# WHY SHOULD WE RESTRICT IMMIGRATION? Bryan Caplan

Consider the following thought experiment: Moved by the plight of desperate earthquake victims, you volunteer to work as a relief worker in Haiti. After two weeks, you're ready to go home. Unfortunately, when you arrive at the airport, customs officials tell you that you're forbidden to enter the United States. You go to the American consulate to demand an explanation. But the official response is simply, "The United States does not have to explain itself to you."

You don't have to be a libertarian to admit that this seems like a monstrous injustice. The entire ideological menagerie—liberals, conservatives, moderates, socialists, and libertarians—would defend your right to move from Haiti to the United States. What's so bad about restricting your migration? Most obviously, because life in Haiti is *terrible*. If the American government denies you permission to return, you'll live in dire poverty, die sooner, live under a brutal, corrupt regime, and be cut off from most of the people you want to associate with. Hunger, danger, oppression, isolation: condemning you to even one seems wrong. Which raises a serious question: if you

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had been born in Haiti, would denying you permission to enter the United States be any less wrong?<sup>1</sup>

This thought experiment hardly proves that people have an absolute right of free migration. After all, many things that seem wrong on the surface turn out to be morally justified. Suppose you knock me unconscious, then slice me open with a knife. This is normally wrong. But if you're performing surgery required to save my life, and I gave my informed consent, then your action is not just morally permissible, but praiseworthy. Nevertheless, my thought experiment does establish one weak conclusion: immigration restrictions seem wrong on the surface. To justifiably restrict migration, you need to overcome the moral *presumption* in favor of open borders (Huemer 2010).

How would one go about overcoming this presumption? For starters, you must show that the evils of free immigration are fairly severe. Immigration restrictions trap many millions in Third World misery. Economists' consensus estimate is that open borders would roughly double world GDP, enough to virtually eliminate global poverty (Clemens 2011). The injustice and harm that immigration restrictions prevent has to be at least comparable to the injustice and harm that immigration restrictions impose.

But hard evidence that immigration has major drawbacks is not enough. The proponent of immigration restrictions also has to show that there is no cheaper or more humane way to mitigate the evils of immigration. Surgery wouldn't be morally justified if a \$1 pill were an equally effective treatment. Why not? Because even if surgery will save the patient's life, there is a cheaper, more humane way to do so.

The rest of this paper examines the alleged evils of immigration through this moral lens. In each case, I begin with a balanced survey of the relevant social science. The point is not to determine whether immigration has good overall effects. The point, rather, is to determine whether any of the effects of immigration are bad enough to credibly overcome the moral presumption in favor of open borders. After reviewing the social science, each section then

<sup>&</sup>lt;sup>1</sup>You might claim that life in Haiti isn't nearly as bad for Haitians, because at least they have their families with them. But suppose your relief mission included your relatives. Would you feel better if the U.S. government denied *your whole family* permission to return, rather than you alone?

turns to a deeper question: assuming the worst about immigration, are immigration restrictions the only viable remedy? If cheaper, more humane alternatives exist, then immigration restrictions remain unjustified even if my summary of the social science is hopelessly biased.

# Protecting American Workers?

The most popular argument for immigration restrictions is that we need them to protect American workers from poverty. The mechanism is simple: Without these laws, the supply of labor would drastically increase—and American wages would plummet to Third World levels.

Many of the assumptions behind this argument are true. After the highest-growth decade in the history of the world (Chandy and Gertz 2011, Maddison 2009), billions remain desperately poor. About a billion people live on the equivalent of a dollar a day or less (Collier 2007). About a quarter of the world's population would like to permanently move to another country (Torres and Pelham 2008). Contrary to populist complaints, current immigration restrictions clearly achieve their intended purpose: excluding almost all of the people who want to move here. Without immigration restrictions, the supply of labor in the United States would rapidly increase.

