

STATE OF THE UNION ADDRESS: TOUTING MORE GROWTH WITH MORE PEOPLE

**An NPG Forum Paper
by David Simcox**

The President's annual laundry-listing State of the Union address on January 20, 2015 has already been parsed and probed for advantages and potential traps by major media, political think tanks, interest groups and lobbies.

But what might the current and prospective government programs broad-brushed by the President mean for those interested in population reduction as an urgent need to preserve the nation's resources and the environment for future generations?

Not surprisingly, the pursuit of economic growth was the holy grail of the State of the Union. The President hailed the post-recession resumption of growth and employment – and the rosy prospects for more of it, if only Congress will cooperate. Congress itself is no less addicted to growth – both demographic and economic – though often favors different means of advancing it than the Executive branch.

But citizens who favor population reduction and ending America's ravenous depletion of its own natural capital (and that of much of the world) will see a number of the President's boasted plans and achievements as setbacks on the road to a sustainable future. Just as troubling are the nation's grave social, demographic and environmental problems that were ignored altogether or glossed over in the report.

First, consider these priorities highlighted in the report – and their implications for population size and environmental health.

Immigration

In the dogmas of neo-classical economics, population growth richly nourishes technological progress and economic growth – ever-expanding numbers contribute to ever-expanding national income. The President foresaw rich economic returns in urging broad reforms to the existing, supposedly “broken” immigration system, offering as a model the Senate's failed comprehensive reform bill (S. 744) of 2013.

If enacted, that bill would grant permanent legal status and ultimately green cards to some 11 million unlawful residents, while doubling the annual intake of new legal immigrants and further expanding admissions of long-term temporary workers and their families.

There has been virtually no expression of concern during the debate in the Senate, in the Executive branch, or in the President's speech over this prospective surge of imported population growth and its subsequent demographic echoes. Indeed, most business and economic policymakers and corporate leaders have hailed the growth as a stimulant for the economy and a remedy for their major bogeyman – America's ageing population.

Chief White House cheerleader and theologian for vast expansion of immigration has been and remains the Council of Economic Advisors. As in the past, the speech cited the Council's allegedly “independent” studies – and those of

the Congressional Budget Office – as assuring significant additional GNP growth from the needed skills (presumably unavailable in this country), innovation and entrepreneurship immigrants would assuredly bring.

Immigrant displacement of American workers is dismissed here and elsewhere with blithe assurance that “immigrants create jobs” and – as an added benefit – will help reduce the government's deficit with the added taxes they will pay. Unexplained here is how vast expansion of America's now unselective intake of disadvantaged populations will increase per capita incomes, create more full-time and high-quality jobs, or suddenly change the present revenue deficit to a surplus.

In 2012, Census showed that 30% of America's foreign-born population had not finished High School, 30% spoke English poorly or not at all, and were 20% more likely to live in poverty due to an average household income nearly 12% below that of the general public (*The Foreign-Born Population in the United States: 2010*, May 2012).

Presenting renewal of relations with Cuba as a diplomatic triumph, the President made no mention of the already rising flow of Cuban émigrés into the U.S. – which is facilitated by the outdated, no-limits Cold-War-era Cuban Adjustment Act granting immediate refugee status. The administration makes no proposal to rescind the Act.

Job Creation and Unemployment

While the remarks on immigration implied a shortage of U.S. workers to be remedied by foreign intake, a good deal of the wordage elsewhere offered or defended government programs to spur job creation – such as tax incentives to employers for hiring, more skills training, liberalized international trade, and public investment expanding and improving our decaying infrastructure.

Having hailed immigration expansion as an economic magic bullet, the report elsewhere recognized that there remain long-term unemployed U.S. workers (4 million were jobless 15 weeks or longer at the end of 2014), urging Congress to restore last year's cuts to unemployment compensation and the nation's business leaders to give those idle Americans a "fair shot" at a job.

The White House's economic diagnoses – and the contradictions in the remedies it favors – raise serious questions for many citizens, particularly advocates of population stability and ultimate reduction to a sustainable size.

If the need for job creation and relief to the unemployed is so critical, shouldn't Washington first consider immigration reduction and greater selectivity instead of further expansion? America now admits one million a year, plus 300,000 long-term temporary workers. Even without legislated reforms, the Executive branch's unilateral amnesty to certain illegal aliens (those who were childhood arrivals, those related to citizens, and those in other protected classes) is estimated to legalize 5 million immigrants in the next few years. While some are now in the labor force, many will become legally eligible to compete for higher quality jobs in the formal sector.

