

# NATIONAL REVIEW

## The Case for Skills-Based Immigration

It makes sense economically and morally

By Reihan Salam — August 28, 2017

Shortly after Arkansas senator Tom Cotton and Georgia senator David Perdue released the RAISE Act, a bill that would, among other things, sharply reduce legal-immigration levels, it occurred to me that its very reasonableness was, to use the language of the moment, *triggering*. In an interview with MSNBC, Luis Gutiérrez, a Democratic congressman from Chicago, denounced the bill as racist. So too did Republican strategist Ana Navarro, herself a Nicaraguan immigrant and a fixture on CNN. And they were hardly alone, as evidenced by thousands of tweets, retweets, and Facebook missives from distinguished members of America's scrupulously objective press corps.

The premise behind the RAISE Act is that we ought to move away from selecting immigrants mostly on the basis of family ties to selecting them on the basis of their earning potential. I've long believed an immigration reform along these lines is urgently necessary. Indeed, one could argue that the RAISE Act represents a long-overdue correction of a mistake made decades ago—a mistake made, funnily enough, by immigration restrictionists of an earlier era.

After decades of sharp limits on legal immigration, the 1965 immigration reform signaled a change of direction. The hope was to get rid of racist restrictions on non-European immigration without doing all that much to increase immigration levels overall. Willard Wirtz, President Johnson's secretary of labor, assured Congress that once the law was fully implemented, the annual influx of new workers would amount to "one-tenth of 1 percent of the work force." That's not how it turned out, and the reason is that restrictionists wound up outsmarting themselves.

One of the central provisions of the 1965 law privileged the relatives of U.S. citizens over just about everyone else looking to settle in America. Organized labor pushed for prioritizing relatives over skilled immigrants, seeing the latter as potential competitors and the former as the loved ones of their urban ethnic loyalists. Self-styled defenders of America's ethnic purity favored family reunification because they assumed that its beneficiaries would be tiny in number and that most of them would be white Europeans.

What restrictionists in both camps failed to grasp was that those who'd be most eager to bring their relatives to America were citizens born abroad, including the growing number of naturalized citizens from Latin America, Asia, and Africa. Over time, family reunification has created a large, vocal constituency for maintaining high immigration levels, which grows with each passing year. But this constituency isn't interested in high immigration levels per se. First and foremost, its members are interested in keeping America's borders open *to their family members*.

Roughly two-thirds of the new green cards issued every year are for the relatives of U.S. citizens and lawful permanent residents, or LPRs, and all efforts to change that have met with fierce resistance. Today, the spouses, minor children, and parents of U.S. citizens are granted green cards without limit while the adult children and siblings of U.S. citizens and lawful permanent residents are allowed to petition for LPR status under a confusing welter of family-sponsored preferences, subject to per-country limits.

The result has been what critics call "chain migration," in which an initiating immigrant, who is granted a green card on the basis of skills or refugee status, sponsors a spouse, who then sponsors her sibling, who then sponsors her adult children, and on and on in an endless chain. In fairness, the process of petitioning for a green card is not always easy. Adult children and siblings of U.S. citizens from countries such as China, the Philippines, and Mexico that send enormous numbers of immigrants to America can expect to wait for a very long time for LPR status. That is less true of applicants from countries that send fewer immigrants, which compounds the perception that our immigration system is maddeningly arbitrary.

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Enter the RAISE Act, which tackles family-based immigration head-on. First, though it would allow U.S. citizens and LPRs to continue sponsoring spouses and minor children for green cards, they could no longer sponsor their adult siblings, adult children, and parents. The parents of U.S. citizens could still enter the country under renewable nonimmigrant visas, but only on the condition that the U.S. citizens sponsoring them demonstrate that they've purchased adequate health insurance for them.

