

# 14 Common Arguments against Immigration and Why They're Wrong

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Arguments against immigration come across my desk every day, but I rarely encounter a unique one. In 2016, I wrote a <u>blog</u> responding to the most common arguments with links to different research. Since then, academics and policy analysts have produced new research that should be included. These are the main arguments against immigration, my quick responses to them, and links to some of the most relevant evidence:

#### 1. "Immigrants will take American jobs, lower our wages, and especially hurt the poor."

This is the most common argument and also the one with the greatest amount of evidence rebutting it. First, the <u>displacement effect</u> is <u>small</u> if it even affects natives at all. Immigrants are typically attracted to growing regions and they increase the supply and demand sides of the economy once they are there, expanding employment opportunities.

Second, the debate over immigrant impacts on <u>American wages</u> is confined to the <u>lower single digits</u>—immigrants may increase the relative wages for some Americans by a tiny amount and decrease them by a larger amount for the few Americans who directly compete against them. Immigrants likely compete most directly against other immigrants so the effects on less-skilled native-born Americans might be <u>very small or even positive</u>.

New <u>research</u> by Harvard professor George Borjas on the effect of the Mariel Boatlift—a giant shock to Miami's labor market that increased the size of its population by 7 percent in 42 days—finds large negative wage effects concentrated on Americans with less than a high school degree. To put the scale of that shock to Miami in context, it would be as if 22.4 million immigrants moved to America in a six-week period—which will not happen.

Some <u>doubt Borjas</u>'s finding and <u>Borjas</u>'s response. Even if the Mariel Boatlift had such a large and negative effect on the wages of native-born high-school dropouts in Miami, it had a large positive impact on the wages of natives with only a high school education, to such a degree that the <u>wages of lower-skilled Miamians actually increased</u>. The <u>rapid recovery of Hispanic</u> wages in Miami also produces some doubt as to Mariel's effect on native wages as Hispanics were the most likely to suffer wage declines from competition with the new Cuban immigrants.

<u>Economists Michael Clemens and Jennifer Hunt have the most devastating response</u> to Borjas: His response was due entirely to a different sample collected in Miami over the years where he observed the wage decline. Thus, the data collectors made Mariel look like it had a large negative wage effect by changing whom they surveyed.

Although some doubt Borjas's finding regarding Mariel, it is not in doubt that immigration has overall increased the wages and income of Americans. The smallest estimated immigration

surplus, as it is called, is equal to about <u>0.24 percent of GDP</u>—which excludes the gains to immigrants and just focuses on those of native-born Americans.

#### 2. "Immigrants abuse the welfare state."

Most legal immigrants do not have access to means-tested welfare for their first five years here with few exceptions that are mostly determined on the state level and funded with state taxes. Illegal immigrants don't have access at all—except for emergency Medicaid.

Immigrants are <u>less likely to use means-tested welfare benefits than similar native-born</u>
<u>Americans</u>. When they do use welfare, the dollar value of benefits consumed is smaller. If poor native-born Americans used Medicaid at the same rate and consumed the same value of benefits as poor immigrants, the program would be 42 percent smaller.

Immigrants also make large net contributions to <u>Medicare</u> and <u>Social Security</u>, the largest portions of the welfare state, because of their ages, ineligibility, and their greater likelihood of retiring in other countries. Far from draining the welfare state, immigrants have given the entitlement portions a few more years of operation before bankruptcy. If you're still worried about foreign-born consumption of welfare benefits, as I am, then it is far easier and cheaper to <u>build a higher wall around the welfare state</u>, instead of around the country.

#### 3. "Immigrants increase the budget deficit and government debt."

Related to the welfare argument is the argument that immigrants consume more in government benefits than they generate in tax revenue. The empirics on this are fairly consistent—immigrants in the United States have <u>about a net-zero impact on government budgets</u> (the published version of that working paper is available <u>here</u>).

A new model published by the National Academies of Sciences in their <u>massive literature</u> <u>survey</u> of the economics of immigration finds that age is the most important factor in estimating whether a new immigrant will be a net fiscal drain or contributor to government coffers, followed by education. In their best model (results in <u>Table 8-14</u>), immigrants who are high-school dropouts have a net-positive fiscal impact on government coffers if they arrive before age 25 while the most educated immigrants have a negative effect if they arrive after age 64. Their model also finds that Americans with a low level of education impose a larger fiscal burden than immigrants with the same education level.

