Welfare Use Among Elderly Immigrants

Testimony to the U.S. Senate Judiciary Committee
Subcommittee on Immigration

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1 Executive Summary

We as a nation are justifiably proud that we have in place a system which provides a “safety net” which protects the truly needy in times of financial desperation. As is well known, though, this safety net in some cases becomes a permanent way of life. What is much less well known is that in the last decade or so, a “new” class of permanent welfare users has arisen, growing at an alarming rate—elderly immigrants.

As someone who has been immersed in the Chinese immigrant community for 20 years, I became interested in usage of public assistance among that group, particularly in the SSI welfare program. Drawing upon 1990 California Census data and many interviews with those involved, I found that:

- Despite their Model Minority image, approximately 55% of elderly Chinese immigrants were on welfare, a striking contrast to the 9% figure for native-born seniors.
- The Chinese seniors who immigrate these days do not consider receiving welfare to be a stigma. On the contrary, they view it as a normal benefit of immigration, whose use is actually encouraged, like a library card. They are unaware of...
the fact that welfare is intended only as a safety net.

- The immigrant Chinese senior welfare recipients do not need the money. This is true by definition, because at the time a senior immi-
  grates, his/her children must demonstrate to the Immigration and Naturalization Service (INS) that they have the financial resources to be able to support the parent.

- Through Chinese-language books and newspapers, and most importantly through an extremely efficient word-of-mouth process, the Chinese seniors are exceedingly well-informed about welfare.

- In recent years most Chinese seniors immigrate to the U.S. with the advance intention of going on welfare. Moreover, even Chinese immigrant advocacy groups admit that the seniors’ adult children who sponsor them to immigrate also have this advance intention.

- The noble intentions of “family-reunification” provisions under which the children sponsor their elderly parents to immigrate often bear little or no resemblance to reality. Indeed, Asian-American community activist and immigrant advocate Bob Kim has noted that cancellation of SSI benefits would force many immigrant seniors to “move back [in] with families that don’t want them.”

- The children who do have their elderly parents living with them often actually make a profit from their parents’ SSI checks.

- The vast majority of the immigrant seniors on welfare come from middle-class families with above-average household incomes.

- The 1996 welfare reform legislation will not do much to reduce SSI usage by elderly immigrants. However, it will produce some reduction in Medicaid usage by this group.

The legal mandate of the INS to exclude applicants for immigration who are “likely to become a public charge” is widely flouted, since in recent years both the immigrants and their children plan in advance for the seniors to go on welfare. This point is of central importance. In investigating the problems of explosive growth in SSI usage by immigrants in recent years, it is appropriate to distinguish between immigrant and native recipients, because the immigrants were only allowed into the country on the strength of their—and their children’s—promises that they would not make use of welfare.

Details, both statistical and anecdotal, are presented in the following sections. In addition, Appendix 15 contains a number of profiles of Chinese SSI recipients, to concretely illustrate the phenomena treated in earlier sections.

We will discuss here a number of possible solutions to the problem of elderly immigrant use of SSI. Our conclusion will be that the only effective solutions will require some restrictions on family-reunification immigration, especially concerning elderly parents, in concert with other measures.

Although our focus is on SSI, a cash form of welfare, another very big fiscal drain is elderly immigrant use of Medicaid/Medi-Cal. Solutions to this problem will be discussed too.

Before continuing, it should be noted first that I am discussing legal immigrants (both the seniors and their adult children),1 who do qualify under welfare agency rules.2

## 2 Investigator’s Background for the Study

I am a former statistics professor, with extensive experience with observational studies, and have served as a statistical consultant for the Kaiser Hospital chain, the UCLA Neuropsychiatric Institute, and so on.

I am a former Chair of the Affirmative Action Committee at UC Davis, and have long been ac-

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1Throughout this document, I use the word immigrant to refer to foreign-born people living legally in the U.S., including both legal resident aliens and naturalized citizens (illegals are strictly ineligible for SSI). I have re-run many of the analyses described here for the subpopulation consisting of naturalized U.S. citizens, and found that the results are very similar, so I have not made a distinction between the two groups.

2The pledges which are being broken were for the INS, not pledges made to welfare agencies.
tive in work supporting minorities, particularly African-Americans, Asian-Americans and Latino-Americans, in programs such as MEP, MORE and SURPRISE.

I have been close to immigrant communities all my life. I spent part of my formative years in predominantly-Latino East Los Angeles, and my father was an immigrant from Lithuania. I am particularly close to the Chinese immigrant community:

My wife is an immigrant from Hong Kong; I speak Chinese (Cantonese and Mandarin), and my wife and I are raising our daughter to be bilingual; many of our social friends are Chinese immigrants; the television sets in my home are tuned to Chinese-language stations as often as to English ones, and I read the Chinese-language press; I have extensive experience as a volunteer worker in San Francisco’s Chinatown; I have long been active in efforts to combat discrimination against Chinese-Americans (see, for example, my article in Asian Week, July 14, 1995, reporting the racially-related firing of a Chinese immigrant engineer). In 1995, Dr. Lester Hsin-Pei Lee, a prominent Chinese-American and former member of the University of California Board of Regents, appointed me to the Committee for Rational Relations with China.

2.1 Reason for the Focus on Ethnic Chinese

The preponderance of Chinese examples in this report stems from my background in the Chinese communities. I am of course not singling out the Chinese. As seen in Section 5, many nationalities are heavy users of SSI, and most of my statistical analysis here is for the immigrant population as a whole, not just the Chinese. However, due to the fact that my “observation post” is in the Chinese communities, my examples here are often Chinese ones.

3 Scope and Methods of the Investigation

3.1 Data Analysis

Data analysis was done on the 1990 Census data (1% and 5% PUMS tapes). Due to the enormous amount of data involved, my study was restricted for the most part to California. Except where stated otherwise, the data are for immigrants residing in California who arrived in the U.S. in or after 1980 but before 1987.

The reason for excluding those who arrived during 1987-1990 is that as of 1990 sponsored immigrants were essentially barred from receiving SSI during their first three years (the deeming period) in the U.S.; inclusion of this period would have resulted in a bias. It is important to note that the reason for restricting the analysis to post-1980 immigrants is that the explosion in senior immigrant use of welfare is a relatively recent phenomenon. SSI use among legal aliens (not including naturalized citizens), for example, increased by 580% during the period from 1982 to 1994.

This trend in time is due to the fact that it has only been in the more recent years that immigrant awareness of welfare services has become so highly refined, and that it is the more recent immigrants who consider welfare to be nonstigmatizing. These time-trend considerations should be kept foremost in mind in any analysis pertaining to this topic. Statistics of overall immigrant use of welfare, unrestricted by time of entry to the U.S., are not representative of the current situation. (This will be discussed further in a later section.)

3.1.1 How to Duplicate These Analyses and Run New Ones

For example, to duplicate my nationwide figure of 47% for welfare usage among Chinese elderly in Section 5, do the following: First, acquire the 5% PUMS data, available on CD-ROM from the Census Bureau. Next, familiarize yourself with the household/person record structure of the PUMS data: Each household record is followed by n person records, where n is the number of persons in the household (positions 33-34 of the household record).

Set your program to read the entire PUMS database (which might take several hours). For each person

3U.S. News and World Report, September 25, 1995. The growth rate of immigrant use of SSI has been higher than the overall growth rate in immigration during the periods in question (see Aliens Who Receive SSI Payments, Charles Scott and Elsa Ponce, Office of Supplemental Security Income, March 1994).
record, record the values in the following fields:

- weighting (positions 18-21)
- age (positions 15-16)
- immigration status (positions 48-49)
- ethnicity (positions 53-55)
- public assistance (positions 168-172)

Count the person as being “selected” if all of the following conditions hold:

- age is greater than or equal to 65
- immigration status is 2, 3 or 4
- ethnicity is one of 706, 716 and 718

When a person is selected, let \( w \) represent his weighting. Add \( w \) to an overall sum, and if the public assistance value is greater than (not equal to) zero, then add \( w \) to a public assistance sum. (Of course, both sums should be initialized to zero.) In the end, divide the latter sum by the former sum to get the welfare rate.

### 3.2 Interviews

Subsequently I investigated the human side, interviewing numerous people involved in the general process: social workers at Chinese community centers; immigration attorneys; welfare officials; and the immigrant Chinese seniors themselves.

Note that the community centers are for social activities, places in which a senior can drop by for a couple of hours to alleviate boredom; they are not residences. Accordingly, the people I refer to as social workers are the staffers at the community centers; they are not government social workers as one would find in a Department of Social Services.

I conducted the interviews mostly during October and November of 1993. In order to get statistically meaningful results, I paid close attention to both the size and range of my interview sample. Concerning the latter aspect, I conducted interviews at both urban and suburban locations in the San Francisco Bay Area, and did some supplemental interviews in other areas of large concentrations of Chinese immigrants, such as Los Angeles and New York.

*It should be stressed that the interviews revealed a wealth of insight which would have been missed if the analysis had been limited only to the Census data.* Yet it must be clarified here that the usefulness of the interviews varied with the type of interviewee: The interviews of the immigrants themselves were of course the most useful. Many social workers knew their clients very well on a personal level, and thus could provide excellent insight too.

On the other hand, some other social workers, though equally dedicated, were less knowledgeable about the seniors’ personal lives, particularly the central point of the socioeconomic status of their children. An interesting example of this arose when I mentioned to one social worker that many of the elderly Chinese SSI recipients have upscale children who are engineers, successful entrepreneurs, and so on. The social worker insisted that this could not be true for her own clients, who she was sure were particularly poor. I suggested that we ask her clients themselves. She was flabbergasted by the clients’ answers, which confirmed what I had been telling her. For example, in the very first SSI recipient family she presented to me, the son was an engineer and his wife a computer programmer.

### 4 Types of Welfare and Eligibility Policies for Them

(Note: This document originally was my testimony to the U.S. Senate Immigration Subcommittee of February 6, 1996. I continually make updates to it. Due to the enactment of the welfare reform bill in August 1996, a number of policies have been changed. I have made updates in this section, and as a result many verbs which had originally been in the present tense as of February 1996 have been changed to past tenses. The general impact of the 1996 welfare bill will be discussed in depth in Section 13.1. There it will be seen that, in spite of the large amount of publicity the immigrant-related portions of the bill generated in late 1996 and early 1997, actually the bill will not do much to alleviate the immigrant wel-
fare problems described in this document.)

The welfare program used by a needy person is generally age-dependent: Needy children receive AFDC (Aid to Families With Dependent Children)\(^4\); poor but non-elderly adults receive General Assistance or equivalent; and impoverished elderly receive Supplemental Security Income (SSI), the nation’s designated welfare fund for the elderly. SSI should not be confused with Social Security.

Some SSI recipients receive only a partial check. The typical scenario for immigrant seniors in this situation is that they live with their children and do not pay rent, so that the housing provided by the children is considered “in kind” income which reduces the senior’s SSI check. However, if the senior (or his child) is very savvy about the way the system works, the senior may opt to start paying his child rent, even though he had not done so before applying for SSI. This gives the senior “independent living status,” which may entitle him to a full SSI check, and since the rent goes to the child anyway and thus the money “stays in the family,” the senior has no monetary incentive to settle for a partial check.

Before August 1996 Sponsored immigrants, in our case elderly persons typically sponsored for immigration by their adult children, were essentially ineligible for SSI during the so-called deeming period. The word “deeming” refers to the following. Say a Ms. Wong were to sponsor her elderly father Mr. Wong for immigration. Then if Mr. Wong were to apply for welfare during the deeming period, Ms. Wong’s financial assets would be “deemed” to be those of Mr. Wong, rendering Mr. Wong ineligible for welfare during that period unless Ms. Wong herself falls into financial hard times. In other words, the deeming period serves the function of forcing the son/daughter to live up to his/her pledge to support the parent—albeit only during the deeming period—while allowing for a safety net in case the sponsor has an unexpected financial setback.

The length of the deeming period was originally set to three years. In November 1993, Congress changed this period to five years, on a temporary basis, to revert to three years in October 1996. The latter change was superseded by the August 1996 welfare reform bill (see Section 13.1).

In contrast to sponsored immigrants, refugees are exempt from deeming, and are exempt from the law requiring that a person must demonstrate that he can support himself/herself financially, as a condition for entry to the U.S. For this reason, most analysts distinguish between sponsored immigrants and refugees in their statistics.

Medical care for the indigent is provided by Medicaid (named Medi-Cal in California). Medicaid policies vary from state to state; before August 1996, in California an immigrant was eligible for Medi-Cal after one year of residence, the same as for domestic migrants from other states; Medi-Cal was not subject to deeming.

Some analysts of elderly immigrant use of welfare claim that the immigrants have been applying for SSI not because they seek the cash, but instead to gain access to Medicaid. Though the seniors are of course interested in getting free medical care through Medicaid, the analysts’ claim that this is the primary reason immigrants apply for SSI is incorrect. Although if one receives SSI one automatically qualifies for Medicaid, in the vast majority of states (including California and New York, the states having the most immigrant SSI recipients), one can apply for Medicaid directly, without receiving SSI. This is an important point, and will be discussed in more detail in Appendix C.

There are many types of subsidized housing for the poor. In general, there were no deeming or other restrictions on immigrant access to such housing before August 1996.

5 Extent of the Problem

5.1 Welfare in the Form of Cash Payments

The table below presents the percentages of welfare use by immigrants over the age of 65, both overall and from some of the larger immigrant groups, in 1990.

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\(^4\)Under the 1996 welfare-reform bill, AFDC has been replaced by a new program, Temporary Aid to Needy Families (TANF). Certain eligibility criteria for various forms of welfare were also changed. This will be discussed in detail in Section 13.1. The description here, though, is for the pre-1996 situation.
As can be seen, 45% of elderly immigrants were on welfare. This figure is for all immigrants, both sponsored and refugees; the rate among sponsored immigrants was 40%. By comparison, the figure for native-born seniors was 9%.

For the elderly immigrant Chinese (I am using the word *Chinese* in terms of ancestry, and thus including people from not only China but also Taiwan and Hong Kong), the group on which I am focussing here, the figure was 55%. The Chinese and Korean figures were the highest among all major nonrefugee immigrant groups.5

Again, the numbers above are for California. Here are the nationwide figures, i.e. for all immigrants who entered the U.S. during 1980-1987 and who were at least 65 years old in 1990. The figures were similar to, though slightly lower than, the above numbers for California:

<table>
<thead>
<tr>
<th>group</th>
<th>% on welfare, U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>all immigrants</td>
<td>37%</td>
</tr>
<tr>
<td>sponsored immigrants</td>
<td>34%</td>
</tr>
<tr>
<td>Chinese</td>
<td>47%</td>
</tr>
<tr>
<td>Filipino</td>
<td>41%</td>
</tr>
<tr>
<td>Iranian</td>
<td>28%</td>
</tr>
<tr>
<td>Korean</td>
<td>50%</td>
</tr>
<tr>
<td>Mexican</td>
<td>18%</td>
</tr>
<tr>
<td>Soviet Union</td>
<td>50%</td>
</tr>
<tr>
<td>Vietnamese</td>
<td>65%</td>
</tr>
</tbody>
</table>

As mentioned earlier, welfare usage by senior immigrants has been increasing over the years. This general trend also holds for the Chinese:

<table>
<thead>
<tr>
<th>year of imm.</th>
<th>% on welfare</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980–1987</td>
<td>55%</td>
</tr>
<tr>
<td>1975–1979</td>
<td>47%</td>
</tr>
<tr>
<td>1970–1974</td>
<td>41%</td>
</tr>
<tr>
<td>1965–1969</td>
<td>39%</td>
</tr>
</tbody>
</table>

Indeed, those whom I interviewed—especially the immigrants themselves—felt that the Chinese rate is even higher than 55% today, and is continuing to rise.

The high SSI rate among immigrant seniors has been misinterpreted by some analysts, who say that the seniors are using SSI simply because they have not worked long enough to qualify for Social Security. This interpretation is incorrect. It does not explain the wide variation in usage patterns among various nationalities (e.g. 55% for the Chinese vs. 21% of the Mexicans), nor does it explain the upward time trend of SSI usage. Thus the current high popularity of SSI among immigrants is not simply due to lack of Social Security. Instead, as mentioned earlier, it is due to the growing awareness of SSI, and to the fact that SSI has gradually become to be regarded by the seniors as nonstigmatic (which was not the case earlier), and indeed has become a “magnet” which attracts many of them. This will be discussed further in later sections.

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5Yvonne Lee, the chief Chinese-American lobbyist opposing reform of immigrant eligibility for SSI, was interviewed on August 5, 1995 on the Chinese-language television program Chinese Journal on Channel 26 in San Francisco. There Lee alluded to the fact that the Chinese SSI rate is much higher than those of most major other nonrefugee immigrant groups:

Lee: [Under the proposed immigration-reform legislation] if you wish to apply for your parents to immigrate, your petition will be approved only if more than half of their children are in the U.S.

interviewer: Why is that?

Lee: Because if you want to be with your family [and, say, more than half of them are in China], then your best way to be with them is to stay in China, because that’s where your family is! [Laughs.] Congress’ goal is to prevent the old folk from coming to the U.S. because...

interviewer: Because the elderly use welfare.

