Differences in Category of Immigrant on Economic Assimilation Rates

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Abstract:

Since the early 1970s, the rate of immigration into the United States has been rapidly increasing. Many of the immigrants entering the U.S. are attempting to escape violence, poverty and other hardships. Those who are highly skilled and educated are searching for growth opportunities within their careers, but one commonality among all immigrants is the desire to increase their earning potential. The earnings of immigrants in the U.S., particularly low-skilled immigrants, tend to be initially much lower than their native counterparts, and it can take up to 15 years to reach the level of a native worker (Friedberg, 1992). The rate at which immigrant wages reach that of natives is called the assimilation rate. This paper will examine how assimilation rate varies among different categories of immigrants: (1) foreign-born immigrants who, before immigration, were non-citizens, (2) immigrants from U.S. territories who, excluding American Samoa, were citizens prior to immigration, and (3) foreign-born immigrants born to American parents who were citizens at birth. This paper uses cross-sectional data from the American Community Survey (ACS) to estimate differentiations in immigrant assimilation rate within each of the three categories. The paper finds that immigrants without U.S. parents outside of the U.S. territories earn more initially and assimilate faster than immigrants from the U.S. parent and U.S. territory categories. These differences can be attributed to the difference in selection between the three categories; Immigrants from the Immigrant category are positively selected while U.S. territory and U.S. parent immigrants from the Immigrant category are positively selected while U.S. territory and U.S. parent immigrants from the Immigrant category are positively selected while U.S. territory and U.S. parent immigrants from the Immigrant category are positively selected while U.S. territory and

1. Introduction:

Since the early 1970s, the rate of immigration into the United States has been rapidly increasing (Budiman, 2020). Many of these immigrants are fleeing violent countries with a diminished quality of life, but almost all are searching for an opportunity to increase their earning potential. The earnings of immigrants in the U.S., particularly low-skilled immigrants, tend to be initially much lower than their native counterparts, however in some cases, immigrants who

bring highly sought-after skills find that their wages already match or are greater than natives'. For low-skilled immigrants, it can take between 10 and 15 years for their wages to assimilate (Friedberg, 1992). There are a number of reasons behind why immigrant wages tend to start off lower than natives. Often, language barriers make it difficult to land a job (Friedberg, 2000). This is especially true when considering highly skilled positions that require significant amounts of management, communication or technical skills that require not only fluency but professional fluency in the native language. Cultural and educational differences also impact the wage assimilation process. Those who were raised in significantly different cultural backgrounds may find it difficult to fit into the community in a way that would foster career growth. Educational differences can make previous certifications or degrees unusable when they are attempted to be applied in different settings. In most previous examinations of immigrant assimilation rates, immigrants are studied as one all-encompassing group of people. Blanket statements such as "Immigrants assimilate at a rate of..." are misleading because of the many variables differentiating specific groups of immigrants. To bridge this gap in previous studies, this paper contributes by adding variables encompassing three different categories of immigrant as determinants of wage assimilation rates. This paper examines the differences between three categories of immigrants to see how cultural, language and educational differences impact the wage assimilation rate in the United States.

2. Literature Review:

There has been lots of research done on the impact of immigration on the domestic economy as well as how immigrants assimilate into the U.S. economy over time. George Borjas is one of the most prominent figures in immigration economics and provided the framework for this paper. While there is plenty of existing literature on immigrant assimilation, there has been no analysis of the difference in assimilation rates across different categories of immigrants. To conduct my research, I refer to one of Borjas' most famous works of economic analysis, "Assimilation, Changes in Cohort Quality, and the Earnings of Immigrants".

In his paper, Borjas further investigates two "pillars" of assumption in immigration economics: (1) Immigrants' earnings increase in positive relation to their time spent working in the U.S. and (2) Immigrant earnings typically overtake that of natives in a span of 10-15 years (Borjas, 1985). In his paper, Borjas finds that while these two "facts" remain viable, when controlling for the quality of immigrants the previous ideas about assimilation prove to be untrue. Borjas finds that the quality of immigrants has decreased significantly over the period of his study.

