

Debate Brief - Immigration

Resolved: Immigration is a net positive force for the U.S. economy.

"A large proportion of ingenious and valuable workmen, in different arts and trades, who, by expatriating from Europe, have improved their own condition, and added to the industry and wealth of the United States." –Alexander Hamilton, "Collected Works," Vol. 4.

"[M]y administration is taking several steps to stiffen enforcement for those who try to come without a legal right to stay, and to put in place a faster process [...] to decide a claim of asylum[.] [T]here's got to be a way to determine that much quicker for people who are credibly seeking protection from persecution." – President Joe Biden, Jan. 25 2023, Roosevelt Room

"New arrivals should be limited to our capacity to absorb them into the ranks of good citizenship. America must be kept American. For this purpose, it is necessary to continue a policy of restricted immigration."

- President Calvin Coolidge, Dec. 1923, First Annual Message to Congress

"Whether one traces his Americanism back three centuries to the Mayflower, or three years of the steerage, is not half so important as whether his Americanism of to-day is real and genuine. No matter by what various crafts we came here, we are all now in the same boat." – President Calvin Coolidge, October 6, 1925

ABOUT THE COOLIDGE FOUNDATION

The Calvin Coolidge Presidential Foundation is the official foundation dedicated to preserving and promoting the legacy of America's 30th president, Calvin Coolidge, who served in office from August 1923 to March 1929. Coolidge values include civility, bipartisanship, and restraint in government, including wise budgeting. The Coolidge Foundation sponsors the renowned Coolidge Scholarship and Senators program for academic merit. The Foundation has also built a national debate program, culminating in the Coolidge Cup, an invitational tournament held each July at the President's birthplace in Plymouth, Vermont. The Foundation was formed in 1960 by a group of Coolidge enthusiasts, including John Coolidge, the president's son. The Coolidge Foundation maintains offices in Plymouth, Vermont, where it works in cooperation with the Calvin Coolidge State Historic Site, and at Coolidge House in Washington, D.C. The Foundation seeks to increase Americans' understanding of President Coolidge and the values he promoted.

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BACKGROUND

Immigrants are people who live in a country that is different from the country where they were born. People move to other countries for many reasons, but a common reason is to take advantage of improved economic prospects. Different countries have vastly different economic systems and opportunities, and people move to maximize their well-being. It is not a coincidence that the United States has both the largest economy in the world and is the top destination for immigrants worldwide.

The U.S. has often been described as a "nation of immigrants." Nearly all U.S. citizens today (except Native Americans and African American descendants of former slaves) are immigrants themselves or are descendants of immigrants who came to the U.S. in previous generations. Currently, nearly 45 million immigrants live in the U.S. This is the equivalent of nearly 14% of the total U.S. population. In other words, almost one in every seven people living in the U.S. was born in another country. Since 1850, the percentage of the U.S. population that is foreignborn has often topped 10%¹ and it appears that this trend will continue. It has been estimated that by 2050 immigrants will represent 18.6% of the overall U.S. population (i.e. nearly one in every five people).²

Immigration often generates great debate in the United States. A big part of the debate revolves around the effect that immigrants have on the American economy. Many economists find that immigrants on net are a positive force for the economy. Immigrants add to the labor force, filling jobs both on the high- and low-skill spectrums of the economy. They have traditionally been among the most innovative and entrepreneurial people in the country.

However, others argue that immigrants may be competing with native workers, taking away jobs and lowering wages for native-born citizens. Furthermore, those who favor more restrictions on immigration point to the large number of unauthorized or illegal immigrants in the U.S. and make the case that illegal immigration is eroding the rule of law in the country. Some also believe that immigrants are a burden on taxpayers.

Immigration was an issue that generated much attention in President Coolidge's day as well. Huge numbers of people from south and east Europe migrated to the United States in the late 19th and early 20th centuries, the period largely covering President Coolidge's childhood and early political career up to his 1923 accession to the presidency. These new Americans often spoke languages (such as Russian and Italian) and practiced religions (such as Catholicism and

¹ U.S. Census Bureau, *Historical Census Statistics on the Foreign-Born Population of the United States: 1850-2000;* U.S. Census Bureau, 2013 American Community Survey.

² Passel, Jeffrey, and D'Vera Cohn. "U.S. Population Projections: 2005–2050." (n.d.): n. pag. *Pew Hispanic Center*. Pew Research Center. Web. 11 Feb. 2008.

Judaism) previously unfamiliar to native-born Americans. This large new influx of immigrants created discomfort among many native-born Americans, and led to a succession of restrictionist immigration laws, culminating with the Johnson-Reed Immigration Act, which President Coolidge signed into law on May 24, 1924.

