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A TEST OF CONGRESSIONAL VOTING ON IMMIGRATION RESTRICTIONS*

by

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Abstract:

Immigration policy is supplied endogenously through a political process that weighs the impacts of immigration on factor owners, together with other interests, in determining policy outcomes. The relative significance of constituent interests and legislator ideology in shaping policy is tested by identifying the correlates of congressional voting on immigration legislation. Conservative lawmakers are found to generally support stricter immigration controls. Legislators representing border states and urban areas favor looser restrictions, possibly reflecting the political influence of recent immigrants. There is evidence that immigration reform is a normal good and that substitutability between native and immigrant labor promotes tighter immigration restrictions.
1. Introduction

The past three decades have seen an impressive rise in immigration into the United States.\(^1\) This surge in immigration has caused renewed interest among economists in the subject of immigration and its effects on the destination economy. Along with the increase in immigration have come changes in immigration policy. Recent immigration legislation has loosened restrictions on legal immigration while at the same time imposing stricter controls on illegal immigrants. In this paper we attempt to identify some of the causal factors driving these policy changes, focusing on four major pieces of legislation, namely, the Refugee Act of March 17, 1980, the Immigration Reform and Control Act of November 6, 1986, the Immigration Act of November 29, 1990 and the Illegal Immigration Reform and Immigrant Responsibility Act of September 30, 1996.

The public choice literature on immigration policy is necessarily premised on an analysis of the economic effects of immigration within the destination country. Much, although not all, research by economists on this topic has reached a consensus view that, although immigration lowers the wages of native workers who compete with immigrants for jobs, the rates of return to native-supplied factors that complement immigrant labor are increased and the net welfare effect on the destination economy is positive.\(^2\) Thus, for example, Borjas (1997) estimates that the annual net gain to the U.S. economy from immigration is about 0.1 percent of GDP.\(^3\)

\(^{1}\) Between 1971 and 1980 the foreign-born population increased by 4.5 million. The increase from 1981 to 1990 was 5.7 million, the largest in history (Greenwood, McDowell and Hunt, 1997). Currently the U.S. absorbs approximately 1 million new immigrants annually, compared to about 250,000 in the 1950s (Economist, June 1, 2002, p. 72).
\(^{2}\) For a survey see Borjas (1994). See also Friedberg and Hunt (1995).
\(^{3}\) A dissenting view, however, is that of Davis and Weinstein (2002), who argue that immigration to the U.S. combined with accompanying capital inflows has produced such a huge increase in domestic output relative to the rest of the world that the U.S.’s terms of trade have deteriorated.
There is some debate, however, as to the extent to which immigration is harmful to unskilled native workers. Borjas (2003) calculates that a 10 percent increase in immigration lowers the wages of competing native workers by a non-trivial 3 to 4 percent. Borjas, Freeman and Katz (1996) and Jaeger (1995) argue that immigration has contributed to the rising wage gap in the U.S. between workers with and without a high school diploma, while Borjas (1997, p. 171) suggests that unskilled immigration from Mexico may be responsible for a sizeable redistribution of wealth from less skilled to skilled workers and from labor to capital.

Contrary to Borjas, however, Friedberg and Hunt (1995) find that the drop in the wages of even those native workers who are the closest substitutes for immigrants is relatively small, as is the reduction in native employment induced by immigration. Using data from the 2000 Census, Card (2005) confirms this result, showing that immigration of unskilled workers has had little effect on the wages of the least-educated native workers. Indeed, according to Card (2005), the wage gap between native dropouts and high school graduates has remained relatively unchanged since 1980, despite pressure from low-skilled immigration. Card and Lewis’s (2005) study of Mexican immigration in the 1990s demonstrates that Mexican labor inflows have had little impact on the relative wage structures of U.S. destination cities, consistent with an earlier finding by Hanson and Slaughter (1999) that local regions are able to absorb inflows of immigrants through output-mix adjustments rather than through changes in relative regional wages. In fact, Ottaviano and Peri (2005) report evidence of a large positive effect of overall immigration on average wages of U.S.-born workers.

They estimate that the total loss of income due to weaker terms of trade amounts to 0.9 percent of U.S. GDP, with an annual burden on native workers of $72 billion.
If immigration is broadly beneficial to the destination economy, despite possible negative effects on certain specific groups of factor suppliers, then it follows that restrictions on immigration are wealth reducing in aggregate. In this respect immigration restrictions are analogous to international trade barriers, such as tariffs and quotas, which benefit import-competing domestic industries but hurt consumers and create deadweight welfare losses for the domestic economy as a whole. The task of public choice analysis is to explain the origins of such wealth reducing policies. As in the case of trade policy, immigration regulations are viewed as redistributional in nature and are typically characterized as being endogenously produced in a political process. The purpose of the present paper is to identify some testable empirical regularities suggested by the public choice approach and to confront these with data on congressional voting on immigration legislation.

