

# Republicans and the End of White America

*What immigration means for the GOP—and our national prosperity*

by RON UNZ

Last June the U.S. Census disclosed that non-white births in America were on the verge of surpassing the white total and might do so as early as the end of this year. Such an event marks an unprecedented racial watershed in American history. Over the last few years, various demographic projections from that same agency and independent analysts have provided somewhat fluctuating estimates of the date—perhaps 2042 or 2037 or 2050—at which white Americans will become a minority. This represents a remarkable, almost unimaginable, demographic change from our country of the early 1960s, when whites accounted for over 85 percent of the population and seemed likely to remain at that level indefinitely.

Many years of heavy foreign immigration have been the crucial element driving this transformation, but even if all immigration—legal and illegal—were halted tomorrow and the border completely sealed, these demographic trends would continue, although at a much slower pace. Today, the median age of American whites is over 40, putting most of them past their prime child-bearing years. Meanwhile, America's largest minority group, the rapidly growing population of Hispanics, has a median age in the mid-20s, near the peak of family formation and growth, while both Asians and blacks are also considerably younger than whites. In fact, since 1995 births rather than immigration have been the largest factor behind the near doubling of America's Hispanic population.

As in most matters, public perceptions of America's racial reality are overwhelmingly shaped by the images absorbed from the national media and Hollywood, whether these are realistic or not. For example, over the last generation the massive surge in black visibility in sports, movies, and TV has led to the widespread perception of a similarly huge growth in the black fraction of the population, which, according to Gallup, most people now reckon stands at 33 percent or so of the national total. Yet this is entirely incorrect. During the last hundred-plus years, American blacks have seen their share of the population fluctuate by merely a percentage point or two, going from 11.6 percent in 1900 to 12.6 percent in 2010. By contrast, five decades of immigration have caused Asian Americans—relatively ignored by the news, sports, and entertainment industries—to increase from 0.5 percent in 1960 to 5 percent today, following the fifteen-fold rise in their numbers which has established them as America's most rapidly growing racial group, albeit from a small initial base.

These national changes in racial distribution have been quite uneven and geographically skewed, with some parts of the country leading and others lagging. For example, during the 1970s when I was a teenager

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*Ron Unz is publisher of The American Conservative. He thanks Razib Khan for his assistance in gathering the state demographic and election data and running the resulting correlations.*



growing up in the Los Angeles area, that city and the surrounding sprawl of Southern California constituted America's whitest region, about the only large urban agglomeration whose racial character approximated that of the country as a whole—around 85 percent white—and my own San Fernando Valley area in particular exemplified the popular image of suburban picket fences and lighthearted “Leave It to Beaver” family comedies. Yet during the two decades that followed, Southern California underwent an enormous immigration-driven demographic transformation, creating a new Los Angeles which was almost 80 percent non-white and a surrounding region in which whites no longer held even a mere plurality.

This sweeping racial shift, involving the movement or displacement of over ten million people, might easily rank as the largest in the peacetime history of the world and is probably matched by just a handful of the greatest population changes brought about by war. The racial transformation in America's national population may be without precedent in human history.

### **Republicans as the White Party**

It is a commonplace that politics in America is heavily influenced by race, and these enormous demographic changes since 1965 have certainly not gone unnoticed within the political world. For decades, white voters have tended to lean Republican while non-whites

have been strongly Democratic, so the swiftly falling ratio of the former to the latter has become a source of major concern, even alarm, within the top ranks of the GOP, which received a sharp wake-up call when gigantic California, traditionally one of the most reliably Republican states, suddenly became one of the most reliably Democratic.

During the mid-1990s there was a powerful strain of thought within conservative and Republican circles that the best means of coping with this looming political problem was to reduce or even halt the foreign immigration that was driving it. But after several years of bitter internal conflict, this anti-immigrationist faction lost out almost completely to the pro-immigrationist camp, which was backed by the powerful business lobby. As a result, the Republican Party mantra became one of embracing “diversity” rather than resisting it and focused on increasing the Republican share of the growing non-white vote. Former President George W. Bush, strategist Karl Rove, and Sen. John McCain have been the most prominent advocates of this perspective.

Rove invested huge resources in maximizing Bush's Hispanic numbers in 1998 during his easy Texas gubernatorial reelection campaign and achieved considerable success, persuading some 40 percent or more of local Hispanics to vote the Republican ticket that year, a major shift of political loyalties. This later allowed him to tout his candidate's excellent Hispanic rapport in national GOP circles, which was an im-

portant factor in gaining him the presidential nomination in 2000. Although Bush's national Hispanic totals were much less impressive in the 2000 race, and the vast funds he invested in a quixotic attempt to carry California were totally wasted, Rove and his allies redoubled their efforts during the 2004 reelection campaign, and buoyed by the continuing patriotic aftermath of the 9/11 attacks, largely succeeded. Although the percentages have been much disputed, Bush seems to have carried somewhat over 40 percent of the Hispanic vote nationwide in 2004, although he was once again trounced in California.

