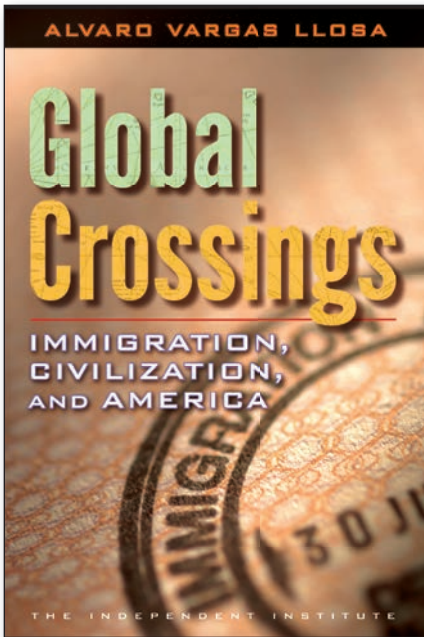


GLOBAL CROSSINGS

Immigration, Civilization, and America

BY ALVARO VARGAS LLOSA



Book Highlights

- **Contrary to sensationalist news reports, Hispanic immigration to the United States does not constitute an unprecedented “takeover.”** At other times in U.S. history the population of foreign origin constituted a similar or larger proportion of the total population. From 1901 to 1913, an average of one million foreigners—about 2.5 percent of the domestic population—came into the United States every single year, whereas recent annual immigration has not exceeded 0.5 percent of the national population.
- **The flow of illegal immigration appears to be a leading indicator of economic trends.** From 2007 to 2009, the proportion of undocumented foreigners dropped by 8.4 percent in California and as much as 25 percent in Florida, where real estate markets were hit especially hard. In the greater Las Vegas, one of the fastest growing areas in the past 20 years, foreign workers began to leave in 2007. When Arizona passed its highly restrictive law in 2010, the annual influx of illegal immigrants stood at about one third of its most recent peak. This is not to say that the flow of workers responds exactly in sync with the demand for labor: border enforcement is a major impediment to smoothly functioning labor markets.
- **Fears that immigrants to the United States will resist assimilation and make natives feel like strangers in their own country are misplaced.** The lure of assimilation in the United States is almost irresistible: the second generation in immigrant families typically speaks the language of the adopted country far better than their parents, and the third generation is even more assimilated. Even so, the U.S. educational system places onerous obstacles on the educational assimilation of immigrants. Despite the Supreme Court mandate that illegal immigrant children be allowed to go to school, only ten states permit them to go to college paying in-state tuition rates.
- **Fears that immigrant workers lead to lower wage rates are drastically overblown.** The influx of immigrants to the United States from 1990 to 2004 led to a 1.5 percent reduction in the real wages of natives with less than a high-school education and cut the wages of earlier immigrants by about 10 percent. But it had the opposite effect on native workers with at least a high-school degree: it increased their wages by an average of 2 percent. The net impact was to increase average wages for all native workers by about 1.8 percent.
- **Although many poor immigrants do use the welfare state, this represents only part of the equation.** For example, although the proportion of immigrant-headed households using at least one major welfare program in the United States is high—33 percent, compared to 19 percent for native households—illegal immigrant men also have higher rates of participation in the U.S. workforce than do U.S. citizens or legal foreigners—over 90 percent in 2003. Moreover, in every U.S. census since 1880 immigrants were more likely to be self-employed than natives. Claims about immigrants relying on the American welfare state must also be weighed against the fact that immigrants often bring with them an entrepreneurial spirit, and that immigrants have utilized their work ethic by founding many of the leading high-tech companies in the United States. Sergey Brin, co-founder of Google, came from Russia; Pierre Omidyar, founder of eBay, is the child of Iranian immigrants from France; Andy Grove, co-founder of Intel, was born in Hungary; Jerry Yang, co-founder of Yahoo, came from Taiwan; and Elon Musk, co-founder of PayPal, is from South Africa.

