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Increased immigration is unlikely to increase the size of the welfare state

By Ilya Somin, Updated: February 18 at 11:05 am

Conservative (and some libertarian) opponents of increased immigration often argue that allowing in more immigrants is likely to lead to increases in the size of the welfare state. In this recent article, economist Zachary Gochenour and immigration policy analyst Alex Nowrasteh present some powerful evidence refuting such claims:

Republicans are worried about Speaker John Boehner's immigration reform principles — chief among them that immigration reform will create a new Democratic majority. However, worries that new immigrants will increase the size of our bloated welfare state and further decrease America's economic freedom shouldn't be among them.

In a new paper from the Cato Institute, we show that, historically, immigrants and their descendants have not increased the size of individual welfare benefits or welfare budgets and are unlikely to do so going forward. The amount of welfare benefits is unaffected by the foreign origin or diversity of the population.

Since 1970, no pattern can be seen between the size of benefits a family of three gets under welfare programs like Temporary Aid for Needy Families (TANF) and the level of immigration or ethnic and racial diversity...

Some conservatives cite states like California as an example of a large welfare state fueled by increasing diversity led by an immigrant tidal wave. But again, for every increasingly diverse California or New York with an expanding welfare state, there is an increasingly diverse Texas or a Florida moderating welfare benefits.

The lesson is simple for Republicans — look at how states like Texas and Florida handle immigration and welfare, much as they would tax or other economic policies....

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There is no relationship between the relative size of the immigrant population, diversity and the amount of economic freedom in the United States. The percent of the national population that is

immigrant, Hispanic, Asian or any combination is also not associated with more or fewer burdensome government regulations and higher or lower tax rates.

The Cato Institute paper which presents the authors' findings more fully is available [here](#). As they point out, evidence from European states suggests that immigration actually reduces the size of welfare states, because it diminishes support for welfare spending based on ethnic solidarity. Cross-national evidence suggests that its relatively greater ethnic diversity (largely caused by immigration) is one of the reasons why the United States has a smaller welfare state than most other Western nations.

In sum, it is likely that increased immigration either will have little or no effect on welfare spending, or might actually reduce it. Obviously, the impact on welfare spending isn't the only relevant issue in immigration policy. But it is an important point often raised by right of center opponents of immigration liberalization. It is fair to add that some left of center supporters of increased immigration might find Gochenour and Nowrasteh's results disappointing, and potentially decide to change their position on immigration reform as a result. But, as far as I can tell, conservative opponents of immigration cite the potential for increased welfare spending as a justification for their position far more often than liberal supporters cite it as a possible rationale for their own.

The possibility of increased welfare spending is part of a broader class of "political externality" criticisms of immigration: claims that immigrants will change government policy for the worse. In this post, I explained why such arguments – even if valid on their own terms – are rarely sufficient to justify immigration restrictions.