Impact of Immigrants on US Economy

There is great interest and concern about the economic impact of the large numbers of immigrants to the United States, both legal, illegal, high or low skilled. Indeed, the experience of the last few decades shows that immigration actually has important long- term benefits for native-born Americans, pushing them into higher-paying occupations and raising the over-all pace of innovation and productivity growth . Moreover, immigration is helping to keep America young and reducing the burden of financing retirement benefits for growing elderly population. This “younging” of the population will continue to help the economy grow by providing new workers, new home buyers, and new citizens as more Americans live longer. There is a strong economic argument that the growth and prosperity of the United States is dependent on immigrants enriching America workforce (Article about Economic Effects of Immigration Policies 2017).

2-4 Immigration and the American Industrial Revolution

From the late 19th to the early 20th century, the United States was transformed from a predominately rural agrarian society to an industrial economy centered in large metropolitan cities. These changes were the direct result of the

American industrial revolution that was founded on rising investment, employment, and productivity in the manufacturing sector. Enormous gains in industrial productivity, accompanied by institutional change and much lower transportation costs, created national markets with goods and people moving in every direction. The decades surrounding 1900 were not only the age of industrialization in the United States, but were also the age of urbanization and immigration (Hirschman and Mogford 02).

2-4-1 Urbanization, and Industrialization of Immigrants in America

Immigrants, as well as manufacturing enterprises, were concentrated in the rapidly growing cities of the Northeast and Midwest during the age of industrialization. In 1900, around three-quarters of the populations of many large cities were composed of immigrants and their children, including New York, Chicago, Boston, Cleveland, San Francisco, Buffalo, Milwaukee, and Detroit. Immigration and industrialization were correlated in the American history. This strong relationship might have a deep impact on the course of the industrialization process in the United States.

The major reasons behind the rapid American industrial revolution are the mineral resources, the technological innovation and the development of the American system of manufacturing, education and human resources. Many researchers have been done on the connection between the industrial revolution and immigrants. In a classic survey of the literature on the American industrial revolution in the Cambridge Economic History of the United States, the role of

immigration is summarized in the overrepresentation of immigrants in the manufacturing labor force. Other some studies conclude that the flood of immigration in the late 19th and early 20th centuries had an important impact on the per-capita economic growth, the wages of native workers, and moved domestic migration away from industrializing cities. They have assumed that immigrants had a generally positive impact on the American economy and encouraged the economic mobility of native born workers during the age of industrialization (Hirschman and Mogford17)..

2-4-2Manufacturing and Industries

The largest shift in the American workforce was the expansion of manufacturing employment from 14 to almost 25 percent of the workforce. These growth was more than twice as fast as the workforce as a whole. The largest increases in the manufacturing sector were registered in metals (iron and steel), which grew from 1.3 to 3.7% of the workforce, and in machinery, which grew from 0.7 to 5.0% of the workforce. Closely related to this was the expansion of coal mining (used to produce steel) from 0.5 to 2.1% of workers and more than one out of ten workers in the American economy were producing steel, extracting the raw materials used to produce steel, or making machinery from steel (e.g. automobiles).The Chemical/Petroleum/Rubber sector, which included the automobile related industries of tire manufacturing and gasoline production, grew from 0.2 to 1.6% of workers. Another important shift was the rise in apparel (clothing) manufacturing from 0.3 to 1.1% of workers, while the workers in dressmaking shops declined from 1.3 to 0.6% of the workforce.

The rapid growth of manufacturing relied on immigrant labor. In the late 19th century, the cotton manufacturing industry and the iron and steel industry relied heavily on “old immigrants” from Great Britain and Northwestern Europe, but in the early decades of the 20th century, the rapid growth of these industries became dependent on “new immigrants” from Southern and Eastern Europe.

To sum up, immigrant share was significant in all manufacturing industries, but less in wood and mineral products .They provided the majority of added workers in the rapidly growing iron and steel industry, machinery manufacturing, and textiles. They were also over-represented in mining, construction and throughout the heavy industries in the Northeast and Midwest (Hirschman and Mogford 12).

2-5 Educated and Skilled immigrants in the High- Tech Industry:

The U.S. has recently received large flows of highly educated immigrants. A major economic concern is how these immigrants influence the wages and employment prospects of U.S. workers. Most of immigrants entered to the United States are both better and worse educated than U.S. -born citizens. Statically speaking, more than 11 percent of foreign-born worker workers have advanced degrees-slightly above the fraction of Americans with post-college degrees. Even more striking, more than 1.9 percent of immigrants have PhDs, almost twice the share of U.S.-born citizens with doctorates (1.1 percent).