It seems odd that poor immigrants don't create a larger deficit, but there are many factors explaining that. The first is that higher immigrant fertility and the long-run productivity of those people born in the United States generates a lot of tax revenue. The second is that immigrants grow the economy considerably (this is different from the immigration surplus discussed above) and increase tax revenue. The third is that many immigrants come when they are young but not young enough to be in public schools for as long as natives, thus they work and pay taxes before consuming <a href="https://doi.org/10.1001/journal.or

Although the tax incidence from immigrants is what matters for the fiscal consequences, between 50 percent and 75 percent of illegal immigrants comply with federal tax law. States that rely on consumption or property taxes tend to garner a surplus from taxes paid by unlawful immigrants while those that rely on income taxes do not.

#### 4. "Immigrants increase economic inequality."

In a post-<u>Piketty</u> world, the argument that immigration is increasing economic inequality within nations is getting some attention. While most forms of economic inequality are increasing among people within nations, <u>global inequality</u> is likely falling and at a historic low point due to rapid economic <u>growth in much of the world over the last generation</u>.

The evidence on how immigration affects economic inequality in the United States is <u>mixed</u>—some research finds relatively small effects and others find substantial ones. The variance in findings can be explained by research methods—there is a big difference in outcomes between a study that measures how immigration affects economic inequality only among natives and another study that includes immigrants and their earnings. Both methods seem reasonable but the effects on inequality are small compared to other factors.

A more recent finding is that immigrants increase wealth inequality by their effect on the price of real-estate in American cities. About a <u>third</u> of the real-estate price increase from 1970-2010 in American cities can be explained by the increase in immigration.

Frankly, I don't see the problem if an immigrant quadruples his income by coming to the United States, barely affects the wages of native-born Americans here, and increases economic inequality as a result. The standard of living is much more important than the earnings distribution, and everybody in this situation either wins or is unaffected.

#### 5. "Today's immigrants don't assimilate like immigrants from previous waves did."

There is a <u>large amount of research</u> that indicates immigrants are assimilating as well as or better than previous immigrant groups—even <u>Mexicans</u>. The first piece of research is the National Academy of Science's (NAS) September 2015 book titled <u>The Integration of Immigrants into American Society</u>. It's a thorough and brilliant summation of the relevant academic literature on immigrant assimilation. Bottom line: assimilation is never perfect and always takes time, but it's going very well.

The second book is a July 2015 book entitled <u>Indicators of Immigrant Integration 2015</u> that analyzes immigrant and second-generation integration on 27 measurable indicators across the OECD and EU countries. This report finds more problems with immigrant assimilation in Europe, especially for those from outside of the European Union, but the findings for the United States are quite positive.

The third work, by University of Washington economist Jacob Vigdor, compares modern immigrant civic and cultural assimilation to that of immigrants from the early 20th century (an earlier draft of his book chapter is <a href="here">here</a>, the published version is available in this <a href="collection">collection</a>). If you think early 20th century immigrants and their descendants eventually assimilated successfully, Vigdor's conclusion is reassuring:

While there are reasons to think of contemporary migration from Spanish-speaking nations as distinct from earlier waves of immigration, evidence does not support the notion that this wave of migration poses a true threat to the institutions that withstood those earlier waves. Basic indicators of assimilation, from naturalization to English ability, are if anything stronger now than they were a century ago.

Ethnic attrition, which is when immigrants and their descendants shed their identification with ethnic or country-of-origin identity, does complicate how social scientists measure immigrant assimilation. Through intermarriage and time, the more-educated descendants of Hispanic immigrants fail to identify as Hispanic which biases the view of assimilation over the generations for those who rely purely on ethnic self-identification. Adjusting for ethnic attrition by tracking the outcomes of the descendants of all Hispanic immigrants shows rapid and continual assimilation over the generations that is comparable to the immigrants from the Age of Migration that ended a century ago.