Lee: Right. So you can see that these bills are really aimed specifically at Chinese.
5.2 Non-Cash Forms of Welfare

Except where stated otherwise, my use of the term welfare throughout this document refers to cash payments, which are the only types of welfare tabulated in the Census data. Yet cash payments comprise only part of an even larger problem. The seniors often view the cash as part of a comprehensive package of benefits:

- cash in the form of SSI
- medical care through Medicaid (Medi-Cal in California)
- subsidized housing
- miscellaneous subsidies, such as Universal Lifeline telephone service

Of key importance here is the problem of subsidized housing. Here I am using the term subsidized housing to include not only direct subsidies (e.g. “Section 8”) but also other arrangements, such as public housing and also below-market-rate, means-tested housing provided by nonprofit agencies. The reason this type of welfare is so important is that I believe that the problems in this regard are virtually unknown among people in the media and possibly even in the federal government.

Though the general public image of subsidized housing is that of tenants coming from the native-born underclass, a very significant number of recipients of such subsidies consists of immigrants, especially elderly immigrants from upper-income families. Unfortunately, the Census data do not provide information on housing subsidies, but the large extent of immigrant use can be seen in various other manners. Rosemarie Fan, social services manager with the Oakland Chinese Community Council (Oakland, California), points out for example that

Within five or 10 blocks from here [Fan’s office in Chinatown], you have lots of subsidized senior housing available, with long waiting lists. [The demand is so strong that for some buildings] the wait is more than five years.

According to Annie Chung of Self-Help for the Elderly, a chain of Chinese senior citizen recreation centers based in San Francisco, 14,000 senior housing units will be needed to serve immigrants in the next five years. A studio apartment in a subsidized building in the Bay Area will typically run from $200 to $300 per month, far lower than market rates, easily allowing the typical senior a substantial degree of discretionary income from his SSI check after paying for rent and food, especially when the other subsidies and benefits are taken into account. For Section 8 housing subsidies, the tenant pays one-third of his/her income for rent. (Of course, for those senior SSI recipients who live with their children, most of their SSI check becomes discretionary income.)

As Fan remarked, HUD facilities generally have long waiting lists. Thus it is reasonable to conclude that the immigrant seniors are reducing opportunities for native seniors to live in these facilities. One facility administrator, Greta Heinemeier, stated in a letter to me in April 1996 that, “For fifteen years as the admissions coordinator of a HUD housing facility for the elderly in Silicon Valley, I have watched the patterns of occupancy. Our waiting lists (especially for couples) are extensive...[Among our applicants] a significant number are immigrants. They will ALL be receiving SSI and none will have worked in the U.S...At my facility over 35% of the occupants are Taiwanese.” In a second letter, June 1996, she gives statistics on the birthplaces of people on their waiting list:

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6The Survey of Income and Program Participation (SIPP) database does include data on non-cash forms of welfare, including subsidized housing. However, I have not analyzed this data for housing, since it is impossible to fully measure the cost of immigrant use of housing subsidies. Although many of them are direct rental supplements under the “Section 8” program of the federal Department of Housing and Urban Development (HUD), a number are in quasi-public, quasi-private arrangements in which the real per-tenant public cost is unclear, and the immigrant may not even realize (when polled for SIPP) that he is receiving a subsidy.

7Memo to the U.S. Commission on Immigration Reform, November 10, 1995.

8See also the San Francisco Bay Guardian, May 19, 1997, which stated that Russian refugee seniors were given “top priority” for subsidized housing in San Francisco.
United States 19
Iran 10
Armenia 2
Chile 1
Russia 6
Vietnam 2
Yugoslavia 1
Spain 1
China 50

She adds that all 50 of those born in China came to the U.S. from Taiwan.

5.3 Fiscal Impacts

Robert Rector of the Heritage Foundation, using data from the Ways and Means Committee, U.S. House of Representatives, finds that in 1996 resident aliens will use SSI in an amount totaling $5.1 billion, and will use Medicaid amounting to $9.3 billion. He estimates that the total cost of SSI for resident aliens in the next 10 years will be $107 billion and $221 billion for Medicaid. Note that these numbers, already staggering, are only for resident aliens. If one were to count in the naturalized citizens—to get a true picture of the costs of elderly immigration—the figure would be even larger.

SSI is a federal program. Most states, including California, add a supplement to it. The California supplement is $186 per month for a single person, making a total monthly check of $603, though some seniors receive only a partial check.

Some immigrant advocacy groups feel that the fact that the seniors’ children are paying taxes justifies the seniors’ use of SSI. Indeed, I was astonished when a number of the Chinese recipients I interviewed made statements like, “My daughter pays a lot in taxes, so I want something in return.” This of course ignores the fact that welfare is intended as a safety net, not as a return on one’s taxes, but I will address this issue anyway, since the argument is used so commonly.

Some analysts, such as Michael Fix and Jeffrey Passel of the Urban Institute, find that taxes paid by immigrants exceed welfare received by them, thus implying a net gain. Others, such as Donald Huddle of Rice University, have claimed a net loss, after accounting for job displacement caused by immigrants.

Yet the basic taxes-paid-versus-welfare-received comparison itself is misleading, as it ignores the non-welfare services immigrants receive. Once the other services are accounted for, one does see a net loss. This will be discussed further in a later section.

The problem is exacerbated by the fact, pointed out by the aforementioned Annie Chung, that many Chinese immigrants work “off the books” for cash, not paying taxes. (Chung discussed this while interviewing Social Security Administration official Ron Ho on Chinese Journal, KTSF-TV, San Francisco, October 1993.)

In addition, the fact that some working-age immigrants are productive does not mean that we should then admit for immigration their elderly parents who will go on welfare.

In any case, most governments at the federal, state and local levels are in quite precarious financial condition, and many of the truly needy are not receiving sufficient aid. Thus welfare policy reform with regard to immigrants—who have pledged not to go on welfare—is appropriate.

6 Receiving Welfare Is Not Considered a Stigma

It was essentially universal consensus among all the Chinese social workers and the seniors themselves that—unlike the situation before, say, 1970 or 1975—the Chinese seniors who have immigrated in recent years do not consider taking welfare to be a stigma. On the contrary, they view welfare as a

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10 I was asked during my 1994 House testimony whether Chinese immigrant seniors choose to settle in California because of the more generous SSI stipend in that state. I do not believe that this is the case.
11 As of August 1996, the amount was $626.
12 A letter to the editor by reader Andy Chan in Asian Week, December 16, 1994, also made this argument.
13 Fix and Passel have apparently since changed their minds on this issue. See Section D.4.
14 By contrast, San Francisco welfare official Virgil Kocher, who worked in Latino communities, told me that welfare is a stigma in those communities. This was confirmed by others who
normal benefit of immigration, whose use is actually encouraged, like a library card. The seniors are unaware of the fact that welfare is intended only as a safety net.

Rosemary Fan explained in 1993,

The way they look at it is, “One can apply for SSI after three years [after arriving in the U.S.] so why don’t I take advantage of it? Hey, why not, it’s there.”

She then made an analogy to the seniors standing in line to avail themselves of free promotional items distributed by vendors at the annual Chinatown Street Fair.

Indeed, many of the Chinese seniors I interviewed praised the U.S. for being so generous in providing this “free money.” One senior pointed out that a common attitude among the seniors about SSI was mh hou sit dai—Cantonese for “don’t miss this great opportunity.” Another senior described the attitude as “Everyone else is getting this money, so why shouldn’t I?” One of the Chinese social workers simply laughed when I asked if taking SSI was stigmatic to her clients.

In short, the degree of usage of SSI among Chinese has become so high that SSI now appears to have essentially full social acceptance. And as one senior from Taiwan pointed out, the term the Chinese seniors use for welfare has accordingly been euphemized, changing from the old jiu ji jin—“economic rescue funds”—to fu li jin, roughly “fringe benefits.”

Living in subsidized housing does not seem to be stigmatic either. Annie Chung of Self-Help for the Elderly, a Chinese megachain of nonprofits based in San Francisco, has stated that many Chinese immigrants continue to live in subsidized housing even if their financial situation improves to the point at which they can buy their own homes.15

Another illustration of the fact that the immigrants look on SSI as a “library card,” i.e. a benefit whose use is encouraged, rather than as a safety net for the financially desperate, can be seen in a Los Angeles Times article which I describe in Section 6. The article contains a statement that travel agencies in the Vietnamese-American communities depend heavily on welfare recipients for their business. Though most U.S.-born Americans would find this statement startling and outrageous, the Times reporter, who is Vietnamese-American herself, seems to find no irony in welfare recipients using this “library card” to enjoy international vacations.

Chinese political activists have run aggressive campaigns to promote use of SSI by the seniors. By giving SSI their “blessing,” they probably played a major role in fostering the “library card” perception of SSI, as a normal benefit of immigration. (The role of the activists is discussed further in Appendix A.)

7 Lack of Financial Need for Welfare

The vast majority of the immigrant Chinese senior welfare recipients do not need the money. This is true by definition, because of the manner in which the immigration process is set up: The seniors are typically sponsored for immigration by their adult children, who themselves immigrated earlier. In order for the petition for immigration to be approved, the children must demonstrate to the INS that they have the financial resources to support their parents.

This is a central issue in the debate. Consider, for example the following statement made in the Clinton Report Card compiled by the Organization of Chinese Americans (OCA) (Washington, DC, July 1994):

“[President Clinton’s welfare reform proposal] would make legal non-citizens ineligible for a minimum five-year period for SSI...In addition, for those immigrants whose sponsors have above the median U.S. family income, regardless of number of family members, these immigrants will not be eligible for [welfare] benefits until they become citizens. These provisions undermine a fundamental aspect of U.S. immigration policy—that of family reunification—by burdening the sponsors of immigrants who are denied the benefits. These provisions would also disparately impact the Asian Pacific American commu-
nity, as over 40% of immigrants from Asia come to the U.S. through family reunification visas."

The claim of “burdening” here starkly ignores the fact that the sponsors must certify that they do have the financial resources to support their parents.16

Because of the above-mentioned financial screening by the INS, those who successfully apply to bring their parents here tend to be of above-average incomes. The 1990 Census data show that 50% of households in which the senior immigrants recipients lived with their adult children had income over $50,000, and 11% were over $100,000, this compared to the 1990 median household income in California of $33,000. Approximately 75% of the households had above-median income.17

Stanford University economics professor Thomas MaCurdy looked at recent immigrant families affected by the 1996 welfare-reform act.18 Using the Current Population Survey data, he formed categories according to type of welfare used. One category consists of families which use food stamps but no other form of welfare, another for those whose only welfare use is in the form of SSI, and so on. He then calculated the median family incomes in each category:

- food stamps only: $12,048
- SSI only: $38,052
- Medicaid only: $13,200

(He also tabulated income data for households receiving multiple forms of welfare. These were again in the low-$10,000’s range.)

The differences here are quite striking, with the immigrant SSI families being conspicuously wealthier than the immigrant families receiving other types of welfare.

MaCurdy expressed bafflement. Yet the immigrants themselves would not be surprised at all by his research; it is taken for granted, at least in the Chinese case, that one should partake of the SSI program even if one does not need the money.19

Though this may at first seem surprising, it again is a very natural consequence of the fact that the children must pass the INS’ financial screening before their parents are allowed to immigrate.

As explained earlier, refugees are exempt from this screening. The income figures here do not distinguish between regular immigrants and refugees. Figures restricted to regular immigrants would be even higher than those shown above. However, it worth noting that even refugee families of elderly welfare recipients can have high incomes, with 34% being over $50,000 and 5% over $100,000.

As seen above, some of the Chinese political activists have objected to analyses based on household income, since many Chinese households are somewhat larger than average. Their point is that it takes a larger income to support a larger family.20 Yet the same income disparity holds even after adjusting for household size. For example, among families of size six in which an elderly immigrant SSI recipient lives, the median income was $57,000, while among six-person families in the general population, the median was only $39,000.

This extended to financial assets as well. For example, among families of size six in which an elderly immigrant SSI recipient lives, 72% were homeowners, compared to only 52% among six-person families in the general population.21

16 The OCA portrayal of family reunification here is also misleading in some senses, as will be seen later in Sections 7 and 9, and especially Appendix D.5.

17 These figures are for immigrants of all ethnicities, not just Chinese. However, further analysis shows little variability between ethnicities. For example, the income distribution for children of Asian elderly immigrant welfare recipients is virtually identical to the corresponding figure for Latinos.

18 Thomas MaCurdy, “How Will Welfare Reform Affect Immigrants?”, Conference on Immigration, Hoover Institute, Stanford University, October 18, 1996.

19 It should be emphasized again that though there is some degree of fraud, such as hiding one’s financial assets in foreign bank accounts, the vast majority of the immigrant seniors on SSI are receiving the money quite legally. As soon as the deeming period ends, the son’s or daughter’s income is no longer taken into account in the welfare application process; such information is not even requested in the application forms.

20 They also state, correctly, that Chinese immigrant families often have more members of the family working, but this is irrelevant to the issue of whether the family could support the senior welfare recipient.

21 A caller to a San Francisco Bay Area radio talk show on which I was interviewed (KGO, February 23, 1996) offered an interesting illustration of this. He stated that a telephone installer to whom he had spoken stated that he frequently installs Universal Lifeline service—which features a special low rate to insure that the indigent can phone for help in emergencies—in upscale
In other words, the ability to financially absorb a senior (if he/she were made ineligible for SSI) is greater among the six-person immigrant SSI recipient families than among six-person families in the general population.

Indeed, many of the recipients’ children are upscale professionals, successful entrepreneurs and so on. Mei Young, an immigration paralegal aide, noted that it is common for a Chinese immigrant husband/wife couple, both Silicon Valley engineers with combined income well over $100,000, to put their parents on welfare. May Yue, director of the senior citizen center at the Chinese Alliance Church in San Jose in the Silicon Valley, made a similar comment about the well-to-do nature of the welfare recipients’ families. So did Edna Law, program coordinator at the Self Help for the Elderly Chinese community center in Palo Alto—one of the wealthiest cities in the Bay Area. One senior I interviewed, who enthusiastically praised the U.S. for its generosity in providing him with welfare money, has a son who is a successful physician, a specialist in ob-gyn.

The upscale nature of the recipients’ children can also be observed, ironically, in the (relative) failure of the Renaissance Plaza, a commercial condominium project in Oakland’s Chinatown. Many Chinese seniors’ children had originally signed up to purchase condos for their parents in 1990—but then backed out when subsidized housing was opened in various Chinatown locations. As one Chinatown businessperson put it, “Who wants to pay $130,000 for a one-bedroom when you can [rent] one for almost nothing a block or two away?” In other words, the subsidized apartments, though intended to help the genuine poor, wound up providing windfall savings for well-off immigrants who had previously been prepared to buy condos for their elderly parents.

The general upscale nature of the recipients’ children is illustrated further in the sample recipient profiles in Appendix 15.

Moreover, a senior will typically have several sons and daughters in the U.S., whose total income—and thus their collective ability to support the senior—is of course much higher than even the high figures cited above.

Thus, the seniors do not fit the picture of financial desperation which we normally associate with those on public assistance. And though they often live in small, simple apartments, many senior welfare recipients enjoy international vacations. Edna Law said that her seniors will typically make a trip home to Asia once a year, especially if they still have children there. Some seniors I interviewed in San Francisco and Oakland had even enjoyed Caribbean cruises, trips to Europe, and so on.

This was illustrated in an ironic manner in an SSI informational meeting in San Francisco’s Chinatown on May 20, 1994, held by the Self Help for the Elderly Chinese community centers and by other political activists. The meeting drew an overflow crowd of elderly SSI recipients. The activists lambasted SSI reform proposals, calling them immigrant-bashing attacks on the needy. Yet to the activists’ chagrin, the most common queries from the “needy” audience involved recipients’ concerns that their international vacations might harm their eligibility for welfare! This is a far cry from welfare kids in South Central Los Angeles who have never even seen the ocean, less than 10 miles away.

A similar situation in the Vietnamese community was described in the Los Angeles Times on February 7, 1997. An article written by Vietnamese-American reporter Thao Hua, with the title/subtitle “Tet Business Drops Amid Fears of Cuts: Little Saigon merchants say Vietnamese immigrants’ worries about losing benefits under welfare reform law are causing them to spend less on the holiday,” Hua writes:

“One of the most heavily hit businesses is the travel industry, with the number of trips to Vietnam plummeting as much as 40%, several travel agents said.

“A large portion of our clientele are people who receive SSI or welfare, since they tend to have stronger ties to [Vietnam],” said Long Tran, an agent at Trans Travel in Westminster.23

However, it should be noted again that even in cases

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23By the way, the article also remarked that the Vietnamese immigrants had come to the U.S. to flee from communist oppression in Vietnam; thus it is remarkable that they frequently make pleasure trips back to Vietnam.
of families of more modest means, the son or daughter has certified his/her financial ability to support the senior—i.e., they have certified that the senior does not need welfare. In other words, again by definition, virtually 100% of the sponsored immigrant senior welfare recipients do not need the money.

8 Welfare and the Chinese Extended Family Structure

In Chinese tradition, adult children respect their elderly parents, support them financially, and have the parents live with them. In fact, such tradition has served as the centerpiece of immigration lobbying efforts made by Chinese advocacy groups, when the activists have opposed congressional proposals to reduce the scope of family-based immigration policies.24 The reality, though, often differs greatly from this image, with the easy availability of welfare playing disturbing roles.

