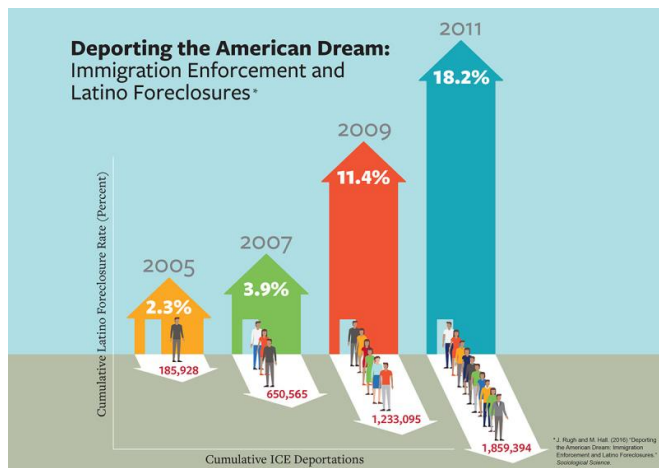


When wage earners are deported, Latinos lose their homes

9 December 2016, by Susan Kelley



Latinos deported by Immigration and Customs Enforcement reached record levels, driving the rapid expansion of Latino household foreclosures. Credit: Wendy Kenigsberg/University Communications

Early in his presidential campaign, Donald Trump said he would deport all of the estimated 11 million immigrants who are in the United States illegally.

If the president-elect keeps his word, more deportations under his administration would mean devastating losses to legal Latino homeowners – and the communities they live in.

New research by a Cornell demographer suggests that deportation of undocumented Latinos results in higher rates of foreclosure. That's because a sizable share of legal Latino homeowners live with undocumented wage earners who contribute to the household income; about one-third of undocumented Latinos live in homes owned by legal Latinos. When these wage earners are deported, the household loses income and starts down the path to foreclosure.

The reduced home ownership, and the loss of

wealth that comes with it, illustrates how legal status and deportation contribute to racial inequality, said Matthew Hall, associate professor of policy analysis and management.

Hall co-authored the study, "Deporting the American Dream: Immigration Enforcement and Latino Foreclosures," which was published Dec. 8 in *Sociological Science* with Jacob Rugh, assistant professor of sociology at Brigham Young University.

"To a large degree, America's future is going to depend on our ability to successfully integrate the young Latino population. Regardless of what happens with immigration policy, the Latino population will continue to grow," Hall said. "Foreclosure and immigration enforcement affect these households in significantly negative ways, so there's a question of whether we are derailing our own future by handicapping these families."

Unlike some policy areas, Trump can change [immigration enforcement](#) policies on his first day in office and does not need congressional approval to do so.

"We don't know exactly what the Trump administration is going to do," Hall said. "But if we take Trump at his word ... we should assume that deportations are most likely going to increase – and perhaps dramatically so."

One important fact has been lost in the conversation about immigration, he said: The number of people crossing the border illegally is at a 40-year record low. "These high levels of deportation are occurring during a time when the undocumented population is actually shrinking," he said. Moreover, the United States is already deporting a lot of people. There has been a record increase in the number of deportations, with the Department of Homeland Security deporting

235,000 individuals in 2015. "The arrival of the Trump administration is likely to at least continue those trends," Hall said.

The authors found that from 2005 to 2012, Latinos were buffeted by two major forces: a record number of deportations and the housing foreclosure crisis. The increase in deportations partly stemmed from a section of 1996 immigration reforms, known as 287(g), that "deputized" local police forces with unprecedented latitude to pursue and deport immigrants living in the United States. Despite heated rhetoric about existing enforcement priorities, the number of deportations exploded during the 2000s, with nearly 3 million being deported between 2001 and 2011. At the same time, Latinos were buying homes at rapid rates just when the housing bubble started to burst.

Comparing foreclosures in Latino households in 42 counties with 287(g) enforcement to counties without it, the researchers found deportations greatly exacerbated foreclosure rates among Latinos by removing income earners from owner-occupied households. Foreclosure rates in 287(g) counties were 68 percent higher than in otherwise similar non-287(g) counties.

The dynamic helps to explain why Latino households lost their homes to foreclosure more often than any other racial group during the housing crash, Hall said.

"The collision of these forces – deportation and foreclosure – was facilitated by the rapid incorporation of Latinos during the housing boom, when risky mortgage terms were the norm," Hall said.

The study's results are relevant not only because of concerns about increased deportations, but because the regulatory environment around mortgages remains mostly the same.

The bigger implication is that the negative effects of a single deportation can create a ripple effect that could damage the surrounding community. Foreclosures often result in vacant or abandoned houses, leading to crime and civic disengagement. That in turn can reduce the value of homes in the

neighborhood, leading to yet more foreclosures. And communities lose out on tax revenue from those homes.

"So much of immigration policy is unfortunately driven by emotional appeal and not by cost-benefit analysis or any kind of empirical assessment," Hall said. "My concern is that as efforts to deport people are ramped up, we do not lose sight of how deportations not only destroy families – many of whom are U.S. citizens – but also harm communities and local economies."

More information: Jacob Rugh et al. *Deporting the American Dream: Immigration Enforcement and Latino Foreclosures*, *Sociological Science* (2016). DOI: [10.15195/v3.a46](https://doi.org/10.15195/v3.a46)

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