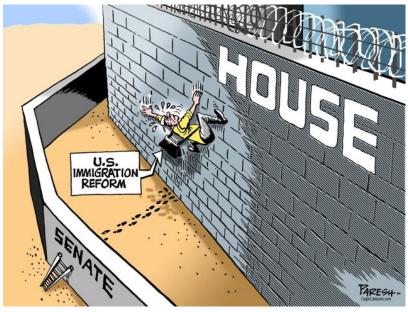
## Making Sense of Immigration Reform

While there is a hiatus in Congress' attempt to reform an allegedly unworkable immigration system, let's take stock of what is involved in this effort. First and foremost the obvious has been ignored: America is full to the brim and doesn't need more people.

Aren't 316 million people enough? And if nothing is done to curtail immigration there will be another 84 million by 2050. Think about it – what can more people do for America? Already ample numbers from different cultures perpetuate highly valued diversity. There are more than enough, if not too many workers, to fill job billets in all types of private and public enterprises. Our native fertility rate remains strong irrespective of immigrant births and our superior armed forces are already able to pick the finest of young men and women. In spite of recent setbacks, this nation still dominates the globe with both military and economic might. We don't need to join the population billionaire's club to exercise our hegemony.

So what possible advantage is there is to spiking the number of newcomers from abroad? The simple truth is *there isn't any*. But special interests, with support from the media, are trying hard to convince the American public otherwise. With the recent passage of the Border Security, Economic **Opportunity and Immigration** Modernization Act (S.744), the Senate betrayed the best interests of the American working people by pandering to a broad array of immigrant advocacy groups in the name of "social justice" for the estimated six percent of the population that resides illegally.



What might be best for the other 94% of the nation's people was obfuscated by faulty economic forecasts and an outdated mind set.

To cut to the chase, there are three main drivers of the Senate bill: the first is the myth that increasing the population via immigration is good for the economy and an "antidote to unemployment." Secondly, legitimizing 11-12 million illegal residents will curry favor, particularly with the Hispanic community, gaining future votes for either the Democratic or Republican parties. And third, big business sees an opportunity to obtain cheaper, flexible, and more compliant labor from around the globe, thereby buffering any tightening of the labor force that might enhance union bargaining power and higher wages and benefits.

It is no secret that President Obama feels obligated to institute "comprehensive immigration reform" to fulfill past campaign pledges, while some elements of the Republican Party seek to change their image, especially with the Latino voting block by joining the reform effort. And corporate America, as represented chiefly by the U.S. Chamber of Commerce, high-profiled executives from Silicon Valley, along with the American Federation of Labor, is keen on opening the flood gates as far as politically possible to garner both highly skilled and unskilled workers from around the world. Regardless, of the intent of S.744, the changes that are purported to be of economic benefit to America will actually do irreparable harm to both the economy and the environment.

And at this point, you might be legitimately asking, "How so?" Let's examine these three drivers of reform, then turn to what needs to be done to truly reform the immigration system to make it just and fair to the American people and to new arrivals alike.

The basic premise of this bill (S.744) as stated by the White House is that "in the absence of immigration the population of the U.S. will decline and the size of its economy will contract." This is a fallacy at its worst, for should the Congress pass such legislation, it will surely add to the deleterious population growth endured by America for the last four decades. Think a moment about the premise. If population is so critical to economic prosperity, why did the Gross Domestic Product tank in 2007 and why is it still lagging today when we have the highest head count in history?

A thirty-five year econometric study (from 1970 to 2005) conducted by this author showed definite correlations between burgeoning population growth and the nation's output of goods and services, aggregate personal income, and employment. That's the good news. But these positive metrics were also accompanied by some strongly correlated economic liabilities, which are not mentioned by growth proponents and immigration advocates.

If one stopped with the positive econometrics and looked no further, you'd have to agree with the current mantra, "the more people we have, the better our economy." But in looking further, one finds that population growth primarily driven by both legal and illegal immigration has some nasty downsides. For instance, in the 35-year study period the federal debt ballooned from 301 billion to 7.9 trillion dollars, an eight-fold increase before the nation's debt went ballistic due to controversial economic stimulus administered during the recovery. Personal savings rates plunged from a high of 12% in the early decades of the study period to almost zero right before the financial collapse of 2007. Per capita consumer debt went from \$626 in 1970 to \$7,114 in 2005, an eleven-fold increase far exceeding the rate of inflation. Why these metrics soured so badly is easily explained by looking at the personal income picture.