When I asked why so many Bay Area seniors were living apart from their children, counter to Chinese tradition, the automatic answer given by many social workers and immigrants was that the seniors, most of whom speak no English, find life boring in the suburban areas where their children tend to live. Thus, this line of reasoning goes, the parents move to Chinatown, a move which is accompanied by applying for SSI, subsidized housing, and so on. But this explanation is really a rationalization. The seniors offering this explanation conceded, for example, that most of them could live with their children and yet still take public transit into Chinatown for socializing, shopping and so on. Moreover, this “boring suburbs” rationale completely fails for the senior welfare recipients in the Silicon Valley, since many continue to live in the suburbs after moving out of their children’s homes.

Instead, in many cases the children push their parents out of the house. Given the Chinese tradition of close family ties, it may surprise some that a central motivation in many such cases is interpersonal conflict. As one senior explained, “Daughters-in-law don’t want to live with their mothers-in-law.” Problems of this sort were cited by nearly all of the social workers and immigrant seniors. Welfare, by enabling the seniors to live separately at no cost to the children, provides an all too easy alternative to working out family differences.

When the children ask the parents to leave, the seniors are often emotionally traumatized by the process. May Yue cited as typical a recent case, in which a couple she was helping were shocked because “the son wanted them to move out. They couldn’t accept that. They felt really hurt.” Yue added that the son had also been forcing the parents to pay rent while they had been living in the son’s home, adding to their hurt.

Even the immigration lawyers, belying their hard-bitten reputation, expressed the same concern that welfare was helping to erode Chinese family tradition. One of them, Robert Chan, described a recent incident in which a woman with well-to-do sons was living alone, and had seriously injured herself in a fall. Chan said “I cannot comprehend how one could have one’s 75-year-old mother live alone.”

These problems were described among Korean immigrants by Bob Kim, executive director of the Korean Community Center of the East Bay in Oakland, who said that cancellation of SSI benefits would force many seniors to “move back [in] with families that don’t want them.” (Asian Week, September 29, 1995.)

And in spite of the well-appreciated activities offered in the senior centers, loneliness is a common problem. One immigrant pointed out that the seniors still return home to an empty apartment after spending a couple of hours at the community center, and that the center is open only four days per week. I was touched when a client at one of the senior centers even tried to enlist my help in convincing her children to let her move back in with them.

Even if the children do not ask the parents to live separately, in many cases this is largely because the children use their parents as free, in-house babysitters for the grandchildren. Indeed, this is often a primary reason why the children sponsored the parents to immigrate in the first place.25

24Note, for example, the Organization of Chinese Americans comments cited earlier.

25See, for example, Chinatown No More (pages 8, 56, 58, 201), by Hsiang-Shui Chen, Cornell University Press, 1992.
However, once the grandchildren reach the age where they do not need babysitting, the grandparents may be asked to leave. Rosemary Fan of the Oakland Chinese Community Center pointed this out to me in 1993, as did Frieda Chu of the Chinese Alliance Church in San Jose on April 2, 1997; Hong Shing Lee of the City Hall Senior Center in New York’s Chinatown described the situation as follows on the same day:

...the children [sponsor their elderly parents to immigrate because] want the parents to act as babysitters for the grandchildren. But then when the grandkids grow older, the children kick the seniors out of the house. Most of our seniors are in this situation. It’s really sad to be used like this by one’s own children.

Though knowledge of SSI is nearly universal among Chinese seniors, some know more than others. Some, for instance, are unaware of the fact that one can receive SSI but still live with one’s children. In this case, welfare provides a different motivation for moving out. As Angela Chu, a housing specialist in San Francisco’s Chinatown put it, some seniors move out of their children’s homes because they mistakenly think that “otherwise they can’t get welfare.”

As the parents go on the welfare rolls, the children obviously gain financially. As Edna Law noted, the children feel that “It’s nice that they don’t have to support their parents.” Others used blunter terms to describe this, with “greedy” being a popular choice.

But what is less obvious is that the children may actually profit from the senior’s SSI funds, in those cases in which the senior does live with the children.

In such settings, most of the senior’s SSI check will become discretionary income, and much of the check will then become cash profit for the children. Typically, for example, the children will have their parents use their SSI money to pay the children rent, which the children would not have charged otherwise.

One immigrant college student noted other ways in which the children can profit from their parents’ SSI checks:

“My grandparents take SSI simply because it’s available...They live with my uncle...That [his grandparents’ SSI money] is where my parents got the down payment for the house they bought...And my grandparents want to leave the [accumulated SSI] money to us when they pass on.”

A number of others interviewed, including some real estate agents, made similar comments to me. Also, in a letter to the editor to Asian Week (October 21, 1994), a reader noted that on a recent visit to a Social Security office, “a woman from India who was arguing with the Social Security workers wanted her mother’s SSI increased by $72 a month. She needed the increase because her house mortgage is $3,000 a month!”

A senior who lives with his children typically has few expenses. As Rosemarie Fan of the Oakland Chinese Council pointed out, “Room and board is free.” That means that the senior will quickly exceed the $2,000 limit on bank account an SSI recipient is allowed to maintain. It is thus natural that he will funnel the money to his children or other family members. The Census data show that approximately 42% of the immigrant senior welfare recipients live in their children’s households, and another 10% live with other family members. In other words, not only are the recipients’ family sponsors reneging on support pledges, but also in about half the cases, the senior’s family is actually profiting from the senior’s SSI check.

Though my interviews were confined mainly to Northern California, problems such as those described above are nationwide phenomena among Chinese and other Asian immigrants. Hong Shing Lee, director of the City Hall Senior Center in New York’s Chinatown, described for me a similar situ-

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26In a remarkable letter circulated by Elizabeth Harris of the Oakland Chinese Community Council in June 1996, Harris tries to justify immigrant seniors’ receipt of SSI by saying that the seniors’ babysitting is helping their adult children make money. Ms. Harris apparently does not realize that in effect she is demanding that American taxpayers subsidize the child care of immigrants, which is not the intended use of SSI.

27Lester Lee, a prominent Chinese-American whose letter to the editor in the Asian-American newspaper Asian Week is cited later in this document, stated in the letter, “Unfortunately, by going on welfare, elderly Chinese are forced to stay away from their offspring, thus breaking up the practice of family unity, which is the jewel of the Oriental tradition.”
Similar problems in Canada were described in *Maclean’s*, August 2, 1993:

“[In Canada] elderly reunited parents routinely apply for, and obtain, welfare payments paid for by the rest of us through taxes. That is because sponsorship of relatives no longer means an iron-clad requirement to support relatives, no matter what. In most provinces, the sponsoring relatives merely have to promise that they can no longer afford to support their parents, or whomever. So almost immediately upon arrival, mom and dad can get [welfare] without ever having paid a dime of income taxes and without having to prove definitively that they really need the support payments. To boot, some immigrants have their sponsored parents babysit their children and write the ‘expense’ off their income for tax purposes as a day care cost.”

Two lawyers with a largely Asian practice in New York even brought up such issues in their book, *How to Get a Green Card* (Lewis and Madlansacay, Nolo Press, 1993). In their chapter, “Your Parents as Immigrants,” they admonish the children against abusing their parents:

“In Defense of the Elderly: ...It is cruel to relegate your parents to be merely babysitters for your young children...Do not abuse [them] by taking advantage of their presence in your home to do the work you should be doing...do not discard your own mother and father in thought and deed...”

Again, these notions run directly counter to the popular image of Asian reverence for aged parents. But the Confucian model of Chinese family relations has a somewhat different nature than what is seen in imagery. In particular, financial considerations play a central role. The point is that although Confucian tradition requires that the adult children of a senior see to it that the senior has financial support, that tradition does not specify the source of that support.

On the contrary, since SSI, by relieving the adult child of the burden of supporting his aged parents, allows the adult child to spend more money on his own children, it would be considered socially irresponsible of him if he were to refuse to put his parents on welfare. This was illustrated in an interesting manner when one Chinese-American journalist for a major urban newspaper interviewed me. He agreed that it was awful that so many elderly Chinese are coming to the U.S. to get welfare, and lamented that many of his own relatives were heavy SSI users. But then he added, “Well, my uncle’s case is an exception. It’s reasonable for him to put my grandparents on welfare, because he is putting his daughter through medical school,” apparently with no thought to the point that SSI is not an intended as a subsidy for the recipient’s grandchildren’s education.

Perhaps this breakdown of the traditional Chinese extended family structure would occur anyway. But the availability of welfare is certainly contributing to the process. This is ironically reminiscent of the 1965 Moynihan view of the harmful effect of welfare on family structure, except that in this case it involves the families of upscale Chinese professionals, rather than poverty-stricken ones. But perhaps the cultural difference is that in the case of Asian descent families, the Confucian model is not as strictly followed, and the availability of welfare is seen as a way to support one’s parents without having to spend a dime of personal income.

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30 An article concentrating on this particular aspect also appeared in the *San Francisco Chronicle*, September 20, 1994.
31 One joke circulating among Chinese immigrants in Canada takes the form of the pun on the three-character Chinese word for “Canada,” jia-na-da. (The three characters are used to represent “Canada” because their Cantonese pronunciation, ga na daaih, sounds like the English word “Canada.”) In the joke, the three characters, jia, na and da, are permuted into da-jia-na, which means “Everyone come and get it [welfare]!”
32 Another illustration of the difference between Asian and Western views of family responsibilities involves the estimated 30,000 to 40,000 “parachute kids” in the United States (Asian Week, January 27, 1995). These are pre-teens and teens whose name derives from the fact that their parents in Taiwan bring them to the U.S. and leave them to live here on their own, typically without adult supervision, the goal being to get an early start on studying and later working in the U.S. From the American point of view, this practice of near-abandonment borders on child abuse—several American psychologists of Asian descent have published studies finding a disproportionate rate of emotional problems among the kids—but from an Asian viewpoint these parents are doing their best to prepare for the children’s financial futures.
than the families of poor African-Americans cited by Moynihan.

Even in those cases in which the children are well-intentioned and are willing to financially support their parents, the system again gives incentives for them to put their parents on SSI. One of the immigrants described the situation with her elderly mother:

“In the beginning, we lived in the Midwest [where very few Chinese people live], so we didn’t know about SSI. Our mother had savings, and we gave her money every month, so that her savings account never decreased...[But then a social worker advised] that our mother should spend down her money until she is qualified for SSI, so we don’t give her money anymore...I guess it’s the system.”

9 Awareness of Welfare Policies and Procedures in the Chinese Immigrant Community

Coupled with the high rate of welfare use among senior Chinese immigrants is a remarkably high degree of awareness of welfare policies and procedures. Some of the information sources are:

- Word of mouth. This is an extremely efficient method of disseminating information among Chinese immigrants, arguably more so than among some other groups.


- Promotion by community activists. There is a tremendous effort made by the activists, via the Chinese senior centers, Chinese-language television programs and so on, to educate the seniors about welfare benefits.

The degree of awareness of welfare among immigrant Chinese seniors is striking. Edna Law, whose job includes helping seniors apply for welfare, marveled, “Sometimes I’m amazed—the seniors know more than I do!” May Yue made a similar comment, as did Rosemarie Fan, who noted that many recent immigrants “are very knowledgeable about how the system works.”

As the number of immigrants on welfare in a given state grows, general awareness of welfare benefits grows as well, creating a feedback cycle which further increases the welfare usage rate. Statistically speaking, in California and New York, the two largest immigrant-receiving states, an immigrant is three times more likely to be a welfare recipient than is a typical immigrant in the nation as a whole. This may be due to other factors as well, but as one of the seniors said, “If you live here in the Bay Area [and thus are exposed to the Chinese grapevine], you will certainly know about SSI.”

One Chinese immigrant I talked to in 1993 in San Francisco not only had an impressive knowledge of American immigration laws, but also knew that in Canada the sponsoring son or daughter is financially responsible for the parents for 10 years, compared to the American three-year limit. Even the American immigration lawyers I talked to were not so knowledgeable as this concerning Canadian policy. Other magic numbers, such as the $2,000 bank account limit for SSI eligibility, are considered standard components of one’s civic literacy.

A senior from Taiwan remarked that many elderly Taiwanese “give their money to their children, put title in the children’s names, etc., so that they can

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33 A good example of the seniors often knowing more than the social workers concerns the fact that one can live with one’s children and still collect SSI. Some of the social workers were unaware of this. Yet the seniors themselves do tend to be aware of this, as seen in the fact that 42% of the senior recipients do live with their children.


35 Though Canadian policy has loopholes too, as shown earlier in the *Maclean’s* quote.
It is widely known among the Taiwanese that one can legally circumvent the $2,000 limit on bank accounts for SSI eligibility by transferring one’s assets to one’s children. Greta Heinemeier, the aforementioned admissions coordinator of a HUD housing facility for the elderly noted that “Our Taiwanese population retired from successful careers in government, military, teaching, and importing...all these people retired from successful careers and [yet they] claim no income and no assets.”

Edna Law remarked that the seniors from Taiwan are especially knowledgeable about welfare, “very sophisticated...They get all the benefits they can.” It is thus not surprising that the World Journal, the Chinese-language newspaper which is the most popular daily among immigrants from Taiwan, chose to establish a semi-regular “Dear Abby”-style advice column on immigration-related matters, with SSI dominating the list of questions asked. For example, in the February 27, 1994 issue, of the eight questions listed, seven concerned SSI.

Here are some recent samples from the advice column:

A California reader writes, “Until recently my wife lived with our daughter, and I lived separately from them. My wife’s and my SSI checks totaled $1,110 per month. We are now living together again. Will our check have to be reduced?”

A reader from Chicago asks, “I came to the U.S. in 1989 on a tourist visa to see my children. I overstayed my visa, and have been here illegally since then, being supported by my children. I will soon receive my green card. As I have already been in the U.S. longer than the three-year period, can I immediately apply for SSI and Medicaid?”

A California reader asks, “I currently receive $520 per month SSI. I live with my daughter, and I pay her $300 per month in rent. I would like to move to HUD-subsidized housing, since HUD policy is that one pays only 1/3 of one’s monthly income for rent. Please tell me how to apply.”

A reader from Florida sends these queries: “My mother is an SSI recipient. She wishes to return home to Asia for a year and a half. Will her SSI benefits automatically be canceled? And when she returns, will she have to re-apply for SSI from scratch?”

A reader from Texas writes, “Most elderly who immigrate to the U.S. under the sponsorship of their children go on welfare. How can one qualify for welfare?...How old must I be to apply? How is the so-called ‘five-year period’ calculated—from the day one receives one’s green card, or the time one is physically in the U.S.?...After going on welfare and Medicaid, what limitations are there on a recipient’s leaving the U.S.?...My husband and I do not speak English and we do not drive, so we must rely on our son and daughter-in-law for help. But they are always busy at work. To relieve our burden on them, my husband and I wish to leave Texas and move to California, because California has many Chinese people.”

A reader from Oklahoma asks: “Three years ago, [my wife and I] and our oldest son jointly purchased a town house near San Francisco. We plan to live there after we retire [this year]. Please advise me:...In the three years since we’ve bought the town house, I have been paying $500 per month for the mortgage...Can I move to California and immediately apply for SSI? Can I use my SSI check to continue paying my share of the town house’s mortgage and property tax? Will my SSI check be reduced accordingly? My wife and I have $7,000 in an IRA...We plan to give the IRA money to our daughter. (She is married, but recently immigrated to the U.S. and is having financial problems.) When we apply for SSI, will this cause problems?...When we are too old to take care of ourselves, will the government arrange for us to live in a nursing home?”

A reader from California has this question: “My wife and I have been recipients of
California SSI for many years. But now we want to move to Nevada...How much does SSI pay there?"

### 10 Is Welfare a “Magnet” Which Attracts the Seniors to Immigrate?

One question which arises prominently in debate on immigration is whether immigrants come to the U.S. with the advance goal of availing themselves of these services.

To address this question, it is important to recall the point mentioned before concerning the time trend in SSI usage, with usage increasing sharply in recent years. Earlier immigrants knew little about welfare benefits at the time they applied for immigration. But in recent years welfare has become a “magnet” which attracts many elderly to come to the U.S.

Chinese political activists claim that the seniors immigrate to the U.S. to rejoin their children who immigrated earlier, not to get welfare. Yet many of the senior Chinese SSI recipients live hundreds or thousands of miles from their children whom they have supposedly “rejoined.”

For example, consider one group of about a dozen recipients whom I interviewed in a HUD building in Sacramento, California. All the people in the group were from Taiwan, as were most of the other residents of the building. Among those dozen people, I found seniors whose children lived far from Sacramento: Los Angeles, Houston, Florida, New Jersey, New York, Boston and Minnesota. They see their children only once a year or so.

Thus, even though they are coming to the U.S. under the auspices of family-reunification provisions of immigration law, clearly the attraction for immigration in many cases is welfare, not family ties. It was stated by people in the Sacramento group cited above that if immigrant eligibility for SSI were restricted, many now living in their building would return home to Taiwan. (This was also stated by some other tenants of the same building, when interviewed by television station KCRA, August 26, 1996.)

