



economicthinking  
Understanding and Creating Prosperity

# Migration and Enterprise: Reforming Legal Immigration

IMMIGRATION – Resolved: The United States federal government should substantially reduce its restrictions on legal immigration to the United States.

**Gregory F. Rehmke**

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## Benefits & Costs of Immigration Reform



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- Current immigration regulations are arbitrary, costly, counterproductive.
- Moral and ethical claims.
- History of U.S. immigration and the Constitution (naturalization).
- Cultural claims and concerns.
- Economic claims, costs, and benefits. (“It’s the economy, stupid”)

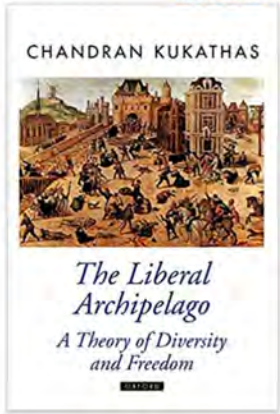


F. A. Hayek Program | April 25, 2017

### Chandran Kukathas: Controlling Immigration Means Controlling Citizens

CHANDRAN KUKATHAS  
Chair, Political Theory

Look inside



<https://ppe.mercatus.org/%5Bnode%3A%5D/essays/chandran-kukathas-controlling-immigration-means-controlling-citizens>

- But what I also want to suggest is that immigration control is the danger to freedom.
- ...the attempt to control outsiders ... is the danger because you can't control outsiders without controlling insiders.
- What immigration control is about, ultimately, is not the control of immigrants—it's the control of citizens and residents.
- "[W]ithout some kind of equality, freedom is just a privilege. So we want freedom for everyone. That's what a liberal democratic society means."

UIL Online: Rehmke\_UTA\_AdCXImmig-3

### RETHINKING POPULAR ASSUMPTIONS

A new report from the Humanitarian Innovation Project, based at the Refugee Studies Centre, University of Oxford, aims to challenge the current model of donor state-led assistance for refugees.



<https://www.rsc.ox.ac.uk/refugeeeconomies>

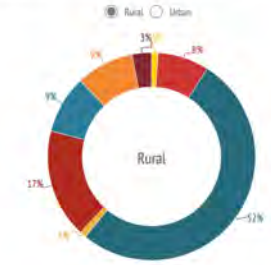
### Myth 1: Refugees as Economically Isolated?

The common perception is of refugees living in isolated socio-economic blocks, divided from each other on national, ethnic or religious lines. Contrary to this conventional wisdom, refugees of other nationalities and Ugandans are key customers to refugee-owned businesses.



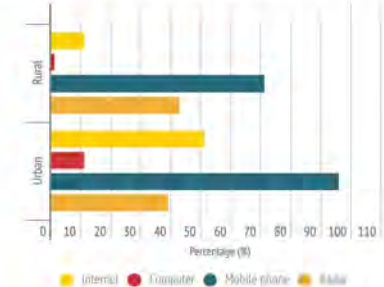
### Myth 2: Refugees as Burden?

Refugees are commonly portrayed as a burden on host states, but our research findings provide evidence that refugees in Uganda make important positive contributions. Indeed, only a small number are not in some form of employment, and a significant number of both rural and urban refugees are providers of employment for Ugandans.



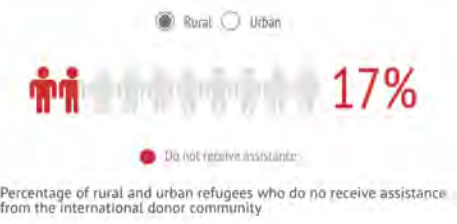
### Myth 4: Refugees as Technologically Illiterate

While refugees in Uganda continue to face major barriers in accessing information and communication technologies, use within rural and urban households is relatively high.



### Myth 5: Refugees as Dependent?

Refugees are often perceived to be entirely dependent on assistance from the international donor community. This is far from a reality in Uganda, where a significant number of refugees in rural camps, and a majority of refugees in urban Kampala, do not receive any assistance.



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# LET ANYONE TAKE A JOB ANYWHERE

[The Research](#) [Join The Discussion](#) [Related Posts](#)



- If we value a free market in goods and free movement of capital, should we embrace the free movement of labor?
- Reciprocal treaties would allow citizens of the U.S. and other countries to work legally across borders.

<https://www.intelligencesquaredus.org/debates/let-anyone-take-job-anywhere>



Center for  
Immigration Studies  
*Low-immigration, Pro-immigrant*

CENTER FOR IMMIGRATION STUDIES

JULY 2018

## High-Skill Immigrants in Low-Skill Jobs

By Jason Richwine

Highly educated immigrants, meaning those who arrive with a college degree or more, often find that their skills do not fully transfer to the U.S. labor market. Many end up holding jobs for which they are overqualified based on their paper credentials. This "occupational mismatch" among legal highly educated immigrants is the subject of this report. By a moderate but significant margin, legal immigrants with at least a college degree are more likely than natives to take low-skill jobs. More importantly, the severity of the mismatch varies widely across sending regions. Legal immigrants from some regions of the world struggle much more than others to utilize their college or advanced degrees. As a consequence, policymakers should be cautious when designing an immigration system that selects for education.