Yet these assumptions do not imply that American workers owe their standard of living to immigration restrictions. Under open borders, low-skilled wages are indeed likely to fall, but *most Americans are not low-skilled*. Over 87 percent of Americans over the age of 25 are high-school graduates (U.S. Census Bureau 2011). Most of the world's would-be immigrants are, at best, substitutes for American high-school drop-outs.

Mainstream estimates confirm this point: immigration has little or no effect on *overall* wages. Educated Americans are primarily customers, not competitors, of new arrivals. As Kerr and Kerr (2011: 12) explain in their state-of-the-art literature survey:

The documented wage elasticities are small and clustered near zero. Dustmann et al. (2008) likewise found very little evidence for wage effects in their review of the UK experience. This parallels an earlier conclusion by Friedberg and Hunt (1995) that immigration had little impact on native wages; overall, their survey of the earlier literature found that a 10 percent increase in the immigrant share of the labor force reduced native wages by about 1 percent. Recent metasurveys by Longhi et al. (2005, 2008) and Okkerse (2008) found comparable, small effects across many studies.

George Borjas, the most academically reputable critic of immigration, lands comfortably inside this consensus. Together with Lawrence Katz (Borjas and Katz 2005: 49), Borjas finds that between 1980 and 2000, Mexican immigration reduced overall native wages by 3.4 percent in the short run, and 0 percent in the long run. These are *not* annual effects; they are the *total* effect of two decades of immigration. Drop-outs suffered more, but the effect is surprisingly mild: -8.2 percent in the short run, -4.8 percent in the long run. Borjas and Katz also report that moderately educated natives—highschool graduates without college degrees—enjoyed long-run gains.

Standard estimates admittedly have a serious flaw: They assume that native and foreign workers with the same educational credentials have exactly the same skills. In reality, the two groups' skills differ; for starters, natives speak much better English than "identically educated" foreigners. In a series of papers, Giovanni Peri and his coauthors show that this oversight makes mainstream estimates overly pessimistic (Ottaviano and Peri forthcoming, D'Amuri and Peri 2011, Peri and Sparber 2009, Ottaviano and Peri 2008). When immigration increases, physical skills become more plentiful relative to demand, but language skills become more scarce. Since most jobs are a mix of physical and language skills, and people can change jobs, immigration might actually *increase* native wages.

This distinction between physical and language skills turns out to be empirically important. When immigration increases, native workers really do respond by switching to more language-based occupations—escaping lower pay for their physical skills, and capturing higher pay for their language skills. Peri and Sparber (2009: 162) find that this mechanism cuts the estimated effect of immigration on low-skilled natives' wages by 75 percent. On standard assumptions, immigration from 1990–2000 reduced low-skilled wages by 1.2 percent; on Peri-Sparber's more realistic assumptions, the hit was only 0.3 percent. Using a similar approach, Ottaviano and Peri (2008: 59) conclude that immigration from 1990–2006 raised average native wages by 0.6 percent. Immigration can benefit American workers even if it reduces their wages. How? By increasing the value of workers' non-labor assets, like pensions and real estate. The admittedly small literature finds surprisingly large effects. In the United States, housing prices and rents rise by roughly 1 percent when immigration raises a city's population by 1 percent (Saiz 2007, 2003). Gonzalez and Ortega (2009) find an even larger effect for Spain. Since Americans own almost all American residential real estate, immigration is a quiet but massive transfer from immigrants to native homeowners. In an era of massive bailouts for underwater mortgages, taxpayers benefit too.

Contrary to popular opinion, then, "protecting American workers" is a weak rationale for immigration restrictions. Immigration makes low-skilled natives worse off, especially if they rent. But most Americans gain. Even if you reject these conclusions, though, immigration restrictions remain unjustified. You do not have to restrict migration to protect native workers from the consequences of immigration. There is a cheaper and more humane alternative: Charge immigrants surtaxes and/or admission fees, then use the extra revenue to compensate low-skilled Americans. For example, you could issue green cards to Haitians who agree to perpetually pay a 50 percent surtax on top of their ordinary U.S. tax liability. Haitians used to earning a dollar a day would jump at the opportunity, and the extra revenue could fund, say, tax cuts for low-income natives. Critics can tailor the details to fit the magnitude of the harm they believe immigrants inflict on native workers. Whatever the magnitude of this harm might be, extracting compensation is cheaper and more humane than forcing foreigners to languish in the Third World.

