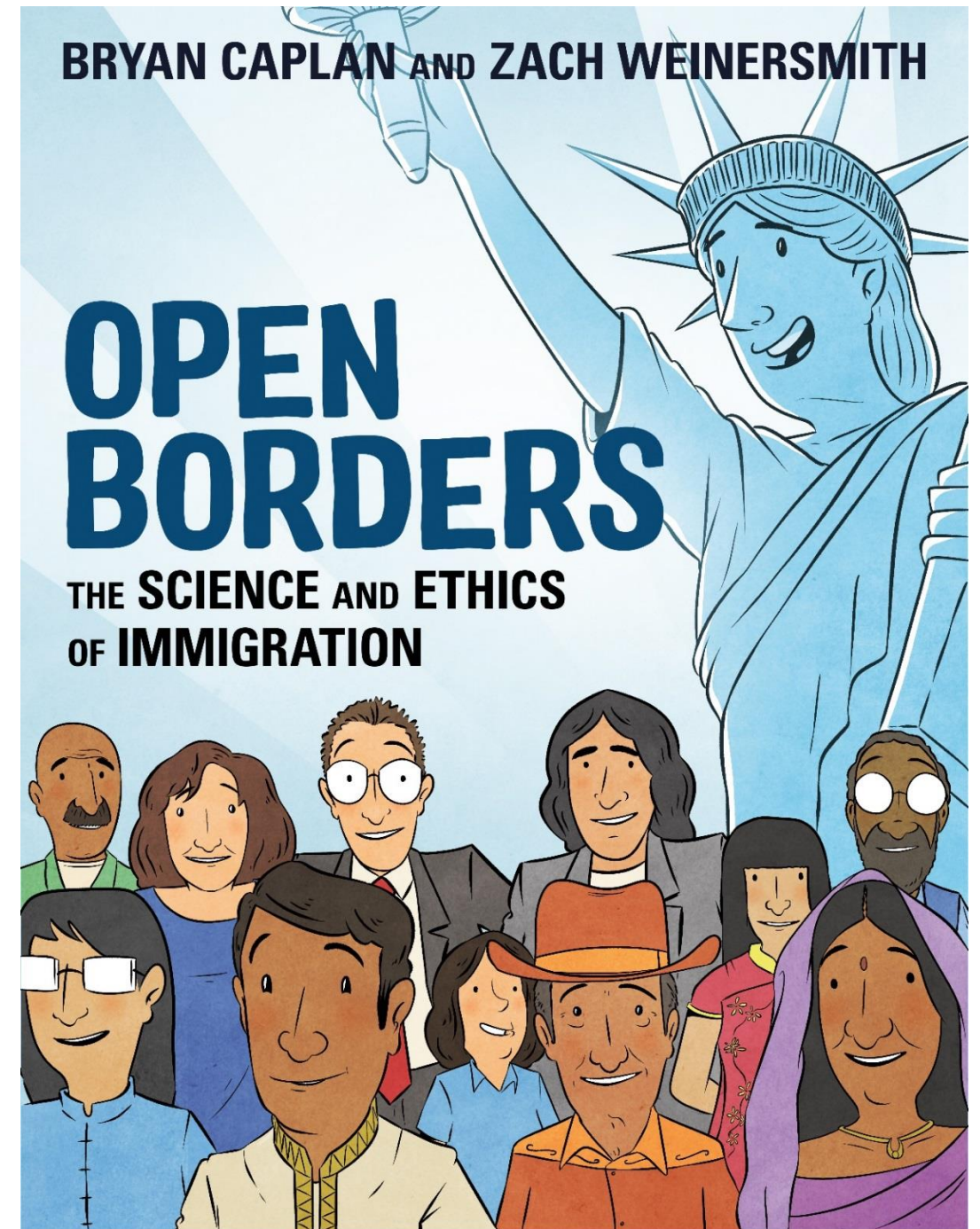


# Immigration: A Strange Contention

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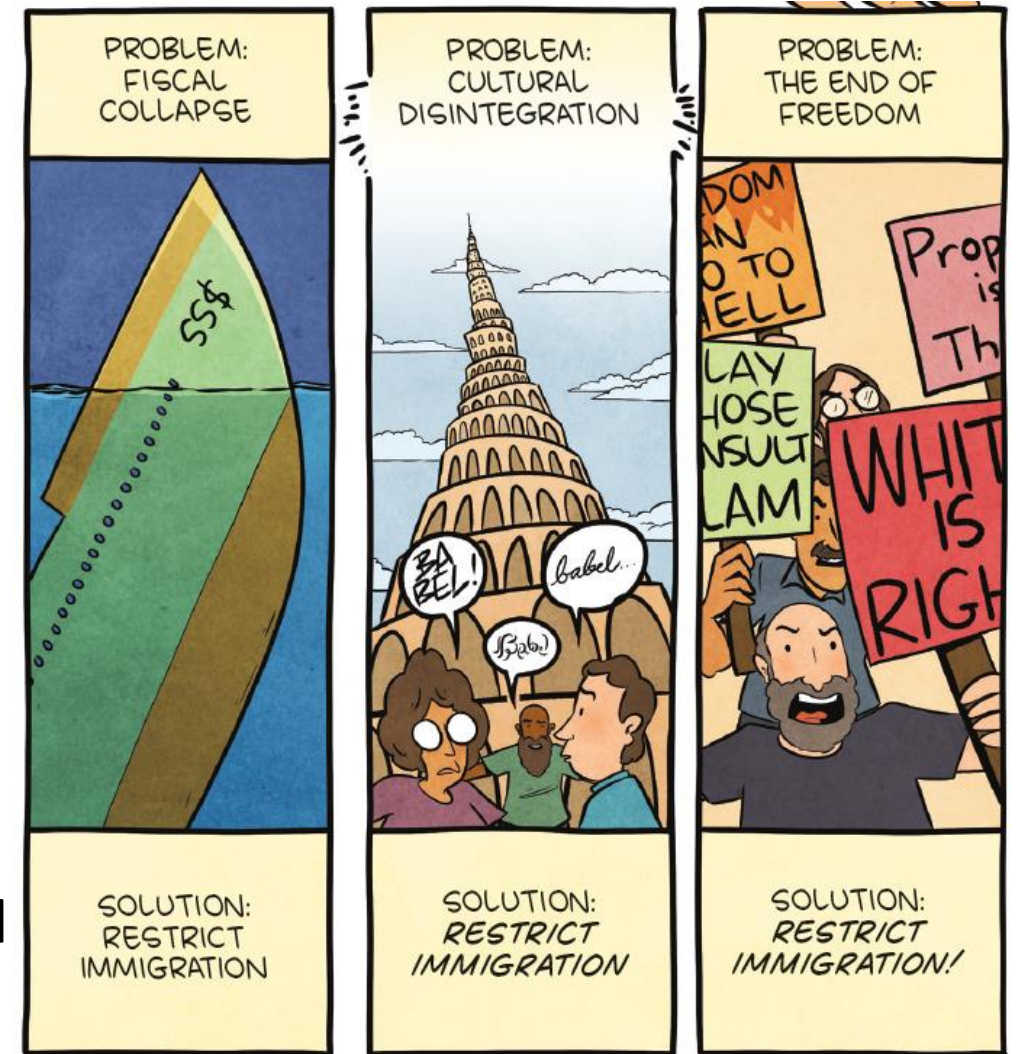


# The Free Migration Presumption

- Classical liberals have a presumption against government restrictions on human freedom, especially when there are large, clear economic costs.
  - Even when the restrictions are popular or “democratic”!
- Immigration restrictions are a massive government restriction on human freedom.
  - Most people on Earth cannot live or work in the First World without government permission, and this permission is almost impossible for most to obtain. Jim Crow analogy is apt.
- Standard trade models say that this regulation has enormous deadweight costs.
  - Huge price wedge (often 1000%+) →  $\approx 50\%$  reduction in Gross *World* Product.
- Yet immigration liberalization remains a highly “contentious issue” in classical liberalism. Why is this so?

# Overcoming the Presumption?

- Classical liberals often defend immigration restrictions using arguments they would reject for almost any other issue.
  - Collective ownership (“trespassing”)
  - Collective guilt
  - Shocking anecdotes
  - Popular support
- The better critics, however, accept the standard presumption against government regulation of immigration, then try to surmount it.
  - Fiscal burden
  - Cultural harm
  - Political externalities
- Main hurdle: Estimated *cost* of immigration restriction is HUGE, so these critics have to find comparably massive *benefits* of regulation.



