

The biggest reason to oppose Trump's immigration plan — we need the money

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We need the money.

It's for this reason alone—there are others, of course—that slashing the number of legal immigrants to this country, as President Trump wants to do, is probably counterproductive.

You've probably heard that newcomers to this country, and their first generation of children, are huge entrepreneurs, responsible for starting up companies at twice the rate of native born Americans. Here's the god's honest truth: they often outcompete those who were here first . If this makes you jealous or angry, then good: it's a great motivator. You're angry at people who came here with less—yet do better? Really?

Donald Trump always claims to loves winners and achievers. Unless they're outsiders who came from somewhere else. In that case, he tells his supporters, they're the problem. That's good politics, and his base of 35-40% of Americans love it. The President tells them that cutting down on the number of outsiders who can come here will make their lives better over the long run. They shout "USA! USA!" and feel all warm and tingly inside.

But I don't think the way to make people feel better, to ease their fears about jobs and economic security, is to keep out the very people who help provide it. It's cynical, counterproductive—and downright dumb.

What Trumpsters may not realize is that over the long run, long after Trump leaves the "dump" that he calls the White House, they may pay—literally—a big price if legal immigration is cut. Fewer legal immigrants means fewer companies started, fewer workers hired, fewer taxes propping up Social Security and Medicare. As if our entitlement system isn't a rickety house of cards already. Some 10,000 baby boomers (born between 1946 and 1964) retire each day; this will continue for years to come. That's millions of new recipients of Social Security and Medicare each year. Where's the money going to come from?

This isn't some academic exercise. Earlier this year, the Social Security Board of Trustees warned that the Social Security retirement and disability trust fund would be depleted in 2034 . We're now 17 years away. What happens in 2034? Social Security benefits would continue—but

be slashed to whatever level of payroll taxes are coming in. The trustees estimated that future retirees might get 25% less than they're expecting.

Slashing benefits, that's a good way to prop up entitlements. The politicians could also raise taxes, and jack up the eligibility age. Whatever option or options they choose, you've probably got some economic pain headed your way. Enjoy those golden years.

Or...wait, here's another idea for our numbskull politicians. They could encourage more hardworking entrepreneurial types to come here, start companies, hire you and send Uncle Sam money to support things like Social Security and Medicare.

Here's the part where supporters of reduced immigration claim that immigrants, legal or otherwise, are just sponges who make less, contribute less, steal jobs — or are, as Trump has claimed, just plain criminals. Their thesis: the overall cost to the American taxpayer ultimately exceeds what immigrants pump into the economy in the form of rents, sales taxes, payroll taxes and so forth.

Is this really so? Aside from the entrepreneurial data cited above, the National Academies of Sciences, Engineering and Medicine says — based on a study of 20 years worth of data — that “There is little evidence that immigration significantly affects the overall employment levels of native-born workers.”

What about sucking up government services like welfare, food stamps etc.? The study admits “first-generation immigrants are more costly to governments, mainly at the state and local levels, than are the native-born, in large part due to the costs of educating their children.” But this initial investment pays later dividends: “As adults, the children of immigrants are among the strongest economic and fiscal contributors in the U.S. population, contributing more in taxes than either their parents or the rest of the native-born population.” The operative part of that sentence is the last part: “contributing more in taxes than...the rest of the native-born population.”

In other words, a big net positive.

What about criminal activity? The Cato Institute, a well-respected think tank, says Trump's dark talk is generally bunk. “Native-born Americans are overrepresented in the incarcerated population while illegal and legal immigrants are underrepresented, relative to their respective shares of the population.” So scratch that theory.

Trump probably thinks this stuff is all “fake news,” but guess who doesn't? The GOP-dominated Congress. The plan unveiled yesterday is expected to go about as far as the president's other big pieces of legislation have so far: nowhere.

It's ironic Trump even backs a plan to limit immigration; his family's own businesses have benefitted from it for decades. Just last month, Mar-A-Lago, his ritzy Florida club, said it was looking for 70 foreigners—15 housekeepers, 20 cooks, 35 servers—with hourly wages running from \$10.33 to \$13.34. There are more than 70 locals in wealthy Palm Beach County—where the club's located—who are out of work, but that's a lot less than many would accept. Trump knows as well as anyone that low-wage immigrants aren't snatching jobs away from the locals—they

don't want them to begin with. So why keep them out? Trump's plan may be good politics to his base, but the economics don't add up.