



RECENT DEMOGRAPHIC CHANGE IN ARIZONA

Anatomy of Effective Immigration Reform Legislation



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Executive Summary

The efforts of Arizona policymakers to deter the settlement of illegal aliens in the state and to encourage those already in the state to leave have made major advances in their objective. The achievements include a reduction in the illegal alien population and, as a consequence, in related state and local expenditures. The following indicators of change all point to major progress:

- The rapid population growth prior to 2007 that was fueled by illegal immigration has significantly dropped. After 2007 the average annual population growth decreased by nearly 150,000 persons and about 90,000 of that change is accounted for by a drop in foreign-born persons moving to the state.
- Between 2007 and 2010 the resident foreignborn population in Arizona from Latin America fell by an annual average of 33,500 residents. This reflects the disproportionate representation of Mexicans in the state's illegal alien population. According to Pew Hispanic Center researchers, in 2010 — after the reduction noted above — between 81 and 95 percent of the state's illegal alien population was Mexican.
- The federal immigration authorities estimate of Arizona's illegal alien population fell by 100,000 from 560,000 in 2008 to 460,000 in 2009. A drop in the estimated illegal alien population occurred in other states as well—by an estimated 8 percent nationally. However, the estimated drop in Arizona of nearly 18 percent was by far the largest in the country.

- American Community Survey data show a notable drop in Arizona families living in poverty between 2005 and 2008; a reduction by 5.5 percent compared to a drop of 4.9 percent nationally. Arizona families with annual earnings of less than \$35,000 increased between 2000 and 2005 and then dropped. There were more than 40,000 fewer low-wage families in the state in 2009 than in 2005.
- Births in the state in 2010 were 13,500 fewer than in 2007. This drop paralleled the reduction in the poverty population and the illegal alien population, and suggests that this also represents a reduction in births paid for by Medicaid.
- According to data of the Arizona Department of Education, preliminary enrollment data for Limited English Proficiency classes in 2010 show about 37,600 fewer students in 2010 than in 2005, i.e., a decrease of 24.4 percent while nationally LEP enrollment was increasing by 4 percent. The related annual savings was about \$97 million.
- FBI crime data registered a major drop from 2005 to 2010 in violent crimes in Arizona by 14.4 percent compared to a 10.4 percent drop nationally. Property crimes declined more steeply by 21.4 percent, i.e., more than twice the reduction nationwide (10.7%).

Besides the immigration restriction legislation enacted in 2007, other factors that likely have played a role in curbing illegal alien residence in the state include local-national law enforcement cooperation and border security measures, while at the same time the state was experiencing the effects of the

recession, loss of jobs and growing unemployment. The confluence of all of these factors constituted a strong message that Arizona was no longer a desirable destination for illegal aliens and that already settled illegal aliens faced increased exposure to identification and deportation.

Concurrently there were activities designed to reassure illegal aliens that they would still be able to find supporters and protectors if they decided to come to or remain in the state. These efforts included an initiative by the Mexican government to indicate safe illegal border-crossing routes, statebased organizations which provided water supplies for illegal aliens crossing remote stretches of desert on foot, Mexican consular services for those in the state, support services provided to illegal aliens by religious and other groups, as well as legal efforts supported by the Obama administration to nullify the restrictive measures. The demographic data point to the fact that these accommodating messages have been out-weighed by the law enforcement messages.

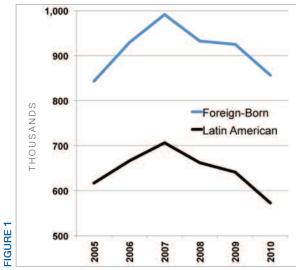
Introduction: Anatomy of Change

Overall, Arizona's population increased by 1.28 million residents between 2000 and 2010. The foreign-born population increased by about 200,000 during that same period. In 2000, a large majority (71.5%) of the foreign-born were from Latin American countries. Despite the continued growth in the foreign-born population over the decade, a significant change took place. By 2010, the share of the foreign-born population from Latin America had declined to two-thirds (66.8%).

