



## Conservative Think Tank Makes The Economic Case for Immigration Reform

By: Abby Ohlheiser – April 9, 2013

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Conservative politicians still struggling to "evolve" their stance on immigration reform just got a big boost from conservative think tank American Action Forum, who released a new study Tuesday arguing that comprehensive immigration reform is good for the economy.

the study reads like a reversal of the more familiar economic conservative argument against immigration reform, which speculates that immigrants will take American jobs and increase demand for government assistance. Here's the gist of the AAF's economic argument for immigration reform, which boils down to positive spins on immigrant birth rates, entrepreneurial enthusiasm, and higher workforce participation:

"Immigration reform can raise population growth, labor force growth, and thus growth in Gross Domestic Product (GDP). In addition, immigrants have displayed entrepreneurial rates above that of the native born population. New entrepreneurial vigor embodied in new capital and consumer goods can raise the standard of living. These channels suggest that any discussion of immigration reform that omits the benefits on economic performance is incomplete. Similarly, there will be direct feedback from better economic growth to more revenues, fewer federal outlays, and "dynamic" improvement in the federal budget. Traditional "static" budget analyses of immigration reforms' impacts will be similarly incomplete. A rudimentary analysis of these impacts suggests that in the absence of immigration, the population and overall economy will decline as a result of low U.S. birth rates. A benchmark immigration reform would raise the pace of economic growth by nearly a percentage point over the near term, raise GDP per capita by over \$1,500 and reduce the cumulative federal deficit by over \$2.5 trillion."

As the Washington Post notes, the study parallels arguments made by the Cato Institute and Grover Norquist's Americans for Tax Reform, suggesting a new strategy to unify Republicans on the party's new immigration platforms.

Tuesday's study comes as Congress awaits finalized legislation on immigration reform. According to "gang of eight" Sen. Chuck Schumer, speaking Sunday on CBS's "Face the Nation," that bill could become available as early as this week as bipartisan negotiations wind down. The reform bill would include provisions for a pathway to citizenship.