- Illegal immigration will continue to feed the labor market, without serious reforms in enforcement. The rising strength of the dollar, along with the prospect of a higher minimum wage, will make working in the U.S. more attractive to the world's underemployed. The dollar's value in Mexican pesos has risen nearly 15% since early 2013.
- The President acknowledged that "Massive shifts in technology and global competition have eliminated a lot of good middle-class jobs." This trend shows no sign of ending. One sector that is hurting is America's "ageing" population. No doubt, the U.S. population is ageing – as will inevitably the present and future foreign-born populations. But older Americans now have unprecedented good health and an abundance of valuable skills and experiences. Their retirement savings shredded by the recession, many older Americans need and want to continue working. They should be first in line for training, job openings, and flexible-hours and part-time arrangements before more foreign workers are admitted.
- Trade expansion has been a standard State of the Union growth panacea, and this one was no exception. The administration's current priority effort is to push through

Congress its sweeping Trans-Pacific Partnership with ten Asian nations. Past U.S. international trade deals have had disappointing results, often boosting imports more than exports and costing U.S. workers more jobs than they gain (e.g., trade agreements with Mexico, South Korea, and the World Trade Organization). The public may well wonder why this time it will somehow be different.

- The public is also wary of the high social and environmental costs of international trade. It allows the U.S. and other advanced nations to expand their consumption of natural resources far beyond the limits of those resources within their borders – while exporting some of their environmental liabilities and natural resource depletion. Meanwhile, major economies like the U.S. are pressured by trading partners to water down their own environmental and labor standards, protesting them as veiled non-tariff barriers to trade.

Infrastructure

The President proposed that new revenues from tax reforms go into expanding or upgrading the nation's decaying infrastructure, supposedly creating vast numbers of new jobs. Continuous U.S. population growth now is outrunning our political will – and financial means – to keep up with the country's infrastructure needs. More population ultimately means more wear on existing infrastructure and more demand for new roads, bridges, waste disposal, dams, pipelines, and power grids as cities sprawl. And the prospective costs only grow with delays.

Environmentalists may note with concern the President's pledge in his speech to get early action on projects by "...act(ing) on (his) own to slash bureaucracy and streamline the permitting process for key projects." In the current invasive growth of the built environment, "slashing bureaucracy" and "streamlining permitting" have often been code terms for short-cutting (or omitting) vital environmental assessments and rules upholding decent labor standards.

Pro-Natalism

The report proposes increases in the Earned Income Tax Credit (EITC) for childless single workers. This is encouraging as a symbolic step against the inclination of U.S. income transfer programs to over-reward parenthood beyond two children. But it is unlikely the speech writers intended this as an anti-natalist proposal.

Far from it. The President also repeated his call for further expansion of EITC (which at one time prudently topped out at two children) and related assistance programs for families. While not detailed in the speech itself, the President and White House had previously publicized some of those pro-natalist proposals. They include doubling the average per child care subsidy and extending it to an additional one million children. The President also announced earlier a proposal to expand paid leave for child

care for federal workers, urging states and private employers to follow suit.

If adopted, both these measures could have population consequences: rewarding families for having more than two children, and bringing more American parents into a job market already congested by rising immigration.

Pressing Sustainability Issues Ignored

In parsing major political statements such as State of the Union, noting what is *not* mentioned is important, too. In discussing his clean energy program, to his credit the President did briefly reaffirm for the remaining deniers that “climate change is a fact” – though his words did *not* explicitly connect it to human activity, sidestepping a conceptual dispute that has tied up the Senate.

The address also made no mention of some increasingly troubling national quality of life and resource issues. Ours is a huge and complex government: White House speech writers pick and choose from myriad issues for optimal political impact. There is a tendency to avoid intractable problems – or those that might require serious sacrifice or jarring lifestyle changes.

Even so, the President’s ghost writers missed a real opportunity to educate and mobilize the public on some major troublesome trends and events – all of which stem from population growth, or are aggravated by it. Here are some nominations of topics for a future, more environmentally-sensitive State of the Union:

Affordable Housing

Government figures show that since 1975, housing has become increasingly unaffordable for low-income families (i.e. absorbing more than 30% of their household income). Rising competition for rental units since the recession and stagnant wages have been major factors in the past decade. Also factoring in are stagnating subsidies for affordable housing, rising urban land prices, prohibitive land use rules, displacement caused by urban gentrification, and underlying it all – *population growth*.

Public housing and subsidized (Section 8) private housing assist only a modest fraction of low-income families. Those unaided all too frequently cope by crowding, doubling-up, or by making do with sub-standard housing.

According to the National Low Income Housing Coalition, in 2012 just under half of the nation’s 42 million renter households were “cost-burdened” (i.e. paid 30% or more of their income for housing). Of those, more than half were “severely cost-burdened” – spending 50% or more of their income for housing.

If unselective immigration and natural population increase continue as now projected (*without* the huge immigration increases favored by the White House), by 2050 the U.S. will have added some 31 million households. And 6 to 8 million of those new households will have incomes low enough to need affordable housing.