According to American Community Survey (ACS) estimates, from 2000 to 2007 the state's population had an annual average increase of about 172,600 residents of which more than 47,900 (27.8%) were foreign born. Between 2007 and the end of the decade the trend changed dramatically as the annual average population increase fell to fewer than 25,000 residents — about one-seventh of the

earlier rate of increase. The flow of foreign-born residents turned negative with an annual average exodus of nearly 45,000 residents. That resulted in a net change in the foreign-born population from positive to negative — this change by more than 90,000 persons a year explains most of the drop in the rate of total population increase.

The change in the pattern of arrival and departure of foreign-born residents mirrors almost precisely the ebb and flow in the Latin American portion of the foreign-born population. Between 2000 and 2007 the foreign-born population from Latin America increased by an average annual rate of 33,900 residents (70.1% of the total increase in the foreign-born population). Between 2007 and 2010 the foreign-born in Arizona from Latin America fell by an annual average of 33,500 residents — virtually all (99.3%) of the drop in foreign-born residents (Figure 1). This reflects the disproportionate representation of Mexicans in the state's illegal alien population. According to Pew Hispanic Center researchers, in 2010 — after the reduction noted above — between 81 and 95 percent of the illegal alien population in Arizona were Mexican 1



Foreign-Born and Latin American Population in Arizona

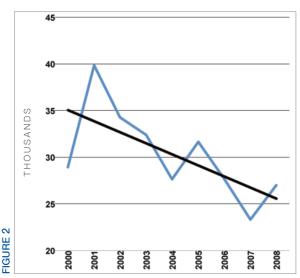
To put that change into perspective, from 2005 to 2010 the foreign-born population in Arizona fell by 13.6 percent while nationally the foreign-born population rose by 5 percent. The foreign-born

population in Arizona from Latin America and the Caribbean fell over the same period by 19 percent while nationally it was rising by 4 percent.

The foreign-born population can change as a result of both international migration and domestic migration. The number of foreign-born residents arriving from and leaving for foreign countries constitutes net international migration (NIM). Net domestic migration (NDM) — the arrival from and departure to other states may include foreign-born persons. The drop in Arizona's foreign-born population from 2007 through 2010, therefore, may result from a net reduction in arrivals from abroad and/or from other states as well as increased outmigration to other states or abroad.

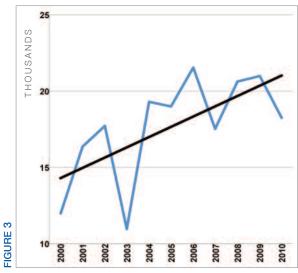
Net International Migration

According to Current Population Survey (CPS) data, NIM into Arizona peaked at about 40,000 persons in 2001-2002 and then began dropping. By 2007-2008 Arizona's annual average NIM flow was 23,318 from which it rebounded slightly the following year (Figure 2).



Net International Migration to Arizona

This downward trend in NIM into Arizona occurred during a period of increased new legal immigrant settlement into the state (Figure 3). The DHS Yearbook of Immigration Statistics data for this period does not differentiate between new immigrant arrivals from outside of the United States and the change of status — from nonimmigrant to immigrant status — for aliens already residing in the United States, however at the national level recent data show about an even split between the two categories.



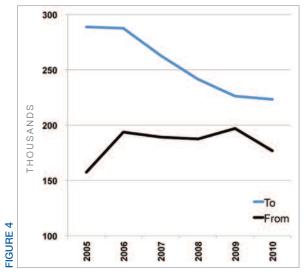
Immigrant Admissions for Arizona

Despite this drop in NIM by about one-third between the 2001-2002 to the 2008-2009 period, it was still adding to the state's population and, therefore, does not explain the nearly 130,000 drop in the foreign-born population between 2007 and 2010.

Net Domestic Migration

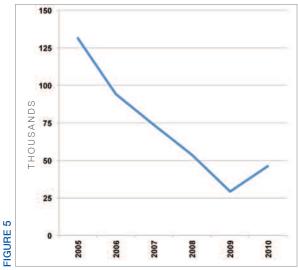
The Census Bureau's ACS data provide information on the number of residents of Arizona who have arrived in the state in the past year and have left Arizona to reside in another state in the past year. These data show a drop between 2005 and 2010 from about 290,000 to about 225,000 residents from other states that moved to Arizona. If intrastate migration into Arizona had not dropped and continued at the same rate as in 2005, more than an additional 200,000 persons would have been added to the population. Between 2005 and 2009,

the number of Arizona residents who moved from Arizona to other states rose by about 40,000 (from about 160,000 in 2005 to about 200,000 in 2009) and then settled back to about 190,000 in 2010 (Figure 4). If the rate of residents moving out of the state had remained at the 2005 level, more than an additional 155,000 persons would have resided there in 2009.



