

Despite increased enforcement at the U.S.-Mexican border beginning in the 1980s, the number of foreign-born workers entering the United States illegally each year has not diminished.

Introduction

One of the most important and challenging problems facing the 109th Congress will be immigration reform. Despite increased enforcement at the U.S.-Mexican border beginning in the 1980s, the number of foreign-born workers entering the United States illegally each year has not diminished. Today an estimated 10 million or more people reside in the United States without legal documentation, and that number continues to grow by 400,000 or more each year.¹

In his State of the Union message on February 2, 2005, President Bush challenged Congress to fix the problem:

America's immigration system is . . . outdated, unsuited to the needs of our economy and to the values of our country. We should not be content with laws that punish hardworking people who want only to provide for their families and deny businesses willing workers and invite chaos at our border. It is time for an immigration policy that permits temporary guest workers to fill jobs Americans will not take, that rejects amnesty, that tells us who is entering and leaving our country, and that closes the border to drug dealers and terrorists.²

The issue of immigration reform has been simmering throughout the Bush presidency. When the president first assumed office four years ago, it was already clear to most observers that U.S. immigration policy toward Mexico was not working. Despite a massive buildup of enforcement resources along the border, Mexican immigration continued apace throughout the 1990s, and the undocumented population grew at an unprecedented rate, enabling Hispanics to overtake African Americans as the nation's largest minority much sooner than Census Bureau demographers had predicted.³ It was not surprising, therefore, that early in its first term the Bush administration began high-level talks on immigration reform with officials in the newly

elected government of Mexican president Vicente Fox.

By the summer of 2001, the discussions were inching toward a consensus that involved some kind of legalization program and a temporary work visa for Mexican citizens.⁴ The terrorist attacks of September 11, 2001, however, pushed immigration reform and Mexico to the back burner of administration concerns. The inability of President Fox to negotiate a labor accord with the United States undermined his political position domestically, led to the early resignation of his foreign minister, and contributed to electoral losses for his party during the midterm elections of 2003. Meanwhile, the problems associated with undocumented migration continued to fester.

The Bush administration finally returned to the issue of immigration reform in 2004. In a January 7, 2004, speech at the White House, the president proposed creating a large temporary worker program to legalize present undocumented migrants and accommodate new entrants in the future. He would grant renewable three-year work visas to employers, which would enable them to hire workers from Mexico and other countries when suitable U.S. workers could not be found. Undocumented migrants living in the United States would be required to pay a one-time registration fee to be eligible for the visa, but those who were still abroad could register free of charge. The three-year visa would be renewable, and, if in the course of working in the United States a worker accumulated ties and characteristics that qualified him or her for permanent residence, he or she could apply for a green card conferring permanent resident status. Although the supply of residence visas would be increased to handle such applications, special credits and incentives would be implemented to encourage the return of temporary workers.⁵

The president's proposal did not contain specifics on the number of temporary worker visas or new green cards to be authorized, but his announcement set in motion a flurry of alternative proposals for reform, including bills introduced by Sens. McCain, Kennedy, Hagel, Daschle, Craig, and Cornyn, as well as Reps.

Pelosi, Cannon, Flake, Kolbe, and Gutierrez.⁶ Although none of those proposals made progress in 2004, after the elections President Bush restated his commitment to achieving immigration reform in his second term.

To lay the groundwork for a reasoned consideration of policy options, this study describes how the United States got into its current predicament with respect to Mexican immigration. It then outlines the sorts of policies that that must be implemented if we are to get out.

Roots of the Current Problem

The year 1986 was pivotal for the political economy of North America. Two things happened in that year that signaled the end of one era and the beginning of another. In Mexico, a new political elite succeeded in overcoming historical opposition within the ruling party to secure the country's entry into the General Agreement on Tariffs and Trade (GATT). Building on that initiative, President Carlos Salinas approached the United States in 1988 to make the economic reforms permanent by forging a continentwide alliance to create a free trade zone stretching from Central America to the Arctic, which ultimately resulted in the North American Free Trade Agreement (NAFTA).⁷

While trade liberalization took a step forward in 1986, labor market mobility took a step backward. Even as U.S. officials worked with Mexican authorities to integrate North American markets for goods, capital, information, raw materials, and services, they simultaneously acted to prevent the integration of Mexican and American labor markets. Rather than incorporating the movement of workers into the new free trade agreement, the U.S. government sought to unilaterally restrict the movement of workers. To underscore its resolve, in 1986 Congress passed the Immigration Reform and Control Act, which criminalized the hiring of undocumented workers by U.S. employers and increased funding for the U.S. Border Patrol. Then, in 1993, Border Patrol officials launched Operation Blockade in El

Paso, followed by Operation Gatekeeper in San Diego. Those operations mobilized massive resources in two border sectors to prevent undocumented border crossings.⁸

Thereafter the United States pursued an increasingly contradictory set of policies, moving toward integration while insisting on separation, moving headlong toward the consolidation of all North American markets save one: labor. In order to maintain the pretense that such selective integration could be achieved and to demonstrate that the border was "under control," the U.S. government devoted increasing financial and human resources to a show of force along the Mexico-U.S. border, a repressive impulse that only increased in the wake of September 11. Unfortunately, those measures have not deterred Mexicans from coming to the United States or prevented them from settling here.⁹

Moving toward Integration

The adoption of economic reforms in Mexico in 1986 accelerated cross-border flows of all sorts, and those flows increased dramatically after NAFTA took effect in 1994. Consider, for example, trends in total trade between Mexico and the United States. From 1986 to 2003 total trade between the two nations increased by a factor of eight, reaching \$235 billion.¹⁰ Over the same period, the number of Mexicans entering the United States on business visas more than tripled, from 128,000 to 438,000 annually, while the number of intra-company transferees rose even more rapidly, from 4,300 to 16,000. From just 73 Mexican "treaty investors" in 1986 the number grew exponentially to 4,700 persons in 2003. (Treaty investors manage operations of an enterprise within the United States in which they are an active investor.)¹¹

This growth of trade and business migration was accompanied by an expansion of other cross-border movements. Over the same period, the number of Mexican tourists entering the United States increased six-fold to 3.6 million, while the number entering the United States as students doubled to 22,500, and the number of educational and cultural exchange visitors more than doubled, from about 3,000 to 6,600.¹² The

Even as U.S. officials worked with Mexican authorities to integrate North American markets, they simultaneously acted to prevent the integration of Mexican and American labor markets.

