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Four Easy Ways For Republicans To Attract Immigrant Voters

By: Jim Powell – November 15th, 2012

Barack Obama's success at cultivating minorities, especially immigrants, seems to have caught the attention of Republican political strategists.

It isn't clear how they missed the boat, since there are almost 40 million foreign-born people living in the U.S. — about 12.9 percent of the population. California has the highest percentage of foreign-born people (25.4 percent), followed by New York (10.8 percent), Texas (10.4 percent) and Florida (9.2 percent). Altogether, about three-quarters of foreign-born people live in 10 states.

How can Republicans appeal to immigrants now? Having talked so much about building electrified fences along our borders, denying jobs for unauthorized immigrants and deporting them, Republicans don't have much credibility on this issue. "The GOP has a long history of fumbling immigration," as Jason L. Riley put it delicately in his book *Let Them In*.

What are Republicans to do? Since they're on a dead-end street, they must turn around, but they'll have to do it convincingly — as if they like it and believe in it. Republicans since Ronald Reagan have generally supported pro-growth policies, so the most credible way to reach immigrants would be to aggressively promote an agenda that's all about growth and opportunity.

A pro-growth agenda would look something like this: (1) cut taxes across the board, including taxes paid by investors and job creators; (2) simplify the tax code; (3) phase out regulations that make it more costly and difficult to create private sector jobs; (4) phase out regulations that throttle (or threaten to throttle) energy production; (5) phase out regulations that restrict trade; (6) stop politicians from trying to pick winners and lavish special privileges on political cronies; (7) no more bailouts — let the parties involved with a troubled company resolve issues in an established bankruptcy proceeding; (8) direct the Fed to protect the value of the U.S. dollar, so everyone can make plans for the future with more confidence; and (9) phase out immigration quotas.

Many Republicans might object to the idea of ending quotas that restrict the number of able-bodied immigrants who don't pose national security risks. But Republicans believe in a market economy, and a market economy thrives when there's free movement of people, goods and capital. Republicans sometimes seem to have forgotten about the free movement of people.

Consider that in the decade between 1900 and 1909, a near record 8.2 million immigrants arrived at our shores. About the only immigrants denied entry into the United States were those believed to have a disease or a criminal record. During this decade, the percentage foreign-born people in the population was at an all-time high. According to the Census Bureau's *Historical Statistics of the United States*, unemployment got down to 1.7 percent (in 1906) – the lowest recorded peacetime level in U.S. history.

How could this be? Well, when taxes are low, when there are few regulatory obstacles to enterprise, and it's easy and inexpensive to start a business – entrepreneurs can create productive jobs fast, maintaining low unemployment even when the labor force expands rapidly.

Immigrants themselves create a substantial share of new jobs. Immigrants include the most entrepreneurial part of our population, because they take the very difficult step of leaving their homeland. By coming to America, they demonstrate that they're open to new things and willing to work hard. The labor force participation rate of recent immigrants is reported as high as 94 percent, about one third higher than the general population.

A Kauffman Foundation study about Silicon Valley in the 1980s and 1990s pointed out that (1) immigrants accounted for about one-third of the scientists and engineers, and (2) Chinese and Indian entrepreneurs managed a quarter of the technology businesses. These businesses generated more than \$16 billion of annual revenue and employed more than 58,000 people.

A 2007 study by researchers at Duke University and the University of California (Berkeley) analyzed high tech businesses started between 1995 and 2005. More than one quarter had at least one founder who was foreign-born. Their companies generated more than \$50 billion of annual revenue and employed over 450,000 people.

A 2012 follow-up study by researchers at Duke University, the University of California (Berkeley) and Stanford University reported that “43.9 percent of Silicon Valley startups founded in the last seven years had at least one key founder who was an immigrant.” These companies generated more than \$60 billion of revenue and employed some 560,000 people.

According to the National Science Foundation, during the last half-century, foreign-born students earned three-quarters of U.S. doctorate degrees in mathematics, engineering and computer science. Once they graduate, U.S. educated foreign students are awarded patents at a significantly higher rate than U.S.-born workers.

Moreover, economist Gordon H. Hanson, at the University of California (San Diego), reported in *The Cato Journal*, “U.S. university departments that have more foreign

graduate students produce more academic publications and have their work cited more frequently.”

Incredibly, U.S. immigration laws drive away many entrepreneurial immigrants, despite their immense contributions. The waiting list for a permanent resident visa (green card) has been as long as 10 years.

As a consequence, the Kauffman Foundation reported, the percentage of companies started in the U.S. by immigrants has begun to decline. Apparently this is because tens of thousands of immigrants have gone back where they came from to start businesses. About 80 percent of the Chinese surveyed and 70 percent of the Indians reported that the business climate is now better at home. This is a competitive world, and the U.S. has the highest corporate tax rate.

MIT President Susan Hockfield noted that a quarter-century ago, the U.S. *wasthe* place to be for technology innovators, but she warned that fewer foreign-born innovators are willing to put up with the “indignities” of our immigration laws. So much for immigration restrictions that harm us by driving away high-skill people.

