



## **Caravan To Nowhere: Five Fallacies That Stall Immigration Discourse**

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November 12, 2018

A lose-lose scenario is moving toward the Southern U.S. border at a rate of 25 miles per day. No good solutions for either side will emerge when families finally arrive in caravans from Central America.

The pending confrontation is tragic, considering the U.S. tradition of win-win outcomes for immigrants like me and the nation that receives our creative energy and industry.

The results are indisputable. Fed by a steady stream of the world's outcasts — the tired, poor and tempest-tossed masses memorialized on the Statue of Liberty — the United States has emerged as the world's No. 1 economy.

A recent Kauffman Foundation report shows that more than 40 percent of Fortune 500 companies were founded by immigrants or their children, and over 50 percent of billion dollar startups in the United States had an immigrant founder. As an added bonus, a National Foundation for American Policy brief connects higher levels of immigrants in the labor force to lower unemployment for U.S. natives.

Despite the benefits, conversations about immigration have grown unproductive. Since my arrival from India nearly 30 years ago, I have seen five flawed assumptions gain traction in the United States and poison public discourse.

### **Some are more equal than others.**

The first error occurs when people frame the debate in terms of skilled versus unskilled labor, or legal versus illegal status. The implication, often stated directly, is that immigrants create value for the United States only when they arrive with money, education and paperwork.

Multiple studies debunk this elitist view. As a group, immigrants are more alike than different regardless of rank and class. I came with a college degree, English skills and permission to enter. But I also came with something more fundamental.

Like so many others from all backgrounds and regions, I yearned to unleash the human potential within me. This spirit, common to both entrepreneurs and immigrants, is the secret that drives U.S. productivity, innovation and job creation.

### **They don't assimilate.**

Elitist attitudes lead to a second error — the notion that somehow today’s immigrants are not as good as the ones who came before.

White House Chief of Staff John Kelly sums up the complaint about new arrivals in a recent conversation with NPR. “They don’t integrate well,” he says.

Back in the good ol’ days, apparently, immigrants learned English, pledged allegiance to the flag, started businesses and overall did a better job fitting in than their modern counterparts.

Cato Institute researchers look specifically at Central America, the source of the approaching caravans, and reach a different conclusion. “Integration of Central American immigrants is occurring despite the best efforts of the United States government to prevent it,” Cato policy analyst David Bier concludes in a May 2018 report.

### **They come to consume, not produce.**

People who raise alarms about uncontrolled immigration sometimes point to security risks. But most fears are based on economic concerns. Critics see poor families coming across the border and worry about who will feed them, house them, educate them and provide health care.

Some of the suspicion is a natural result of the growing U.S. appetite for positive rights.

The nation’s founding documents promise only negative rights. The name sounds bad, but the concept is beautiful. Negative rights do not require other people to take action on your behalf — only to get out of your way and let you pursue life, liberty and happiness in a manner that does not infringe on the ability of others to do the same.

Negative rights give you no claim on anyone else’s time, talents or treasure. These three things can only be earned through win-win relationships and voluntary trade.

Positive rights, on the other hand, create an entitlement to someone else’s provision of goods and services. A growing welfare state relies on tax dollars, rather than voluntary trade or charitable giving, to provide a safety net when people fall on hard times. Though this may sound caring and kind, it forces net producers to work on behalf of net consumers, who have no say in the matter.

In the context of immigration, destitute families that step into a system of positive rights suddenly become a financial threat. Concerns about immigrants using a disproportionate share of public assistance, however, are largely misplaced.

Cato data show that immigrants are less likely to consume welfare benefits than native-born Americans. When immigrants do receive benefits, they generally consume a lower dollar value than native-born Americans.

Research from Bowling Green’s Center for Family & Demographic Research also shows that most immigrant families break out of the “welfare culture” and become net contributors by the second generation. As a group, they are fast climbers.

### **They steal jobs.**

False beliefs about value creation deepen the mistrust when immigrants arrive.

Many people see wealth like a fixed pie that magically appears on the table ready for consumption. They have no idea from where it came, so they bicker over distribution of what they assume is a limited resource.

People trapped in this mindset believe a bigger slice for one person means a smaller slice for someone else. Arguments soon erupt over who is taking more than their “fair share,” and immigrants who come late to the table generate resentment.

People who understand markets worry less about distribution and more about innovation. They see the potential for new and different pies. They might even expand services to include cakes and cookies.

Such people are much less likely to get caught up in arguments about immigrants coming in caravans to steal jobs. They see the potential for new and different jobs driven by market forces, not magic.

### **They will always pick the U.S. first.**

The final fallacy is that the United States will forever get first choice of the world’s best talent.

Although Silicon Valley remains a big draw as an innovation hub, more and more countries are offering alternatives based on the principles of enterprise and markets.

Business schools have seen a similar shift. International students frustrated with visa restrictions and travel bans have world-class options elsewhere.

MBA applications keep falling in the United States, but an annual survey from the Graduate Management Admission Council shows they climbed 8 percent to schools in Canada, and 9 percent to schools in East and South Asia during the recruiting cycle ending in spring 2018.

Immigrants tired of the disrespect might grow restless, like high performers in organizations that do not value their contributions. The same advice for when to quit a company might apply to them.

Increasingly, immigrants are being beckoned to create ventures in other countries, including the United Kingdom, Canada, Denmark, Singapore and New Zealand. As Steve Case aptly notes, countries, much like firms, “are either open and growing — absorbing new ideas, people and ways of doing things — or are closed and falling behind, trying to defend the status quo, exclude outsiders and shut down new thinking.”

Until we begin to confront and correct these five flawed assumptions, win-win outcomes on immigration will continue to recede in the United States. Unfortunately, these attitudes have developed over decades, and will be difficult to reverse — like turning back a caravan once it leaves Honduras.

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