Insight

Debunking Immigration Myths

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The United States doesn't need more immigration.

The United States needs immigration if it wants to maintain a strong economy. Native birth rates are below the replacement level, which means—without immigration—a smaller population, fewer workers, and thus a shrinking economy.

Limiting legal immigration will help the economy.

The reverse is true. Immigrants help the economy on a variety of fronts, from boosting consumption to raising productivity to creating jobs and paying taxes, and often at rates higher than native workers. There are many examples. If the Deferred Action for Childhood Arrivals (DACA)-eligible population were to be removed from the U.S. workforce, it would cost the federal government between $18 and $52 billion, and the economy would forgo $176 billion in gross domestic product.

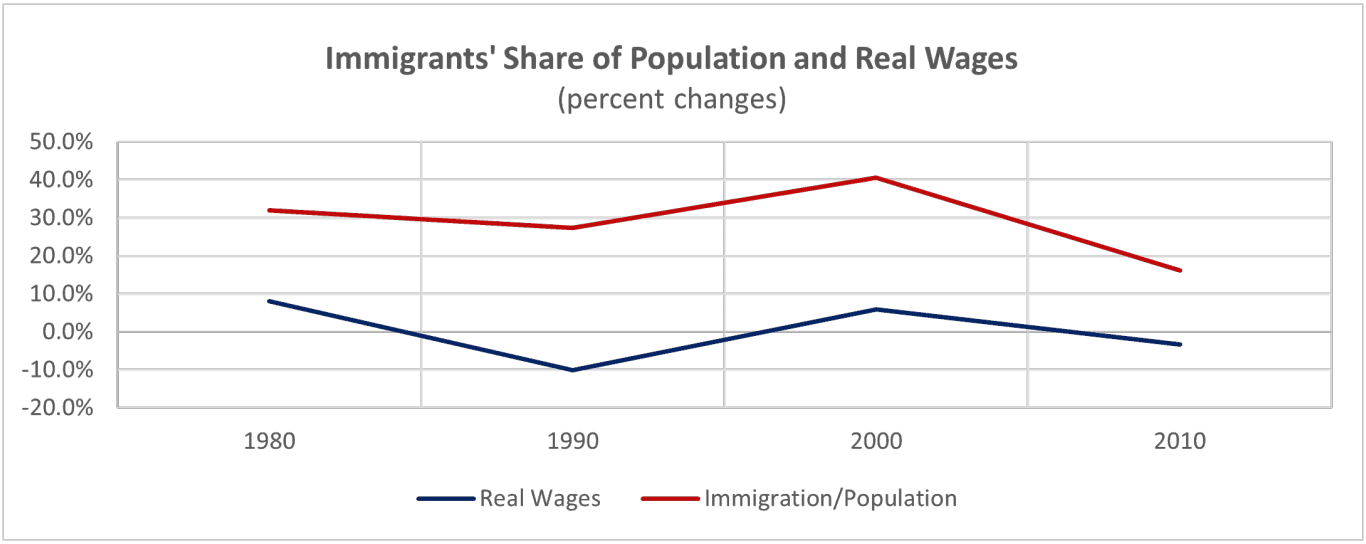
Immigration threatens to bankrupt Social Security and other parts of the social safety net.

Immigration bolsters the safety net. It is true that the Social Security Trust Fund will be depleted in the next decade because, with the Baby Boomers retiring, there are more people taking benefits out of the system than paying taxes in. More immigration, however, would have as its immediate effect more payroll and more payroll taxes—ultimately delaying Social Security's financial difficulties (exactly the same scenario as would happen if the United States had another baby boom). Immigrants also are net contributors to federal and state budgets, with second-generation immigrants contributing more than any other group.

Immigrants are stealing jobs and lowering wages.

Higher immigration levels create more jobs and higher wages for the native-born

population. For every 100 high-skilled immigrants, 183 jobs are created for the native born, and for every 100 new low-skilled immigrants, 464 jobs are created for the native born. Immigrants have different skills than U.S.-born workers, leading them to specialize in different types of jobs and thus not displace native workers. This specialization boosts productivity and drives native-born workers to perform their own jobs more efficiently, ultimately increasing their wages.



This brief is adapted from "Building a Pro-Growth Legal Immigration System," AAF's immigration-reform proposal.