Comparing different categories of immigrants raises an important question. If education, age, sex, and labor market experience are held constant, what factor is playing into foreign/domestic wage differences? Rachel M. Friedberg, author of the seminal paper "You Can't Take It with You? Immigrant Assimilation and the Portability of Human Capital", details the difference between foreign and domestic human capital. She finds that foreign human capital may not be as close of a substitute for domestic human capital as previous literature may have believed. When immigrants first enter a new country, they experience significant labor market disadvantages. The primary reason behind this is that natives possess country-specific skills and knowledge (Friedberg, 2000). Immigrants assimilate by acquiring these skills and knowledge over time. By splitting immigrants into three categories in terms of their

similarities to the American domestic labor market, culture and education systems, this paper can potentially identify to what extent these differing amounts of relevant human capital impact the wages of immigrants.

Culture and one's ability to socialize in a new country has been shown to have an important role in an immigrant's ability to assimilate to the domestic labor market. Faini, de Palo and Venturini identify this relationship in their paper "The Social Assimilation of Immigrants". De Palo et al. found that migrants, especially from non-EU countries, tend to socialize less than natives. Socialization is an important factor in one's ability to find success in the labor market, and an immigrant's ability to socialize can be attributed, at least in part, to how similar their home environment (household and country) is to that of the new country (Depalo et al., 2006). This is seen in the differences between EU migrants and non-EU migrants; Immigrants from European countries are exposed to a Western framework that compares well with that of the United States, for example. Immigrants from non-EU countries, especially ones with more Eastern traditions, will have a harder time socially assimilating. If cultural similarities play a role in wage assimilation, then we should be able to identify which immigrant groups are more similar to U.S. natives and how their wage assimilation rates compare.

3. Theoretical Framework:

As explained by Borjas, the wages of a worker are determined primarily by education and skills acquired by spending time in the labor force. Considering this, it makes sense that immigrant wages will initially be lower than that of natives for a few reasons. First, foreign education is not valued as highly as native education in the average labor market (Friedberg, 2000). There is less confidence that what is taught and learned abroad will be applicable domestically, and thus a bachelor's degree in, say, Mechanical Engineering, will be considered of lesser value if it was obtained outside of the United States. Certificate programs have differing standards and qualifications, and what is necessary to know in the United States may not be in Brazil, for instance. Similarly to one's education, an employer may be less assured that five years of I.T. work will have produced the same knowledge and experience abroad as it would domestically. Additionally, language barriers, which often take years to break down, will have a significant impact on a workers ability to perform adequately in a position that requires proficiency in English (Hunt, 2013).

When assessing the impact that the assimilation process has on immigrant wages, the most common and universally accepted method uses the following cross-sectional model presented by Borjas:

$$ln(wage)_{i} = \beta_{ti} + X_{i} + \epsilon_{i}$$
$$ln(wage)_{i} = \beta_{0} + \beta_{1}I_{i} + \beta_{2}YearInUS_{i} + \beta_{3}YearInUS_{i}^{2} + X_{i}\gamma + \epsilon_{i}$$

Where I is the dummy for immigrants ...

On the left side of the equation is log wages of individual i. On the right side, X is a vector of individual characteristics assumed to impact one's wage rate and t measures one's time spent in the United States.

This paper contributes to the existing literature by adding variables encompassing three different categories of immigrant as determinants of wage. I call the first category Immigrant and define it as someone who immigrated to the United States. This person did not have citizenship prior to entering the country, and did not live in one of the U.S. Territories. The second category is Territory Immigrant and it is someone who migrated to the United States from one of the U.S. territories. The third category is immigrants who have American parents. Based on available data, I chose the four most prominent U.S. Territories: Guam, American Samoa, Puerto Rico and U.S. Virgin Islands. Excluding American Samoa, these individuals had citizenship prior to entering the country; American Samoans are U.S. nationals, but not citizens. Because U.S. Territories fall under the conscript of the United States, their education systems have many similarities. Immigrants from these countries should have a higher initial wage once entering the United States and should experience faster wage assimilation than the U.S. Parents category. English is one of two official languages spoken in these countries, and immigrants will already have U.S. citizenship. Immigrants with American parents may have fewer language barriers and may also be more culturally accustomed. I hypothesize that Immigrants will have the highest initial wage and the fastest assimilation rate. Many immigrants migrate to the United States using the H1B visa program which sponsors residency based on demand for certain skill sets. With this in mind, low skilled immigrants should have the lowest initial wage and assimilation rate. These individuals will have the greatest language and cultural barriers and will struggle the most to find employment. Highly skilled immigrants will have migrated using the H1B visa and will have already secured a high-paying job prior to entry.

