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Immigration reform is a no-brainer to help the economy

People are an asset, not a liability. The Senate's immigration bill would reduce America's deficit and should be passed soon

By: Grover Norquist – April 24, 2013

People are an asset, not a liability. The United States is the most immigrant-friendly nation in the world and the richest country in the world. This is not a coincidence. Those voices that would make us less immigrant-friendly would make us less successful, less prosperous, and certainly less American.

Today, some 11 million "undocumented workers" live in the shadows in the United States. Sixty percent of them crossed the Mexican border or the Canadian border without government approval and 40% arrived by plane and overstayed their visas.

The 844-page immigration reform bill submitted to the Senate by the "Gang of Eight" senators would allow the 11 million to earn legal status by submitting to a background check to weed out those with felony convictions, paying back taxes and a fine. They would then be Registered Provisional Immigrants (RPI), allowing them to work anywhere in the United States, denied means-tested federal welfare benefits for 10 years, and only after the 10 years become eligible for the 3-5 year process of becoming citizens.

This legislation would greatly strengthen the American economy. When a similar immigration reform measure passed in 1986, those immigrants granted legal status saw their incomes rise by 15% simply because they could move around, hold a driver's license, and interview for work without fear. Their legal status made more employers willing to hire them.

To understand the magnitude of this increase in productivity by millions of workers in the American economy, imagine if your sibling or child was told to go out and make the most of his or her talents with the imposed handicap that they not hold a legal driver's license, are forbidden to fly on commercial airlines for want of documentation, and could only work for individuals or firms that did not check for citizenship.

Douglas Holtz-Eakin, the former director of the Congressional Budget Office, recently published a dynamic analysis of how immigration reform might affect GDP and projected that such a reform would increase GDP growth by 0.9% each year. Over a decade, this would reduce the projected federal deficit by \$2.7tn without raising taxes – largely through present taxation on more workers and rising incomes.

The Cato Institute commissioned a study by professor Raul Hinojosa-Ojeda of UCLA that projected \$1.5tn in economic growth (pdf) in response to an immigration reform similar to the Senate plan, and conversely, should the United States take the advice of those who would deport all "illegal immigrants", GDP would fall \$2.6tn over the decade.

One notes that immigrants or their children have founded more than 40% of all Fortune 500 companies in the United States, employing more than 10 million people worldwide. And the Kauffman Foundation, which studies entrepreneurship, found that in 2012 immigrants were twice as likely as native-born Americans to start a new business.

The traditional naysaying by opponents of both legal immigration and allowing earned legal status for those without papers today have been smacked down by studies by Heritage Foundation senior fellow Julian L Simon's *Nine Myths About Immigration*, and the Heritage Foundation's 2006 study by Tim Kane and Kirk Johnson that pronounced:

"Whether low-skilled or high-skilled, immigrants boost national output, enhance specialization, and provide a net economic benefit."

Right now, the Republican House of Representatives is at loggerheads with the Democrat-controlled Senate and the Obama White House over the question of tax hikes and/or spending restraint. There is one piece of legislation now before Congress that would dramatically reduce the deficit over the next decade. That bill has widespread and bipartisan support from Tea Party leaders like Senator Rand Paul (Republican, Kentucky) and Marco Rubio (Republican, Florida) as well as the US Chamber of Commerce, the AFL-CIO labor federation, and the American Farm Bureau. That deficit-reducing legislation is S744, the Border Security, Economic Opportunity, and Immigration Modernization Act of 2013.