

OPINION

# Our broken immigration system has only one solution

By [Reihan Salam](#)

September 23, 2017



Salam argues that the US should adopt a point system for immigrants, prioritizing those who bring valuable skills and education to the country. He says the current system will struggle to make ends meet.

EPA

There is a widespread belief that immigrants and their offspring have poverty-defying superpowers that natives do not. This is the impression you'd get from pundits and lobbyists who celebrate all the Silicon Valley technology entrepreneurs who were

fact that immigrant scientists seem to have a presumptive lock on every year's Nobel prizes.

But immigrants are humans, and like most successful humans, they do better if they start with huge advantages. Spectacular success stories — the billionaire entrepreneurs, the Nobel Prize winners — often start in rich and urbanized societies, such as Canada and Europe's market democracies, where future immigrants acquire skills that are readily transferable to the United States. Immigrant superstar immigrants who do come from developing countries are typically raised in families drawn from the best-off, middle strata of their homelands.

There is no question that a disproportionately large share of immigrants are impoverished and that many arrive in the United States with minimal schooling and poor English-language skills. Why, then, are we so fixated on a minority of high-achieving immigrant children?

My theory is that while the child of well-off immigrants who wins the science fair tells us exactly what we want to hear about one who doesn't have enough to eat is a rebuke: a reminder that rags-to-riches stories delight and inspire us precisely because they are rare. The fact that Sergey Brin, the celebrated co-founder of Google, was born in Russia (to parents who were accomplished scientists) is a feel-good story.

The fact that 70 percent of Hispanic infants in America are born to mothers with a high-school diploma or less, most of whom live near poverty, is a feel-bad story.

There is a big difference between immigrants who are drawn from the best-off, most well-educated strata of their home countries who hail from, say, the top half. Indian immigrants, for example, have benefited from what the scholars Sanjoy Chakravorty and Nirvikar Singh call a "triple" selection process. Most now enter the United States via high-skill worker visas, which give them much higher incomes than low-skill immigrants; these high-skill workers have made it through India's intensely competitive education system, which serves only a small fraction of its population; and the Indians who have access to higher education tend to be those from better-off families. In 2003, Kapur found that whereas India's highest castes — including, most famously, the Brahmins — represent less than 3 percent of its population, they account for 45 percent of Indian immigrants in the United States. Members of India's most disadvantaged groups, to which one-third of Indians belong, account for a mere 1.5 percent of Indian immigrants. When observers marvel at the success of America's Indian immigrants, and point to it as a sign that anyone from anywhere can succeed in 21st-century America, they tend to neglect the fact that this so-called model minority is almost entirely an artifact of selection.

It is not superior "Asian values" that account for the fact that, for example, second-generation Chinese-Americans earn more than second-generation Mexican-Americans. A more parsimonious explanation is simply that Chinese immigrants are far more likely to come from their country's educational elite than Mexican immigrants and have passed that advantage down to their children.

It is tempting to believe that the challenges facing impoverished immigrants are easily overcome. After all, European immigrants in the 1900s were similarly downtrodden, yet their families managed to join the American middle class in two or three generations. That the structure of the US economy has changed. In those days, fewer Americans had completed high school, so European immigrants had a skills deficit compared to the established population. These days, though, high school and even college have become requirements for Americans, which puts new arrivals with limited education at a greater disadvantage. Worse still, the difference in earnings between those with advanced degrees and low-skill workers has risen astronomically in the century between the great wave of European immigration and now. In fact, since the 1980s, real wages for men without high-school diplomas have by some measures fallen.

It is thus much harder for poorer new arrivals and their offspring to climb out of poverty. The average male Mexican immigrant in the United States has 9.4 years of schooling. That rises in the second generation, but to only 12.6 years. There is no reason to expect that first-generation immigrants and second-generation Americans will have an easier time than other Americans without college degrees.

And they don't: For immigrants and their descendants with 12 years of schooling or fewer, employment rates decrease 1

second generation and from the second generation to the third. In turn, immigrants start out earning less than established Americans with similar skills, and although their incomes go up over time, they never quite catch up to those of their established brethren. Nor does progress made in the first generation, especially for Mexican and Central American immigrants, necessarily continue into the second.

According to data collected in 2013, meanwhile, poverty rates among immigrants start high at almost 19 percent and remain near 15 percent for second-generation Americans and 12 percent for those in the third generation. Those figures are even more extreme for people of Mexican and Central American origin. Perhaps relatedly, although the crime rate among immigrants is lower than among the established population, it ticks up in subsequent generations. Immigrants settle in the United States with a sense of hope and purpose. Their children, particularly those raised in disadvantaged neighborhoods, grow up with a much bleaker perspective on the American dream. Could this reflect the fact that while immigrants are grateful for the opportunity to live in America, their children have a less romantic sense of what it means to grow up on the bottom rungs of our society? I believe the answer is yes.

Under current US immigration law, most new green cards are issued to the relatives of US immigrants and lawful permanent residents are chosen without regard for their skills. As an immigrant group gains a foothold, and as family-sponsored immigrants and those who enter the United States through more selective channels, it is reasonable to expect average outcomes to drift

Say you agree that we as a country ought to provide for low-income immigrants and their children. What would that mean? A 2017 report from the National Academies of Sciences, Engineering, and Medicine made an earnest attempt to answer that question.

