

New book examines the evidence on immigration

## Give Me Your Huddled Masses...

The stirring words of Emma Lazarus's poem *The New Colossus*, which adorns the Statue of Liberty, have long stood as the definitive statement of America's open-door attitude toward immigration. But the reality of our laws has not always reflected that ideal. Like most of the rest of the world, today the United States imposes many barriers to would-be immigrants. The "golden door" has been slammed shut for the vast majority of people... but does it have to be that way?

Economic arguments have long been at the forefront of the debate, and in recent years the question has been revived as opponents of immigration make new claims about the need for restriction. Those arguments are addressed by Alex Nowrasteh, Cato's director of immigration studies, and Benjamin Powell, executive director of the Free Market Institute at Texas Tech University, in their new book *Wretched Refuse? The Political Economy of Immigration and Institutions*.

As the authors explain, advocates of increased immigration restrictions suggest that immigrants undermine the culture, institutions, and productivity of their destination countries. But the evidence doesn't back that up. Instead, the economics of immigration suggest that now, more than ever, the free flow of people and labor across international borders is highly desirable, and most of the alleged negative consequences are spurious and not backed up by the facts.

Across 11 chapters, Nowrasteh and Powell explain the current state of the debate. Most importantly, there is the potential for massive economic gains to be had from immigration. According to economist Michael Clemens, the current restrictions on international labor mobility are effectively leaving "trillion dollar bills on the sidewalk." The immigrants themselves stand to gain, but native-born citizens also

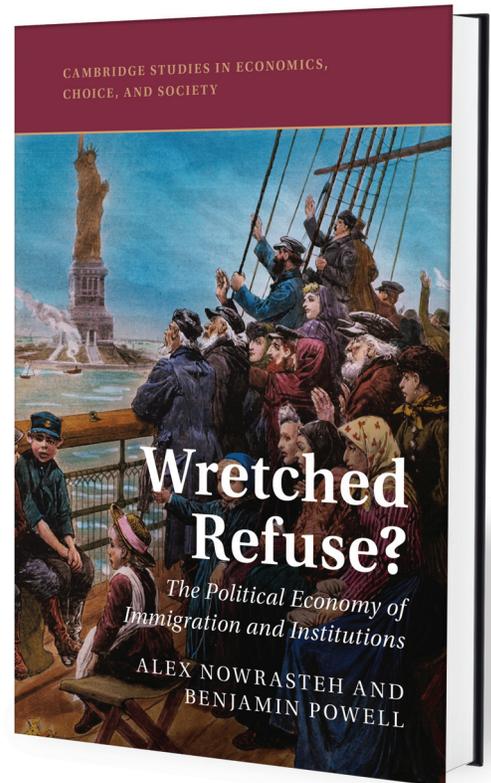
benefit from a growing economy. The economic case, and indeed the consensus of most economists, seems to be firmly on the side of more immigration.

Against these benefits, restrictionists have alleged a series of negative externalities that must be considered. Could immigrants undermine the very institutions and policies that make their destination countries so attractive, that produce such higher productivity in the first place? Is the potential for economic gains from immigration illusory? Are there negative cultural effects to consider that weigh in favor of immigration restrictions?

Nowrasteh and Powell carefully consider the evidence for this theory, responding to the arguments put forward by immigration-skeptical economists Paul Collier and George Borjas, among others. The authors examine the empirical evidence in detail and find the evidence to be lacking for substantial negative externalities from immigration outweighing the benefits.

In *Wretched Refuse*, the economics of immigration are considered across multiple dimensions in the search for alleged negative effects. Marshalling comprehensive data from around the world and across the decades, the authors examine whether immigrants negatively impact a country's attitudes toward economic freedom, corruption, terrorism, and a culture of productivity.

They find that there is very little evidence to back up the theory that immigration causes a decline in productivity or undermines the institutions of a free society. Institutions weather the storm and in some cases even improve. Immigrants do not increase corruption or pose a major risk of terrorism. And the cultural impact may well be more positive than negative, as



immigration selects for the most motivated and productive of immigrants. The authors also examine three real-life case studies in particular: the United States, Israel, and Jordan, all of which have seen some real strains but no mass catastrophe from past waves of mass migration.

*Wretched Refuse* examines the question of immigration from the utilitarian perspective of economic efficiency, asking what policies maximize net wealth, but its findings are relevant for informing normative views of immigration as well. If immigration does offer massive economic upsides and few, if any, downsides, then it becomes very difficult to justify immigration restrictions as a moral matter in addition to the economics of the issue. At the end of the day, Lazarus's poem offers not just a stirring moral sentiment, it's also good economic policy. ■

**WRETCHED REFUSE IS AVAILABLE AT ONLINE BOOKSELLERS AND [CATO.ORG/BOOKS](http://CATO.ORG/BOOKS).**