

## ECON 3248 Theories of Immigration and Migration: why people move to new countries to cities...

Economic Theories: (see the FT Video and D&S Chapter 12 and Massey et al.

1. The Harris-Todaro-Lewis Dual Economy models (Kuznets U Curve)
2. Stark and Taylor's New Economics of Labor Migration (NELM or NEM)

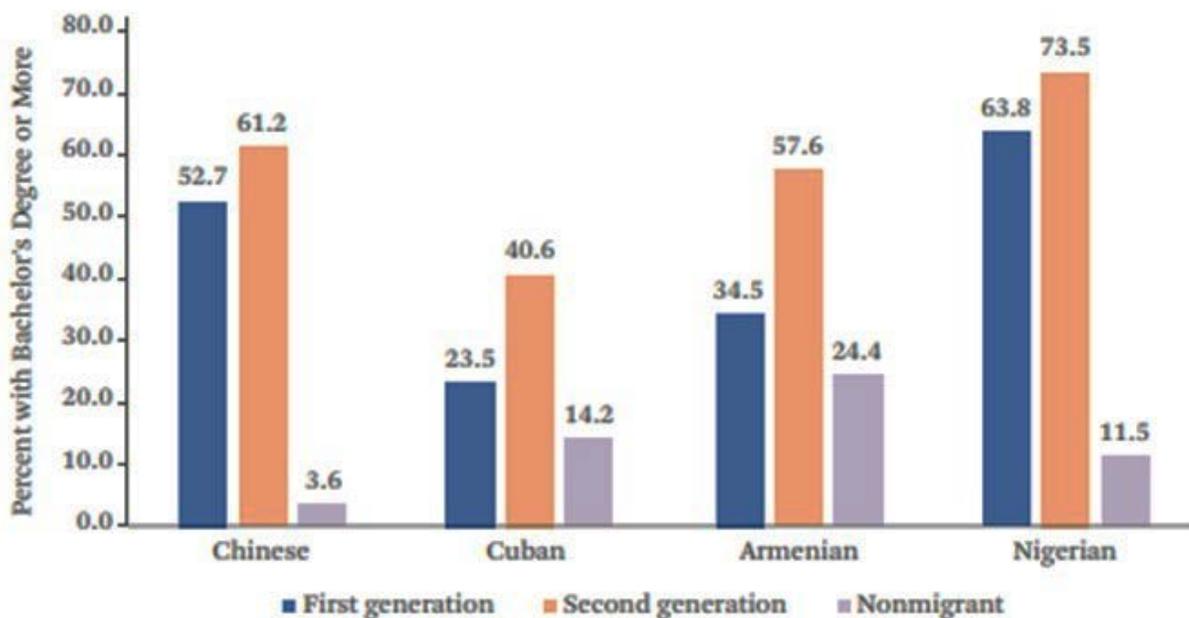
Other migration theories

3. Social Networks that do more than facilitate migration
4. Race and culture driven Hyper-selectivity? (see Figure 1 below)
5. Ellis Island screening as genetic selection? Early 19<sup>th</sup> century Eugenics movement

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### IMMIGRATION AND CHANGING IDENTITIES

**Figure 1.** Educational Attainment by Ethnoracial Origin and Immigrant Generation



Source: Authors' compilation based on the 2008–2012 CPS ASEC (Bureau of Labor Statistics 2012), UNESCO Institute for Statistics 2012, and Education Policy and Data Center 2013.

Notes: Combined sample is limited to population age twenty-five and older. Nonmigrant data for Chinese, Cubans, and Armenians are extracted from United Nations Educational, Scientific and Cultural Organization's (UNESCO) Institute for Statistics. Nonmigrant data for Nigerians are extracted from Education Policy and Data Center.

**Source:** Tran, Van C., Jennifer Lee, Oshin Khachikian, and Jess Lee. "Hyper-selectivity, racial mobility, and the remaking of race." RSF: *The Russell Sage Foundation Journal of the Social Sciences* 4, no. 5 (2018): 188-209 ([nine GS citations as of July 10<sup>th</sup> 2019](#)) [PDF version](#)

Monica Anderson And Phillip Connor (2018) [Sub-Saharan African Immigrants in the U.S.](#) Are Often More Educated Than Those in Top European Destinations, Pew Research Center April 24<sup>th</sup> 2018

**Diversity Globalization and Economic Growth:**

1. Alesina, A., Harnoss, J. and Rapoport, H. (2016). Birthplace diversity and economic prosperity. *Journal of Economic Growth*, 21:101–138. ([cited by 318, 33 versions 2013-2016](#))
2. Docquier, Frédéric, Riccardo Turati, Jérôme Valette, and Chrysovalantis Vasilakis. (2018) "Birthplace diversity and economic growth: [Evidence from the US states in the Post-World War II period.](#)". (unpublished but 7 citations..) HAL ID hal-01743780f
3. Trade and migration were viewed as substitutes: hence NAFTA and CAFTA should slow migration? This has not worked so far. For the theory and why Heckscher-Ohlin-Samuelsson model implies factor price equalization, see Salvatore's International Trade or [Fally's UCB lecture notes C181 Spring 2018](#)
4. Countries and states which have more birthplace Diversity grow faster over time, mainly because of higher TFP growth (the same labor and capital and land produce more output, this is why it is called total factory productivity, that is all factors. Investment in human and physical capital has increase output per worker, but most of gains in living standards over the past 200 years (since 1829) has been the result of TFP growth driven by innovation and technical change.

### **Immigration and the Welfare State (Fiscal impacts)**

A related key issue is the fiscal impact of immigration are immigrants a fiscal burden or a fiscal bonus (more workers means more taxes reduces the burden of social security and education). See for example the Congressional Budget Office: In its January 2015 report *How Changes in Immigration Policy Might Affect the Federal Budget*, the nonpartisan Congressional Budget Office (CBO) confirms that a fair and inclusive U.S. immigration policy would have a net positive impact on the federal budget. The CBO assessed the impact of various immigration policy proposals on the federal budget, looking specifically at the costs associated with changes to eligibility and program participation as well as new revenues from higher wages and a larger tax base. The proposals CBO reviewed include a broad legalization program for undocumented immigrants; shifting eligibility for lawful permanent residence from family-based to work- and "merit"-based eligibility; increasing the number of temporary visas granted every year; and increasing funding for border security and interior enforcement. (see NILC <https://www.nilc.org/issues/immigration-reform-and-executive-actions/impact-imm-reform-on-fed-budget/>)

### Potential Impact on Access to Benefits: Social Security and Medicare

The CBO confirmed that the noncitizen population in the United States is significantly younger than the citizen population. Only 7 percent of noncitizens are age 65 or older, compared to 15 percent of the citizen population. Significantly, 74 percent of noncitizens are of working age, compared to 51 percent of the citizen population. Noncitizens are much more likely than citizens to be healthy, of working age, and able to contribute to Social Security and Medicare, and are much less likely to need these programs in the near future.

### **Immigration and Community with implication for the Welfare State**

Putnam, Robert D. "Epluribus unum: Diversity and community in the twenty-first century." *Scandinavian Political Studies* 30, no. 2 (2007): 137-174.

Putnam, Robert D. "Bowling alone: America's declining social capital." In *Culture and politics*, pp. 223-234. Palgrave Macmillan, New York, 2000.

Putnam, Robert D. *Bowling alone: The collapse and revival of American community*. Simon and Schuster, 2001. ([GS 59973 Citations](#))

See also [ECON 2019 3248 Overview and Introduction](#)