In Section 2 we briefly survey the literature on the political economy of immigration policy. Section 3 outlines the four pieces of legislation that comprise the focus of our empirical analysis. Section 4 identifies the hypotheses to be tested and describes the data used. Section 5 reports the empirical results.

2. The Political Economy of Immigration Policy: An Overview

As indicated in the previous section, public choice analyses of immigration policy treat policy outcomes as endogenous. Policies are determined either by the preferences of the median voter or by political competition among interest groups. In the former category Benhabib (1996) uses a single sector model with majority voting to investigate the determinants of an immigration policy that specifies minimum or maximum skill or
wealth requirements for immigrants. The model demonstrates that, as long as the capital-poor are in the majority in the destination country, restrictive capital or skill requirements are enacted, but that once the capital-rich become the majority, immigration policy becomes less restrictive. Similarly, Flores (1997) uses a single sector median voter model to show that the destination country’s immigration policy is driven primarily by its factor ownership distribution. Hatton and Williamson (2005) attribute the secular trend toward greater restrictiveness of immigration policy in labor-scarce economies to the declining cost of migration and its impact on immigrant selectivity, together with changes in the identity of the median voter.

Interest group models of endogenous policy generally are based on an economic theory of regulation, most closely associated with Stigler (1971), Peltzman (1976) and Becker (1983). According to this approach, redistributational regulatory policies are supplied by political-support maximizing politicians who must balance the countervailing pressures exerted by competing interest groups. Thus, for example, Söllner (1999) develops a simple two sector model to identify the divergent interests of skilled labor, unskilled labor and suppliers of capital. His model confirms earlier findings that immigration of unskilled labor increases aggregate output but that unskilled wages fall while the returns to capital and skilled labor increase. Scheve and Slaughter (2001) verify empirically, using individual-level data, that less skilled workers are significantly more likely to prefer limiting immigrant inflows than are other groups of factor owners. Money (1997) finds that public support for tighter immigration controls is especially strong in localities where immigrants concentrate, particularly when those areas

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4 This method was subsequently extended by Kaempfer and Lowenberg (1988) to the case of trade policy, specifically international trade sanctions, although it may be generalized to any form of specific protection.
experience rapid increases in immigration, rising unemployment and generous immigrant
access to social services. Haus (1995) suggests that the interest groups shaping
immigration policy might also include a transnational element, which creates pressure for
more open policies. She argues that such transnational interests explain why we see less
restrictive policies today than we did in the 1920s. Shughart, Tollison and Kimenyi
(1986) implement a model in which immigration policy is determined by a government
regulator who weighs the pressures applied by two interest groups, producers and
laborers. During recessions the regulator favors labor and during expansions he favors
capital and landowners. A similar approach is used by Foreman-Peck (1992) who
demonstrates that labor exerts political pressure for tightening immigration restrictions
when wages are falling and capital exerts opposing pressure when wages are rising.
Chau (2003) uses a political support model to study the differences between border
enforcement and employer sanction measures. While the former is essentially an income
transfer from employer to native labor interests, the latter generate deadweight welfare
losses that are borne entirely by producers. Hanson (2006) notes that U.S. laws
regulating cross-border flows of illegal migrants and punishing employers who hire them
are imperfectly enforced, which he maintains may be due to political pressure by
employer groups and other interests favoring unrestricted entry.

In addition to the effects of immigration on factor returns, immigration policy
outcomes might also be influenced by such traditionally non-economic causes as security
considerations of the nation-state (Rudolph, 2003) or feelings of group-based social
identity that induce exclusionary behavior toward immigrants (Sniderman, Hagendoorn
and Prior, 2004). Flores (1997) examines the effects on immigration policy of prejudice
against immigrants on the part of natives.
The foregoing discussion implies that the formation of immigration policy is driven fundamentally by the configuration of domestic interests in favor of, or opposed to, immigration flows to the destination country. The effectiveness of interest groups in producing political influence depends on their ability to overcome free ridership incentives among their members (Olson, 1965). Groups that are most effective in exerting influence are typically those for whom the benefits of collective action are highly concentrated while the costs are widely dispersed among the public at large. Examples of politically effective interest groups include organized labor and industry or employer groups, while consumer groups often lack political effectiveness. Differences in interest group effectiveness are an important reason for the emergence of socially inefficient policies such as trade protection and immigration restrictions (Becker, 1983, 1985).

