



## Let's Institute A Market-Based System For Ambitious Immigrants Yearning For Freedom

By Alejandro Chafuen – June 19<sup>th</sup>, 2013

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In a debate as important as immigration, which impacts most aspects of public policy, we should welcome all honest voices. During these last months and weeks we have seen frequent rounds of name calling, statistical exaggerations, and stigmatization of opponents, which contribute little and might even obscure the need for sound reforms. These divisions exist also among those working at think tanks that share a devotion for the free enterprise system.

Almost everyone in the free-market conservative side applauded the work of Hernando de Soto of the *Instituto Libertad y Democracia* in Peru. De Soto popularized the use of the term “informal” or “extra-legal” to describe those who conduct economic activities without the required government licenses. He avoided the use of the word “criminal” or “illegal” when referring to street vendors and other micro-enterprises. Conservatives seldom use the language of illegality and criminality when referring to those who work outside the license system. They usually save those harsh words for those who not only are informal but also violate private property or other human rights. As an answer to the problem they usually push for reducing the barriers of entry to business by lowering regulations and the costs of permits. When discussing immigration, however, many conservatives take a complete opposite stance.

During a recent town-hall meeting convened by the Latino Partnership for Conservative Principles and the National Hispanic Christian Leadership Conference, Sen. Rand Paul (KY), a self-described “Constitutionalist-Conservative” seemed to favor the use of a softer language: “We’re not talking about criminals we’re talking about immigrant workers caught up in a failed government visa program.”

If there is a war of words, there is also a war of numbers. Think tanks and scholars who are usually skeptical of economic forecasting models have been too ready to predict incredible hardships as well as almost permanent bonanza as result of the intended reforms. A study by the Heritage Foundation, for example, predicted a lifetime cost of 6.3 trillion dollars for the amnesty that would result from the immigration bill. On the other side, a study by Raúl Hinojosa-Ojeda, published by the Cato Institute states that immigration reform would increase U.S. GDP by \$1.5 trillion in the ten years after enactment. Readers who are not expert in econometrics would find it impossible to discern which of these studies has more dubious assumptions. The “econometric” debate is difficult, but when one incorporates culture and politics, it becomes even more daunting. Political and cultural factors are even harder to measure than economics.

Some open-borders libertarians object to the principle that immigration should be “by invitation, not by invasion.” Being in agreement with this statement, usually associated with the thought of the late Murray N. Rothbard, does not mean that one is a racist or a xenophobe. Free-market advocates agree that the owner of a large estate, for example, should be able to “helicopter in” workers from another nation and pay full cost for his actions. They do not agree on the rights that those same employers have to shift those employees to the public arena once their job is done.

At the end of the 80’s, when I was just starting my professional career in the U.S., I received a visit from a prominent lawyer. Only later I learned that it was Ed Clark, former presidential candidate of the Libertarian Party. His running mate was David Koch. Without me asking he stated: “I have to confess that in the issue of immigration I depart from many libertarians. I live in Los Angeles and know that as long as we have this welfare state we can’t have open borders.”

One decade later, an outstanding collection of papers from an immigration symposium, with divergent opinions on this issue, was published by the *Journal of Libertarian Studies*, (Summer 1998). Renowned libertarian philosophers, historians and economists such as John Hospers, Tibor Machan, Walter Block, Ralph Raico, Jesús Huerta de Soto, Hans Herman Hoppe, and others, presented intelligent but divergent positions. They were able to have civilized debates. We should also be able to discuss this topic with the same freedom and respect.

The “red card” immigration reform proposals of the Vernon K. Kriebel Foundation, issuing work permit visas handled by the private sector, avoids the problems described above. It has the advantage of complying with the “immigration by invitation” principle, it does not need to rely on debatable macroeconomic forecasting, and encourages the use of language in a manner appropriate to human dignity. Helen Kriebel, who has championed these reforms for almost a decade, followed Rand Paul as speaker at the Latino Partnership program. She explained that her proposal is focused on those who want to come to work and does not create an automatic path to citizenship.

Rather than letting bureaucrats in the executive branch determine who has merit to receive a visa, the “red card” proposal would be mostly market based. Employers would set their needs and private employment agencies would monitor and approve the applicants. Kriebel added that the current Senate proposal which considers possibilities for hundreds of waivers, for selecting community organizers, and establishes new agencies and trust funds, is an “invitation to cronyism and corruption.” It is Obamacare type central-planning applied to immigration, only more statist.

The “tired, poor, huddled masses, yearning to breathe free” can make a major contribution to our country. Using an appropriate language which does not stigmatize the millions who just want to come and work, avoiding name calling and avoiding biased research and forecasting would be a big step forward in this important immigration discussion.