What about low-skill immigrants? They’re people who commonly do farming, construction, maintenance, food service and household work.

First of all, these are often physically demanding jobs that most Americans don’t seem to be interested in. Also, many of the jobs are seasonal and require that workers move from place to place. Most Americans have more attractive options, in part because their English is better.

Second, some of the low-skill immigrant jobs – especially household work – enable high-skill people to spend more time on their professional work, particularly when such couples have children. Consequently, low-skill immigrants enable us to gain more benefits from high-skill people.

Third, the income people earn upon arriving in the United States is a poor predictor of future achievement. If we turned away every immigrant who didn’t have much money, we would have missed large numbers of people who became great successes. One need only recall the mass immigration of eastern European Jews who arrived destitute. They squeezed into New York City’s Lower East Side tenements, some 700 people per acre – reportedly more crowded than the slums of Bombay. Many of these people found work as day laborers, but their children became doctors, lawyers and entrepreneurs.

Hoover Institution Senior Fellow Thomas Sowell reported that “immigrants begin economically below the level of existing members of their own ethnic group already in the country, but eventually rise to surpass them. The lengthy period required to equal the economic level of people of the same race or ethnicity born on American soil suggests the amount of human capital needed – experience, contacts, personal and institutional savvy.

However, the fact that immigrants eventually surpass their native-born counterparts also suggests that migration is a selective process, bringing the more ambitious or venturesome elements of a population.”

Beyond the economic benefits of immigration, there are enormous cultural benefits. New York and California are cultural capitals, in part, because they have high foreign-born populations. People tend to become more cosmopolitan when exposed to very different ideas about business, science, technology, art, music, literature, fashion, cuisine and all sorts of other things.

Immigrants probably first began to enrich our culture with their food. The overwhelming majority of foods we love are foreign-born – they originated someplace else.

Archeological evidence suggests that chickens were first domesticated in Pakistan. Sheep seem to have been first domesticated in what is now Iraq. Cattle, in Greece and Anatolia. The Egyptians were among the earliest people to cultivate wheat.

Apples are considered about as wholesomely American as anything can be, but the apple, *Malus pumila*, seems to have come from central Asia. Pears and grapes are from central Asia, too. Oranges, peaches, apricots and Japanese plums are from China. Bananas, from India or Malaysia. Pineapples, from Brazil or Paraguay. Cherries, from northern Europe. Olives originated in the eastern Mediterranean.

As for vegetables, garlic and onions originated in central Asia. Scallions, sometimes referred to as Welsh onions, are from China.

The earliest green peas – *Pisum sativum* – were cultivated around India, Ethiopia and the Near East.

Potatoes originated in the Andes, possibly Chile from which they were probably brought to Peru, then to Ireland during the 16th century, and Irish immigrants introduced potatoes to New England.

A meager-looking maize probably originated in Peru, then crossed with other varieties to emerge in Guatemala as flour corn which was brought to North America and hybridized into modern sweet corn during the 19th century.

Tomatoes originated in the Andes, but perhaps because they're in the same botanical family as deadly nightshade, Americans avoided them until the 18th century, after Europeans showed they weren't poisonous.

The American language became the richest in the world, because the settlers encountered so many different kinds of people.

From Native American languages came words like raccoon, possum, caribou, moose, skunk, squash, hickory, pecan, persimmon, moccasin and caucus. The names of most U.S. states are based on Native American words: Alabama, Arizona, Arkansas, Connecticut, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, North & South Dakota, Ohio, Oklahoma, Tennessee, Texas, Utah, Wisconsin and Wyoming.

A surprising number of American words are from Arabic, like alfalfa, algebra, sofa, spinach, sugar, carat, coffee, candy, cotton, giraffe, safari, jar, racquet, guitar, hummus, lemon, lime, orange, magazine, mattress, mummy, tariff, tuna, assassin and zero.

Many American words come from Spanish, like chile, chocolate, oregano, banana, avocado, barbecue, cafeteria, mosquito, alligator, rodeo, mustang, burro, corral, plaza, cannibal, canoe, cargo, poncho, stampede, tornado, bonanza, armada, amigo and adios.

Among the French contributions to our language: portage, chauffeur, acrobat, action, biscuit, caramel, chowder, cache, bomb, blonde, caress, camouflage, prairie, chapel, gopher, beauty, bribe, bureaucrat, calendar, bogus, chute, depot, début, capitalist and résumé.

The Dutch gave us cookie, cruller, waffle, cole-slaw, decoy, filibuster, golf, iceberg, leak, pump, skate, smuggler, spook, stove, aloof, bamboo, booze, boss, bedspread, wagon, sled, yacht, tulip, Santa Claus and Yankee.

Italians gave us mainly words about good living — spaghetti, ravioli, pizza, arugula, artichoke, broccoli, chianti, minestrone, ciabatta, panini, coffee, latte and cappuccino, as well as vista, harmonica, piano and opera. Then there's volcano, umbrella, bankrupt, mafia, fiasco and gonzo.