Researchers estimate that one in four of high- tech firms in the Valley were founded by immigrant’s .In 1996, these firms were employing 67,000 workers and

generated annual revenues of \$27, 9 billion. Immigrants Silicon Valley's image of "technological center of the world" and produce a lot of material wealth. There are many articles calling immigrants vital to the Valley .Moreover, there is a data states that only Indian immigrants run more than 700 start-up firms in Silicon Valley .Jerry Yang created Yahoo. Sabeer Bhatia ,an Asian Indian , founded free e-mail, provided Hotmail Corp, Hong Chen, a Chinese American started a global network of internet services Gric communication. Linus Trovals, an immigrant from Finland invented Linux operating system.

Borland International, a Soft Ware Company worth hundreds of millions of dollars was founded by an undocumented immigrant, Philipp Kahn. Many immigrants are also leading figures in hi-tech and other companies. For example, Chinese and Indian immigrants were executives of 24 of the Valley's hi-tech companies. Researchers states that between 1980-1998, among all entrepreneurs heading business, 17.5 were Chinese, and 6.8 Indian immigrant and between 1995 to 1998,the number of Chinese and Indian immigrants who head companies in Silicon Valley rose to 29 Moreover ,another study has shown that a member of doctorates awarded to Chinese students tripled and doubled to Indian students between 1990 and 1996. While Asian immigrants now dominate semi-skilled operative positions on the assembly line , making up 47 of these workers , as well as making 41,2 of the all unskilled workers .

As the volume of immigrants increased and their characteristics changed, the economy of the state has also changing. The states industrial base was changed completely from its traditional manufacturing base toward higher-skill service and

higher-technology industries. Statically speaking, between 1979-1990 , 25 percent of the Net new jobs has created by the United State's economy were filled by workers with some post secondary training. These trends also led to an increasing difference between the economic fortunes of America's well educated work force and its less well educated workers who now have to complete little career-earnings jobs.

Research has found that immigrants helped to establish one-quarter of all startups in the engineering and technology sectors and they recorded \$52 billion in sales and employed some 450,000 workers. Other analyses have found that across all industries and sectors, immigrants are 30 percent more likely to start their own businesses than native-born Americans and account for 12.5 percent of all business owners. These businesses are not only in technology or science, but in other services such as construction, wholesale trade, recreation, arts and entertainment. This entrepreneurial phenomenon is not limited to highly-skilled immigrants but also Immigrants without high school diplomas, comprise 27 percent of all immigrant business owners in the United States.

Thus, immigrants are at the forefront of innovation and ingenuity in the United States. They comprise the highest share of patent in all domains science, technology education, and even senior position. In addition, the presence of immigrants creates opportunities for less-skilled native workers to become more specialized in their work and therefore increasing their productivity.

Generally, immigration should be seen as one of the America's great success stories. It has been good at attracting ambitious, skilled people. Consequently, many

innovative and successful new American companies – Google , Intel, eBay, and countless others- have been built by recent immigrants .This attractiveness of skilled immigrants is essential to its prosperity and economic growth.(Hirschman and Mogford15).

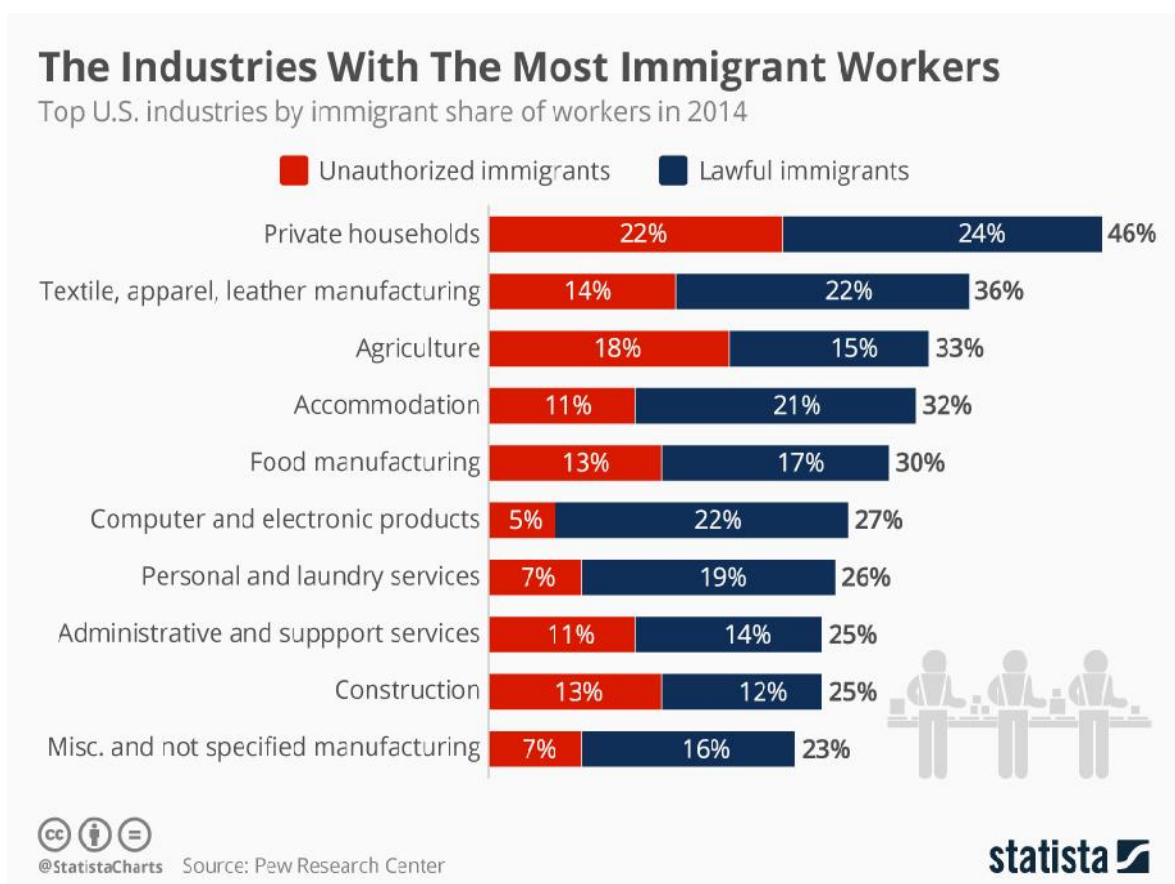
2-6 Agricultural Contribution of Immigrants