The Johnson-Reed Act is possibly the strictest immigration law ever enacted in American history. The law limited future flows of immigrants to the U.S. from a particular country to the equivalent of two percent of the number of immigrants from that country already in the U.S. in 1890. This effectively halted immigration from south and east Europe. The law also excluded immigration of Asians. The law reflected the isolationist zeitgeist of the time. The Act was highly popular in the Congress, passing the Senate with only a few dissents and clearing the House of Representatives by a landslide as well.

Despite putting his pen to this restrictive law, President Coolidge did not harbor the prejudices that sometimes emerge in discussions of migration policy. Indeed, Coolidge often had very positive things to say about immigrants. In his 1926 speech at the dedication of the statue of John Ericsson he said "...when once our feet have touched this soil, when once we have made this land our home, wherever our place of birth, whatever our race, we are all blended in one common country. All artificial distinctions of lineage and rank are cast aside. We all rejoice in the title of Americans." At the American Legion convention in Omaha, Nebraska in 1925 Coolidge remarked "Whether one traces his Americanism back three centuries to the Mayflower, or three years of the steerage, is not half so important as whether his Americanism of to-day is real and genuine. No matter by what various crafts we came here, we are all now in the same boat."

President Coolidge was, however, a believer in immigration controls. His position on immigration is well reflected in his 1923 State of the Union message: "New arrivals should be limited to our capacity to absorb them into the ranks of good citizenship. America must be kept American. For this purpose, it is necessary to continue a policy of restricted immigration." There are still many Americans who agree with President Coolidge's sentiment, and many who disagree.

You now have the chance to take part in this debate by debating the economic merits (or lack thereof) of more open U.S. immigration policy. Please familiarize yourself with the key terms listed below and then study the pro and con arguments and evidence supporting both sides of this resolution.

KEY TERMS

Immigrant or **Foreign-Born** — These terms are used interchangeably to refer to someone who is living in a country that is different from the country of his/her birth.

Economic Growth — An increase in the amount of goods and services produced in an economy over a period of time. This is often measured in terms of a country's GDP.

Gross Domestic Product (GDP) — This is the total value of all goods and services produced in an economy in a year. "GDP per capita" takes a country's GDP and divides it by the country's population. Therefore, GDP per capita is one measure of the wealth of a country relative to the size of its population.

Productivity — Productivity is measured as the amount of output produced from any given amount of inputs. Productivity growth is the greatest driver of long-term economic growth. When productivity increases, economic growth tends to increase.

Innovation — Innovation is finding new or better ways to do things. Innovation allows productivity to increase, and thus is an important ingredient for economic growth.

Article I, Section 8 — The section of the Constitution regarding immigration. It says that Congress has power to "establish a uniform Rule of Naturalization..." I.e., Congress alone has the power to establish immigration policy – not the states and not the president.

Economic Protectionism — An economic strategy employed by a government where foreign competition is restricted to encourage domestic industry and employment; these policies include tariffs, quotas, and limited immigration.

The Johnson-Reed Act — A restrictive immigration act signed into law by President Coolidge in 1924. The law favored Northern Europeans because it based its quotas on the immigrant population of 1890. That 1890 population was heavily Northern European. It also constrained immigration generally, creating an annual cap of 150,000 on the total number of new immigrants per year. This cap became effective in 1929. The Johnson-Reed Act did not place any restrictions on migration to the U.S. from countries in the Western Hemisphere.

The 1965 Immigration Act — The 1965 Act moved immigration to the family reunification principle, meaning that immigration would now be heavily based upon whether or not potential immigrants had close relatives (spouses, parents, children, etc.) who were already U.S. citizens.

AFFIRMATIVE ARGUMENTS

1. Immigrants help to fuel economic growth.

Many studies gauge the impact of immigrants on the U.S. economy. It has been found that immigrants not only increase the overall GDP but also improve native-worker productivity and wages. A 2007 review on immigration from the Council of Economic Advisors to the White House, reported that immigrants increased the economy's total output by as much as \$37 billion per year. The report also cited immigrant's positive effects on native wages and government revenues.³

Economist Richard Vedder has found that had immigration policy been more growth-oriented in the 1960s (to allow in more skilled immigrant workers), average GDP growth per year from 1970 to 2011 could have been approximately 3.1% instead of the actual rate of 2.8%. While this may seem trivial, the compounded effects of a 0.3 percentage point increase over several decades would have resulted in "In our projections, the deficit is also smaller than it was last year because economic output is greater, partly as a result of more people working. The labor force in 2033 is larger by 5.2 million people, mostly because of higher net immigration. As a result of those changes in the labor force, we estimate that, from 2023 to 2034, GDP will be greater by about \$7 trillion and revenues will be greater by about \$1 trillion than they would have been otherwise. We are continuing to assess the implications of immigration for revenues and spending."

