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Study shows new citizens don't stifle freedom

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ONE objection raised by opponents of immigration is that new, foreign-born citizens will use their just-obtained U.S. voting rights to promote adoption of the failed policies of the countries of their birth. A new working paper from the libertarian Cato Institute disputes this contention, particularly at the federal level.

The report ("Does Immigration Impact Economic Freedom?") says most research has long concluded that "international trade in goods and services increases efficiency and the long-run wealth of a nation …" This holds true for the movement of goods *and people*.

"But international trade in labor, immigration or emigration, differs in one important way from goods and services trade: Goods and services that move across borders cannot vote, protest, riot or otherwise impact the public policies of the countries they move to but immigrants can," the report's authors write.

While it's widely agreed that current levels of immigration bring small but positive increases in the overall income of native-born citizens, the report notes that "very little research has focused on how immigration can impact the institutional environment of recipient countries."

To determine immigration's subsequent impact on regulatory policies, the study's authors compared the immigrant share of the population in 1990 and 2011. The authors then used the Economic Freedom of the World Annual Report to determine changes in the institutional environment. The economic freedom report uses 43 variables to measure five subject areas: size of government; legal structure and property rights; access to sound money; freedom to trade internationally; and regulation of credit, labor and business. To do state-level analysis, the report's authors also relied on The Economic Freedom of North America index, which rates the economic freedom level of the 50 U.S. states and 10 Canadian provinces/territories.

"Our main finding is that a larger percentage of immigrants in the population in 1990 is associated with a slightly higher level of economic freedom in 2011," the report's authors write.

A 12 percentage point higher immigrant share in 1990 was associated with a higher score in economic freedom in 2011. Higher immigration was particularly associated with higher levels of freedom in three areas: size of government; legal structure and property rights; and government regulation.

"Immigrants do not appear to bring a desire with them for the highly regulated environment from which they often emigrate," the report states. "Nor do the native born respond to greater immigration by implementing a more stringent regulatory environment in order to preclude immigrants from participating in the economy."

The report's authors did find minor correlation with state-level changes in policy, finding that a 5 percentage point higher share of immigrants in the economy was associated with a lower level of economic freedom at the state level. But the authors note that finding is hardly dramatic since it indicates only the relatively minor differences between living in one U.S. state versus another, not the stark difference between living in Cameroon versus Germany.

The Cato report makes clear, once again, that people immigrate to the U.S. *because* this nation is different than their native lands.

The fact that some people are U.S. citizens *by choice* rather than by birth is proof of the power of free markets and the superiority of the U.S. political system, not a sign of national collapse.