



Humans are the true wealth of nations

By Alex Nowrasteh

March 21, 2014

What's the quickest way to increase the wealth of a nation? Increase the immigration of knowledgeable people.

The current value of all of America's physical capital, like factories and buildings, is about \$45 trillion. But the value of all human capital is 16 times that—about *\$740 trillion*. Immigration adds human capital to the United States in the cheapest way.

Human wealth-creating potential is exemplified by stories of individuals overcoming adversity to advance scientific knowledge, start firms, or create a tasty new cuisine.

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For example, Sergey Brin, co-founder of Google, a company so widely used that its name has become a verb, came as a refugee from the Soviet Union. It's unlikely that he would have co-created Google in the Communist USSR or today's chaotic Russia – where businessmen like Mikhail Khodorkovsky are locked up at whim.

Then there are the numerous German Jewish chemists who fled Nazi Germany ahead of the Holocaust. They jumpstarted an industrial revival that eventually increased innovation in the American chemical industry of about 10 percent, according to research by economists at Stanford and the University of Warwick.

It's not just higher skilled immigrants who innovate and contribute to a nation's wealth. Alfredo Quinones-Hinijosa grew up in the village of Palaco, Mexico. As he told NPR, "I was literally hungry for food. My stomach was empty." Because there was no legal way for Quinones-Hinijosa to legally immigrate, he hopped a fence and toiled in agriculture.

He eventually worked his way through community college, the University of California, Berkeley, and Harvard Medical School.

Quinones eventually became a citizen and is now director of the brain tumor program at Johns Hopkins Bayview Medical center, specializing in advanced surgical treatments for a variety of brain and spinal tumors.

Innovations in food often begin with an infusion of foreign talent, spices, and skills. Japanese restaurateur Nobuyuki Matsuhisa, or “Nobu,” is one such example. As Los Angeles Times food critic S. Irene Virbila [wrote](#), Nobu’s “canon of stylish fusion sushi have influenced a generation – more likely two generations – of sushi chefs across the country.” Nobu gained experience in Japan and Peru before choosing the United States as the homebase of his world-wide restaurant enterprise.

There are downsides to kicking out human capital.

A notorious example is that of Chinese immigrant Qian Xuesen, who earned his Ph.D. from the Cal Tech in 1939. During World War II, Xuesen worked to develop a rocket that could counter Nazi Germany’s V-2.

In 1950, Xuesen was accused of being a Communist. Without evidence, he lost all of his security clearances. Denied all of his opportunities to work in the United States, he tried to leave but was detained and traded for American pilots shot down during the Korean War – to China, where he went on to design missile systems. U.S.

Undersecretary of the Navy Dan A. Kimball, who knew Xuesen personally, said "It was the stupidest thing this country ever did. He was no more a Communist than I was, and we forced him to go."

If every country allowed free markets to flourish as much as the United State, the world wouldn’t miss out on much innovation. But because predatory governments rule much of the world, innovative immigrants need to be allowed to come to relatively free places like the United States or else their talents will be wasted – to everyone’s loss.

A rational immigration system that allows hardworking people to come to America legally can grow our human capital – and expand our economic.

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