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Conservatives Battle Over Comprehensive Immigration Reform

Reaction to Heritage paper presages potential split in conservative movement

By: Gary Feuerberg – May 21, 2013

The core component of comprehensive immigration reform is to provide a pathway for citizenship for the estimated 11.5 million undocumented immigrants. The pending Senate bill requires immigrants to wait 10 years before applying for a green card. It would take at least three more years to become a citizen.

So, at a minimum, the undocumented immigrants have to wait 13 years. Despite that hardship and the fines that have to be paid, some conservatives are just not comfortable with granting amnesty to people who broke the law to get here.

On May 6, the Heritage Foundation, a conservative Washington think tank, released a 98-page study that was intended to influence the debate and arm the opponents of comprehensive immigration reform with facts and analysis to make a fiscal case against it—not a moral case, because that won't be effective now.

The paper fell flat and reaction from experts was quite negative.

Heritage had influenced the 2007 immigration bill debate with a study, which was instrumental in turning Republican legislators against the bill. Co-author Robert Rector said that he modeled the 2013 study on the 2007 study, according to the Washington Post.

Unlike 2007, when conservatives embraced the Heritage report, this time conservatives said the report was unhelpful. Those conservatives—legislators and think tank associates—who have spoken publicly on the paper joined liberals in disputing the assumptions of the study.

Behind the numbers and models used is a disagreement on the merits of immigration reform and the future of the Republican Party. Some conservatives resist compromise and want to stand on principle; others see the need for the party to modify its historical stance against amnesty to win over Latino voters.

Amnesty Costs \$6.3 Trillion Allegedly

Authors Robert Rector and Jason Richwine conclude in “The Fiscal Cost of Unlawful Immigrants and Amnesty to the U.S. Taxpayer,” that if amnesty is enacted, the former unlawful immigrants would “generate a lifetime fiscal deficit (total benefits minus total taxes) of \$6.3 trillion.”

The authors say that benefits to these immigrants would far exceed taxes they would pay. These benefits include Social Security, Medicare, unemployment insurance, and workers'

compensation as well as becoming eligible for social welfare programs (for example, Medicaid, Food Stamps, SSI). The authors also included the costs of public education and basic services that everyone enjoys, such as police, highways; these services would have to be expanded to meet the needs of a larger population, they say.

The primary reason for revenue shortfall is that the “typical unlawful immigrant has only a 10th grade education,” say Rector and Richwine.

The study was rolled out May 6 with much fanfare. Heritage President Jim DeMint said, “It will cost the American taxpayers trillions of dollars over the next several decades, and it will make our immigration problems worse,” according to the Heritage website. He said it was bad for the American taxpayer, including the immigrants who are here lawfully.

DeMint is the former senator from S.C., who resigned last December to become head of Heritage.

Conservative Politicians Disagree

The study was excoriated not only by Democrats, who generally favor comprehensive immigration reform, but also conservatives who want immigration reform in some form. The four Republicans of the Senate’s “Gang of Eight” who had worked out the bipartisan bill—John McCain (Ariz.), Lindsay Graham (S.C.), Marco Rubio (Fla.) and Jeff Flake (Ariz.)—criticized the study.

Sen. Rubio, who has staked his reputation on the immigration bill, said of the study, “Their argument is based on a single premise, which I think is flawed.” He cited his own parents who have not graduated high school but raised themselves up. The premise in the study is that most of the low skilled will earn less and contribute much less than the benefits they will reap.

Mother Jones reported that a Brookings Institution expert said that as a piece of scholarship, the report was lacking. “It is very problematic because it uses inaccurate assumptions to estimate costs and benefits, overestimating the cost and underestimating the benefits,” said Darrell West, vice president and director of Governance Studies.

In a paper sponsored by immigration policy experts at the liberal think tank, Center for American Progress, Marshall Fitz, Ann Garcia, and Philip Wolgin, found that the bipartisan legislation will enable the undocumented immigrants to “realize their full earnings potential.” They will be able to work lawfully on jobs previously out of reach.

“On average, undocumented immigrants will increase their earnings by 15 percent over five years under this bill, leading to a cumulative \$832 billion in economic growth and \$109 billion in increased tax revenues over the next 10 years. It will create an estimated 121,000 jobs each year, benefits that accrue to all Americans.”

Conservative Think Tanks Fault Study

Much of the barrage of criticism came from an unexpected quarter—other conservative think tanks.

Alex Nowrasteh from the Cato Institute said the report had 11 major errors. For example, the study did not take into account indirect fiscal effects: “The consensus among economists is that the economic gains from immigration vastly outweigh the costs. ... Immigrants boost the supply and demand sides of the American economy, increasing productivity through labor and capital market complementarities with a net positive impact on American wages. Heritage should adjust its estimates to take account of the positive spill-overs of low-skilled immigration.”

Douglas Holtz-Eakin, distinguished economist, former director of the Congressional Budget Office, and currently president of the American Action Forum, said that the Heritage paper failed to see the economic opportunities afforded by legalization. “A benchmark immigration reform would raise the pace of economic growth by nearly a percentage point over the near term, raise GDP per capita by over \$1,500 and reduce the cumulative federal deficit by over \$2.5 trillion.”

Heritage Distances Itself From Co-author

Soon after the publication of the Heritage report, Richwine resigned from Heritage on May 10. It was noted by the Washington Post that he had written in his 2009 doctoral dissertation at Harvard that IQ should be used in deciding admittance to citizenship of the United States. Heritage was apparently uncomfortable with Richwine’s belief that Latinos have lower IQs than previous white immigrants.

Heritage sought to distance itself from the dissertation and reduce the importance of Richwine’s influence of the fiscal study of granting amnesty to undocumented immigrants. Heritage released a statement pointing out that Heritage had nothing to do with Richwine’s Harvard dissertation and that Rector was the lead author of the fiscal immigrant study. It said that Rector, not Richwine, had developed the methodology and policy recommendations.