Between 1986 and 1996, Congress and the president undertook a remarkable series of actions to reassure citizens that they were working hard to “regain control” of the U.S.-Mexican border.

total number of individual border crossings by car, bus, train, and on foot also grew rapidly, rising from 114 million in 1986 to more than 290 million in 2000. Owing to the events of September 11, 2001, and the U.S. economic recession, the number of border crossings fell between 2000 and 2002, but they were still 1.7 times higher than their level in 1986.¹³

Insisting on Separation

As the foregoing figures indicate, evidence for the ongoing integration of the North American economy is abundant, concrete, and compelling. As envisioned by the proponents of NAFTA, cross-border movements of people, goods, and services have grown rapidly along a variety of fronts. Although the United States has committed itself to integrating most markets in North America, however, it has paradoxically sought to prevent the integration of its labor markets. Indeed, since 1986 the United States has embarked on a determined effort to restrict Mexican immigration and tighten border enforcement, an effort that intensified around 1994, just as NAFTA took effect.

During the 1980s, border control was framed by U.S. politicians as an issue of “national security,” and illegal migration was portrayed as an “alien invasion.” As a result, between 1986 and 1996, the Congress and the president undertook a remarkable series of actions to reassure citizens that they were working hard to “regain control” of the U.S.-Mexican border.¹⁴ The arrival of the new era was heralded by the passage of the Immigration Reform and Control Act in October 1986.

As advocated by its proponents, IRCA sought to combat undocumented migration in four ways. To eliminate the attraction of U.S. jobs, it imposed sanctions on employers who hired undocumented workers. To deter undocumented migrants from entering the country, it allocated additional resources to the Border Patrol. To wipe the slate clean and begin afresh, it authorized an amnesty for undocumented migrants who could prove five years of continuous residence in the United States and a legalization program for migrant farm workers. Finally, IRCA gave the president new authori-

ty to declare an “immigration emergency” if large numbers of undocumented migrants had embarked or were soon expected to embark for the United States.¹⁵

Despite expectations that IRCA would somehow slow unsanctioned Mexican immigration, both legal and illegal migration from Mexico still rose, and Congress returned to the drawing board in 1990 to pass another revision of U.S. immigration law. That legislation focused strongly on border control and authorized funds for the hiring of additional Border Patrol officers.¹⁶ Early in the Clinton administration (1993–94), the Immigration and Naturalization Service developed a new border strategy that took full advantage of this increased funding. Known as “prevention through deterrence,” the strategy aimed to prevent Mexicans from crossing the border so that they would not have to be deported later. The strategy had its origins in September 1993, when the Border Patrol chief in El Paso launched “Operation Blockade”—an all-out effort to prevent illegal border crossing within that sector.¹⁷ Within a few months, immigrants had been induced to go around the imposing wall of enforcement, and traffic through El Paso itself was reduced to a trickle.¹⁸

Officials in Washington took note of the favorable outcome in El Paso and incorporated the operation into the Border Patrol’s national strategic plan for 1994. In October of that year, a second border mobilization was authorized for the busiest sector in San Diego. “Operation Gatekeeper” installed high-intensity floodlights to illuminate the border day and night and built an eight-foot steel fence along 14 miles of border from the Pacific Ocean to the foothills of the Coastal Range. Border Patrol officers were stationed every few hundred yards behind this formidable steel wall, and a new array of sophisticated hardware was deployed in the no man’s land it faced.¹⁹

This buildup of enforcement resources was further accelerated by Congress when it passed the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. Once again, the legislation focused heavily on deterrence, authorizing funds for the construction of two additional

layers of fencing in San Diego and enacting tougher penalties for smugglers, undocumented migrants, and visitors who entered the country legally but then overstayed their visas. It also included funding for the purchase of new military technology and provided funds for hiring 1,000 Border Patrol agents per year through 2001 to bring the total strength of the Border Patrol up to 10,000 officers.²⁰

In 1986 the budget of the Immigration and Naturalization Service stood at just \$474 million, and that of the Border Patrol was \$151 million. IRCA began a modest acceleration of funding for border enforcement, but it was the innovation of border blockades in 1993 that really opened the spigot of money. By 2002 the Border Patrol's budget had reached \$1.6 billion and that of the INS stood at \$6.2 billion, 10 and 13 times their 1986 values, respectively. With this additional revenue, more Border Patrol officers were hired. Between 1986 and 2002 the number of Border Patrol officers tripled, and the number of hours they spent patrolling the border ("linewatch hours") grew by a factor of about eight.²¹

The Consequences of Contradiction

As the foregoing data clearly show, the 1990s were a period of growing self-contradiction in U.S. policy toward Mexico. On the one hand, under NAFTA the United States committed itself to lowering barriers to the cross-border movement of goods, capital, raw materials, information, and services. As a result, the volume of binational trade increased dramatically as did cross-border movements of people. On the other hand, the United States attempted to harden the border against the movement of labor by criminalizing the hiring of undocumented workers and fortifying the frontier with massive increases in money, personnel, and equipment. By 2002 the Border Patrol was the largest arms-bearing branch of the U.S. government next to the military itself.²²

Few in Washington stopped to consider the fundamental contradiction involved in militarizing a long border with a friendly, peaceful nation

that posed no conceivable strategic threat to the country and was, in fact, an ally and a large trading partner. Despite the fact that politicians sold NAFTA as a way for Mexico "to export goods and not people,"²³ everything that occurs in the course of integrating the North American market makes the cross-border movement of people—including workers—more rather than less likely in the short and medium run. The expanding binational network of transportation and communication that evolves to facilitate trade also makes the movement of people easier and cheaper. The interpersonal connections formed between Mexicans and Americans in the course of daily business transactions create a social infrastructure of friendship and kinship that encourage migration and facilitate further movement.