The empirical analysis in the remainder of this paper is based on a public choice perspective on the determinants of immigration restrictions. According to this approach, native owners of inputs that are substitutes in production for inputs supplied by immigrants are likely to favor stricter immigration restrictions, while native owners of inputs that are complementary in production to the factor services supplied by immigrants are expected to favor looser immigration restrictions.\(^5\) Thus, for example, we anticipate that unskilled native workers will lobby for tight immigration controls, while employers of unskilled labor, as well as suppliers of capital and skilled labor, will lobby for weaker regulations on migrant entry. We test these hypotheses by examining the voting records of U.S. Representatives and Senators on immigration policy, based on the assumption

\(^5\) For a more detailed exposition of the public choice approach to immigration policy, see Kaempfer, Lowenberg and Mertens (2004).
that political-support maximizing politicians will, to some degree, reflect the preferences of their constituents in voting on immigration bills before Congress.

Our methodology follows in the tradition of the many studies that use district- or state-level data, combined with information on individual legislators, to explain congressional roll call votes on specific pieces of legislation. The main thrust of this literature is to untangle the separate effects of constituent interests, campaign contributions and legislator ideology on voting behavior. For example, congressional votes on trade liberalization are generally found to be influenced by the expected impacts of trade on factor incomes in the legislator’s home constituency, by campaign contributions from business interests and organized labor, and by legislators’ political ideology or party affiliation. Votes on environmental and conservation legislation, too, have been shown to depend on lawmakers’ ideological preferences, as well as on the weight of environmental interests within the politicians’ home districts or states. Along much the same lines, we investigate how congressional votes on immigration policy are affected by constituent interests as measured by various economic, demographic and political attributes of legislators’ districts, and by legislator ideology.

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6 Steagall and Jennings (1996) examine the effects of political action committee (PAC) campaign contributions on House votes on the North American Free Trade Agreement (NAFTA), finding that Representatives who derived much of their support from labor PACs tended to oppose NAFTA while those supported largely by business PACs typically voted to approve NAFTA. Kahane (1996) studies both House and Senate voting patterns on NAFTA. His results indicate that a Congressman’s party affiliation as well as the presence of organized labor and expected labor-market and environmental impacts of NAFTA within the home district or state are significant predictors of the legislator’s vote. Hasnat and Callahan (2002) investigate the determinants of congressional voting on Permanent Normal Trade Relations (PNTR) with China. They show that business PAC contributions and a skilled labor force in the home constituency are positively correlated with approval of PNTR, whereas labor PAC contributions and the presence of import-competing industries at home are negatively associated with PNTR approval.

7 Lopez and Sutter (2004) demonstrate that party affiliation and senator preferences were important determinants of the 1978 Senate vote to weaken provisions of the Endangered Species Act (ESA), while Mehmood and Zhang (2001) add several home state characteristics, such as urbanization, the share of the construction and natural resources sectors in the state economy and the number of endangered species, as factors influencing ESA amendment votes.

Our study examines congressional voting on four major pieces of immigration legislation passed by Congress and signed by the President between 1980 and 1996. These include the Refugee Act of March 17, 1980, the Immigration Reform and Control Act of November 6, 1986 (IRCA), the Immigration Act of November 29, 1990 and the Illegal Immigration Reform and Immigrant Responsibility Act of September 30, 1996. While there were many other immigration-related laws created during this period, these four were the most significant laws affecting immigration to the U.S. The 1980 law focused on refugee admissions, the 1986 and 1996 laws focused on the control of illegal immigration, whereas the 1990 law constituted a general loosening of restrictions on legal immigration.

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8 There were a total of 26 immigration-related laws dealing with many different issues that were created during this period, the first being the 1980 Refugee Act. The Refugee Act triggered two minor pieces of follow-up legislation, followed by a federal appropriations bill restricting the access of aliens to various publicly-funded benefits. On December 20, 1981, the President signed the Immigration and Nationalty Act Amendments, amending the Immigration and Nationalty Acts of 1952 and 1978 followed by two minor amendments, all relatively minor pieces of legislation affecting small groups of immigrants. The 1986 Immigration Reform and Control Act was followed by the Immigration Marriage Fraud Amendments of November 10, 1986, which addressed the issue of aliens deriving their immigrant status based on marriage. This was followed by an appropriations bill allowing admission of Vietnamese children, a law facilitating temporary entry on a reciprocal basis between Canada and the United States, two laws providing status changes for certain foreign-born nurses and an appropriations law allowing for adjustment to permanent resident status for refugees from the former Soviet Union and the Indochinese countries. The Immigration Act of November 29, 1990 was followed by a law that granted special immigrant status to aliens who served in the armed forces for at least 12 years, a very minor amendment to the 1990 Immigration Act, laws benefiting Chinese students in the U.S. and scientists from the former Soviet Union, and an amendment to the previously mentioned law facilitating temporary Canada to U.S. entry. These pieces of legislation were followed by the Violent Crime Control and Law Enforcement Act of September 13, 1994, which related to criminal aliens, and the Antiterrorism and Effective Death Penalty Act of April 24, 1996, which expedited procedures for the removal of alien terrorists. Finally, the Illegal Immigration Reform and Immigrant Responsibility Act of September 30, 1996, had been preceded by the Personal Responsibility and Work Opportunity Reconciliation Act of August 22, 1996, which created restrictions on the eligibility of legal immigrants for means-tested public assistance. For more details regarding these specific laws, see the online version of the 1996 Yearbook of Immigration Statistics, published by the U.S. Bureau of Citizenship and Immigration Services (BCIS), which can be accessed by going to http://uscis.gov/graphics/shared/aboutus/statistics/index.htm.
The passage of the *Refugee Act of March 17, 1980* stemmed largely from the U.S. withdrawal from South Vietnam and the subsequent armed Communist takeover of South Vietnam. Between 1975 and 1980, more than 400,000 Indochinese refugees were admitted to the U.S. under refugee admission and settlement mechanisms that were largely ad hoc; prior to the 1980 legislation, limitations on refugee admissions were created on a case-by-case basis and generally favored refugees fleeing communism or from countries in the Middle East. The legislation resulted from a consensus that a more equitable and coherent approach to refugee admission and resettlement was needed.