4. Empirical Methods:

To illustrate how earnings differ between categories of immigrant, I use the following OLS regression:

$$ln(wage)_{i} = \beta_{0} + \beta_{1}I^{F}_{i} + \beta_{2}I^{T}_{i} + \beta_{3}I^{P}_{i} + X_{i}\gamma + \varepsilon_{i}$$

The left side of the equation measures the log wages of individual *i*. Wage is a variable measuring hourly wage and is represented by *hourly* = (*incwage*)/(*uhrswork* · *weekwork*). The variable *incwage* describes individual *i*'s annual earnings. *Uhrswork* describes the average number of hours worked per calendar year and *weekwork* describes the number of weeks worked per calendar year. Multiplying *uhrswork* and *weekwork* gives an individual's total number of hours worked per year. Dividing *incwage* by *uhrswork*weekwork* gives *hourly* (dollars per hour earned). On the right side of the equation, I^F represents the immigrant category of immigrants, I^T describes the territoryimmigrant category and I^P represents our U.S. Parent category. X_i is our vector coefficient for γ which holds various control variables.

To identify differences in assimilation rate, I add interactions between the immigrant category variables and a variable called *yrsinus* which describes the number of years individual *i* has spent in the United States.

$$ln(wage)_{i} = \beta_{0} + \beta_{1}I^{F}_{i} + \beta_{2}I^{T}_{i} + \beta_{3}I^{P}_{i} + \alpha_{I}I^{F}_{i} \cdot yrsinus + \alpha_{2}I^{T}_{i} \cdot yrsinus + \alpha_{3}I^{P}_{i} \cdot yrsinus + X_{i} \gamma + \varepsilon_{i}$$

Where α_{I-3} describes the wage assimilation rate of $I^{F,T,P}$. In order to determine how assimilation rate changes over time, I include a squared component of the assimilation rate variables.

$$ln(wage)_{i} = \beta_{0} + \beta_{1}I^{F}_{i} + \beta_{2}I^{T}_{i} + \beta_{3}I^{P}_{i} + \alpha_{I}I^{F}_{i} \cdot yrsinus + \alpha_{2}I^{T}_{i} \cdot yrsinus + \alpha_{3}I^{P}_{i} \cdot yrsinus + \alpha_{4}I^{F}_{i} \cdot yrsinus^{2} + \alpha_{5}I^{T}_{i} \cdot yrsinus^{2} + \alpha_{6}I^{P}_{i} \cdot yrsinus^{2} + X_{i} \gamma \varepsilon_{i}$$

Where α_{4-6} describes change in assimilation rate over time and *I* is a dummy variable in which I = 1 if individual *i* is an immigrant and I = 0 if individual *i* is a U.S. native.

5. Data:

Data comes from the 5% IPUMS American Community Survey (ACS) for years 2008, 2011, 2014, 2017 and 2020. These specific years were chosen to ensure data availability for all variables of interest. Data retrieved from IPUMS is cross-sectional. I have approximately 1.2 million observations for years 2008, 2011 and 2014, 1.3 million in 2017 and just over 1 million in 2020. Prior to data cleaning I had over 12 million observations which reduced to 6.1 million in total after cleaning. The vast majority of my observations are natives (about 5.2 million). I have relatively few observations for the U.S. Parent category and Territory Immigrant category, roughly 63,000 and 29,000 respectively. My immigrant category has over 850,000 observations. The dataset is restricted to include only those who are of working age (older than 15 years and younger than 66 years). The hourly wage variable was constructed using the *incwage* and *uhrswork* variables from IPUMS and redefines it as a numeric variable. To create the *yrinus* variable, I take the *yrimmig* variable, which describes the year in which an individual immigrated to the United States, and subtract it from the *year* variable, describing the current calendar year. By using the 5% sample extract as well as having over 12 million initial observations, I can ensure statistical significance is maintained in variables of interest.

