Why the Tea Party is wrong about immigration reform

By Michael D. Tanner

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The Tea Party has performed many an invaluable service in American politics: First, by raising the alarm about the dangers of our growing national debt and out-of-control spending, and later by challenging the crony capitalists and big-government conservatives who have too long controlled the Republican Party.

But recently, many Tea Partyers have added opposition to immigration reform to their agenda. In doing so, they are not only wrong on the merits of the issue, but contradict many of their own fundamental principles.

Those principles include a devotion to limited government and individual liberty, concern about the national debt and a desire for economic growth, and a healthy skepticism about the ability of government to remake society. But the type of immigration crackdown envisioned by many Tea Party activists would run almost directly counter to those precepts.

For example, Tea Partyers were among those who were first to raise the alarm about the National Security Agency's violations of Americans' privacy. Yet, in opposing immigration, Tea Partyers seem oblivious to the dangers of a massive government database such as E-Verify, designed to prevent hiring of illegal immigrants.

E-Verify might seem harmless now, but missions always creep and bureaucracies expand. E-Verify will be an attractive way to enforce hundreds of other employment laws and regulations. In the age of big data, the government can easily E-Verify age, union membership, education, employment history, and whether you've paid income taxes and signed up for health insurance. And while the government screens employee applications, it can also check on employers' compliance with all sorts of regulations by looking at the job applications they submit for verification.

Moreover, do they really expect that the government responsible for HealthCare.gov will suddenly develop the competence to manage such a massive database? The last major study of E-Verify, by Weststat in 2013, found an error rate of roughly 0.3 percent. While that might sound small, if applied to the entire national workforce of 150 million people, it would yield some 450,000 errors. That would mean nearly half a million American citizens wrongly denied employment.

Beyond E-Verify, do Tea Partyers really want to open the door to a national ID system? Or become the type of country where police stop you on the street to "see your papers?"

A second issue where the Tea Party has long been a rare voice of sanity has been our massive and growing national debt. But according to the Congressional Budget Office (CBO), immigration reform would actually reduce federal budget deficits by $197 billion from 2014 to 2023 and by roughly $700 billion from 2024 to 2033.

Yes, increased immigration would undoubtedly mean more people collecting government benefits, although immigrants tend to use most social welfare programs at a slightly lower rate than native-born Americans. But the cost of benefits would be more than offset by increased economic growth.

That touches on another contradiction in the Tea Party's anti-immigration stance. The Tea Party has always seen the importance of a growing economy, both to help lower the deficit and, more importantly, to create the prosperity that lifts all boats. And immigration is an important aspect of future economic growth. Indeed, the CBO estimates that immigration reform, along the lines proposed in the bipartisan Senate bill, would increase real gross domestic product by 3.3 percent over the next 10 years and by 5.4 percent by 2033. After all, economic growth depends on the growth and productivity of the labor force. An increase in immigration would help offset an ongoing decline in U.S. labor force participation.

Immigrants positively impact both the demand and supply sides of the economic equation. Obviously, immigrants are consumers, providing additional demand for goods and services in the areas where they reside. At the same time, immigrants are nearly twice as likely to start a business each month as native-born Americans.

Many Tea Partyers express concern that increased immigration would mean lower wages. At first glance this seems obvious. If immigrants were unavailable to do many jobs, employers would have to raise wages in order to convince native-born Americans to take them. And it is in fact true that in some limited cases, immigrants will substitute for low-skilled native-born workers, leading to lower wages or job loss.

But for the most part, immigrants have different skills and job preferences than native-born workers, and they typically take jobs at the high end and low end of the skill spectrum. The vast majority of immigrants do not directly compete with native-born workers but should be considered complementary, making American workers more productive. That actually means higher wages for most workers.

The CBO, in its analysis of the Senate bill, projected that average wages would be "0.5 percent higher in 2033" if the bill were passed. Even this undersells the positive overall effect immigration would have on wages, because a majority of new immigrants would have lower-paying jobs, bringing the average wage amount down, meaning wages for native workers would increase even more than 0.5 percent.

It also seems odd for Tea Partyers to argue that it is the job of government to keep wages artificially high. The same argument, after all, is often made by those arguing in favor of an increased minimum wage or protectionist trade barriers, both of which the Tea Party rightly opposes.

Opponents of immigration reform are on more consistent ground when they point out that illegal immigrants have, by definition, broken our laws. At a time when the president seems to feel free to rewrite laws at will, regard for the "rule of law" is more important than ever. But not all violations of the law are equal. Few Tea Partyers would advocate jailing you because you tore that little tag off your mattress. And, most immigration reform proposals do impose penalties on those who crossed the border illegally. In fact, most proposals in the House would deny citizenship to illegal immigrants altogether. They could stay and work, but not as full citizens. That's hardly "amnesty."

If the Tea Party wants to remain true to its principles of limited government, individual liberties and economic growth, it should rethink its opposition to immigration reform.

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