Indeed, it has been widely admitted by people in the Chinese (and other) immigrant communities that if welfare were not available, the seniors would not immigrate here in the first place, and their children would not be willing to sponsor them for immigration anyway in such a circumstance. Here are some examples:

- The Sacramento Taiwan seniors cited above said that the elderly in Taiwan would not wish to immigrate here if welfare were unavailable.

- Yvonne Lee of the Coalition of Asian Pacific Americans (and Clinton-appointed member of the U.S. Civil Rights Commission), who is spearheading lobbying efforts against SSI reform, has repeatedly conceded that the children would not sponsor their parents for immigration if welfare were unavailable. (Lee was interviewed on the Cantonese Evening News, KTSF, Channel 26, San Francisco, June 15, 1994. She later made similar comments on the Chinese Journal on the same station, August 5, 1995, then again on the Cantonese Evening News, July 19, 1996. and in the Chinese-language newspaper Sing Tao Daily, August 23, 1996.)

- Statements similar to Lee’s were made in the Clinton Report Card compiled by the Organization of Chinese Americans (OCA) (Washington, DC, July 1994).

- Sue Levkoff, a senior advocate who is director of the Harvard Upper New England Geriatric Education Center at the Harvard University Medical School, wrote in a letter to the editor published in the New York Times, November 17, 1996: “[in addition to its impact on children, the 1996 welfare reform] will be equally cruel for large numbers of legal, elderly immigrants who came to this country with the understanding that their status insured certain benefits. Thousands of such immigrants face a future portending no Supplemental Security Income benefits and questionable Medicaid benefits.” (Emphasis added.)

- After the Chinese-language Sing Tao Daily’s Los Angeles edition published an article about SSI abuse, a number of SSI recipients called
Jane Wu, the reporter who wrote the article, and made comments like “Why are you calling this ‘abuse’? SSI is the reason we come to America in the first place!”

- Dr. Lester Hsin-Pei Lee is a Silicon Valley CEO who achieved prominence among Chinese-Americans as the first Chinese-American ever appointed to the University of California Board of Regents. In his letter to the editor in the English-language Asian-American newspaper *Asian Week* (December 16, 1994), Dr. Lee said, “Our welfare system is really a magnet which lures [Chinese] people into this practice.”

- At the request of NBC and ABC national news programs, I have served as translator in interviews of a number of elderly Chinese immigrants, with a key question being, “Would the seniors you know have immigrated if welfare were unavailable to them?” The answer was universally No.

- Hong Shing Lee, the social service director in New York’s Chinatown mentioned earlier, told me for example that among many new immigrants who participate in his community center, their first order of business after arriving in the U.S. is to ask him for further details about welfare benefits which they had heard about back home.

- Ruth Chu of the Chinatown Service Center in Los Angeles stated that organizations in Asia, such as the nonprofit International Social Service in Hong Kong, give detailed advice about SSI to those who are planning to emigrate to the U.S.

- Another way in which it can be seen that the seniors, at the time they immigrate, have plans to go on welfare (or their children have such plans for them) is that the Chinese SSI recipients have typically gone on welfare immediately after the deeming period expires. Rosemarie Fan described many seniors as “counting the days,” waiting for the period to end.

The seniors who immigrate these days do indeed tend to know about welfare services—and make plans to use them later on—at the time they apply to immigrate to the U.S. This is largely due to word of mouth, which among Chinese forms an oral “information superhighway,” with busy “offramps” in Taiwan, China and Hong Kong.

One Chinese immigrant who recently returned to China for a visit reports that people in his home town are quite aware of SSI benefits: “A neighbor in Tianjin has two daughters living in the U.S. Her husband didn’t want to depend on his step-daughters, but she told him that Uncle Sam would provide ‘fu li’ [welfare benefits] for the retirees. ‘Ridiculous,’ the husband laughed. ‘Why would the Americans give us money, while we didn’t work for a single day in the US?’ The wife turned to me, ‘You tell him that it’s true that we could each get $600 a month if we got a green card.’”

Knowledge levels are similarly high on the children’s end. The consensus among the social workers and immigrants is that in recent years, the seniors’ children, before completing the forms in which they peti-

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36 Other major immigrant-receiving countries which are generous with welfare are also magnets. In an op-ed piece in the *Wall Street Journal* (September 9, 1994) entitled “Welcome to Ontario, Welfare Heaven,” W. Bilal Syed noted that “While the majority of people on welfare [in Ontario province] are Canadaborn, the number of immigrant and refugee claimants is increasingly very rapidly. Word is out on the worldwide immigration grapevine that Ontario is one of the best destinations if one wants to live happily ever after [on welfare].” Another *Wall Street Journal* article (October 31, 1994) described a similar situation in Israel, saying that many Israelis now fear that Israel’s welfare benefits have become “a magnet for those with tenuous links to Judaism but a powerful hankering for an easier life—or a free ride.” The *San Francisco Examiner* of December 29, 1994, reported that many people from China come to Australia because of its reputation as “the ‘lucky country’ where jobs and welfare” are available. The population drain that such magnets are causing in Taiwan resulted in that country’s government announcing that it would start its own program similar to SSI—but the government sternly added that this benefit would be available only to those who had worked in Taiwan, in contrast to the U.S., Canada and Australia, where one can get welfare without having worked a single day.

37 The segment done by NBC Nightly News was broadcast on November 29, 1995. The interviews by ABC World News Tonight were conducted in San Francisco Chinatown in July 1995. I served as translator for these, and the following day the ABC crew visited Self Help for the Elderly in Chinatown (by prior arrangement with Self Help’s director), where Self Help staff served as translators. The segment was edited and prepared for broadcast, but was never aired.

38 Again, there is a difference in usage patterns here. Statistics show that Asian SSI recipients tend to apply for SSI immediately after three years, whereas Latino recipients typically wait 10 years or more.
tion the INS for their parents’ immigration, typically consult with immigration lawyers, social workers and friends concerning welfare services—to make sure that they (the children) will not have to personally pay for their parents’ food, clothing, housing, medical expenses, and so on.

11 The Children’s Reneging on Pledges to Support Their Parents

Many analyses concerning immigrant use of welfare fail to address the central issue which distinguishes immigrant users from the native-borns: The immigrants are not supposed to be on welfare in the first place, because the INS requires both the applicants and the sponsors to sign pledges that the applicant will avoid public assistance. Yet, at the very same time that the seniors and their sponsoring children are depositing affidavits, assuring the government that the seniors will not go on welfare, they already have advance plans that the seniors will go on welfare.

Though such advance plans (which we detailed in Section 9) blatantly flout the affidavit’s stated goal of keeping the seniors off welfare, the children are able to exploit a loophole.

INS Commissioner Doris Meissner described the problem recently as follows:39

“Sponsorship is an expression of intent, and it is one where the government assumes as a good-faith matter that if a family attests to its willingness to sponsor...then it will be carried out. This area of elderly immigrants is one where it is not working so well.”

Consider a typical scenario in which a hypothetical Ms. Wong, having immigrated earlier, wishes to have her father, Mr. Wong, immigrate as well. One of the forms Ms. Wong will fill out, Affidavit of Support I-134, will request her to demonstrate that she has the financial resources to support her father. In addition to asking Ms. Wong to list her financial assets, form I-134 specifically asks her to affirm:

I [Ms. Wong], being duly sworn, depose

and say that this affidavit is made by me for the purpose of assuring the United States Government that [Mr. Wong] will not become a public charge in the United States.”

Form I-134 weakens its own case a bit, by stating that the form is binding on Ms. Wong only for the deeming period, i.e. Mr. Wong’s first three (later five) years in the U.S. Nevertheless, it clearly states that the form’s goal is to assure that Mr. Wong will not become a public charge even after that period, asking Ms. Wong to depose that Mr. Wong “will not become a public charge during [his] stay in the U.S.”

Moreover, various forms (e.g. OF-230, I-485) will ask Mr. Wong himself to assure the INS that he will not become a public charge in the U.S.; the forms place no time restriction on this pledge.

Yet as mentioned in Section 9, if Ms. Wong is typical, at the same time she is filling out the affidavit I-134, assuring the INS that Mr. Wong will not become a public charge, she is already planning precisely the opposite, i.e. planning that he will go on SSI after the deeming period ends. She is then on shaky legal grounds at best, and is possibly even guilty of perjury. Similarly, if Mr. Wong has such early plans, he is also is skirting the limits of the law.

In other words, large numbers of senior Chinese immigrants and their children are indeed flouting immigration law. Whether they are doing this intentionally or simply signing forms without reading them (the latter is probably common) is another issue. But in either case, the basic intention of immigration law to exclude those who are likely to go on welfare is not being fulfilled.

The 1996 welfare reform bill requires the Affidavit of Support to be a binding contract. This was instituted in response to the fact that some immigrants were going on welfare even before the deeming period ended. However, at least in the elderly Chinese case, most had been abiding by the terms of the deeming period—the problem was not in the deeming process itself, but rather in the loophole it created, allowing Ms. Wong above to ignore form I-134’s demand that she assure that her father will not go on welfare at any time.

Welfare reform is required by the Budget Reform Act of 1990 to be budget-neutral. The expenses for job training and child care in such reform must be offset by reductions elsewhere (or by increased taxes, a virtual impossibility). In this sense, each welfare dollar which is continued to be paid to parents of well-off immigrant children who are reneging on their pledges to support their parents is a dollar unavailable for helping the underclass out of the welfare cycle. This reverse-Robin Hood effect is unconscionable.

Another potential reverse-Robin Hood incident occurred in 1994 in Alameda County (which comprises Oakland and other East San Francisco Bay cities). A majority on the county board of supervisors originally supported a proposal to deny local welfare funds (General Assistance) to immigrants with well-off sponsors (San Francisco Chronicle, September 14, 1994), but then reversed itself and dropped the proposal (San Francisco Chronicle, October 26, 1994). Yet it then took up consideration of a proposal to cut funding for senior community centers serving the poor, mainly black and Latino (Oakland Tribune, November 1, 1994). The board eventually reversed itself once again and did impose some measure to enforce the obligations the sponsors made to the support the immigrants (San Francisco Chronicle, September 27, 1995), but it is still significant that they even considered giving priority in services to immigrants over natives.

A similar situation occurred in September 1994, when Chinese community activists scored a major political coup in securing $23 million in HUD and other funding to build subsidized senior housing on the site of the old International Hotel in Chinatown. This occurred at the same time that the city government’s own report on housing stated that due to the city’s “dire financial condition,” the city faces an “enormous challenge” in providing housing for the poor. Funds for such housing are dwindling, according to the Ted Dienstfrey, then head of the Mayor’s Office of Housing. Yet instead, $23 million is being spent for subsidized housing for elderly parents of well-off Chinese immigrants.

After the 1996 welfare reform, the public criticisms made by state and local officials about the reform were focused heavily on the immigrant-related provisions in the reform bill, showing comparatively little concern for the serious problems faced by the native underclass in the wake of the bill. For example, Yvonne Braithwaite Burke, a prominent African-American official in Los Angeles, spent nearly all of her time in a late 1996 PBS interview on the bill’s effects on elderly immigrants.

It was the consensus of the Chinese social workers whom I interviewed that policy regarding immigrant use of SSI is indeed badly in need of reform. Cindy Yee, a social worker with the Oakland Chinese Community Council, summed it up: “The system is not well put together...not strict enough to make the sponsors responsible.”

In the 1978 the INS tried to clamp down, by refusing re-entry in Hawaii to resident alien SSI recipients, mostly Filipino, when they returned from vacations abroad. Asian-American community activists, led by Bill Ong Hing (then a community lawyer, now a professor at the Stanford University Law School), launched a protest campaign against the INS. The latter relented, though it had merely been carrying out existing law. (See Making and Remaking Asian America Through Immigration, 1850-1990, Bill Ong Hing, Stanford University Press, 1993, p.114, especially notes 284-289.) Various court decisions have also hampered INS efforts in this regard.

Such considerations led to the Congress imposing the (three-year) deeming requirement in 1980. Yet, as we have seen, far from sending a signal to immigrants that they should not be applying for welfare so casually, elderly immigrant usage of SSI has sky-

41 Interview with the author, June 29, 1994.
42 By contrast, the organizations employing the social workers take the opposite point of view, and have been heavily engaged in lobbying against SSI reform. This is discussed further in Appendix A.
rocketed since 1980. Clearly, the seniors are quite willing to wait a few years for their SSI.

In November of 1993, Congress was looking for a way to fund an extension to the time one can receive unemployment benefits. Earlier that year, Jennifer Dixon of the Associated Press had exposed the explosive growth of SSI by elderly immigrants, and Congress found this to be a solution to the unemployment-benefit funding problem: It temporarily increased the deeming period from three years to five years, during 1994 and 1995 (reverting to three years on October 1, 1996), long enough to fund the temporary extension of unemployment benefits. In that same month, the Republicans introduced their welfare-reform bill which later, after two vetos by President Clinton, was finally signed into law in 1996.43

(In 1996, some members of Congress misinterpreted the effects of this temporary change to the deeming period, saying that the lengthening of that period reduced the growth rate of immigrant SSI recipients. This interpretation is of course incorrect. What happened was that the November 1993 action forced those immigrants who had been planning to go on SSI starting in 1994 to postpone their joining the SSI rolls until 1996. Thus, the lengthening of the deeming period merely shifted growth two years, rather than reducing the growth.)

13.2 Impact of the 1996 Welfare Reform Bill on Public Benefits Usage by Elderly Immigrants

As of June 1997, Congress is preparing to restore welfare access to legal permanent residents (LPRs) who were receiving SSI as of the August 22, 1996 enactment date of the welfare reform bill and who are “disabled,” as well as to LPRs who were legally in the U.S. as of that date and become “disabled” in the future. In the past, the vast majority of LPR seniors on SSI qualified for the program on the basis of age, rather than disability, but the current proposal would redefine that term to “unable to work.” Most seniors have at least one ailment which is likely to qualify them under this extremely broad definition—back pains, poor eyesight, high blood pressure and so on. Thus most senior LPRs who immigrated before the cutoff date will have access to SSI. However, it must be kept in mind that these “disabled” seniors are primarily on SSI because they are retired (and lack their own income), rather than disabled.

The reset of this section will thus concentrate on immigrant seniors who arrive in the U.S. after August 22, 1996. (This of course assumes that there will be no further legislation to restore SSI rights to this category of people as well, which is not a safe assumption. Yvonne Lee, the chief Washington lobbyist for the Chinese political activists, has already stated in early 1997 that as soon as Congress restores welfare access to LPRs arriving before the August 1996 cut-off date, she will begin lobbying for restoration of such rights for those who arrive after that date.)

The 1996 welfare reform bill’s provisions regarding immigrants are complex, but the essence of that bill is that most immigrants will have to naturalize in order to receive welfare benefits. In spite of heavy criticism by immigrant-rights groups who were afraid their elderly constituents would not be able to naturalize, most of the seniors will do so. For this reason, a summary of the long-term impacts on the federal level is that:

- The bill will produce very little direct savings in SSI expenditures, since it will for most seniors who immigrate to the U.S. in the future merely replace one five-year waiting period by another five-year waiting period.
- The bill will produce a direct savings in Medicaid expenditures of up to four years per senior immigrant.
- The bill’s barring immigrants from Medicaid for five years may dissuade some of the elderly from immigrating in the first place. For these seniors, in this indirect sense the bill may produce savings in decades of expenditures in SSI, Medicaid, Section 8 housing and so on.

The details follow.

43 After the bill passed in 1996, immigrant advocacy groups immediately denounced it as having been inspired by California’s passage of the anti-illegal immigration measure, Proposition 187, in 1994. However, the welfare bill had originally been introduced a year earlier, in 1993.
13.2.1 SSI

Under this act, immigrants will not be eligible for SSI at all for their first five years in the U.S., after which they are subject to deeming until they naturalize. However, one can apply for naturalization after five years, and since the deeming period at the time the bill was passed was five years, the bill’s impact on most seniors who choose to immigrate will be negligible.

In other words, the bill merely replaces one five-year waiting period by another five-year waiting period. All that will change is that they will naturalize in order to get the SSI: the immigrant seniors will continue to start their SSI five years after coming to the U.S., just like they have been doing.

In fact, just on the anticipation that such a bill may pass—the bill was originally introduced in November 1993—elderly immigrants have been naturalizing in record numbers. Greta Heinemeier, the federally-subsidized housing admissions coordinator mentioned earlier, observed an example of this in a rather startling manner. She described in her June 1996 letter an applicant from Taiwan: “He had just become a citizen and I was congratulating here and welcoming him. He laughed and said, ‘Now they can’t take my [SSI] money away.’”

Immigrant advocates have suggested that the elderly will have trouble passing the citizenship test. Yet although cases of this do exist, the huge numbers of naturalizations since 1993 including among the elderly, have shown that this generally is not the case. The questions on the civics test are drawn from a public list of 100 questions distributed by the INS, and the seniors, being retired, can devote full time to studying for it. The level of English required is quite low. Indeed, most of the naturalized seniors whom I have interviewed passed the test on their first try.

Thus although there are exceptional cases, for most of the immigrant seniors the 1996 welfare-reform act will not have an adverse impact on their access to SSI. Typical seniors will still sign up for SSI after five years in the U.S., just like they did in the past.

