

The Economic Case for Opening America's Borders

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Immigration is a strange issue. Although it is a subject of a lot of popular fear and political debate, there is an overwhelming consensus among economists that it is, on the whole, a great blessing. What's more, this consensus cuts not only across political -- but also methodological -- lines with classical liberal, neo-classical, Chicago school, Austrian, and even some Keynesian economists agreeing that relatively unfettered labor mobility maximizes economic growth. John Stuart Mill even went so far as to say that migration was "one of the primary sources of progress." Adam Smith opposed mercantilist restrictions not just on capital, but labor as well. Ludwig von Mises, the guru of the Austrian school, advocated a system of free trade where capital and labor would be employed wherever conditions are most favorable for production.

The one prominent exception was Karl Marx. Although he doesn't seem to have treated this subject in a systematic way, his comments here and there suggest that he was no fan of immigration. For example, he regarded England's decision to absorb the "surplus" Irishmen being driven out of their country during the Great Famine not as a benefit but a ploy by the English bourgeoisie to "force down wages and lower the material and moral position of the English working class." The popular, modern-day restrictionist canard that immigration from the Third World to rich countries is tantamount to "importing poverty" has its genesis in Marxist thought. Indeed, far from being embarrassed by this lineage, restrictionists tout it. Consider this quote by Mark Krikorian: "Employer organizations spend enormous resources lobbying the government to import a 'reserve army of labor,' to use Marx's phrase, so that they can hold down their labor costs and avoid unionization."

It is ironic that half of the public in the free world, including America, the land of immigrants, sides not with free-market economists like Adam Smith and Ludwig von Mises -- but Marx, the father of socialism.

The primary reason for this is that the case for open borders is counterintuitive. It is hard to see how in a world with finite resources, allowing more people into a country would enhance its prosperity instead of leading to overcrowding, more job competition and lower wages. But this Malthusian worldview, I will argue, is ultimately flawed -- even dangerously so. I will lay out the theoretical case for open borders, present the empirical evidence showing that immigration is a net boon and address the common restrictionist objection to open borders: the issue of welfare.

But, first, what does open borders mean?

What does open borders mean?

For most advocates, it does *not* mean that anyone should be allowed into the country, no questions asked. What it does mean is that immigration should be based on

the socio-economic needs of a country's residents – not the arbitrary whims of bureaucrats or the grand designs of social planners. This implies that the government has a legitimate role in keeping out foreigners who pose a genuine public health or safety threat to the citizenry. Other than that, who brings whom into the country and for what reason is none of its business. It doesn't matter whether Americans want to "import" their foreign-born mother-in-laws to live with them or low-skilled workers to pick fruit on their farms or high-skilled workers to develop software in their computer labs. It should all be the same to the government.

Under such a system, employers and individuals would apply to the government to bring in a foreigner. The government could reject those who failed a background check or were afflicted with some dangerously contagious disease. But barring that, entry would be allowed. In other words, there would be a presumption for liberty built into our immigration policies that would require the government to justify to its citizens why they can't bring someone into the country – not the other way around.

The obvious objection to this is that without restrictions, we would be flooded with immigrants beyond our capacity to absorb them given that literally a quarter of the world's population wishes to move to relatively richer countries. But just as with other resources markets and prices would regulate immigration flows far more efficiently than the government. There is plenty of research showing that immigration ebbs and flows with the economy – increasing during booms when job opportunities are plentiful and declining – even reversing – during a bust when these opportunities dry up, including the recent recession. (There are extreme events when the market's natural regulatory mechanisms might be overwhelmed such as during a civil war when people try and flee their homeland for safety haven in neighboring countries en masse, although, even in these instances, the impact on the host country tends to be temporary and not super severe as when the Berlin Wall collapsed and West Germany was forced to absorb a massive wave of East Germans.) Restrictionists like to credit the recent drop in immigration to greater border controls. If that were the case, legal immigration would have remained unaffected. In fact, it dropped too -- dramatically.)

This may sound radical or utopian, but in fact America had relatively open borders till the early 20th century. The political conversation on immigration is too poisoned for us to return to anything approaching that right now or in the foreseeable future. Still, it offers a useful benchmark to evaluate our current.