One scenario, which looked at the 2013 outlays, included three groups: the first-generation immigrants and their dependents, the second-generation and dependents, and the third-plus generation and dependents. All three groups were revealed to be net fiscal drains, although the first generation had the lowest ratio of credits to debits. In fact, the first generation accounted for almost 18 percent of the population but closer to 22 percent of the deficit. (The calculation assigned costs for public goods on an average per capita basis.)

In another scenario — this one not including pure public goods, and assuming taxes and growth in the size of government are based on historical precedent — NAS found vastly different net present value flows for immigrant groups depending on education. An average immigrant with less than a high-school degree can be expected to cost \$115,000 dollars over a 75 year period. An average descendant, if they also have less than a high-school diploma, will cost \$70,000 dollars. Meanwhile, the net contribution of an average immigrant with a bachelor's degree is \$210,000, with descendants making net contributions of \$42,000, assuming they also have a bachelor's degree. It is worth noting that established Americans show a similar spread. If anything, NAS finds, those without a high-school diploma are net drains simply because they are eligible for more government programs.

If we were to make the tax code more steeply progressive while increasing redistribution to low-income households, then low-skill immigration would presumably get worse, at least for the foreseeable future. What do universal pre-K, subsidized housing, and Medicare for All all have in common? They cost money, and the taxes paid by low-income immigrants wouldn't come close to covering the benefits they'd be receiving. Some immigration advocates insist that the children of poor immigrants will automatically rise into the bourgeoisie, closing the fiscal gap and then some. Perhaps they are right. But as we've seen, the children of poor immigrants face challenges of their own. The NAS study projects that of the children of foreign-born parents with less than a high-school diploma, only 10 percent will graduate from college. Low incomes in one generation risk extending to the next.

Since the NAS report was released, voices on all sides of the immigration debate have tried to spin its findings to make their own interpretation is straightforward: Whereas a more selective, skills-based immigration system would prove a fiscal boon, a more open system would be a fiscal drain.



Apple co-founder Steve Jobs, an immigrant, Indian-born Microsoft co-founder Nadella and Russian-born Google co-founder Sergey Brin (from left to right) are all highly educated parents, and their success in the US.

immigrants with little regard for their lifelong earning potential, or the needs of their families, is more likely to prove a burden.

Immigration policy is not about whether to be welcoming or hard-hearted. Short of absolutely open borders, which most open borders at least claim to reject, is about compromise. Like it or not, we need to weigh competing interests and make adjust our approach over time. An immigration policy that might have made sense in years past, when the labor market skill workers were much brighter, and when the number of working-class immigrants struggling to get by was much smaller, has different implications today.



And that is why we need to move to a more selective, skills-based immigration policy, as the one Arkansas senator Tom Cotton and Georgia senator David Perdue have introduced in the RAISE Act.

The RAISE Act introduces a points system, which gives applicants points for age, educational credentials, English-language fluency, salary offers from employers, and more. The goal of the points system is to identify immigrants who will be in a position to provide for themselves and their families, which already narrows the pool of applicants dramatically, and ideally to identify those who will make the most significant economic contributions. Applicants who pass the minimum thirty-point eligibility threshold would be invited to file full applications for green cards, and 140,000 employment-based visas would then be issued every year to the highest-scoring applicants.

Many insist that the RAISE Act cuts immigration levels by far too much, but the administration can grandfathered in (if they were going to be granted green cards in the next few years) those who have already been granted green cards in the next few years if they reapply for green cards through the points system. The administration can also extend this benefit to those who are already on the wait-list. It would be sensible to keep assigning points to people who now qualify under the family preference categories, as Canadians do something similar, on the grounds that having relatives in the United States is an immigrant's "adaptability."

Because moving toward a more selective and skills-based system is so controversial, holding the number of green card admissions to current levels will be an important part of winning over at least some of the opposition. Phasing out the family preference categories, realigning the system toward employment-based visas, and then adopting a points system that gives some (slight) weight to family ties strikes me as a reasonable compromise, provided an amnesty is part of the deal.

Amnesty will be a tough pill to swallow for border hawks, but if coupled with resolute enforcement, it can lay the ground for a new immigration system that better serves the national interest. By favoring skilled immigrants with high earning potential, a points system would tilt immigrant admissions toward those who will have the most positive net fiscal impact.

Rather than making it harder to sustain generous social programs that would serve all Americans, whether native-born or immigrant, a more selective, skills-based immigration policy would disproportionately benefit those who already reside in the United States, many of whom are immigrants themselves.

Will this deal satisfy everyone? Of course not. But it has the potential to break us out of our immigration impasse. Instead of deepening our political and economic divides, as our broken immigration system has been doing for a generation, a new approach could soften them.

*“Melting Pot or Civil War?” by Reihan Salam, is out Tuesday, by Sentinel, an imprint of Penguin Publishing Group, a division of Random House LLC. Copyright © 2018 by RMS Media Consulting Inc.*

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