Source: Congressional Budget Office, "<u>Director's Statement on the Budget and</u> <u>Economic Outlook for 2024 to 2034</u>" (February 7, 2024)

an increase of over \$2 trillion to GDP.⁴ Additionally, a 2009 study by the Cato Institute found that not only would an expanded immigration policy increase the wealth of U.S. households by \$180 billion, but also that restrictive policies would have a negative impact on household wealth by \$80 billion.⁵

Also note that the data table in the appendix of this packet shows that many states with a high proportion of immigrants do well economically. California, New York, New Jersey, Massachusetts, Connecticut and the District of Columbia are all examples of immigrant-dense states that enjoy high GDP per capita. For your debate you might want to mention some of the specific data points for some of these states.

³ Lazear, Edward P., and Donald Marron. "Immigration's Economic Impact." *Immigration's Economic Impact*. The White House Archives, 20 June 2007. Web. 18 Feb. 2016.

⁴ Vedder, Richard. "Invisible Hands: Immigration and American Economic Growth." (n.d.): n. pag. *George W. Bush Institute*. George W. Bush Institute, Mar. 2013. Web. 18 Feb. 2016.

⁵ Dixon, Peter B., and Maureen T. Rimmer. "Restriction or Legalization? Measuring the Economic Benefits of Immigration Reform." Trade Policy Analysis (2009): n. page. Web.

2. Immigrants tend to be entrepreneurs, starting new companies that help the economy and employ others.

Immigrants tend to be highly entrepreneurial. This is hardly surprising given that the very act of immigrating is itself an entrepreneurial decision. Many scholars point out that immigrants are a "self-selected" group of people who are more ambitious and more willing to take on risk than most people. These are traits typical of entrepreneurs.

Businesses are essential for economic growth. By turning good ideas into products ready for the marketplace, entrepreneurs drive the economy forward. Data show that immigrants represent 18% of all small business owners in the U.S., even though immigrants account for only around 14% of the total U.S. population. In New York City alone, some 90% of laundry businesses and 90% of taxi/limousine services are owned by immigrants to the U.S.⁶

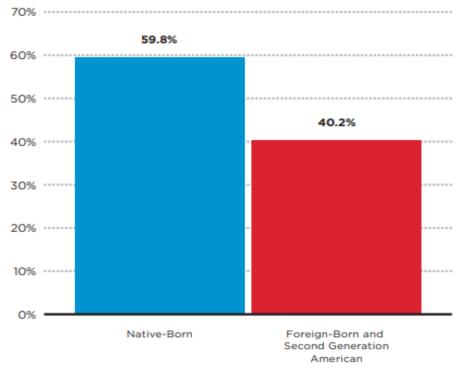


Figure 1. Percentage of Fortune 500 Companies Founded by Native-Born Citizens, the Foreign-Born, and Second-Generation Americans (2016)

Source: Partnership for a New American Economy, 2016

⁶ David D. Kallick, Immigrant Small Business Owners: A Significant and Growing Part of the Economy, report (Washington, DC: Fiscal Policy Institute, 2012), http://fiscalpolicy.org/wp-content/uploads/2012/06/immigrant-small-business-owners-FPI-20120614.pdf.

Immigrants are also responsible for starting many of the world's most important companies. Every year Fortune Magazine identifies America's biggest companies. According to the American Immigration Council, nearly half of today's Fortune 500

Nearly half of all Fortune 500 companies had at least one key founder who was an immigrant to the U.S. or the child of an immigrant to the U.S.

companies "were founded by either immigrants or the children of immigrants, including four of the top 12" companies. These are companies most Americans are familiar with, such as Apple, Google, Amazon, and Costco.⁷

3. Immigrants are highly innovative, which spurs increases in productivity and greater economic growth.

Economists across the board agree that increasing productivity is the most important factor in longterm economic growth. Immigrants help drive productivity increases, and therefore economic growth itself, through innovation. Quantifying

The U.S. Patent and Trademark Office reports that more than 50% of all patents it grants are given to immigrants or foreigners

innovation within an economy can be difficult, but one of the most common methods is to examine patent data – after all, patents are only granted to ideas that experts agree are indeed new and worthwhile ideas. In the U.S., immigrants have proven to be very good at developing ideas that receive patents. The U.S. Patent and Trademark Office reports immigrants or other foreigners are responsible for more than 50 percent of the patents its office grants.⁸ Immigrants in the U.S. are also twice as likely as native-born Americans to commercialize a patent.⁹ That is remarkable considering immigrants in the U.S. represent only about 14 percent of the U.S.'s total population.