CATO AT LIBERTY

SEPTEMBER 2, 2015 12:18PM

## Center for Immigration Studies Report Exaggerates Immigrant Welfare Use

By ALEX NOWRASTEH

SHARE



POLICY BRIEFS JULY 2006

[migrationpolicy.org](http://migrationpolicy.org)

## The Contributions of High-Skilled Immigrants

By Michael Fix and Neeraj Kaushal



Pew Research Center

AUGUST 16, 2017



## Salaries have risen for high-skilled foreign workers in U.S. on H-1B visas

BY NEIL G. RUIZ AND JENS MANUEL KROGSTAD

U.S. employers planned to pay high-skilled foreign workers with H-1B visas a median salary of \$80,000 a year in fiscal year 2016, up from about \$69,000 a decade earlier, according to a Pew Research Center analysis of new U.S. Citizenship and Immigration Services data.

● Related to past debate topic...

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# Economic Engagement with Cuba, Mexico, Venezuela

Study Guide for the 2013-14 NFL Debate topic

Mackinac Center Debate Workshops Topic Study Guide, October, 2013



<http://www.economicthinking.org/StudyGuideCubaMexVenez.pdf>

● *In a single generation, between 1980 and 2007, more than 10 million people migrated, legally or illegally, from Mexico to the U.S.*

● *Today there are more than 12 million Mexican-born people in the U.S. and millions of American children who are their offspring-- amounting to almost 10% of the nation's population.*

● *That is exponentially larger than in 1970, when there were less than one million Mexican-born people in the country, or 1980, when there were two million. The Mexican migration, and the similarly large migration of others from the rest of Latin America, has in just one generation reshaped the nation. (A Nation Built for Immigrants, Wall Street Journal, Sept. 21-22, 2013, C1.)*



# Current U.S. Immigration Policy



- *The Immigration and Naturalization Act (INA), the body of law governing current immigration policy...*
- *annual worldwide limit of 675,000 permanent immigrants, with certain exceptions for close family members.*
- *Congress and the President determine a separate number for refugee admissions...*
- *[legal immigration to the U.S.] based upon...: reunification of families, admitting immigrants with skills that are valuable to the U.S. economy, protecting refugees, and promoting diversity.*

<http://www.immigrationpolicy.org/just-facts/how-united-states-immigration-system-works-fact-sheet>

## Legal Immigration Reforms

- *New work visas. Red Card Solution*  
<http://redcardsolution.com/>



- *Start-Up Visas*
- *Canadian points system, Startup visas, private-sponsored refugees.*



**The Startup Visa: Key to Job Growth and Economic Prosperity in America** Paperback – March 6, 2015  
by Tahmina Watson (Author), Lorret Turnbull (Editor), & 1 more  
★★★★★ 5 customer reviews

## ***U.S. Proposes Immigration Rule Aimed at Entrepreneurs***

By **Stacy Cowley**

Aug. 26, 2016

- *Foreign entrepreneurs building new companies in the United States could soon gain a new immigration option that would grant them temporary entry for up to five years, under a rule proposed on Friday by the Department of Homeland Security.*
- *The proposal, which does not require congressional approval, would allow immigration officials to admit entrepreneurs case by case.*
- *To qualify, an applicant must have an “active and central role,” and a significant ownership stake, in an American company founded in the last three years.*

More than half of American tech start-ups valued at \$1 billion or more had at least one immigrant founder, according to a [recent study](#) by the National Foundation for American Policy, a research group that focuses on immigration issues.

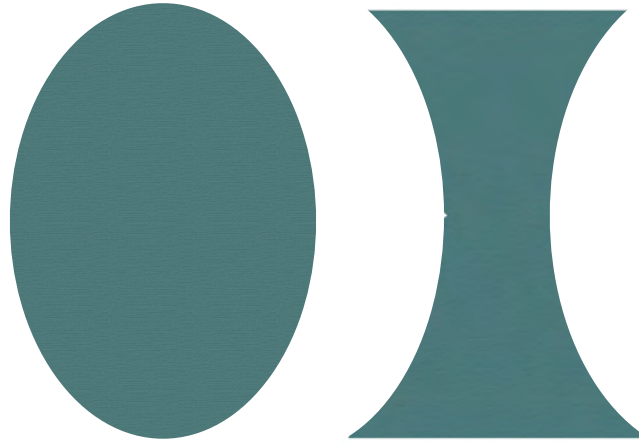
<https://www.nytimes.com/2016/08/27/business/entrepreneur-immigration.html>

## **Global Migration and Innovation**

- “Greek” yogurt from Turkish student.
- Peet’s Coffee & Starbucks (*Holland & Italy*)
- Top tech firms: Google, Paypal, eBay, (50% of tech founders/key tech immigrants)
- Hong Kong was partly a refugee camp in 1950s.
- Syrian and North African refugees, and immigrants from Eastern Europe revitalizing (or disrupting) UK, France, Germany, Italy, Sweden.
- Israel’s immigration experience (15% of entire population in one year)

# The Shape of Immigrants vs. the Shape of U.S. Workers

US: few Ph.D. engineers and scientists and few without high school education.