Ironically, though, since welfare costs comprise one of the most effective ways to develop congressional interest in reducing immigration levels, the immigrant advocacy groups who opposed the bill are now likely to cite it as having fixed the immigrant SSI problem, and thus argue that welfare should no longer be an issue in future debate on immigration reform. Actually, some have already begun making such arguments, such as Stanford University’s Bill Ong Hing and University of Maryland professor Julian Simon (Conference on Immigration, Hoover Institute, Stanford University, October 18, 1996) and National Immigrant Forum head Frank Sharry (The Newshour with Jim Lehrer, PBS, October 1, 1996).

13.2.2 Medicaid/Medi-Cal

The key point here is that under the old law Medicaid was not subject to the deeming requirement. Prior to the August 1996 passage of the welfare-reform bill, in California for instance immigrant seniors were getting on Medicaid after only one year after immigrating, whereas they were waiting five years (the deeming period) to get on SSI. The new law bars future immigrants from Medicaid for their first five years in the U.S.

In other words, the fiscal impact at the federal level concerning Medicaid is that the government will (in the case of future

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44There are various exemption categories, which we will not list here.


46An article in the February 12, 1997 edition of SF Weekly describes one woman who had failed the test five times.

47Here is an excerpt from James Crawford’s Hold Your Tongue: Bilingualism and the Politics of “English Only”, Addison-Wesley, 1992, p.196, citing the INS Statistical Yearbook, 1982, p.108 and p.162: “It is true that most applicants for naturalization must pass an English literacy test (except for those 50 and older who have been U.S. residents for at least twenty years). But the level of proficiency required is quite low. In 1982, an average year, the Immigration and Naturalization Service turned down only twenty-nine out of 201,507 petitions for citizenship because of inability to speak, read or write the English language.”
This is a substantial savings but still only a part of the eventual cost for each immigrant, since he or she will enjoy Medicaid benefits for the rest of his/her life after naturalizing. In fact, analysts should not even amortize this on a time-proportional basis. Consider an immigrant senior who lives 20 years after immigrating to the U.S. At first one might conclude that because the bill would cut four years of those 20 years of costs, an apparent savings of 20% would be incurred. However, the true savings would be much less than 20%, because an elderly person’s usage of medical care accelerates with age. For example, 27% of the Medicare costs for an average American are incurred during the last year of the person’s life. (See The System, by Haynes Johnson and David Broder, pub. by Little, Brown, 1996, p.242.)

Federal Medicare (not Medicaid) coverage, free for those who receive Social Security, can actually be purchased by immigrant aliens who have resided in the U.S. for five years but are not eligible for Social Security. The premium is around $300 per month. Private health insurance is available for immigrant seniors to tide them over until they reach that five-year requirement or until they naturalize (again, after five years), and in fact is advertised by insurance agencies in the Chinese Yellow Pages in areas of high Chinese population. Premiums are generally higher than those of Medicare. For example, Diplomat LT offers coverage to those in the 70-79 age range for about $450 monthly.48 Most of the families of the immigrant senior welfare recipients would be physically able to pay this if need be, though it may mean require some frugality for some of them.49 Needless to say, many of the children will of course not be pleased by the idea of paying for their parents’ health care, but the point is that they do typically have the financial means to do it. It is also likely that ethnic immigrant advocacy groups will negotiate cheaper group plans for the seniors.50

It is also possible that many of the senior recipients’ families will eschew insurance for their parents, and take the following approach instead: They will pay cash for minor medical services for the seniors, but send them back home to Asia for major nonemergency treatment, say removal of cataracts.51 Again, the relative wealth of the families makes this feasible. In fact, as remarked earlier, many of the senior welfare recipients travel home to Asia once a year or so for visits anyway.

Thus in spite of the 1996 reform’s changes in Medicaid eligibility, the relative wealth of the seniors’ families should provide access to private medical care for most of them.52

13.2.3 Subsidized Housing

Immigrant advocates claim that the 1996 welfare-reform law will render many of the seniors homeless. Yet the advocates also made such claims in 1993, when the deeming period was extended from three to five years, and yet the dire situation they predicted never materialized. As discussed earlier, there are

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48However, pre-existing conditions are not covered.

49The families’ ability to pay is especially clear when one considers the fact that the “wealth data” which we presented earlier were for just that son or daughter with whom the senior recipient lives. The immigrant seniors typically have several adult children in the U.S., so that their pooled ability to support the parent is even greater than indicated by the data shown here.

50I have proposed this in the past, but these organizations did not opt to do so prior to the enactment of the 1996 welfare-reform legislation. For example, in 1994 an attorney with the Immigrant Legal Resource Center (ILRC) in San Francisco was originally quite interested in pursuing the idea of setting up group plans, but the IRLC board rejected the idea. This was apparently a question of political strategy; the ethnic activists were hoping President Clinton would veto legislation which placed restrictions on legal immigrant access to welfare, or that he would introduce subsequent legislation to rescind those restrictions. But unless such legislation is enacted, it will be increasingly in the organizations’ interest to strive to make private insurance as affordable as possible, and given the large number of seniors involved, premiums could be greatly reduced under a group plan.

51The new law still makes free emergency medical care available to immigrants, even the illegals. One question that will arise in the future will regard the definition of “emergency care” for legal immigrants. This actually had been defined for illegals [US Code 42, 1396b(v)3], but it is likely that advocacy groups for legal immigrants will press for broadening the definition. If so, the amount of actual fiscal savings from the 1996 act may hinge on this definition.

52There are some exceptional cases in which the senior recipients live in nursing homes, an expense beyond the capability of even these relatively-wealthy families. However, even here the well-off nature of the families may provide a cushion, in that many could afford one of the spouses quitting work to stay home and care for the senior.
three reasons for this:

- The immigrant seniors were willing to live with their children for another two years before applying for welfare.
- Of the immigrants seniors on welfare, 52% live with their families anyway.
- The relative wealth of the families enables them to pay the rent for their parents who live independently.

Instead, the impact of the 1996 legislation on federal housing subsidies will be similar to that of Medicaid. The future immigrant seniors will not be eligible for HUD subsidies until they naturalize, as opposed to the past situation in which they were eligible immediately upon arrival to the U.S. Thus there may be a savings of approximately five years per senior immigrant here. And the situation is probably more tolerable for the seniors’ children than for the Medicaid case; though many may not like their parents living with them, at least it is not costing them money, as medical care will.

13.2.4 Will the New Law Dissuade Many Seniors from Immigrating in the First Place?

As noted earlier, even the immigrant advocacy groups have conceded that many immigrants would not sponsor their parents or other family members for immigration if welfare were not available. Again, under the new law SSI will still be available in the same time sequence as in the past, so this should not be a disincentive to immigrate in most cases. However, the new law’s barring of immigrants from access to Medicaid for their first five years in the U.S. might indeed dissuade many of the elderly from immigrating (or dissuade their sons and daughters from sponsoring them to immigrate).

On February 10, 1997, a member of a large San Francisco Bay Area law firm (with offices in San Francisco and San Jose) told me that a number of her clients had, in the wake of enactment of the 1996 welfare reform, withdrawn previously-prepared petitions for their elderly parents to immigrate, due to the clients’ unwillingness to pay for their parents’ medical care. On March 3, 1997, Gladys Lee, head of the Asian Pacific Family Center in Rosemead, California, told me that she was sure that the 1996 reform will cause many people to decide against sponsoring their family members to immigrate.

The February 12, 1997 edition of SF Weekly even quotes Annie Chung, the executive director of the megachain of Chinese senior recreation centers mentioned often in our report here, as saying that the 1996 welfare bill had instigated a “reverse immigration” process under which Asian seniors are moving back home to Asia because their U.S. welfare benefits are being terminated.

Chung also made some comments on the new welfare’s effects on future immigration on the Chinese-language television show she takes turns hosting, Chinese Journal. (KTSF, San Francisco Bay Area, April 19, 1997.) Her guest was Yvonne Lee, a Chinese lobbyist who is highly active in Washington DC. Lee said that many people would indeed not sponsor their family members for immigration because of the responsibility the new welfare law imposes on them. She mentioned the Medicaid issue in particular, saying “They will think, ‘What if my relative has an accident, and I am stuck with a huge medical bill?’” Chung agreed, saying, “This new law is certain to reduce the number of people who immigrate here.”

However, as of June 1997 it is unclear how large these effects will be. Chung’s statement in SF Weekly became less interesting when she brought up this issue later on a Chinese television show in San Francisco, and mentioned that the number of people participating in the “reverse immigration” was only two! Another immigration lawyer in San Francisco told me in June 1997 that she had not observed a trend in which clients had withdrawn previously-prepared petitions for their elderly parents to immigrate. Easily one-third or more of the callers to a Chinese-language radio program on immigration law (KEST, 54

53 In Southern California’s San Gabriel Valley, which has an especially large concentration of immigrants from Taiwan.
54 Lee was speaking in general terms, not about the elderly case we have been discussing. Her clients are mentally ill, nonelderly; virtually all receive SSI.
55 I have mentioned Lee several times in this testimony.
56 Lee did not limit her comment to seniors.
San Francisco) inquire about the rules for sponsoring their parents to immigrate, not noticeably less than in the past.

It is likely that congressional proposals to restore SSI access to immigrants, highly publicized in the Chinese-language press on an almost daily basis in the spring of 1997, have restored immigrants’ confidence for the future availability of SSI. It is thus possible that most of the seniors will continue to immigrate.

For example, as pointed out earlier, the reason many of the sons and daughters apply for their elderly parents to immigrate is because they plan to use the seniors as babysitters for the children. The expense of paying for private health insurance for the seniors will still be cheaper than paying a babysitter, and as explained earlier, that expense would only be incurred for five years anyway. On April 2, 1997, I interviewed Frieda Chu of the Chinese Alliance Church in San Jose (who had replaced May Yue, whose 1994 interviews with me are quoted elsewhere in this testimony) and Hong Shing Lee of the City Hall Senior Center in New York’s Chinatown (also interviewed in 1994 and quoted here). Both of them believed that the seniors will continue to immigrate in spite of the ban on Medicaid (though upon further thought Chu decided that a substantial number of seniors would indeed decide not to immigrate after all).

13.2.5 Impacts on State and Local Governments

After the 1996 welfare-reform bill passed, many state and local officials expressed fear that the new law will merely shift costs to them. Let us examine the situation here, again regarding the elderly. First of all, it is not likely that large numbers of seniors will replace their SSI with General Assistance (GA) funds. Most will naturalize instead, in order to access SSI, which pays much more than GA (in California, for instance, $600 per month versus about $300). As explained above, most current recipients are willing to wait the five years needed for this. Most did not seek GA while waiting for SSI in the past, and there is no indication that they would change this behavior.

In addition, there is speculation made by the California State Legislative Analyst that the seniors will not find GA use to be socially acceptable. Rosemarie Fan of the Oakland Chinese Community Council noted in 1994 that although the immigrant seniors feel no stigma at all in receiving SSI, many find food stamps to have a more shameful connotation and tend to shun them.

On the other hand, the community activists successfully removed the stigma attached to SSI in the past (detailed here in Appendix A), and they may do this now for GA.

Concerning medical care, it is conceivable that some immigrant seniors will turn to county hospital emergency rooms for care. Yet this should be even less socially acceptable, and the care provided may well be viewed by the seniors’ families as inferior. I believe that the families will typically seek other alternatives, as explained earlier.

In addition, an important point to note is that the 1996 act grants state and local governments the right to subject their services to deeming. It would seem that those governments would find this option attractive, even imperative. If so, the relative wealth of the immigrant seniors’ families would imply that at least in the case of the elderly, the state and local governments will not feel such a large negative fiscal impact from the 1996 act.

13.2.6 The “125% Rule”

Under the new law, an individual who wishes to petition for a family member to immigrate must have income which is at least 125% of the poverty line, or must find a third-party person to act as financial guarantor. Proponents of this provision believed that it would help reduce immigrant welfare use, and opponents claimed that this would prevent some family members from immigrating at all; however, both sides will probably turn out to be wrong, at least in the case of elderly immigrants.

The reason this provision will probably not bring about much of a reduction in welfare use is that it is still aimed at the sponsor, and as we have seen, for most elderly immigrants who wish to go on welfare, the sponsor plays no real role; the seniors will wait their five years to naturalize, and then the sponsor is

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57 San Francisco Chronicle, October 25, 1996.
no longer responsible for them.

Opponents (consisting of immigrant-rights groups) are wrong here too. Petitioners who do not meet the 125% requirement will simply turn to other family members to act as financial sponsors. This was already common before the 1996 legislation. For example, in a typical scenario we might have elderly Mrs. Lu, say, who wishes to petition for her brother, Mr. Ching, to immigrate to the U.S. Mrs. Lu might be on welfare herself, but she can ask her son to be the financial sponsor for Mr. Ching. Usually one can find someone in the family who meets the income specification, and of course the 125%-of-poverty requirement is not very stringent.

13.2.7 Making the Affidavit of Support Form a Binding Contract

As mentioned earlier, the 1996 welfare reform bill requires the Affidavit of Support to be a binding contract. This was instituted in response to the fact that some immigrants were going on welfare even before the deeming period ended. However, at least in the elderly Chinese case, most had been abiding by the terms of the deeming period.

The problem was not in the deeming process itself, but rather in the loophole it created, allowing Ms. Wong above to ignore form I-134’s demand that she assure that her father will not go on welfare at any time. Under the 1996 reform, that loophole remains fully intact.

13.3 Other Proposals

(a) Change INS administrative policy.

In our hypothetical example above with Ms. Wong and Mr. Wong, the INS forms should add questions asking just how Mr. Wong intends to support himself (living expenses, medical care, and so on) after Ms. Wong’s responsibility ends. Given that Mr. Wong is past employment age, and assuming that he has no appreciable savings of his own, the INS would be correct under existing “public charge” provisions to deny Mr. Wong permission to immigrate; indeed, such provisions arguably mandate this.

(b) Subject SSI and Medicaid to a much longer deeming period of 10 years or more, together with the feature that the sponsor is billed for any welfare used by the immigrant during the deeming period—including after the immigrant naturalizes. 58

(c) Make SSI and Medicaid conditional on having worked a certain length of time in the United States, as with Social Security.

As the name Supplemental Security Income implies, SSI was designed to supplement Social Security benefits, for those who were in an impoverished state in spite of receiving Social Security. The present usage of SSI by immigrants who have done little or no work in the U.S. is thus not consistent with SSI’s intended function. Social Security for the aged requires work of at least 40 quarters. The same requirement could be imposed on SSI.

(d) Reduce the overall annual family reunification immigration quotas, and/or place specific restrictions on eligibility of parents to immigrate.

This works directly in the obvious manner. It is discussed in much more detail below.

To evaluate these remedies, one must look to the previous history of reform. For example, though the executive-branch solution (a) above seems simple and thus attractive, we saw earlier that previous executive-branch solutions have failed, due to pressure from ethnic activist groups. Executive-branch officials have a built-in tendency to side with the activists in such cases, as the general public is not aware of the problems, so that officials get pressure from only one side. In other words, executive-branch fixes are problematic, and INS officials have repeatedly told me that legislation is the only feasible source of solutions.

Solution (b) would greatly reduce welfare expenditures, while at the same time have the advantage which is central to the deeming concept, that is to preserve access to the safety net when the sponsor himself falls onto hard times financially. In addition, 58The 1996 reforms do allow the government to bill a sponsor for welfare use, but this provision does not extend past naturalization, the key point.
if a sponsor actually abandons the immigrant—not only financially but also even emotionally—the immigrant does get needed help and the government has the ability to recoup its welfare expense by billing the sponsor.

Again, the problem with the past deeming policy was simply that it was too short. A “get tough” deeming policy, with a longer time period as described in the preceding paragraph, would reduce government expenditures while at the same time providing a safety net for the immigrants. Here is the experience of Santa Clara County (San Jose area) in this regard (San Jose Mercury News, February 10, 1997):

The county’s get-tough policy certainly had an immediate and dramatic effect. In February 1993, there were 2,087 cases of sponsored immigrants on general assistance, costing the county $5 million annually. Today, there are only eight, social service officials say.

The county crackdown began in July 1993 after then-Supervisor Mike Honda’s office issued a startling report showing that the county’s general-assistance caseload had jumped 183 percent in the previous three years. In the same period, the cost of the program had jumped 72 percent to $13.1 million, as the cost of the sponsored immigrants increased 750 percent...

The board of supervisors acted swiftly. Under an innovative plan proposed by the report’s author, Honda aide and cousin Keith Honda, the sponsored immigrants were not denied aid. But their sponsors were required to co-sign a pledge that the county dollars would be paid back. To make sure the message got through, the county imposed a lien on the sponsor’s property. The board also ordered welfare workers to pursue “collection activity” against sponsors who were not meeting their obligations.

“The goal...was not to deny aid to people who were truly in need,” said Keith Honda, who last week lost a bid to replace his cousin on the board [who had moved on to the state legislature]. “We understood that there might be people whose sponsors lost their jobs and couldn’t provide for them.”

General acceptance

Most sponsors agreed to support their charges after they found out that the county would be asking them to pay it back, said John Oppenheim, chief deputy director of the county Social Services Agency.

“Those who had the financial wherewithal were more inclined to pay now rather than later, rather than sign a promissory note and get a lien on their property,” he said. “If they didn’t pay the loan, we pursued the sponsor. Word that we were doing this spread fairly rapidly in immigrant communities.”