For the nostalgic among us who believe that immigrants assimilated more smoothly in the past, the plethora of ethnic and <u>anti-Catholic riots</u>, the nativist <u>Know-Nothing movement</u>, and <u>immigrant groups that refused to assimilate</u> are a useful tonic. Immigrant assimilation is always messy, and it looks bad when you're in the thick of it, as we are right now, but the trends are positive and pointing in the right direction.

Even though the evidence of immigration assimilation should comfort skeptics, some have proposed massive new government programs to help boost immigrant assimilation. However, evidence from the early 20th century <u>Americanization Movement</u> suggests that such efforts will fail or that they could even <u>backfire</u> and make new immigrants and their descendants *less* culturally and patriotically American.

There is <u>evidence</u> that German-Americans reacted most negatively to anti-German Americanization policies during World War I, to such an extent that they walled themselves and their children off from American society, which slowed the pace of assimilation. Immigrant assimilation is too important to leave it in the hands of bureaucrats or other social planners who ignore the "if it ain't broke, don't fix it" principle.

#### 6. "Immigrants are a major source of crime."

This myth has been around for <u>over a century</u>. It wasn't true in <u>1896</u>, <u>1909</u>, <u>1931</u>, <u>1994</u>, or more <u>recently</u>. Immigrants are less likely to be incarcerated for violent and property crimes, and cities with more immigrants and their descendants are more peaceful. Some immigrants do commit violent and property crimes but, overall, they are less likely to do so.

The most contentious debate concerns whether illegal immigrants are more likely to be criminals than natives or legal immigrants. A recent <u>finding</u> on this issue shows that illegal immigration is not correlated with violent crime rates nor is it causal. Data limitations on the federal government force researchers to estimate the incarcerated illegal immigrant population using the <u>residual estimation method</u> which <u>finds that illegal immigrants are much less likely to be incarcerated than native-born Americans but more likely than legal immigrants.</u>

The state of Texas actually recorded <u>arrests and convictions</u> for specific crimes by the immigration status of the arrestee and convict. <u>In 2015 in Texas</u>, there were 1,794 convictions against natives per 100,000 natives, 782 convictions of illegal immigrants for every 100,000 illegal immigrants, and only 262 convictions of legal immigrants per 100,000 of them. For all but four crimes that accounted for 0.18 percent of all criminal convictions in Texas in 2015, there were fewer convictions against illegal immigrant than against natives. The year <u>2016</u> shows even lower criminal conviction rates for illegal immigrants relative to natives in Texas.

#### 7. "Immigrants pose a unique risk today because of terrorism."

Terrorism is not a <u>modern</u> means to wage war. There were a <u>large number</u> of bombings and terrorist attacks in the early 20th century, most of them committed by immigrants, socialists, and their fellow travelers. Today, the deaths from terrorism committed by immigrants are greater than they were a century ago, but the risk is still low compared to the benefits of immigration.

Overall, <u>immigration</u> is not correlated with terrorist attacks, and it certainly does cause them but, in addition to that, the risk is also small. For instance, the annual chance of being murdered in a terrorist attacked committed by a foreigner from 1975 through the end of 2015 was about <u>1 in 3.6 million per year</u>. Almost 99 percent of the people murdered by foreign-born terrorists on U.S. soil were murdered on 9/11, and the attackers entered on tourist visas and one student visa, not immigrant visas.

The risk of foreign-born terrorism on U.S. soil has also increased fears over the government's vetting system for new immigrants and travelers, <u>prompting President Trump to temporarily ban</u> travelers and immigrants from certain countries. But according to my colleague David Bier, there have been very few vetting failures since 9/11. From 2002 through 2016, <u>only one radicalized terrorist entered the United States</u> for every 29 million visa or status approvals. Only one of the post-9/11 vetting failures resulted in an attack on U.S. soil, meaning that a single deadly terrorist entered as a result of a vetting failure for every 379 million visas or status approvals from 2002 through 2016. That is a very low risk especially compared to the pre-9/11 vetting system.

#### 8. "It's easy to immigrate to America, and we're the most open country in the world."

It is very difficult to immigrate to the United States. Ellis Island closed down a long time ago. There isn't a line for most immigrants in most cases and when there is, it can take decades or <u>centuries</u>. This <u>chart</u> shows the confusing and difficult path to a green card. Does <u>that</u> look easy to you?

