

Permanent Guest Worker Program

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The US Government should create a permanent “guest worker” program where any foreign alien could come to this country to live and work. They could live in the US as long as they like, however they would only be entitled to particular social services, in time applying for citizenship. A near open border would bring productive workers into the country increasing the GDP and GDP growth rate of the US. Labor is a resource that that is not fully utilized in the United States.

The current immigration policy is economically inefficient, wasting resources and inhibiting growth. From an economic stand point, the policy must be mended. To maximize the cost to benefit ratio of foreign immigration, the United States must enact a permanent “guest worker” program with certain conditions. A permanent “guest worker” program would create a near open border, where foreign aliens could live and work in this country permanently by simply registering for a green card. The goal of this program is to utilize the benefits of immigration while limiting the strain on US tax payers. To prevent aliens from coming to this country for the purpose of living off the social services and resources of the government, different laws would need to be created for this social group. Stricter requirements for welfare, Social Security and Medicare would be necessary to encourage only workers, and self-supporting individuals to enter the country. Resources that do not dissuade work and improve economic productivity should be made available to workers to provide a stable work environment and social structure. The citizenship laws would also require an overhaul. The citizenship application for guest workers should reward productive behavior by granting citizenship when individuals display a consistent ability to be productive members of society by both supporting

themselves financially and abiding by the laws. Set requirements should be established in order to provide incentive towards guest workers to achieve these goals. The natural born citizens' law would still exist, creating a situation where some members of the family would have different citizenship status. The problems associated with multi-citizenship families under the current system, where families are separated because of citizenship, would disappear as anyone could live in this country. Although psychologically, this system may appear to be promoting a caste system, the immediate inequality in rights would be offset by the endless opportunity for betterment offered to the immigrants and their families. The immigrants could work their way up the social ladder through productive behavior, and create a better life for their children, who if born in the United States would be citizens. The program provides not only the United States with a productive work force, but additionally provides the immigrants with jobs and opportunity.

Labor in the United States is in demand and an influx of immigration would increase the GDP growth rate in the long term. The unemployment rate in the U.S. as of February 2007 was 4.5%, hovering around the Natural Rate of Employment in the U.S. of around 5%; this indicates that anyone capable and willing can have a job in this country (Bureau of Statistics) (Kane). Immigrants flood to the U.S. seeking opportunity, especially jobs. The "Census Bureau estimates 8-9 million" illegal immigrants reside in the U.S. and "estimates a net increase of 500,000 illegal immigrants annually" ("Current Numbers"). These immigrants are able to support themselves with jobs and the demand for labor by industry present in the United States. As long as industry continues to demand labor, workers in the form of immigrants will fill the supply, creating

equilibrium. The demand for cheap labor is especially obvious in the exporting of low-skill jobs to cheaper labor markets. If we could keep these jobs in this country and produce our own goods, the GDP of the US would increase and the new laborers and producers would provide an additional tax base. In 2006, the real GDP growth rate was 3.4%, while the GDP per capita was \$43,500 (<https://www.cia.gov/cia/publications/factbook/geos/us.html>). Initially an influx of workers to the U.S. would decrease the GDP per capita in the U.S. as GDP remained relatively constant but the population increased. Slowly laborers would provide goods and services increasing the GDP and encouraging an economically efficient division of labor. As more and more immigrants came to this country, and as they began to work their way up the social and economic ladder, many citizens would face competition for the jobs they once held monopolies on. The GDP would start to spread out among a much larger population, but the GDP increases and GDP growth rate increases caused by the new labor force would eventually counteract the dispersion of wealth, bringing the GDP per capita to current numbers. The GDP and the GDP growth rate of the US on the whole would be much larger, solidifying the US as an economic world power. As the system works now, the US exports its low skill jobs overseas, slowly giving jobs and wealth to the world's poorer nations. The dispersion of wealth is still happening in the United States as evidenced by the relatively small GDP growth rates in the U.S. with those of cheaper labor markets such as China, India and Vietnam. These countries have relatively low GDP per capita figures compared with the U.S. but have astronomical GDP growth rates: 10.5%, 8.5%, and 7.8% respectively (Rank Order - GDP - Real Growth Rate). If the U.S. was able to utilize cheaper labor force within its borders, we too could have an

expansion to our GDP growth rate. In time, the benefits of a near open border and the influx of immigrants would benefit GDP, GDP growth rate, and economic power of the United States. Labor is a resource that we need to utilize.

A guest worker program would be beneficial to both immigrants and the United States. The workers would be provided endless opportunity for betterment, which if they took advantage of would ultimately help the country. The labor provided by immigrants is a resource, and a cheap resource, which could benefit the GDP and GDP growth rate in the United States. By bringing in willing workers, the economic strength of the U.S. would increase in the long-term as they provided goods and services, paid taxes to the government, and promoted economically efficient division of labor. A permanent guest worker program enhances the best aspects of immigration while eliminating the potential troubling effects. A permanent guest worker program will ultimately be economically efficient.

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