Immigrants: many scientists & engineers and many who didn't finish high school with limited English...

## FINANCIAL POST

### U.S. startup visa draws only 10 applicants as Trump throttles program

*No one has been granted a visa, and the U.S. is working on a plan to kill the rule entirely. That may bode well for Canada's tech scene*

The U.S. startup visa, passed with much fanfare during the twilight of Barack Obama's presidency, was supposed to draw thousands of foreign entrepreneurs. Instead, just 10 people have applied.

<https://business.financialpost.com/entrepreneur/startup-visa-draws-only-10-applicants-as-trump-throttles-program>

BLOOMBERG NEWS  
LIZETTE CHAPMAN

April 25, 2018  
7:04 AM EDT

🕒 Last Updated  
April 25, 2018  
7:04 AM EDT

## On immigration, let the states decide for themselves

Shikha Dalmia, Opinion contributor Published 12:19 p.m. ET Aug. 4, 2017 | Updated 12:19 p.m. ET Aug. 4, 2017

*Sen. Johnson's elegant approach for state guest worker waivers will let states field-test their own hunches about the effects of immigration.*

- Sen. Ron Johnson's (R-Wis.) State Sponsored Visa Act of 2017. Introduced in the Senate last month, this bill is modeled after Canada's highly successful Provincial Nominee Program.
- And like that program, it would give states the option to write their own guest-worker programs.

<https://www.usatoday.com/story/opinion/2017/08/04/immigration-let-states-decide-themselves-shikha-dalmia-column/536049001/>

## Medical Tourism to Medical Migration

- ...when he got a hernia, he flew to India to have it repaired. There he paid \$300...for a surgery that would cost \$29,880...here. He was a medical tourist—a patient who travels abroad for cost-effective treatment for cancer, cosmetic surgery, or any large yet time-insensitive medical need. ...
- What if those Indian doctors came to us? Foreign doctors can't operate on U.S. soil without extensive recertification, but they can work in any country that transfers their qualifications. ... What if some of those doctors set up shop in our nearest semi-autonomous states: Native American reservations...

[http://www.slate.com/articles/health\\_and\\_science/medical\\_examiner/2013/08/a\\_solution\\_to\\_the\\_health\\_care\\_crisis\\_indian\\_doctors\\_on\\_indian\\_reservations.html](http://www.slate.com/articles/health_and_science/medical_examiner/2013/08/a_solution_to_the_health_care_crisis_indian_doctors_on_indian_reservations.html)

### How to Solve the American Health Care Crisis

With a little help from some Indians.

By Justin Matis



America's health care problems could be solved through a collaboration of Asian Indians and American Indians. And a bus ride.



SNAPSHOT February 28, 2017

## A World Without Borders

Richer, Fairer, and More Free

By Nathan Smith

- \* *[Open borders] advocates [call for] nearly complete freedom of migration worldwide, with rare exceptions for preventing terrorism or the spread of contagious disease.*
- \* *Borders would still exist in such a world, but as jurisdictional boundaries rather than as barriers to human movement. . . .*
- \* *The open borders position may sound new and radical, but it is simply a call for the return of lost liberties.*
- \* *When the Statue of Liberty was erected in 1886, most of the world's borders could be freely crossed without passports.*

[www.foreignaffairs.com/articles/world/2017-02-28/world-without-borders](http://www.foreignaffairs.com/articles/world/2017-02-28/world-without-borders)

SNAPSHOT February 28, 2017

## A World Without Borders

Richer, Fairer, and More Free

By Nathan Smith

- *Ending migration controls in this way would increase liberty, reduce global poverty, and accelerate economic growth.*
- *[and] would challenge the right of governments to regulate migration on the arbitrary grounds of sovereignty.*
- *Comprehensive restrictions on international movement... today regard[ed] as a normal and necessary government function, are really an innovation of the twentieth century...*
- *Although the reasons for border control were often explicitly racist—such as the national origins quotas of the 1924 U.S. Immigration Act—the restrictions were also motivated by bona fide national security concerns, as well as a desire to protect native wages and welfare states from immigrant competition and foreign dependents.*

[www.foreignaffairs.com/articles/world/2017-02-28/world-without-borders](http://www.foreignaffairs.com/articles/world/2017-02-28/world-without-borders)

# If People Could Immigrate Anywhere, Would Poverty Be Eliminated?

Some economists are pushing for "open borders"

SHAUN RAVIV APR 26, 2013

- What if there was a program that would cost nothing, improve the lives of millions of people from poorer nations, and double world GDP?
- At least one economist says that increased mobility of people is by far the biggest missed opportunity in development.

