

Immigration in the U.S. is big business

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The foreign-born immigrant population in the United States grew by more than 15 percent in the last 12 years, and it is the labor force of these 32.5 million workers, generally overworked Latin Americans, that is one of the main causes behind strong

U.S. economic growth.

In the United States, a country whose history was largely forged by immigrants, the discourse against foreigners arriving in search of better opportunities is one of the battle horses in pre-election speeches. But beyond the talk about the threat posed by immigrants are studies that clearly show that these communities benefit the country's economy as a whole and the pockets of natives in particular.

"Relatively large immigrant populations show better outcomes than those with smaller percentages of immigrant populations," says the George Bush Institute report, which shows their positive impact in areas ranging from income to cultural development and debunks myths that they take jobs away from locals or drive wages down. Cities with high percentages of immigrants are more innovative than others, and the contribution of non-U.S.-born people is high.

Studies reveal that immigrants invent new products and receive patents at higher rates than natives. Twenty-seven percent of master's and doctoral students in Science, Technology, Engineering, and Mathematics are foreign nationals on temporary visas. Immigrants represent 14% of the population of metropolises but hold 23% of science and technology positions.

The least skilled immigrants fill millions of essential jobs that would remain vacant if they were not in areas such as healthcare, manufacturing, and construction. Their importance in healthcare was providential in the pandemic: one out of every three jobs was filled by immigrants. They have also helped "stabilize" industries in the Midwest, filling a shortage of skilled labor that would have forced factories to close.

And while the growing number of immigrants in the U.S. has caused division among politicians across the country and has become one of the big topics of debate in the run-up to the presidential election, it has stoked angst among a sector of voters, but there is one place where almost everyone seems to be optimistic: Wall Street.

Businessmen, investment funds are happy, especially after the Congressional Budget Office estimated that immigration will generate a seven billion dollar increase in gross domestic product over the next decade. Translated: immigration is big business, except for those who migrate, of course.

It is investment bank economists who account for the boost that migrants are giving not only to the labor force but also to consumer spending. Investment bank Goldman Sachs Group Inc. revised upward its short-term economic growth forecasts. JPMorgan Chase & Co. and BNP Paribas SA were among the banks that acknowledged the economic impact of increased immigration in recent weeks.

“Immigration is not only a very socially and politically charged issue, but also an important macroeconomic issue,” said Janet Henry, global chief economist at HSBC Holdings. She noted that no advanced economy is benefiting as much from immigration as the U.S. and “the impact of migration has been an important part of U.S. growth over the past two years.”

Immigrant workers account for roughly one in five U.S. workers, a record in government data going back nearly two decades. Economists and policymakers highlight the connection between the increased influx of foreign workers and the rapid post-pandemic recovery. Federal Reserve Chairman Jerome Powell has claimed that immigration is one of the reasons behind the strong economic growth.

According to official figures, the foreign-born population has grown considerably over the past 50 years both in size and as a percentage of the U.S. population. In 1970, it was 9.6 million (4.7 percent) of the total population, and in 2022, it was estimated at 46.2 million (13.9 percent) of the total U.S. population.

More than half of the immigrants in the United States come from South and Central America, with numbers increasing by more than two million in the last 12 years.

Despite declining by one million, the Mexican-born remain the largest sector of immigrants living in the United States today, totaling 10.68 million in 2022, representing one-quarter of the total immigrant population. The Mexican-born are only a portion of the total 36 million people of Mexican origin living in the country. They are also the largest group of undocumented immigrants entering the U.S., according to the Department of Homeland Security.

Some 80 percent of those born in Mexico have lived in the U.S. since before 2010, although some 2 million have arrived after that year. Over the past 12 years, the percentage of Mexicans who have obtained U.S. citizenship increased to the point that today, nearly one-third of Mexican-born immigrants, half of them without much education, are U.S. citizens.

The business of people smuggling

In December 2013, U.S. authorities began to warn that drug cartels were already involved in the huge business of people smuggling, but no one did anything to stop it. Today, the business is so big that it represents at least \$10 billion annually.

In those days, migrants had to hire “coyotes” to help them cross into the United States and guide them along their route, but that has changed. Today, migrants have to hire the cartels because, obviously, it is those same cartels who have had, for several years now, control of the Mexican routes to the United States, according to the Mexican newspaper *El Economista*.

On their way before being stopped by the border patrol, today migrants are stopped by the cartels: at each stop they have to show the blue, red, green or yellow bracelets, which will tell the smugglers that the migrant is already paying the cartel’s people, a fee that is not for crossing into the United States, but just for letting them pass through Mexican territory to the border.

But the illegal immigration business in Texas generates thriving jails and employs loan sharks, loan sharks, and shady lawyers. In 2018, Texas was at the center of the scandal produced by President Donald Trump's "zero tolerance" policy, which led to the separation of more than 2,300 children from their families upon entering the country illegally or seeking asylum.

Texas also has the largest number of prisons for immigrants. Built in 1983, the detention center in Houston was the first private prison in modern U.S. history. Its owners, Corrections Corporation of America (CCA), and GEO Group are the two largest prison corporations in the US. Both are publicly traded.

According to the research center In The Public Interest (INPI), this scheme causes mass incarceration for minor offenses to be promoted in the private sphere. Together both corporations, with profits of \$4 billion in 2017, "invested" more than \$10 million in political candidates and nearly \$25 million in lobbying between 1989 and 2017.

According to a study by Mexico's National Population Council migrants can pay between \$5,000 and \$9,600 for their crossing in that country and another \$2,200 for crossing the border accompanied by a guide. Organized crime groups, in turn, rely on their relationship with corrupt state agents. Very few migrants make the journey without the involvement of organized crime.

In Mexico, the Sinaloa, Jalisco, and Zetas cartels are the ones behind migrant smuggling. In the Mexican city of Juarez, there are frequent clashes between the Mexicles (armed wing of the Sinaloa cartel) and La Linea (of the Juarez cartel) to capture the management of the migrant caravans.

In Colombia, the picture is not much different. According to Jeremy McDermott, Colombia director for InSight Crime, there are two organizations behind migrant smuggling in the country: the Aragua Train, a mega-gang that deals primarily with

Venezuelan migrants, and the Gaitanista Self-Defense Forces, or Clan del Golfo.

Lucrative Darien Gap

The jungle-like Darien Gap has quickly become one of the political and humanitarian crises. What was a trickle a few years ago has now become a torrent: more than 360,000 people already crossed the jungle in 2023, according to the Panamanian government, surpassing the record of 250,000 in 2022.

In response, the United States, Colombia and Panama signed an agreement to “put an end to the illicit movement of people,” a practice that “leads to the death and exploitation of vulnerable people for significant profits”.

Today, those profits are larger than ever: in 2023 alone, local leaders have collected tens of millions of dollars from migrants in a huge and sophisticated human movement operation. “There is a nice economy,” said Fredy Marín, a former councilman in the neighboring municipality of Necoclí who runs a boat company that transports migrants on their way to the US. It transports thousands of people every month and charges US\$40 per person.

Source: [Cuba en Resumen](#)