Honda said the problem was sensitive because of the anti-immigrant sentiment of the time among many voters. But the more he researched the issue, the more he found that even a number of immigrant advocates supported the crackdown, because of the obvious abuse.

“There was no one who was brought to my attention who suffered as a result of these new regulations,” Oppenheim said.

Thus a longer deeming period—again, with the key feature that it extend past the time the immigrant naturalizes—would be very effective.

Solutions (b) and (c) are attractive in that they would extend past the time the immigrant naturalizes, but without relegating the foreign-born to second-class citizenship. Solution (c) should have no trouble passing constitutional muster.

Solution (b) should be all right in this regard too, since it places no restriction on the naturalized immigrant himself; it is simply an obligation taken on by the sponsor. If the sponsor does not support the immigrant, the immigrant can be given welfare, so there is no restriction on him/her, but the sponsor would be billed, so that the government can recoup the expense. As Susan Martin, executive director of the U.S. Commission on Immigration Reform, has pointed out, that obligation by the sponsor should be
no different constitutionally from other obligations such as alimony and child support, neither of which makes a distinction concerning the citizenship status of the recipient. Nevertheless, in 1996 Congress ignored Dr. Martin’s advice; a provision like (b) had been implemented in the earlier drafts of Senator Alan Simpon’s immigration reform bill, but was later dropped.

Robert Rector, the welfare specialist at the Heritage Foundation, has proposed a novel version of (d) which avoids the constitutionality question. Under his plan, a new Guest immigration category would be established. Elderly (or near-elderly) parents who wished to come to the U.S. to join their children would not be eligible for Permanent Resident status, but instead would have this Guest status. The latter would still allow them to reside in the U.S. indefinitely, but they would not be eligible for naturalization (which Permanent Residents are eligible for). Provision (b) would then make the Guest residents ineligible for welfare.

Solution (d) appears to be an essential component of any approach to solving the problem, and there are other reasons to adopt it as well. This is discussed in the next subsection and in an appendix.

13.4 Placing Restrictions on Family-Reunification Immigration

For the reasons given earlier, the only effective solutions to the SSI problem must be multicomponent in nature, and must include as one of their components restrictions on family-reunification immigration. The latter could take the form of reduced yearly quotas and/or restrictions on the eligibility of elderly parents for immigration.

This solution was recently adopted by the Canadian government. It announced that due to the reneging on pledges by sponsors to support their immigrant family members, the family reunification component of the overall Canadian immigration quota would be reduced from 51% to 44%. The government also tightened enforcement of sponsor pledges.

The June 1995 report of the U.S. Commission on Immigration Reform made a similar recommendation to reduce family-reunification based immigration quotas and tighten up on such policies. The commission specifically referred to the problems of the high immigrant usage of SSI, Medicaid and so on as one of the reasons for such policy changes.

Though the idea of reuniting long-lost loved ones is emotionally appealing, the fact is that most immigrants making use of family-reunification categories come to the U.S. primarily for economic reasons, rather than for the putative goal of rejoining family members. In addition, though ethnic political activists are strongly protesting proposed restriction on family-reunification immigration, the fact is that their own communities are the hardest hit by the current high yearly immigration quotas. Immigrants are entering the U.S. faster than minority communities can absorb them. These points are discussed in depth in Appendix D.5.

In addition, we have seen in Section 7 that even Asian community activists admit that many of the seniors are “unwanted” by their children. This further undermines the rationale for family-reunification immigration in the case of parents.

14 Conclusions

SSI, a program originally designed as a supplement to Social Security benefits of those who had worked a lifetime in the United States has now become a retirement program for immigrants who quality even if they never worked a day in the U.S. As a result, large sums of federal and state money are being spent on the elderly parents of typically above-average income immigrants.

Most of the senior Chinese SSI recipients are decent people who do not realize SSI is intended only as a safety net for the financially desperate. Their children who break support pledges are not so innocent, but the real blame should be placed on the loophole-plagued system itself.

In spite of much rhetoric on both sides of the issue, the 1996 welfare-reform law’s impact concerning elderly immigrants will be mild. Though some worthwhile fiscal benefits will be accrued, the bill will not produce as much of a savings as claimed, nor will it force immigrant seniors into Dickensian penury. Im-

migrant welfare costs will continue to grow, and we may safely assume that the issue will remain of interest to Congress in the future.

15 Updates to This Report

I continually expand this report, adding more statistics, citations, and so on. The latest version is always obtainable through the World Wide Web, at


A Profiles of Chinese Immigrant SSI Recipients

Each profile below is an individual case, i.e. not a composite. All names of the seniors used are pseudonyms. All are current SSI recipients, except for a few cases in which I have stated that the senior is currently waiting to become eligible for SSI.

This is of course anecdotal data. But I have chosen the profiles to comprise a reasonably representative sampling of the range exhibited in the much larger set of interviews I conducted.

The profiles follow:

- Mr. and Mrs. Cheng are from Taiwan. They live in Sacramento, California, in a HUD building which is almost entirely populated by elderly Taiwanese immigrants. Mr. Cheng is retired from his position as a teacher in Taiwan. The Chengs have three children in the U.S. When asked why he immigrated to the U.S., he said it was to be reunited with his children. Yet all three children live in Houston, and the Chengs see them only once a year. Mr. Cheng says he lives in Sacramento because he likes the weather there. All three of his children are computer engineers.

- Mrs. Wong, who is from Hong Kong, lives in subsidized housing in San Francisco Chinatown. Her son is an office manager for a non-profit corporation in Chinatown which specializes in housing for low-income Chinese immigrants. He lives in another part of San Francisco. Mrs. Wong used to live with him, taking the bus into Chinatown for socializing and shopping, but felt it would be more convenient to live in Chinatown itself. She thus moved to Chinatown, financing her residence there by SSI.

- Mrs. Siu lives in subsidized housing near San Francisco Chinatown. She immigrated here from Hong Kong. One of her daughters owns a very successful insurance agency, and has won an insurance company award for record-breaking sales levels. Another daughter is a software engineer. Her son is an engineer too.

- Mrs. Lee, from China, lives in San Francisco Chinatown. She is on the waiting list for subsidized housing, and in the mean time lives in a very tiny one-room apartment, cooking on a hot plate. Her two sons live in Sacramento, and both are cooks in Chinese restaurants there. When asked whether she could live with her sons and thus not require SSI, she said yes, but they have their own children, and she does not want to get in their way.

- Mrs. Chan, also from China, lives in San Francisco Chinatown. Her son lives in Daly City, a suburb just outside San Francisco. The son is a civil engineer and his wife is a software engineer. Mrs. Chan petitioned for her brother to immigrate a few years ago. Though typically the petitioner and the sponsor are the same person, in this case Mrs. Chan’s status as an SSI recipient made her unsuitable as a sponsor, so she had her son serve as the brother’s sponsor. The brother and his wife are now living in the same building as Mrs. Chan, waiting for the deeming period to end so that they can collect SSI as well.

- Mr. Liu is a retired Taiwan government foreign service officer. His son lives in an upper-income city in the San Francisco Bay Area. The son is a stockbroker, and his wife is a company controller. The Lius used to live with the son, but recently moved to subsidized housing in San Jose, in order “not to be a burden” to the son. Another of the Lius’ sons is a financial management consultant.
Mrs. Hom, from Hong Kong, lives in a middle-class suburban city in the San Francisco Bay Area, with her daughter. The daughter is an accountant, and the daughter’s husband is an agent for a housing-supply business. Mrs. Hom also has several other children in the U.S., in a variety of white-collar and blue-collar occupations. When introduced recently to a new immigrant, also a Chinese senior, Mrs. Hom’s first question to the newcomer was, “Have you applied for your welfare benefits yet?”

Mrs. Yip is from China. She lives in Sunnyvale, a suburb in the Silicon Valley, with her son, who is a student at a local university. Her daughter works for the Kaiser Hospital chain (type of work not specified). The daughter also owns a restaurant.

Mrs. Leung immigrated here in 1982 from Hong Kong. She lives in subsidized housing in Sacramento. Her son lives in Los Angeles, where he is a mechanic at a GM car dealership. Her daughter lives in Sacramento, and works in a factory; the daughter’s husband works in a restaurant. Mrs. Leung’s brother immigrated recently from China. As with Mrs. Chan above, Mrs. Leung was her brother’s petitioner but not his sponsor. Mrs. Leung’s son, the mechanic in Los Angeles, served as the sponsor. The brother is waiting for the deeming period to end, so that he can go on SSI. He lives with Mrs. Leung’s daughter, with Mrs. Leung’s son contributing money to her daughter as rent for the brother.

Mr. Zheng immigrated from China. He lives in subsidized housing in Oakland’s Chinatown. His son is a successful physician, specializing in obstetrics and gynecology.

Mr. and Mrs. Gan, both in their late 50s, are from Hong Kong. Mr. Gan did construction work in Hong Kong, and his wife worked in child care. They immigrated to the U.S. two years ago, sponsored by Mrs. Gan’s sister, who owns a well-known restaurant in the Bay Area. Using savings they accumulated while living in Hong Kong, the Gans purchased a three-unit building in a Bay Area city, living in one of the units while renting out the other two. As soon as they reach the age of 65, they plan to put the title to the building in their children’s names, and sign up for SSI and subsidized housing.

Mrs. Tsai, from Taiwan, lives in Sacramento. She has four children in the U.S. But the even the geographically closest child, a son, lives 400 miles away, in a Los Angeles suburb. She sees the son once or twice a year, and sees the other, out-of-state children even less often. The son is a chemical engineer. Mrs. Tsai said that she does not want to live with him, as he lives in the hills, where there is no bus service, which would effectively restrict her to the house all day. When asked why she does not live in another Los Angeles suburb which does have bus service, enabling her to stay close to her son, she said that she likes the low rent of the subsidized housing in which she lives in Sacramento.

Mr. and Mrs. Chin, also from Taiwan, live in the same HUD building as Mrs. Tsai. They have two children, a son, a computer programmer in Boston, and a daughter who is a chemical engineer in Indianapolis. Mr. Chin says his children could support him, but he does not want to “burden” them. Later, when interviewed on the telephone by a TV reporter, the son said, “It’s perfectly legal, everyone’s doing it.”

Originally from Hong Kong, Mrs. Au and her daughter both live in the same upper-income Bay Area city as the Lius. However, Mrs. Au lives separately from her daughter. Mrs. Au would like to move back in with her daughter and son-in-law, but they are resisting the idea, at least until their children are grown. Mrs. Au is not yet on SSI, but is planning to go on SSI as soon as she depletes her savings. Her daughter is director of a Chinese community center (she and her daughter did not specify what the daughter’s husband does).

The Ma family is originally from Hong Kong, but later emigrated to New York, where Mr. Ma has owned and operated a series of successful restaurants. His aged mother lives with the Ma family. When Mr. Ma was asked how his mother manages to spend her monthly $300 SSI checks, given that her residence with Mr. Ma
makes her expenses minimal, Mr. Ma’s wife quickly interjected, “Have you seen how expensive clothes are these days?”

B The Role of the Chinese and Other Ethnic Political Activists

B.1 De-stigmatizing Welfare Among the Chinese Seniors

Chinese advocacy groups have made major efforts to promote use of SSI by Chinese immigrants. They have campaigned heavily, through the Chinese community centers, Chinese-language television, Chinese newspapers and so on, disseminating information about SSI, and urging the seniors to come in and apply.

For example, Annie Chung, executive director of the Self Help for the Elderly mega-chain of Chinese senior centers based in San Francisco, is one of the three or four hosts (the host position rotates from week to week) of Chinese Journal, a Chinese-language community affairs television program on Channel 26 in San Francisco. She often devotes shows to tutorials on how to apply for SSI, subsidized housing, Medi-Cal and so on.

As quasi-governmental and sometimes governmental personnel, these activists’ endorsement of SSI may have played a role in removing the stigma associated with receiving welfare. Indeed it probably has fostered the “library card” perception of SSI, in which the seniors perceive SSI as a normal benefit of immigration, rather than as a safety net for the financially desperate.

Indeed, one reporter for a major urban newspaper who interviewed many of the Chinese community activists told me that he observed that the activists had been “developing a ‘welfare culture’ among the senior welfare recipients.”

The activists also campaigned, successfully, for the building (or conversion) of large-scale subsidized housing in Chinatowns. The combination of SSI and subsidized housing became hugely popular with the seniors, as we have seen.

B.2 The Chinese Activists’ Political and Economic Interests in the Welfare State

The Chinese political activists have enormous political and economic interests in preserving welfare access for the seniors.

B.2.1 Welfare and Political Clout

For example, without SSI, many seniors would move back in with their children, greatly reducing the demand for the subsidized housing for which the organizations campaigned, concurrently losing some of the political clout the organizations have worked so hard to build. By bringing in so many Chinese seniors into the Chinatowns from the suburban homes of the seniors’ children, the political activists have developed quite considerable political power in major cities such as San Francisco and New York. For example, we saw earlier the political significance of the coup of Self Help and other Chinese community organizations in securing $23 million in HUD and other funds to build senior housing at the site of the old International Hotel in Chinatown. Chung has become one of the more politically influential individuals in the city.

Without welfare access, many fewer Chinese immigrants would sponsor their elderly parents, or even their nonelderly siblings, for immigration. To the Chinese political activists, the significance of this reduction in numbers of Chinese immigrants would be loss of political clout. This had often been stated privately—as one Chinese journalist put it, “We’ve got to keep immigration numbers up, so that we Chinese will have more rights”—and finally it was stated publicly, by the activists’ chief Washington lobbyist, Yvonne Lee, in the May 16, 1997 edition of Asian-Week:

People are forecasting that [Asians] are the fastest-growing minority group due largely to immigration...But [since given the new restrictions against welfare use by future immigrants] how many people are going to take the risk of sponsoring someone [for immigration] and what long-term impact will that have on our social status and political empowerment?
B.2.2 “Welfare Is Good for Business”

The Chinese political activists draw further support from Chinatown business owners, such as those of the Chinese-American businessmen construction companies who are involved in the construction or conversion of the subsidized housing in Chinatowns. The aforementioned Yvonne Lee of the Organization of Asian Pacific Americans touched on this in her August 5, 1995 interview by Annie Chung on Chinese Journal. Lee noted that if proposed restrictions on elderly immigrant eligibility for subsidized housing were to be implemented and the seniors were to return to live with their children, “Our Chinatown will have a big problem [of underpopulation].” Henry Der of Chinese for Affirmative Action, in his interview with the author on March 23, 1994, made similar statements, noting the slowdown in business in San Francisco Chinatown since the 1989 earthquake: “I’ve never seen so many empty parking places...Business depends on a viable community, and it so happens that many in that community are elderly SSI recipients.”

A similar situation in the Vietnamese community was described in the Los Angeles Times on February 7, 1997, in an article written by Vietnamese-American reporter Thao Hua, with the title/subtitle “Tet Business Drops Amid Fears of Cuts: Little Saigon merchants say Vietnamese immigrants’ worries about losing benefits under welfare reform law are causing them to spend less on the holiday.”

B.2.3 The Activists’ Own Jobs and Funding Depend on Welfare

A June 1996 position statement by the Asian Pacific Islander American Health Forum (APIAHF) states:

[Welfare-reform legislation then pending in Congress] not only points to the alarming number of APIAs who will no longer receive care but [also to] the threat to the organizational viability of many APIA community-based providers.

Though the statement then goes on to assert that the “collapse” of the community-activist organizations would adversely impact their communities, the phrasing suggests that the activists are also greatly motivated by the prospect of losing their own jobs. Though the frequent fundraising drives held by these organizations may lead the public to believe that they are mainly privately supported, the fact is that their main funding is governmental. The giant and powerful Chinatown Planning Council in New York City is funded largely by the federal Older Americans Act. Fernando Cheung, head of the Oakland Chinese Community Council in the San Francisco Bay Area, stated on the Cantonese Evening News in September 1996 that 80% of his organization’s funding was from federal sources which would be lost on enactment of the 1996 welfare-reform bill. In addition, I found that some of the community workers have their own parents on welfare.

The community activists’ funding is dependent on a continuing influx of immigrants, especially seniors. Don Barnett, a speaker of Russian who is active in the Russian immigrant community, gave a good illustration of the activists’ need for a continuing influx of immigrants, in e-mail to me in April 1997. At the time, many Russian-immigrant seniors were rushing to naturalize in order to retain their SSI under the new welfare laws. Yet the Russian community activists, who were constantly bringing up the plight of such seniors in the mainstream press, seemed more concerned about themselves than about the seniors:

There is concern that there might be a short-term cutoff of assistance during naturalization for some individuals. The editor of Novoe Russkoe Slovo approached the foundations and charities (among them

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60 The focus of this August 5 show was on the implications of several pieces of legislation pending in Congress, including proposals to restrict immigrant welfare eligibility and to reduce the scope and size of family-based immigration categories. Lee gave an overview of the bills, and reported on her lobbying efforts against them on Capitol Hill. She complained that very few Chinese-Americans had written to Congress in support of her. Chung and Lee both urged viewers to write letters.

61 The key word here is “worries.” As I have discussed earlier, the vast majority of the welfare recipients will ultimately naturalize and thus preserve their benefits, but as one Vietnamese senior quoted by Hua pointed out, they are being frugal “just in case” they will not be able to pass the naturalization test.