The 1980 Refugee Act essentially created the first permanent and systematic mechanism for the admission and resettlement of refugees. Its key provisions included: (1) defining a refugee as someone who flees a country because of persecution “on account of race, religion, nationality, membership in particular social group, or political opinion”; (2) eliminating refugees as a category of the “preference” system; (3) allowing the president to admit refugees in emergency situations and placing a cap on the number of refugees allowed to enter; (4) establishing a comprehensive program for refugee resettlement; and (5) granting permanent resident status to refugees who have been living in the U.S. for at least one year and of asylees one year after asylum has been granted.

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9 Congress’s intent was for the term “refugee” to conform with the United Nation’s definition, as well as to make clear the distinction between refugees and asylees.

10 The preference system dates back to the *Immigration and Nationality Act of June 27, 1952*. With this legislation, Congress introduced a system of selected immigration that gave the highest priority to skilled aliens whose services are in strong demand in the U.S., as well as to relatives of U.S. citizens and permanent residents. Currently, the preference system has two basic categories – the family-based preference category and the employment-based preference category. The former category includes four ranked preferences, the highest being unmarried adult sons and daughters of U.S. citizens. The latter category includes five ranked preferences, the highest being highly skilled workers.
granted. The legislation also reduced the world-wide ceiling for immigrants from 290,000 to 270,000 per year.

While the Refugee Act clearly gives elevated recognition to refugees and draws a legal distinction between them and other immigrants, it appears not to have increased refugee admissions. According to the 1997 *Yearbook of Immigration Statistics*, for example, 89,580 refugee applications were approved in 1980, approved applications spiked to 155,291 the following year but fell to 61,527 in 1982. There were 73,645 applications approved in 1983, 77,932 in 1984 and 59,436 in 1985. The spike in 1981 is largely attributable to the increase in applications from persons arriving with the 1980 Mariel Boatlift to Miami.¹¹

The *Immigration Reform and Control Act of November 6, 1986*, (IRCA) was a comprehensive piece of legislation the primary goal of which was to address the problem of illegal immigration. With respect to illegal immigration, the two most important components of IRCA were: (1) it granted legal status (first temporary, then permanent resident status) to illegal aliens who had resided in the U.S. since January 1, 1982;¹² and (2) it created sanctions making it unlawful for employers to knowingly hire, recruit or refer for a fee aliens not authorized to work in the U.S. Furthermore, IRCA increased enforcement at U.S. borders and extended the “registry date” (the date from which an

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¹¹ The Mariel Boatlift involved the migration of some 120,000 Cubans on a flotilla of privately chartered boats to Miami from May to September, 1980. The arrival of these Cubans was the outcome of an usual sequence of events that culminated in Fidel Castro’s April 20, 1980 declaration that those wishing to migrate to the U.S. could freely do so from the Port of Mariel. Approximately one-half of the Cuban refugees settled permanently in the Miami metropolitan area, resulting in a 7% increase in Miami’s labor force and a 20% increase in the number of Cuban workers in Miami.

¹² This included those who entered the country illegally, as well as those who arrived as temporary visitors with authorized stays expiring before January 1, 1982. This part of the legislation was clearly targeted at persons arriving with the Mariel Boatlift.
alien has resided illegally and continuously and thus is eligible for adjustment to permanent resident status) from June 30, 1948 to January 1, 1972). Finally, one component of IRCA focused on illegal migrant workers in agriculture; a new classification of seasonal agricultural worker was created along with a mechanism for the legalization of such workers.\textsuperscript{13}

IRCA resulted in a dramatic increase in legal admissions after 1986 (see Figure 1 below). After the 1980 Refugee Act but before the inception of IRCA, annual admissions averaged around 500,000. However, admissions increased sharply from approximately 643,000 in 1988 to 1,090,924 in 1989, 1,536,483 in 1990 and over 1.8 million in 1991. Most of these increases are attributable to the granting of legal status to large numbers of illegal aliens who entered the U.S. prior to 1982. Note, however, that admissions fell substantially in 1992 to about 904,000 and between 1993 and 2004 they averaged around 850,000 per year.

