

# DACA has not had a negative impact on the US job market, finds study

March 29 2023, by Andrew Sharp

---



Credit: Pixabay/CC0 Public Domain

A new study from the University of Delaware refutes a long-held talking point: the Deferred Action for Childhood Arrivals (DACA) policy does

not seem to have a negative impact on jobs or income.

Emily Battaglia, an assistant professor of economics at the Alfred Lerner College of Business and Economics, discovered in her research on data from 2005 to 2018 that the policy better known as DACA does not seem to have a negative impact on jobs or income. The policy might even have improved the [economic climate](#) for some people. Her paper was published in the *Journal of Urban Economics*.

The DACA immigration policy was put in place by President Barack Obama in 2012. His executive order allowed certain people brought to the country illegally as children to apply for protection from deportation and get legal working status. This is not the same as the proposed DREAM Act, which also deals with immigrants in similar circumstances. The DREAM Act was an effort that began in 2001 to address the problem legislatively, but never became law.

Obama's move was an effort to take some kind of action despite the lack of partisan consensus.

"The president was facing growing pressure from Latino leaders and Democrats who warned that because of his harsh immigration enforcement, his support was lagging among Latinos who could be crucial voters in his race for re-election," The New York Times reported in its coverage at the time.

In the years since, one criticism of DACA has been that it could cost native-born Americans jobs. Battaglia notes in her paper that Republicans sent a letter to Obama in 2012 expressing just that concern, worried that it was poor timing because of struggles with the economy.

This criticism was one of the rationales for President Donald Trump to overturn the order in 2017; at least he tried to. It was the beginning of a

court battle that continues until now, with a Texas judge ruling in 2021 that Obama had overstepped his authority.

For now, the program has been allowed to continue, but officials can't process new applications. Battaglia noted that DACA only applies to a certain segment of the population anyway, because of its outdated requirements for participation, like requiring that people must have lived continuously in the U.S. since 2007. As an order for a particular time, it hasn't aged the same way as a legislative solution might have.

One reason Battaglia was interested in studying the topic came from her life prior to becoming an economist. "I was a high school math teacher in San Antonio, Texas," she said. "So I worked a lot with students that were a part of the undocumented population."

To examine the economic impacts of DACA, Battaglia had a vast data set: Census data from around the United States, combined with the order's long track record. Some parts of the country were home to much higher numbers of young people eligible for DACA—she gave Texas and California as examples—and other regions, like in the northeast, had far fewer. That provided a test tube of sorts, allowing her to compare the impacts from statistical analysis of the different regions.

A number of people have researched DACA's impact on the recipients, but Battaglia's work comes from a different angle, focusing on those immigrants who aren't eligible and citizens as well. She also took a different analytical approach than some previous investigations, both in method and in the categories she studied, she explained.

"The main takeaway from the research is that DACA did not have a negative impact for natives in the [labor market](#)," Battaglia said, which undercuts one of the main arguments against the program. The policy seemed to increase the number of citizens with jobs, including pulling

people out of unemployment, she found.

Battaglia also did not find a negative effect on immigrants who were not eligible for DACA.

Since her study focuses on the numbers, it's beyond the scope of the research to explain why DACA had the impact it did. Battaglia suggested it could have brought economic benefits by moving immigrant employees into jobs that were a better fit, thus improving productivity and profits, which would then have a ripple effect on the job market. Or perhaps immigrants earning better wages spent more, increasing demand and helping the economy that way. Some sectors could have seen lower wages as a result of DACA, with other sectors increasing wages, canceling each other out. It could be several such factors working together.

That's part of the problem with studying immigration and the economy, especially at the same time. They're massive, complex subjects with many nuances, like why [immigrants](#) came, where they settled, how long they have been here, and what else is going on in the economy. The literature, as you might expect, is somewhat mixed, which can be an indicator that more study is needed.

"Papers find different effects across a variety of different policies or natural experiments. So I think it's not something that's like an open and shut question. There's definitely more research that can happen there," Battaglia said.

And be careful how you use her numbers. Battaglia warned that her work doesn't apply broadly to all immigration, especially newcomers to the country. Rather, it focuses on a specific slice of long-term residents who had new opportunities open up because of the policy.

"I would be very cautious of taking my study and trying to extrapolate it to something more long term, like the DREAM Act," she said. However, she noted in her paper that researchers might be able to build on her methods to study long-term immigration.

While DACA is a decade-old policy, the executive order is still very much part of the national conversation, not only because of the ongoing court battles but because of the quest to find immigration solutions. Battaglia's research gives policymakers hard data as they consider those solutions.

**More information:** Emily Battaglia, Did DACA Harm US-Born Workers? Temporary Work Visas and Labor Market Competition, *Journal of Urban Economics* (2022). [DOI: 10.1016/j.jue.2022.103512](https://doi.org/10.1016/j.jue.2022.103512)

Provided by University of Delaware

Citation: DACA has not had a negative impact on the US job market, finds study (2023, March 29) retrieved 16 July 2024 from <https://phys.org/news/2023-03-daca-negative-impact-job.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.