<https://www.theatlantic.com/international/archive/2013/04/if-people-could-immigrate-anywhere-would-poverty-be-eliminated/275332/>

## Should We Let Them All In? How Immigration Helps the Economy



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Email



41,732

<http://www.learnliberty.org/videos/should-we-let-them-all-in-how-immigration-helps-the-economy/>



Free Market Institute

### Director and Professor of Economics

**Benjamin Powell** is the director of the Free Market Institute and a professor of economics in the Jerry S. Rawls College of Business Administration at Texas Tech University.



Published: 21 September 2015

OXFORD

### THE ECONOMICS OF IMMIGRATION

Market-Based Approaches, Social Sciences, and Public Policy



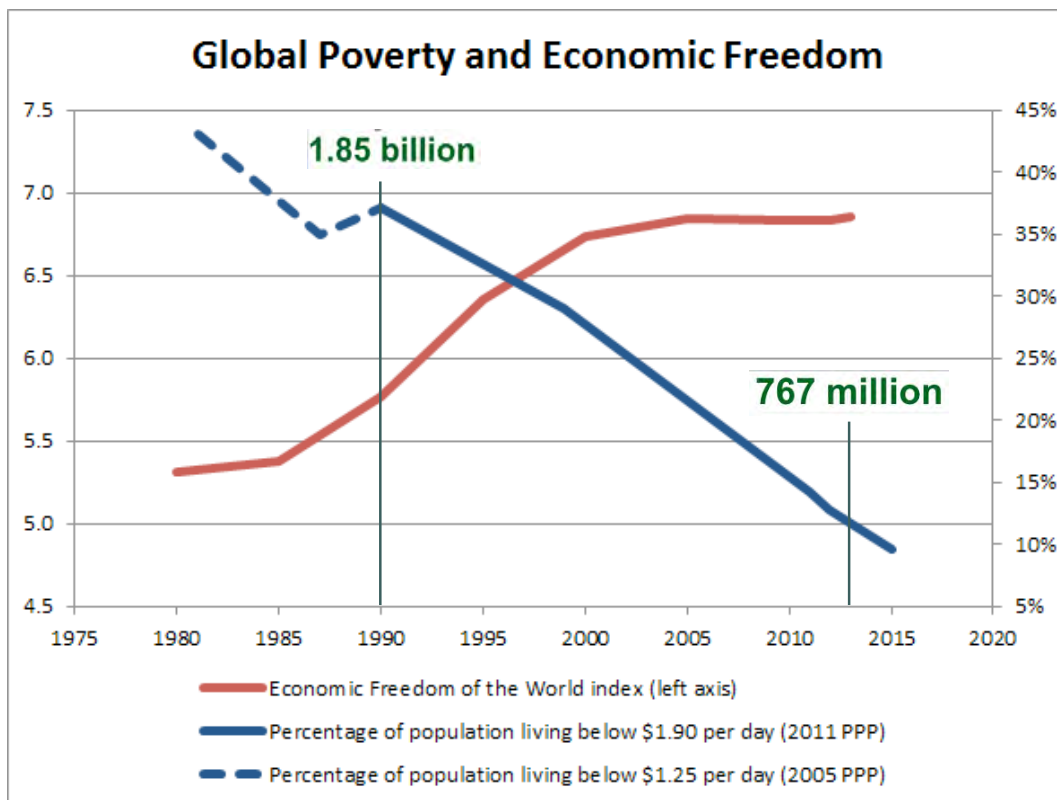
Edited by  
BENJAMIN POWELL

## Many Disagree... and Focus on Problems of Immigration

- Over 5 million views for *Immigration, World Poverty and Gumballs* by NumbersUSA
- Claims: 3 billion in world with income under \$2/day. And world population growing by 80 million a year.
- USA can't much help the world's poor by letting 1 million (or even 5 million) in each year.
- Poverty must be solved in the countries where the poor live.
- Immigrants and their children are only reason US population is increasing...
- Longer video claims overcrowded schools, parks, roads and, environmental harms.



Immigration, World Poverty and Gumballs - NumbersUSA.com  
5,152,614 views



**In 2013, 767 million people lived on less than \$1.90 a day, down from 1.85 billion in 1990. ...**  
**A vast majority of the global poor live in rural areas and are poorly educated, mostly employed in the agricultural sector...**  
[Poverty Overview - World Bank Group www.worldbank.org/en/topic/poverty/overview](http://www.worldbank.org/en/topic/poverty/overview)