Immigrants are also more likely to publish journal articles and other scholarly works. A study by Jennifer Hunt in the Journal of Labor Economics reported that in 2000 the percent of foreignborn college graduates who had published scholarly work was 17.6% compared to 14.4% for native-born graduates.¹⁰ These scholarly publications are the foundation of the new ideas that boost productivity and economic growth.

⁷ Hubbard, S. "<u>Fortune 500 Companies with Immigrant Roots Generated More Money Than the GDP of Most</u> <u>Western Nations</u>" Immigration Impact. August 23, 2023.

⁸ U.S. Patent and Trademark Office, "U.S. Patent Statistics Chart Calendar Years 1963-2020," <u>https://www.uspto.gov/web/offices/ac/ido/oeip/taf/us_stat.htm</u>.

⁹ Jennifer Hunt, "Which Immigrants Are Most Innovative and Entrepreneurial? Distinctions by Entry Visa," Journal of Labor Economics 29, no. 3 (July 2011).

¹⁰ Ibid.

4. Another way to grow an economy is to add workers. More immigrants mean more workers, and therefore a larger overall economy.

Immigrants help grow the economy by working. In fact, data from the U.S. Census Bureau show that in 2019, 64.3% of immigrants aged 16 and older were employed, compared to only 59.5% of native-born

From 2006 to 2016, some 45% of labor force growth in the U.S. came from foreign-born workers.

citizens.¹¹ While a 4.8 percentage point difference in the employment rates may not seem like a large difference, if native-born workers were employed at the same rate as immigrants, the economy would have had an additional 10.6 million workers in 2019.¹²

Immigrants have also played a major role in recent years in growing the overall size of the U.S. labor force. Data from the U.S. Census Bureau show that immigrants were responsible for approximately 45% of the growth in new workers in the U.S. during the years 2006-2016.¹³ Furthermore, the Pew Research Center projects that between 2012 and 2050, immigrants and their U.S.-born children will combine to account for an astounding 93% of the total growth of America's working age population.¹⁴ In other words, nearly all of the work force growth in the next 30 years will be from immigrants.

5. Many immigrants are highly educated and therefore bring new skills to contribute to the U.S. economy.

In the U.S., immigrants are more likely than native-born Americans to have an advanced degree (e.g. a master's, professional, or doctorate degree).¹⁵ Furthermore, the OECD reports that since 2000, immigrants have represented 21% of the increase in the highly educated labor for in the United States.¹⁶ This matters because it is highly-educated workers who are most likely to generate innovations that have a big boost on economic growth. Thus, by welcoming highly educated immigrants, a country can boost its economic potential.¹⁷

¹¹ U.S. Census Bureau, "Selected Characteristics of the Native and Foreign-Born Populations, *American Community Survey (ACS)*. Accessed 6 Aug 2021.

¹² Author's calculations, data from: U.S. Census Bureau, "Selected Characteristics of the Native and Foreign-Born Populations, *American Community Survey (ACS)*. Accessed 6 Aug 2021.

¹³ U.S. Census Bureau, Current Population Survey: Annual Social and Economic Supplement.

¹⁴ Taylor, Paul. "Second-Generation Americans A Portrait of the Adult Children of Immigrants." (n.d.): n. pag. *Pew Research Center*. Pew Research Center, 7 Feb. 2013. Web.

¹⁵ U.S. Census Bureau, "Selected Characteristics of the Native and Foreign-Born Populations, American Community Survey (ACS). Accessed 6 Aug 2021.

¹⁶ "Is Migration Good for the Economy?" (n.d.): n. pag. OECD. May 2014. Web. 17 Feb. 2016.

¹⁷ Holland, Dawn, Iana Liadze, Cinzia Rienzo, and David Wilkinson. "The Relationship between Graduates and Economic Growth across Countries." *Department for Business Innovation and Skills*. Aug. 2013. Web. 18 Feb. 2016.

