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11/14/2012

What to Do About Illegal Immigration? Becker

Governor Romney lost the election for many reasons, but one can hardly ignore the mean-spirited and often foolish discussion of illegal immigration during the Republican debates among their presidential candidates. Governor Romney improved his positions on illegal immigration during the presidential campaign, but not by enough. Hispanic voters are the fastest growing segment of voters in the U.S. and Romney suffered a devastating defeat among these voters. He received about 27% of their votes, whereas George W. Bush in 2004 had received 44% (the Republicans share of Asian voters also went down from 2004 by about the same amount).

I cannot say whether the Republican Party will become more enlightened on this issue, but changes in America's approach to illegal immigration are necessary per se, and also as part of a major overall reform of immigration policy. The ideal approach to the illegal immigration issue would be to provide a pathway to citizenship for the approximately 12 million illegal immigrants already in this country, and for others who will come in the future.

As Posner indicates, the so-called Dream Act is a small step in this direction. Once enacted, this Act would enable applicants to start on a path toward citizenship as long as they entered the U.S. prior to their 16th birthday and graduated from high school, or have other education qualifications. Barring a change in immigration policy, some form of amnesty will be granted to other illegal immigrants who have been in this country for at least several years, although every amnesty program has the obvious problem that future illegal immigrants will also expect to be granted amnesty.

How to handle illegal immigration is only part of the problem with current immigration policies. The U.S. does not encourage enough skilled immigrants to come, and also requires legal immigrants to jump over numerous obstacles before they can enter. No wonder an increasing number of highly desirable immigrants are going instead to Canada and other destinations where they are more welcome.

For many years I have argued that the best way to reform America's (and other countries') immigration policy would be to allow all immigrants to enter if they can pay a given monetary fee. For illustrative purposes I have used the figure of \$50,000, but the actual fee would be set by the supply of immigrants and America's willingness to accept immigrants (for details see my short monograph, "The Challenge of Immigration: A Radical Solution", 2011, IEA). I have shown why this approach would attract young, skilled, and ambitious immigrants who gain a lot both monetarily and in other ways from coming to America, including better opportunities for their children. This approach would also raise a sizable amount of revenue to the government at a time when additional revenue has a huge value.

Loan programs should and would be developed by companies, and also by the federal government, that would allow immigrants to borrow much of the money needed to pay the immigration admission fee. Immigrants would repay these “immigration loans” over time from the higher earnings here compared to their earnings in their countries of origin. There could be scholarships and discounts on the fees for particularly desirable immigrants, but the fee structure should not be made too complicated.

This approach of using immigration entrance fees would not only make overall immigration policy more sensible, but it would also go some way toward resolving the illegal immigration question. Immigrants who have been in the United States for a long time, and have done reasonably well and are raising families, hate living under the cloud and opprobrium of being here illegally. Many, probably most, of them would be eager to buy their right to citizenship by paying even sizable fees, especially if loans are available to help finance these fees. The perverse incentives that accompany amnesty programs would be eliminated since amnesty would no longer be needed or desirable.

In addition, many of those who might be coming illegally in the future from Mexico and elsewhere would now have a very attractive alternative; namely, to pay the entrance fee that gives them the right to come legally and permanently. Many of them would surely choose the legal option that is presently denied to them.


To be sure, the issue of illegal immigrants would not completely go away. Some migrants might still prefer to come illegally and save the immigration fee, especially if they plan only short stays in the United States. In addition, a small number of others who now come legally might decide not to pay the immigration fee by entering illegally.

Nevertheless, a reform toward allowing anyone to enter if they can pay the entry fee would go a long way toward attracting more immigrants. It would also reduce the hostility to immigrants because they would provide needed “tax” revenue, and they could no longer be said to have a free ride after they come. In addition, the illegal immigrant question would fade into a much more minor issue because the number of immigrants in the country illegally would decline by a substantial amount, and the number of persons entering illegally is likely also to decline, perhaps also by a lot.

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It is written that imposing an immigration fee "would attract young, skilled, and ambitious immigrants who gain a lot both monetarily and in other ways from coming to America, including better opportunities for their children". However, it seems that, in order for this approach to work, the gains associated to immigration to the USA have to be substantially higher than the gains associated to immigration to another developed country (e.g. Canada, Germany, UK). Otherwise, wouldn't the fee be discouraging immigration?

For example, I think of a young researcher who is looking for a job in academia. Given the opportunity to work in an American research institute, and pay the fee, or work in Europe, without a fee, he would probably choose the latter option.