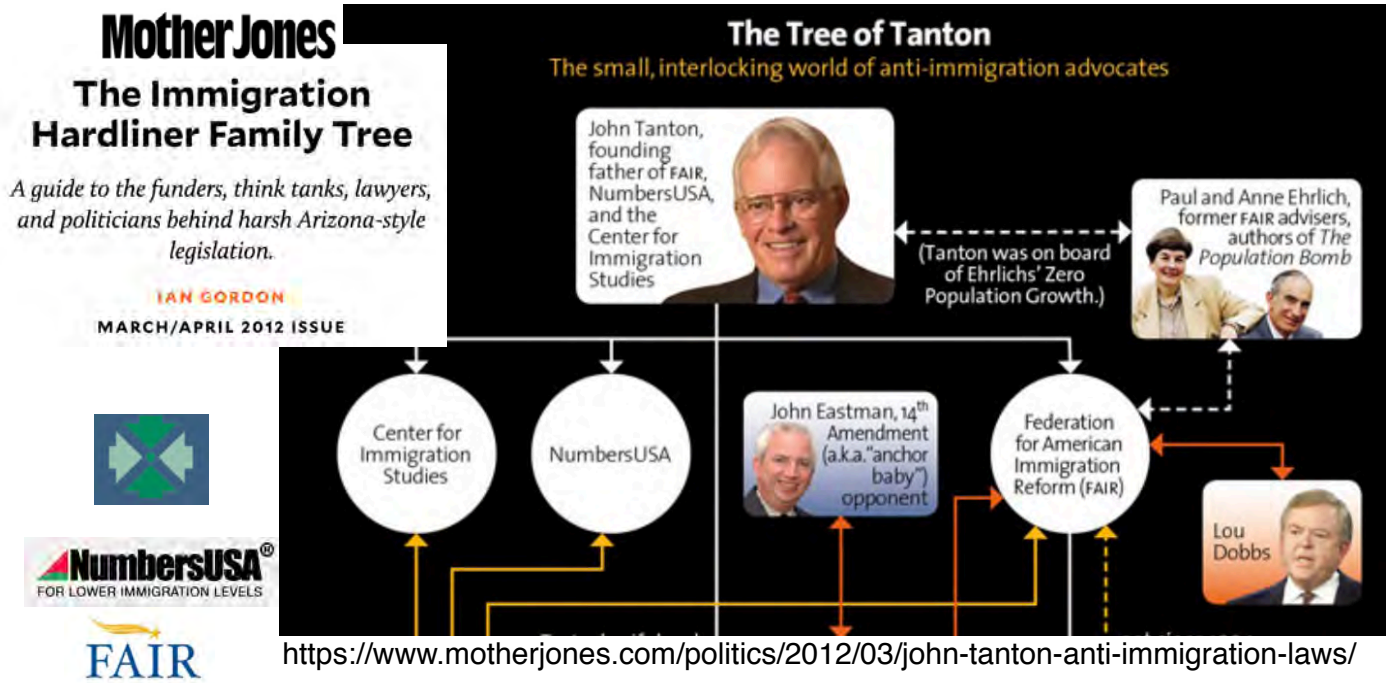
<http://www.cato.org/blog/dramatic-decline-world-poverty>

# The Anti-Immigration Crusader

By JASON DePARLE APRIL 17, 2011

- WASHINGTON — Three decades ago, a middle-aged doctor sat outside his northern Michigan home and saw a patch of endangered paradise.
- A beekeeper and amateur naturalist of prodigious energy, John Tanton had spent two decades planting trees, cleaning creeks and suing developers, but population growth put ever more pressure on the land. Though fertility rates had fallen, he saw a new threat emerging: soaring rates of immigration.
- Time and again, Dr. Tanton urged liberal colleagues in groups like Planned Parenthood and the Sierra Club to seek immigration restraints, only to meet blank looks and awkward