For the first century after the nation’s founding, the United States was an agricultural society, and most American farms were small and relied on family labor. In the early 19th century, upwards of two-thirds of the working population was employed in agriculture this was due to the government priorities and spending which reflected the dominance of rural and agricultural interests. One of the landmark expansions of the federal government was the Morrill Act of 1862, which created the Department of Agriculture and authorized the founding of land grant colleges (Hirschman and Mogford15).

As shown in the figure below, an estimated 46% of private households are immigrants, highest share of any occupation. Immigrants also account for about 33% of graders and sorters of agricultural products as well as food manufacturing and accommodation, 36% of sewing machine operators, and about half of maids and housekeepers, tailors and dressmakers, and miscellaneous agricultural workers. The immigrant share of the U.S. workforce has grown over time.

Back in 1995, according to Pew Research Center estimates, immigrants (lawful and unauthorized) made up about 12% of the total civilian workforce. The lawful-immigrant share has risen gradually, from an estimated 9% in 1995 to 12%

in 2014; the unauthorized-immigrant share rose from about 3% in 1995 to 5% in 2005, but has been roughly stable ever since. Immigrants, and their U.S.-born children, are projected to drive growth in the nation's working-age population for at least the next two decades. Views on immigration's impact on U.S.-born workers have shifted significantly over the past decade, according to a Pew research Center survey released last year. Americans then were almost evenly divided, with 42% saying the growing number of immigrants working in the U.S. helps American workers and 45% saying it hurts workers who were born in the U.S. In 2006, 55% said having more immigrants hurt U.S. workers, with just 28% saying it helped them.



Source: Pew Research center.

2-7 Immigration and the Housing Market

Immigrants also provide a remarkable boost to the housing market, which is a key driver of growth in the U.S. economy. They account for one-third of the growth in housing demand in the United States, and they help the housing industry respond more flexibly to changes in market demand. For example, immigrants were absorbed into the housing workforce more quickly during the housing boom of the 2000s but were also the first to lose jobs after the housing bubble burst. This finding suggests that immigrant laborers are brought into the construction industry during times of need but generally do not displace native-born construction workers (Hirschman and Mogford).

2-8 The Relationship of Immigrant's Investments and Marketing

Immigrants play a key role in strengthening relations to their homelands and other parts of the world. For example, foreign-born engineers and scientists that were former workers at silicon Valley companies of India, Mexico and other countries, play a specific role in establishing connections and links. As Anna Lee Saxenian argued in 1994, Silicon Valley entrepreneurs developed a regional network based industrial system. That system is not only flexible and open from inside for all new ideas, creativity and the flow of capital, but also open to connections with markets outside the country. Nobody deny the important role of immigrants in balancing between the U.S. and other new markets. Thus , the connection made by family ties, friendships and other private relationships are source of other net working activities and more new opportunities (Hirschman and Mogford).

2-9 The Impact of Illegal Immigration on US Economy:

Illegal immigration to the United States has a great impact on the development of American economy. Looking for a better life in financial terms, fled wars, natural disasters, poverty or simply driven by the desire to live a piece of the “American dream” are the main reasons that led illegal immigrants to find different ways to force illegal entry to the US territory on water, air or land, alone or accompanied by their family.