# Protecting American Taxpayers?

The American welfare state pays more for idleness than many countries pay for work. Should we not fear that, under open borders, many would immigrate merely to take advantage of the system? Milton Friedman himself famously remarked, "You cannot simultaneously have free immigration and a welfare state."<sup>2</sup> Immigration restrictions seem like the natural way for American taxpayers to protect themselves from billions of potential parasites.

 $<sup>^2</sup>$ From Milton Friedman's session at the 18th Annual Institute for Liberty and Policy Analysis (August 20–22, 1999).

Despite Friedman's endorsement, this argument is much weaker than it looks. Kerr and Kerr (2011) again provide a state-of-the-art summary of existing research on the net fiscal effects of immigration. Some studies find that immigrants receive more in benefits than they pay in taxes; others find the opposite. The United States does better than northern Europe. By all accounts, though, effects are small:

The estimated net fiscal impact of migrants also varies substantially across studies, but the overall magnitudes relative to the GDP remain modest. This variance is partly due to different settings and policies, but also due to differences in methodology and assumptions. The more credible analyses typically find small fiscal effects [Kerr and Kerr 2011: 21].

How small is small? Consider Borjas and Trejo's (1991) relatively pessimistic calculations. They estimate that the average native family uses \$7,900 in welfare over a lifetime, versus \$13,600 for the average immigrant family that arrived between 1975 and 1980. That's a difference of just \$5,700 (in 1989 dollars) for an entire family for an entire lifetime—no more than a few dollars a month per person.

Numbers like this may seem too good to be true. But before you dismiss the best available evidence, consider two key facts.

First, contrary to popular stereotypes, welfare states focus on the *old*, not the poor. Social Security and Medicare dwarf means-tested programs (Office of Management and Budget 2010: 153–55). Since immigrants tend to be young, they often end up supporting elderly natives rather than "milking the system." Illegal immigrants who pay taxes on fake Social Security numbers are pure profit for the Treasury. In 2005, Social Security's chief actuary estimated that without all the taxes paid on invalid Social Security numbers, "the system's long-term funding hole over 75 years would be 10 percent deeper" (Porter 2005).

Second, a high share of government spending is "nonrival" government can serve a larger population for little or no extra cost. National defense is the most obvious example. If the population of the U.S. doubled, the current military could still ably defend it. You certainly wouldn't need to double the total defense budget. An even clearer case: if the population of the U.S. doubled overnight, the national debt (not deficit) would remain the same, and the per capita debt would halve. The lesson: Immigrants can pull their own fiscal weight even if their tax bills are well below average.

Suppose, however, that you remain convinced that immigrants impose a large fiscal burden on native taxpayers. Before you embrace immigration restrictions, you should still look for cheaper, more humane solutions. They're not hard to find. The simplest is to freely admit immigrants, but make them permanently ineligible for benefits. "Net fiscal burden" is not a physical constant. It is a function of policy. If immigrants paid normal taxes and received zero benefits, their "net fiscal effect" would almost automatically be positive. If permanent ineligibility seems unfair, surely it is less unfair than refusing to admit immigrants in the first place. And there are many intermediate approaches. You could impose a waiting period: No benefits for 10 years.<sup>3</sup> You could reduce or limit benefits: Half benefits for life, or double Medicare co-payments. You could set thresholds: Immigrants become eligible for benefits after their cumulative taxes exceed \$100,000. Whether you love or loathe these proposals, they are certainly cheaper and more humane responses to the fiscal effects of immigration than the status quo.

## Protecting American Culture?

Another common complaint about immigrants is that they harm our culture. Many fail to learn English, and cling to the backward ways of their homelands. Do we really want America to become Mexico? If not, immigration restrictions seem like a commonsense response.

