



graphic: Peter Veres

Law & Economics of US Immigration

Once national boundaries were established—a fairly recent development in human history—we can speak of immigration, of people born outside a nation coming into it to live.

Most of the earliest immigrants into the former American Indian tribal lands that have become the United States of America were slaves: indentured slaves from Great Britain; and chattel slaves from Africa. Most indentured white slaves died before they were due to be freed at the end of their term of indenture. Chattel slaves were more valuable since they represented assets and bred more assets. This system was very profitable for the few families that ran it. It was driven in turn by land speculation, America's main industry.

When the US Constitution was written, largely by men who benefited from the slave trade and land speculation, in Article III, Section 8, Congress was given the power "To establish a uniform Rule of Naturalization." However, in Section 9, in order to make sure Congress did not stop the importation of slaves for some time, it says "The Migration or Importation of such Persons as any of the States now existing shall think proper to admit, shall not be prohibited by Congress prior to the year one thousand eight hundred and eight."

With a few exceptions, immigration into the United States was without restrictions until 1923. Naturalization, actually becoming an American citizen, was much more difficult. The Naturalization Act of 1790 allowed naturalization only of people of European descent and excluded those who were indentured servants. The importation of African chattel slaves was made illegal as of January 1, 1808, but slaves were brought in illegally at least as late as 1859. Chinese persons were excluded from immigrating in 1882. Anarchists were excluded by law in 1901.

Finally, in 1921 the Emergency Quota Act was passed, followed by the Immigration Act of 1924. This began the practice of assigning quotas by nationality, with a preference for people originating in Western Europe. This continued until the



graphic: Kjersten Jeppesen

Immigration and Nationality Act of 1965 added preference for foreign citizens who have US relatives and to skilled workers over the unskilled. For the first time Mexican immigration was given a quota.

Illegal immigration is now believed to contribute more to the increasing population of the United States than legal immigration. Because any person born in the United States is a citizen of the United States, families of illegal immigrants become legal in a single generation.

Without immigration, legal and illegal, the population of the US would not have expanded significantly since 1970 due to a relatively low fertility rate among people born in the US. This means a great deal of economic activity—in particular the building of housing, roads, schools and commercial structures—would not have taken place. Immigration drives economic expansion. But, it also drives ecological destruction.

Ethnic and racial bias may create temporary tensions, but they have nothing to do with the economic fundamentals. Those who benefit directly from immigration, in particular those who are helped to keep their labor costs cheap, favor both expanded legal immigration and minimal enforcement of laws against illegal immigrants. Those who feel their own livelihoods are threatened, usually because they have to compete with immigrants for jobs or government services, favor minimal legal immigration and maximal enforcement of laws against illegal immigration.

The big picture is not a balance between these two competing claims. Real estate cannot become more valuable if there are less people in the United States. Real estate interests tend to be very active in politics, so legal and illegal immigration are likely to continue at high levels with no regard to any negative environmental or social consequences.

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