The best way to understand our current system is that it effectively imposes a blanket ban on immigration which it then arbitrarily relaxes based on pre-defined bureaucratic categories or some political whim of the moment -- whether it is encouraging family reunification or enhancing ethnic diversity (the very thing that social engineers discouraged for over three decades during the reviled national-origins- quota regime) or building some industry central planners deem important. This system is so arbitrary that while Bill Gates waits years for permission to hire highly qualified computer engineers from China and California farmers are not even allowed to hire Mexican help on a permanent basis, high-risk individuals often slip through the cracks!

This is not a system conducive for freedom or safety or the rule of law. It virtually invites lawlessness even as it wastes billions of dollars in building Berlin Walls along the Rio Grande.

The Theoretical Case for Open Borders

At the heart of the economic debate about immigration stand this fundamental disagreement. Restrictionists see human beings as a liability who deplete resources. Non-restrictionists see humans as an asset who themselves are a resource – indeed to use the parlance of Julian Simon, the Ultimate Resource

Human ingenuity and hard work is what turns fallow land bounteous, dirt into valuable metals, and sand into computer chips. There is no given or fixed set of natural resources out there. Useless materials become resources once human creativity finds some use for them and harnesses them. Oil was just a toxic black liquid in the ground till human beings discovered that it could be burnt for light and power. We might be at the eve of methane, which has to date been regarded as an ozone-destroying, global-warming causing gas produced by landfills, becoming the world's most important renewable energy source. The development of high-yield grains increased the productivity of land exponentially while human population grew only arithmetically – the exact opposite of what Malthus predicted. America devotes a small fraction of its land and population -- 2 to 3 percent now compared to 70 to 80 percent in 1870 -- to agriculture and still produces enough to literally feed the whole world.

The most important factor limiting a country's economic progress, then, isn't insufficient physical resources – but insufficient human resources. Hence, contrary to Malthusian thinking, population increases through immigration are nothing to fret over. This would be the case even if the West were not veering toward below-replacement population growth – but it is downright dangerous now that it is. Indeed, as Joel Kotkin notes, the problem for the West – including America -- going forward will not be too much immigration, but too little.

It is no co-incidence that modern-day immigration restrictionists are also population restrictionists. James Tanton, the founder of FAIR, an ultra-restrictionist outfit with whom many anti-immigrant groups in the country are associated, was also a member of the Zero Population Growth club that advocates a national population policy that would impose strict limits on childbirth.

As mentioned before, a sudden and dramatic influx of immigrants – like refugees fleeing civil conflict – can strain a country, outstripping its capacity to generate resources in the short run. Apart from that, immigrants are not only mouths that eat – but also minds and hands that grow the economic pie. They certainly consume resources. But they produce far more than they consume over the long run. To the extent that immigrants – whether high or low – skilled have jobs, it's because they produce more wealth or value for their employers than they consume in wages. As Simon observed: “Human capital is the main element of production in a modern country, and the supply of physical capital is normally expanded relatively easily and quickly.”

Everyone would regard it as colossally stupid if America dispatched missiles to shoot down foreign planes periodically airdropping free consumer goods on American homes. Yet why is it not equally foolish when it shoos away the source of this wealth -- Mexicans whose labor puts cheap goods in American homes? Or Chinese computer engineers who virtually spin gold from sand?

Restrictionists argue that ending “mass immigration” and creating a scarcity of labor would force industries to invest in labor-saving technologies that would drive even more productivity and growth. But if an artificial scarcity of labor is such a good thing, why not of other resources as well? Imagine how many more high-yield grain varieties would be generated if the government told farmers to stop farming on half of their land? How many tasty new beverages we might invent if the government limited our fresh water consumption to rain water, making our streams and aquifers off limits to drinking?

Environmentalists had long been calling for a ban on coal, America’s most abundant energy source, arguing that this would hasten the discovery of cleaner alternative technologies. The Obama administration recently obliged, but does anyone not wearing green eye shades seriously believe that this is anything but pie-in-the-sky dreaming that will leave our economy immeasurably worse off?

The fallacy in the reasoning that artificial scarcity promotes innovation is that it ignores “opportunity costs.” Forcing producers to search for technological substitutes for cheap immigrant labor misallocates precious time, capital and energy that could have been deployed for other inventions.

Consider the favorite example of restrictionists: The end of the bracero program – a guest worker program for agricultural Mexican labor -- in 1965 did not lead to unpicked crops rotting on the field, they point out. The scarcity of farmhands triggered the invention of new tomatoes that could be recognized by harvesters. But the fact is that if the farmhands were still available, maybe the resources used to develop the machine-sensitive tomatoes would have been deployed to develop healthier or tastier varieties. As the *Wall Street Journal*’s Jason Riley points out in his book, *Let Them In*: “Their [restrictionists] argument presupposes that every activity that can be automated should be, as if the most efficient course is to keep all manual workers outside of developed countries.”

