

Immigrants—What To Do—My suggestions

Ronald S. Remmel, Ph.D.
249 Minz Park Circle #2, West Bend WI 53095
262-339-8050 ronaldsremmel@gmail.com

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What to do about American immigration policy is one of the thorniest issues which our dysfunctional Congress is NOT facing.

This subject is way beyond my “pay grade,” but I discuss it anyways because we all must face it somehow.

1 **Illegal aliens and asyln seekers**

There are about 11 million illegal aliens in the U.S. waiting for their cases to be heard in court (or hiding). They should be kindly treated as visitors.

Aliens are people like you and me. **THEY MUST NOT BE TREATED AS FOOTBALLS KICKED AROUND FOR POLITICAL GAIN.**

Immigration is a Federal problem, to be handled according to Federal policies, and by Federal agencies.

State officials such as in Texas and Florida have no legal jurisdiction.

Government agencies, charities and churches should provide housing, food, schooling and especially legal help.

All immigrants deserve a speedy hearing!

2 Legal immigration

During the past two years the American economy has created hundreds of thousands of jobs. Help Wanted signs still abound. We especially need doctors, nurses, scientists, engineers, and teachers, but there are openings of every kind.

More immigrants → more workers → more money earned → more tax receipts → more payment of the National Debt.

Money has a "multiplier effect," e.g., an immigrant taxi driver charges his electric taxi. The electric company decides to build a nuclear power plant for charging more electric cars. The power plant contractor hires construction workers. These workers buy food etc.

Thus America's GDP grows through immigration!

Immigrants greatly enrich American culture as they blend their native heritages into the American melting pot.

3 Latin American political stability

I define Latin America to include Mexico, Central America, South America, and the Caribbean.

The governments of Haiti, Nicaragua, El Salvadore, Venezuela, and Cuba are repressive—their people want to leave. Our State Department should work with these governments to improve diplomatic relations, trade, joint economic development, and tourism. With time, they might become friends instead of antagonists.

America should take the lead in a Latin American Economic Development and Trade Zone with free trade, encouragement of venture capitalists, shipping, and tourism. It is better to set up factories in Latin America than to ship products across the Pacific from politically and militarily unstable Asian countries.

4 Stemming the flow of immigrants

I fully realize that America cannot take every person in the world who wants to come—we'd be overrun.

As shown in my last Blog, the median income in Latin America is only about 1/9th that in the U.S. Furthermore, the poorest of the poor are in even worse

condition.

Thus poverty-stricken Latinos stream to America for better jobs.

Only when Latin American workers earn more will they want to stay in their own countries.

5 Why are Latin Americans poor?

I attach an excellent article from The Economist entitled, "Why are Latin American workers so strikingly unproductive?" I summarize:

Since 1960, East Asians' GDP per person has been rising much faster than that of Latin America, and now exceeds it by 40% (Fig. 1).

The World Bank estimates that the GDP of Latin America will grow only 1.9% in 2023, and only 2.0% in 2024, the slowest growth of the developing regions.

Why is Latin America's productivity so low? GDP can increase because the population increases and/or the workers become more productive. Productivity (Fig. 2) shows that Latin American workers have hardly gained in productivity in 60 years! East Asian workers have improved about 2% each year.

A worker's productivity increases when he/she acquires more skills and education, receives better tools and equipment, is given better directions from management, works harder, and works longer hours.

In the U.S., for instance, productivity increases greatly when an old-fashioned assembly line is replaced by robots, or payroll and accounting are processed by computers, or a receptionist is replaced by AI. Such advances require capital investment in high tech.

6 The Latin *informal workers*

I have visited Mexico and observed that many workers do not have regular 9-to-5 jobs with wages, health insurance, pensions, paid vacations, unions etc. Instead, they are free lance taxi drivers, tour guides, fishermen, street food vendors, day laborers, handymen, subsistence farmers, or drug smugglers!

Many of these people cannot perform higher-level jobs such as operate computers because their educational levels on average are 3 years below that in

the U.S. They might never have been taught any job skills at all. There is no “safety net” to help lift the poor out of poverty. There are few good, world-class universities in Latin America.

7 The need for investment capital

Most of a country’s investment capital comes from within, from the people’s own savings. Usually the rich, older workers save the most, but Latin America has many young poor workers with large families to support.

Foreign investors often prefer East Asia because the workers there are more educated and more productive (Fig. 2).

8 What the U.S. should do

- Work diplomatically to promote better, more democratic, less corrupt governments in Latin America. Promote regional cooperation.
 - Work economically to reduce national indebtedness and to promote sound government financing.
 - Promote trade and industrial investment with Latin America.
 - Promote Latin American universities and the U.S. education of Latin American students.
 - Encourage charities to help Latin America.

