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Counterparties: Bipartisan disagreements

By: Shane Ferro – May 7, 2013

Immigration reform is one of the rare issues that both sides of the aisle can agree on — it has even united the Chamber of Commerce and the AFL-CIO.

Still, yesterday, the right-leaning Heritage Foundation released a report that estimated the immigration reform bill proposed by the bipartisan Gang of Eight in the Senate will cost the government over \$6.3 trillion over the next 50 years — \$5.3 trillion more than the \$1 trillion cost of doing nothing. Somewhat surprisingly, conservatives were the first to denounce it. Alex Nowrasteh at the Cato Institute wrote a post denouncing the way the paper calculates future costs, using a static scoring method that “assumes the bill will not affect the rest of the economy — which is highly unrealistic”.

Nowrasteh also points out that Edwin Feulner, who recently stepped down as head of the Heritage Foundation, rebuked this way of calculating future costs way back in 2002, on Heritage’s own website, arguing that dynamic scoring, or taking the greater economic effects into account, “surely would get much closer to the true cost than “static scoring” does”. Tim Kane also used Heritage’s own arguments against them, digging up Heritage’s last report on this issue, six years ago. Back then, they successfully helped defeat immigration reform — but by their own numbers, it seems, inaction six years ago ended up costing taxpayers half a trillion dollars.

Conservative Florida senator Marco Rubio, a major supporter of the current bill who is key to getting more Republicans on board, also rejected the Heritage report findings, invoking his family’s own immigration story.

On the other side of the aisle, a separate immigration debate is also brewing. Two weeks ago, the left-leaning Economic Policy Institute released a study concluding that we don’t need more temporary H-1B visas, which are mostly used to bring engineers and scientists to the United States. “Immigration policies that facilitate large flows of guest workers will supply labor at wages that are too low to induce significant increases in supply from the domestic workforce,” the report states. Similarly, Paul Donnelly argues that H-1B visas are actually just a government subsidy, which supplies foreign-born workers to tech companies for lower wages than they would pay American engineers.

This conclusion runs contrary to the narrative put forth by Mark Zuckerberg and other Silicon Valley executives who are campaigning for an expansion to the H-1B visa program. Zuckerberg has launched a new pro-immigration lobbying group, FWD.us, because he says he believes in policies that allow companies to “attract the most talented and hardest-working people, no matter where they were born”.

Each party has shifted its position since immigration reform failed to get through Congress the last time. Conservatives have become much more pro-immigration after the 2012 election, when they had trouble attracting even small minorities of the Hispanic and Asian electorate. “Immigration opponents are effectively trying to restrict the flow of

conservatives into this country,” argues David Brooks. Meanwhile, the Obama administration, despite vocal support for the DREAM Act, has drastically increased deportations since coming into office. The LA Times reports there were over 400,000 people deported in 2012, a 40% increase from 2007.