Moreover, it is not as if there were no movements of migrants across the border when NAFTA took effect. Large-scale migration from Mexico has been a fact of life in North America since 1942, when the United States initiated the bracero guest worker program that lasted 22 years.²⁴ That program ultimately sponsored the short-term entry of nearly five million workers, and when it was shut down in 1964, movement continued through other channels. Thousands of former guest workers simply adjusted status to acquire permanent resident visas, and a growing number migrated without documents. From 1942 to the present, the circulation of labor between Mexico and the United States has been widespread and continuous. By the end of the 20th century, two-thirds of all Mexicans knew someone who had been to the United States and almost 60 percent were socially connected to someone living in the United States.²⁵

This huge stock of social capital connecting people in Mexico to destinations in the United States, combined with the acceleration of economic integration along multiple fronts, presents a huge obstacle for U.S. efforts to seal the border selectively with respect to the movement of workers. That the policy would fail was almost preordained and should not be surprising to anyone who understands the nature of markets and their integration over time and across international borders. What many do

Few in Washington stopped to consider the fundamental contradiction involved in militarizing a long border with a friendly, peaceful nation that posed no conceivable strategic threat to the country.

The fundamental weakness of blockading particular sectors of the Mexican border is that there are always other, less-defended sectors within which to cross.

not realize, however, is that U.S. policies have not simply failed: they have backfired—bringing about outcomes precisely opposite those they originally sought to achieve. Not only have U.S. policies failed to deter Mexicans from migrating to the United States, they have promoted a more rapid growth of the nation’s undocumented population.

Failed Deterrence

The fundamental weakness of blockading particular sectors of the Mexican border is that there are always other, less-defended sectors within which to cross. The mobilization of enforcement resources in El Paso and San Diego simply diverted the flows into Arizona, causing U.S. authorities to launch new blockades there, which channeled movement into New Mexico and the Rio Grande Valley of Texas, bringing about a mobilization of enforcement resources in those sectors.²⁶ Because the border is 2,000 miles long, systematically blockading this length in the manner of San Diego or El Paso would be prohibitively expensive.

Ultimately, the net effect of the border blockades has been to push undocumented Mexican migrants into crossing at more remote and less accessible locations in mountains, deserts, and untamed sections of the Rio Grande River. The tragic result for undocumented migrants has been a tripling of their death rate during entry.²⁷ But if migrants are more likely to die while crossing remote sectors of the border, they are also less likely to be caught, and a less-known consequence of U.S. border policy has been that it has decreased the odds that undocumented Mexican migrants are apprehended while attempting to enter the United States.²⁸

Since 1982 the Mexican Migration Project (now based at Princeton University) has undertaken representative surveys of Mexican communities and their U.S. destination areas to create a database of detailed information on the characteristics and behavior of documented and undocumented migrants. At present, the MMP database contains surveys of 93 binational communities, yielding detailed information on 16,840 households.²⁹ Each head of household with migratory experience in the United States

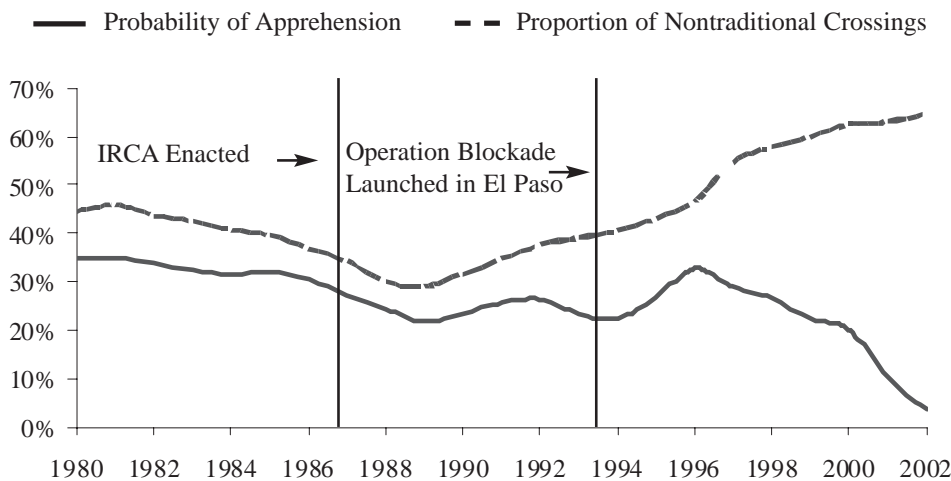
is interviewed to obtain a complete history of border crossings, where the crossings occurred, and the number of attempted entries and apprehensions that took place.

Figure 1 draws on these data to show trends in the locations of border crossings and the probability of apprehension among undocumented Mexican migrations from 1980 to 2002, the latest year for which reliable estimates are available.³⁰ From 1980 through 1987, the proportion of migrants crossing in either Tijuana-San Diego or Juarez-El Paso increased. By 1988 around 70 percent of all border crossings occurred within these two “traditional” sectors. The increased enforcement at the border begun by IRCA in 1986 was naturally aimed at those high-volume points of entry, a tendency that was amplified in 1993–94 with the launching of various blockades. As a result, beginning in 1988 the proportion of migrants crossing at nontraditional sectors along the border rose steadily from 29 percent to reach 64 percent in 2002. Undocumented migrants simply went around the hardened sectors of the border.

Through the 1970s and early 1980s, the probability of apprehension along the border was relatively steady, averaging about 33 percent.³¹ Thereafter, the probability of apprehension fell into the 20 to 30 percent range, and following the implementation of Blockade and Gatekeeper in 1993 and 1994, the likelihood of arrest plummeted. By 2002 the probability of apprehension had reached an all-time low of just 5 percent. Rather than increasing the odds of apprehension, U.S. border policies have reduced them to record lows.