Claims about English fluency are easy to evaluate. The Pew Hispanic Center ran six high-quality surveys between 2002 and 2006 (Hakimzadeh and Cohn 2007). If you consider only first-generation Hispanic immigrants, popular complaints check out: a mere 23 percent speak English very well. But lack of English fluency is not hereditary: 88 percent of second-generation and 94 percent of third-generation Hispanics speak fluent English. Samuel Huntington, a leading proponent of the cultural complaint about immigration, admits these facts (Huntington 2004: 231). Hispanics are learning English about as well as earlier waves of non-English-speaking immigrants.

<sup>&</sup>lt;sup>3</sup>Many such limitations are already on the books. For example, immigrants have to work (not merely reside) in the United States for at least 10 years before they can collect Social Security benefits (Social Security Online 2011). I owe this point to Michael Clemens.

Vaguer cultural complaints are harder to evaluate. However, if we equate "culture" with "high culture" or "popular culture," we see a curious pattern. America's top two cultural centers, California and New York, have the largest foreign-born populations in the country—26 percent and 20 percent, respectively (U.S. Census Bureau 2003). While states with few immigrants—like Alabama (2 percent foreign-born), Arkansas (3 percent), Montana (2 percent), North Dakota (2 percent), South Dakota (2 percent), and West Virginia (1 percent)—enjoy great natural beauty, even their tourism bureaus would not paint them as cultural meccas. You could dismiss these patterns as mere correlation. But immigrants causally improve at least one form of culture prized by snobs and philistines alike: cuisine. And if we're being honest, don't most Americans care more about food than literature and museums?

Finally, if you equate "culture" with "trust" or "social capital," real estate markets are a helpful measuring stick. If social capital is important and immigration has large negative effects on an area's social capital, then immigration would cause housing prices and rents to *fall*. Immigrants would directly increase housing demand by renting and buying homes, but indirectly decrease housing demand by making their destinations unpleasant places to live. In fact, as discussed earlier, immigration has a strong positive effect on cities' real estate prices (Gonzalez and Ortega 2009; Saiz 2003, 2007). If immigration hurts trust or social capital, the effect must be small.

Regardless of your cultural views, there are certainly cheaper and more humane ways to address them than immigration restrictions. If you're worried about the decline of English, we could admit any immigrant who passes a test of English fluency. If you're worried about culture in some vaguer sense, we could admit any immigrant who passes a test of cultural literacy. In the interest of fairness, though, you should make sure that the typical native can pass your test. If most Americans cannot name the decade of the American Civil War, why should we expect more from immigrants?

## Protecting American Liberty?

Most immigrants come from countries that are less free than the United States. Since even dictatorships are somewhat responsive to public opinion (Caplan 2008), we should expect immigrants to lean statist. Immigrants fleeing domestic repression might hold atypically libertarian views. But *economic* migrants presumably share the policy outlook of the typical voter from their country of origin. If enough statists come, won't our democracy switch to the kinds of policies that immigrants struggle to escape? Economists—or at least economists with strong free-market sympathies—would call this a "political externality." The only way to protect American liberty, you might conclude, is to strictly limit the liberty of foreigners to enter the country.

This is probably libertarians' favorite argument against open borders. My own research confirms many of its underlying assumptions. In *The Myth of the Rational Voter* (Caplan 2007), I conclude that democracies choose bad policies because bad policies are popular, and bad policies are popular because voters have systematically biased beliefs about their effects. Almost all of my evidence admittedly comes from the United States, where high-quality public opinion data are most abundant. Still, if some countries have worse policies than others, the most plausible explanation is that some electorates are more biased than others. Libertarians seem to face a tragic choice between compromising their principles and retaining the liberty they already have.

Since the political externality story primarily concerns libertarians (and, to a lesser extent, conservatives), we cannot turn to a mature academic literature to estimate the severity of the problem. Nevertheless, there are good reasons to think that the political externality of immigration is less negative than it appears.