Minor though these tweaks might sound, limiting family-based immigration to spouses and minor children would have a large effect. Princeton sociologist Marta Tienda has found that 300,000 immigrants who arrived from Asia between 1996 and 2000 set off migration chains that eventually brought 1.2 million sponsored family members to the country, one in four of whom were over the age of 50. The number of sponsored relatives was even higher for immigrants from Latin America. Under the RAISE Act, the number of eligible relatives would fall sharply, and so would the overall level of family-based immigration.

The bill also aims to modernize employment-based immigration by establishing a points system, which would give applicants points on the basis of their age, educational credentials, English-language fluency, salary offers from U.S. employers, and more. The goal of the points system is to identify immigrants who will at a minimum be in a position to provide for themselves and their families, which already narrows the pool of applicants dramatically, and ideally to identify those who will make the most substantial economic contributions. Applicants who pass the minimum threshold of 30 points out of 100 would be invited to file full applications for green cards, and 140,000 employment-based visas would be issued per year to the highest-scoring applicants. In keeping with its goal of a more “merit-based” immigration system, the RAISE Act also abolishes “diversity visas,” 50,000 of which are issued every year by lottery, in theory to help ensure that the stream of immigrants isn’t dominated by people from just a handful of countries.

If the RAISE Act’s points system is part of a secret conspiracy to eliminate nonwhite immigration, as Gutiérrez, Navarro, and others have oh-so-subtly suggested, the conspirators have done an extremely bad job. A points system would yield a pool of immigrants that is extremely diverse in terms of color and creed, and to suggest otherwise is hogwash. Granted, it might give high-skilled citizens of affluent countries in Europe and East Asia a bit of a boost, but it would also help the high-skilled citizens of poor countries who have no family ties in the U.S.

It’s worth noting also that in a 2015 article on American attitudes toward different kinds of immigrants, political scientists Jens Hainmueller of MIT and Daniel Hopkins of the University of Pennsylvania found that no matter their education level, partisan affiliation, job, or degree of ethnocentrism, most Americans, when given a choice, strongly favor educated immigrants in high-status jobs over other immigrants. If the RAISE Act is racist, so are most Americans, including many nonwhite Americans.

I suspect that the charge of “racism” is really a stand-in for something else. To critics of the bill, references to a more “merit-based” system are really a way of saying that the richer you are, the better you are. Scripture says that it is easier for a camel to go through the eye of a needle than for a rich man to enter the Kingdom of God. For the Kingdom of America, Cotton and Perdue are calling for something like the opposite.

Having grown up in New York City, home to millions of poor immigrants, I appreciate the visceral power of this line of argument. If we want fewer immigrants who earn low wages—and who find themselves forced to rely on Medicaid, SNAP, and the earned-income tax credit, among dozens of other safety-net benefits, to provide a decent and dignified life for themselves and their families—well, what does that say to the millions of such immigrants who already live in our country? What does it say to their children, or to the employers who've come to rely on them to do difficult, dangerous, and dirty jobs that natives would not do for so little money? America is a large-hearted country, and it's no wonder that the implicit message of the RAISE Act strikes many Americans as unduly harsh.

But compassion shouldn't blind us to the truth, which is that there is a trade-off between how generous countries are to immigrants and how many of them they can feasibly welcome, as Martin Ruhs observes in his book *The Price of Rights*. At one extreme you'll find countries that welcome vast numbers of immigrants, such as Qatar, where 94 percent of the work force and 70 percent of the population is foreign-born, yet which offers immigrants virtually no rights or social protections. At the other extreme is Norway, which admits a relatively small number of immigrants from outside Europe but treats them exceptionally well.

Some argue that it is Qatar that is doing more good for the world's poor. Its policy of being open but stingy helps far more people than Norway's policy of being closed but generous. At the same time, Qatar is built on a racialized caste system, with Qataris at the top and hundreds of thousands of brown and black foreigners at the bottom. Norway, in contrast, is a country where non-European immigrants have the opportunity to become equal participants in society.

