

Trump's economically senseless immigration ban

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June 23, 2020

President Trump <u>has announced</u> another immigration ban to restrict the entry of foreign workers into the United States to "protect" jobs for U.S. workers. This latest effort is economically baseless and counterproductive. He is seizing the opportunity to accomplish what he has long promised: ridding the country of foreign workers.

Unemployment in the United States has spiked, but the cause is clear: it's the pandemic, not the immigrants. The pandemic is preventing *both* foreign workers and Americans from working most jobs involving person to person contact. It's not as if employers are dropping Americans for immigrants to cut costs. Immigrants have actually <u>suffered worse</u> unemployment than Americans.

Once the pandemic subsides, people will return to restaurants, hotels, and movie theaters, and those employers will need both foreign workers and Americans again. The economic statistics bear this out. Nearly all of the increase in unemployment is among those who say they were temporarily laid off. America doesn't need a fundamental restructuring of its labor force to bring them back.

The United States is experiencing what amounts to a national natural disaster. After Hurricane Katrina in 2005, unemployment in Louisiana spiked nearly as much as it has in the states hardest hit by COVID-19. When the storm passed, foreign workers <u>poured into the state</u>, and they went on to rebuild much of New Orleans. In a couple months, Louisiana's unemployment rate <u>had fallen</u> back to normal levels.

But the president's anti-immigrant position is worse than irrelevant. It's counterproductive. During the recovery, we want employers to restart as quickly as possible. Forcing them to keep jobs open longer than they would otherwise delays their ability to expand production, slowing the creation of more jobs in industries that depend on them. By quickly filling the least desirable jobs, immigrants grease the wheels of the economy, allowing production to resume much faster-which opens up more desirable jobs for Americans.

The National Academy of Sciences' <u>definitive review</u> of immigration's economic effects explains that "entry of new workers through migration increases the likelihood of filling a vacant position quickly and thus reduces the net cost of posting new offers." It concludes, "Though immigrants compete with natives for these additional jobs, the overall number of new positions employers choose to create is larger than the number of additional entrants to the labor market."

We even have very strong empirical evidence that an extraordinarily massive infusion of foreign workers-far beyond the normal flows we see now-does not increase unemployment, even in a recession. In 1980, the Mariel Boatlift shipped 125,000 Cuban refugees to Miami, growing the city's labor force <u>7 percent</u>. This would be like 23 million immigrants coming to America in a couple months today.

Miami and the country were already in a recession in 1980 with unemployment climbing. Yet despite this fact, Miami's unemployment rate <u>fared no differently</u> than other similar cities.

But Trump's ban is even more bizarre. Suspending work authorizations for H-1B high skilled tech workers and foreign graduates of U.S. universities has no relationship to the unemployment situation at all. It's low- and mid-skilled workers losing their jobs in certain industries, not tech workers. The unemployment rate for computer fields was actually lower in May than in January.

The president is banning workers who are still in demand to help those temporarily displaced by a pandemic. This discordant result offers insight into the White House's thinking. This isn't about the recent crisis at all. The president <u>has had plans to restrict</u> H-1Bs and foreign workers since he ran for president in 2016. It's been on the <u>regulatory agenda</u> many months before the current crisis.

The long-term damage to the country of losing the most talented foreign workers would be severe. Indeed, companies working on COVID-19 cures and treatments employ <u>many H-1B</u> <u>workers</u>. <u>Nearly 40 percent</u> of Nobel Prizes in chemistry, medicine, and physics since 2000 were immigrants to the United States. Immigrants <u>have founded</u> nearly 55 percent of America's startup companies, employing tens of thousands of Americans.

The economic recovery plan is obvious: control the COVID-19 outbreak. But the president, who refused to take the virus seriously at first, still cannot seem to focus on this goal. Instead, he casts blame for the poor economic situation created by his mismanagement on immigrants who are more likely to be victims of this crisis. He may think it's a good political plan. But it's not a good economic one.

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