Although , the recent years has been a tightening of U.S. border controls , the increase of the number of illegal immigrants in United States is as much as the trend of legal immigration since 2000 and until January of 2008, the number of illegal immigrants has increased by over 3 million.

Researchers state that two-thirds of immigrants are naturalized citizens or legal permanent resident aliens, 4 percent have legal status as temporary migrants, and 30 percent are undocumented. While undocumented male immigrants are generally low-skilled, they also have the highest labor participation rates in the nation: Among men age 18 to 64 years, 94 percent of undocumented immigrants work or actively seek work, compared to 83 percent of native-born Americans, and 85 percent of immigrants with legal status.

At just 5.4 percent of the labor force, the table below shows that undocumented immigrants account for 25 percent of agricultural workers, 19 percent of building and grounds-keeping maintenance personnel, and 17 percent of construction workers, as well as disproportionate shares of workers in food

preparation ,service, transportation and moving materials . This is not surprising, since illegal immigrants gravitate to different types of jobs due to varying skills, education levels and level of experience.

Table3: Occupations of Undocumented Working Immigrants, 2008

Occupations	Share of Undocumented Immigrants in the occupation
Farming	25%
Building and grounds maintenance	19%
Food preparation & serving	12%
Construction	17%
Transportation & material moving	12%
Other 10%	10%

Source: Analysis of the U.S. Census Bureau’s 2015 American Community Survey 1-year PUMS by the American Immigration council

In brief, illegal immigrants have become an important component of U.S. economy, especially in the context of the growing Hispanic community share in the total U.S. population in recent years. Education in expenditure have the largest share in total spending in the U.S. state and local budgets , because they bear the administrative and the responsibility to provide free education to any child, regardless to the immigration status they hold. The immigration Reform and Control Act (IRCA) of 1986, which granted legal status to1, 7million long-term

undocumented immigrants, provides a natural setting to examine the effect of legalization on wages and jobs. The largest effects of such reforms would be felt by immigrants themselves: first, wages rose by 6 percent to 15 percent for previously-undocumented male immigrants and by 21 percent for previously-undocumented female immigrants. Those reforms also increased wages of previously legal immigrants and led to modest wage gains by native-born Americans. The Pew Hispanic Center has estimated that illegal immigrants currently account for 50 of the U.S. work force.

Other researchers confirm that while the immigrants experience the largest wage increase, the wages of native-born workers also increase. One new study states that immigration reforms create path to permanent status increase the annual wages of immigrants by 4.405 \$ for less-skilled jobs and 6.185\$ for highly skilled positions and also push up the annual wage of Americans by 162\$ for less skilled jobs and 74\$ for the more highly skilled one's. The illegal immigrants are not invading, they simply follow the natural laws of the labour market, and they do not operate as long as they do not have access to certain services, such as health services. They cannot make the United States poorer, because they are paid with the lowest wages, which a white person would not accept. Thus America's respect for immigrant has long been a foundation of its economic, military strength, and vital to its prosperity (Hirschman and Mogford 15).

2-10 Immigrants Improve the Living Standards of Americans

A recent academic research suggests that, on average, immigrants improve the overall standard of living of American workers by boosting wages and lowering prices. One reason is that immigrants and U.S. born workers generally do not compete for the same jobs. For instance, low-skill immigrant labours allow U.S. born farmers, contractors, or craftsmen to expand agricultural production or to build more homes thereby expanding employment possibilities and incomes for U.S workers.

The second reason is that businesses adjust to new immigrants by opening stores, restaurants, or production facilities to take advantage of the added supply of workers; more workers translate into more business. Because of these factors, economists have found that immigrants raise average wages slightly for the United States as a whole. Immigrants also affect the well-being of U.S. workers by affecting the prices of the goods and services that they buy. The most recent research suggests that immigrant workers rise the purchasing power of Americans by lowering prices of “immigrant-intensive” services like child care, gardening, and cleaning services. By making these services more widely available, immigrant workers benefit U.S. consumers who purchase these service (Hirschman and Mogford).

2-11 Conclusion

Economists generally agree that the effects of immigration on the U.S. economy are broadly positive. Immigrants, whether high- or low-skilled, legal or illegal are essential to economic growth in America. Indeed, the experience of the last few decades proves that immigration actually have significant long-term benefits for the native-born, pushing them into higher-paying occupations and raising the overall pace of innovation and productivity growth. Moreover, as baby boomers have begun moving into retirement in advanced economies around the world, immigration is helping to keep America comparatively young and reducing the burden of financing retirement benefits for a growing elderly population. Numerous analyses have shown that the immigrant workforce boosts GDP; increases employment wages and income; reduces government deficits; supports the housing market; and promotes entrepreneurship and economy dynamic. So, immigrants are a catalyst for economic growth.