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**naturalization-ceremony.jpg**



Which kind of country would we rather be? As it stands, we Americans refuse to choose, and the result is that we find ourselves somewhere in the middle: We admit too many less-skilled immigrants to be as generous as we'd need to be to fully incorporate them into our society, but we're far more generous than the Qataris, who are hard-headed enough to know that open borders and welfare states don't mix.

Needless to say, mainstream politicians who support high immigration levels talk only rarely about immigration as a means of bettering the lives of the world's poor. What they do instead is talk up the supposedly enormous benefits of immigration to U.S. natives. Once we account for gains and losses among different groups of natives, however, the actual "immigration surplus"—the net gain to the economic welfare of natives that flows from immigration—is remarkably small.

According to George Borjas, an economist at the Harvard Kennedy School and the author of *We Wanted Workers*, an incisive guide to the immigration debate, of the estimated \$2.1 trillion that immigration added to U.S. GDP in 2015, immigrants captured \$2.054 trillion in the form of wages and other payments. The difference between those two numbers is the

vaunted immigration surplus. Borjas estimates that as the foreign-born share of the U.S. work force increased from 10 percent to 15 percent from 1995 to 2014, the surplus increased from 0.1 percent of GDP to 0.24 percent of GDP. A quarter of a percentage point of GDP is not nothing, to be sure, but it's not terribly impressive, either.

When we account for the overall fiscal cost associated with less-skilled immigration, even this modest surplus evaporates. Though new immigrants are subject to temporary limits on their ability to access certain safety-net benefits, these limits go away after five years or so. Moreover, the children of immigrants are treated more generously from the start. The result is that, as Steven Camarota of the Center for Immigration Studies has reported in these pages, households headed by less-skilled immigrants receive far more in benefits than they pay in taxes. This is not because less-skilled immigrants are morally deficient. Rather, it is because demand for less-skilled labor has been declining for decades, the occasional business-cycle upswing notwithstanding, and this has reduced their employment and lowered their wages.

If we were to make the tax code more steeply progressive while increasing redistribution to low-income households, the net fiscal impact of less-skilled immigration would only get worse, at least for the foreseeable future. What do universal pre-K, subsidized child care, and Medicare-for-all have in common? They all cost money, and the taxes paid by low-income immigrants wouldn't come close to paying for the benefits they'd be receiving. Advocates insist that the children of poor immigrants will automatically vault into the bourgeoisie, closing the fiscal gap and then some. Perhaps they're right. But the children of poor immigrants face challenges of their own. A recent National Academy of Sciences report projects that of the children of foreign-born parents with less than a high-school education, only 6.2 percent will graduate from college. Low incomes in one generation threaten to extend to the next.

Which leads us back to the RAISE Act. By favoring skilled immigrants with high earning potential, the points system would tilt immigrant admissions toward those who will have the most positive net fiscal impact. Rather than making it harder to sustain generous social programs that would serve all Americans, whether native-born or naturalized, the RAISE Act would make it much easier to do so. Moreover, as the economists Xavier Chojnicki, Frédéric Docquier, and Lionel Ragot have found, a more selective, skills-based

immigration policy would disproportionately benefit low-skilled American workers regardless of race or ethnicity. In a similar vein, the economists Ping Xu, James C. Garand, and Ling Xu argue that prioritizing high-skilled immigrants would tend to lower income inequality.

All told, the RAISE Act has the potential to do a great deal of good. Far from being an anti-immigration measure, the bill would put immigration on a sounder footing in an age when offshoring and automation are starting to transform our economy, and low-wage, less-skilled workers feel more vulnerable than ever. Most of all, instead of sharpening our political and economic divides, as mass immigration has been doing for a generation, the bill offers an immigration system that would actually help heal them.

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[The RAISE Act: An Explainer](#)

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— *Reihan Salam is the executive editor of NATIONAL REVIEW. This article originally appeared in the August 28, 2017, issue of NATIONAL REVIEW.*