Given this fact, it is not surprising that U.S. border policies have had little detectable effect in deterring undocumented migrants from leaving for the United States in the first place. According to MMP data on the probability that Mexican men and women took a first trip to the United States from 1980 onward, there is little evidence in either series that the border buildup has dissuaded undocumented Mexicans from heading northward. There is considerable temporal variation in the trend for males, whose probabilities of making a first attempt to enter

Figure 1
Trends in Use of Nontraditional Crossing Points and Probability of Apprehension, 1980–2002



Douglas S. Massey, Jorge Durand, and Nolan J. Malone, *Beyond Smoke and Mirrors: Mexican Immigration in an Era of Economic Integration* (New York: Russell Sage Foundation, 2002), pp. 107 and 128; and computations by the author using Mexican Migration Project data.

the United States illegally fluctuate between 1.5 and 2.5 percent, with variations being closely tied to economic conditions on both sides of the border.³² Although the likelihood of female migration is much lower, the trend is virtually flat.

The available data thus indicate that the inflow of undocumented migrants from Mexico continues apace, albeit with variations linked to economic cycles, but that once they are at the border the odds of being apprehended are much lower. As a result, more undocumented migrants are gaining entry to the United States than ever before. Over the same time period, legal immigration from Mexico has also grown, despite measures enacted by Congress to make it more difficult to qualify for documents and to reduce the rights and privileges of legal immigrants once they are here.

Wasted Money

Thus, although the size of the Border Patrol's budget increased by a factor of 10 between 1986 and 2002, and the number of Border Patrol agents has tripled, more Mexican migrants—both documented and undocumented—are arriv-

ing than ever before. The combination of huge budget increases with rising migration rates suggests a marked deterioration in the efficiency of U.S. border enforcement operations. American taxpayers are spending vastly more to achieve little in the way of deterrence and much less in the way of arrests along the border.

One measure of the efficiency of enforcement is the cost of arresting one undocumented migrant, estimated by dividing the Border Patrol's annual budget by the number of apprehensions achieved along the Mexico-U.S. border. Before 1986 the cost of one apprehension was roughly constant at around \$100 per arrest. Beginning with the passage of IRCA in 1986, however, the cost of enforcement began to rise, tripling to around \$300 per arrest in 1989 before stabilizing for a time. Beginning with the launching of operations Blockade and Gatekeeper in 1993 and 1994, however, the cost of making one arrest immediately jumped to more than \$400 and then gradually trended upward to reach \$600 in 1999. The events of September 11, 2001, brought another huge infusion of resources to the Border Patrol that was in no way connected to the threat of either terrorism or undocumented migration

Rather than increasing the odds of apprehension, U.S. border policies have reduced them to record lows.

Whereas the cost of making one arrest along the border stood at just \$300 in 1992, 10 years later it reached \$1,700, an increase of 467 percent in just a decade.

emanating from south of the border, and the marginal cost of apprehension skyrocketed. Whereas the cost of making one arrest along the border stood at just \$300 in 1992, 10 years later it reached \$1,700, an increase of 467 percent in just a decade.³³

If this increase in the cost of enforcement, high as it was, had slowed the flow of undocumented migrants, one might consider it money well spent. But as we have already seen, in 2002 the probability of apprehension was lower than at any point in the modern history of Mexico-U.S. migration, and the number of Mexicans entering the United States was greater than ever. Whatever one thinks about the goal of reducing migration from Mexico, U.S. policies toward that end have clearly failed, and at great cost to U.S. taxpayers. The allocation of funds to border enforcement since 1986 has resulted in the waste of billions of dollars.

Data presented so far have shown that despite massive increases in the personnel and budget devoted to border enforcement and congressional actions undertaken to discourage legal immigration, the number of legal and illegal entries from Mexico has continued to grow, implying the waste of billions of dollars (not to mention hundreds of lives each year) in the futile effort to prevent the movement of labor within a rapidly integrating North American economy. As grim as this assessment may be, it gets worse. Not only have U.S. policies failed to reduce the inflow of people from Mexico, they have perversely reduced the outflow to produce an unprecedented increase in the undocumented population of the United States.³⁴ America's unilateral effort to prevent a decades-old flow from continuing has paradoxically transformed a circular flow of Mexican workers into a settled population of families and dependents.

More Settlement

The unilateral militarization of the U.S.-Mexican border has been successful in achieving one outcome: it has dramatically increased the costs and risks of border crossing. By channeling undocumented flows into remote and more hazardous regions of the border, the border blockades have tripled the risk of death

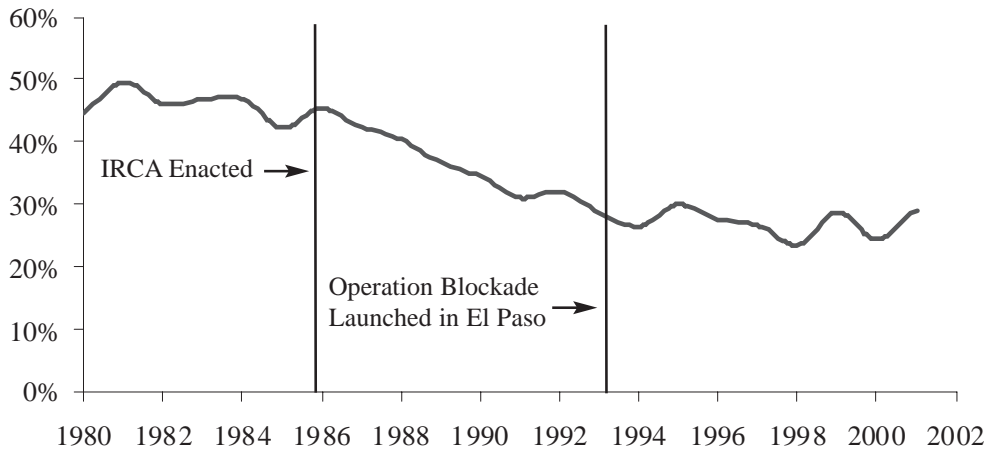
during crossing. The increased mortal danger was offset, however, by a declining likelihood of apprehension, so that few migrants were deterred from making the attempt.