The bottom line conclusion: “Innovation carried out by immigrants also has the potential to increase the productivity of natives, very likely raising economic growth per capita,” according to the National Academy of Sciences. “In short, the prospects for long run economic growth in the United States would be considerably dimmed without the contributions of high-skilled immigrants.” As concrete example we will take California as study case in the following chapter.

Chapter III

The Contribution of New Comers in California

3-1 Introduction

California is the home to one-third of the U.S immigrants. Immigration into California, both legal and illegal, has increased at high rates over the past 30 years. During the 1970s, about 1.8 million immigrants entered the state than in all prior decades combined. That number doubled again to 3.5 million in the 1980s, and the 1990s rate has remained high despite a severe recession in the decade's early years. From 2010 to 2015, the foreign-born population in California grew by more than 525,000 people. By 2014, 27 percent of California's population was immigrant, by far the largest share of any state in the country. As a result, immigrant now constitute more than one-fourth of California's residents and workers and are responsible for more than half of the growth in the state's population.

3-2 High Dependence of US Economy on Immigrants

As immigrants have increased in numbers, they have proved their presence in all occupations and all industries in the California economy. Researchers reported that large numbers of immigrants are working in industries including banking, business, services hospitals and even government. The dependence of the construction industry on immigrant labor has increased rapidly, when construction's share of immigrant labor doubled from 12 to 24% and three out of every four of

jobs were filled by immigrants. Thus industries in United States, mostly agricultural and some manufacturing industries have come to be dominated by immigrant labor. (McCarthy, vernez p152).

As the table 4 below shows that immigrants make up 66.9 % of the total number of immigrants working in agriculture, forestry and fishing , 43.2 in manufacturing and 43.2 in administrative and support ; waste management; and remediation services . While 39.7 work in other services and 39.2 in accommodation and food services.

Table 4: The largest share of immigrants' workers in the following industries:

Industry	Number of immigrant workers %
Agriculture ,Forestry ,fishing	66.9
Manufacturing	45.6
Administrative and Support; waste management; and remediation Services	43.2
Other services (except public Administration)	39.7
Accommodation and food Services	39.2

Source: Analysis of the U.S. Census Bureau's 2015 American Community Survey 1-year PUMS by the American Immigration council.

“Immigration contributed to the more rapid growth of California’s economy between 1960 and 1990. We found a statistically significant, positive association between the rate of an industry’s growth in California (relative to that industry’s growth in the rest of the nation) and its dependence on immigrant labor. We made this comparison for 80 industries over three decades. Our analysis suggests that, on average, for every increase of five percentage points in the share of immigrants in a California industry’s workforce (relative to the share for the industry’s workforce in the rest of the country), total employment in that industry grew one % point faster in California than in the rest of the country ”. (F.Mc Carthy, 29).

3-2-1 Immigrant’s Labor Force impact on California Economy

People who enter to the United States often have skills that make them a good fit for American’s labor force since they have different educational profile .In the whole country, immigrants are much more likely to be working-age than the U.S.-born. For instance ,In California, 74.2% of immigrants work in many different occupations, while only 45.5% of the native-born population is. Most Americans population hold a high school or bachelor’s degree while immigrants also have an advanced degree that makes them good candidates for labor-intensive positions, such as housekeeping, that many more educated U.S.-born workers are less interested in. Statically speaking, in 2014, immigrants in the state were 43.0 percent actively employed more than the state’s native-born residents and the larger portion of the native-born population was younger than 25. In education,

immigrants reflect their unique educational profile through making up a large share of workers in a variety of labor-intensive fields. More than three out of every five workers in the state's landscaping industry are immigrants. They account for 71.5 percent in crop production and 76.4 percent of workers in cut and sew apparel . They also contribute to California's sizeable garment and apparel manufacturing industry; companies in that sector based in the Los Angeles metropolitan area alone generated roughly \$18 billion in revenues in 2014. Immigrants are also attracted towards sectors that may U.S.-born workers refused to work in. Immigrants in California, for instance, make up 63.6 percent of workers in private households.