Immigrants are an important driving force behind the so-called "STEM" (science, technology, engineering, and math) fields in academics. In 2019, over half of all engineering, mathematics, and computer science doctoral degrees granted in the U.S. were earned by international students.¹⁸ This translates to the labor

According to the U.S. Census Bureau, in 2019, 14.2% of immigrants in the U.S. possessed an advanced degree, compared to 12.5% of native-born Americans.

market as well. Data show that in 2017, the foreign-born accounted for nearly 45% of the workers with doctoral degrees employed in science and engineering fields in the U.S.¹⁹

6. Immigrants help the age demographic problem by providing working-age people.

An aging population is a substantial problem currently facing many developed countries around the world. In the U.S., parents are having fewer children, meaning that the average age of the population is becoming older. This is concerning for the future of economic growth because a growing economy requires workers. When the population is aging, it means more and more people are retiring and therefore no longer working.

Immigrants are one solution to this demographic challenge. Immigrants tend to come to their new country when they are at an age at which they can work. In 2019, approximately 78% of immigrants living in the U.S. were of working age (age 18-64), compared to only 59% of the native-born American population.²⁰ See Figure 2.

An important indicator of the health of an economy is the ratio of the working-age population to the dependent-age population. (Typically, the working-age population is considered those people between the ages of 18 and 64, while the dependent-age population is considered those people 17 years and younger and those people 65 years of age and older.) Economies with more workers per dependent person have a better outlook because there are more workers available to produce for the young and old. The figure shows that among immigrants in the U.S., there are nearly four people of working age for every person under the age of 18 or over the age of 64. Among natives, that ratio stands at 1.5 to $1.^{21}$

¹⁸ "Survey of Earned Doctorates," Table 54: Statistical profile of doctorate recipients, by sex and broad field of study: 2019, National Science Foundation.

 ¹⁹ "Science and Engineering Indicators," Table 3-21: Foreign-born workers in S&E occupations, by education level, National Science Foundation. <u>https://ncses.nsf.gov/pubs/nsb20198/immigration-and-the-s-e-workforce</u>.
²⁰ U.S. Census Bureau, "Selected Characteristics of the Native and Foreign-Born Populations, *American Community Survey (ACS)*. Accessed 6 Aug 2021.

²¹ Author's calculations, data from U.S. Census Bureau, 2015 American Community Survey.

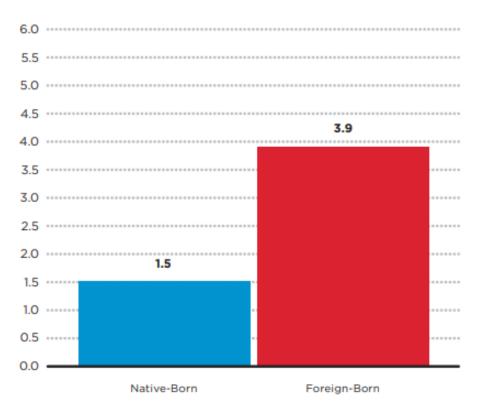


Figure 2. Working-Age People per Non-Working-Age People, Foreign-Born vs. Native-Born, 2015

Source: Partnership for a New American Economy, 2016; U.S. Census Bureau, 2015 American Community Survey. Note: the term "Working-Age" is defined as those people 18-64 years of age. The term "Non-Working-Ag" is defined as those people under the age of 18 or over the age of 64.

NEGATIVE ARGUMENTS

1. Immigrants compete with natives for jobs, and can cause greater unemployment and lower wages for all.

An influx of foreign-born workers means an increase in the supply of labor. Like any industry, when supply increases, the price tends to fall. In the case of immigration, the supply is workers, and since that supply increases, it means the price for workers (i.e. wages) can be expected to fall. It makes intuitive sense that with more available workers and therefore more competition among workers for jobs, firms will be able to offer lower wages. This means that native workers will see their wages go down or they may even be driven to unemployment.

Examining this issue in the U.S., Harvard economist George Borjas finds that between 1960 and 2001, increasing the number of immigrant workers in the U.S. by 10% within a particular skill group reduced wages by around 3% to 4% for natives in that same skill group.²² In another study, Borjas and co-author Lawrence Katz find that in the U.S. during the period 1980–2000, immigrant inflows from Mexico reduced wages for U.S. natives without high school degrees by 8.2% in the short term and 4.2% in the long term. For typical natives, Borjas and Katz estimate immigrant inflows from Mexico reduced wages 3.4% in the short term but had no effect at all in the long term.²³

While it is true that many immigrants are highly educated, there is also a very large portion of immigrants that are low-skilled. Indeed, a large share of the U.S. immigrant population has not earned even a high school degree. In 2019, around one in four immigrants did not have even a high school diploma, compared to less than one in every 10 native-born Americans.²⁴ These low-skilled immigrants do not offer the same kind of productivity benefits to the economy that high-skilled immigrants do. And since such a large proportion of immigrants are low-skilled, the economic benefits of the general immigrant in the U.S. are not substantial.

