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The progressive case for immigration

Whatever politicians say, the world needs more immigration, not less



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"WE CAN'T restore our civilisation with somebody else's babies." Steve King, a Republican congressman from Iowa, could hardly have been clearer in his meaning in a tweet this week supporting Geert Wilders, a Dutch politician with anti-immigrant views. Across the rich world, those of a similar mind have been emboldened by a nativist turn in politics. Some do push back: plenty of Americans rallied against Donald Trump's plans to block refugees and migrants. Yet few richworld politicians are willing to make the case for immigration that it deserves: it is a good thing and there should be much more of it.

Defenders of immigration often fight on nativist turf, citing data to respond to claims about migrants' damaging effects on wages or public services. Those data are indeed on migrants' side. Though some research suggests that native workers with skill levels similar to those of arriving migrants take a hit to their wages because of increased migration, most analyses find that they are not harmed, and that many eventually earn more as competition nudges them to specialise in more demanding occupations. But as a slogan, "The data say you're wrong" lacks punch. More important, this narrow focus misses immigration's biggest effects.

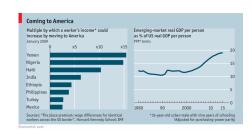
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Appeal to self-interest is a more effective strategy. In countries with acute demographic challenges, migration is a solution to the challenges posed by ageing: immigrants' tax payments help fund native pensions; they can help ease a shortage of care workers. In Britain, for example, voters worry that foreigners compete with natives for the care of the National Health Service, but pay less attention to the migrants helping to staff the NHS. Recent research

suggests that information campaigns in Japan which focused on these issues managed to raise public support for migration (albeit from very low levels).

Natives enjoy other benefits, too. As migrants to rich countries prosper and have children, they become better able to contribute to science, the arts and entrepreneurial activity. This is the Steve Jobs case for immigration: the child of a Muslim man from Syria might create a world-changing company in his new home.

Yet even this argument tiptoes around the most profound case for immigration. Among economists, there is near-universal acceptance that immigration generates huge benefits. Inconveniently, from a rhetorical perspective, most go to the migrants themselves. Workers who migrate from poor countries to rich ones typically earn vastly more than they could have in their country of origin. In a paper



published in 2009, economists estimated the "place premium" a foreign worker could earn in America relative to the income of an identical worker in his native country. The figures are eye-popping. A Mexican worker can expect to earn more than 2.5 times her Mexican wage, in PPP-adjusted dollars, in America. The multiple for Haitian workers is over 10; for Yemenis it is 15 (see chart).

No matter how hard a Haitian worker labours, he cannot create around him the institutions, infrastructure and skilled population within which American workers do their jobs. By moving, he gains access to all that at a stroke, which massively boosts the value of his work, whether he is a software engineer or a plumber. Defenders of open borders reckon that restrictions on migration represent a "trillion dollar bills left on the pavement": a missed opportunity to raise the output of hundreds of millions of people, and, in so doing, to boost their quality of life.

We shall come over; they shall be moved

On what grounds do immigration opponents justify obstructing this happy outcome? Some suppose it would be better for poor countries to become rich themselves. Perhaps so. But achieving rich-world incomes is the exception rather than the rule. The unusual rapid expansion of emerging economies over the past two decades is unlikely to be repeated. Growth in China and in global supply chains—the engines of the emerging-world miracle—is decelerating; so, too, is catch-up to American income levels (see chart). The falling cost of automating manufacturing work is also undermining the role of industry in development. The result is "premature deindustrialisation", a phenomenon identified by Dani Rodrik, an economist, in which the role of industry in emerging markets peaks at progressively lower levels of income over time. However desirable economic development is, insisting upon it as the way forward traps billions in poverty.

An argument sometimes cited by critics of immigration is that migrants might taint their new homes with a residue of the culture of their countries of origin. If they come in great enough numbers, this argument runs, the accumulated toxins could undermine the institutions that make high incomes possible, leaving everyone worse off. Michael Anton, a national-security adviser to Donald Trump, for example, has warned that the culture of "third-world foreigners" is antithetical to the liberal, Western values that support high incomes and a high quality of life.

This argument, too, fails to convince. At times in history Catholics and Jews faced similar slurs, which in hindsight look simply absurd. Research published last year by Michael Clemens and Lant Pritchett of the Centre for Global Development, a think-tank, found that migration rules tend to be far more restrictive than is justified by worries about the "contagion" of low productivity.

So the theory amounts to an attempt to provide an economic basis for a cultural prejudice: what may be a natural human proclivity to feel more comfortable surrounded by people who look and talk the same, and to be disconcerted by rapid change and the unfamiliar. But like other human tendencies, this is vulnerable to principled campaigns for change. Americans and Europeans are not more deserving of high incomes than Ethiopians or Haitians. And the discomfort some feel at the strange dress or speech of a passer-by does not remotely justify trillions in economic losses foisted on the world's poorest people. No one should be timid about saying so, loud and clear.

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