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Fighting back

By: Jennifer Rubin – July 2, 2013

One aspect of the immigration fight is the welcome emergence of pro-immigration reform Republicans willing to rebut the accusations of the anti-reform far-right and to stand firm for their conservative convictions. It is a refreshing reminder that “compromise” doesn’t mean “weak” and “conservative” doesn’t mean “anti-immigration.”

Evidence of feistiness among the pro-immigration right is plentiful. On one level, conservative intellectuals have done a fine job beating back — indeed decimating — the far right’s economic attacks on immigration. Tim Kane, who authored Heritage’s pro-immigration analysis in 2006, is one of many who have taken on its flawed 2013 study. In a recent interview, Kane pulled Heritage’s current effort apart bit by bit.

Evan Soltas: In 2006, you and Kirk Johnson wrote a report for Heritage and found substantial long-run economic benefits to immigration, as well as real fiscal gains for the government. Where did those come from?

Tim Kane: From a fiscal perspective, the studies we have seen over the years point to real gains. The demographics of a low birth rate severely exacerbate the fiscal situation of programs like Social Security. It’s a problem we see in European countries. But in the U.S., immigration allows us not to face the same burden. That keeps entitlement programs healthier than they would otherwise be — something that is really desirable given the other trouble facing these programs.

But the big gains come on the economic side. Having more people in the labor force brings more economic activity, at the basic level, but it also enhances productivity and specialization. This is where the benefits become really significant. For example, imagine having to tie down Einstein with some work in whatever low-skilled function. Is having more low-skilled immigrants going to hurt Einstein? Is it going to hurt economic output? There’s a real case for more low-skilled immigration, not just high-skilled, that comes from this perspective on the division of labor. Increased specialization generates higher productivity levels across the board. I think it’s a mistake to differentiate between skill levels — to say we’ll let high-skilled immigrants in, but not low-skilled ones.

There’s another big source of gains not in the Heritage report, but which I’ve found in my more recent work. What we somehow forget, as a nation of immigrants, is that immigrants tend to be far more entrepreneurial than natives. . .

Soltas: What are the major differences in methodology between your 2006 report and Heritage’s most recent, done by Robert Rector and Jason Richwine?

Kane: The biggest problem that I had with the Rector-Richwine study is that it didn’t do

a very good comparison of the status quo to the prospective changes in an actual reform. It made some incredible assumptions to ratchet up the cost. One example was how they answer the question, “How much health care do immigrants use?” The Heritage assumption was zero under the current policy. It’s only in a later footnote that they point out that this assumption is wrong, and that this really skews their cost analysis.

Another example is that the report assumes that under the current system, immigrants return to their home country at age 55, so they don’t put any costs on the government, but that they will stay en masse if “amnesty,” as Heritage calls it, passes.

The second issue here is that this report abandons a lot of the normal ways conservatives analyze policy. Most important, that’s a dynamic evaluation of economic benefits. The Heritage report is not consistent with that conservative approach. It’s an isolationist report written from a static approach.

Soltas: How should we understand that inconsistency of Heritage using a dynamic approach for ideas like tax reform and then not applying it to immigration reform?

Kane: I think what gets lost in this discussion is that Heritage is a big-tent organization. For example, you have the Center for Data Analysis inside the Institution itself, where they specialize in just this sort of thing. This report wasn’t written by CDA. I think it’s a credit to Heritage that they allow for a diversity of voices, and at the end of the day, it’s one bad report from an organization that produces a lot of research. I don’t think this should be seen as a black eye for the whole organization.

Kane and other conservatives, including Arthur Brooks at the American Enterprise Institute and Doug Holtz-Eakin at the American Action Forum, have helped to put the immigration fight in the larger context of conservatism, arguing it is entirely consistent with fiscal conservatism and other conservative values.

As Kane put it, he’s come to see “immigration reform as not an issue between left and right, but between a ‘Fortress America’ mentality and one of expansion and globalism.” Indeed, many (though not all) on the anti-immigration side are also neo-isolationists on foreign policy. In championing an optimistic, growth-oriented sentiment, they have challenged those on the far right whose “politics become infused with a feeling of loss aversion” and with a weird simpatico with the left’s desire for retrenchment from international challenges.

Meanwhile on the political side, as I’ve noted throughout this process, pro-immigration Republicans have gotten their act together. They have reached out to talk radio, rebutted false allegations about the bill, paid for ads and given rhetorical support to the Gang of Eight. Individuals and groups as ideologically far-flung as Ralph Reed, the Koch brothers’ Americans for Prosperity, the Chamber of Commerce, American Action Network, many GOP governors, top-tier presidential prospects for 2016, the Cato Institute and former Mississippi governor Haley Barbour are contributing to the effort in the form of ads and financial support for Sen. Marco Rubio (R-Fla.). At the very least, they’ve made it near-impossible to paint the pro-immigration forces as outside the conservative mainstream. (If you look at polling, it’s people like Sarah Palin, Glenn Beck and zero population growth groups that are losing the support of Republicans and the claim to be the “true” conservatives in this fight.)

This doesn’t mean the pro-immigration forces have won the legislative battle. The House,

stocked with staunch anti-immigration Republicans from mostly white districts, will be extremely hard to budge. What pro-immigration forces have accomplished nevertheless is to demonstrate the intellectual integrity and political street smarts of pro-immigration conservatives. It bodes well for nominating a pro-immigration nominee in 2016.