

THE DAILY CALLER

Prejudices Against Immigrants And Refugees Are Hurting The U.S. Economy

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In February 2016, Senate Republicans David Perdue and Tom Cotton introduced a controversial immigration bill, called the RAISE Act, which, if passed, would cut legal immigration in half over the next decade. In addition, it would cap refugee admissions to 50,000 — far below the number of refugees admitted over the past years. The bill, which has the explicit support of President Donald Trump, is in parliamentary procedure in the Senate and has yet to be voted.

The RAISE Act reflects the anti-immigration rhetoric that has accompanied Trump's presidency and, before that, his presidential campaign. However, with unemployment at a record low and companies struggling to fill open positions, this rhetoric is running out of argumentative ammunition that justifies increasing immigration restrictions on economic grounds.

The New York Times recently featured a very telling story in this respect. Faced with the impossibility of filling vacancies for low-paid jobs, companies are increasingly turning to refugees to perform activities that Americans are not willing to do. It is no secret that these jobs are frequently tough and unpleasant. They often involve moving to rural communities to carry out low-productivity, demanding activities that many people would not even consider doing. Yet they represent an opportunity for a better life for thousands of refugees that came to the United States fleeing hardship and war in their respective countries.

However, these win-win agreements between refugees and the private sector are being hampered by the current administration's prejudices against foreigners. Trump's administration has repeatedly showed concerns about asylum seekers entering the United States. After banning the entrance of certain refugees during a 120-day period, admissions were resumed in January this year, but with restrictions for potential entrants from 11 countries labeled as high risk and with a cap on the number at 50,000 for 2018. The Trump administration has also drawn upon national security and fiscal arguments to justify more restrictive policies against refugees.

These concerns and arguments are largely exaggerated.

First, numbers show that refugees do not pose a threat to national security. In a 2016 report, Cato Institute Alex Nowrasteh showed that the probability of finding a terrorist among the refugee population in the period 1975-2015 was lower than 0.001 percent. In addition, the long-term fiscal impact of refugees is, contrary to conventional wisdom, positive: they pay more in taxes than they receive in benefits. It is true that, in the short term and due mainly to resettling

costs, refugees tend to become net receivers of welfare benefits. However, after a few years, this pattern reverses and their fiscal position moves from negative to positive.

Far from anecdotal, the New York Times story reveals the important role played by refugees (and immigrants in general) in the American economy. Rather than impose restrictions on the arrival of foreigners, the United States government should facilitate agreements between businesses in need for labor and people in countries affected by poverty and war who are willing to move to the USA. This free-market solution would help companies that are currently struggling to find employees and, at the same time, it would provide asylum seekers with an opportunity to start a new life.