<https://www.nytimes.com/2011/04/17/us/17immig.html>



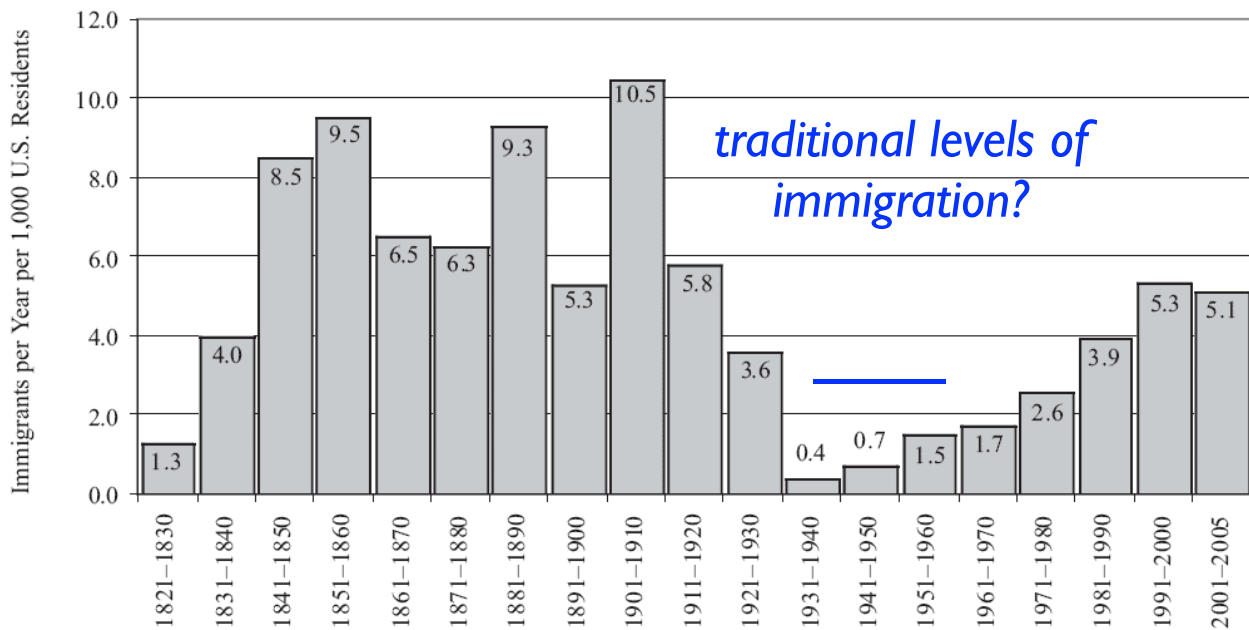
SPLINTER

The Eugenicist Doctor and the Vast Fortune Behind Trump's Immigration Regime

<https://splinternews.com/the-eugenicist-doctor-and-the-vast-fortune-behind-trump-1827322435>

# TRADITIONAL IMMIGRATION?

Figure 1  
American Immigration in Perspective, by Decade, 1820–2005



Sources: U.S. Census Bureau; 2005 Yearbook of Immigration Statistics, U.S. Office of Immigration Statistics; and Pew Hispanic Center.

## An 'America First' Immigration Policy

By Stephen Moore

March 6, 2018 5 Min Read

- America greatly benefits economically from a steady flow of immigrants (... 1 million new legal arrivals each year)
- Immigrants' age profile is beneficial to the U.S. They tend to come to the United States when they are young — between the ages of 16 and 35.
- They are educated in China, or Mexico, or Germany, or Ireland, and then America gets most or all of the benefits of their labor and the public return on the education.
- This is one of the greatest wealth transfers in the history of the world. It is worth trillions of dollars to American citizens. greatest comparative advantages in the global economy. ...

<https://www.creators.com/read/stephen-moore/03/18/an-america-first-immigration-policy>

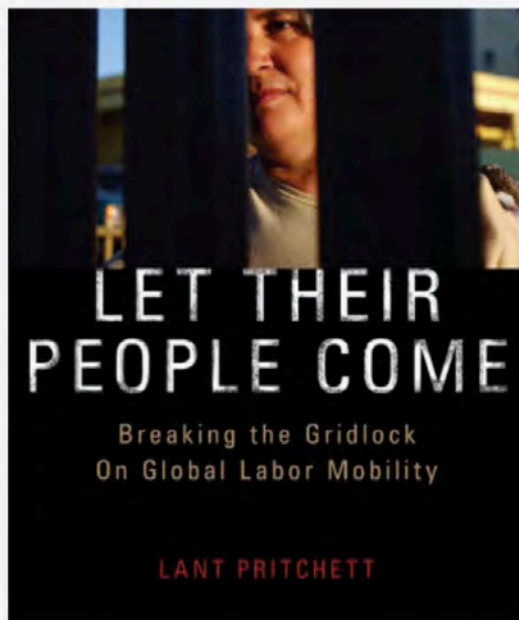
## An 'America First' Immigration Policy *continued...*

By Stephen Moore

March 6, 2018 5 Min Read

- Immigrants are especially beneficial now because of our unfavorable demographic[s]. ...75 million baby boomers...are retiring at the pace of 10,000 a day, and there aren't enough young people to fill the gaps.
- Immigrants can and hopefully will — or else Social Security and Medicare will go belly up much faster than anyone imagines.
- —Since there is such a high global demand for entry into the U.S., we should set a price on these visas, perhaps \$25,000 or even \$50,000. We could raise about \$20 billion a year to reduce the budget deficit. There would be no shortage of people lining up to pay the entry fee in exchange for the most valuable resource in the world: an American passport.

<https://www.creators.com/read/stephen-moore/03/18/an-america-first-immigration-policy>



### BOOKS

## Let Their People Come: Breaking the Gridlock on Global Labor Mobility

Lant Pritchett

SEPTEMBER 12, 2006

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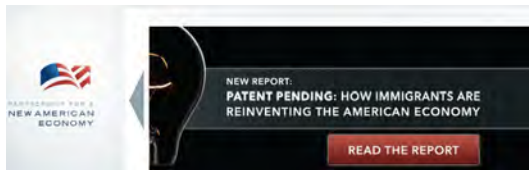
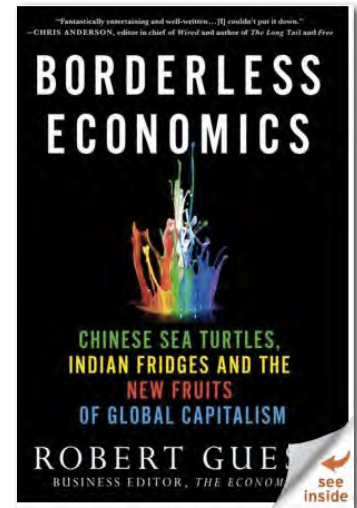
PAPERBACK