There is no escaping that restrictionism leads to a net diminution of economic welfare – both for the immigrants and the host country. And this is not just a matter of theory. There is plenty of empirical evidence for it.

The Empirical Case for Open Immigration

Open borders in goods – or free trade – allows physical resources to flow where they can be deployed most productively for their highest and best use. Likewise, open borders in workers – or immigration -- allows human resources (even more crucial than physical resources) to flow where they can be deployed most productively for their highest and best use. And increased productivity is a win-win for all.

No one disputes that open immigration policies would be a huge economic boon for immigrants in relatively less well off countries. Indeed, a Guatemalan increases his wages six-fold for the same work simply by setting foot in America. A Mexican two-and-a-half times, adjusted for purchasing power parity. If the 30 Organization for Economic Cooperation and Development (OECD) countries were to allow just a 3 percent rise in the size of their labor forces through loosened immigration restrictions, a 2005 World Bank report found, the gains to citizens of poor countries would amount to about \$300 billion. That's \$230 billion more than the developed world currently allocates in foreign aid for poor countries. Fully open borders would double world GDP in a few decades, virtually eliminating global poverty.

Of course rich countries don't have a moral obligation to fight world poverty. However, they do have a moral obligation to maximize the economic well-being of their own citizens – or, rather, not prevent their citizens from maximizing their own economic well being. Jefferson did after all promise Americans the right to pursue their own happiness. So long as restrictive immigration policies are the law of the land, that promise will remain unfulfilled.

Let's just examine the benefits of immigration for America, the putative land of immigrants.

Economists *unanimously* agree that immigrants increase native earnings from somewhere between \$6 billion to \$22 billion (in 2003 dollars) annually. Even Harvard University's George Borjas – the favorite economist of restrictionists – agrees that immigrants, even low skilled ones, “grease the wheels” of the U.S. economy because they are far more mobile than the native population, quickly moving where their skills are most needed. Indeed, given the strong correlation between an area's economic dynamism and immigrant presence, cities like Baltimore, Detroit and Cleveland stuck in a spiral of decline are thinking up schemes to attract immigrants through special incentives in the desperate hope that they will jump-start their economies. These efforts might be misguided as I recently wrote, but they testify to the strong visual evidence that immigration and economic growth are connected.

Not too many outside restrictionist circles believe that high-skilled foreigners are anything but an unmitigated economic blessing. Mr. Krikorian wants to shut the door on even these immigrants, but not even Borjas believes that would be a good idea.

In an advanced knowledge economy such as ours, their innovations and high-tech entrepreneurship are vital for growth and jobs. There is near unanimous agreement among economists that high-skilled immigrants benefit the American economy in every possible way – they create jobs, have a positive effect on native wages and contribute more to public coffers in taxes than they consume in welfare.

A Kauffman Foundation study calculated that nationwide, immigrant-founded companies produced \$52 billion in sales and employed 450,000 workers in 2005.

Indeed, 25% high-tech companies founded during 1995 to 2005 had at least one immigrant founder. Over 40 percent of companies on the 2010 Fortune 500 list were

founded by immigrants or their children. Highly-educated immigrants obtain patents at double the rate of highly-educated natives.

As for jobs, economist Madeline Zavodny found in a 2011 American Enterprise Institute study examining data from all 50 states and the District of Columbia between 2000 and 2007 that an additional 100 immigrants with advanced degrees in STEM (Science, Technology, Engineering and Math) fields from American universities create an additional 262 native jobs.

Yet our immigration policies are so cumbersome that they routinely drive many of these talented foreigners out of the country upon graduation. Even foreigners with degrees from overseas universities create jobs for Americans – 86 for 100 foreigners – and yet our labor laws require employers to jump through hoops to prove that there are no qualified Americans available for a job before hiring them.

The real controversy is about the economic impact of low-skilled immigrants. But, again, the controversy is more in the political realm. Among economists, there is a great deal of consensus that even these immigrants are a net economic asset.