Rather than choosing not to enter the United States illegally, undocumented migrants quite rationally invested more money to minimize the risks and maximize the odds of a successful border crossing. As U.S. authorities deployed a more formidable array of personnel and materiel at key points along the border, smugglers on the Mexican side upgraded the package of services they offered. Instead of simply accompanying small parties of undocumented migrants on foot across well-trod pathways from Tijuana to San Diego and delivering them to an anonymous urban setting, smugglers now had to transport people to remote sectors of the border, guide them across, and have them met on the other side by personnel who would arrange transport to destinations throughout the United States.

The net effect of U.S. policies, in other words, was to increase the quality but also the price of border-smuggling services.³⁵ After the various blockades were launched, undocumented migrants faced rising out-of-pocket costs to ensure a successful border crossing. The extent of this increase is indicated by estimates of the average amount of money that undocumented migrants paid someone to smuggle them into the United States by year.³⁶ From 1980 to 1992 the cost of hiring a *coyote*, or *pollero* (as smugglers are colloquially labeled) was relatively flat, averaging around \$400 per crossing. With the launching of the new strategy of prevention through deterrence in 1993, however, the cost of purchasing a smuggler's services rose to around \$1,200 in 1999, before leveling off.

Compared to 1990 and before, in other words, by the year 2000 it cost undocumented migrants three times as much to gain entry to the United States. If the first order of business on any trip to the United States is to recover that cost, then holding constant the rate of remuneration and hours worked per week, the stay would have to be three times as long. Although beefing up the Border Patrol may not have reduced the inflow, therefore, it did

Figure 2
Probability of Returning to Mexico within 12 Months of Entry, 1980–2001



Source: Computations by author from Mexican Migration Project data, mmp.opr.princeton.edu/.

substantially increase the length of trips to reduce the outflow. Another way of viewing the increase in trip lengths is in terms of a decline in the probability of return migration: fewer migrants return within one year of their original entry. This fact is illustrated in Figure 2, which uses MMP data to compute the raw probability of returning to Mexico within 12 months of entry.

As can be seen, before IRCA the annual likelihood of return migration fluctuated between 40 percent and 50 percent with no clear trend. After 1986, however, there was a steady, sustained decline in the likelihood of return migration, which bottoms out at 24 percent in 1996 and begins to oscillate. Roughly speaking, the average probability of return migration went from around 45 percent before IRCA to around 25 percent today. If 1,000 migrants were to enter the United States each year at the former rate, 950 (or 95 percent) would be back in Mexico within five years and the average length of trip would be 1.7 years. At the latter rate, of 1,000 migrants who entered the United States within a given year, only 763 (or 76 percent) would have returned to Mexico within five years, and the average trip duration would have grown to 3.5 years.

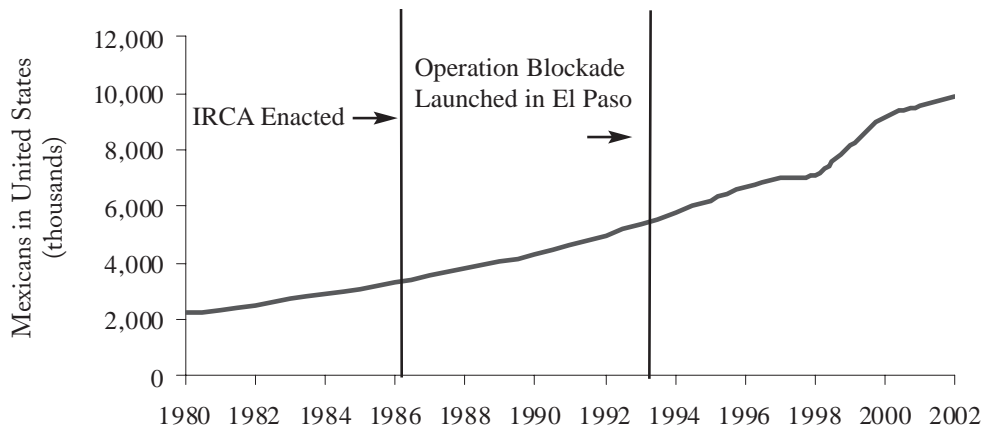
If the number of undocumented Mexicans

entering the United States each year after 1986 remained constant or was increasing, as the evidence suggests, and probability of return migration was simultaneously falling, then only one outcome is possible: a sharp increase in the size of the undocumented population living in the United States at any point in time. In demographic terms, if the number of entries to a population persists or grows while the number of exits falls, the size of that population can only grow.

The growth in the size of the Mexican population of the United States as recorded by the U.S. Bureau of the Census is shown in Figure 3. From 1980 through the mid 1990s, the Mexican population of the United States grew at a steady if rapid rate, roughly tripling in the 15 years from 1980 to 1995. After 1990 the trend accelerated, with the population growing from 7 million in 1997 to around 10 million in 2002, an increase of 43 percent in just five years. After results from the 2000 U.S. census were published, it was evident that Hispanics had overtaken blacks to become the nation's largest minority far earlier than most demographers had predicted. Ironically, the U.S. government's concerted effort to stop Mexican migration at the border has been a major contributor to that development.

The average probability of return migration went from around 45 percent before IRCA to around 25 percent today.

Figure 3
Number of Mexicans in the United States, 1980–2002



Source: U.S. Census Bureau, Foreign Born Population Database.

How to Curb Illegal Immigration

President Bush's policy proposals are a step in the right direction, but a tentative step. Moreover, the proposals are vague about the numbers of immigrants eligible for the various programs of legalization and temporary labor. But there is a set of policies that could reduce the disincentives that prevent Mexicans from returning to their home country, minimize the costs of migration to U.S. citizens, maximize the potential of migrant remittances to promote economic growth in Mexico, and reduce the cost in lives and money of U.S. border enforcement.³⁷

Specifically, in order to bring current flows of Mexican labor into the open, Congress should create a new category of temporary visa that permits the bearer to enter, live, and work in the country without restriction for two years, with an option for renewal once in the lifetime of the migrant, but only after he or she has returned home. The visas would be issued to persons and not tied to specific jobs. Such a program would guarantee the rights of temporary migrants, protect the interests of American workers, and satisfy the demands of employers by moving toward a relatively free and open North American labor market.

