

Opinion The surge in immigration is a \$7 trillion gift to the economy



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As the economy has improved and consumers have begun recognizing that improvement, Republicans have pivoted to attacking President Biden on a different policy weakness: immigration. After all, virtually everyone — Democrats included — seems to agree the issue is a serious problem.

But what if that premise is wrong? Voters and political strategists have treated our country's ability to draw immigrants from around the world as a curse; it could be a blessing, if only we could get out of our own way.

Consider a few numbers: Last week, the nonpartisan Congressional Budget Office released updated 10-year economic and budget forecasts. The numbers look significantly better than they did a year earlier, and immigration is a key reason.

The CBO has now factored in a previously unexpected surge in immigration that began in 2022, which the agency assumes will persist for several years. These immigrants are more likely to work than their native-born counterparts, largely because immigrants skew younger. This infusion of working-age immigrants will more than offset the expected retirement of the aging, native-born population.

This will in turn lead to better economic growth. As CBO Director Phill Swagel wrote in a [note accompanying the forecasts](#): As a result of these immigration-driven revisions to the size of the labor force, “we estimate that, from 2023 to 2034, GDP will be greater by about \$7 trillion and revenues will be greater by about \$1 trillion than they would have been otherwise.”

Got that? The surprise increase in immigration has led a multitrillion-dollar windfall for both the overall economy and federal tax coffers.

The CBO is hardly the only observer that has highlighted the benefits of the recent influx of foreign-born workers.



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As I [reported in 2021](#), “missing” [immigrant workers](#) — initially because of pandemic-driven border closures and later because of backlogged immigration agencies — contributed to labor shortages and supply-chain problems. But since then, work-permit approvals and other bureaucratic processes have accelerated. [Federal Reserve officials](#) noted that this normalization of immigration numbers boosted job growth and helped unwind supply-chain kinks.

Over the long term, Federal Reserve Chair Jerome H. Powell [recently said](#) on CBS News’s “60 Minutes,” “the U.S. economy has benefited from immigration. And, frankly, just in the last year a big part of the story of the labor market coming back into better balance is immigration returning to levels that were more typical of the pre-pandemic era.”

A rise in the number of people ready and willing to work is not the only economic benefit. Immigrants are also associated with other positive [growth effects](#), including [higher entrepreneurship rates](#) and disproportionate [contributions to science, research and innovation](#).

[Consider](#), too, the [national security](#), humanitarian and [religious](#) arguments for providing refuge to [persecuted people](#) around the world.

None of this is to diminish the near-term stresses on the U.S. economy that come from *poorly managed* flows of immigration. These challenges clearly exist, both at the southwest border and in cities such as New York and Chicago, where busloads of asylum seekers are ending up (by choice or otherwise). Absent more resources to manage these inflows and expedite processing either to authorize migrants to work in the United States or to return them to their home countries, this strain will continue.

But there are ways to harness the energies and talents of the “[tempest-tost](#)” and patch our tattered immigration system. Some of those tools were built into the bipartisan Senate border bill, which now appears dead.

Instead, GOP lawmakers scaremonger about the foreign-born, characterizing immigration as an invasion. As Rep. Mike Collins (R-Ga.) dog-whistled last week, “Import the 3rd world. Become the 3rd world.”

Alas, the faction working to turn the United States into a developing country is not immigrants but Collins’s own party. It’s Republicans, after all, who have supported the degradation of the rule of law; the return of a would-be dictator; the gutting of public education and health-care systems; the rollback of clean-water standards and other environmental rules; and the relaxation of child labor laws (in lieu of letting immigrants fill open jobs, of course).

America has historically drawn hard-working immigrants from around the world precisely *because* its people and economy have more often been shielded from such “Third World”-like instability, which Republican politicians now invite in.

Ronald Reagan, the erstwhile leader of the conservative movement, often spoke poignantly of this phenomenon. In one of his last speeches as president, he described the riches that draw immigrants to our shores and how immigrants in turn redouble those riches:

Thanks to each wave of new arrivals to this land of opportunity, we’re a nation forever young, forever bursting with energy and new ideas, and always on the cutting edge, always leading the world to the next frontier. This quality is vital to our future as a nation. If we ever closed the door to new Americans, our leadership in the world would soon be lost.

— <https://www.reaganlibrary.gov/archives/speech/remarks-presentation-ceremony-presidential-medal-freedom-5>

Reagan’s words reflected the poetry of immigration. Since then, the prose — as we’ve seen in the economic numbers, among other metrics — has been pretty compelling, too.