Perhaps a personal example will help illustrate some broader points in the vast economic literature on the impact of low-skilled immigration: I have a house with a rather large yard in Michigan. Some five years ago, after struggling with weeds and pests, and close to doing permanent damage to my back, I couldn't keep up. My husband I renewed our search for an affordable yard maintenance service – something that is extremely hard to find in Michigan – and finally found one run by an Iraqi Chaldean – let's call him Jacob.

Why could Jacob offer us a better price? Because he had somehow managed to find some cheap Mexican labor not as common a commodity in Michigan as in California and Arizona. Over a period of time, Jacob's business has expanded from home to commercial landscaping. However, his Mexican yard workers with their meager English-speaking skills are unable to communicate with his business clients so he has hired a cadre of native-born kids, barely out of high school, to accompany the Mexican teams on every job. These American kids don't have to do much except oversee the Mexican laborers and talk to the client when the need arises. Yet they command much better wages than if they had been just pulling weeds.

If Jacob couldn't hire cheap Mexican labor, it wouldn't mean that he would just pay more for American labor, as restrictionists insist. No. It would mean that his business just wouldn't get off the ground because he couldn't offer his service for a price that would be affordable for people like me. I'd either just give up on my yard or I would have to forego writing opportunities – where my real comparative advantage lies – in order to do yard work. The upshot would be a net attrition in economic activity or productivity losses.

There are three broad lessons of my story, each borne out by academic literature:

First, the most obvious one that no one disputes is that most Americans (like me) are not competitors but customers of low skilled immigrants. Immigrant presence

therefore increases our real wages (as goods and services become cheaper allowing us to buy more with the same income) and productivity (as we can devote ourselves to tasks for which we are better suited and likely get paid more).

The presence of low-skilled immigrants is especially good for women because it makes it possible for them to devote more time to non-household-related chores, increasing their workforce participation. Indeed, Boston University's Patricia Cortes has found that metro areas with a large presence of low-skilled immigrants have lower prices for dry cleaning, child care, house cleaning and yard care which, in turn, translates into more hours spent on the job by highly-educated women. "Low-skilled immigration thus indirectly contributes to productivity growth by raising the effective supply of high-skilled labor," concludes UCLA's Gordon Hanson.

Second, more low-skilled immigration doesn't mean fewer jobs for the native-born, as restrictionists claim because jobs are not a zero-sum game. Just like Jacob's Mexican workforce, immigrants create the jobs they have, not snatch them from someone else. In the process, they allow businesses to form that support better-paying jobs for Americans. In other words, Mexican workers become part of the so-called American underclass, which, for them, is better than being middle-class in Mexico. And the Americans, who, in their absence, might have been part of the underclass, become the middleclass. As Mexicans move into the underclass, Americans move into the middleclass.

It is no co-incidence that a Cato Institute study in October ago found that Arizona's crackdown on undocumented aliens – or paperless workers, as I prefer to call them – hasn't resulted in more jobs for native born in industries such as construction and agriculture that Mexicans previously occupied. Rather, Arizona has experienced a greater loss of jobs in these industries relative to California and New Mexico. In fact, there were fewer Americans employed in construction in Arizona in 2010 – after it got tough on illegals – than in 2006.

What's more, the composition of immigrants tracks labor market logic so that the immigrants who come to the U.S. are ones whose skills complement those of the native-born – not compete with them. In economic parlance, immigrants and natives are not substitutes. Indeed, there is a great deal of literature suggesting that if immigrants compete with anyone, it is other immigrants whose skills are similar to theirs. The only economist who has found significant displacement of natives by low-skilled immigrants in America, according to a comprehensive meta-analysis of the existing literature by Sari and William Kerr, is Borjas – and that's because he assumes far greater substitutability among them than warranted. Conclude Kerr and Kerr:

The large majority of studies suggest that immigration does not exert significant effects on native labor market outcomes. Even large, sudden inflows of immigrants [such as in the Mariel boat incident in 1980] were not found to reduce native...employment significantly.

(Interestingly, even in Europe there is very little displacement of natives. This is surprising given that its more generous minimum wage and other labor laws make it

difficult for wages to adjust in response to an increase in labor supply, something one would expect would squeeze out native jobs. One reason for this is that the rise in unemployment affects immigrants themselves the most, not natives, which explains Europe's assimilation problem and the ghettoization of its immigrants.)

Third, not only do immigrants not cost American jobs, they don't threaten American wages either. That's because their presence allows natives – such as Jacob's American supervisors – to exploit their language and communication skills where they have a far bigger comparative advantage.