These new visas should be generously available to residents of Canada and Mexico. If

300,000 two-year visas were issued annually, there would be 600,000 temporary migrants working in the United States at any time, a small share of the U.S. workforce but a large fraction of undocumented migrants. Moreover, the U.S. government should charge a \$400 fee to migrants for each visa issued, to be paid up-front in cash or in low-interest installments from the migrant's U.S. earnings. This money could be used for the benefit of the migrants themselves, in ways described below. The data presented above indicate that migrants are perfectly willing to pay this amount to gain entry to the United States, but until now the money has gone into the pockets of border smugglers rather than toward more beneficial purposes. A \$400 fee paid by 300,000 temporary migrants per year would yield annual revenues of \$120 million.

As an additional source of revenue, the government could earmark federal taxes (Social Security, Medicare, and income taxes) withheld from the paychecks of temporary migrants for immigration-related initiatives. If 600,000 temporary migrants were to earn annual incomes of just \$15,000 and have taxes withheld at a rate of 25 percent, the annual revenues would be \$225 million per year. Additional resources could be freed by reducing the personnel and resources devoted to border enforcement. There is no evidence whatsoever that the costly expansion of Border Patrol personnel has raised the odds of

President Bush's policy proposals are a step in the right direction, but a tentative step.

apprehension or prevented the entry of undocumented migrants, but the human costs in terms of injury and death have been great. The Border Patrol would be equally effective, more efficient, and violate fewer human rights with a smaller number of officers assigned to the border. If workers could enter the United States through an orderly and legal process at the traditional urban entry points, Border Patrol personnel could train a higher share of their remaining resources on apprehending criminals, potential terrorists, and others who would try to sneak across the border rather than enter legally.

It is also imperative to increase the number of permanent resident visas available to Mexicans to 100,000 per year. The current quota of 20,000 visas for a nation to which we are so closely bound by history, geography, and treaty is absurdly low, yielding excessively long waiting times for many legally qualified immigrants and virtually guaranteeing undocumented movement. At the same time, however, the U.S. government should eliminate the preference category that confers rights of entry on brothers and sisters of U.S. citizens, an unnecessary provision that is more responsible than any other feature of U.S. immigration law for reinforcing the process of chain migration that propels so much of the immigration from Mexico.

Any legislation to reform immigration will be incomplete if it does not address the estimated 10 million or more people already living in the United States who do not have legal documents. Adults who made a willful decision to violate U.S. immigration laws and enter the United States do not deserve a blanket amnesty, but neither do they deserve summary deportation. Violations of U.S. immigration law are civil infractions, not criminal acts, and most violators are guilty only of seeking to improve the welfare of themselves and their families by taking jobs that few Americans want. Since arriving in the United States, many have become parents of U.S. citizens and their continued illegality acts as a hindrance to their children's prospects in the country of their birth. For undocumented migrants who entered as adults, some kind of earned legalization pro-

gram is in order. Undocumented migrants who have stayed out of trouble and lack a criminal record would be allowed to come forward and register for temporary legal status and then allocated points for number of years spent in the United States, taxes paid, public services rendered, U.S. children born, and so on. Those accumulating a certain threshold of points at the time of legalization or at some point in the future would be admitted into permanent resident status.

Among the undocumented population are some 2 to 3 million children of undocumented migrants who entered as minors and are guilty of nothing more than obeying their parents and remaining loyal to their families. The overwhelming majority of these people have grown up in the United States, attended U.S. schools, and stayed out of trouble. Such people deserve an immediate amnesty so that they can pursue their lives in the United States as Americans. Undocumented status constitutes an impermeable barrier to mobility, blocking access to good jobs and higher education for people who have grown up American and broken no law. The longer the children of unauthorized migrants languish without documents, the more problems we create for ourselves down the road.

The foregoing suggestions go beyond what President Bush has proposed but are not so distant from reforms broached by senators and representatives in the wake of the president's announcement. If enacted, these policy reforms will not eliminate undocumented migration from Mexico, of course, nor solve all of the problems associated with it. They will, however, reverse the deleterious consequences of our current policies by eliminating the black market in immigrant labor, minimizing the long-term settlement of Mexican immigrants, encouraging the repatriation of capital and people to Mexico, promoting economic growth within migrant-sending communities, and overcoming the prevailing weaknesses in Mexican capital, credit, and insurance markets.

In the short run, the disruptions that follow from the consolidation of the North American market will continue to produce migrants to the United States, but long-term economic

Adults who made a willful decision to violate U.S. immigration laws and enter the United States do not deserve a blanket amnesty, but neither do they deserve summary deportation.

The record of the past two decades demonstrates that merely enforcing current U.S. immigration law is bound to fail.

growth and development within Mexico will gradually eliminate most of the incentives for international migration. We should seek not to stamp out the inevitable migratory flows but to help Mexico get over what Philip Martin at the University of California at Davis calls the “migration hump” as quickly and painlessly as possible. This will move North America toward a more balanced economy in which fewer Mexicans will experience the need to migrate northward.³⁸

Conclusion

If the United States had set out to design a dysfunctional immigration policy, it could hardly have done a better job than what it did between 1986 and the present. U.S. citizens have seen billions of their tax dollars wasted on fruitless efforts at border enforcement as the efficiency of Border Patrol operations reached all-time lows. Despite its extravagance, the expensive post-IRCA enforcement regime had no detectable effect either in deterring undocumented migrants from coming to the United States or raising their probability of apprehension at the border. Indeed, the probability of apprehension has never been lower.

The record of the past two decades demonstrates that merely enforcing current U.S. immigration law is bound to fail. Current law itself is fundamentally at odds with the reality of the North American economy and labor market. As long as that remains true, enforcement alone will fail to stem the flow and growth of illegal immigration to the United States.

