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### Illegal Immigration: An Economic Solution to Slowing its Rapid Pace

The United States has long been considered a melting pot of cultures, but a great influx of illegal immigrants in recent years, especially from Mexico, has reignited a debate in the country over our immigration policy. Given American business' demand for cheap, dependable labor, and poor economic conditions in Mexico and other Hispanic countries, there will always be illegal immigrants present in the U.S. An attempt to prevent illegal immigration will prove to be futile. The only option to slow down the rapid pace of illegal immigration is to stimulate demand in the economies of each respective country.

Illegal immigration imposes certain costs on the US. Illegal immigrants do not pay much in taxes because of their low income level and their loose attachment to our legal economy. Yet their children still get to attend US schools and have access to medicare. The Center for Immigration Studies, an anti-immigration think tank, estimates that the short run net fiscal impact of illegal immigration is negative, on the order of \$10 billion in 2002, or 0.09% of U.S. GDP in that year. (<http://online.wsj.com/public/article>) This is really not a large number, especially in the context of a massive economy like that of the US. Overall, illegal immigration does not impose a significant economic impact on most Americans. Yet it does have a greater impact on low skilled workers and taxpayers in states with high levels of illegal immigration. Illegal immigrants take jobs away from these low skilled workers and cause the prices for low skilled services to lower. This occurs because there is a greater supply of low skilled labor available.

It does, however have certain benefits. Illegal immigrants provide extremely cheap, effective labor at a fraction of what it would cost to hire a native born worker. American businesses know that illegal immigrants will work for minimal wages because economic condition in their native countries are so bad. Because they have to pay less for labor, the profits of American businesses will increase. By causing U.S. businesses to be more productive, immigrants add to our GDP and make the US economy larger. Hence, there is a tremendous demand for illegal immigrant workers in the U.S. There will always be a market for cheap labor.

According to the Pew Hispanic Center, approximately 4.4 million illegal immigrants have arrived in the U.S. over the past five years. Over half of the illegal immigrants in the U.S. are from Mexico. This large number is the result of two factors. Over the past decade, Mexico's peso has suffered serious devaluation in the world market. At the same time, Mexico experienced a baby boom. There is now a surplus of workers in Mexico's recessing economy. These workers must seek work outside Mexico, and the United States presents many more opportunities than their native country. Even though American businesses pay them very little, they still come because that amount is still greater than what they would earn in Mexico.

In 1986, Congress attempted to overhaul immigration policy. The new law failed because workplace and border control were too weak. Today, an attempt to improve border control would prove to be futile. Given the demand for cheap labor by American businesses, and an economic recession in Mexico, illegal immigrants will still find their way into the U.S. Even if the laws are tougher than those imposed in 1986, Yale professor Peter Shuck insists that "immigrants will figure it out. The zeal of enforcement will

wane.”(<http://www.msnbc.msn.com/id/12098329/>) Illegal immigration levels might lower, but as a result, there will also be higher levels of legal immigration. Gordon Hanson, an economist at the University of California at San Diego likens illegal immigration to the illegal trafficking of drugs, “Just like with the illegal drug trade, we can say it’s illegal, but that doesn’t mean it’s not going to happen .”(<http://www.msnbc.msn.com/id/12098329/>). He also agrees with professor Shuck that immigrants will find a way around stricter enforcement of the border, “If we enact a law that makes clear we’re going to dramatically increase enforcement without allowing greater legal flows, employers and illegal immigrants will find ways around it.” (<http://www.msnbc.msn.com/id/12098329/>)

Since increased security of the border wouldn’t do anything to help lower immigration levels, the U.S. must help to stimulate demand in third world countries to help slow the rapid level of illegal immigration and prevent a population crisis. By stimulating aggregate demand in countries like Mexico, more opportunities for jobs would be available, and they would not have to seek work in the U.S. Creating more jobs in third world countries would slow the rapid pace of illegal immigration, and prevent a population crisis from occurring in the U.S.

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