Domestic Migration to and from Arizona

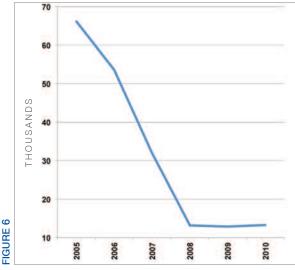
The change in intra-state migration during this period was a plunge of about 100,000 persons in the net flow into Arizona between 2005 and 2008 — from a net increase of more than 125,000 to a net increase of about 25,000 (Figure 5).



Net Intra-state Migration 2005-2010

The combination of these two trends — dropping in-migration from other states and increasing out-migration from Arizona to other states — yield an annual net flow that was steadily and steeply downward from 2005 to 2009. Between 2009 and 2010 net intra-state migration rebounded slightly. Over the 2005-20010 period, the changes in the two trends resulted in a population about 355,000 smaller than it would have been if the pattern had not changed.

The ACS data also reveal the sources of that intrastate migration change. The largest drop in migration to Arizona was among residents coming from California. The number dropped from 94.3 thousand in 2005 to 47.2 thousand in 2010. That was a decrease from nearly one-third (32.6%) of the total flow into the state to about one-fifth (21.1%). At the same time the number of residents moving from Arizona to California increased. The result was a drop in the net flow from California to Arizona from about 66,000 in 2005 to about 13,000 in 2008 to 2010 (Figure 6).



Net Migration between Arizona and California

Similarly with Texas, a net flow of about 5,300 residents into Arizona in 2005 turned negative in 2006 and remained a net outflow from Arizona to Texas through 2010. During that period there was an overall net exodus to Texas of more than 13,000 Arizona residents.

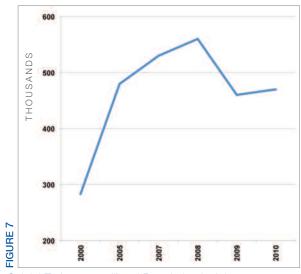
Immigration Reform Developments

The ACS data on rates of change in the foreign-born population indicate a major demographic shift in 2007 while the CPS data on international migration suggest a change that began as early as 2005. While much of the focus on Arizona's efforts to discourage illegal alien settlement in the state has been on the 2007 and more recent legislation, there were earlier developments impacting illegal immigration into the state and the already resident illegal alien population.

Those developments included the following:

- In 2004, Arizonans approved the Protect Arizona Now initiative — Proposition 200 — that required, inter alia, that applicants for state benefits produce a valid identity document establishing their legal status in the United States.
- The federal-local immigration law enforcement cooperative agreement known as 287(g) went into effect in 2005 for the Arizona Department of Corrections.
- At the same time the personnel of the Border Patrol were being significantly augmented in part out of national security concerns raised by the Al-Qaeda sponsored terrorist attacks in 2001.²
- 2005 also marked the founding of the Minutemen Project in which volunteers undertook to patrol the border and report illegal entry to the Border Patrol.³
- In 2006 National Guard forces were sent to the border to backstop Border Patrol operations while the newly authorized personnel were being recruited, trained and deployed.
- A major expansion of fencing that now covers most Arizona's border with Mexico was mandated by the 2006 Secure Fence Act — although the erection of this barrier did not begin immediately and construction in some segments was delayed by lawsuits.

The federal immigration authorities had estimated Arizona's illegal alien population at 283,000 in 2000. By 2005, that estimate had climbed to 480,000. The estimate continued to climb to 560,000 in 2008 and then it dropped by 100,000 (Figure 7). The drop in the estimated illegal alien population occurred in other states as well, and was down by an estimated 8 percent nationally. However, the estimated drop in Arizona was nearly 22 percent and was by far the largest in the country.



Official Estimates of Illegal Population in Arizona

The reduced flow of illegal aliens into Arizona may be understood in terms of the increased border control efforts and the state's enforcement efforts described above. These changes, as well as the economic recession and rising unemployment, explain the exodus of aliens — many of whom were illegal aliens — from the state to other states and departing the country.