In all categories except for the U.S. Parents immigrants, low-skilled immigrants make up the majority of our observations. What this implies is that the United States is negatively selecting low-skilled immigrants, likely because low-skilled workers have a higher earnings potential in the U.S. than in more unequal countries. Workers from the U.S. Territories tend to be very low-skilled and living in poverty, and often migrate to the U.S. to gain a higher education or to find better employment opportunities. In the Immigrant category what is likely happening is that low-skilled immigrants from more unequal countries are being negatively selected, while high-skilled immigrants from more equal countries are being positively selected, often through the H1B visa program, in search of higher earnings than in their country of origin.



Migrants coming from the U.S. Parents category are mostly middle-skilled, but with the highest share of high-skilled immigrants and smallest share of low-skilled immigrants than any other category. While further analysis needs to be conducted to determine the reasons behind what attracts middle-skilled immigrants from this category, it is possible that the parents of these individuals live in more unequal countries in order to sustain high standards of living (as the U.S. dollar will be stronger in these places), and so once they have obtained a certain degree of education they choose to migrate to the U.S. to further their education and find higher wages than they could in the countries that their parents reside in.



As expected, U.S. natives earn more than the immigrants, and the U.S. Territory category earns the least, as they are the least skilled category. Although high-skilled individuals are being positively selected from the Immigrant category, they have a higher share of low-skilled workers than the U.S. Parents category and thus earn slightly less on average. Immigrants outside of the U.S. Territories and without U.S. parents are by far the largest category under study.

Hourly Wage						
Variable	Observations	Mean				
Immigrant	1,076,349	25.53				
US Territory	35,669	22.28				
US Parents	76,965	26.72				
Native	561,461	30.08				

Presenting the share of workers in different occupation groups tells an interesting story. Further confirming our previous findings, immigrants from the U.S. Parents category have the highest share of managerial and professional workers, almost 40%. As we investigate the technical, sales and administrative positions, we should keep in mind that immigrants from the U.S. Territories and with U.S. parents will have fewer language barriers than the Immigrant category. These positions are more middle-skilled and often require better language skills than other categories. In this case, it makes sense that Immigrants hold the smallest share of these workers. The service industry also requires decent proficiency in English and so there are fewer immigrants of all categories working here. Immigrants with U.S. parents work in these positions the least, perhaps because they tend to have the fewest low-skilled workers who tend to fill these kinds of jobs. There are very few immigrants of any kind working in the farming, forestry and fishing occupation. These jobs tend to be more saturated with native workers and are more protected against foreign infiltration, which may prevent many immigrants from landing these positions the least, perhaps because they have fewer low-skilled workers who would work these jobs. Again, further research needs to be conducted to determine the variables at play behind these differences.

			ers in Occupa	lion Oroups			
Variable	Managerial/ Professional	Tech/Sales/ Admin	Service	Farm/Forest/ Fish	Production/ Craft/Repair	Operator/ Laborer	
Immigrant	0.3114	0.2316	0.1820	0.0335	0.0937	0.1449	
US Territory	0.2727	0.2693	0.1845	0.0161	0.0837	0.1485	
US Parents	0.3970	0.2858	0.1319	0.0114	0.0707	0.0844	

Share of Workers in Occupation Groups

6. Results:

The regression results below show the impact of each variable on percent wage differences between immigrants and natives. Regression 1 utilizes no controls, while regressions 2 through 4 add sex, occupation and education as controls. In each regression, the immigrant category experiences the highest initial earnings. They appear to earn between approximately 18% and 19% less than natives upon arrival. Territory immigrants earn between 24% and 33% less than natives upon arrival. Immigrants with U.S. parents earn the least upon arrival: between 27% and 40% less.

