Effects Of Immigrants On The Business Community And The U.S. Economy

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The U.S. Census Bureau's 2024 American Community Survey estimated approximately 50.2 million foreign-born residents in a total U.S. population of about 340.1 million, or roughly 14.8%. These figures include people with different citizenship and immigration statuses and replace the older estimates of more than 40 million immigrants in a population of 280 million. Immigrants affect the business community and the U.S. economy through labour-force participation, entrepreneurship, taxation and consumer demand, although their economic effects vary by industry, region, skills and legal status.

Research has indicated that immigrants have contributed to the growth of the United States economy, contrary to the belief that immigrants take Americans' jobs (Lindsay 5). According to Lindsay (15), immigrants offer labour to various industries, from medicine, nursing, IT, Engineering, and other fields. They fill the void in the job market, making the United States a continuous and stand workforce than any other country in the world. Studies have indicated that more than 40% of nursing practitioners in the United States are immigrants, and 60% of the people working in low-level employment, such as cleaners and other household jobs; therefore, immigrants provide essential labour to the United States (Lindsay 10). Without immigrants, the U.S. would have been suffering from a lack of labour force in the industrial and farming sectors since the majority of employees in the sectors are foreigners.

Immigrants have always been the greatest assets to the United States economy. Despite being immigrants, they pay taxes, which contributes a lot to the U.S. growth domestic product (GDP). Several studies have shown that immigrants contribute billions of dollars in terms of tax to the U.S. economy, and therefore, immigrants' contribution and effect on the United States economy is not as minimal as some might think. Research has established that in 2013, immigrants added a total of 1.3 trillion dollars to the U.S. economy, and therefore, the contribution of immigrants to the economy of the United States is not minimal (Estrada 23). However, the contribution of immigrants would be more significant if Congress would support a bill which creates a pathway to citizenry which would allow immigrants to work without getting worried about being deported.

Immigrants' Importance To The Business Community

Immigrants have contributed significantly to the growth of the business community in the United States. Research has established that some of the greatest business leaders in the United States are daughters, sons of immigrants or immigrants themselves. The founder of Google, Sergey Brin, is an immigrant who fled from the Soviet Union more than forty years ago to start a life in the United States. The founder of Yahoo Jerry Yang is also an immigrant from Taiwan, the CEO of Microsoft an immigrant from India and so many others who are playing the greatest role in shaping the business empire of the United States. In fact, studies have indicated that more than 40% of the Fortune 500 are daughters, sons of immigrants, or immigrants themselves. Studies have shown that companies such as McDonald's, Bank of Africa, AT&T, Apple General Electrons and Google are some of the companies founded by either immigrants or daughters or sons of immigrants. Research has shown that these companies founded by immigrants contribute more than 1.7 trillion dollars to the government, which boasts the countries' GDP (Estrada 12).

The businesses owned by immigrants offer approximately 3.6 million jobs to the United States economy, and therefore, these businesses contribute a huge employment avenue to the American population. It is, therefore, important to note that immigrants do not just consume the jobs but over workforce opportunities as well. Besides making a bigger contribution to big business ventures and innovation, immigrants are also making a greater contribution to small businesses across the United States. There are thousands of immigrants who run a small business enterprise in different states, and these people pay levies and employ other people. Therefore, the contribution of immigrants to the business community in the United States is very huge, and it impacts the United States economy directly.

Interestingly, a statistic also indicates that the chance of immigrants starting their own businesses is higher compared to Native Americans. The Study by the Small Business Administration shows that 10.5 % of immigrants are likely to start their own businesses compared to 9.3% of the Native Americans (Amadeo 5). This is a positive trend, and it can mean that immigrants will continue to play an essential role in the American economy over the next decades. The immigrants contribute to the economy directly by paying taxes and offering employment opportunities to different people, both immigrants and Native Americans. And therefore, immigrants are importance to the growth of the United States economy.

Labor Force

Though some people have argued that immigrants take American jobs and, therefore, immigrants should be barred from coming into the United States, this is not true because most jobs taken by immigrants are jobs Americans have left, and Americans are coming in to fill the void. A study has shown that immigrants contribute more greatly to the labour market than Indigenous Americans. The report shows that immigrants work in farms, industries, households and other sectors of the economy, and they play a significant role in the growth of the economy. A study has indicated that the number of immigrants who are participating in the United States' economic growth through the labour force is slightly higher than the number of native people. It has been established that 73.4% of the workforce are immigrants, while 71.1 of the natives contribute to the workforce of the United States. Going by the population of immigrants and natives in the United States then, it can mean that the largest percentage of the immigrant population contributes to the workforce in the United States compared to the native population.

Figure 1: Percentage of people in the job market

Research has shown that immigrants contribute immensely to the job market, but when it comes to pay, natives earn slightly more than immigrant workers. The wage gap is not the same, and therefore, the notion that immigrants are taking native jobs is untrue. However, immigrants in the United States make a bigger contribution to the growth of the American economy through labour force contribution because no economy can grow without a sufficient labour force.

According to Lindsay (12), the immigration of highly skilled people to the United States helps the gap to bridge the work gap. This is because these skilled immigrants are likely to come up with innovation, which is more likely to create job opportunities for the American people. Therefore, immigrants have the potential to change the economic growth of the United States if given good opportunities through laws which prevent harassment of immigrants so that they work and grow the U.S. economy together (Estrada 23).

Analysis

The rate at which immigrants start business in the United States is higher compared to the Native Americans. Research has shown a significant improvement in the number of immigrants in business compared to the locals. This means that in the next years, immigrants will be the key drivers of the United States economy. Currently, approximately 1.7 trillion dollars are contributed to the United States economy through tax and other levies by companies started by immigrants’ daughters, sons or immigrants. A study has shown that in every 1000 immigrants, it is more likely that 62 of them would start a business and manage it successfully. The businesses run or managed by immigrants have also grown steadily over the years and become stable, hence contributing towards bridging the wage gap and to the GDP growth of the United States. The graph below hence explains the business concepts and the success rate of businesses started by immigrants and businesses started by Native Americans.

Figure 2: Companies Started by immigrants

In conclusion, an immigrant contributes immensely to the growth of the United States economy and the business community as well. It has been discovered that immigrants working pay over 1.3 trillion to the government in terms of taxes and other levies. This is a huge contribution to the GDP of the country, which cannot be taken for granted, and therefore, the United States economy needs immigrants to keep the economic growth stable. Studies have also established that immigrants' businesses contribute to the workforce and have employed over 3.6 million American working in different sectors; therefore, immigrants' contribution to the United States' economy and business community is enormous. It has been discovered that immigrants provide a labour force in various sectors of the economy, and some of the sectors are important sectors of the economy. Therefore, it is a fact that immigrants' contribution to the U.S. economy and the business community is enormous. Therefore, immigrants should be given the opportunity to settle in the United States.

Works Cited

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