<https://www.cgdev.org/publication/9781933286105-let-their-people-come-breaking-gridlock-global-labor-mobility>

# Migration Economics

## How Moving Makes Us Richer

- Stories of immigrants who see problems and act on opportunities. *Cheun Yan from China saw lots of paper thrown away in the U.S., built Nine Dragons Paper, now she is worth \$1.6 billion.*
- *Sergey Brin, son of Russian immigration to Google. Similar stories with PayPal, eBay, Sun Microsystems.*
- **[www.renewoureconomy.org](http://www.renewoureconomy.org)**



**New American Economy**

Nation > Texas

Data Stories

Immigrant Residents	4,707,859
Immigrant Share of Population	16.9%
Immigrant Taxes Paid	\$32.1B
Immigrant Spending Power	\$101.2B
Immigrant Entrepreneurs	357,420
Employees at Immigrant-Owned Firms	421,942

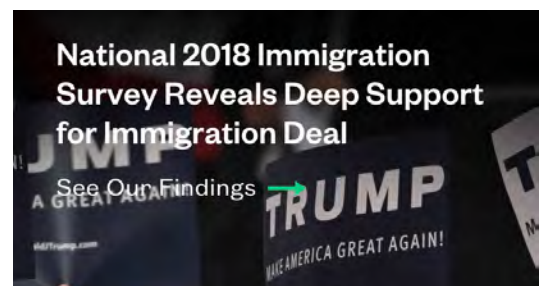
[www.newamericaneconomy.org/](http://www.newamericaneconomy.org/)

Nation > Kansas

Data Stories

Immigrant Residents	213,203
Immigrant Share of Population	7.3%
Immigrant Taxes Paid	\$1.5B
Immigrant Spending Power	\$4.6B
Immigrant Entrepreneurs	6,411
Employees at Immigrant-Owned Firms	31,102

[More about Kansas](#)



# More Mexicans Leaving Than Coming to the U.S.

*Net Loss of 140,000 from 2009 to 2014; Family Reunification Top Reason for Return*

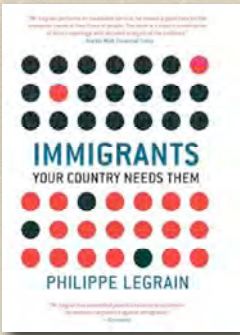


<http://www.pewhispanic.org/2015/11/19/more-mexicans-leaving-than-coming-to-the-u-s/>

Yes, we are experiencing a net outflow of illegal, undocumented workers from America back to Mexico

*By Eric Litke on Wednesday, April 26th, 2017 at 5:00 a.m.*

Immigration experts from a variety of think tanks said Pew's research on illegal immigration is well respected and saw no reason to doubt its methodology.



## The Case for Immigration: The secret to economic vibrancy by Phillip Legrain and TCS Daily interview with Phillip Legrain

There is a contradiction at the heart of our globalizing world: while goods, services, and capital move across borders ever more freely, most people cannot. No government except perhaps North Korea's would dream of banning crossborder trade in goods and services, yet it is seen as perfectly normal and reasonable for governments to outlaw the movement across borders of most people who produce goods and services. No wonder illegal immigration is on the rise: most would-be migrants have no other option.

This is perverse. Immigrants are not an invading army; they are mostly people seeking a better life. Many are drawn to rich countries such as the United States by the huge demand for workers to fill the low-end jobs that their increasingly well-educated and comfortable citizens do not want. And just as it is beneficial for people to move from Alabama to California in response to market signals, so too from Mexico to the United

States depressing their wages. Others fret that immigrants will be a burden on the welfare state. Some seem to believe that immigrants somehow simultaneously "steal" jobs and live off welfare.

Governments increasingly accept the case for allowing in highly skilled immigrants. The immigration bill before the Senate would tilt U.S. policy in that direction, establishing a points system that gives preference to university graduates. Such skills-focused points systems are in vogue: Canada and Australia employ one; Britain is introducing one; and other European countries are considering them.

For sure, as the number of university graduates in China, India, and other emerging markets soars in coming decades, it will be increasingly important for the United States to be able to draw on the widest possible pool of talent--not just for foreigners' individual skills and drive, but for their collective diversity.

It is astonishing how often the exceptional individuals who come up with brilliant new ideas happen to be immigrants. Twenty-one of Britain's Nobel Prize winners arrived in the country as refugees. Perhaps this is because immigrants tend to see things differently rather than following the conventional wisdom, perhaps because as outsiders they are more determined to succeed.

