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Immigration is good for Wisconsin's economy

By Alex Nowrasteh

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A new TV ad running in Wisconsin criticizes Rep. Paul Ryan (R-Wis.) for supporting increased guest worker visas. The ad, sponsored by the Federation for American Immigration Reform, asks: "Does Congressman Ryan think Wisconsin workers aren't good enough to get the job done?"

Ryan isn't the only elected official facing the ire of immigration opponents. FAIR and others are making a concerted effort to team up against Republicans who support expanding legal immigration — the most important part of immigration reform.

FAIR's question in the ad is inherently flawed because increasing legal immigration will create a larger economy for all workers.

You see, FAIR is 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. But FAIR, like Chavez, exaggerates the downside of increased immigration and ignores the many economic benefits for Americans.

Perhaps immigration opponents concerned about immigrants driving down wages and taking American jobs need some Economics 101. Even if supporters of reform got their pie-in-the-sky wishes, immigrants would only temporarily drive down wages, and that's only if they compete directly with American workers. That rarely happens because, for the most part, immigrant and American workers have different skills.

A third of immigrants have less than a high school degree, but only 8% of U.S.-born American workers do. Immigrants with less than a high school degree just don't compete with U.S.-born educated workers.

In addition, immigrants tend to speak English poorly, at least initially, so many specialize in jobs that don't require much English. That creates opportunities for Americans to specialize in jobs that require English proficiency, jobs that also pay more.

Agriculture offers an example. Immigrants with poor English skills pick crops and milk cows — jobs that don't require much communication. Instead of working those jobs, lower-skilled Americans use English skills to manage, transport and use heavier agricultural machinery — all higher-paying jobs.

How does this stack up in Wisconsin? In 2012, immigrants were 4.8% of the population and the unemployment rate was 6.7%, more than half a point below the national average. Wisconsin's booming agricultural sector has helped speed the state's economic recovery.

Dairy farmers exported more than \$170 million of dairy exports in the first half of 2013, ranking Wisconsin as fourth in the nation in dairy exports. And that is just a fraction of the \$1.6 billion in agricultural exports during the same period — \$100 billion more than the first six months of 2012.

Here's the kicker: Nearly a quarter of all workers in Wisconsin dairy farms are unauthorized immigrants. That's right, one of the major drivers of Wisconsin's economy relies on immigrant labor.

Another reason Wisconsin's economy has had a speedy recovery is it has avoided state-level immigration enforcement bills. On first blush, it may not be clear how the two are related, but a lot can be learned by comparing Wisconsin to Arizona.

Wisconsin's unemployment rate has been below Arizona's since February 2008, a month after Arizona's first immigration enforcement bill went into effect. Today, Arizona's unemployment rate stands at 8.3%, more than 1.5 points above Wisconsin's.

As unauthorized immigrant workers were weeded out of the Arizona workforce, an exodus of 130,000 since 2007, very few Americans took their places. Unauthorized immigrants left the state and took their jobs with them.

FAIR and other immigration restrictionists think keeping out unauthorized immigrants will create jobs for native Wisconsinites. They're wrong. Immigrants are actually good for American jobs, and Arizona is a case study of how restrictive immigration laws can worsen a recession.