Drought and Water Shortages

The multi-year drought in the west is a national crisis, bringing heavy crop and livestock losses, rising food prices, displacement of farm families, and urban water shortages. The U.S. Drought Monitor states that at the beginning of 2015, a full 20% of our nation’s land area is afflicted with drought rated severe or worse, affecting 49 million people.

One dramatic consequence is the west’s current plague of wild fires. Drought creates the conditions by drying the vegetation. But poor land use practices and sprawl are the culprits. They promote suburbanization of fire-prone forested wild lands and thereby impede nature’s periodic burn-offs of accumulating fuel in the “urban-wild lands interface.”

Drought on the plains has led to increased pumping of the already-overtaxed Ogallala and smaller reservoirs, not replenishable even if rains resume. As the water tables fall, the costs and difficulty of pumping continues upwards – threatening the viability of continued farming in those regions. Meanwhile, in the major cities of the stricken regions, water limits and water rationing are resisted or ignored by many users.

Loss of Open Space and Farmland

The decade ending in 2010 showed a modest slowing of conversion of open space to urban uses, according to a 2014 study by Roy Beck and Leon Kolankiewicz, who have tracked U.S. urbanization trends since the 1980s (www.numbersusa.com/resource-download/vanishing-open-spaces). But even at a slightly lower pace, the U.S. consumed slightly more than one million acres per year of farms, wildlife habitat, wetlands, and forests. Continuing at this pace and using Census’ conservative population projections, by 2050 the U.S. will have consumed since 2010 some 45 million more acres of open space – an area the size of Missouri.

The slight slowing in the rate of land conversion stems from a declining – but still excessive – per capita use of land. According to the researchers, overall U.S. population growth accounted for 70% of the loss of open space between 2000 and 2010, and the remaining 30% attributed to higher per capita land consumption.

A common wry expression among some land use professionals is that “Americans hate only one thing worse than sprawl, and that’s density.” But the numbers show more Americans have been conditioned to accept density by the rising fiscal and aesthetic costs of sprawl, weariness with automobile dependency, and preference for compact, walkable, mixed-use communities. The numbers in other polls also show that Americans in general favor slower population growth or none at all. But these preferences, like the popular U.S. opposition to mass immigration, are extremely difficult to channel into concrete policies of population restraint and thrifty land use in Washington or the state houses.

The loss to urbanization of farmlands threatens the bountiful U.S. food supply, which Americans and many overseas importers

take for granted. Farmland is inviting to developers because it is usually flat, well drained and relatively cheap. Much of the best farmland is near major cities – prime target areas for sprawling development.

American Farmland Trust estimates the loss of farmland to other uses at over 500,000 acres a year – despite federal and state programs for agricultural easements, tax breaks, acreage reserves and other conservation incentives.

In their 2014 study, Beck and Kolankiewicz calculate that steady population growth has reduced U.S. cropland per capita from 1.9 acres in 1983 to 1.2 acres in 2010. Noting that projected population increases will bring the per capita acreage down to 0.7 acres by 2050, the authors warn that this diminished resource may well end the U.S. role as a major food exporter – and severely curb the dietary choices of Americans long accustomed to a high-meat, high-dairy consumption.

These are conservative population projections. Urban sprawl and food austerity could come even sooner, and with more pernicious impact, if Washington succeeds in its present project to more than double legal immigration while acquiescing in higher illegal immigration.

Conclusion: Facing Up to the Problems, Whether Recognized or Ignored in the State of the Union

Problems of farmland, affordable housing, and sprawl are aggravated by population growth – but they are also complicated by America’s commitment to local decision-making on land use, zoning, planning and development. In this environment, economic and population growth will continue to trump ecological and quality of life concerns. Climate change also impinges on broad land use issues, and is in itself a warning to U.S. political leaders that bold action is needed. It, too, is likely to be ignored by local decision makers.

What is needed is a State of the Union message devoted to rising population and environment ills. The President giving this much-needed report should create a national population commission – with the goal of setting a national policy of population limits, and measures to make them work against the likely storm of myriad pro-populationist interests.

This visionary President should also make the case for greater federal control of land use, development, population, migration, and infrastructure management. He or she should share some of these federal responsibilities with state governors, but retain the option of limiting federal investment, grants, tax breaks and permits for destructive growth-at-all-cost projects within states and cities. In the process Washington would put EPA’s current, largely advisory “Smart Growth” program for cities and states on steroids, backing it up with real federal muscle.

In 1933, the FDR administration made a similar “revolutionary” break with the past when facing the social turmoil of the Great Depression. Vast public near-panic concern repeatedly overcame the resistance of special and regional interests. If researchers are correct in their projections for U.S. population growth and resource depletion, the resulting crowding and environmental decay may soon make such a modern-day paradigm shift seem more necessary – and appealing – to the American public and policymakers.

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