It is the duty of governments to protect their own citizens first. If increasing immigration causes wages to go down for native workers, then expanding immigration can be thought of as bad for the workers within the economy.

²² George J. Borjas, "The Labor Demand Curve Is Downward Sloping: Reexamining the Impact of Immigration on the Labor Market," The Quarterly Journal of Economics 118, no. 4, doi:10.1162/003355303322552

 ²³ George J. Borjas and Lawrence F. Katz, "The Evolution of the Mexican-Born Workforce in the United States," in Mexican Immigration to the United States , ed. George J. Borjas (Chicago: University of Chicago Press, 2007), 13-56.
²⁴ Ibid.

2. Millions of immigrants are here illegally, and that hurts our economy.

Estimates suggest that around 11 million unauthorized immigrants reside in the United States.²⁵ This is problematic from an economic and political sense for many reasons. First of all, unauthorized immigrants pose a financial burden on taxpayers because of immigration regulation costs. The enacted budget for the border patrol program in the United States has increased from \$263 million for the 1990 fiscal year to \$4.9 billion for the 2024 fiscal year.²⁶ If it weren't for immigration-related border problems, much of that money could otherwise go to different public services (such as education or public roads) or that could be kept by taxpayers.

Unauthorized immigrants largely avoid the income tax but despite this, they still use government resources that are at least partially paid for by taxes, such as public schooling and hospital emergency rooms visits. They can also access primary care and obtain prescription drugs through more than 1,400 Federally Qualified Health Centers (FQHCs) and 15,000 service sites around the country, which are largely funded by taxpayers through the Health Resources and Services Administration (HRSA).

Perhaps most damaging is that large-scale illegal immigration erodes respect for the rule of law. Rule of law is a fundamental prerequisite for a well-functioning economy. Unauthorized immigration threatens this and also causes social unrest. Once unauthorized are in the country, they begin to seek—or political activists seek on their behalf—to expand and allege new rights. For example, in New York City, the City Council in 2020 changed the law to allow non-citizens (green card holders and immigrants with work visas) to vote in mayoral races and other city elections. Granting such important civic powers to non-citizens degrades the rule of law and respect for our elections. Four years later, the state Supreme Court had to step in and rule that the law allowing non-citizens to vote was unconstitutional.²⁷

3. Many immigrants are in poverty and speak English poorly, thereby limiting their ability to contribute to the economy.

Poverty rates for immigrants are higher than those of natives. In 2015 approximately 14.3% of native-born Americans were considered below the poverty line, but for foreign-born residents it was 17.3%.²⁸ Part of this might be explained by immigrants having low proficiency in the

²⁷ "<u>NYC's non-citizen voting law ruled unconstitutional on appeal</u>" New York City Council. February 23, 2024.

²⁵ Denhart, Matthew. "America's Advantage: A Handbook on Immigration and Economic Growth." The Bush Center. George W. Bush Institute.

²⁶ "<u>Enacted border patrol program budget in the United States from 1990-2024</u>" Statista.com, based on U.S. Government figures. Accessed March 23, 2024.

²⁸ U.S. Census Bureau, 2015 American Community Survey.

English language. In 2019 nearly half of immigrants reported speaking English "less than very well."²⁹ Language proficiency is an essential skill; particularly in the service-based economy of the U.S. Immigrants that cannot effectively communicate will likely have a much harder time finding high paying employment or advancing up the social ladder.

4. Many immigrants do not remain in the U.S. after earning advanced degrees at American universities.

It is true that foreign-born students earn a disproportionate share of advanced degrees at American universities, especially in STEM fields. However, it is also true that a significant share of these foreign-born students end up leaving the U.S. shortly after graduating. Data show that in 2017, nearly 30% of foreign students who earned doctoral degrees in science and engineering fields at U.S. universities had left America within a decade of earning their degree.³⁰

Educating PhD students is an expensive undertaking, and in many cases is subsidized by U.S. taxpayers via funding of state universities and government grants. Furthermore, foreign students occupy spots in U.S. graduate programs that otherwise could be used by students more likely to remain in the U.S. after graduation. It is inefficient to be devoting resources to training workers who leave. And with some 30% of foreign-born science and engineering PhDs leaving the U.S. within a decade of earning their degrees, the U.S. economy is being deprived of the workforce it needs.

5. Immigrants can impose fiscal burdens on American taxpayers. Additional costs on taxpayers strain the economy, especially given America's existing debt challenges.

