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Immigration exclusionists' arguments don't hold up

By: Jennifer Rubin – May 3, 2013

The two most common complaints you hear from immigration reform opponents are that legalization will hurt American workers and we will have a large unassimilated underclass. Neither holds up.

With respect to the economic impact, conservatives at least believe in non-static economic modeling. For once, the Congressional Budget Office agrees and in a letter to Rep. Paul Ryan (R-Wis.) explains that “because S. 2611 would have had the direct effect of significantly increasing the size of the U.S. labor force (resulting in an estimated 3.4 million additional workers in the United States by 2016), CBO and JCT relaxed that assumption and incorporated in the cost estimate the direct effect of the bill on the U.S. population, employment, and taxable wages.”

The CBO then finds:

Under the high investment assumption, CBO estimates that enacting the bill would increase GDP by 0.4 percent, on average, from 2007 through 2011, and by 1.3 percent from 2012 through 2016. Under the low investment assumption, CBO estimates that enacting the bill would increase GDP by 0.3 percent, on average, from 2007 through 2011, and by 0.8 percent from 2012 through 2016.

Those economic effects could, in turn, affect the budgetary impact of the bill. In its revenue estimate, the Joint Committee on Taxation included taxes on wages earned by additional immigrants, as well as the revenue implications of reductions in average wage rates due to additional workers. However, a wider range of effects is possible. CBO estimated the additional budgetary impact of changes in the capital stock, which would affect wage rates, interest rates, and revenue from taxes on capital income, under the low investment and high investment assumptions described above. Under the high investment assumption, CBO estimated that those effects would improve the budgetary impact of the bill by about \$30 billion over the 2007–2011 period, and by about \$130 billion from 2012 through 2016. Under the low investment assumption, CBO estimated that those effects would improve the budgetary impact of the bill by about \$20 billion over the 2007–2011 period, and about \$60 billion from 2012 through 2016.

A spokesman for Ryan told me, “By fixing our broken immigration system, CBO has found that reform could help our economy grow.” And it would reduce the debt without raising taxes.

The Cato Institute's immigration guru Alex Nowrasteh tells me via email that the CBO methodology is a breakthrough. “It's fantastic that the CBO has decided to dynamically score the immigration bill. For immigration at least, this corrects a major flaw of government scoring techniques long understood by free-marketeers. Any other estimate of this bill's fiscal effects must now adhere to a model at least as robust as the CBO's to

be taken seriously. If they do not use a dynamic scoring model, their comments on this issue will be rightly ignored going forward.” He adds that as to the merits of the bill: “The positive economic effects of immigration reform – from increased American worker productivity to higher wages for legalized immigrants to greater business profits, production, and construction – will grow American GDP. This growth will increase tax revenue, directly by adding new productive taxpayers, but also indirectly through spurring rising profits, production, and increased capital accumulation.”

As for the assimilation issue, critics are right in one respect: Speaking English, getting a good education and embracing the responsibilities of citizenship are all desirable. But those concerns argue in *favor* of the current bill.

Unless we are willing to deport them the 11 or 12 million are here to stay, so by giving them an incentive (as the bill does) to learn English to gain green card status and to study for citizenship (after obtaining green card status) the Gang of 8 plan promotes assimilation.

Second, as a matter of practical politics, opponents aren’t going to get their border security provisions enacted. Only in a dream world can border security happen without legalization. And with border security will have time to assimilate those here. Moreover, the screams of immigrant overflow are exaggerated if not downright false, as the Wall Street Journal editorial board makes clear:

In San Diego, illegal entries fell to about 55,000 in 2011 from more than 265,000 in 2006. In Tucson—the gateway to Arizona—illegal entries fell to about 200,000 from 600,000 over those years. And in El Paso illegal crossings tumbled to 30,000 a year from more than 350,000.

Even more dramatic is GAO’s analysis of illegals who escape through the enforcement net, a statistic called “got aways.” In nine major Southern border crossing areas, including the main gateways of Tucson, San Diego and the Rio Grande, got aways fell to an estimated 86,000 in 2011 from 615,000 in 2006. That’s an 86% decline in foreigners who successfully snuck into the country from Mexico.

So much for the “porous border” argument. The Pew Hispanic Center found that in 2011 more Mexicans left the U.S. than entered—the first time that has happened since the Great Depression.

And finally, if we have a poor assimilation program, we should fix it, by, for example, stressing language immersion, providing citizenship and language classes through private groups and creating a core history curriculum in public schools.

In short, neither the economic nor the assimilation argument hold up very well.