District Voices *How is the recession affecting enrollment and student finances at post-secondary institutions?*

[O]ur admissions department ... is seeing many more people coming in who either don't have a job, or who are looking to upgrade their skills to look for another job perhaps. ... Our enrollment overall is a little bit up right now. You never know how that's going to shake out until September when we see who shows up. But we have seen increased traffic among people who are nontraditional students.

Tom Pink, Director of Public Relations
Lake Superior State University—Sault Ste. Marie, Mich.

In general what we're seeing and hearing is that two-year colleges in particular are growing in enrollment more than we've seen in the last five years. ... [But] the two-year colleges have an ability to expand more so than a St. Olaf or a Carleton or a St. John's, because those folks try to keep their enrollment pretty constant. ... There were definitely some stories about applications being down at St. Olaf and maybe St. Mary's in the last couple of months ... [but it is] really hard to gauge whether it's recession-related or what that might be.

Barb Schlaefer, Director of Communications
Minnesota Office of Higher Education—St. Paul, Minn.

[W]e have seen expected enrollment for this coming year up 35 percent over last year. We like to think it's because of our marketing, but it probably has a lot to do with the recession; community colleges typically do better during recessions. We're seeing financial aid applications up too. ... Financing is still widely available in Montana, but we're seeing a lot of the banks that we've worked with for years aren't making student loans anymore.

Darren Pitcher, Vice President of Student Success and Institutional Research
Miles Community College—Miles City, Mont.

What we've seen is actually a pretty significant increase in requests from students. I think it relates directly to the cost of attendance, and in addition a number of lenders have exited the student loan programs, so for those of us that are remaining in business, we've definitely seen an increase in our loan volume requests. ... More [lenders] are exiting every day; I've seen some announcements from large student loan lenders that are exiting the program over the next few months. But we're definitely not the only lender left out there.

Shirley Glass, Associate Director of Student Loan Services
Bank of North Dakota—Bismarck, N.D.

We've seen a big increase in the number of people planning to return to school who want to know what else they can apply for as far as private loans, et cetera. We spend a lot of time counseling them on their options and also emphasizing the fact that they need to realize that we cannot replace their full-time income for them.

Denise Grayson, President
South Dakota Association of Student Financial Aid Administrators—Madison, S.D.

We're probably going to be looking at a record in full-time enrollment. We're going to see a freshman increase that's going to probably be in the double-digit range. We've got a wait list for students who want to live on campus. ... Of course, the budget problems that they're having at the state affect the way in which [public universities] are able to finance their education. ... Because we're private, we haven't had to deal with some of those same issues.

Patrick Kerrigan, Vice President for Communications and Marketing
Viterbo University—La Crosse, Wis.

ECONOMIC
Myth Busters

"Immigration is bad for native-born workers."

By TOBIAS MADDEN
Regional Economist

RACHEL WEST
Intern

Over 30 percent of people polled by Fox News feel that immigrants reduce jobs for U.S. citizens. Many native-born Americans are feeling the pressure of a changing labor market and see immigrants as an economic threat. In the United States, where the foreign-born make up about 12 percent of the population, should policymakers curb immigration to "protect American jobs"?

In a nutshell, no. This myth stems from the idea that the number of jobs in America is fixed, and every job taken by an immigrant reduces the total number of available jobs, always to the detriment of native-born workers. This overlooks some valuable economic contributions from immigration on both the supply of and demand for labor.

That's not to say immigration has no downside. Setting aside the controversy of legal versus illegal immigration, both economic theory and practical evidence suggest that immigration does affect native-born workers. When an individual immigrates to the United States, native-born workers face additional competition for available jobs and may find it harder to get a job. The increase in regional labor may also drive wages down by a marginal amount.

Most immigrants take low-skill jobs; thus, the burden of displacement and lower wages falls disproportionately on low-skilled, minimally educated workers. However, most economists find very modest impacts on wage levels: A 2008 National Bureau of Economic Research study estimated that the positive immigration effect on wages of U.S.-born workers with at least a high school degree offsets the small negative effect on wages of U.S.-born workers with no high school degree.

Economists also see supply-side benefits from immigration. For starters, increased labor competition, and any dampening effects on compensation, helps employers spend less time and money filling labor needs. Increased labor competition also provides incentives for native-born workers to improve their skills through additional education or other training. Such an outcome is good for native workers, who should see their wages increase, as well as employers, who benefit from a higher-skilled workforce.

Equally important, and often overlooked by opponents in this debate, are the positive, demand-side effects of immigration. Immigrants spend money on food, shelter, and other goods and services. This spending raises the overall level of economic activity in the community, leading employers to create more jobs in response to increased demand. There is some empirical evidence that immigrants create more jobs than they fill—thereby increasing overall employment.

Meanwhile, changes stemming from increased demand accrue to a wide swath of participants in the economy. In 1997 the National Research Council estimated that immigrant labor conferred net benefits of anywhere from $1 billion to $10 billion per year on the native-born population. Immigrant workers contribute taxes to governments at all levels. Studies suggest that the majority of foreign-born laborers will generate more in tax revenue than they generate in public costs through the use of social programs.

Part of the net public benefit stems from more taxpayers shouldering the cost of government, whether it be for interest payments on national debt or for public goods and services; without immigrants, who generate most of the population growth in the United States today, costs per taxpayer would be higher. However, costs may be concentrated in the short run and borne by specific local governments. For example, education expenses are shouldered by local school districts with high numbers of immigrants, while benefits (including returns from that education) are often more dispersed over time and geography. f