After implementing all controls, the immigrant category finds their assimilation rate at approximately 1.5%. Territory immigrants assimilate at a rate of -0.3%. While the results are significant, this needs further analysis. The first two regressions show a small but positive assimilation rate while the more controlled regressions show a negative assimilation rate. Immigrants with U.S. parents find themselves in a similar situation, with a -0.7% assimilation rate after controls. Prior to controls, the U.S. parent category shows a nearly 1% assimilation rate.

To explain the results of the regressions and the relationship between the category of immigrant and relative wage we will evoke the idea of positive and negative selection. Borjas explains that an immigrant whose origin country is very unequal, there is likely to be negative selection of immigrants to the United States. Highly unequal origin countries consist of two extremes: those who are very poor and those who are very rich. The very rich (who often are also the most highly educated) can earn more by choosing not to immigrate, while those who are very poor (and often unskilled) will find that their work is valued more highly in the United States than in their home country. In this case, the unskilled migrate and the skilled remain (Borjas, 1987). On the other hand, in more equal countries where there is a smaller gap between the rich and the poor, the skilled workers may find that their work is more highly valued in the United States than in their home country. In other words, if the relationship between wage and skills is more strongly positive in the U.S., the more highly skilled will migrate (positive selection) (Borjas, 1987). If the relationship between wage and skills is flatter in the U.S. than in the origin country, the less skilled will migrate (negative selection).

In our case, the U.S. tends to attract more highly skilled workers than most other countries. The H1B visa program, which provides permanent residency to highly skilled immigrants who can perform important jobs, positively selects immigrants. The immigrant category suffers the least wage penalty and has the highest assimilation rate because they are more likely to be highly skilled, entering through the H1B visa program. Immigrants from U.S. territories are originating from a more unequal country. Puerto Rico, for instance, is poorer than the poorest U.S. state (Glassman, 2021). Immigrants from these areas are being negatively selected. They will enter the United States, often more unskilled, to earn more than they could back home, and thus will receive low-paying jobs relative to the highly skilled Immigrant category.

Immigrants from our U.S. parent category could be experiencing the opposite. To explain, we need to examine the reasons why the American parents of our immigrants would leave the United States. Often, American expats are looking for a country with a cheap cost of living and a weak currency against the U.S. dollar. These countries are inherently going to be poorer and more unequal than the U.S. For example, the country with the highest number of

American expats is Mexico (*International Migrant Stock* 2020). In this case, as mentioned above, we are looking at a case of negative selection. The children of the parents who live abroad may have had an education that is dissimilar to the American education system and must look elsewhere for advanced levels of education. When entering the United States, they may be more likely to be unskilled immigrants. Negative selection of immigrants will see a high number of immigrants entering low-skilled and low-paying jobs which will offer a greater wage gap than skilled immigrants entering through the H1B visa program for a specific job opportunity.

	1st	2nd	3rd	4th
Immigrant	0.170***	0 102***	0 102***	0 101***
	-0.1/9***	-0.193***	-0.182***	-0.191***
	(0.002)	(0.002)	(0.002)	(0.002)
Territory	-0.326***	-0.334***	-0.242***	-0.253***
	(0.010)	(0.010)	(0.009)	(0.009)
U.S. Dorents			× ,	()
U.S. Farents	-0.389***	-0.391***	-0.329***	-0.267***
	(0.010)	(0.010)	(0.009)	(0.009)
Immigrant Assimilation				
5	0.007***	0.007***	0.010***	0.015***
	(0.000)	(0.000)	(0.000)	(0.000)
U.S. Territory Assimilation	0.004***	0.004***	-0.000	0.002***
	(0.004)	(0.004)	(0.001)	-0.003
	(0.001)	(0.001)		(0.001)
U.S. Parent Assimilation	0.008***	0.008***	0.001**	-0.007***
	(0.001)	(0.001)	(0.001)	(0.001)
Immigrant Change in Assimilation				
miningrant Change in Assimilation	0.000***	0.000***	-0.000***	-0.000***
	(0.000)	(0.000)	(0.000)	(0.000)
U.S. Territory Change in Assimilation	1		-0.000	
	-0.000***	-0.000***	(0.000)	0.000***
	(0.000)	(0.000)		(0.000)
U.S. Parent Change in Assimilation	0 000***	0 000***	0.000*	0 000***
	-0.000	(0,000)	(0,000)	(0,000)
	(0.000)	(0.000)	(0.000)	(0.000)
Sex Fixed Effect		X	X	X
Occupation Fixed Effect			X	X
-				
Education Fixed Effect				X
Fable Notes: S.E. in ()	***, st	atistically significa	nt at 99%	