U.S. policies have been effective, however, in causing hundreds of migrant deaths each year and dramatically increasing the out-of-pocket monetary costs of border crossing. These “successes,” however, have not had the desired effect. They have only increased the length of trips to the United States and lowered the probability of return migration, thereby transforming a circular movement of workers into a settled population of families. Fueled by plummeting rates of return, migration

among undocumented migrants, and the rapid growth of legal immigration sponsored by newly naturalized citizens, the Mexican population in the United States grew at unprecedented rates during the past decade.

Thus, repressive U.S. immigration and border policies toward Mexico have backfired, producing more rather than less Mexican population growth in the United States. This paradoxical outcome stems from the unwillingness of the United States to accept the reality of North American integration. In NAFTA the nation committed itself to a joint framework for the continentwide integration of markets for goods, capital, information, commodities, and services; but since then it has refused to recognize the inevitable fact that labor markets will also merge in an integrated economy. In practical if not logical terms, it is impossible to create a single North American market characterized by the free movement of all factors of production except one.

Rather than bringing labor migration into the open and managing the inevitable flows in ways that might maximize the benefits and minimize the costs, the United States has employed increasingly repressive means and growing amounts of money to drive the flows underground to maintain the illusion of a “controlled” border—one that is miraculously porous with respect to all movements except those of labor. Maintaining this pretense, however, has become increasingly costly. The time is thus ripe for the United States to abandon its illusions and to accept the reality, indeed the necessity, of North American integration.

Notes

1. Jeffrey S. Passel, “Estimates of the Size and Characteristics of the Undocumented Population,” Pew Hispanic Center, March 21, 2005, p. 2.
2. The White House, “The State of the Union Address,” February 2, 2005, www.whitehouse.gov/news/releases/2005/02/20050202-11.html.
3. Douglas S. Massey, Jorge Durand, and Nolan J. Malone, *Beyond Smoke and Mirrors: Mexican Immigration in an Era of Economic Integration* (New York: Russell Sage Foundation, 2002), p. 133.

4. Jorge Durand and Douglas S. Massey, "Borderline Sanity," *American Prospect* 12, no. 17 (September 23, 2001): 28–31.
5. The White House, "President Bush Proposes New Temporary Worker Program," release, January 7, 2004, www.whitehouse.gov/news/releases/2004/01/20040107-3.html.
6. Geoff Earle, "Hagel Joins Daschle on Bill: Republican Denies Snub to Bush on Immigration Policy," *The Hill*, January 14, 2004, www.hillnews.com/news/011404/hagel.aspx; "Immigrant Advocates React to Kolbe-Flake-McCain Immigration Reform Measure," National Immigration Forum, July 25, 2003, www.immigrationforum.org/DesktopDefault.aspx?tabid=238.
7. William A. Orme, *Understanding NAFTA: Mexico, Free Trade, and the New North America* (Austin: University of Texas Press, 1996).
8. Massey, Durand, and Malone, pp. 73–104.
9. Jorge Durand and Douglas S. Massey, "The Costs of Contradiction: U.S. Immigration Policy 1986–2000," *Latino Studies*, July 2003, pp. 233–52.
10. U.S. Department of Commerce, "U.S. International Trade in Goods and Services: Annual Revision for 2003," Exhibit 13, p. 20, www.census.gov/foreign-trade/Press-Release/2003/pr/final_revisions.
11. For 1986 figures, see Massey, Durand, and Malone, pp. 81–83. For 2003 figures, see Department of Homeland Security, *2003 Yearbook of Immigration Statistics*, Office of Immigration Statistics, September 2004, Table 23, pp. 89–100.
12. Ibid.
13. Massey, Durand, and Malone, pp. 81–82.
14. Timothy J. Dunn, *The Militarization of the Mexico-U.S. Border 1978–1992: Low Intensity Conflict Doctrine Comes Home* (Austin: University of Texas Press, 1996).
15. Massey, Durand, and Malone, pp. 89–90.
16. Ibid., pp. 91–92.
17. Joseph Nevins, *Operation Gatekeeper: The Rise of the "Illegal Alien" and the Making of the U.S.-Mexico Boundary* (New York: Routledge, 2002).
18. Frank R. Bean, R. G. Chanove, R. G. Cushing, et al., *Illegal Mexican Migration and the United States Border: The Effects of Operation-Hold-the-Line on El Paso/Juarez* (Austin, TX: Population Research Center, University of Texas–Austin, 1994).
19. Nevins, pp. 61–94.
20. Massey, Durand, and Malone, pp. 95–96.
21. Ibid., pp. 96–98.
22. Peter Andreas, "The Escalation of U.S. Immigration Control in the Post-NAFTA Era," *Political Science Quarterly* 113 (1998): 591–601.
23. Peter Brownfeld, "NAFTA Gets Mixed Reviews after 10 Years," Fox News Channel, December 18, 2003, www.foxnews.com/story/0,2933,106056,00.html.
24. Kitty Calavita, *Inside the State: The Bracero Program, Immigration, and the I.N.S.* (New York: Routledge, 1992).
25. Douglas S. Massey and Julie A. Phillips, "Engines of Immigration: Stocks of Human and Social Capital in Mexico," *Social Science Quarterly* 81 (1999): 33–48.
26. Peter Andreas, *Border Games: Policing the US-Mexico Divide* (Ithaca: Cornell University Press, 2000), pp. 85–114.
27. Karl Eschbach, Jacqueline Hagan, et al., "Death at the Border," *International Migration Review* 33 (1999): 430–54; see also Massey, Durand, and Malone, pp. 113–14.
28. Douglas S. Massey and Audrey Singer, "New Estimates of Undocumented Mexican Migration and the Probability of Apprehension," *Demography* 32 (1995): 203–13.
29. Jorge Durand and Douglas S. Massey, "Appendix: The Mexican Migration Project," in Jorge Durand and Douglas S. Massey, eds., *Crossing the Border: Research from the Mexican Migration Project* (New York: Russell Sage Foundation, 2004), pp. 321–36.
30. See Massey, Durand, and Malone, p. 107; and Mexican Migration Project, mmp.opr.princeton.edu/.
31. Thomas J. Espenshade, "Undocumented Migration to the United States: Evidence from a Repeated Trials Model," in Frank D. Bean, Barry Edmonston, and Jeffrey S. Passel, eds., *Undocumented Migration to the United States: IRCA and the Experience of the 1980s* (Washington: Urban Institute, 1990), pp. 159–81; and Thomas J. Espenshade, "Does the Threat of Apprehension Deter Undocumented U.S. Immigration?" *Population and Development Review* 20 (1994): 871–92.
32. Massey, Durand, and Malone, pp. 110–12.
33. Ibid., pp. 116–18.
34. Ibid., pp. 128–36.