\textsuperscript{13} Other components of IRCA, while not related to illegal migration, were also important. These included: (1) the creation of a special immigrant category for particular retired workers of international organizations and their families; (2) the creation of a nonimmigrant Visa Waiver Pilot program making it possible for certain aliens to visit without applying for a nonimmigrant visa; and (3) the allocation of 5,000 visas in fiscal years 1987 and 1988 for aliens born in countries from which immigration was negatively impacted by the \textit{Immigration and Nationality Act Amendments of October 3, 1965}. This act essentially abolished the national origins quota system (which has its origins in the \textit{Immigration Act of 1924} and the \textit{Immigration and Nationality Act of 1952}). Under a national origins quota system, national origin, race, or ancestry were factors affecting one’s eligibility for admission to the U.S. When this system was abolished, certain countries favored by the system experienced reductions in their effective quotas.
The *Immigration Act of November 29, 1990* was perhaps the largest overhaul of the immigration law since 1965. It set a flexible cap on admissions of 700,000 persons for each of the fiscal years 1992-94, and 675,000 beginning fiscal year 1995 (480,000 family-sponsored, 140,000 employment-based and the remainder “diversity immigrants”). The legislation repealed laws banning the admission of aliens on political and ideological grounds and authorized the Attorney General to grant temporary protected status to persons coming from countries at war or harmed by natural disasters. Furthermore, this act revised and established various new nonimmigrant admission categories, principally the H-1B and H-2B visa categories. These categories apply to aliens who will be employed in high-skill occupations usually requiring high levels of

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14 Caps on world-wide admissions date back as early as the *Quota Law of May 19, 1921*, which set a cap of 350,000 and heavily favored persons born in Northern and Western Europe. Between 1924 and 1965, the national origins system replaced a world-wide cap. In 1965, immigration from the Eastern Hemisphere was capped at 170,000, with immigration from the Western Hemisphere capped at 120,000. With the *Act of October 5, 1978*, a world-wide cap of 290,000 persons was set, which with the refugee act was subsequently reduced to 270,000 in 1980. The cap stayed at 270,000 till the 1990 legislation.
training and education. The legislation revised various enforcement activities, including employer sanctions provisions of IRCA and increased funding for the Border Patrol. In general, the 1990 legislation loosened restrictions on legal immigration, but at the same time focused on reducing the volume of illegal immigration.

Finally, the Illegal Immigration Reform and Responsibility Act of September 30, 1996, dealt primarily with the control of illegal immigration. It established various measures to control U.S. borders, protect legal workers through worksite enforcement, and remove criminal and other deportable aliens; the legislation increased border and port of entry personnel, equipment and technology, authorized improvements in barriers along the Southwest border, increased anti-smuggling authority and penalties for alien smuggling, increased penalties for illegal entry, the commission of passport and visa fraud, and increased the number of investigators for worksite enforcement, alien smuggling and those who overstay their visas. Pilot programs were established to more effectively verify a worker’s immigration status, exclusion and deportation procedures were streamlined, and 3- and 10-year bars to eligibility for re-admission of illegal aliens were created.

A controversial feature of the 1996 legislation was that it placed added restrictions on public benefits available to aliens. It provided for a pilot program on cutting the issuance of driver’s licenses to illegal aliens, made illegal aliens ineligible for Social

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15 The H1-B visa is typically awarded to foreign professionals with specialized knowledge, such as scientists, engineers, programmers, research analysts, management consultants, journalists, accountants, and others with undergraduate or graduate level schooling, foreign nationals who offer exceptional services relating to collaborative research and development projects administered by the U.S. Department of Defense, nurses and distinguished fashion models. The H2-B visa is typically awarded to a foreign athlete, trainer or artist with a job offer from a U.S. employer and skilled workers in crafts and trades who are able to perform tasks for which there is no U.S. labor supply.
Security benefits, established procedures for requiring proof of citizenship for Federal public benefits and limited eligibility for higher education benefits to illegal aliens. The legislation increased the costs to sponsors of immigrants; it tightened the requirements for an affidavit of support for immigrants being sponsored, effectively making the affidavit a legally binding contract to provide financial support. Furthermore, state and local governments were given authority to limit cash public assistance to aliens. Finally, maximum criminal penalties for forging or counterfeiting documentation used to obtain federal benefits were increased substantially.