Recently, immigrants have also played a vital role in California's manufacturing industry. Studies claims that the arrivals of immigrants to a community have a powerful impact in creating or preserving manufacturing jobs because foreign-born workers give employers access to a large affordable pool of laborers. One study by the Partnership for a New American Economy and the Americas Society/ Council of the Americas, for instance, found that every time 1,000 immigrants arrive in a given U.S. county, 46 manufacturing jobs are preserved that would otherwise not exist or have moved elsewhere. The more than 10.1 million immigrants who were living in the state in 2010 were responsible for creating or preserving more than 466,600 manufacturing jobs. This work also examines the share of the workforce of foreign-born in specific occupations and jobs. While foreign-born workers make up 34.6 percent of the state's employed population, they account for 90.8 percent of all sewing machine operators in the

state. The more than 10.1 million immigrants who were living in California in 2010 were responsible for creating or preserving more than 466,600 manufacturing jobs. They also make up more than 77.6 percent of those working as housekeepers and almost three out of every five workers in a variety of assembly line and fabrication roles. On the high end, they make up 56.5 percent of software developers working on applications and systems software.

In brief, California's labor market has been undergoing changes much like those in the national labor market. The new jobs created by the California economy are increasingly filled by workers who have attended college. While the number of jobs filled by workers lacking a high school diploma remained unchanged between 1970 and 1990, the California economy created 6.9 million new jobs, 85percent of which went to workers with at least some college. Clearly, the economic opportunities of workers are becoming increasingly differentiated by education. These trends (even more marked in the rest of the nation) suggest that the pool of low-skill jobs is shrinking, belying the widespread belief that California's past 20 to 30 years of "economic restructuring" expanded the number of jobs for less-educated workers. (Report Aucust, 2016 by New American Economy 09).

3-2-2 Newcomer Entrepreneurs

Moving to another country isn't easy, it should be little surprise that immigrants in California have been found to be more entrepreneurial than the U.S. population as a whole. According to The Kauffman Foundation, a nonprofit group that studies entrepreneurship, immigrants were almost twice in starting a new business in 2015 than the native- born population. The companies they founded ranged from small

businesses on Main Street to large firms responsible for thousands of American jobs. A recent study shows that immigrants own more than half of the grocery stores in America and 48 percent of nail salons. Foreign-born entrepreneurs are also behind 51 percent of U.S. country's billion dollar startups, and substantial share of California's Fortune 500 firms. The entrepreneurial activity of immigrants provides powerful and meaningful benefits to everyday Americans. In 2010, nearly one in 10 American workers with jobs at private firms were employed at immigrant-founded companies. Such businesses also generated more than \$775 billion in annual business revenue that year.

In California, immigrants are currently going far above their weight class as entrepreneurs. Foreign-born residents currently make up 38.4 percent of all entrepreneurs in the state. Their firms generated \$20.2 billion in business income in 2014. As of 2007, firms with at least one immigrant owner provided jobs to almost 1.5 million Californians. They also founded almost 45 percent of all new businesses started in the state from 2007 to 2011.

Immigrant entrepreneurs have long been seen an independent part of California's economic success story. Researchers estimate that eleven California-based Fortune 500 firms - including eBay, Google, and the semiconductor firm Qualcomm - were all founded or co-founded by immigrants. And another 12 Fortune 500 firms based in the state have at least one founder who was the child of an immigrant, including major employers like The Walt Disney Company, Oracle, and DirecTV. Together these 23 companies employ almost 965,000 people today, and

bring in almost \$600 billion in revenue -a figure larger than the gross domestic products of Sweden, Thailand, or Colombia.

California is also a hotbed for high-tech startup activity, an economic sector renowned for the contributions of immigrants. One study by researchers at Duke University and University of California-Berkeley found that immigrants founded almost 43.9 percent of startups in Silicon Valley from 2006 to 2012. Many of the state's New American startups such as YouTube and Tesla Motors - went on to become major American success stories.

As recently as 1995 to 2005, the share of Silicon Valley firms founded by immigrants was higher, reaching 52.4 percent. Today, there is no visa to come to America, start a company, and create jobs for U.S. workers -even if an entrepreneur already has a business plan and raised hundreds of thousands of dollars to support his or her idea. Trying to exploit that flaw in U.S. economy system, countries around the world from Canada to Singapore, Australia to Chile-have enacted startup visas, often with the obvious purpose of luring away entrepreneurs who want to build a U.S. business but cannot get a visa to do so. Many of them sell a majority stake in their company and then apply for a visa as a high-skilled worker, rather than the owner of their firm .In the mid-2016, entrepreneurs had secured visas through programs that allow foreign -born entrepreneurs to serve as “ entrepreneurs in residence”, they can secure their visas by working as private teachers at a school, then build their startups in their free time .

In brief, 44 % of fortune 500 companies based in California were founded by immigrants or their children. Those firms generate \$575.4 B in annual revenue, and employ 964,798 people globally. (Report Aucust, 2016 by New American Economy 34).