First, immigrants and their descendents have lower voter turnout than natives (Xu 2005; Cassel 2002). Looking at 2000 data, Citrin and Highton (2002: 16) found that Hispanics were 26 percent of California's adult population, 18 percent of its citizen population, and only 14 percent of its voting population. For the United States as a whole, Hispanics were 5 percent of the adult population, 3 percent of its citizen population, and just 2 percent of its voting population. Roughly the same pattern holds for Asians. Citrin and Highton (2002: 67-74) project that in 2040, whites will be just over a third of California's population but remain 53 percent of its voters. Nonlibertarians often treat immigrants' low turnout as yet another strike against them. But if you fear political externalities, immigrants' political apathy is a blessing in disguise.

Second, voters have what psychologists call "status quo bias" (Sachs 1994, Samuelson and Zeckhauser 1988). They have a strong

tendency to favor whatever already exists *because* it already exists. In 2010, most Americans favored Medicare but opposed "Obamacare." Why? In large part, because we already *had* Medicare. Status quo bias is the psychological underpinning for political aphorisms like "Never waste a good crisis" (Harrison 2009). In normal times, the public prefers to stay the course; you have to wait for a crisis to persuade the public to try something new.

What does status quo bias have to do with immigration? Simple. If people have a generic tendency to prefer what already exists, admitting them to a more libertarian society effectively makes them more libertarian: "Liberty is what you already have here. Fine, let's stick with that." Immigrants from Bismarckian Germany and Czarist Russia came from extremely authoritarian societies, but when they arrived in the United States, they made little effort to recreate their homelands. Instead, they accepted their new society as it was.<sup>4</sup> Migration may not change people's fundamental philosophy, but it doesn't have to. If human beings accept the status quo and the status quo happens to be liberty, liberty wins by default.

The opposite holds, naturally, when people move to more statist societies. If people have status quo bias, statist societies effectively make people more statist. But if libertarians are right about the connection between freedom and prosperity, status quo bias is our friend. Migrants will flow from statist countries to freer countries and become less statist in the process—subtly moving global public opinion in a libertarian direction.

My point is not that status quo bias completely negates the effect of country of origin on political opinions. My point, rather, is that status quo bias makes the political externality of immigration less negative than it appears. Immigrants from statist countries may lean statist, but few yearn to remake their new homeland's policies in the image of their mother country's. "People who come here will see the wonders of liberty with their own eyes" may well be wishful thinking. But "People who come here will largely accept our status quo as long as it more or less works" is realism.

Immigration also has political benefits that libertarians neglect. The empirical literature on the political economy of the welfare state reaches two seemingly contradictory conclusions (Alesina,

<sup>&</sup>lt;sup>4</sup>I owe this point to Michael Clemens.

Glaeser, and Sacerdote 2001, henceforth AGS; Gilens 1999). First, as believers in the political externality story would expect, nonwhites are more supportive of the welfare state than whites. Second, as racial diversity increases, the welfare state *shrinks*. The standard resolution of the paradox: diversity undermines solidarity. People happily support welfare for members of "their" group, but resent paying taxes to help "the other." Racially homogeneous societies have large welfare states because almost everyone, rich and poor alike, agrees that the recipients are deserving. Racially mixed societies like the United States have less consensus and smaller welfare states. As AGS (2001: 229) explain:

Americans think of the poor as members of some different group than themselves, whereas Europeans think of the poor as members of their own group. Racial differences between the poor and the nonpoor in the United States will tend to create the perception of the poor as "other," but geographic or social isolation might do this as well.

The estimated effect of AGS's mechanism is large and robust. Internationally, they find a –.66 correlation between redistribution and racial fragmentation, a correlation which persists controlling for per capita GDP, region, and age composition. Moving from minimum to maximum racial fragmentation reduces redistribution as a share of GDP by an estimated 7.5 percentage points (AGS 2001: 231). Domestically, AGS find a –.49 correlation between U.S. states' AFDC benefits and their black population shares, a correlation that persists controlling for median state income.<sup>5</sup> A 10-percentage-point increase in the black population share reduces AFDC benefits for a family of three by an estimated \$69 per month in 1990 dollars (AGS 2001: 236).