4. Model and Data

The four pieces of legislation discussed in the previous section constitute three substantially different types of immigration reform: (1) a more equitable and compassionate treatment of refugees (the 1980 Refugee Act); (2) greater control of illegal immigration (IRCA and the 1996 act); and (3) a loosening of restrictions on immigrant admissions (the 1990 act). We hypothesize that the likelihood of an affirmative vote on immigration reform (Pr{Yes Vote}) will depend on the following variables: (1) the legislator’s ideology (ID); (2) household income in the congressional district or state (INCOME); (3) the relative importance of industries in the district or state that employ immigrants or are likely to be affected by changes in immigration policy (IMIND); and (4) the size of the immigrant community in the congressional district or state (IMCOM). Formally, the model specifies that

(1) Pr{Yes Vote} = f[ID, INCOME, IMIND, IMCOM].

The hypothesized signs of the marginal effects of each of the above explanatory variables on the likelihood of an affirmative vote will depend of course on the type of
reform. Take, for example, the 1990 legislation, where an affirmative vote would be a vote for a loosening of immigration restrictions. Assume that a greater value of ID implies a more conservative, pro-business ideology. Then, we would hypothesize that the more conservative the legislator, the greater is the chance he/she would vote for reform \( \frac{\partial \Pr\{\text{Yes Vote}\}}{\partial ID} > 0 \). If the level of prosperity in the congressional district or state is inversely related to the level of immigration restrictions, then we would hypothesize that the likelihood of an affirmative vote will rise with household income \( \frac{\partial \Pr\{\text{Yes Vote}\}}{\partial \text{INCOME}} > 0 \). In other words, immigration reform is effectively a normal good in that case. Along the same lines, we would hypothesize that the greater is the relative importance of an industry that employs immigrants, the greater is the likelihood of an affirmative vote \( \frac{\partial \Pr\{\text{Yes Vote}\}}{\partial \text{IMIND}} > 0 \). Finally, we would hypothesize that the greater is the size of the immigrant community in the congressional district or state the higher is the likelihood of an affirmative vote \( \frac{\partial \Pr\{\text{Yes Vote}\}}{\partial \text{IMCOM}} > 0 \). The reason is that the greater is the size of the district’s or state’s immigrant population, the greater will be the level of political pressure exerted by immigrants on politicians to encourage a greater influx of immigrants in the future. However, we would expect opposite signs if the legislation involved a tightening of restrictions.

If the legislation involves greater control of illegal immigration, then the hypothesized signs for the marginal effects are likely to differ from the previous example. For example, a more conservative pro-business politician could have a lower likelihood of voting for greater enforcement of illegal migration \( \frac{\partial \Pr\{\text{Yes Vote}\}}{\partial ID} < 0 \) if he represents a constituency where business profits vary positively with the number of illegal workers. If higher household income in the congressional district or state depends
upon tighter border controls, legislators coming from higher income states will have a greater likelihood of voting for the legislation \(\partial \Pr\{\text{Yes Vote}\}/\partial \text{INCOME} > 0\). If the legislation focuses on more compassionate treatment of refugees, a more conservative politician could have a greater likelihood of voting for such a policy if a conservative ideology is associated with anti-communism or opposition to a dictatorial regime. The point is that the above four explanatory variables are hypothesized to be common determinants of immigration reform, regardless of the type of reform, and that their effects on legislator voting behavior are likely to be ambiguous.

The data used to test the foregoing hypotheses are drawn from a variety of sources. Descriptive statistics on all variables included in our regressions are presented in Table 1. Observations on yes/no legislator votes were obtained from issues of the Congressional Quarterly Almanac for each of the years that the legislation was approved by the respective congressional chamber. We chose not to analyze senate votes on the 1996 legislation because that legislation passed by a 97-3 margin, allowing too little variability in voting for meaningful estimation. Our data set, therefore, consists of 7 subsets – separate House and Senate votes for 1980, 1986 and 1990 and House votes only for 1996. For each piece of legislation, there were always some legislators who abstained, did not vote or were not present for a vote, so those particular observations had to be omitted. There are a total of 1,892 usable observations in the sample.

For 1980 and 1996, we used data on median household income for each congressional district or state, obtained from the Almanac of American Politics (AAP), to proxy the INCOME variable in the theoretical model. For 1986 and 1990, the AAP does not supply information on each constituency’s median household income. Accordingly,
for those years we resorted to using state-level (for both the Senate and House votes) data from selected online issues of the *Statistical Abstract of the United States*.16

Since immigrants living in the USA tend to cluster in urban areas, for the 1980 vote we proxied the size of the immigrant community variable (IMCOM) by the percentage of the population living in a central city in the district or state, also obtained from the *AAP*. After 1980, the *AAP* did not supply information on the proportion of the constituency residing in a central city. Therefore, for the later three years we used U.S. Census Bureau data on the percentage of the state’s population that is urban.17

To measure the IMIND variable, the relative importance of industries in the constituency that employ immigrants or are likely to be affected by changes in immigration policy, we chose the farming and textile industries. Information from the Bureau of Economic Analysis (BEA) website18 was used to compute the percentages of total employment in each state attributable to farming and textile production. Farming and textiles are industries likely to be particularly sensitive to changes in immigration restrictions and, all other things equal, we expect that variations in the sizes of each of these industries across constituencies should help account for differences in congressional voting behavior. For each year in our sample, we obtained BEA data on total employment, employment on farms only and employment only in the “textile mill products and apparel and other textile products” category. We then calculated the industry-specific employment percentages.

