

Daily Policy Digest

Immigration Issues

July 23, 2009

AS IMMIGRANTS MOVE IN, AMERICANS MOVE UP

Critics warn that immigration reform would bring in its wake rising rates of poverty, higher government welfare expenditures, and a rise in crime. However, a new Cato Institute study says that Congress should not reject market-oriented immigration reform because of misguided fears about "importing poverty."

Based on recent experience a policy that allows more low-skilled workers to enter the United States legally would not necessarily:

- Expand the number of people living in poverty.
- Increase the number of low-skilled households demanding government services.
- Impose significant costs on American society in the form of welfare spending or crime abatement.

As Cato research has shown elsewhere, strong, positive arguments remain for pursuing a policy of expanding legal immigration for low-skilled workers. Comprehensive immigration reform that includes a robust temporary worker program would:

- Boost economic output and create new middle-class job opportunities for native-born Americans.
- Reduce the inflow of illegal workers across the border, allowing enforcement resources to be redeployed more effectively to interdict terrorists and real criminals.
- Restore the rule of law to U.S. immigration policy, while reducing calls for enforcement measures such as a national ID card or a centralized employment verification system, which compromise the freedom and civil liberties of American citizens.

The shrinking of the American underclass in the past 15 years may have partially been caused by immigration, says Cato. The arrival of low-skilled, foreign-born workers in the labor force:

- Increases the incentives for younger native-born Americans to stay in school and for older workers to upgrade their skills.
- Expands the size of the overall economy, creating openings in higher-paid occupations such as managers, skilled craftsmen, and accountants.
- Results in a greater financial reward for finishing high school and for acquiring additional job skills.

Source: Daniel T. Griswold, "As Immigrants Move In, Americans Move Up," Cato Institute, July 21, 2009.

For text:

<http://www.freetrade.org/pubs/FTBs/FTB-038.html>

For more on Immigration Issues:

http://www.ncpa.org/sub/dpd/index.php?Article_Category=34