

Our nation needs more immigrants, fewer race baiters

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White Americans who worry about being replaced by immigrants and other people of color need to get a grip on reality. The "great replacement theory," along with general immigrant anxiety, not only perpetuates racist paranoia but works against our nation's economic health.

If you don't care about the former — the paranoia that leads to hate crimes like Saturday's massacre in Buffalo — then maybe you care about the latter: How hysteria about immigrants hurts the economy and likely contributes to inflation.

I first took a dive into this subject several years ago, when the complaint about immigrants was mostly economic: that they were taking jobs away from American citizens.

We all heard claims that U.S.-born workers were being displaced by immigrants. For years, conservatives growled about it, and the subject was part of the regular diet on AM talk radio. It seemed like a realistic concern: Let too many immigrants from Central America into the country and they'll work for lower wages and put millions of our fellow Americans on the unemployment rolls. I spoke with a Baltimore County man who said his drywall business had crashed because a competitor used cheap foreign labor and underbid him for contracts.

Anecdotes are swell for scoring points in a debate, but they do not necessarily reflect reality.

So I looked for studies about immigration's effect on labor markets and found one, by an economist named Giovanni Peri, that specifically addressed the issue of displacement. I go back to it today because the issue of displacement sits right next to the racist theory of replacement that is said to have motivated the suspected killer in Buffalo.

Peri, a professor at the University of California at Davis, was a visiting scholar at the Federal Reserve Bank of San Francisco at the time of his study. His data dive was 50 years deep, back to the 1960s, and covered several regional labor markets.

Peri found no evidence that immigrants pushed U.S.-born workers out of jobs in either the short term or long run. The reality was much closer to what was described in the <u>recent story about crab pickers in Maryland</u> by Sun reporter Christina Tkacik: Immigrants took jobs Americans no longer wanted while Americans moved into jobs with better pay and benefits.

That led to a higher standard of living for Americans and their children. Peri estimated that the flow of immigrants into the country for one period, 1990 to 2007, resulted in a general increase of yearly worker income by close to 10%.

I asked how that happened, and Peri gave the example of a construction company that employs immigrant laborers. With a stable and productive workforce, the company finds more opportunities to expand its business and that, in turn, increases the demand for supervisors, coordinators and other higher-skill positions.

"Those are occupations typically staffed by U.S.-born workers who have moved away from manual construction jobs," Peri said. "This typically pushes U.S.-born workers toward better-paying jobs, enhances the efficiency of production and creates jobs."

You can see the same trend in crab picking. Jobs once performed by Black women in Eastern Shore crab houses are now performed by immigrants, mostly from Mexico. And the children of the former crab pickers have mostly moved on to better jobs, either in skilled labor or in careers requiring college degrees.

"Data show that, on net, immigrants expand the U.S. economy's productive capacity, stimulate investment and promote specialization that in the long run boosts productivity," Peri told me. "There is no evidence that these effects take place at the expense of jobs for workers born in the United States."

Many leading economists believe we need more immigrants, not fewer. In fact, Peri recently estimated that the country is running at an <u>immigrant worker deficit of 2 million</u>, a labor shortage that is likely contributing to inflation.

Despite that, too many Americans continue to see immigrants as a threat. Those fears were exploited by Donald Trump when he ran for president and, after taking office, when his administration implemented harsh policies on immigrants and even born-in-the-USA children of immigrants.

At the same time he spoke of cutting immigration, Trump boasted that annual economic growth would double to 4% during his presidency. But many economists said that would not happen without a substantial increase in foreign-born workers in the labor force, and they were right.

Peri's estimate represents 2 million workers who would normally be here if not for the pandemic, a slightly higher standard of living in Latin America and the Trump administration's policies.

And now we have a new hysteria fomented by Republican politicians and pundits on the right — that the Biden administration supports "open borders," part of a grand conspiracy to fill the nation with immigrants who, once naturalized, will vote only for Democrats.

Not even the <u>conservative CATO Institute</u> agrees that President Joe Biden has an "open borders" policy. "This criticism is not simply inaccurate: it is unhinged from reality in a way that distinguishes itself from normal political hyperbole," wrote <u>David Bier</u>, a CATO scholar specializing in immigration.

Illegal border crossings are a problem and a legitimate concern. But shameless race-baiters in politics and media have poured the border issue into the toxic soup of replacement theory and immigrant paranoia, and they do this for votes and ratings. That's the sad, unproductive and dangerous reality, and the more Americans get a grip on that, the better.