35. Audrey Singer and Douglas S. Massey, "The Social Process of Undocumented Border Crossing," *International Migration Review* 32 (1998): 561-92.

36 See the Mexican Migration Project database, <http://mmp.opr.princeton.edu/>.

37. See Douglas S. Massey, "March of Folly: U.S. Immigration Policy under NAFTA," *American*

Prospect 37 (1998): 22-33; Jorge Durand and Douglas S. Massey, "Borderline Sanity," pp. 28-31; and Massey, Durand, and Malone, pp. 142-64.

38. Philip Martin, "Economic Integration and Migration: The Mexico-US Case," World Institute for Development Economics Research, Discussion Paper no. 2003/35, pp. 9-13, www.wider.unu.edu/publications/dps/dps2003/dp2003-35.pdf.

Trade Briefing Papers from the Cato Institute

“Nonmarket Nonsense: U.S. Antidumping Policy toward China” by Daniel Ikenson (no. 22, March 7, 2005)

“The Case for CAFTA: Consolidating Central America’s Freedom Revolution” by Daniel Griswold and Daniel Ikenson (no. 21, September 21, 2004)

“Ready to Compete: Completing the Steel Industry’s Rehabilitation” by Dan Ikenson (no. 20, June 22, 2004)

“Job Losses and Trade: A Reality Check” by Brink Lindsey (no. 19, March 17, 2004)

“Free-Trade Agreements: Steppingstones to a More Open World” by Daniel T. Griswold (no. 18, July 10, 2003)

“Ending the “Chicken War”: The Case for Abolishing the 25 Percent Truck Tariff” by Dan Ikenson (no. 17, June 18, 2003)

“Grounds for Complaint? Understanding the ‘Coffee Crisis’” by Brink Lindsey (no. 16, May 6, 2003)

“Rethinking the Export-Import Bank” by Aaron Lukas and Ian Vásquez (no. 15, March 12, 2002)

“Steel Trap: How Subsidies and Protectionism Weaken the U.S. Steel Industry” by Dan Ikenson (no. 14, March 1, 2002)

“America’s Bittersweet Sugar Policy” by Mark A. Groombridge (no. 13, December 4, 2001)

“Missing the Target: The Failure of the Helms-Burton Act” by Mark A. Groombridge (no. 12, June 5, 2001)

“The Case for Open Capital Markets” by Robert Krol (no. 11, March 15, 2001)

“WTO Report Card III: Globalization and Developing Countries” by Aaron Lukas (no. 10, June 20, 2000)

“WTO Report Card II: An Exercise or Surrender of U.S. Sovereignty?” by William H. Lash III and Daniel T. Griswold (no. 9, May 4, 2000)

“WTO Report Card: America’s Economic Stake in Open Trade” by Daniel T. Griswold (no. 8, April 3, 2000)

“The H-1B Straitjacket: Why Congress Should Repeal the Cap on Foreign-Born Highly Skilled Workers” by Suzette Brooks Masters and Ted Ruthizer (no. 7, March 3, 2000)

“Trade, Jobs, and Manufacturing: Why (Almost All) U.S. Workers Should Welcome Imports” by Daniel T. Griswold (no. 6, September 30, 1999)

Board of Advisers

Jagdish Bhagwati
Columbia University

Donald J. Boudreaux
George Mason University

James K. Glassman
American Enterprise
Institute

Douglas A. Irwin
Dartmouth College

Lawrence Kudlow
Kudlow & Co.

José Piñera
International Center for
Pension Reform

Russell Roberts
George Mason University

Razeen Sally
London School of
Economics

George P. Shultz
Hoover Institution

Clayton Yeutter
Former U.S. Trade
Representative

CENTER FOR TRADE POLICY STUDIES

The mission of the Cato Institute's Center for Trade Policy Studies is to increase public understanding of the benefits of free trade and the costs of protectionism. The center publishes briefing papers, policy analyses, and books and hosts frequent policy forums and conferences on the full range of trade policy issues.

Scholars at the Cato trade policy center recognize that open markets mean wider choices and lower prices for businesses and consumers, as well as more vigorous competition that encourages greater productivity and innovation. Those benefits are available to any country that adopts free trade policies; they are not contingent upon "fair trade" or a "level playing field" in other countries. Moreover, the case for free trade goes beyond economic efficiency. The freedom to trade is a basic human liberty, and its exercise across political borders unites people in peaceful cooperation and mutual prosperity.

The center is part of the Cato Institute, an independent policy research organization in Washington, D.C. The Cato Institute pursues a broad-based research program rooted in the traditional American principles of individual liberty and limited government.

TRADE POLICY ANALYSIS TRADE POLICY ANALYSIS TRADE POLICY ANALYSIS

Nothing in Trade Policy Analysis should be construed as necessarily reflecting the views of the Center for Trade Policy Studies or the Cato Institute or as an attempt to aid or hinder the passage of any bill before Congress. Contact the Cato Institute for reprint permission. Additional copies of Trade Policy Analysis are \$6 each (\$3 for five or more). To order, contact the Cato Institute, 1000 Massachusetts Avenue, N.W., Washington, D.C. 20001. (202) 842-0200, fax (202) 842-3490, www.cato.org.

CATO
INSTITUTE