From the Chinese: chow-main, chop-suey, stir-fry, ketchup, flophouse, kowtow and tycoon. Soy-bean, sushi, tofu, kimono, futon, bonsai, karate, jiu-jitsu, honcho and sayonara come from the Japanese.

Words of Yiddish origin include bagel, lox, blintze, nosh, kosher, kibitz, klutz, tush, schlemiel, spiel and schlep.

Germans gave us frankfurter, hamburger, delicatessen, sauerkraut, noodle, pumpernickel, pretzel, kindergarden, dunk, dumb, loafer, bum, gabfest and slugfest.

One might add that before English settlers came to America, their language had absorbed words from many different places, too. Over time, immigrants and their descendants go into so many different fields that the cultural benefits of immigration multiply.

Consider the Germans. The long list includes astronaut Neil Armstrong, dancer Fred Astaire, *Wizard of Oz* author L. Frank Baum, landscape painter Albert Bierstadt, brewer Adolphus Busch, singer John Denver, entertainment entrepreneur Walt Disney, physicist Albert Einstein, New York Yankee legend Lou Gehrig, condiment king Henry J. Heinz, hotelier Conrad Hilton, comedian David Letterman, novelist Thomas Mann, dishwasher entrepreneur Frederick Maytag, journalist H.L. Mencken, movie director Mike Nichols, *New York Times* publisher Adolph Ochs, pharmaceutical entrepreneur Charles Pfizer, architect Ludwig Mies van der Rohe, slugger Babe Ruth, cartoonist Charles M. Schulz, novelist John Steinbeck, piano maker Henry E. Steinway, blue jeans peddler Levi Strauss, real estate wheeler-dealer Donald Trump and electrical industry pioneer George Westinghouse.

To be sure, not every immigrant contribution to our culture is wonderful, but not everything that native-born people do is wonderful, either. We're free to choose what we like.

One of the most serious concerns about immigrants is that they'll come here for entitlement benefits. This is an inherent problem with welfare states: they try to take

care of those in need, but if they're too generous, they undermine incentives to work, and everybody is worse off. Immigrants could become resented as freeloaders, which has happened in Europe.

For the record, authorized as well as unauthorized immigrants are barred from receiving federal welfare benefits. On the other hand, all children, including the children of foreign-born parents, are required to attend school. In addition, Medicaid is available for the children of immigrants. Others are treated in hospital emergency rooms, often at public expense.

Of course, entitlement benefits undermine the incentives for native-born people to work, too. Increasingly, the United States is divided between those who receive more government benefits than they pay in taxes, and those who pay more in taxes than they receive in government benefits. This problem has little to do with immigration.

Many opponents of open immigration seem to believe that some immigrants are more supportive of a free society than others. Europeans, for instance. But Great Britain, where so many historic breakthroughs for liberty occurred, adopted forced labor during the late 1940s, and it has had a big welfare state ever since, as does France, Italy and the rest of Europe.

Many entrepreneurial immigrants come from India which has a socialist state and China which has a communist state. Meanwhile, we see Hispanics working hard almost everywhere.

Questions have been raised about Muslim immigrants who presumably came here to escape oppressive regimes in the Mideast, Asia and North Africa. It is disquieting, though, not to hear many moderate Muslims speaking out against radical Islam.

What about Obama's effort to recruit more Democratic voters among immigrants?

He might encounter difficulties. People seem less willing to support other races, nationalities or ethnic groups, than they are to support their own kind. In Los Angeles, for example, Latinos have resented blacks who held a far larger percentage of municipal jobs than their percentage of the population. Blacks, the least entrepreneurially inclined, have resented Latino entrepreneurs who mainly hired other Latinos by word-of-mouth. Similarly, a Los Angeles hospital, intended to serve blacks, ended up primarily serving Latinos, because the neighborhood changed. Blacks also resented Koreans – the most entrepreneurial of immigrant groups – and during the Los Angeles riots of the early 1990s, reportedly about 40 percent of the businesses torched were Korean. The *Washington Post* went so far as to suggest that the “biggest bigots” are often minorities.

Several studies have suggested that the United States, until now anyway, has had much lower levels of welfare state spending and taxation than Europe, because the United States is more ethnically diversified, and there are more people concerned that their taxes will benefit another group.

Phasing out immigration quotas could help promote ethnic diversity and have an unintended consequence of undermining the political consensus for entitlements. This would be a good thing from the standpoint of federal finances, since runaway

entitlement spending is the most important single factor that drives federal spending, deficits and debt, making it harder to fund other governmental functions.

If Republicans can do a better job promoting the freedom philosophy and pro-growth policies, enabling entrepreneurs to create more businesses and jobs, then it might be perceived as the party of real opportunity, which would help it become politically competitive again.

Nothing, not even welfare state freebies, is likely to be as persuasive as freedom, growth, jobs and prosperity.