63 Cheung resigned his position soon afterward, citing family reasons.
HIAS and NYANNA) and asked if there would be a fund set aside for these short-term needs and was told in no uncertain terms not to expect any assistance. Their resources were going instead to change public opinion and lobby for changes in the law. The irony of the situation was not lost on the editor who published the pronouncements of the charities.

B.3 Lobbying Efforts

Given these vested interests, it is not surprising that the organizations have been opposing reform of SSI policy regarding immigrants. Led by Lee, they have been heavily engaged in lobbying activities in Washington, concentrating on SSI since 1994 and expanding in 1995-1996 to oppose congressional proposals to reduce yearly immigration quotas.

The separate-but-related issues of immigration and welfare often became blurred in the lobbying process. For example, on Sunday, January 21, 1996, immigrant-rights groups organized a rally in San Francisco Chinatown to protest against HR 2202, a bill by Rep. Lamar Smith of Texas which would both reduce yearly immigration quotas and place restrictions on immigrant access to welfare. Organizers helped 1,500 attendees fill out form letters to Congress, opposing the bill, ostensibly due to the bill’s proposal to cut immigration levels, and community activist Annie Chung later stated that these letters were instrumental in their Capitol Hill lobbying efforts. (*Sing Tao Daily*, March 6, 1996.)

Yet those letters, which focused on the immigration-quota sections of Smith’s bill, were misleading, as apparently those who sent them were more interested in welfare than immigration—photographs in newspaper coverage of the rally (*Sing Tao Daily* (Chinese-language), *World Journal* (Chinese-language) and the *San Francisco Chronicle*, all January 22, 1996) revealed that the vast majority of those in attendance were elderly.

Another rally of interest is one held by the Oakland Chinese Community Council (OCCC) in front of Senator Diane Feinstein’s San Francisco office, on June 19, 1996. This one was explicitly about welfare, asking Feinstein to oppose congressional proposals to restrict immigrant access to welfare, and OCCC gathered together approximately 30 elderly Chinese for the event.

However, this too was misleading in some senses. When I watched the Chinese-language television coverage of the protest rally that evening, I noticed “Mr. Zheng” (a pseudonym) one of the seniors I profile here in Appendix 15. I had interviewed him at OCCC, and found that his son is a successful physician, specializing in ob-gyn. Since the implicit message of the rally was that the proposed welfare restrictions would harm helpless, poverty-stricken elderly, I was rather startled to see Zheng there.

The TV coverage of the protest rally also featured shots of an elderly Chinese woman in a wheelchair. Yet the next day’s article on the rally in a Chinese-language newspaper (*World Journal*, June 20, 1996) revealed that this woman, a Mrs. Kwan (not a pseudonym), was not an immigrant at all; she had been born and raised in the U.S.

After the 1996 welfare-reform bill passed, many of the ethnic activists exploited the bill’s naturalization requirement as a means of obtaining funding for their community-based organizations (ECBOs). They pressed government agencies (typically counties) and private sources (such as the George Soros Foundation, which had announced that it would allocate funds for immigrants affected by the bill) for funds to aid in naturalization efforts.

B.3.1 Lobbying Tactic: “Mrs. Wang/Nguyen/Park/Ivanov/Garcia Would Be Homeless If Her SSI Benefits Were Canceled”

In the first half of 1997, ethnic lobbyists launched a huge lobbying campaign, both on Capitol Hill and in the press, to get Congress to rescind the immigrant-SSI-related portions of its 1996 welfare-reform legislation and thus retain SSI benefits for immigrant seniors. One of the lobbyists’ key tactics was to claim that the senior SSI recipients would be homeless, living on the streets, if their SSI benefits were canceled.

This was an extreme distortion of reality, because the vast majority of the recipients would move in with, or be supported by, their adult sons and daughters,
or other family members. In an earlier section (Section 6) we have discussed the fact that the families of the immigrant seniors on SSI tend to be middle-class or better, but it should be emphasized that even the low-income families could have their elderly parents move in with them, at virtually no cost.

An example of the ethnic activists’ approach comes from the San Francisco Bay Guardian, March 19, 1997, which discusses Mrs. Slutskaya, who immigrated to the U.S. “from Saint Petersburg in 1992 to join her two sons.” She asks, if her SSI is cut, “Where am I to live?” The answer is that she would have to live with one of the sons she supposed came to the U.S. to join. Then the article mentions Mrs. Shelmenkova, “who moved here from Kiev in 1991 to live near her daughter’s family.” Again, she could live with her daughter. The latter may find it inconvenient, but the point is that these people are not going to wind up living on the street.

Or take the article in the New York Times, April 15, 1997, reporting on a Capitol Hill protest rally in which Senator Paul Wellstone spoke:

Wellstone said that while many elderly immigrants were not citizens, they had sons and daughters who were citizens and would vote. Yosef I. Abramowitz, president of the Union of Councils for Soviet Jews, said: “We will play electoral hardball in November 1998. We will penalize those in Congress who are trying to throw our parents, grandparents and neighbors into the streets.”

Those sons and daughters would not let their parents and grandparents live on the streets. They would have to take them into their homes, or provide cash support for them. But these sons and daughters would prefer that the taxpayers provide the support instead. What chutzpah!

The June 24 edition of the San Francisco Chronicle has an excellent case in point, in the form of an oped piece by one Al Carlos Hernandez. Mr. Hernandez at first says that if SSI benefits were discontinued for his wife’s tia (aunt), Tia “will have no means of support”—the standard wording used by the ethnic activists. But amazingly, later in his article Mr. Hernandez admits that the family could indeed take care of Tia:

We postulated that maybe we [siblings] could all contribute a couple hundred dollars a month each toward her care. [But] realistically, another couple hundred dollar expenditure would imperil our children’s college fund, and thereby doom another generation to retail sales, fast foods and public utilities work.

This is outrageous. SSI is not intended as a subsidy for Tia’s grandchildren’s, nieces’ and nephews’ college education. If those kids want to go to college, good for them, but they can do what lots of other kids do—attend a local community college for the first two years, take out student loans when they transfer to a four-year institution, and so on. And Mr. Hernandez’ bio at the end of his op-ed piece says that he is a screenwriter living in the middle-class seaside community of Pacifica (just south of San Francisco)—not a manual laborer living in a poverty-level section of San Francisco, as his language above might be taken to imply.

One more example (they are far too numerous to include here) of the activists’ manipulation of the press in this manner was reported in the February 21, 1997 issue of Asian Week, in an article on a press conference held jointly by Chinese community activists and San Francisco congresswoman Nancy Pelosi. The article uses as its main example Nan An Wu and his wife Seto Qi, elderly immigrants on SSI.64

The tone is set early in the piece, in describing Wu’s reaction to the government letter he had just received, informing him that his SSI benefits will be terminated unless he naturalizes:

“I do not know what to do,” Wu, 71, an immigrant from China, said through an interpreter as he held the letter that to him amounts to a death sentence.

Most articles of this sort do not mention the welfare recipients’ family sponsors, but this one does:

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64 According to an article in the Chinese-language Sing Tao Daily which appeared around the time the Asian Week article came out, the Wu’s immigrated to the U.S. in 1991.
[The Wu’s] have a daughter in New York but she has a family of her own and could not support them.

*Asian Week* is a newspaper written by Chinese and other Asian activists, and the tone shown above typifies their point of view. One might ask: Does the *Asian Week* reporter really expect the reader to believe that this daughter is going to just passively accept this alleged “death sentence” of her parents? Of course not.

First of all, assuming the daughter had been the parents’ immigration sponsor, she had certified in her Affidavit of Support that she had the financial means to support her parents. (The parents’ statement here that “she has a family of her own and could not support them” was the standard response the senior immigrant welfare recipients gave me, including the many cases in which their children were engineers, physicians, CPAs and other professionals.)

Second, the Wu’s can simply return to China, where the cost of living is a small fraction of that in the U.S. Their daughter need send them only $25 a month for an adequate living; for $100 they could lead an upper-class lifestyle.

Finally, the most likely outcome is that although the article says that the Wu’s find the prospect of studying for the naturalization test “daunting,” they will indeed end up as naturalized citizens, thus preserving their benefits.

### C Chinese-American Views of the High Rate of Chinese SSI Usage

Though I have no hard data on this, it is worth mentioning that among mainstream Chinese I have talked to, many consider present policies regarding immigrant use of SSI to be far too lax. One immigrant senior complained, “I worked here in the U.S. and paid taxes for 30 years, yet recent immigrants come in without having worked a day, and get a welfare check twice as large as my Social Security check. It’s really unfair.” Another immigrant senior, also a nonrecipient, said, “They don’t need this money,” and added that “America is very stupid” for allowing people to take advantage of the system in this way.

One community worker, for example, a Chinese-American woman who had been so positive in tone when I talked to her at work, startled me by calling me at home the next day, angrily saying, “These people are greedy! They’re hurting our country!”

In June 1994 I was invited to speak on this topic in a seminar series at the Berkeley Chinese Community Church. Many in the Chinese-American audience (mostly American-born) expressed anger and frustration that the welfare system is being abused in this manner.

In addition, after I published an op-ed piece on this topic in the influential Asian-American newspaper *Asian Week*, two letters to the editor were published, both quite supportive. Here are excerpts:

> I wish to congratulate you for your courage to publish Mr. Norman Matloff’s expose’ of welfare cheating by Chinese immigrants...I am both saddened and ashamed because I know that what he said in his article is true, especially with regard to those from Taiwan. (Richard Low, El Paso, Texas, October 7, 1994.)

> Thank you for publishing the article by Norman Matloff...I have been quite aware and angry at this problem for years...I’m glad maybe something will be done, but I won’t hold my breath. (Su Lee Tom, Alhambra, California, October 21, 1994.)

Some time later, two further letters were published. One is the letter by Lester Lee mentioned earlier, confirming that welfare has become a magnet luring Chinese seniors to the U.S. The other letter was by Andy Chan of San Francisco, also cited earlier, who believed that since the seniors’ children pay taxes, the seniors should get welfare.

On August 5, 1996, the *San Jose Mercury News* published an op-ed piece by Chinese-American essayist John Chih-Ming Liu. Liu was critical of immigrants,
especially the elderly, who use welfare, and he supported the 1996 welfare reform bill which placed major restrictions on access to welfare by immigrants who have not naturalized. The Mercury News received a flood of mail in response, most of them supportive of Liu, according to a source at the newspaper. The newspaper published a sampling of eight of the letters on August 12; six of the eight were supportive. Three of the letters published were written by Chinese readers, two of them supportive. Reader Min Lin writes:

I agree with John Chih-Ming Liu completely. I couldn’t have said it better.

The SSI benefit is much abused by a segment of our population. Newly arrived elderly immigrants feel that it is their “right” to this aid. Such thinking is shared by just about every immigrant—the well-off seniors (yes, there are ways to get around the obstacles), the ones whose adult children have the financial means, and not the least, the adult children. They reason, “Why not? The government is willing and eager to provide”...

What is so wrong with holding their sponsors responsible? Why is it such a “ludicrous” idea (as some politicians have pronounced)?...

Reader J. Chen says: “I strongly agreed with John Chih-Ming Liu on the welfare reform bill...I’ve seen too many cases of people who know how to work the system. We need to close those loopholes...” The lone Chinese dissenter, Reader Tong Yuk Cheung, wishes to remind Liu that many of the exploited workers who built the railroads in the 1860s were Chinese.

On January 31, 1996, I was a guest on Focal Point, a Chinese-language radio talk show in San Francisco. The audience of course consists of Chinese immigrants, mostly from Hong Kong and Southern China. The overwhelming majority of the callers who discussed the welfare issue were quite resentful that of their fellow Chinese who were receiving welfare. Below are a few of their comments.

Mr. Mui in Oakland: I completely agree with the professor. I disagree with the last caller, who said we should support those earlier immigrants who are already here. Those old folks’ children should support them. The children signed support forms. Where does all that SSI welfare money come from? It comes from the Social Security fund, which longtime immigrants like me worked hard to contribute to. That money shouldn’t be going to immigrants who haven’t worked in the U.S. And the budget deficit is going to harm all of our grandchildren.

Mr. Yuen in San Francisco: I immigrated here 30 years ago. I’m 82 now. My Social Security check is $487, $390 after taxes. I worked 30 years for that Social Security. I never even applied for unemployment insurance. My wife is 62. I’ve got to buy health insurance for her, $225 per month, and for my 21-year-old daughter, $104 per month. My whole Social Security check goes to insurance! But those new immigrants get $500, $600 per person per month in welfare! My friend, all four in his family get welfare. He goes to Hong Kong, to China, has a good life. Look at those seniors in Chinatown—90% get welfare.

Mrs. Yu in San Francisco: I agree with what those callers have been saying. This welfare is really terrible. A lot of Chinese people are doing this. Why am I so angry? [Goes into son’s and husband’s circumstances.] My husband’s retirement check is only $500, even though he worked 20 years. Those Chinese senior immigrants are applying for welfare after three years. My friend worked during those three years, but quit immediately when the three years were up, to get welfare. Then she applied for her two sons and daughter to immigrate. Then all three children went back to China to find a spouse. After they got married, they brought over all the in-laws as immigrants. They’re all getting welfare. Her son works in remodeling houses, getting paid in cash. The daughter works in a sewing factory, but the wages are so low, she gets welfare too. It’s awful. She’s get-
ting $700 per month in welfare, whereas my husband’s retirement check, which he worked for, is only $500. [Goes on a great length. The welfare family has nicer clothes than her family, lots of pairs of nice shoes, etc.]

Ms. Chan in Alameda [a city adjacent to Oakland, mainly middle-class]: People sponsor their aged parents to immigrate, and put them on welfare. The welfare is supposed to enable the seniors to live by themselves. But then these people have their parents living with them anyway, so they can put the parents to work babysitting the grandchildren! And the parents are getting welfare! And the children live in upscale neighborhoods! Congress should really change the law so that when the seniors apply to immigrate, the U.S. government looks at the children’s incomes. And the government should look at the children’s incomes when the seniors apply for welfare.

The entire transcript of this show (translated to English), is available on my World Wide Web site, at


On July 11, 1996, the show again was on welfare, with the guests being Fernando Cheung, head of the Oakland Chinese Community Council social-services agency, and Rosemary Lee, a health worker. Though Cheung and Lee lambasted congressional proposals to tighten up immigrant eligibility of welfare, again almost all of the callers supported the need for tighter rules.

The Los Angeles Times on February 7, 1997 carried an article written by Vietnamese-American reporter Thao Hua, with the title/subtitle “Tet Business Drops Amid Fears of Cuts: Little Saigon merchants say Vietnamese immigrants’ worries about losing benefits under welfare reform law are causing them to spend less on the holiday.” Hua notes that Yen Do, publisher of Nguoi Viet, the largest Vietnamese-language newspaper in the United States, sees good coming out of the 1996 welfare reform bill, as the bill will force immigrant seniors to learn English and naturalize, and some working-age immigrants will get off welfare and go to work:

“As a result of this movement, more people will become self-sufficient. More will speak English and perhaps pay a little more attention to what’s going on in the world. All of those things are good,” Do said. “They may or may not do those things otherwise, but this way, we are going to go through a period of intensive acculturation.”

D Caveat Emptor: Common Errors Made in Analyses of Immigrant Use of Welfare

Due to the complexity of welfare programs, immigration law and the nature of immigrant life, it is very easy to draw incorrect conclusions in analyzing immigrant use of welfare. Up-close observation of immigrant communities is essential to formulating correct and useful analyses. In this section I will discuss some of the more commonly-occurring errors. Since the most-commonly cited analyses are those of the Urban Institute, I will focus on the work done by Michael Fix and Jeffery Passel, that organization’s main immigration specialists.

D.1 Who Is Included in the Analysis?

Statistics on immigrant use of welfare are often greatly skewed by conditions which are hidden from the consumer of those statistics.

For example, as we pointed out earlier, there has been a sharp upward time trend in immigrant welfare usage. Yet many published analyses on such usage fail to state the time period being used. Does the analysis include only recent immigrants—which would be more meaningful—or does it include all immigrants? Many analyses also fail to state whether they have excluded refugees from the figures.

Another common error is to count as immigrants only “greencard holders,” excluding naturalized cit-
izens from the statistics. This is very misleading, for example, in reports of absolute numbers of immigrants on welfare. I have mentioned earlier, for instance, Robert Rector’s citing the total dollar costs of welfare for elderly green card holders. His point was that those costs are already quite high, but if naturalized citizens were to be included—so that we get a true assessment of the fiscal impact of elderly immigration—those costs would be even higher.

