

Analysis of National Academies of Sciences (NAS) Findings: “The Economic and Fiscal Consequences of Immigration”

Immigration grows the overall economy (GDP).¹

- More people
- More workers
- More consumers

The additional economic activity produces a roughly \$50 billion “surplus” in total wealth.

- Every year, immigration creates an estimated \$54 billion in additional wealth for native Americans; or
- A 0.31 percent increase to the native population overall.²

In the process, however, immigration redistributes roughly \$500 billion from workers to owners of capital.

- Every year, immigration reduces the wages of competing American workers by an estimated \$493.9 billion;³ or
- A 5.2 percent decrease in income.
- The most vulnerable Americans are the most harmed.⁴
- Businesses gain an estimated \$548.1 billion every year from the lower labor costs.⁵

¹ National Academies of Sciences, Engineering, and Medicine. 2017. The Economic and Fiscal Consequences of Immigration. Washington, DC: The National Academies Press, pp. 282-283.. <https://doi.org/10.17226/23550>.

² NAS, p. 171.

³ Center For Immigration Studies, “National Academy of Sciences Study of Immigration: Workers and Taxpayers Lose, Businesses Benefit,” September 21, 2016. <https://cis.org/Press-Release/National-Academy-Sciences-Study-Immigration-Workers-and-Taxpayers-Lose-Businesses>

⁴ NAS, p. 241: "Some notable patterns emerge...Native dropouts tend to be more negatively affected than better-educated natives...this negative effect may be compounded for native minorities. Altonji and Card (1991) found more-negative results for low-education blacks than low-education whites...Cortés examined a number of groups and found the largest negative effects for Hispanic dropouts with poor English, as well as larger negative effects for Hispanic dropouts than for all dropouts. This could be because native dropout minorities are the closest native substitutes for immigrants."

⁵ Center For Immigration Studies.

“Immigrant labor accounts for 16.5 percent of the total number of hours worked in the United States, which, using this methodology, implies that the current stock of immigrants lowered wages by 5.2 percent and generated an immigration surplus of \$54.2 billion, representing a 0.31 percent overall increase in income that accrues to the native population.”

- National Academies of Sciences⁶

New immigrants also gain wealth, but do not pay enough in taxes to cover their use of public services.⁷

- The annual taxpayer burden ranges from an estimated \$43 billion to \$299 billion, across all levels of government.⁸
- All eight scenarios considered by the National Academies of Sciences show a fiscal drain from current immigration policies.⁹
- In order to project a fiscal benefit over the next 75 years, NAS had to assume that there would be no additional federal costs, including Medicaid, defense, interest on the national debt, or government bureaucracy.¹⁰

"If the report can be said to have a bottom line, it is that immigration reduces the wages of some American workers and that this reduction creates benefits for owners of capital. But that economic benefit is almost certainly eaten up by the large net fiscal drain (taxes paid minus services used) that immigrants create." - [Dr. Steven Camarota](#), chosen by the NAS as an outside reviewer; his research is cited in the report.¹¹

“Put bluntly, immigration turns out to be just another income redistribution program.” - [George J. Borjas](#), member of the National Academies of Sciences report committee.¹²

⁶ NAS, p. 171.

⁷ This is largely a result of low educational levels. Less educated native-born Americans are also a net fiscal drain.

⁸ National Academies of Sciences, Engineering, and Medicine. 2017. *The Economic and Fiscal Consequences of Immigration*. Washington, DC: The National Academies Press. Table 8-2, p. 394. <https://doi.org/10.17226/23550>.

⁹ Ibid.

¹⁰ George J. Borjas “A User's Guide to the 2016 NAS Immigration Report” User’s Guide 4. <https://gborjas.org/a-users-guide-to-the-2016-nas-immigration-report/> “It’s clear from chapter 8 that the total effect (federal, state, and local) is negative for all generations,” Borjas writes. “Long-term estimates are often panglossian.”

¹¹ Steven A. Camarota “So What Is the Fiscal and Economic Impact of Immigration?” *National Review*,

¹² George J. Borjas “Yes, Immigration Hurts American Workers,” *Politico Magazine*, September/October 2016. <https://www.politico.com/magazine/story/2016/09/trump-clinton-immigration-economy-unemployment-jobs-214216/>