Restrictionists argue that the laws of supply and demand dictate that as the supply of immigrant labor increases, overall wages would decrease. The best evidence for that claim comes from Borjas – but even this evidence is weak. He disaggregated the impact of low-skilled immigration on different native groups in a 2003 paper gloomily titled, “The Labor Demand Curve is Downward Sloping,” and found not only a net overall negative impact on American wages but on every cohort of American. But that was in the short run.

In the long run, however, the overall impact was zero. What's more, only one group – high school drop outs – felt a noticeable negative impact, according to a nifty little chart that Bryan Caplan of George Mason University prepared summarizing Borjas' findings. For everyone else, the impact was either negligible or positive!

	Short Run	Long Run
All native workers	-3.4%	0.0%
High school dropouts	-8.2%	-4.8%
High school graduates	-2.2%	+1.2%
Some college	-2.7%	+0.7%
College graduates	-3.9%	-0.5%

Borjas' work initially made a splash because he used national – not just regional – data as previous studies had done. He argued – correctly -- that the ability of capital and labor to move meant that the on native wages would spread across the nation, not be localized to the region where there was a concentration of foreign workers. However, a subsequent study by Giovanni Peri and Gianmarco Ottaviano using national data failed to

corroborate Borjas' findings even for native high-school dropouts. They found a negative, short-run effect on the wages of native high-school dropouts of 0.7 percent and a positive long-run effect of 0.3 percent. In other words, no one – not even high school dropouts – lose in the long run due to immigration.

Essentially, they discovered two reasons for the discrepancy between their findings and Borjas': One, Borjas over-estimated the substitutability of immigrants and natives without high-school degrees and therefore ignored the comparative advantage that native skills bestowed upon them in the wake of greater immigration. As Caplan puts it (and is consistent with the experience of the native workers hired by Jacob, my landscape guy):

“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.” (Emphasis original).

Even more crucially, perhaps, Borjas made the Malthusian assumption that capital wouldn't adjust much in response to the greater availability of immigrant labor. In other words, his model essentially took the existing amount of capital and divided it among a greater number of workers, thereby lowering wages. That, however, is empathically not what happens. As cheaper labor allows businesses to generate greater profits, they accumulate more capital to invest and grow. “Borjas' failure to account for capital adjustment in the short run adds an implausibly larger negative effect to native wages in the short run,” conclude Peri and Ottaviano.

In summary, more relaxed immigration policies are a win for immigrants who can escape poverty and otherwise improve their lives; a win for native consumers of immigrant services whose real wages increase as their cost of goods and services decreases; and a win for native workers who experience productivity gains as their natural skills become more unique and hence fetch them a better market premium.

But before we conclude, let me consider one powerful objection that immigration foes make to open borders: Namely, that open immigration policies might be well and good in the absence of a welfare state. But in its presence, immigrants don't earn their full keep. In essence, because they get free schools and other welfare benefits, their employers can pay them less and they can still make ends meet. The welfare state privatizes the benefits of immigrants to employers, but socializes the costs to taxpayers.

The Welfare State Objection to Open Borders

Unlike the economic benefits of immigration where there is a great deal of consensus – even unanimity on some counts – among economists, the welfare costs of immigrants are more contested. Those who favor restrictionist policies such as the Federation for Immigration Reform, Center for Immigration Studies and Heritage Foundation have produced studies claiming that immigration costs taxpayers ten of billions of dollars every year. But one of the problems with such studies is that they don't do a full cross-generational accounting of the costs and benefits. For example, a Heritage Foundation study by Robert Rector claimed that each "low-skilled household" headed by

a high-school dropout costs federal taxpayers \$22,000 a year. Spread out over 50 years of expected work, the lifetime cost of such a family balloons to \$1.1 million. But one flaw in this analysis that Dan Griswold of the Cato Institute points out is that it counts the costs of educating the children of an immigrant without factoring in the future taxes paid by the educated children once they have grown and entered the workforce. This is a particularly egregious omission given that children of immigrants typically outperform their parents in terms of educational achievement and income a fair amount.

There would be reason to worry about more open immigration policies if immigrants actually came to this country to live off welfare. But there is no evidence of that. Not only was the 2010 labor participation rate of foreign men 80% -- 10 points higher than of native men, this rate was even higher for unauthorized foreign men (94%).

