

# HOUSTON CHRONICLE



## **Nowrasteh: Immigration is good for Texas' economy**

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December 7, 2013

Many immigration opponents are focusing their ire on Republicans who support expanding legal immigration - an important part of immigration reform - to dissuade them from restarting the reform effort. Radio host Laura Ingraham recently wrote that Congressman Ted Poe, R-Humble, who supports an expanded guest worker visa program, "does not see what (immigration) does to U.S. wages."

Does Ingraham realize she's making the same argument that famed union organizer and immigrant-worker opponent Cesar Chavez made on behalf of his United Farm Workers? Chavez said: "As long as we have a poor country bordering California, it's going to be very difficult to win strikes." By his rationale, if the number of migrant workers could be restricted, he could raise wages - something that union organizers from Samuel Gompers to today have realized.

But Ingraham, like Chavez did, exaggerates the downside and ignores the economic benefits of immigration for Americans - an especially silly omission in Texas.

To address the wage concern directly, immigrants can only temporarily drive down wages if they compete directly with American workers. That rarely happens. That's because, for the most part, immigrant and American workers have different skills.

A third of immigrants have less than a high-school degree while only 8 percent of U.S.-born American workers do. Immigrants with less than a high school degree just don't work the same jobs as U.S.-born, high school or college-educated workers do.

Dartmouth economist Ethan Lewis found that because immigrants tend to speak English poorly, at least initially, many specialize in jobs that don't require much English. That creates opportunities for Americans to specialize in jobs that require more communication skills in English - like management - that are also higher paying. Take restaurants as an example. Immigrants with poor English language skills are the busboys and dishwashers - jobs that don't require much communication. Instead of working those jobs, lower-skilled Americans use English skills as hosts, waiters and managers - all higher-paying occupations.

More immigrants working jobs at the bottom pushes up American workers who would otherwise be working there. American and immigrant workers are not interchangeable.

But immigrants aren't just workers; they are also consumers who create jobs by buying goods and services from Americans. Asian and Hispanic-Americans have almost \$2 trillion in national purchasing power. Now, how does this stack up in Texas?

In 2006, on the eve of the housing collapse, Texas' population was 15.7 percent immigrant. In July of that year, Texas' unemployment stood at 5 percent. Today, immigrants are 16.4 percent of Texas' population and the unemployment rate was 6.2 percent - more than a full point below the national average.

Lower taxes and fewer regulations have produced a better recovery in Texas than in other states. As a result, immigrants and native-born citizens have flocked there. The number of immigrants has increased by more than half a million since 2006, while the number of native-born Americans increased by 2 million. High wages, not low ones, have attracted people to Texas.

Texas has also avoided state-level immigration enforcement bills, and a lot can be learned about what that means by comparing Texas to Arizona, a state that has cracked down on immigration enforcement since January 2008.

Texas' unemployment rate has been below Arizona's since February, 2008 - one month after Arizona's first immigration enforcement bill went into effect. Arizona then passed a more stringent bill in mid-2010. In 2012, the immigrant population in Arizona was 53,000 below what it was in 2006. Arizona's unemployment rate is currently 2 full points above Texas', at 8.2 percent.

Ingraham and other immigration restrictionists think kicking out unauthorized immigrants will create jobs for native Texans. Arizona's restrictive immigration laws likely worsened its economic decline - proving once again that reducing the number of people does not create more jobs or raise wages. Immigrants are attracted to economic growth and, in consequence, help the economy grow even more once they arrive.