Posted by: Maxime Turgeon | 11/14/2012 at 07:54 PM



Robert Gordon has an interesting (and admittedly pessimistic) paper about the prospects of U.S. economic growth. On the subject of immigration he writes:

"It is headwind (1), the demographic turnaround, that seems on the surface to be the most inevitable but is could potentially be counteracted. The retirement of the baby boomers causes hours per capita to decline and thus reduces growth of income per capita relative to productivity. A method to raise hours per capita is to increase the ratio of those of working age to those of retirement age. As a matter of arithmetic, this could be achieved by a more rapid inflow of immigration.

One potential option would be unlimited immigration of high-skilled workers. As Steve Jobs is reported to have told Barack Obama shortly before he died, "we should staple a green card to the diploma of every foreign worker who attains a graduate degree in science or engineering." For decades Canada has encouraged the immigration not only of skilled applicants but also those who are already rich and by so doing has transformed its culture from British colonial blandness to international world-class diversity.

Much more controversial is the question of unskilled immigration, which suggests a provocative question. Why was unlimited immigration into the U.S. so successful throughout the 19th century, until it was stopped by restrictive legislation in the 1920s, yet could not be considered as a plausible public policy today? Unlimited immigration before 1913 did not cause mass unemployment. Immigrants were extremely well informed about the availability of employment in the U.S. economy. They arrived when the economy was strong and postponed their arrival (or returned to their home countries) when the economy was weak"

<http://faculty-web.at.northwestern.edu/economics/gordon/Is%20US%20Economic%20Growth%20Over.pdf>

Posted by: Gunnar | 11/15/2012 at 06:32 AM



@Maxime, It depends, of course, on the actual numbers but I imagine that many corporations would gladly pay the fee for qualified employees. Compared to what they already spend relating to H-1B visas and recruiting in general, a flat fee might be a significant savings.

Appropriate regulation would need to ensure this does not become a form of peonage, but the concept could work.

Posted by: AlteRob | 11/15/2012 at 08:15 AM



I don't see how this policy will lead to satisfying the need for farm workers. Furthermore, stapling a green card to the diploma of every STEM graduate unfairly disadvantages our own science and engineering graduates.

The real solution is to stop the rampant breeding among Americans and reinstate open immigration. Or at least allow me to sponsor an immigrant with my tax dollars that are now fully wasted on the mis-education of American kids, to the tune of over \$12,000 each in only 9 months, every year for 13 years.

Posted by: [jim kirby](#) | [11/15/2012 at 08:41 AM](#)



Gunmar, immigration in the late 19th and early 20th Century was hardly desirable. Much of the social capital in areas where huge numbers of immigrants settled diminished. The social climate of these areas, e.g. New York, Boston, New Jersey, Chicago, New Orleans, became more dissonant and depersonalized.

Much of the political divide that we are witnessing today can be traced back to the mass immigration of the last two centuries. Consider Lance Morrow's insightful article on this point in his "Cowboys and Immigrants," *Smithsonian* magazine, May 2009 (available online). These older divisions seem passe now with more recent waves of mass immigration bringing in people who have developed in significantly different ways from Europeans. We can see the threat not only to the traditional American way of life from these recent immigrants as they do not share our individualistic ethos but to our political/economic/legal system that have a foundation in European traditions, understanding, habits, abilities, and sensibilities. These differences account for the enormous racial split in the presidential vote that we just witnessed--as I am sure everyone knows, Obama overwhelmingly lost the white vote among both men and women, young, middle-aged, and elderly, and in most states including New York and California as he won non-white votes even more overwhelmingly.

Things improved so much between 1924 and 1965 when immigration was restricted and the immigration that was allowed legally maintained the ethnic/linguistic/cultural stock of each nation within the United States even as each of these regions evolved somewhat differently. The social capital of regions of the U.S. that were largely spared from the social ravages of mass immigration remained intact and were and are much more pleasant places to live. Diversity, especially coupled with demands for equality of condition and status, leads to social fragmentation and isolation as Robert Putnam has found in his sociological research.

Posted by: [Christopher Graves](#) | [11/16/2012 at 03:02 PM](#)

Davej Francis

LEAST WE FORGET THE THOUSANDS SLAUGHTERED BY ILLEGAL ALIENS ANNUALLY.