While overall employment rates held steady for several decades, and aggregate personal income was positively correlated to population increases, a different story emerged when these numbers were dissected. After breaking down the personal income figure into quartiles, as is the practice of the U.S. Department of Commerce's Bureau of Economic Analysis, it was discovered that the top 40% of Americans saw their wages increase over the 35-year period, while the bottom 60% realized no gain at all with some actually worse off especially among less educated and unskilled workers. Simply put, with no real wage gains for many decades most Americans saw their purchasing power gradually eroded by inflation, and had to step up the use of credit cards and home equity loans in an attempt to

make ends meet or maintain coveted lifestyles. Even today, stagnant wages plague most American workers during this protracted and anemic recovery period.

From this econometric study, these are the bare bone findings:

1. Businesses (the private sector) have thrived as the population has grown.

2. Growth fueled by mass immigration has created an insatiable need for social and physical infrastructure, which has meant higher federal and state taxes with mounting government and personal debt.

3. Upper income Americans have prospered from people growth, but those in the middle or in the lower ranks have not, grossly contributing to the nation's inequity of wealth.



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In other words businesses both large and small have thrived from mass immigration, yet the average American has suffered loss of wealth, living standards and environmental degradation, not to mention coping with long-term structural unemployment due to bad government policy, i.e. over generous Greencard issuance.

There should be no surprise that corporate America and the well-off would see immigration as beneficial...but the livelihoods of the low and middle income earners have been and are in jeopardy as Congress debates the additional importation of foreign job competitors. Also – what frequently happens when trying to assess the cost burden of immigration –

For a more in-depth account of America's crumbling physical infrastructure and \$3.6 trillion repair job, see:

- America's Infrastructure and the Impact on Elbowroom
- 2013 REPORTCARD on America's Infrastructure

those offices at the federal level (such as the Congressional Budget Office) only guesstimate federal revenues and expenditures without regard to the cost impact at the state and local levels, where huge build-out and operating costs are associated with accommodating ongoing infrastructure expansion. (Please note this does not include future costs for an expected 84 million more people by mid-century).

Currently the national debt is approaching \$17 trillion and growing by the minute. Some even make the case that this huge figure understates the nation's true liabilities, as there is between \$70 to \$100 trillion in anticipated payments for benefits programs, such as Medicare, Medicaid, Social Security, and pensions. Remember, that's based on the present census and does not take into account future population growth, which will add trillions to this scary picture.

No matter the perspective, mass immigration is costing us untold billions, if not trillions, with no known sources of extraordinary revenues to pay off monstrous debts. Still,

Congress blithely continues to champion more newcomers without looking at the hard realities and facts involved. When will such recklessness end? Nobody knows, but the wreckage from mass immigration seems irreparable at this point.

Now let's turn to the environment. If immigration continues as is, along with our current fertility rate, America's population will easily reach more than 400 million by midcentury (and this is a conservative figure). The question should arise (but is missing in Congressional dialogue), "Where are we going to put another 84 million people?" Based on census figures, most states up and down the east coast and inland are populated as densely as Washington, DC itself. For the misinformed the wide-open spaces of the West seem ripe for infill. But there are serious shortcomings, making additional human settlement unsustainable. A comprehensive account of the eco-economic challenges facing the nation due to burgeoning growth is available <u>here</u>.

Most are aware that the Southwest, Midwest and the Southeast have critical water shortages and, with the advent of climate change, future water sources and agricultural production are uncertain. Complicating matters is that most major cities are growing and expanding into nearby productive land that is needed to grow the very food to feed the ever-increasing numbers. How can the Senate justify adding another million immigrants per year (as S.744 proposes) to the million Greencards already handed out each year? With the present population growth rates, most likely there won't be enough water to meet domestic food production demands with the nation having to rely on imports in a dicey geopolitical world, which has its own pressing food security and overpopulation issues.

For a hint at what's to come, take a look at this finding by the American Farmland Trust: "...we need 13 million more acres of fruit and vegetable production if we're to meet the minimum recommended dietary guidelines of our growing population." In other words, if all Americans ate the prescribed amounts of fruits and vegetables for healthy living, domestic food production couldn't meet the present demand. Think about it, if we can't properly feed our own now, how are we going to feed another 84 million? And your Senators want to pile on more immigration!

Advocating population growth via immigration is like an investment firm hyping a darling stock on Wall Street, whose revenues are exploding, while being mum about the company burning through hordes of cash because operating expenses are out of control. To stay alive, management is borrowing huge sums of money with bankruptcy looming. Similarly this is where the U.S. finds itself today regarding immigration policy. What we need is sound population and fiscal management with sane monetary policy to reconstitute the economy, not a con-job for more unneeded people as the antidote to our economic malaise.