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16 See http://www.census.gov/compendia/statab/past_years.html.
17 See http://www.census.gov/population/censusdata/urpop0090.txt. This information was only available for each of the decennial census years 1990 and 2000. The 1990 data were used to measure the urban population percentage during 1986 and 1990, whereas the 2000 data were used to measure the percentage during 1996.
Finally, each legislator’s political ideology (the ID variable) was measured with the rating assigned by the American Congressional Union (ACU). The ACU rating can vary between zero (least conservative) to 100 (most conservative). Ratings for legislators representing districts or states in 1980, 1986, 1990 and 1996 are available on the ACU website.\(^{19}\) Note that for a very small percentage of cases, the ACU did not rate certain legislators, hence those observations had to be omitted from the sample.

5. Empirical Results

According to our theoretical model, the likelihood of an affirmative vote on immigration reform will depend upon the legislator’s political ideology, his/her constituency’s income level, the levels of concentration of any industries affected by changes in immigration policy and the relative size of the immigrant community in the district or state. It would thus seem that a simple logit estimation of votes on empirical counterparts for the above four explanatory variables would be appropriate. However, it has been shown by Kau and Rubin (1981), Peltzman (1984) and Banaian and Luksetich (1991) that a legislator’s political ideology is itself a function of the characteristics of his/her constituency’s economy or politics. Therefore, simply regressing votes on ideology alongside constituency income and other attributes of the constituency that are likely to influence the legislator’s ideology will result in simultaneous equations bias.

In order to deal with the problem of votes and ideology being jointly determined, we opted for a two-stage estimation process. In the first stage we essentially isolate that portion of the legislator’s ideology that is not attributable to his/her constituency’s ideological profile. This is done by regressing the ACU rating on the median household income.

\(^{19}\) See http://www.acuratings.org/ratingsarchive/ratingsarchive/ratingsarchive.asp.
income of the state or district. In the second stage, we use logit to estimate the legislator’s vote with the residual from the first stage regression used in place of the raw ACU rating. Inclusion of this residual effectively exogenizes the ideology variable and allows us to estimate, among other things, the marginal effect of that part of the legislator’s ideological orientation not dependent on his/her constituency’s ideological orientation (at least to the extent that they are willing to consume votes to express those preferences over those of their constituents), precisely the marginal effect implied by our theoretical model. This two-stage econometric model was estimated for the seven subsets of our data set, which includes the two chambers’ votes on the 1980, 1986 and 1990 legislation and the 1996 House vote.

Results from the first stage estimation are available upon request. In every case we found that there was a strong negative relationship between ACU rating and income; richer districts tend to be represented by congresspersons with lower ACU scores (i.e., more liberal). Experimentation with this first-stage estimate showed no other consistently significant explanatory variables for ACU scores. For sake of consistency we used this very parsimonious specification.

Results from the second stage logit estimation for all seven votes are summarized in Table 2. As the R-squares indicate, the results for the House votes are clearly stronger than those for the Senate. However, in all 7 cases we were able to predict correctly relatively large majorities of votes cast. The senate votes are generally weaker because none of the votes in the Senate are very close, thus there is little variation in voting behavior to be explained. House votes were much more divided and we were able to obtain better estimates as a result.
The most robust result in Table 2 is the negative *ceteris paribus* marginal effect of the legislator’s own ideology on the vote; more conservative legislators were much more likely to vote against the 1980, 1986 and 1990 bills and much more likely to vote in favor of the 1996 bill. Specifically, an increase in the (residualized) ACU rating of one unit, which may be taken as a marginal increase in the intensity of the legislator’s conservatism, is predicted to have reduced the likelihood of an affirmative vote by a House member by between about 3% and 7% on the 1980, 1986 and 1990 legislation. For the 1996 legislation, an increase in the ACU rating of one unit is predicted to have raised the likelihood of a House member voting yes on the 1996 legislation by over 7%. For the senate vote on the 1990 legislation, a unit increase in a senator’s level of conservatism is predicted to have reduced the likelihood of an affirmative vote by about 3%. These results clearly suggest that the legislator’s ideological viewpoints matter substantially in predicting Congressional decisions on important pieces of legislation.