If AGS's story is correct, immigration could actually make the welfare state shrink. As individuals, immigrants probably do favor a larger welfare state than natives. But collectively, immigrants' very presence undermines the welfare state by *reducing* native

<sup>&</sup>lt;sup>5</sup>AGS report only the results for maximum AFDC benefits, not total social spending. But their result is still noteworthy. Since blacks support higher welfare spending than whites, you would expect larger black population shares to predict *higher* AFDC benefits. The opposite is true.

support.<sup>6</sup> Social democrats may find this tension between diversity and solidarity disturbing. But libertarians should rejoice: increasing foreigners' freedom of movement may indirectly increase natives' freedom to decide who deserves their charity.

To the best of my knowledge, no researcher has specifically tested whether AGS's results extend to immigration.<sup>7</sup> But we should expect them to. Immigrants are the ultimate out-group. Even today, Americans publicly complain about "immigrants" in language they would never use for blacks or gays. If the knowledge that foreigners attend "our" public schools and seek treatment in "our" hospitals does not undermine support for government spending on education and health care, nothing will.

Finally, there is at least one issue where immigrants are sharply *more* libertarian than natives: immigration itself. Materially, recent immigrants have the most to lose from additional immigration. Ottaviano and Peri (2008: 59) estimate that immigration from 1990–2006 depressed foreign-born workers' wages by over 7 percent. But immigrants, like human beings generally, do not derive their political philosophies from material self-interest (Mansbridge 1990). The General Social Survey asks respondents to put their views on immigration on a 1–5 scale, with 5 being most hostile.<sup>8</sup> People with two native-born parents have an average response of 3.9, with a median of 4; people with at least one foreign-born parent have an average response of 3.1, with a median of 3. By way of comparison, people who call themselves "extremely liberal" have an average response of 3.3—versus 4.0 for the "extremely conservative." People

<sup>&</sup>lt;sup>6</sup>But what if immigration were high enough to make natives a minority? Careful readers will note that blacks remain a minority in every U.S. states; if blacks actually formed a majority, the negative relationship between welfare and black population share would presumably reverse. On reflection, though, there is a crucial disanalogy: Immigrants, unlike African Americans, have never seen themselves as a single group. Immigrants identify with other immigrants from their homeland, not immigrants in general. Indeed, in-group divisions between "early" and "late" immigrants quickly emerge: see for example the divisions between Jewish immigrants in the 19th and early 20th centuries (Sowell 1981).

<sup>&</sup>lt;sup>7</sup>The most sophisticated analyses to date are probably two blog posts by Tino Sanandaji (2011a, 2011b). For a critique of Sanandaji, see Caplan (2011).

<sup>&</sup>lt;sup>8</sup>The question, LETIN1, reads, "Do you think the number of immigrants to America nowadays should be..." The response options are: increased a lot (=1), increased a little (=2), remain the same as it is (=3), reduced a little (=4), and reduced a lot (=5).

with foreign-born parents rarely favor open borders, but economists and libertarians aside, no one is less opposed to immigration.

Suppose, however, that you remain convinced that immigration has serious political externalities. You have to ask yourself: are immigration restrictions really the cheapest, most humane way to address the problem? The answer, again, is No. Consider a simple alternative: admit immigrants to live and work, but not to vote. If necessary, we could make their non-voting status hereditary. Or suppose you worry about immigrants' political ignorance. If so, we could restrict the vote to immigrants who successfully pass a civics test. Are you afraid of class warfare? We could give immigrants the right to vote once their lifetime tax payments surpass \$100,000. Whatever your complaint, there exists a remedy far less objectionable than exclusion and deportation.