One of the most common arguments made as to why immigration should be restricted is that immigrants can impose a fiscal burden on the natives of a country. That is to say, many believe that immigrants receive more in government benefits than they pay in taxes. After all, even if immigrants don't qualify for all or even most government-supported benefit programs, their children typically do attend public schools and they add to the pressure on other government services like police and fire departments and emergency room services.

²⁹ U.S. Census Bureau, "Selected Characteristics of the Native and Foreign-Born Populations, *American Community Survey (ACS)*. Accessed 6 Aug 2021

³⁰ "Science and Engineering Indicators," Table 3-27: Stay rates for U.S. S&E doctoral degree recipients with temporary visas at graduation: 2001-17. National Science Foundation.



Figure 3. New Fiscal Cost to local and State Expenditures, by Foreign-Born Households (1996)

Source: Partnership for a New American Economy, 2016. Note: Amounts are in 2006 U.S. dollars.

It is very difficult to determine accurate and precise fiscal costs (or benefits) from immigration. But in general studies show that lesser-skilled immigrants do tend to receive more in government benefits than they contribute in taxes. This is especially true in regions where government benefit programs are generous. For example, in 1996, a widely respected analysis of immigrants in New Jersey and California showed that both states had high concentrations of lesser-skilled immigrants and rather generous public benefits. In New Jersey, immigrants received \$1,484 more (in 2006 dollars) in government benefits than they paid in taxes. In California, the net fiscal cost of immigrant households was even greater: \$3,463 per year.³¹

Low skilled immigrants also received a disproportionately large percent of welfare benefits compared to comparable native populations. In 2007, 47% of low skilled immigrant households received at least one welfare benefit compared to only 30% of low skilled native households.³² This percent was even higher (55%) for immigrant households where the head of the household had less than a high school diploma.³³

³¹ James P. Smith and Barry Edmonston, eds., The New Americans: Economic, Demographic, and Fiscal Effects of Immigration (Washington, DC: National Academy Press, 1997).

³² Denhart, Matthew. "America's Advantage: A Handbook on Immigration and Economic Growth." The Bush Center. George W. Bush Institute, n.d. Web. 18 Feb. 2016.

³³ Orrenius, Pia M., and Madeline Zavodny. *Beside the Golden Door: U.S. Immigration Reform in a New Era of Globalization*. Washington, D.C.: AEI, 2010.

6. Many immigrants siphon money out of the U.S. economy through remittance payments.

According to the World Bank, in 2013, over \$54 billion was sent out of the United States in the form of remittance payments,³⁴ an amount greater than the GDP of over half of the 193 countries measured by the World Bank.³⁵ The United States far outpaces

In 2013, remittance outflows from the U.S. totaled over \$54 billion, an amount far greater than the GDP of many countries.

any other country in terms of remittance outflows with the next highest being Russia at \$37 billion, 30% less than the United States.³⁶ The Bureau of Economic Analysis estimated in 2009, \$38 billion of the total \$48 billion in U.S. remittance payments came from "personal transfers by foreign born residents in the United States to households abroad."³⁷

While remittance payments are an important source of revenue for the family members receiving them, they direct money out of the domestic economy and into foreign countries. The \$54 billion in remittances represents a huge sum of money that would have normally been returned to the U.S. economy, contributing to increased consumption, investment, or savings. Instead, it is helping booster the economies of other countries.

³⁴"Migration & Remittances Data." The World Bank, 24 Sept. 2015. Web. 17 Feb. 2016.

³⁵"Gross Domestic Product." (2014): n. pag. The World Bank. Web.

³⁶"Migration & Remittances Data." The World Bank, 24 Sept. 2015. Web. 17 Feb. 2016.

³⁷ "Migrants' Remittances and Related Economic Flows." Congressional Budget Office, 24 Feb. 2011. Web. 17 Feb. 2016.

APPENDIX A. Immigration and Economic Data for U.S. States

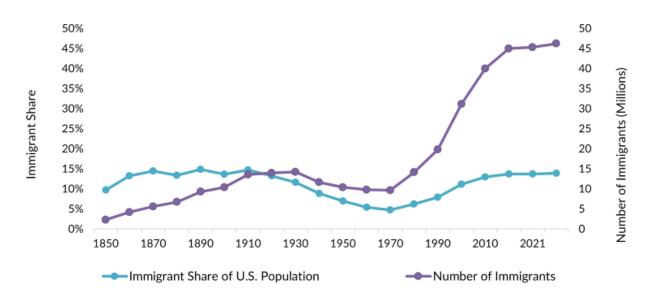
The table below shows key immigration and economic data by state, sorted by the percent of the population that is immigrant for a given geographic area. All data for the year 2019.