America allows greater numbers of immigrants than any other country. However, the annual flow of immigrants as a percent of our population is below most other OECD countries because the United States has such a large population. The percentage of our population that is foreignborn is about 13.5 percent—below historical highs in the United States and less than half of what it is in New Zealand and Australia. America is great at assimilating immigrants, but other countries are much more open to legal immigration.

### 9. "Amnesty or a failure to enforce our immigration laws will destroy the Rule of Law in the United States."

For a law to be consistent with the principle of the Rule of Law, it must be applied equally, have roughly *ex ante* predictable outcomes based on the circumstances, and be consistent with our Anglo-Saxon traditions of personal autonomy and liberty. Our current immigration laws violate all of those principles. The immigration laws are applied differently based on people's country of birth via arbitrary quotas and other regulations, the outcomes are certainly not predictable, and they are hardly consistent with America's traditional immigration policy and our conceptions of liberty.

For the Rule of Law to be present, good laws are required, not just strict adherence to government enforcement of bad laws. An amnesty is an admission that our past laws have failed,

they need reform, and that the net cost of enforcing them in the meantime exceeds the benefits. That is why there have been <u>numerous immigration amnesties</u> throughout American history.

Enforcing laws that are inherently capricious and that are contrary to our traditions is inconsistent with a stable Rule of Law, which is a necessary but not sufficient precondition for economic growth. Enforcing bad laws poorly is better than enforcing bad laws uniformly despite the uncertainty. In immigration, poor enforcement of our destructive laws is preferable to strict enforcement, but liberalization is the best option. Admitting our laws failed, granting an amnesty for lawbreakers, and reforming the law would not doom the Rule of Law in the United States—it would strengthen it.

#### 10. "National sovereignty."

By not exercising control over borders through actively blocking immigrants, the users of this argument warn, the United States government will surrender a vital component of its <u>national</u> <u>sovereignty</u>. Rarely do users of this argument explain to whom the U.S. government would actually surrender sovereignty. Even in the most extreme open immigration policy imaginable, total open borders, national sovereignty is not diminished assuming that our government's institutions chose such a policy (I am not supporting totally open borders here, I am just using it as a foil to show that even in this extreme situation this argument fails). How can that be?

The standard Weberian definition of a government is an institution that has a monopoly (or near monopoly) on the legitimate use of violence within a certain geographical area. It achieves this monopoly by keeping out other competing sovereigns. Our government maintains its sovereignty by excluding the militaries of other nations, by stopping insurgents, and by interrupting the plans of terrorists.

However, U.S. immigration laws are not primarily designed to keep out foreign armies, spies, or insurgents. The main effect of our immigration laws is to prevent willing foreign workers from selling their labor to voluntary American purchasers. Such economic controls do not aid in the maintenance of national sovereignty, and relaxing or removing them would not infringe upon the government's national sovereignty any more than a policy of unilateral free trade would. If the United States would return to its 1790-1875 immigration policy then foreign militaries crossing U.S. borders would be countered by the U.S. military. Allowing the free flow of non-violent and healthy foreign nationals does nothing to diminish the U.S. government's legitimate monopoly on the use of force in the Weberian world.

There is also an historical argument that free immigration and national sovereignty are not in conflict. From 1790-1875, the federal government placed almost no restrictions on immigration. At the time, states imposed restrictions on the immigration of free blacks and likely indigents through outright bars, taxes, passenger regulations, and bonds. States did not enforce many of those restrictions, and the Supreme Court struck down the rest of them in the 1840s. However, that open immigration policy did not stop the United States from fighting three major wars: the War of 1812, the Mexican-American War, and the Civil War. The U.S. government's monopoly on the legitimate use of force during that time was certainly challenged from within and without, but it maintained its national sovereignty even with near-open borders.

Those who claim the U.S. government would lose its national sovereignty under a regime of free immigration have yet to reconcile their opinion with America's past. To argue that open borders

would destroy American sovereignty is to argue that the United States was not a sovereign country when George Washington, Andrew Jackson, or Abraham Lincoln were presidents. We do not have to choose between free immigration and U.S. national sovereignty.