3-2-3 Income and Taxes Contributions of immigrants on alifornia

Immigrants in California play an important role in contributing to the state as both taxpayers and consumers. In 2014, immigrant-led households in California earned \$323.2 billion dollars or almost 29 percent of all income earned by Californians that year. With those earnings, the state's foreign-born households could participate in the income, more than one in every four dollars paid by California residents in state and local tax revenues, payments that support important public services such as public schools and police. Through their individual wage contributions, immigrants also paid almost \$49.5 billion into the Social Security and Medicare programs that year. By spending the money they gain at businesses such as hair salons, grocery stores, and coffee shops, immigrants also support small business owners and job creation in the communities where they live. In California immigrants held \$238.7 billion in spending power in 2014, considered as the net income available to a family after paying federal, state, and local taxes. Some specific ethnic groups within the immigrant community had particular power as consumers, such as Asians and immigrants from Africa or the Middle East. (Report Aucust, 2016 by New American Economy p 04).

To sum up, Immigrants in California contribute to the prosperity of the state's economy both as consumers and taxpayers.

3-2-4 Immigrants Contribution to Innovation and Technology

California has the highest percentage of foreign-born STEM (science, technology, engineering, and maths) workers as well as jobs generated by immigrant-owned businesses. The state is placed in the top 20th for having the most jobs created by a presence of international students as well as economic contribution of international students per capita.

Between 2014 and 2024, science, technology, engineering, and maths - or "STEM" -fields are projected to have a key role in U.S. economic growth, adding almost 800,000 new jobs and growing 37.0 percent faster than the U.S. economy as a whole. Immigrants are already playing a huge part ensuring that California stays a leading innovator in STEM fields like computer programming and biotechnology. Though making up 27.0 percent of the state's population, foreign- born Californians made up 39.8 percent of STEM workers in the state in 2014. The outdated immigration system, however, makes it difficult for STEM employers to sponsor the high- skilled workers they need to fill critical positions. This is problematic because it can slow the ability of firms to expand and add jobs for U.S.-born workers. It also makes little sense, given the country's ongoing shortage of STEM talent that heavily impacts employers. In 2014, 8.2 STEM jobs were advertised online in California for every one unemployed STEM worker in the state.

Immigrants are not just a crucial piece of California's STEM workforce now, they are also likely to power it in the future. In 2014 students on temporary visas made up more than one out of every four students earning a STEM Master's degree at California's universities, and 27.5 percent of students earning a PhD-level degree in STEM. Even after America's universities invest in their education, however, many of those students, fight to stay in the country after graduation by creating visa pathways that would make it easier for them to remain. A study by the Partnership for a New American Economy and the American Enterprise Institute found that every time a state earns 100 foreign-born STEM workers with graduate-level STEM training from a U.S. school, 262 more jobs are created for U.S.-born workers there in the seven years that follow. For California, this means that retaining even half of the 6,815 graduates earning advanced-level STEM degrees in 2014 could result in the creation of almost 9,000 new positions for U.S.-born workers by 2021. California's immigrants also would have a major economic benefit to the state's economic growth and competitiveness by gaining patents on cutting-edge research and products. In 2011, the University of California System earned almost 370 patents, more than any other university or university system in the country. More than 76 percent of those patents had at least one foreign-born inventor. Immigrants played a similarly large role at two other major research universities in the state - The California Institute of Technology and Stanford University. Such university patents are licensed to existing companies or used as foundations for new firms, creating American jobs and revenue along the way. (Report Aucust,2016 by New Amercan Economic3).

3-2-5 Agricultural effect

One of the main sectors in California economy is agriculture. In 2014, the agriculture industry contributed \$37.7 billion to California's gross domestic product (GPD) - the largest such contribution in any state in the country. Within that massive industry, fresh fruits and vegetables played a prominent role. In 2014, 52.2 percent of farms in California grew fresh produce, a figure far higher than the 31.4 percent of farms doing so nationally. California also exported more fresh fruits than any other state in the country.

California's agriculture industry inherently reliant on immigrants. That reality means that even when managers, packers, and equipment managers are included, immigrants are still a huge part of the state's overall agricultural workforce. According to researches, more than eight out of every 10 hired farm workers in the state were born abroad. From 2008 to 2012, foreign-born workers made up 72.9% of field and crop laborers in the country. California also leads the nation in dairy production - another industry that is increasingly reliant on immigrant laborers. One 2015 study found that 51 percent of the laborers on U.S. dairy farms were immigrants. What's more, roughly 70 percent of the dairies that hired immigrant workers reported having "low" or "medium" levels of confidence in the authenticity of their workers' documents indicating that such establishments are vulnerable to immigration raids or uncertainty surrounding their ability to find sufficient workers in the future. In California, 59.2 percent of the workers in the animal production industry, the field that includes dairy, were foreign-born in 2014.

