Encouraging Naturalization: The Broader Effects of DACA on Immigration*

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The recent surge in immigration to the U.S. has prompted renewed calls for more secure immigration status and work authorization for both newly arrived and longstanding undocumented immigrants. In a letter to the Biden-Harris administration[1], mayors from 40 cities outlined the dual challenges they face: the immediate strain of handling new migrants, many of whom have been bussed from the border as part of Texas Governor Abbott's Operation Lone Star, and the broader concerns involving undocumented immigrants already living in these areas. The mayors argue that providing these individuals with secure immigration status and work authorization would enable them to support themselves economically and reduce their vulnerability to exploitation.

This paper explores the potential effects of providing protection from deportation and work authorization on immigration, focusing on the impacts of Deferred Action for Childhood Arrivals (DACA).[2] Temporary protection from deportation and work authorization could impact immigration-related outcomes in several ways. First, the protections may lead to an increase in immigration. For example, beneficiaries may become more socially and economically secure, allowing them to provide resources to friends and families abroad and potentially spurring additional immigration. Similarly, these policies could be seen as a signal or "call" for immigration, leading prospective migrants to believe they, too, will eventually receive similar benefits if they enter the U.S. Second, the protections may lead to higher rates of naturalization among noncitizen immigrants. These policies reduce uncertainty about beneficiaries' status, potentially strengthening their commitment to living in the U.S. long-term. The reduced uncertainty may also impact the

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[1]See the announcement from the office of the New York City Mayor here.

[2]DACA was passed by Executive Order in 2012 by President Barack Obama. DACA provides temporary relief from deportation and renewable two-year work permits to undocumented immigrants who arrived as children and met additional eligibility criteria.

naturalization decisions of the beneficiaries' close contacts, who may have previously been deterred from engaging in the naturalization process due to close contact with undocumented individuals.

To quantify the impact of DACA on immigration patterns over time, we use the Integrated Public Use Microdata Series (IPUMS) American Community Survey (ACS). The ACS provides detailed information on birth country, citizenship, and year of immigration and naturalization for the foreign-born population. Using these and other observable characteristics in the ACS, we show that there is considerable variation in the number of DACA eligible immigrants as a share of the population across geographies several years before DACA is established. We exploit this variation across geographies and the policy's timing in a difference-in-differences design. In our baseline analysis, we use the consistent public use microdata areas (CPUMAs), though our results are robust to other geographic boundaries, such as commuting zones (Autor and Dorn 2013; Autor et al. 2019).

We find DACA significantly increased the number of naturalized citizens without increasing the number of noncitizens. We show that the rise in naturalized citizens is driven by increased naturalization rates among prior noncitizens, most of whom are likely not DACA beneficiaries. We provide evidence consistent with DACA increasing the incentives for and reducing the barriers to naturalization for eligible-to-naturalize noncitizens by protecting their undocumented DACA-eligible contacts.

Before DACA, places with high baseline DACA-eligible population shares saw similar trends in the overall number of immigrants relative to places with low DACA eligible population shares. Almost immediately after DACA, the number of naturalized citizens increased differentially in places with high DACA eligible population shares. The number of noncitizen immigrants in these areas did not increase; if anything, it decreased slightly, though the estimated effect is not statistically significant. The strong positive effect of exposure to DACA on the number of naturalized citizens, coupled with the small negative effect on the number of noncitizens, led to an overall increase in the total number of immigrants. Our results suggest that for every three additional DACA eligible immigrants, there was one additional immigrant, and this increase in immigration is driven entirely by more naturalized citizens.

How did exposure to DACA increase the number of naturalized citizens? We find that this increase is primarily driven by higher naturalization rates among noncitizens. Specifically, we leverage information on year of naturalization in the ACS and show that naturalization rates rose differentially for noncitizens in areas with high baseline shares of DACA-eligible immigrants. We also rule out changes in migration patterns of already-naturalized immigrants as a potential channel, as the in-migration and out-migration rates remained unchanged in high-exposure areas post-DACA.

Why did DACA increase naturalization rates of noncitizens? We argue that DACA increased the benefits and decreased the barriers to naturalization for eligible-to-naturalize immigrants. Among the many benefits of citizenship is the ability to sponsor relatives for legal permanent res-

idency (green cards). However, most undocumented immigrants cannot be sponsored due to their immigration status. DACA eligibility opened several pathways to legal permanent residency for these immigrants thereby increasing the benefits to naturalization for their eligible-to-naturalize contacts. Furthermore, DACA's protections may have alleviated concerns about the naturalization process for immigrants in mixed-status households since the application requires disclosing information about immediate family members, thus reducing the barriers to naturalization.

To shed light on this mechanism, we compare naturalization rates among noncitizens living with DACA eligible immigrants to those living with DACA ineligible immigrants. We estimate a triple-difference specification using the age threshold for DACA eligibility to identify noncitizens living with age-eligible childhood arrivals compared to those living with age-ineligible childhood arrivals.[3] Within these age-eligibility groups, we additionally compare to those living with foreign-born citizens who would not directly benefit from DACA as the third difference, allowing us to nonparametrically control for changes in naturalization rates unrelated to DACA.

Our results show large positive effects of living with DACA eligible immigrants on the likelihood of naturalization. Our estimates suggest that living with DACA eligible immigrants increases the likelihood of naturalizing in the past year by 4 percentage points, a 59 percent increase relative to the mean naturalization rate (6.82 percent). These results are consistent with DACA potentially increasing the benefits and decreasing the costs of naturalization. These findings are important given the ongoing immigration climate in the U.S., coupled with DACA's uncertain future with the incoming administration.

[3]Undocumented immigrants are eligible for DACA if they are 30 years or under as of June 30, 2012, among other requirements.

References

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