Over the first two year period, Nov. 4, 2012 will mark the National Remembrance Day for those killed by illegal migrants and immigrants. The National Remembrance Day was conceived by the Tea Party Immigration Coalition (TPIC) and last year, Rep. Steve King (R-IA) announced his sponsorship of a declaration making the first Sunday of every November the day we honor those Americans killed by illegal aliens. These numbers are in the hundreds of thousands, from drunken drivers, female assaults to child molesters. These daily occurrences hardly ever hit the headlines, because the Liberal media suffocates the facts to the general public. For far too long, we have sat around and watched as our fellow citizens die every year at the hands of illegal aliens, while our elected officials simply ignore the ever-growing crisis. The federal government does not keep comprehensive statistics (may be intentionally) on the number of crimes committed in this country by illegal aliens. On November 3, Rep. King, stood in silence just outside the Capitol building with Congressman Walter Jones, activists Jeff Lewis and TPIC founder John Stahl stood alongside Jamiel Shaw Sr. (a California athlete shot because he was dressed in the wrong colors) and Ray Tranchant My 16-year-old daughter, Tessa, was killed by a drunken illegal alien in Virginia Beach three years ago while sitting at a stop light (both of whom lost their children to the uncontrolled and even murderous actions of illegal aliens) and said:

"These are real human misery stories, where there's real hurt and real agony going on a daily basis in the United States of America, and we treat it as if it's just some kind of acceptable disruption of our lives. It's not. It's an interruption of innocent lives that takes place because we have years of administrations that refuses to enforce immigration law." Even before the Obama administration little was done to cauterize the murderous rampage of foreign nationals in our nation. For those lost, there are no wreath-laying

ceremonies, no flag lowering or community congregations. For those families who are left behind truly suffer in silence. Perhaps if one of the immediate family members of politicians was slaughtered on the highway, or one of their children disappeared or a spouse was attacked, then they would expedite the right laws to stop these hideous travesties. Let us see how quick Democrat majority leader Harry Reid would fly into legislative action if on a Nevada highway he was holding in his bloody hands his injured daughter or GOP speaker of the House John Boehner, that one of two daughters was assaulted in Cincinnati, Ohio.

BEFORE PRESIDENT OBAMA PUSHES A PATH TO CITIZENSHIP FOR ALL ILLEGAL ALIENS ALREADY HERE, WITHOUT THESE POLICIES. THEN BE PREPARED TO BE PAY MORE TAX MONEY AND EVEN BE AWARE OF A GUARANTEED ONSLAUGHT FROM ACROSS THE WORLD OF OUR LAX ENFORCEMENT IMMIGRATION SYSTEM?

BEFORE ANY PASSAGE OF IMMIGRATION REFORM FINDS ITS WAY THROUGH THE COMATOSED CONGRESS, TWO BILLS ARE A ESSENTIAL TO EVENTUALLY STOP THE INGRESS OF ANY MORE FLOWS OF HUNDREDS OF THOUSANDS OF ILLEGAL IMMIGRANTS. 1. THE LEGAL WORKFORCE ACT CONTAINING MANDATORY E-VERIFY AND HALT ILLEGAL ALIENS TAKING JOBS AND HOLDING EMPLOYERS ACCOUNTABLE. 2. A SIMPLE AMENDMENT TO END THE BIRTHRIGHT CITIZENSHIP BILL TO STEM THE INFLOW OF SMUGGLED BABIES EITHER UNBORN OR AS AN INFANT, INTO THE UNITED STATES TO GAIN INTENTIONAL RIGHTS TO BE A CITIZEN AND A MASSIVE FINANCIAL BURDENING THE U.S. TAXPAYER. 3. THE REINTRODUCTION OF FORMER PRESIDENT BUSH 2006 SECURE FENCE ACT IN ITS ENTIRETY. THIS IS A DOUBLE PARALLEL FENCE STRETCHING ALONG THE BORDER OF THE U.S STATES AND ITS SOUTHERN NEIGHBOR. AMERICA MUST REDUCE SANCTUARY CITIES, CHAIN MIGRATION, DREAM ACT LAWS AND THE ILLEGAL ALIEN INVASION. 4. A FEDERAL GOVERNMENT ISSUED PICTURE ID CARD, WHICH CONTAINS INFORMATION TO USE IN PROVING WHO YOU ARE?

Posted by: [Davej Francis](#) | [11/17/2012 at 09:57 PM](#)



The idea of an entrance fee is a good one. It could act as a "pollution tax", neutralizing the negative externalities of immigration in an efficient way. (If it can be paid in installments, though, there will be a big problem of deporting the welchers.)

I think you underestimate the need for enforcement, though. People will do a lot to evade a tax on 200% of their annual income, which is what this would be for poor immigrants (or, perhaps, 600% of their pre-immigration income). This is a great solution for simplifying immigration by skilled people--- even those most hostile to such immigration would be persuaded if the immigration fee were big enough. For the unskilled, we would have to enforce the immigration laws, and for it to work, increase enforcement beyond its current level to some level more serious. We could do this, of course. If the government had the carrot of collecting more taxes if it enforced the immigration laws then it would be much more willing to enforce them. Even better: make illegal immigrants who are caught into indentured servants till their fee is paid off.

Posted by: [Eric Rasmusen](#) | [11/21/2012 at 09:12 AM](#)

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