The current visa system for agriculture presents many problems for states like California. The H-2A visa program, which is designed to bring in temporary farm laborers, is too expensive and hard for many U.S. farms and it excludes dairy establishments altogether. The visa's lack of portability means that growers must often commit to pay workers for a longer period than they actually need them. For California growers, the lack of a workable visa -coupled with a huge drop-off in the number of farm workers who have immigrated in recent years- has led to a labor picture that is increasingly untenable. Between 2002 and 2014, the number of field and crop workers in California decreased by 39.4 percent, a larger drop than anywhere else in the country. Wage trends indicate that caused a major labor shortage on California farms: Wages for field and crop workers jumped by 13.2 percent during the period. The shortage of qualified field and crop workers has made it difficult for many farmers in California to keep pace with rising consumer demand for fresh fruits and vegetables. From 1998 to 2012, when farms lack enough field and crop workers, they often are unable to complete their harvest, leading to crop loss in the fields. Wages go up as well, as growers fight to compete for the small pool of workers remaining. Between the 1998-2000 and 2010-2012 time periods, the share of produce consumed by Americans that was imported grew by 79.3 percent. Labor issues explain an estimated 27 percent of that market share loss. This difficulty expanding, in California and elsewhere, has cost the United States revenues and jobs. If labor shortages had not slowed the ability of farmers to expand, the country could have been home to 24,000 additional jobs by 2012, including 17,000 in fields outside agriculture like transportation and irrigation. The

U.S. economy would have had \$1.3 billion in additional farm income by 2012 as well. (Report August, 2016 by New American Economy 10).

3-3 The Economic Impact of Refugees

Despite leaving extreme and dangerous situations in their home countries, refugees are often able to stand and prosper as they become more integrated into American society. Nationwide, we find that refugees hold billions of dollars in spending power and pay more than \$20 billion in tax contributions to federal, state, and local governments each year. At the state level, they contribute millions of added dollars to local economies, making them an important driver of growth and prosperity for communities around the country workforce (Article about Economic Effects of Immigration Policies 2017).

.3-4 American Public Opinion Towards Immigration

The educational and economical gaps between California's immigrants and native –born residents continue to widen, there will be other division within the state. An increasing generation gap pits programs intended for the education and welfare of children against programs for the elderly such as Medicare and Social Security .This gap between young and old is exacerbated by a young population of immigrants ,their children and an aging native born population. Thus, the state is partly fueled by perceived competition between the newcomers and the native born generation .In fact, public attitude toward immigrants in California suggest that many of the state's residents feel at best a sense of unease about the impact the new

wave of immigrants to the state, in fact the image one has of the state's recent immigrants will depend upon which group of immigrants one is talking about. Whether sorted by national origin or legal status, California's foreign born population appears to be quite diverse . Also the growing economic between those without higher education has added a new dimension to this mix.

Finally, it is important that Californians have a clearer understanding of immigration issue and its long term implications. It might seem that immigration does not need a higher profile. But public perceptions of immigration and its impacts will have to go deeper. The current government of united California should make greater public understanding of an immigration issues a priority. (McCarthy and Vernez p295)

3-5 Conclusion

California's economy is big, and so is the immigrant contribution to it. The state's economy is the sixth largest in the world and the giant among even the most immigrants – rich states . This idea is already mentioned when we dealt with the steady continuing shift of California's economy from durable and nondurable manufacturing toward finance, insurance, real estate and other professional services. In general given the economic effects of immigration and its positive productive contribution in all sectors of economy including agriculture, industry, labor force, science and technology. This chapter also included a state of study “ California” as a concrete example of the impact of immigrants on the prosperity of United State economy . The analysis of the economic integration of immigrants paints a

generally positive picture of that progress over the long term . The best that can be observed how the dynamics of the economy, labor market, have changed together over the last 30 years and infer from these observations the role immigration appears to have played in the California economy over years .

General conclusion

In this study the researcher attempts to show that America has always welcomed immigrants. However, this behaviour does not tively and mainly qualitmean that any one is invited to come . In fact, almost all American immigration policies were quantitatively and qualitatively selective i. e. American immigration policies have always targeted ambitious, skilled and talented people across the world who themselves consider the United States the destination of first choice. From its side, the United States has successfully integrated them into its population, found productive employment for them. By its openness to and respect for immigrants, America has built a foundation of its economic strength.

The scope of this study was to reveal thatAmerica's attractiveness to immigrants is essential to its prosperity, and will be especially important in helping the United States recover and emerge stronger from an eventual economic downturn. Immigrant have always been a formidable engine of economic growth for the United States from the colonial era to the present day. In the light of these findings, I would like to emphasize that immigration constitutes a strong impact on the U.S economy and that without their help, this nation would never prosper in such a way since the majority of the skilled labour force and experts are of foreign origins.

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