

Why More Immigration Is Bad for America

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Why do we have immigration when unemployment is high? Nobody in Washington will give the honest answer. Employers want cheap labor. They benefit tremendously from legal and illegal immigration in the current slow-growth economy. We have a million legal immigrants per year, and the vast majority of them enter the labor market competing with Americans for scarce job opportunities. The result is wage depression, though there are other factors that restrict wage growth, and persistently high unemployment above the 5 percent level that most economists believe is unhealthy.

Rather than have a million legal immigrants plus more than three hundred thousand more job seekers coming over on temporary work visas year in and year out without a pause, we should ask the simple question, do we need any immigrants? The only constituency that claims there is such a need is employers. And they have essentially written U.S. immigration law for a very long time.

The primary type of immigration is for “family reunification.” That means a U.S. citizen can sponsor their immediate relatives for permanent residency and then citizenship. This sounds like a perfectly reasonable basis on which to base an immigration policy. But it makes no economic sense and has disastrous consequences. Spouses, children and parents of citizens may be unskilled, uneducated, and thus likely to become “public charges,” the bane of immigration. Economists agree that the U.S. has ample unskilled labor. (The Department of Labor, which is supposed to protect the interests of U.S. workers, has said this for more than twenty years.) But the exception is companies that rely on this labor, particularly food processors, cleaning companies and agriculture. They always want more because more means less pay. These companies could care less about public benefits, unemployment rates and rest of the pathologies that an excess of immigrants can bring. And they turn very nasty when criticized. Anyone who brings up the unemployment is a racist. Or they roll their eyes and tell you American won't do nasty jobs. Tell that to the nation's sewer workers who are mostly unionized, well-paid and American.

There is currently no numerical cap in the number of spouses and children that immigrants can bring over. There needs to be, and that cap must reflect economic reality, the skill level of the immigrants, the unemployment rate in the labor market where they will live, and the likelihood they will become a public charge. If it's likely, then the sponsors should be required to sign surety bonds to reimburse the government for any welfare benefits the immigrants incur. It might seem callous to policy makers to restrict family reunification, but the current system is callous to Americans at the bottom of the labor market. The only beneficiaries are employers.

Noncitizens should not be permitted to sponsor anyone. The idea that green card holders, people in this country on a probationary basis, should be allowed to bring over their children and parents is nonsensical as an initial proposition (if they want to be with their relatives, then why are they here?), but in a tight labor market, without any justification except to employers. We currently allow this.

Our experience with Mexican immigration highlights the domination of immigration policy by employers of cheap labor. In 1907, the country was reeling from three decades of mass immigration, and Congress appointed a blue-ribbon commission to make recommendations for reform of the nearly open-border policy (only Chinese were excluded). The Dillingham Commission recommended quotas limiting immigration by country of origin—but not from Mexico. It found that they were “indolent” and “nonassimilable” but also “a source of labor to substitute for the Asiatics in the most undesirable seasonal occupations.” The demand for cheap labor carried the day.

Mexicans have been used to lower wages ever since. The government encouraged this for twenty years with the Bracero program. It only ended when Mexico complained that too many of its citizens were leaving the country, thereby raising the price of labor on that side of the border. That legitimate complaint, not the poor treatment of the Mexican braceros, ended the program in the 1960s. But there have been other guest-worker programs since then, and all are justified by the simple fact that growers don't want to pay Americans market wages to work in the fields. Are fields worse than sewers?