Furthermore, national sovereign control over immigration means that the government can do whatever it wants with that power—including relinquishing it entirely. It would be odd to argue that sovereign national states have complete control over their border except they that cannot open them too much. Of course they can, as that is the essence of sovereignty. After all, I am arguing that the United States government should change its laws to allow for more legal immigration, not that the U.S. government should cede all of its power to a foreign sovereign.

### 11. "Immigrants won't vote for the Republican Party—look at what happened to California."

This is an argument used by some Republicans and conservatives to oppose liberalized immigration. They point to my home state of California as an example of what happens when there are too many immigrants and their descendants: Democratic Party dominance. The evidence is clear that Hispanic and immigrant voters in California in the early to mid-1990s did turn the state blue, but that was as a reaction to California's GOP declaring political war on them.

Those who claim that immigration-induced change in demographics is solely responsible for the shift in California's politics have to explain the severe drop-off in support for the GOP at exactly the same time that the party was using anti-immigration propositions and arguments to win the 1994 election. They would further have to explain why Texas Hispanics are so much more Republican than those in California are. Nativism has never been the path toward national party success and frequently contributes to their downfall. In other words, whether immigrants vote for Republicans is mostly up to how Republicans treat them.

Republicans should look toward the inclusive and relatively pro-immigration policies and positions adopted by their fellow party members in Texas and their subsequent electoral success there rather than trying to replicate the foolish nativist politics pursued by the California Republican Party. Although some Texas Republicans have changed their tone on immigration in recent years, they have focused primarily on border security rather than forcing every state employee to help enforce immigration law. My comment here assumes that locking people out of the United States because they might disproportionately vote for one of the two major parties is a legitimate use of government power—I do not believe that it is.

### 12. "Immigrants bring with them their bad cultures, ideas, or other factors that will undermine our institutions."

This is the most intelligent anti-immigration argument and the one <u>most likely to be</u> <u>correct</u> although the evidence does not support it. Economists Michael Clemens and Lant Pritchett lay out an enlightening <u>model</u> of how immigrants from poorer countries could theoretically weaken the growth potential of the countries that they immigrate to. Their model assumes that immigrants transmit anti-growth factors to the United States in the form of lower total factor productivity. However, as the immigrants assimilate, these anti-growth factors weaken over time.

Congestion could counteract that assimilation process when there are too many immigrants with too many bad ideas, thus overwhelming assimilative forces. Clemens is rightly skeptical that this is occurring, but his paper lays out the theoretical point where immigration restrictions would be efficient by balancing the benefits of economic expansion from immigration with the theoretical costs of degradation in economic growth.

Empirical evidence does not point to this effect either. In a recent <u>academic paper</u>, my coauthors and I compared economic freedom scores with immigrant populations across over 100 countries over 21 years. Some countries were majority immigrant while some had virtually none. We found that the larger a country's immigrant population was in 1990, the more economic freedom increased in the same country by 2011. Immigrant countries of origin did not affect the outcome.

These results held for the United States nationally but not for state governments. States with greater immigrant populations in 1990 had less economic freedom in 2011 than those with fewer immigrants, but the difference was small. The national increase in economic freedom more than outweighed the small decrease in economic freedom in states with more immigrants. Additionally, large shocks into specific countries result in vast improvements in the economic freedom score. Large immigrant populations also do not increase the size of welfare programs or other public programs across American states and there is a lot of evidence that more immigrants in European countries actually decreases support for big government.

Although this anti-immigration argument could be true, it seems unlikely to be so for several reasons. First, it is very hard to upend established political and economic institutions through immigration. Immigrants change to fit into the existing order rather than vice versa. Institutions are ontologically collective—my American conceptions of private property rights would not accompany me in any meaningful way if I went to Cuba and vice versa. Local institutions are incredibly robust under a model called the <u>Doctrine of First Effective Settlement</u>. It would take a rapid inundation of a local area by immigrants and a replacement of natives to upend institutions in most places.

