



## The Daily Dish

# November 12th Edition

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There are more young women who have moved back home to live with their parents than at any other time since the 1940s. The Pew Research Center finds that more than one out of every three women age 18 to 34 live at home. The data are similar for men with forty percent living with family, the highest number since the 1940s. According to the [Wall Street Journal](#), “Declining marriage rates, higher rental costs and rising student debt may all be partly to blame.”

Senate leaders are beginning to finalize the calendar for December, and it may start with repealing large parts of Obamacare. If the bill passes both chambers, it is unlikely that the president will sign the removal of any Obamacare provisions. According to the [Washington Examiner](#), “The bill is the Republicans' best shot at getting a repeal of Affordable Care Act to President Obama's desk, since passing it under special budgeting rules requires just a simple majority in the Senate instead of the usual 60 votes.”

### ***Eakinomics: The Economics of Immigration***

The fourth Republican [primary debate](#) illustrated vividly the divide over immigration policy. While there is no disagreement that illegal immigration is wrong and undesirable, there is great disagreement on the best approach to take toward those already here illegally. That issue will ultimately be decided by the ballot box. However, the discussion also featured some spotty economic reasoning that merits a correction. In particular:

Immigration is necessary for [economic growth](#). The native born population has sub-replacement fertility — not enough babies to even keep the population steady. Thus, in the absence of immigration, the U.S. population would fall and the economy would correspondingly shrink. So the question should not be whether to have immigration or not; it should be about the best way to use immigration to shape the future population, labor force, and competitiveness of the U.S. economy.

Immigration is not depressing U.S. workers' wages. There are many, many studies looking at the link between immigration and wages. On the whole, the record indicates that immigration raises the wages of the native born. The technical explanation is that the two types of labor are complements, not substitutes. That means immigrants make the native born more productive and raises their wages. Even simpler, it would be surprising if immigration hurt U.S. wages. In a global economy U.S. workers are *already* competing with foreign workers in the markets for goods and services that dictate what wages can be paid. Whatever the impact of that competition, it has already happened whether the immigrant was originally across the street, across the state, or across the ocean.

Policy toward those here illegally has large potential [economic impacts](#). Deporting those here illegally would knock about 6 percent off of Gross Domestic Product (GDP). That's a major hit; by comparison the peak-to-trough decline in the Great Recession was just a tad over 4 percent. Alternatively, any path to legal status would permit those workers to fill jobs commensurate to their qualifications (no engineers driving taxis), raise productivity, and enhance incomes. The choice matters.

There will be more debate over immigration policy as the 2016 election battle continues. It will be important to keep the economics clear.

### ***From the Forum***

[Primer: FDA and Antibiotic Development](#) by Brittany La Couture, AAF Health Policy Counsel

### ***Fact of the Day***

[Since 2007, DOE has finalized rules with \\$8.2 billion in annualized regulatory costs, with a net present value impact exceeding \\$158 billion.](#)