So what should we do about immigration? Ideally, the following:

<u>A.</u> The nation needs to know the best range in population size to maximize prosperity for its citizens, while being ecologically sustainable. *We don't know have these critical figures and should*. Until our government determines our <u>ecological carrying capacity</u> (which can be done) and establishes appropriate population targets, rational immigration policy will elude us forever. All we are doing today is seeing who has the political muscle to either add numbers or block an expansion, while not really having the facts on whether immigration is good or bad for the country's eco-economic health.

<u>B.</u> In order to properly assess the cost-benefits of immigration, the federal government should create an accounting system to do so. Currently there are no federal or state agencies charged with the responsibility for the timely reporting of aggregated revenues or expenditures associated with the nation's immigration policies or systems. Getting the facts is a must.

Critical to this accounting, is the requirement that all those receiving aid of some kind, must truthfully report their residency status without threat of deportation. Are they a citizen, a legal resident or here illegally? Without knowing legal status, an accurate accounting of immigration costs is nearly impossible.

A new agency should be established to collect from all 15 federal departments the fiscal impact of immigration on their operations plus the new agency should obtain gross expenditures from all 50 states related to such programs as Medicaid, education at all grade levels, welfare benefits paid out to immigrants, etc. In addition, data on state income taxes paid by immigrants would be collected along with federal tax receipt information. A biannual report to Congress and the Administration would be required, giving the nation a more factual economic assessment of immigration's value, rather than relying on guesstimates and studies tinged with political and ideological bias.

<u>C.</u> Those institutions providing on-going education to members of Congress, (like The Aspen Institute) should be encouraged to teach the basics of ecology, the science involved and how humans and their activities effect planetary ecosystems. This is more than environmental awareness about "going green;" this is about how ecosystem infrastructure affects fisheries, agriculture, energy, the air we breathe, our health, medicinal cures, and just as importantly, how our economic system is intimately tied to nature's ability to sustain us. The future of America hinges on both the House and Senate grasping the fundamental principles involved. Otherwise the future of our children is doomed.

<u>D.</u> A moratorium on immigration should be imposed. Homeland Security should admit approximately 250,000 legal permanent residents (Greencards) each year, which is believed to be about the number of citizens that permanently leave the U.S. annually. This figure will allow a sufficient number of highly skilled and knowledgeable workers (unavailable in the U.S.) to be admitted, along with a limited number of refugees and asylum seekers, while the nation works its way through carefully planned <u>real</u> immigration reform.

<u>E.</u> Congress and the Administration should enforce the immigration laws that currently exist. Both Republican and Democrat Administrations alike have selectively chosen enforcement of those laws that fit their ideology or curry favor with their political base. Both have championed the ideal that America is guided by rule of law but fail to live up to it. We can do better.

<u>F.</u> Make the current voluntary E-Verify program mandatory in all states with consistent enforcement. This will further make the hiring of unauthorized workers more difficult, especially for those employers who are breaking federal law. For more on this topic, click <u>here</u> and visit the "Enforcement of Immigration Law: Trust but Verify" section.

<u>G.</u> While taking steps A thru F, establish border and port security using all of the latest technological surveillance systems, double fencing where appropriate, entry and exit tracking systems, and adequate border patrol with military back-up. Nothing could be more important to our national security.

<u>H.</u> The Administration, with support from Congress, should develop policies and practices to help immigrant-sending nations to improve conditions at home, so potential migrants can stay in place. It makes no sense for millions of migrants to swamp an adjacent country, eroding the host nation's capacity to care for its own people or any newcomers. Hemispheric migration is a challenge to all the nations of North, Central and South America that has been heretofore unaddressed with human issues and needs ever- mounting.

With these actions taken, the U.S. will be in a better position to tackle the problem of what to do with 11-12 million unauthorized residents. Special status should be given to children born abroad who accompanied their parents during illegal entry to ensure they can get an education and work with the same legal rights and privileges as their U.S. peers. As to their parents, time does not erase their lawbreaker status and granting some form of legalization should be carefully considered only after the immigration system is sufficiently repaired to stop illegal entry with swift deportation of violators.



Having outlined these rational approaches, what is the likelihood that any of them will be legislatively implemented? Well, to be candid, the chances are slim to none for three reasons. First, neither political party is ecologically literate enough to comprehend that overloading a nation with people is deleterious to the nation's economic future. Second, the minorities who now hold sway on the election of national candidates also do not understand that mass immigration as we know it today is not sustainable and will badly affect their children's future. And third, as currently structured, the financing of elections is controlled by the largess of corporations and very rich donors, both of which want immigration that fits their needs, not the nation's. Thus, as a country we need a seismic shift in thinking about ecological sustainability vis-a-vis immigration and how elections are controlled. At best this may take a generation or two. The big question is...do we have the time to get smart before it's too late?

Since sensible immigration reform seems to be beyond our political reach, for now it is better to keep the status quo than implement such regressive legislation as S.744.