



Puerto Rico can use guest workers, just like many states

Daniel Raisbeck and Marc Joffe

February 19, 2023

The immigration fiasco on the southern border is not the only ongoing U.S. crisis involving an exodus of Spanish speakers. Since 2006, Puerto Rico has endured an economic and fiscal collapse that has seen nearly a million people emigrate to the mainland United States, which is now the home to more Puerto Ricans than the island itself.

After Puerto Rico's official default in 2017—and the ensuing saga that led to a *de facto* bailout in 2021—the economic devastation has been such that the island now faces a shortage of construction workers, despite its desperate need to rebuild much of its infrastructure after a recent spree of natural disasters. For their part, Puerto Rican businesses have also reported a significant shortage of skilled workers.

Since migration into Puerto Rico depends on U.S. federal immigration laws, the island's authorities can do little to attract foreign workers. At face value, this situation seems absurd. After all, the Dominican Republic sits a mere 75 miles off the Commonwealth's western shore.

Puerto Rico is also closer to Haiti, Cuba, Colombia, and Venezuela than to the mainland U.S. Due to its relative proximity to other countries, its dollarized economy, and its use of the Spanish language, the island has a clear potential to attract many of the workers it needs, both skilled and unskilled, from across Latin America and the Caribbean.

The measure that can best fix Puerto Rico's labor shortage also would go a long way toward easing the troubles along the Mexican border. As Jason L. Riley argued recently in *The Wall Street Journal*, allowing states to issue work visas would leave immigration decisions in the hands of local leaders who tend to have “a better sense of their economic situations” and are more accountable to voters than central government bureaucrats. By giving the states more autonomy over their specific immigration needs, more legal routes would be open for immigrants to enter the country according to the realities of local labor markets.

State work visas, an idea first floated in 2014 by Cato Institute scholars, are once again relevant in several states that are experiencing post-pandemic labor shortages. For example, Utah has only 44 available workers for every 100 open jobs, according to a Chamber of Commerce survey. The state's unemployment rate is only 2.2% and some businesses are cutting back service hours due to an inability to hire. The Chamber survey shows eight other states have fewer than 50 workers per 100 openings.

As the Cato Institute's David Bier writes, a decentralized immigration system such as Canada's "would allow state or local authorities to address challenges facing their area without those issues becoming national crises." On the other hand, keeping in place the current federal government monopoly over immigration rules "ultimately means overlooking local problems."

Instead, existing federal visa categories should be supplemented by a new class of entry document enabling holders to work in a particular state or territory.

The 2019 State-Sponsored Visa Pilot Program Act, introduced by Rep. John Curtis (R-Utah), would have provided "an additional tool to connect workers with industries that are most in need." A similar bill in the 118th Congress also would help to solve the current border crisis. Although the 2019 state visa bill included the District of Columbia, it omitted Puerto Rico. If a new bill included Puerto Rico, it would give the Commonwealth the tools it needs to overcome its current labor deficit and population decline.

With a substantially reduced population and far lower rents than the mainland U.S., Puerto Rico seems especially well positioned to take in a new cohort of legal, predominantly Spanish-speaking guest workers. Empowering the Commonwealth and labor-deprived states the option to bring in more immigrants will be good for both the U.S. border and the U.S. economy.

Daniel Raisbeck is a policy analyst on Latin America at the Cato Institute's Center for Global Liberty and Prosperity. Marc Joffe is a federalism and state policy analyst at the Cato Institute.