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INDEPENDENT
I N S T I T U T E

Synopsis

There was a time when the word “immigration” conjured up images of intrepid travelers arriving at Ellis Island, possessing barely a suitcase to hold their meager belongings but embraced by a country that welcomed the world’s “huddled masses yearning to breathe free.” In recent decades, however, many Americans have become skeptical, even critical of this ideal, preferring instead that the “nation of immigrants” welcome fewer foreigners, whatever their legal status.

Contents

Acknowledgments

Prologue: From Altar to Arizona

Part I The Immigrant Experience

1. The “Takeover”
2. Not Just Here, Not Just Now
3. Why They Move
4. The Reaction
5. Unnatural Borders
6. The Law as Fiction

Part II Immigrants and Culture

7. Immigrant Values versus Native Values
8. Islam, Ghettos, and Slums
9. The Multicultural Fallacy
10. Culture Changes

Part III Immigrants and the Economy

11. Immigrants and the Economic Seesaw
12. What Immigrants Do to Jobs, Wages, and the Economy
13. Do Immigrants Cost More than They Contribute?

Part IV Open Minds

14. Is Immigration a Left-Wing or a Right-Wing Cause?
15. Shock and Awe
16. Why Things and Not People?
17. Credo or Nationality?
18. A Path to Citizenship
19. Open Minds

Appendix

About the Author

Debates about immigration are not confined to America, of course. Indeed, most of the same concerns that preoccupy immigration critics in the United States—worries about immigrants taking away jobs from native-born residents, depressing wage rates, resisting cultural assimilation, and putting undue strains on social services—are common throughout much of Europe, Latin America, Asia, and Africa, explains **Alvaro Vargas Llosa**, author of *Global Crossings: Immigration, Civilization, and America*.

A native of Peru who has lived and worked on three continents, Vargas Llosa has written an insightful analysis of the cultural, economic, and political ramifications of immigration—one the most enduring phenomena of the human story. Part historical treatise and part politico-economic analysis—and sprinkled with fascinating anecdotes from his personal experience—*Global Crossings* is a far-reaching work that will captivate anyone curious about the drama inherent in the age-old quest to make a better life by moving abroad and about the government policies that often thwart that effort.

The Immigrant Experience

An estimated 215 million people live today in a country in which they were not born, the most common destinations being the United States, Russia, Germany, Ukraine, and France. What motivates immigrants to uproot their lives and begin afresh on new soil? The answers vary, but often there is a common thread: a burning desire to escape economic stagnation, political repression, war, and the like, and to make a living in a country with better socioeconomic conditions. This quest—the immigrant experience—is the theme of the first few chapters.

Vargas Llosa begins by recounting his visit to Mexico’s northern Sonora desert—near Arizona—at leading entry points for illegal immigrants attempting to cross into the United States. Before they reach the deadly heat of the American Southwest (usually with minimal provisions) or encounter U.S. border

patrols, they may encounter murderous drug gangs. Travelers captured by Immigration and Customs Enforcement may find themselves detained for months before they are returned to Mexico, where they may get a free bus ride to their home region or a night’s rest at an inn for repatriated border-crossers.

Such stories tell an important part of the experience of millions of people, though they fail to convey the broader realities of immigration from Latin America. One truth often overlooked, Vargas Llosa explains, is that despite all the fanfare, the levels of Hispanic immigration in recent years are no greater than those of many other immigrant groups in U.S. history, with Mexican immigrants representing only about 3.8 percent of the U.S. population in 2005.

Crossing borders illegally is, of course, a worldwide phenomenon—perhaps as many as 30 million people enter countries illegally each year—and Vargas Llosa recounts several recent immigrant stories from Europe. In Spain, he encounters immigrants from Mauritania, the Ivory Coast, and Algeria—each with a harrowing story of escape from oppression in their homelands. Whether they are fleeing political violence or economic stagnation, most migrants are ordinary people reacting in ways that citizens of richer nations would react in similar circumstances.

Often, the deciding factor in an immigrant’s choice of destination is the historic connection between the two countries. Colonial relationships, for example, shaped the migration of Algerians to France, of Indians to the United Kingdom, and of Filipinos to the United States.