Log Wage Coefficients

High-skilled immigrants tend to experience a higher wage penalty when first entering the U.S. High-skilled positions often have more responsibility and tighter job requirements that may see employers paying less for the same job. There is more to be proven in these positions, and much more room for wage growth. An immigrant in a high-skilled position would make much less than a native who has had the opportunity to grow their wages over time. Low-skilled jobs can be done by most workers, and there is less room for growth. These differences are shown when we look at assimilation rates. High-skilled workers are penalized more initially, but assimilate at almost, if not more than, double that of low-skilled immigrants. The Immigrant category is penalized the least and assimilates the fastest. It is likely that more of these workers are being sponsored through the H1B visa program than the other categories, and thus land a job faster and need to prove less than the other categories since their skills were recognized as "needed" through this program.

6 6		
	High-skill	Low-skill
Immigrant	-0.291***	-0.231***
	(0.004)	(0.003)
Territory	-0.299***	-0.221***
-	(0.030)	(0.013)
U.S. Parents	-0.341***	-0.190***
	(0.029)	(0.013)
Immigrant Assimilation	0.027***	0.010***
	(0.000)	(0.000)
U.S. Territory Assimilation	-0.007**	-0.002*
-	(0.002)	(0.001)
U.S. Parent Assimilation	-0.013***	-0.007***
	(0.002)	(0.001)
Immigrant Change in Assimilation	-0.000***	-0.000***
	(0.000)	(0.000)
U.S. Territory Change in Assimilation	0.000*	0.000
	(0.000)	(0.000)
U.S. Parent Change in Assimilation	0.000***	0.000***
	(0.000)	(0.000)
Occupation Fixed Effect	X	X
Education Fixed Effect	X	X

Log Wage Coefficient

Table Notes:S.E. in ()

***, statistically significant at 99%

	Managerial/ Professional	Tech/Sales/	Service	Farm/Forest/ Fish	Production/ Craft/Repair	Operator/ Laborer
Immigrant	-0.200***	-0.124***	-0.162***	-0.234***	-0.363***	-0.245***
	(0.003)	(0.004)	(0.004)	(0.009)	(0.005)	(0.004)
Territory	-0.261***	-0.317***	-0.167***	-0.224***	-0.267***	-0.245***
	(0.019)	(0.017)	(0.020)	(0.053)	(0.028)	(0.019)
U.S. Parents	-0.307***	-0.273***	-0.164***	-0.102	-0.275***	-0.211***
	(0.017)	(0.016)	(0.019)	(0.063)	(0.032)	(0.024)
Immigrant Assimilation	0.019***	0.010***	0.012***	0.010***	0.017***	0.011***
	(0.000)	(0.000)	(0.000)	(0.001)	(0.000)	(0.000)
U.S. Territory Assimilation	-0.007***	0.007***	-0.001	-0.001	-0.011***	-0.002
	(0.002)	(0.001)	(0.002)	(0.005)	(0.002)	(0.002)
U.S. Parent Assimilation	-0.012***	-0.001	-0.005***	-0.010**	-0.012***	-0.007***
	(0.001)	(0.001)	(0.001)	(0.005)	(0.002)	(0.002)
Immigrant Change in	-0.000***	-0.000^{***}	-0.000***	-0.000***	-0.000***	-0.000***
Assimilation	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
U.S. Territory Change in Assimilation	0.000^{***}	-0.000***	0.000	0.000	0.000***	0.000
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
U.S. Parent Change in Assimilation	0.000^{***}	0.000*	0.000**	0.000 **	0.000***	0.000***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Sex	X	Х	Х	X	X	X
Education	X	X	X	X	X	Х

Log Wage Coefficient	Log	Wage	Coefficient
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Table Notes:

S.E. in ()