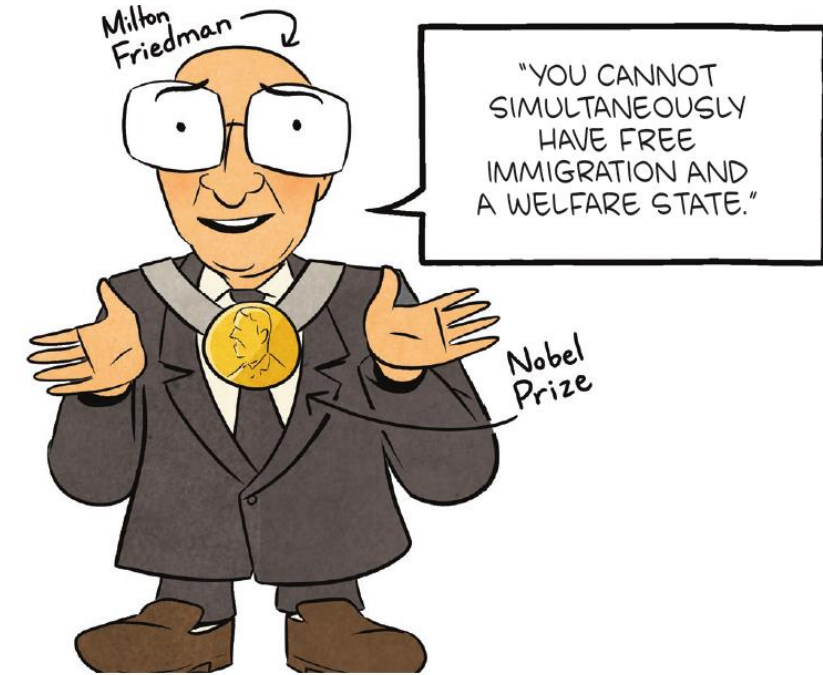


# Protecting Taxpayers?

- Simple story: The American welfare state pays more for idleness than many countries pay for work. So immigrants come to abuse the system.
- Key fact about the U.S. welfare state: Most of the money goes to the *old*, not the poor.
- Upshot: Almost no serious researcher finds a big negative fiscal effect of immigration.
  - NAS estimates of NPV using CBO Long-Term Budget Outlook (Blau and Mackie 2016):

Current Average	HS Only	<HS	HS + Young	< HS + Young
+\$58k	+\$49k	-\$117k	+\$239k	+\$35k

- Absurd? Remember – much gov't spending is non-rival. Immigrants help *spread* the cost of national defense, debt service, etc.



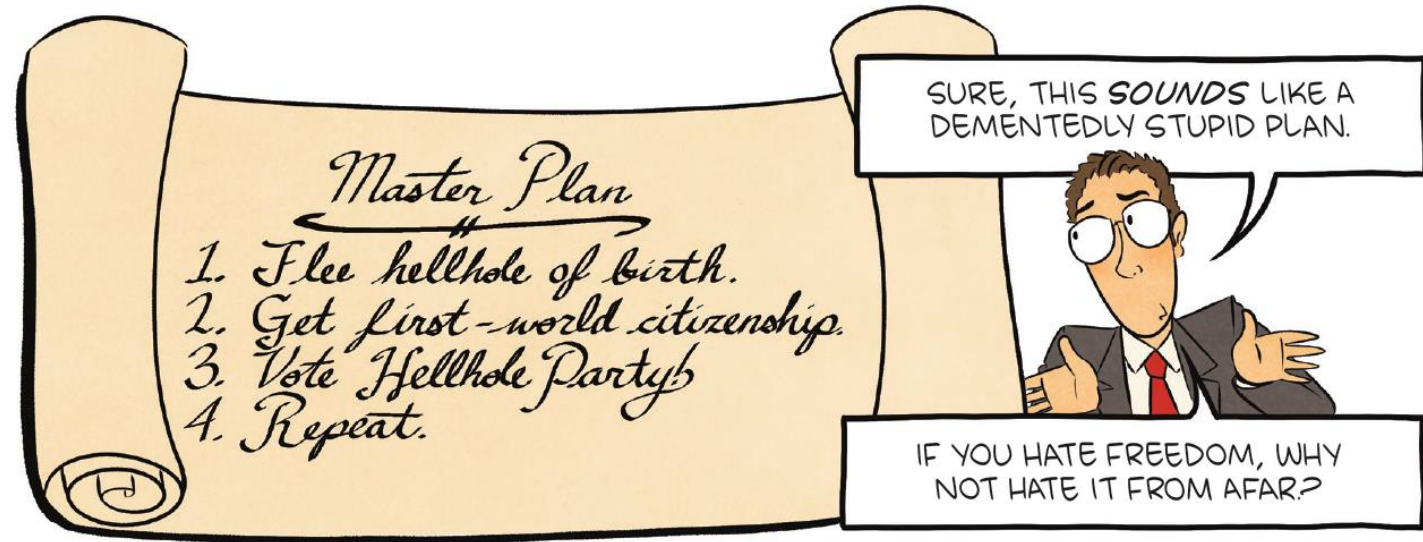
# Protecting American Culture?

- Another complaint: Immigrants are destroying American culture. They won't learn English, fit in, etc.
- Obvious flaw: Over 90% of second-generation Mexicans speak fluent English.
- “Magic dirt”? No, “magic culture”!
- The power of pre-assimilation.
- The crime consensus. (NAS – Waters and Pineau 2015)



# Protecting American Liberty?

- The most popular objection of the friends of freedom: Immigrants come from “statist” countries, and will eagerly vote to ruin our country, too.



- There's a kernel of truth, but the problem's greatly over-stated.
  - Non-natives are more socially conservative and economically liberal, but the difference is marginal (except for least-educated).
  - Non-natives have low turnout (*especially* the least-educated).
  - Immigrants reduce *natives'* support for the welfare state because people resent helping out-groups. (Alesina et al. 2018)

# Why the Contention?

- Classical liberals have long argued that humanity's support for big government is based not on "facts," but *biased thinking*.

- Anti-foreign bias
- Zero-sum illusion
- Innumeracy



- Why are so many classical liberals skeptical about immigration?
- What's the friendliest way to say, "I blame remnants of the *biased thinking* they've managed to overcome on so many other topics"?
- If classical liberals won't stand up for the justice and wonder of free trade in labor, who will?!