Just as immigration is a universal phenomenon, so it seems is the failure to anticipate unintended consequences of immigration laws. One major effect, Vargas Llosa explains, is to create unnatural barriers that impede the traditional flow of people to and from various countries. Too often, people forget that barriers inhibit immigrants from returning to their native lands; contrary to widespread perception, migratory flows frequently change direction.

Immigration and Culture

Mass immigration has often raised concerns about how well newcomers would assimilate to the customs and institutions of their adopted countries. The ideology of multiculturalism began as a genuine effort to correct discrimination against immigrants and others—a backlash against the backlash—but ultimately it enthroned a new ill: its obsession with minority rights and ethnic identity discounted the importance of individual rights and identity. By the mid-1980s, for example, language programs in U.S. schools strived to maintain a student's original language indefinitely.

This and other fruits of multiculturalism fed worries that large communities of unassimilated newcomers would make natives feel like strangers in their own country. But the process of assimilation, in the United States especially, continued apace. A multi-year study of 14,000 Hispanic adults found that only one quarter of first generation immigrants spoke English well, but 88 percent of their children spoke it very well. The results are similar across nationalities. Education and intermarriage also follow patterns of growing assimilation with successive generations.

A particularly interesting facet of immigration is how cultural change works both ways: Native populations as well as immigrants have been transformed by the experience. Sometimes these changes have taken place through civil society and commerce; at other times they have been the result of new political loyalties and electoral power. Vargas Llosa concludes this section by tracing the political affiliations of Hispanic voters in the United States, noting not only their growing electoral power but also their political diversity.

Immigration and the Economy

Vargas Llosa's chapters on economics examine the relationship between immigration and unemployment, wages, and the welfare state. They compare the impact of low-skilled and high-skilled workers. They show how labor

markets operate even in the face of major legal obstacles. And they show how the overall health of the economy has had a greater influence on the number of immigrants coming into the United States and other countries than have government policies.

Before delving into statistical details, Vargas Llosa explains a key principle: economically driven migration is an important way in which labor shortages are corrected. In 2005, the World Bank estimated that allowing a 3 percent rise in the workforce by relaxing immigration restrictions in developed countries would enrich poor countries by \$300 billion and wealthy countries by \$51 billion. Of course, when the economy slows in the host country, the flow of immigrants follows suit. It is estimated that annual illegal immigration to the United States from 2007 to 2009 was two-thirds the size it was from 2000 to 2005.

The effect of immigrants on wages is especially misunderstood. As lower-skilled workers enter the economy, the effect is often to raise the demand and compensation for higher-skilled workers. In time, technological advances make the less-skilled workers more productive, thereby eventually raising their wages. The economic literature on the impact of immigration on native workers indicates that in a productive, free-market economy, more immigrant workers mean better wages for almost all native workers.

Vargas Llosa illustrates these findings by highlighting the contributions of several immigrant groups in the U.S. workforce, including Cubans, Central Americans, Japanese, Chinese, Koreans, Indians, Filipinos, and Irish. He also notes the success of immigrant groups in other countries—including the Indians in Fiji, the Lebanese in West Africa, the Chinese in Southeast Asia, and the Northern Italians in Argentina and Brazil. Unfortunately, immigration foes have often treated newcomers with hostility and suspicion, even viewing them as potential allies of terrorists, as occurred after the 9/11 terrorist attacks.

Economically, immigration is closely tied to the age-old phenomenon that today we call

“globalization”: the flow of goods and capital across borders almost invariably is accompanied by human migrations. It also brings about important changes in the relationship of the newcomer to the country of origin (with immigrants often sending large remittances to family members left behind). Moreover, these changes may be reflected in immigrants' political participation in their adopted countries (including the shaping of foreign policies toward their homelands). Vargas Llosa's analysis of the relationship between globalization, assimilation, and political power draws on his observations from several countries.

Open Minds

Having cleared away misconceptions about the cultural and economic effects of immigration, Vargas Llosa draws his sights on a dubious assumption often shared by both sides of the immigration debate: the notion that the nation-state is eternal. In reality, the nation-state and nationalism, its ideological offshoot, are recent inventions—ones susceptible to profound changes as more and more peoples leave their ancestral lands and intermarry.