9 Conclusion

Because of the great disparity in incomes, immigrants from all over the world WILL continue to stream to the U.S.A. for Life, Liberty and the pursuit of Happiness.

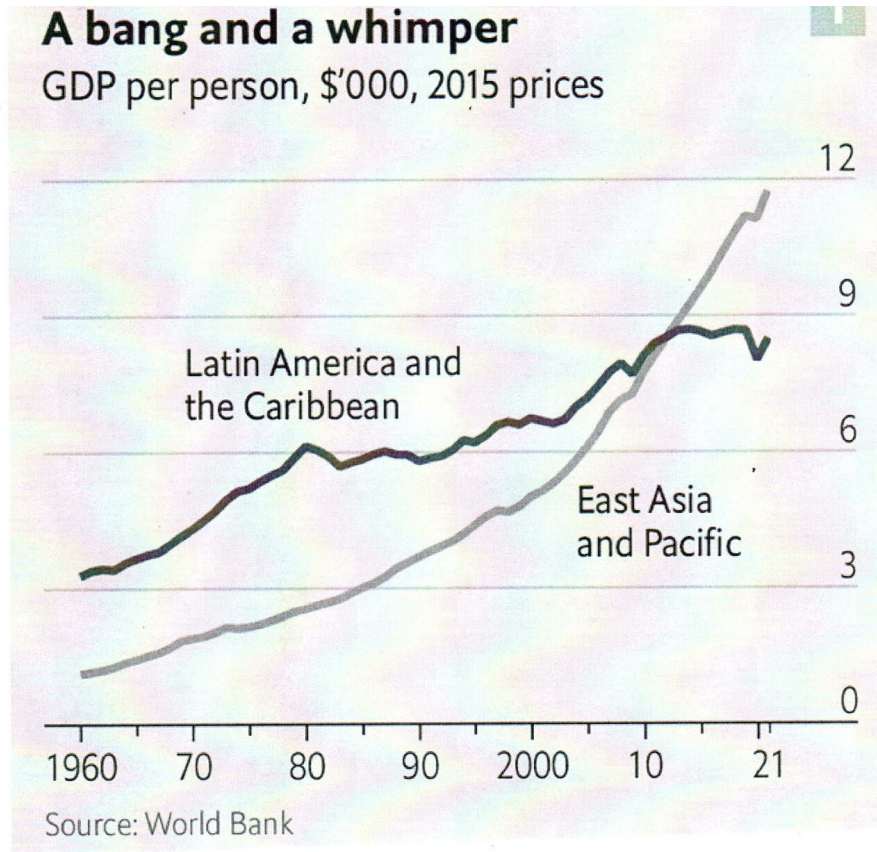
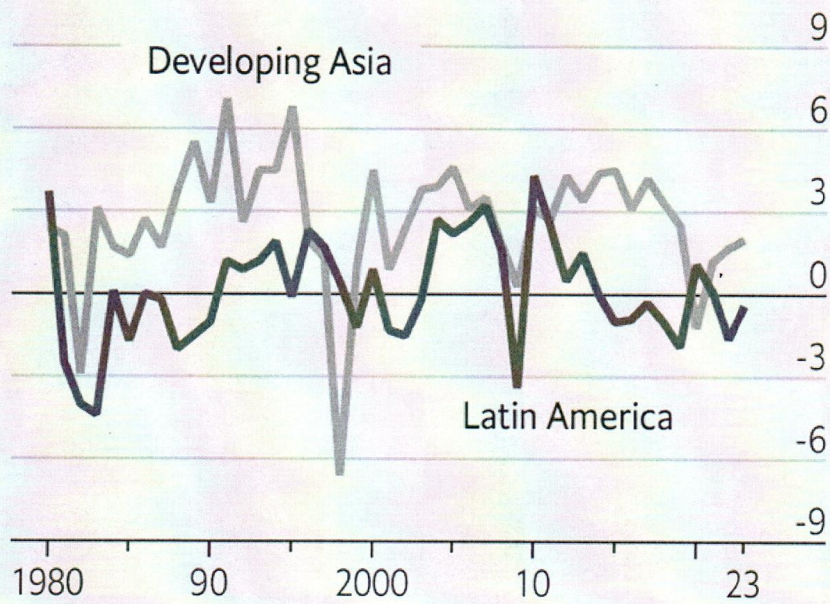


Figure 1: GDP per person in Latin America compared with East Asia. Note that most of GDP goes to the rich, not to the median worker.

A measurement of lives

Labour productivity per person employed
% change on a year earlier



Source: The Conference Board

Figure 2: Percentage increase in productivity compared with last year. East Asian workers have improved by about 2%, but Latin American workers have hardly improved at all since 1960.