

The Benefits of Immigration in the USA

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Analyzing welfare

Costs and benefits

- Every economic choice has benefits and costs.
- Rationality: making choices when benefits outweigh costs.
- [E.g.1] The guns and butter trade-off.
- [E.g.2] Industrialization vs clean environment
- [E.g.3] Efficiency vs Equality

Immigration surplus

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- Immigration surplus is the increase in the aggregate wealth of the natives resulting from the productive contributions of immigrants.
- Estimate: 0.2 to 0.4% of GDP (\$36 to \$72 billion per year)

Relieving bottlenecks/shortages

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Example 3

The high-tech industry received many immigrants during the internet boom in the 2000s.

Increase in overall efficiency/productivity

Some statistics

The average immigrant in the USA innovates more than the average native.

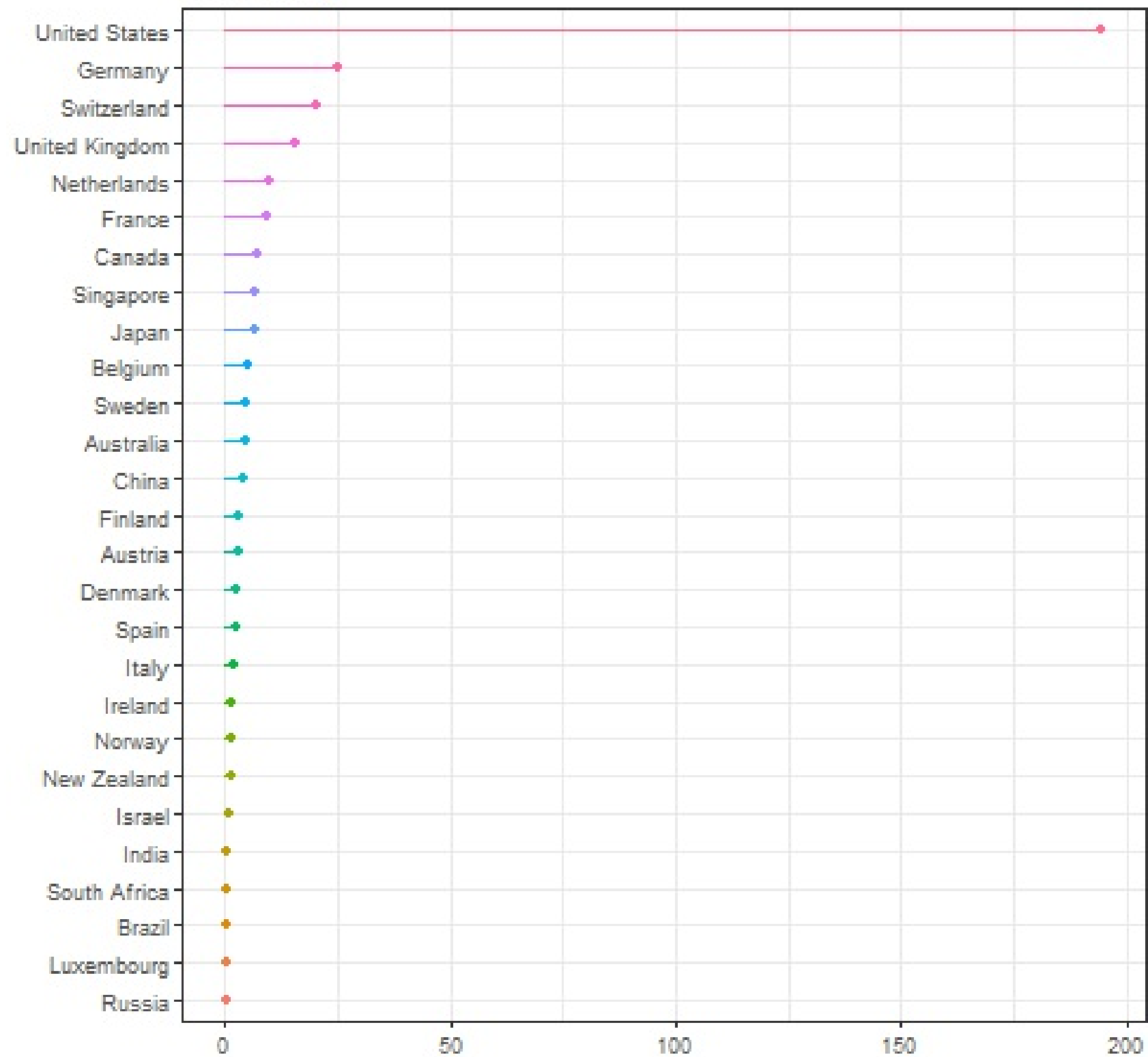
- Immigrants are concentrated in STEM fields:
 - 44% of medical scientists
 - 42% of computer software developers
 - 35% of faculty in engineering
 - 39% of faculty in computer science

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- The US has more immigrant inventors than every other country combined:

Number of patents owned by immigrants between 2000 and 2016
(in thousands)



THANK YOU!