What would replace the status quo? For lack of a better term, call it “transnationalism.” Dual-citizenship, a controversial but growing category, is one harbinger of this sea change.

America may adapt to this reality better than Europe, where nationhood is more powerfully engrained in people's psyche. If Americanization refers to the adoption not of a “national” character but of a credo—one that embraces individual rights and the entrepreneurial spirit—then Americans may come to view this development as a logical extension of the republic's founding ideals.

“Immigration,” Vargas Llosa concludes, “is not a threat to culture, the economy, or security. And it is not a welfare program, a corporatist entity, a collectivist ideal, a historical indemnity, or an ethnic claim. It is, pure and simple, the right to move, live, work, and die in a different place to that in which one was born—the victory of choice over chance.”

About the Author



Alvaro Vargas Llosa is Senior Fellow of the Center on Global Prosperity at the Independent Institute. He is editor of *Lessons from the Poor: Triumph of the Entrepreneurial Spirit*, which was awarded the Templeton Freedom Award (2010), and his book *Liberty for Latin America* obtained the Sir Anthony Fisher International Memorial Award (2006) for its contribution to the cause of freedom. He was appointed Young Global Leader 2007 by the World Economic Forum in Davos.

Mr. Vargas Llosa is a native of Peru and received his B.S.C. in international history and an M. A. from the London School of Economics. He has been a member of Board of the Miami Herald Publishing Company and op-ed page editor and columnist at the *Miami Herald*, and a contributor to the *Wall Street Journal*, the *New York Times*, the *Los Angeles Times*, the *BBC World Service*, *El País*, the *International Herald Tribune*, and other media outlets. In addition, Mr. Vargas Llosa has been a commentator at Univision TV, news director at RCN radio, London Correspondent for Spain's ABC daily newspaper, commentator at Radio Nacional de España in Madrid, and host of the weekly TV program "Planeta 3."

In Praise of *Global Crossings*...

"This compelling book is a must read for anyone on the vital yet contentious issue of immigration. *Global Crossings* puts a personal face on the issue, superbly arguing that restrictions on the basis of accident of birthplace have no economic or social justification, and in the hands of government are a dangerous infringement on individual liberty and human well-being."

—**Daniel L. McFadden**, Nobel Laureate in Economic Sciences; E. Morris Cox Professor of Economics, University of California, Berkeley

"*Global Crossings: Immigration, Civilization, and America* is a much needed antidote to the hysterical drivel that dominates the debate over immigration reform. The book demonstrates how important it is to adapt our immigration policy to the needs of our economy and to welcome those who will make a genuine contribution to our future prosperity. America's success as an immigrant nation is in danger from those who would close our borders out of fear and ignorance. *Global Crossings* dispels both."

—**Linda L. Chavez**, former Director, U.S. Commission on Civil Rights

"*Global Crossings* dispels the myths over the crucial yet divisive issue of immigration. As a nation of immigrants, America has been enriched economically and culturally from these new arrivals, and Vargas Llosa shows why our future will depend on continuing to advance a welcoming immigration policy."

—**Stephen Moore**, former Senior Economist, U.S. Congress Joint Economic Committee; Founding President, Club for Growth; author, *Who's the Fairest of Them All? The Truth about Opportunity, Taxes, and Wealth in America*

"Why do people migrate? What motivates people to go from one country to another? Alvaro Vargas Llosa responds to these vital questions in his new book *Global Crossings: Immigration, Civilization, and America*. He leads us on a valuable tour of immigration throughout the world and then focuses on aspects of the history of immigration in the U.S. The book highlights the role of immigrants in the development of nations, throwing overboard the myth that immigrants cost more than they provide or take away the jobs of citizens. Vargas Llosa encourages an 'open mind' which supports national policies that assimilate the cultural richness of immigrant groups and also fights against the criminalization of migration."

—**Vicente Fox**, former President, Republic of Mexico

"Using facts, history, logic and his own personal experiences, Alvaro Vargas Llosa vividly demonstrates why immigration is almost always economically, culturally and morally beneficial. *Global Crossings* is an essential and highly readable, even riveting, tour de force."

—**Richard K. Vedder**, Distinguished Professor of Economics, Ohio University



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