The second possibility is immigrant self-selection: Those who decide to come here mostly admire American institutions or have opinions on policies that are very similar to those of nativeborn Americans. As a result, adding more immigrants who already broadly share the opinions of most Americans will not affect policy. This appears to be the case in the United States.

The third explanation is that foreigners and Americans have very <u>similar policy opinions</u>. This hypothesis is related to those above, but it indicates an area where Americans may be unexceptional compared to the rest of the world. According to this theory, Americans are not more supportive of free markets than most other people, we are just lucky that we inherited excellent institutions from our ancestors.

The fourth reason is that more open immigration makes native voters oppose welfare or expanded government because they believe immigrants will disproportionately consume the benefits (regardless of the fact that poor immigrants actually under-consume welfare compared to poor Americans). In essence, voters hold back the expansion of those programs based on the belief that immigrants may take advantage of them. As Paul Krugman aptly observed,

"Absent those [immigration] restrictions, there would have been many claims, justified or not, about people flocking to America to take advantage of [New Deal] welfare programs."

As the late labor historian (and immigration restrictionist) Vernon M. Briggs Jr. <u>wrote</u>, "This era [of immigration restrictions] witnessed the enactment of the most progressive worker and family legislation the nation has ever adopted." None of those programs would have been politically possible to create amidst mass immigration. Government grows the fastest when immigration is the most restricted, and it slows dramatically when the borders are more open.

Even Karl Marx and Friedrich Engels <u>thought</u> that the prospects for working-class revolution in the United States were smaller here due to the varied immigrant origins of the workers who were divided by a high degree of ethnic, sectarian, and racial diversity. That immigrant-led diversity may be why the United States never had a popular worker, labor, or socialist party.

The most plausible argument against liberalizing immigration is that immigrants will worsen our economic and political institutions, thus slowing economic growth and killing the goose that lays the golden eggs. Fortunately, the academic and policy literature does not support this argument and there is some evidence that immigration could actually improve our institutions. Even the best argument against immigration is still unconvincing.

### 13. "The brain drain of smart immigrants to the United State impoverished other countries."

The <u>empirical evidence</u> on this point is conclusive: The flow of skilled workers from low-productivity countries to high-productivity nations increases the incomes of people in the destination country, enriches the immigrants, and helps (or at least does not hurt) those left behind. Furthermore, remittances that immigrants send home are often large enough to offset any loss in home country income through emigration.

In the long run, the potential to immigrate and the higher returns from education increase the incentive for workers in the developing world to acquire skills that they otherwise might not—increasing the quantity of human capital. Instead of being called a brain drain, this phenomenon should be accurately called a skill flow.

Economic development should be about increasing the incomes of people and not the amount of economic activity in specific geographical regions. Immigration and emigration do just that.

## 14. "Immigrants will increase crowding, harm the environment, and [insert misanthropic statement here]."

The late economist <u>Julian Simon</u> spent much of his career showing that people are an economic and environmental blessing, not a curse. Despite his work, numerous anti-immigration organizations today were funded and founded to oppose immigration because it would increase the number of Americans who would then harm the environment. Yes, <u>seriously</u>—just read about <u>John Tanton</u> who is the Johnny Appleseed of modern American nativism.

Concerns about overcrowding are focused on publicly provided goods or services—like schools, roads, and heavily zoned urban areas. Private businesses do not complain about crowding as they can boost their profits by expanding to meet demand or charging higher prices. If crowding was really an issue then privatizing government functions so they would then have an incentive to rapidly meet demand is a cheap and easy option. Even if the government does not do that, and I do not expect them to in the near future, the problems of crowding are manageable because more

immigrants also means a larger tax base. Reforming or removing local land-use laws that prevent development would also go a long way to alleviating any concerns about overcrowding.

Although we should think of these issues on the margin, would you rather be stuck with the problems of crowding that they have in Houston or the problem of not enough crowding like in Detroit?

There are other arguments that people use in opposition to immigration. Many of those arguments revolve around issues of "fairness"—a word with a fuzzy meaning that differs dramatically among people and cultures. Arguments about fairness depend entirely upon feelings and, usually, a misunderstanding of the facts that is usually corrected by reference to my 8th point above. These are the main arguments against immigration that I encounter and my quick responses.

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