Geographic Area	Immigrant Share of the Population	Personal Income per Capita	GDP per Capita	Unemployment Rate
United States	13.7%	\$56,474	\$65,298	3.7%
California	26.7%	\$66,745	\$79,287	4.2%
New Jersey	23.4%	\$70,399	\$71,467	3.4%
New York	22.4%	\$71,682	\$91,102	3.8%
Florida	21.1%	\$52,391	\$51,518	3.3%
Nevada	19.8%	\$50,985	\$57,854	3.9%
Hawaii	19.3%	\$57,026	\$67,622	2.5%
Massachusetts	17.3%	\$74,161	\$86,557	3.0%
Texas	17.1%	\$52,829	\$63,588	3.5%
Maryland	15.4%	\$64,541	\$70,587	3.5%
Washington	14.9%	\$64,766	\$80,500	4.1%
Connecticut	14.8%	\$77,273	\$80,729	3.6%
Illinois	13.9%	\$58,786	\$69,886	4.0%
Rhode Island	13.7%	\$56,426	\$58,416	3.6%
Arizona	13.4%	\$45,975	\$50,849	4.9%
Virginia	12.7%	\$59,509	\$65,246	2.7%
District of Columbia	12.1%	\$83,111	\$203,173	5.4%
Georgia	10.3%	\$48,188	\$58,933	3.5%
Delaware	10.0%	\$54,323	\$79,159	3.7%
Oregon	9.7%	\$53,212	\$60,133	3.7%
New Mexico	9.6%	\$43,268	\$50,144	5.0%
Colorado	9.5%	\$61,159	\$68,242	2.7%
Utah	8.6%	\$48,978	\$60,050	2.5%
North Carolina	8.4%	\$47,706	\$56,407	3.8%
Minnesota	8.4%	\$58,830	\$68,050	3.2%
Alaska	8.0%	\$62,629	\$74,343	5.4%
Nebraska	7.4%	\$54,567	\$67,210	3.0%
Kansas	7.2%	\$53,439	\$60,582	3.2%
Michigan	7.0%	\$49,238	\$53,759	4.1%
Pennsylvania	7.0%	\$58,046	\$63,173	4.5%
New Hampshire	6.4%	\$63,452	\$64,451	2.6%
Oklahoma	6.1%	\$47,297	\$51,058	3.1%

Idaho	5.8%	\$45,917	\$46,817	2.8%
lowa	5.6%	\$51,791	\$61,697	2.8%
South Carolina	5.6%	\$45,359	\$48,079	2.8%
Tennessee	5.5%	\$48,676	\$55,143	3.4%
Indiana	5.3%	\$48,687	\$56 <i>,</i> 398	3.2%
Arkansas	5.1%	\$44,582	\$43,394	3.5%
Wisconsin	5.1%	\$53,207	\$60,012	3.3%
Ohio	4.8%	\$50,167	\$59,488	4.2%
Vermont	4.7%	\$55,288	\$54,510	2.3%
Kentucky	4.4%	\$43,724	\$48,213	4.1%
Missouri	4.3%	\$48,631	\$53 <i>,</i> 508	3.3%
Louisiana	4.2%	\$47,363	\$55,266	4.7%
South Dakota	4.1%	\$53,812	\$62,104	3.0%
North Dakota	4.1%	\$57,108	\$75,034	2.3%
Maine	3.9%	\$50,575	\$50,377	2.7%
Alabama	3.6%	\$44,102	\$46,529	3.0%
Wyoming	3.1%	\$62,044	\$69 <i>,</i> 839	3.7%
Montana	2.3%	\$49,684	\$49 <i>,</i> 528	3.6%
Mississippi	2.1%	\$38,887	\$38,967	5.5%
West Virginia	1.6%	\$42,242	\$44,005	4.9%

APPENDIX B. Immigration Over Time

In 1850, when the United States first collected data on nativity, about 2.2 million individuals (10 percent of the U.S population) were immigrants. According to historical data and estimates from the Migration Policy Institute, "between 1860 and 1920, immigrants' share of the population fluctuated between 13 percent and nearly 15 percent, peaking at 14.8 percent in 1890 amid high levels of immigration from Europe. Restrictive immigration laws in 1921 and 1924 limited permanent immigration almost exclusively to arrivals from Northern and Western Europe." The immigrant share of the population was at a low in the early 1970s, then rose through before leveling off again in recent decades.



Size and Share of the Foreign-Born U.S. Population 1850-1922

Source: <u>Frequently Requested Statistics on Immigrants and Immigration in the United States</u>. Migration Policy Institute. March 2024