Even more to the point, notes Griswold, immigrants tend to flock to states with low social spending. The 10 states with the largest percentage increase in foreign-born population between 2000 and 2009 spent far less on public assistance per capita in 2009 compared to the 10 states with the slowest growing foreign-born population -- \$35 vs. \$166.

But of course even though immigrants might not pick a state because of its generous social spending, that doesn't mean that on balance they don't consume more in welfare than they pay in taxes. So what is the real fiscal impact of immigration?

The National Research Council in 1996 performed the most comprehensive study comparing immigrant taxes with immigrant welfare consumption before the welfare reform act barred immigrants -- authorized and unauthorized -- from receiving all means tested federal benefits such as food stamps, CHIP, Temporary Assistance for Needy Families. Yet, the study found:

- On average, a typical immigrant, along with his descendants, represents a positive \$80,000 fiscal gain to the government in terms of net present value. (A \$105,000 positive impact at the federal level and \$25,000 negative impact at the state level.)
- An immigrant with more than a high school education, along with his descendants, represents a \$198,000 fiscal gain
- An immigrant with a high school diploma, along with his descendants, represents a \$51,000 fiscal gain
- An immigrant with less than a high-school diploma, along with his descendants, represents a \$13,000 loss.

In other words, immigration on the whole is a fiscal plus. High-skilled immigrants, not surprisingly, are the biggest plus. Low-skilled immigrants who are high-school dropouts are a negative, but a small negative.

A 2007 report by the nonpartisan Congressional Budget Office examining the state and local costs over 15 years essentially confirmed the NRC findings with respect to low-skilled immigrants. It concluded that illegal immigrants impose a net cost to state and local governments but "that impact is most likely modest." Bear in mind that when we talk about the "welfare costs" now we are essentially talking about two things: the

cost of educating the children – often American-born – of immigrants and their emergency care. Setting emergency care aside, most middle-class American families with more than three children would impose a net fiscal cost on their states. But no one would propose that it would be economically beneficial to stop them from having children because education is, fundamentally, not welfare – it is an investment that pays off manifold, even when delivered through inefficient public schools. (For a very comprehensive discussion of how immigrants affect various types of welfare, including education and healthcare, see Griswold.)

What's more, the fiscal costs of low-skilled immigrants don't completely swallow their economic contributions. There aren't any reliable nationwide studies testifying to this point, although there are some pretty good state-level ones.

For example, a comprehensive 2006 analysis by the Texas comptroller found that the economic contributions of the unauthorized population overwhelm its fiscal costs, even in Texas, a border state that faces a disproportionate burden of the costs of unauthorized workers. These workers cost the treasury \$504 million more than they paid in taxes in 2005. But without them, the labor market would have tightened, diminishing the competitive edge of Texas businesses, causing the state's economy to shrink by 2.1 percent or \$17.7 billion.

Likewise, a 2006 study by the Kenan Institute of Private Enterprise at the University of North Carolina found that although Hispanic immigrants, many of them unauthorized, had imposed a net \$61 million cost on the state budget -- it was a pittance compared to the \$9 billion they had contributed to the gross state product.

One final point: Restrictionists talk about the fiscal costs of letting immigrants in – but rarely about the fiscal costs of keeping them out, as if their own preferred policies are costless. But the fact is that restrictionism is pricey – both in monetary terms and to our liberties. The Congressional Research Service estimated that the building and maintenance costs of just a 700-mile fence on the 2,000-mile Mexican border – not counting labor costs or the costs of acquiring the land – would be about \$50 billion over 25 years. Effective border control would also require more border control agents, and drones and other costly accouterments more suitable for a police state.

But the biggest price of restrictionism is lost liberties. Indeed, to keep willing foreign workers away from willing American employers requires not just more barbed fences, drones and border dogs against foreign workers. It also requires a crackdown on American employers. For example, now many states require employers to participate in E-Verify and pay \$150 to check the immigration status of every recruit – foreigner or American – with Uncle Sam. This is essentially a business tax and to force businesses to pay it, Arizona and Alabama are resorting to ever-more draconian policies. Among them are “business death penalty” laws that revoke the license of any employer who is caught twice with an illegal in his employ. They are shutting down American businesses in the name of protecting American workers! Go figure. The economic liberties of foreigners and Americans are inextricably intertwined and you can't go after the first without also going after the second.

In short, treating foreign workers like Malthusian mouths will put America on F.A. Hayek's Road to Serfdom – and trample core American liberties along the way.

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