The first major response of the state legislature to rising illegal immigration, which FAIR estimated in 2004 to be a fiscal drain of \$1.4 billion per year on the state's taxpayers⁴, came in early 2007 with the introduction of the Legal Arizona Workers Act. This legislation, as described by the state, "... prohibits businesses from knowingly or intentionally hiring an 'unauthorized alien' after December 31, 2007. ... The law also requires employers in Arizona to use the "E-Verify" system (a free Webbased service offered by the federal Department of Homeland Security) to verify the employment

authorization of all new employees hired after December 31, 2007."⁵ The state legislature further acted in 2010 in adopting AZ 1070 which, inter alia, expands police authority to question and detain persons who in the course of normal law enforcement operations create reasonable suspicion that they may be in the country illegally.

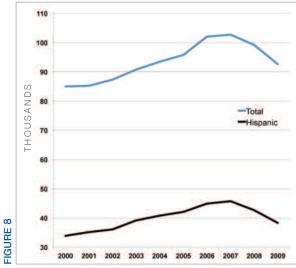
Even before the adoption of the 2007 legislation, momentum towards a 'get tough' policy on illegal aliens had been launched in Arizona with the advent of a federal-local immigration enforcement program known as 287(g) agreements in which local law enforcement personnel are trained and deputized as immigration law enforcers. Agreements with the U.S. Department of Homeland Security were signed by the state's Department of Corrections in 2005, the state's Department of Public Safety and the sheriff of Maricopa County in 2007. Eight additional agreements were concluded between 2006 and 2009 with county and city police departments. The agreement with Maricopa County in particular as administered by Sheriff Joe Arpaio generated widespread publicity and angst among illegal aliens and their defenders.

Coinciding Change

POPULATION — The demographic change described above could be seen also in a marked drop in the rate of population increase among working-age persons as well as for children. Among those under age 14 the average population increase each year from 2000 to 2005 was 34,546 residents. That population segment increased from 2005 to 2006 by 36,870 and by 40,932 from 2006 to 2007. Then, from 2007 to 2008, the increase dropped to 33,875 and from 2008 to 2009 to 24,986 residents, i.e., 61 percent down from the peak change between 2005 and 2006.

BIRTHS — The demographic change could also be observed in births in the state. From a peak level of births of about 103,000 births in 2007, the number of Arizona births fell by nearly 10 percent by 2009. That was more than 10,000 fewer births.

This decrease in births was paralleled by a drop in births to Hispanic mothers. The decrease by more than 7,300 births to Hispanics over the same period was a 16.1 percent reduction and represented 73 percent of the overall decrease. Data are not available to indicate the reduction in births paid for by Medicaid over this period, but it seems likely that it was not negligible. (Figure 8).

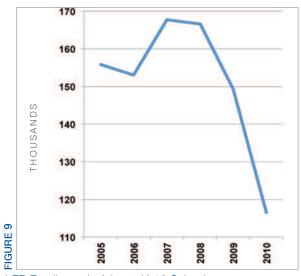


Births in Arizona — 2000-2009

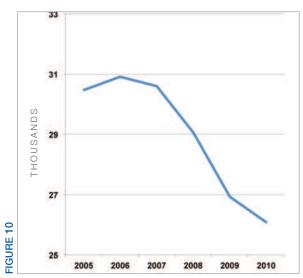
POVERTY — ACS data show a notable drop in Arizona families living in poverty between 2005 and 2008; a reduction by 5.5 percent compared to a drop of 4.9 percent nationally. Arizona families with annual earnings of less than \$35,000 increased between 2000 and 2005 and then dropped from 2005 to 2008. Even with an increase between 2008 and 2009, the total decrease from 2005 to 2009 was more than 40,000 low-wage families.

ENGLISH ACQUISITION — According to data of the Arizona Department of Education, Office of English Language Acquisition Services, preliminary data on enrollment of K-12 children in Limited English Proficiency classes in 2010 indicate there were about 37,600 fewer students in 2010 than in 2005. This represented a decrease of 24.4 percent (Figure 9).