While not significant for three of the votes, the results for median household income are also robust. We find that legislators from richer districts had a lower likelihood of voting affirmatively for the 1980 Refugee Act; a one dollar increase in median household income reduces *ceteris paribus* the likelihood of a House member voting yes on the act by 3.7%. In contrast, the likelihood of a House member voting yes on each of the subsequent pieces of legislation was augmented slightly by an increase in median household income. Therefore, for the post-1980 pieces of legislation, immigration reform seems to be a normal good; legislators from more affluent districts tend to vote in favor of immigration control laws.
The remaining results in Table 2 are mixed. Border state representatives did not vote much differently for these bills than those from other states, though the suggestion from the results is that legislators from border states favored the 1980 Refugee Act, but did not favor the 1986 and 1996 laws that exerted tighter controls on illegal immigration. For the 1990 House vote, the coefficient on the farm employment share is negative and significant at 5% (two-tail test), suggesting that in states where farming is more important, legislators have a lower likelihood of voting for looser immigration restrictions. This is evidence suggesting that in those states, immigrant workers in farming may be competing with native workers for jobs in agriculture and legislators may be responding to pressures from special interests representing native workers. Aside from that result, the farm employment and textile employment shares generally do not contribute to explaining variations in Congressional voting. Furthermore, except for the senate vote on the 1990 legislation, the degree of urbanization in the constituency tends not to contribute to the explanation of voting behavior. While the coefficient on the urban variable is significant at only about 10%, it does predict that an increase in the percentage of the state’s population residing in urban areas of one unit will raise the likelihood of an affirmative vote on the 1990 legislation by over 6%.

6. Conclusions

According to public choice theory, immigration policy is endogenously determined either by the median voter’s preferences or by interest group pressures. Politicians, seeking to maximize votes or political support, respond to these influences by supplying policies that reflect their constituents’ interests or the demands of pressure groups.
Immigration lowers the wages of native workers whose labor is a substitute for immigrant labor and raises the incomes of native factor suppliers whose factors are complementary in production to immigrant labor. It follows that politicians whose bases of support consist primarily of relatively unskilled labor are likely to vote against liberalizing immigration controls. On the other hand, politicians deriving most of their votes or campaign contributions from employer groups and suppliers of capital or skilled labor are likely to vote in favor of opening borders. In addition to constituent interests, politicians’ legislative voting decisions are expected to be influenced by their own ideological predilections. In some cases, lawmakers might be willing to sacrifice votes or political support in order to indulge their own ideological tastes.

Our purpose in the present paper has been to test these hypotheses by estimating empirically the effects of constituent interests and legislator ideology on congressional voting on immigration policy. We have examined the voting records of U.S. Representatives and Senators on four major pieces of immigration legislation in order to identify the main determinants of legislative voting behavior.

The most robust of the findings from our logit regression analysis is that ideology matters. The more conservative the legislator, as measured by American Congressional Union ratings, the more likely he or she was to have voted against the 1980 Refugee Act, the 1986 Immigration Reform and Control Act and the 1990 Immigration Act, and to have voted in favor of the 1996 Illegal Immigration Reform Act. It would appear, therefore, that conservative politicians generally oppose increases in legal immigration and support greater stringency in dealing with illegal immigrants. Another strong result
is that, with the exception of the 1980 legislation, House votes favoring immigration reform are positively correlated with district income.

Politicians from border states are likely to have voted for the 1980 Refugee Act and against the 1986 and 1996 restrictions on illegal immigration. This result might reflect the political influence of recent immigrants who have resided in border states long enough to become integrated into the political process there, and who might be expected to desire easier access to the U.S. for family and compatriots left behind.\textsuperscript{20} Supporting this conclusion is our finding that Senators from predominantly urban states were more likely to have voted in favor of the 1990 legislation, which loosened restrictions on legal immigration, than were Senators from less urbanized states. Since recent immigrants are often concentrated in major urban centers, this result again suggests that the political influence of immigrant communities might be a significant factor in promoting more open policies toward new arrivals. In the 1990 House vote, Representatives from districts with a high percentage of farm employment were more likely to have voted against increased admissions of legal immigrants than their counterparts from less agrarian districts, implying a high degree of substitutability between immigrant and native labor in agriculture relative to other sectors.

\textsuperscript{20} See Kaempfer, Lowenberg and Mertens (2004) for further elaboration of this argument.
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<th>Year</th>
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<th>Std Deviation</th>
<th>Minimum</th>
<th>Maximum</th>
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Within each cell, we report first the coefficient, then the elasticity, and last the t-statistic.

Elasticities for the border variable are the marginal effects for a typical case.

"Share population urban" for 1980 represents share of population in central city, otherwise all urban.
7. References:


*Economist*, June 1, 2002, p. 72.