***, statistically significant at 99%

7. Conclusion:

By splitting immigrant individuals into separate categories based on their origin country and environment, this paper demonstrates significant differences in the assimilation rates of immigrants. Immigrants from the standard "Immigrant" category experience the fewest financial losses as a result of migration, likely due to the strong positive selection of highly-skilled immigrants in this group. Their initial hourly wage was the highest, at approximately 19% less than natives while assimilating the fastest as well, seeing a roughly 1% increase in wages for each year in the United States. Immigrants from the "U.S. Territory" group experience a stronger wage loss as a result of migration. They find themselves earning between 25% and 30% less than natives upon arrival, and appear to assimilate either at an extremely low rate, or even experience negative assimilation over time. Immigrants with U.S. parents have by far the lowest initial wage upon entry: 25% to almost 40% less. Their assimilation rate is again either very small or even negative. All three groups showed almost no real change in their assimilation rates over time. The results of this paper can highlight some important qualities and differences in immigrants and how they will perform post-migration. Immigrants are often positively selected and immigrants from U.S. territories often experience similar styles of education to that of U.S. natives, but are more often less-skilled and negatively selected. Immigrants with U.S. parents fare the worst among the three categories. This could be a result of negative selection and schooling that does not always translate to the U.S. labor market.

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9. Appendix:

	Male	Female
Immigrant	-0.221***	-0.143***
	(0.002)	(0.003)
Territory	-0.290***	-0.204***
	(0.013)	(0.013)
U.S. Parents	-0.345***	-0.175***
	(0.013)	(0.012)
Immigrant Assimilation	0.016***	0.013***
	(0.000)	(0.000)
U.S. Territory Assimilation	-0.003**	-0.003***
	(0.001)	(0.001)
U.S. Parent Assimilation	-0.006***	-0.008***
	(0.001)	(0.001)
Immigrant Change in Assimilation	-0.000***	-0.000***
	(0.000)	(0.000)
U.S. Territory Change in Assimilation	0.000**	0.000**
	(0.000)	(0.000)
U.S. Parent Change in Assimilation	0.000***	0.000***
	(0.000)	(0.000)
Occupation Fixed Effect	X	X
Education Fixed Effect	X	X

Log Wage Coefficient

	Managerial/ Professional	Tech/Sales/ Admin	Service	Farm/Forest/ Fish	Production/ Craft/Repair	Operator/ Laborer
Immigrant	-0.200***	-0.124***	-0.162***	-0.234***	-0.363***	-0.245***
	(0.003)	(0.004)	(0.004)	(0.009)	(0.005)	(0.004)
Territory	-0.261***	-0.317***	-0.167***	-0.224***	-0.267***	-0.245***
	(0.019)	(0.017)	(0.020)	(0.053)	(0.028)	(0.019)
U.S. Parents	-0.307***	-0.273***	-0.164***	-0.102	-0.275***	-0.211***
	(0.017)	(0.016)	(0.019)	(0.063)	(0.032)	(0.024)
Immigrant Assimilation	0.019***	0.010***	0.012***	0.010***	0.017***	0.011***
	(0.000)	(0.000)	(0.000)	(0.001)	(0.000)	(0.000)
U.S. Territory Assimilation	-0.007***	0.007***	-0.001	-0.001	-0.011***	-0.002
	(0.002)	(0.001)	(0.002)	(0.005)	(0.002)	(0.002)
U.S. Parent Assimilation	-0.012***	-0.001	-0.005***	-0.010**	-0.012***	-0.007***
	(0.001)	(0.001)	(0.001)	(0.005)	(0.002)	(0.002)
Immigrant Change in	-0.000***	-0.000***	-0.000***	-0.000^{***}	-0.000***	-0.000***
Assimilation	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
U.S. Territory Change in Assimilation	0.000^{***}	-0.000***	0.000	0.000	0.000***	0.000
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
U.S. Parent Change in Assimilation	0.000^{***}	0.000*	0.000^{**}	0.000 **	0.000***	0.000***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Sex	X	X	X	Х	X	Х
Education	X	X	X	X	X	X

Log Wage Coefficient	
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Table Notes:

S.E. in ()

***, statistically significant at 99%