# Protecting Property Rights?

The most fundamental objection to my argument is to deny the moral presumption in favor of free migration. Maybe forcibly preventing a person from working, renting, and shopping for no good reason is morally permissible as long as he was born in another country. To make this case, defenders of immigration restrictions often appeal to the distinction between killing and letting die (Rachels 2001). Donating a few hundred dollars to charity could easily save a life, but we do not call a man a "murderer" if he chooses to buy a plasma TV instead. Why then should we condemn countries that take care of their own instead of admitting millions of penniless strangers?

Unfortunately for this argument, immigration restrictions are not merely a passive refusal to help. Immigration restrictions forbid people to help themselves by trading with willing partners. As philosopher Michael Huemer (2009: 4–5) explains:

Suppose that, through no fault of mine, Marvin is in danger of starvation. He asks me for food. If I refuse to give him food, I thereby *fail to confer a benefit* on Marvin and, at the same time, *allow* Marvin to go hungry. If Marvin then starves to death, those who accept the doing/allowing distinction would say that I have not *killed* Marvin, but merely *allowed* him to die. And some believe that this is much less wrong than killing, possibly not even wrong at all. But now consider a different case. Suppose that Marvin, again in danger of starvation, plans to walk to the local market to buy some food. In the absence of any outside interference, this plan would succeed—the market is open, and there are people willing to trade food for something that Marvin has. Now suppose that, knowing all this, I actively and forcibly restrain Marvin from reaching the market. As a result, he starves to death. In this situation, I would surely be said to have killed Marvin, or at least done something morally comparable to killing him.

Millions of Haitians want to move here. Millions of American landlords, employers, and stores would be happy to house, hire, and feed them. For the U.S. government to criminalize these transactions for no good reason is not merely uncharitable. It is unjust.

Critics of immigrants also often compare them to trespassers. If an individual has a spare bedroom, we don't expect him to justify his refusal to allow a total stranger to live there. Why should we hold countries to a higher standard?

The problem with this argument is that standard property law *already* protects owners against trespassers, both foreign and domestic. The point of immigration restrictions is not to protect property rights, but to restrict them.<sup>9</sup> Some landlords want to rent to immigrants. Some employers want to hire them. Some stores want to sell to them. Under open borders, landlords, employers, and stores can do so if they see fit. Immigration restrictions force them to deal solely with people pre-approved by the state.<sup>10</sup>

More empirically minded critics may object that the social science of immigration focuses too much on the United States. The labor market and fiscal effects of immigration seem worse in other parts of the world—especially Europe. My reply is twofold. First, the estimated effects of immigration are only moderately worse for Europe than they are for the United States (Kerr and Kerr 2011, D'Amuri and Peri 2011). Second, and more importantly, European nations

<sup>&</sup>lt;sup>9</sup>Socialists could of course insist that Americans collectively own America. No one "really" owns real estate or a business; so-called "owners" are merely stewards for society. But are conservatives—much less libertarians—really willing to accept this premise?

<sup>&</sup>lt;sup>10</sup>Some libertarians object that, due to discrimination laws, individuals and firms are not free to refuse to deal with immigrants. As a practical matter, though, these laws—unlike immigration restrictions—are rarely binding and mildly enforced (Caplan 2010). For libertarians to use discrimination laws to justify immigration restrictions is truly a case of straining out a gnat and swallowing a camel.

have cheaper and more humane ways to cope. They could deregulate labor markets and scale back their welfare states across the board. They could move to a two-tier system: heavy regulation and high benefits for native workers, light regulation and low benefits for immigrant workers. Scapegoating immigrants for the pathologies of the welfare state is politically popular but morally perverse.

Critics might also object that my proposed "cheaper and more humane" alternatives to immigration restrictions are politically impossible. But you could say the same about any radical policy change. If you're convinced that a Grand Bargain—open borders plus conditions—would make the world a better place, how is "political impossibility" a reason not to advocate it? A variant on the "politically impossible" critique objects that the Grand Bargain would not be politically credible; once the immigrants arrive, the terms would not be enforced. This is overly pessimistic. Before the Grand Bargain would stand a chance, public opinion would have to *drastically* change. If you can imagine public opinion accepting the Grand Bargain in the first place, why is it so hard to believe that the public would insist on strict adherence to its terms?