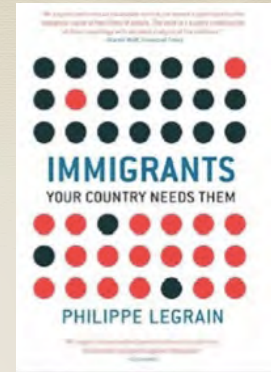
Yet most innovation nowadays comes not from individuals, but from groups of talented people sparking off each other--and foreigners with different ideas, perspectives, and experiences add something extra to the mix. If there are ten people sitting around a table trying to come up with a solution to a problem and they all think alike, then they are no better than one. But if they all think differently, then by bouncing ideas off each other they can solve



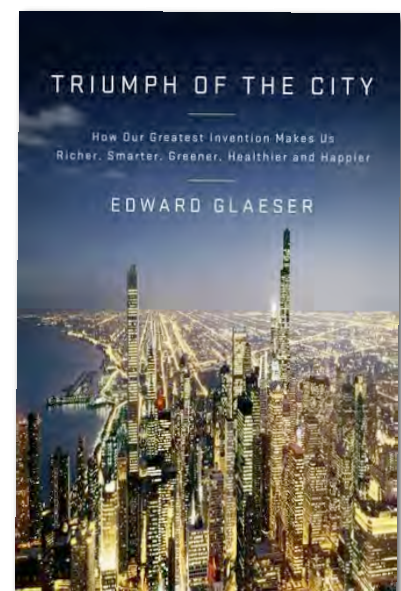
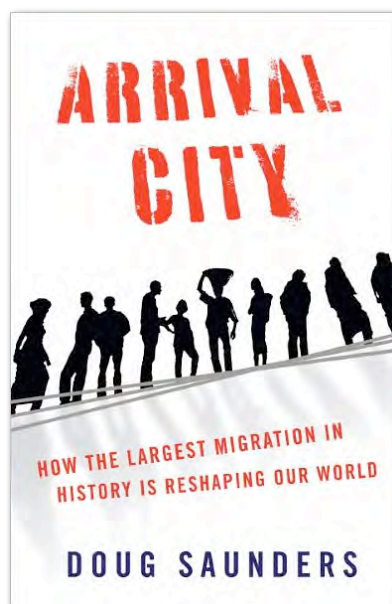
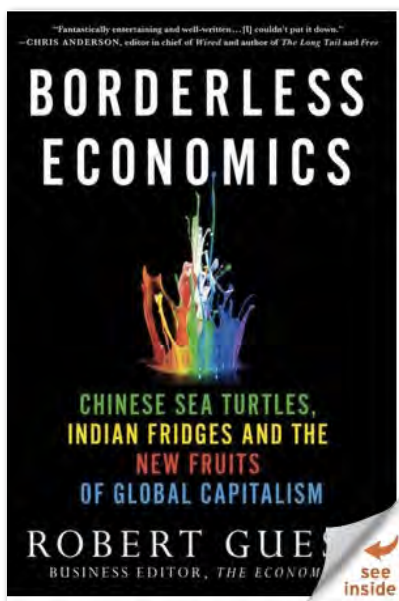
# Open Immigration?

\* *Britain's experience since it opened its borders to the eight much poorer central and eastern European countries which joined the European Union in 2004 is instructive.*

\* *All 75 million people there could conceivably have moved, but in fact only a small fraction have, and most of those have already left again. Many are, in effect, international commuters, splitting their time between Britain and Poland.*

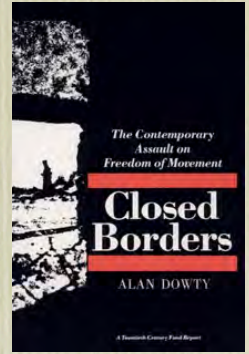


## Migration, Cities, and Economic Prosperity



# Closed Borders

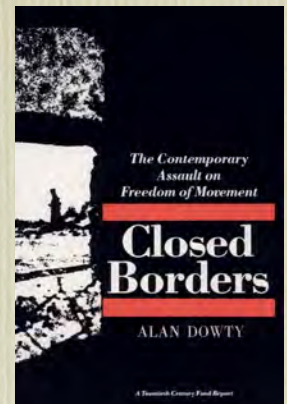
The Contemporary Assault on Freedom of Movement by Alan Dowty. A Twentieth Century Fund Report; Yale University Press, 1987



- *Human history is the history of movement.*
- *Migration the principle drivewheel of historic change.*
- *Migration the means for diffusion of ideas, techniques, and cultures, and new advances stimulated.*

## Free Trade & Migration

- “As supporters of free trade argue that the flow of goods will regulate itself, so defenders of free movement contend that the unhindered flow of people will find a natural balance. p. 58
- “In this view, the accumulation of millions of individual decisions will produce a better social result than any centralized scheme of control.
- The movement of people thus serves as a ‘thermostat’ of the relative pressures and opportunities existing in different societies.”



# Migration

- After railroads & steamships, but before Passports... (“temporary wartime measure”)
- Migration: 1895-1920: 145,000 Romanians came to the United States. Many others migrated to Western Europe.
- 450,000 Hungarians to U.S. - 1894 to 1914.
- World’s largest migration: Europeans to North & South America in this period.
- Immigration in the 1980s and 1990s...

