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THE SURPRISING FACTOR FOR IMMIGRANT SUCCESS

Those born in Algeria do better than those from Israel and Japan. Why? There are fewer of them.

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Try a thought experiment: Consider immigrants in the U.S. from Algeria, Israel and Japan and rank them, from highest to lowest, by educational attainment. Here's the correct order, according to data from the Census Bureau: Algerians have average schooling of 14.7 years, followed by Israelis with 14.5 years, and Japanese with 14.3.

Surprised? Consider an additional fact: Algerians represent about 1 in 2,500 immigrants in the U.S., whereas Israelis are 1 in 350 and Japanese 1 in 100.

Here's another counterintuitive result: The average educational level in Mexico, 8.5 years, is almost twice that of India, 4.4 years. Yet Indian immigrants in the U.S. average 16 years of schooling, whereas Mexican immigrants average nine years.

What explains this? America's immigration policy is far from evenhanded. A potential immigrant's country of origin is an important determinant of his or her likelihood of being admitted.

The U.S. rations its immigration slots, granting permanent residency to about one million people a year. But demand is so high that more than four million are denied residency and remain in the queue. Some origin countries are highly favored, and others are implicitly penalized. If immigration reflected the world population, India would send four times as many people to the U.S. as it actually does; Mexico would send 1/15th as many.

Immigrants from the least-favored countries tend to be the elite. For example, immigrants in the U.S. from the former Soviet Union have the highest educational attainment, 16 years on average. But they account for only about 0.14 percent of immigrants overall. They are rare because they had to obtain permission not only to enter the U.S. but also to leave the Soviet Union. Many were highly educated dissidents, accomplished academics or other professionals. The same is true, perhaps to a lesser extent, of immigrants from countries like Algeria.

The effect works the other way for immigrants from countries that are overrepresented. Tonga makes up 0.0015 percent of the world population but accounts for 0.04 percent of U.S. immigrants, and those people earn less than \$20,000 a year on average. In contrast, Nigeria is 2.6 percent of the globe but only 0.5 percent of U.S. immigrants, and they earn more than \$41,000 a year. This is true even though Tonga's average level of education is 9.4 years and Nigeria's is just 5.2 years.

One factor driving these patterns is American policies that favor family reunification. In most years more than 60 percent of entering immigrants have relatives already in the U.S. Family reunification is a worthy goal, not only for humanitarian reasons but because people

in intact families perform better in society. But focusing too heavily on reunification creates a disadvantage for would-be immigrants whose countries are not already well-represented in the U.S. It also pushes down the average achievement among immigrants.

Taking a more balanced approach would have several positive effects. First, it would improve the success of immigrants when they arrive in the U.S. Researchers have shown that immigrants in general, but especially those who are admitted based on their skills, are likelier to start businesses and patent inventions.

Second, this increased success would spill over to the native-born population. An immigrant who creates a thriving company or a better way of doing business improves the standard of living for all Americans.

Third, accepting skilled immigrants from many different countries would reduce the brain drain on any single one of them. If the U.S. switched to a skills-based system but still favored family reunification, it could quickly deplete countries like El Salvador, which today is 31-times overrepresented among U.S. immigrants. Because America is in the enviable position of being the destination of choice for people willing to move, it can surely afford to be evenhanded toward source nations.

Some caution is warranted because immigrants from overrepresented countries have become central to the American economy. If productivity is reflected in wages, then immigrants from Mexico add about 1.5 times as much to gross domestic product as those from the next-highest source country, India, because there are so many more Mexican natives in the U.S. Furthermore, immigrants are well-integrated into the labor force. In the U.S., the unemployment rate among immigrants is about 10 percent lower than that for the native-born population.

Still, the relative achievement of immigrant groups is determined in large part by immigration policy. Almost every country can supply talented people who would like to come to America. Moving toward a fairer and more balanced treatment of these nations can improve the success of U.S. immigrants – which in turn would make the native born population more welcoming.