The strongest empirical objection to my thesis is that open borders is far "out of sample." The last time a major country approximated open borders was roughly a century ago. Social scientists show that moderate liberalization of immigration has good effects. Full liberalization could still be disastrous. We don't know enough to rule out worst-case scenarios.

If you embrace something like the Precautionary Principle (Sunstein 2005), this is a powerful objection to immediate open borders. The society we have works extremely well by world and historic standards. If you live in the First World, you're doing fine. Why take chances?

From an amoral, risk-averse point of view, there is no good response to this objection. But if you take the moral presumption in favor of free migration seriously, this is a weak argument indeed. Immigration restrictions are not a minor inconvenience we impose on the rest of the world for our peace of mind. Immigration restrictions literally ruin many millions of lives—forcibly denying people the opportunity to do business with their best customers. "We're trapping millions in Third World misery because we *know* that free migration has very bad consequences" arguably overcomes the presumption in favor of open borders. "We're trapping millions in Third

World misery because there's a *small chance* that free migration has very bad consequences" does not. Think of the moral progress that the Precautionary Principle would have precluded: until a society tried freedom of religion or the abolition of slavery, no one could be sure the experiment wouldn't end in disaster.

In any case, the Precautionary Principle lends no support to the status quo. Existing research confirms that moderate liberalization of immigration has excellent overall consequences. If the "out of sample" problem bothers you, the obvious solution is to expand the sample gradually. Step one: liberalize slightly more than any other country. Step two: see what happens. Step three: in the absence of very bad consequences, liberalize a little more and return to step two.

## Conclusion: The Presumption in Favor of Immigration

Between 2000 and 2010, the United States government officially deported almost three million people and intimidated another 11 million into "voluntarily" leaving the country (Office of Immigration Statistics 2011: 94). At least 10 million residents of the United States endure the humiliation and fear of "being illegal" (Hoefer, Rytina, and Baker 2011: 4). In the broad scheme of things, these immigrants are the lucky ones. Mexicans and Central Americans can cross the U.S. border if they are in good health and willing to pay smugglers a few years' wages (Roberts et al 2010). For most would-be immigrants from South America, Asia, and Africa, however, the cost of illegal entry is prohibitive. With legal permission, even the poorest could eventually scrape together money for a boat ticket. But for low-skilled workers from the Third World, legal permission to enter the United States is almost impossible to obtain (Anderson 2010: 93-4).

Many libertarians would condemn these facts as "inexcusable." I rest my argument on a weaker premise: whether or not the facts are "inexcusable," they do *require an excuse*. On the surface, it seems wrong to prohibit voluntary exchange between natives and foreigners. Proponents of immigration restrictions have to show why, moral appearances notwithstanding, immigration restrictions are morally justified.

They fail to do so. Immigration restrictions are not necessary to protect American workers. Most Americans benefit from immigration, and the losers don't lose much. Immigration restrictions are not necessary to protect American taxpayers. Researchers disagree about whether the fiscal effects of immigration are positive or negative, but they agree that the fiscal effects are small. Immigration restrictions are not necessary to protect American culture. Immigrants make our culture better—and their children learn fluent English. Immigration restrictions are not necessary to protect American liberty. Immigrants have low voter turnout and accept our political status quo by default. By increasing diversity, they undermine native support for the welfare state. And on one important issue—immigration itself—immigrants are much more pro-liberty than natives.

Even if all these empirical claims are wrong, though, immigration restrictions would remain morally impermissible. Why? Because there are cheaper and more humane solutions for each and every complaint. If immigrants hurt American workers, we can charge immigrants higher taxes or admission fees, and use the revenue to compensate the losers. If immigrants burden American taxpayers, we can make immigrants ineligible for benefits. If immigrants hurt American culture, we can impose tests of English fluency and cultural literacy. If immigrants hurt American liberty, we can refuse to give them the right to vote. Whatever your complaint happens to be, immigration restrictions are a needlessly draconian remedy.

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