As an illustration of all of the above sources of error, consider the written Senate testimony of February 6, 1996 by Michael Fix of the Urban Institute. Fix, who has worked closely with Asian-American immigrant advocacy groups, states, “Chinese recipients of SSI, who have been the subject of so much controversy, represent roughly five percent of total beneficiaries nationwide [9], a figure below their representation in the population of recent elderly immigrants.” (Reference 9 is “Data provided by the Social Security Administration.”) As we have seen in an earlier section of our report here (Section 5), Fix’s claim that Chinese use proportionately less SSI than do immigrants in general is incorrect: Nationwide, 47% of Chinese seniors who entered the U.S. during 1980-1987 were on SSI in 1990, versus 37% of all seniors who immigrated to the U.S. during that period. The difference between these numbers and those described in Fix’s statement are due to the following:

- Fix is clearly “comparing apples and oranges.” His “five percent” figure is for all immigrants, who entered the U.S. at any time, yet he erroneously attempts to compare this to the Chinese “representation in the population of recent elderly immigrants.” Such a comparison is clearly fundamentally incorrect in any case. In the Chinese case in particular it skews the data greatly because Chinese immigration did not become voluminous until after 1980. The effect of this is that Fix’s “five percent” figure is misleadingly low, because it includes a long time period when there was comparatively little Chinese immigration.
- The Social Security Administration (SSA) does not include naturalized citizens in its data on immigrant SSI users. This is an important factor, as Asian immigrants have a much higher rate of naturalization than do other immigrants. (Bill Ong Hing, Making and Remaking Asian America Through Immigration, 1850-1990, p.285n108.) This has the effect of artificially making Chinese participation in SSI appear to be lower than its true level.
- The SSA data include sponsored immigrants who are still in the deeming period, in spite of the fact that they are in effect ineligible for welfare. Since refugees are not subject to that deeming period restriction, the proportions of nonrefugee nationalities such as Chinese are deflated. (See my earlier comments on why I limited my analysis to immigrants who came to the U.S. during 1980-1987, rather than 1980-1990.)
- Fix apparently is counting as “Chinese” only those from China, which is a problem since, again as mentioned earlier, among groups of Chinese ethnicity, those from Taiwan have an especially high rate of SSI usage.

An additional—and extremely significant—flaw in many analyses of immigrant use of welfare (in general, not just for the elderly) is that they count U.S.-born minor children of immigrants on the native side of the ledger, rather than the immigrant side. Of course, those children are natives. But the point is the welfare is actually received and used by the children’s immigrant parents, who applied for welfare because they could not support the children on their own. Clearly, when addressing the question of the welfare costs of immigration, such funds should be counted on the immigrant side of the ledger, not the native side.

For this reason, it is more realistic to use a household basis for analysis, as featured in the recent studies by Professor George Borjas of Harvard University.

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66It is possible that Fix has withdrawn the claim. He and co-author Jeffrey Passel were at the Conference on Immigration at the Hoover Institute (Stanford University, October 18, 1996). There Stanford economics professor Thomas MacCurdy stated that his analysis of the Current Population Survey showed that “the Chinese are in a class by themselves” in SSI usage, much higher than the other major nonrefugee groups. Fix and Passel, on the same panel as MacCurdy, did not object.

67See also some earlier studies by Hans Johnson, such as his Immigrants in California: Finding from the 1990 Census, California Research Bureau, 1993.
Borjas has also made a major contribution by including both cash and non-cash forms of welfare. In his Senate testimony of February 6, 1996, he reports that (all figures except those in the last item are for the entire U.S.):

- 20.7% of immigrant-headed households receive at least some form of welfare, compared to 14.1% of native households, and compared to 10.5% of the non-Hispanic white native households.

- During a 32-month tracking period in the early 1990s, 31.3% of all immigrant-headed households participated in some welfare program at some point in time, compared to 22.7% of the native households.

- Even after removing the effects of refugees and the elderly, one still finds a substantial “welfare gap” between immigrant and native households. 17.3% of nonrefugee immigrant households which contain no elderly receive welfare, versus 13% of native households with no seniors. In other words, the immigrant households are still about 33% more likely to be welfare users.

- Immigrants in California comprise 21% of that state’s population but are the recipients of nearly 40% of all California welfare expenditures. (Borjas states, “It is not too much of an exaggeration to say that the welfare problem in California is on the verge of becoming an immigrant problem.”)

D.2 SSI As a Substitute for Social Security

Fix and Passel also claim that the high SSI rate among immigrant seniors occurs simply because the seniors have not worked long enough to qualify for Social Security. But this interpretation is clearly false, as it does not explain the high growth rate in SSI usage in recent years. Nor does it explain the very substantial variation in usage patterns among immigrants of various nationalities, e.g. 55% for the Chinese seniors versus 21% of the Mexican seniors.

To see further that attributing the time trend to lack of Social Security benefits is a misleading oversimplification, look at the following rates of welfare usage, among those who were 55 or older when they immigrated:

<table>
<thead>
<tr>
<th>Year imm., 55+</th>
<th>% on welfare, general</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980–1987</td>
<td>45%</td>
</tr>
<tr>
<td>1965–1969</td>
<td>33%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year imm., 55+</th>
<th>% on welfare, Chinese</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980–1987</td>
<td>55%</td>
</tr>
<tr>
<td>1965–1969</td>
<td>43%</td>
</tr>
</tbody>
</table>

In other words, even when we hold constant the lack of opportunity for Social Security, we still find the same upward trend in time.

Even among those SSI recipients who immigrated some time ago, most do not receive Social Security. For example, 47% of elderly immigrants who came to California during 1975-1979 were on welfare in 1990, but less than one fifth of these, 9%, were receiving both welfare and Social Security.

D.3 Medicaid Eligibility

In his Senate testimony of February 6, 1996, Michael Fix of the Urban Institute states, “In addition to providing a cash payment to beneficiaries, SSI gives the poor elderly access to health care by making them eligible for Medicaid. Anecdotes suggest this is a prime motivating factor for many elderly immigrants’ enrolling in the program.” Though it is true that access to government-paid medical care is attractive to the immigrants, Fix is wrong in stating that this is the main reason they apply for SSI. In virtually all states, one can get Medicaid separately, without applying for SSI.

The fact that the immigrants can apply for Medicaid independently of SSI can also be seen in the

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68 Bortas also finds that the somewhat larger average family size among immigrant households accounts for only a small portion of this difference.

69 Though the Mexican seniors have a lower percentage of usage, their absolute numbers are higher, due to the greater number of Mexican immigrants in the U.S.
March 1995 Current Population Survey. I restricted attention to seniors who had immigrated to the U.S. during 1992-1994. Because the deeming period had been extended from three years to five years beginning in January 1994, many of the seniors who came to the U.S. during 1992-1994 were ineligible for SSI. But since Medicaid is not subject to deeming, they could get Medicaid, and they did: The CPS data showed that 23% of the seniors arriving during these years were on SSI in 1995, but more than twice as many, 47%, were on Medicaid.

In my numerous interviews with the Chinese social workers and the immigrant seniors themselves, not one said that the seniors apply for SSI mainly to get Medicaid. On the contrary, recall the comment cited earlier in this report by Bob Kim, executive director of the Korean Community Center of the East Bay in Oakland, who said that his senior clients’ reason for applying for SSI is that they want to finance living on their own, away from their children, and that cancellation of SSI benefits would force many seniors to “move back [in] with families that don’t want them.” (Asian Week, September 29, 1995.)

D.4 Disincentives Against Welfare Use by Immigrants

Another common error in analyses of immigrant welfare use is that immigrants will avoid using welfare, as welfare use might compromise their eligibility to sponsor further family members for immigration. Most Chinese immigrants who wish to go on welfare circumvent the sponsorship problem by separating the roles of the petitioner and the sponsor: Suppose Mr. Chow, say, wishes his sister to immigrate to the U.S. If Mr. Chow is on welfare, he obviously cannot certify that he will financially support his sister. But he can ask his son, for instance, to certify that support. The INS then terms Mr. Chow the petitioner, exercising his eligibility to bring in his sister, and the son is termed the sister’s sponsor, the financial guarantor.

D.5 Taxes Paid Versus Services Received

Some analysts, such as Fix and Passel, find that taxes paid by immigrants exceed welfare received by them, thus implying a net gain. Others, such as Donald Huddle of Rice University, have claimed a net loss, after accounting for job displacement caused by immigrants.\textsuperscript{70} The analysis by the Center for Immigration Studies also shows a net loss, though of somewhat smaller magnitude.

Yet the basic taxes-paid-versus-welfare-received comparison itself is misleading, as it ignores the non-welfare services immigrants receive. The correct comparison is that of immigrants to native-borns: All sides agree that on a per-capita basis, immigrants are paying less in taxes than the native-borns, yet are receiving more in welfare services than are the native-borns.\textsuperscript{71} That is a net loss, because it implies that the immigrants are not paying their fair share for other government services, such as schools, roads, hospitals, parks, public transportation, the national defense, and so on; their taxes are disproportionately going to welfare.

Here is another way to see the problem: As can be seen in our large and increasing national debt, society as a whole—with its mix of poor, rich and middle-class—is producing a net fiscal loss. Thus immigrants, who are poorer and use more welfare than natives, are also producing a net fiscal loss, and in fact a worse such loss per capita than the natives.

Apparently even Fix and Passel have backed away from their original claim of a fiscal surplus due to immigration. In the Fall/Winter 1996-97 issue of Focus, a magazine published by the University of Wisconsin-Madison Institute for Research on Poverty, they write:

> There is a dearth of solid and unambiguous information about the economic consequences of immigration. The conse-

\textsuperscript{70}One must also account for the fact that immigrants, through entrepreneurship and consumerism, create some number of jobs for native-borns. However, given the low average incomes immigrants have, they don’t consume enough to generate as many jobs as they take: Immigrants have the same or higher level of workforce participation as natives, but lower per-capita incomes. The lower incomes of the immigrants leads to a lower level of consumerism, thus a lower level of job creation, relative to natives. In other words, immigrants are creating fewer jobs than would the same number of natives, yet they are taking at least as many jobs as natives would—implying a net job loss for natives.

quences of interest are usually sorted into two categories: labor market effects and fiscal effects...The fiscal effects of immigrants have only recently become a topic of consequence among economists. It is by no means clear how much immigrants pay in taxes to federal, state, and local governments, how large are the benefits they receive in return, and how the two amounts compare within various jurisdictions.

E The Realities of Family Reunification Immigration

E.1 Immigrants are Entering the U.S. Faster Than Minority Communities Can Absorb Them

Though ethnic political activists are strongly protesting proposed restriction on family-reunification immigration, the fact is that their own communities are the hardest hit by the current high yearly immigration quotas. Immigrants are entering the U.S. faster than minority communities can absorb them.

When asked why most Latino Americans wish to see reduced immigration, Antonia Hernandez, president of the Mexican American Legal Defense and Educational Fund (MALDEF), explained that “Migration, legal and undocumented, does have an impact on our economy...particularly in] competition within the Latino community...There is an issue of wage depression, as in the garment industry, which is predominantly immigrant, of keeping wages down because of the flow of traffic of people.” Ms. Hernandez made these remarks at the Forum on Immigration, UC Davis, March 11, 1994. After the author included this quotation in his op-ed piece in the Los Angeles Times on September 30, 1994, noting that the harm falls on not only immigrant-dominant minorities but also the native African-American underclass, Ms. Hernandez responded with a letter to the editor in that newspaper on October 12, 1994. There she said, “[MALDEF and other civil rights groups] recognize the truism that immigrants tend to compete economically with the most disadvantaged sectors of the population.”

Numerous case studies in New York’s Chinese-American community by sociologist Hsiang-Shui Chen show how the influx of Chinese newcomers reduces employment opportunity for native and earlier-immigrant Chinese, as well as resulting in reduced market shares for established Chinese entrepreneurs (Chinatown No More, by Hsiang-Shui Chen, Cornell University Press, 1992).

Louisiana State University sociologist Min Zhou makes similar comments, noting the low wages in New York’s Chinatown caused by “the large pool of surplus immigrant labor” (Chinatown, Temple University Press, 1992, p221).

Po Wong, director of the Chinese Newcomers Service Center in San Francisco, told the MacNeil-Lehrer Newshour (July 7, 1993), “The community is not ready even for the influx of legal immigrants looking for housing, looking for work, looking for other social services, health services.” He added that of the 11,000 new arrivals who tried to find work through his agency, only 2 percent were successfully placed. More recently he was interviewed by Sanford Ungar (Fresh Blood: the New American Immigrants, Simon and Schuster, 1995, p.49): “I don’t think our community is equipped to welcome this large a number. It is especially difficult to find employment for those who speak only Chinese, who have very little education, or who have never acquired a skill to compete in this new market. It’s very depressing to see so many people come here looking for work.”

The same themes show up in the study by Peter Kwong of Hunter College (The New Chinatown, Noonday Press, 1987). In a very vivid excerpt (p.68) on the hardships faced by native-born and earlier-arriving immigrant entrepreneurs, caused by the arrivals of large numbers of later immigrants, Kwong says:

“In the 1980s, business in Chinatown reached the point of saturation: too many immigrants, too many new businesses, and exhorbitant rents. Suicidal competition developed throughout the community.”

Similar dynamics appear to be at work among Korean immigrants in New York. An article in New York magazine (April 10, 1995) quotes Sung Soo Kim, president of the Korean-American Small Business
Service Center: “We’re in the middle of a tragedy. Last year, we had 700 stores open but 900 close. Growth has completely stopped.”

The labor surplus in immigrant communities then spurs further need for immigrants to use welfare. Many working-age immigrants do work whenever they can find it, but the continuing influx of newer immigrants means that they often cannot find work. After the 1996 welfare-reform bill passed and was signed into law by President Clinton, San Francisco County Supervisor and immigrant activist Mabel Teng held a special public hearing of the Board of Supervisors, to determine the impact of the new law on immigrants in San Francisco.

One of the speakers was Katie Quan, a garment-industry official and fellow immigrant activist who is prominent in both the San Francisco and New York Chinatowns. Quan said that with global competition and NAFTA there are now insufficient jobs for her union immigrant members, and projected that about half of them would lose their jobs in the next few years, and thus would need access to welfare services.

A Los Angeles Times article on the Latino-populated Lennox area near the Los Angeles International Airport tells the same story, saying that Latino residents believe that “an oversupply of immigrant workers has saturated the job market, depressing salaries and generating intense competition for any employment, however ill-paid.”

Presumably motivated by similar concerns of job competition, United Farm Workers co-founder Dolores Huerta testified to a California Assembly committee that “With 1.5 million legalized immigrants living in California, and only approximately 250,000 agricultural jobs in the state, there is no need for additional farm workers.” (Summary Report Prepared for the Assembly Select Committee on Statewide Immigration Impact, California Assembly Office of Research, Sacramento,

These points were confirmed statistically by George Borjas of Harvard University, who found that a 10 percent increase in immigration populations reduces immigrant wages by 10 percent (a staggering statistic, in view of the fact that the 1990 Immigration Act increased yearly immigration quotas by 40 percent).

E.2 Family-Reunification Immigrants Come Here for Primarily for Non-Family Reasons

Though the idea of reuniting long-lost loved ones is emotionally appealing, the fact is that most immigrants making use of family-reunification categories come to the U.S. primarily for economic reasons, rather than for the putative goal of rejoining family members.

This was noted, for example, in the analysis given by Louisiana State University professor Min Zhou in Chinatown, Temple University Press, 1992, pp.50-54. Dr. Zhou’s point is that people who want to immigrate to the U.S. go about finding some route to achieving that goal, and that family reunification happens to be such a route. One person she interviewed, for instance, says “People are very smart, they know how to get here quickly through the family connections.” Zhou notes that “Immigration opportunities for prospective immigrants would be close to zero without family or kinship connections.” In other words, though the philosophy of immigration law is that one immigrates in order to rejoin one’s family members, many are doing the opposite—rejoining their family members in order to immigrate.

Comments along similar lines are made by Bill Ong Hing in his book, Making and Remaking Asian America Through Immigration, 1850-1990 referenced earlier (pp.106-107). Professor Hing writes that “Japanese-Americans were in an excellent position to petition for relatives [to immigrate] under the 1965 [immigration law] amendment’s kinship provisions, yet they did not take advantage of this opportunity as other Asian American groups did.” He then cites Japan’s economic success, and concludes “For many in Japan, therefore, economic opportunity is not a particularly powerful reason for emigrating.” As a result, the family-based immigration rate to the U.S. among Japanese has been dramatically lower than the rates among Filipinos, Chinese, Koreans and East Indians. So, economics, not a desire to rejoin a separated family member, is key in one’s decision to

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72 See the Los Angeles Times, August 1 and August 4, 1996.
73 September 19, 1996.
emigrate.\textsuperscript{75}

This theme is quite familiar to everyone in immigrant communities. Korean-American Professor Pyong Gap Min of Queen’s College writes,\textsuperscript{76}

Post-1965 Korean immigrants, like other Asian immigrants, are primarily economic migrants who have crossed the Pacific seeking a higher standard of living...Korean immigration peaked in 1987...but it has gradually fallen off since 1988...The improved economic, social and political conditions in South Korea are largely responsible for the recent gradual reduction of Korean immigration. The standard of living in South Korea has risen greatly...

One cannot blame immigrants for wanting to better themselves economically, but given that this is the goal of those coming under the family-unity categories, there is no reason that they should get immigration priority over others who are not so lucky as to have, say, a sibling in the U.S. Moreover, in the case of seniors who come to the U.S. expecting to get welfare, this kind of “economic goal” should be unacceptable.

\textsuperscript{75}Hing also points to Japan’s political stability, relative to other Asian nations, as another nonfamily factor in the decision.

\textsuperscript{76}Caught in the Middle: Korean Communities in New York and Los Angeles, Pyong Gap Min, University of California Press, 1996, pp.28-29.