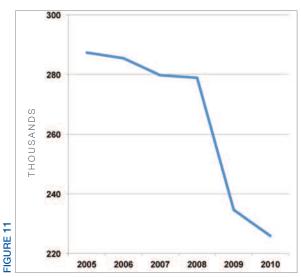
CRIME — The incidence of crime in Arizona also registered a noticeable drop over the 2005-2010



LEP Enrollment in Arizona K-12 Schools



Violent Crimes in Arizona



Property Crimes in Arizona

period according to FBI crime statistics. Violent crimes (murder, forcible rape, robbery, aggravated assault) fell by 14.4 percent (Figure 10). This drop was greater than the overall decline in violent crimes nationwide of 10.4 percent.

The decrease in property crimes (burglary, property, larceny theft, and motor vehicle theft) declined in Arizona more steeply — by 21.4 percent — than crimes of violence (Figure 11). A drop in property crimes also was registered nationwide (10.7%), but in Arizona the reduction was twice as great.

Conclusion

All of the indicators of population change in Arizona during the latter half of the past decade point to a significant demographic change that coincided with the change in the conditions in the state for illegal aliens. The changes resulted from local law enforcement activities as well as legislative changes designed to make Arizona less accommodating for aliens seeking illegal work in the state. These changes also coincided with developments not under the control of state and local authorities such as the economic downturn and increasing unemployment and federal resources dedicated to improved border control. Nevertheless, the greater reduction in the state's estimated illegal alien population than in any other state — according to federal estimates — clearly points to the state's proactive measures as a major factor in achieving the policymakers' objective of reducing the burden illegal aliens were placing on the state's resources and on the state's taxpayers.

While it is not possible to estimate with any precision the savings to the Arizona taxpayer of the drop in Medicaid births or the drop in special English language acquisition classes that may be attributable to the decrease in illegal alien residents in the state, it is doubtless considerable. Other related fiscal consequences will have occurred in reductions in other social assistance programs such as the number of children receiving free or subsidized meals in the schools and in emergency medical assistance

Similarly, it is not possible to estimate with any assurance how much of these fiscal costs may have been shifted to taxpayers in other states, because the number of Arizona's illegal alien residents who may have returned to their homelands rather than moving to a more accommodating state is not known. However, the decrease in net international migration into the state while at the same time DHS admissions data showing an increase in the admission of legal permanent residents into the state strongly suggests that the state's policies were not only causing some illegal aliens to leave the state, but also were having the effect of deterring the arrival of new illegal aliens.

The major reduction in the crime rate, especially in property crimes, is especially welcome news for Arizonans, because the reduction was from one of the highest per capita rates in the country.

Past progress is no guarantee of future success. The expansion of illegal immigration after the adoption of the 1986 IRCA legislation making it illegal to hire an illegal alien demonstrates that

both employers and illegal aliens are resilient in the face of restrictions. Thus, it is not clear that the measures adopted in Arizona will continue to result in the improving conditions noted above. This cautionary note is underlined by the fact that the crackdown on illegal immigration in Arizona is being aggressively opposed in court by the Obama administration as well as in practice by the administration's evolving practice of discretionary enforcement.

It is also not possible to conclude with assurance that the adoption of measures similar to those adopted in Arizona would have similar beneficial effects if adopted in other states or nationally. Nevertheless, there are significant enough indicators of a major impact on illegal alien settlement in Arizona as a result of state action coupled with exogenous conditions, that there should be a strong presumption that the flow of illegal aliens into a state or into the United States can be suppressed by a clear message that such illegal presence is unacceptable and will be effectively opposed.

Endnotes

- Passel, Jefferey and D'Vera Cohn, "Unauthorized Immigrant Population: National and State Trends, 2010", February 2011.
- 2 The increase in the Border Patrol was mandated in the Intelligence Reform and Terrorism Prevention Act of 2004.
- 3 The Minutemen movement may have had a greater impact on illegal immigration as a result of the media coverage of their activities than from any actual border surveillance activity or reporting of hiring of illegal workers. These activities were widely reported in Mexico and other major source countries of illegal aliens. Similarly, the publicity given to the deployment of the National Guard to the border may have contributed more to the deterrence effort than any actual force multiplier of enforcement capability.
- 4 Martin, Jack, "The Costs of Illegal Immigration to Arizonans, FAIR, 2004.
- 5 http://www.azag.gov/LegalAZWorkersAct/ website consulted November 21, 2011.