Part of the Bush/Rove political strategy was to take a leading role in passing a sweeping immigration-reform measure, aimed at legalizing the status of many millions of (overwhelmingly Hispanic) illegal immigrants, easing the restrictions on future legal immigration, while also tightening border enforcement. Leaving aside policy matters, the political theory was simple: if the Republican Party changed the laws to benefit Hispanic and other immigrants, these groups and their children would be more likely to vote Republican, thereby helping to solve the GOP's

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demographic dilemma. Rove endlessly pointed to 40 percent as the necessary GOP level of future Hispanic support—score above that number and political victory was likely, score much below it and defeat was nearly assured. Although this precise quantitative target was obviously intended for rhetorical effect, it does seem to represent the dominant strain in conservative thinking, namely the need to combine a strong white vote with a solid minority of Hispanics and Asians, thereby allowing the Republicans to survive and win races in an increasingly non-white America. (Meanwhile decades of fruitless efforts to attract a significant share of the black vote would be quietly abandoned.)

But does this political strategy actually make any sense? Or are there far more effective and more plausible paths to continued Republican political success? Although almost totally marginalized within Republican establishment ranks, the anti-immigrationist

wing of the conservative movement has maintained a vigorous intellectual presence on the Internet. Over the years, its flagship organ, the VDare.com website run by Peter Brimelow, a former *National Review* senior editor, has been scathing in its attacks on the so-called Rove Strategy, instead proposing a contrasting approach christened the Sailer Strategy, after Steve Sailer, its primary architect and leading promoter (who has himself frequently written for *The American Conservative*). In essence, what Sailer proposes is the polar opposite of Rove's approach, which he often ridicules as being based on a mixture of (probably dishonest) wishful thinking and sheer innumeracy.

Consider, for example, Rove's oft-repeated mantra that a Republican presidential candidate needs to win something approaching 40 percent of the national Hispanic vote or have no chance of reaching the White House. During the last several election cycles, Hispanic voters represented between 5 and 8 percent of the national total, so the difference between a candidate winning an outstanding 50 percent of that vote and one winning a miserable 30 percent would amount to little more than just a single percentage point of the popular total, completely insignificant based on recent history. Furthermore, presidential races are determined by the electoral college map rather than popular-vote totals, and the overwhelming majority of Hispanics are concentrated either in solidly blue states such as California, New York, Illinois, and New Jersey, or solidly red ones such as Texas and Georgia, reducing their impact to almost nothing. Any Republican fearful of a loss in Texas or Democrat worried about carrying California would be facing a national defeat of epic proportions, in which Hispanic preferences would constitute a trivial component. Pursuing the Hispanic vote for its own sake seems a clear absurdity.

Even more importantly, Sailer argues that once we throw overboard the restrictive blinkers of modern "political correctness" on racial matters, certain aspects of the real world become obvious. For nearly the last half-century, the political core of the Republican Party has been the white vote, and especially the votes of whites who live in the most heavily non-white states, notably the arc of the old Confederacy. The political realignment of Southern whites foreshadowed by the support that Barry Goldwater attracted in 1964 based on his opposition to the Civil Rights Act and that constituted George Wallace's white-backlash campaign of 1968 eventually became a central pillar of the dominant Reagan majority in the 1980s.

In many cases, this was even true outside the Deep South, as the blue-collar whites of Macomb County and other areas surrounding overwhelmingly black cities such as Detroit became the blue-collar Reagan Democrats who gave the GOP a near lock on the presidency. While the politics of racial polarization might be demonized in liberal intellectual circles, it served to elect vast numbers of Republicans to high and low office alike. George H.W. Bush's "Willie Horton" ad and Jesse Helms's "White Hands" ad have been endlessly vilified by the media, but they contributed to unexpected come-from-behind victories for the candidates willing to run them. And in politics, winning is the only metric of success.

Sailer suggests that a very similar approach would work equally well with regard to the hot-button issue of immigration and the rapidly growing Hispanic population, arguing that the votes of this group could be swamped by those of an angry white electorate energized along racial lines. He cites Pete Wilson's unexpected California gubernatorial reelection victory in 1994 as a perfect example. Deeply unpopular due to a severe statewide recession and desperately behind in the polls, Wilson hitched his candidacy to a harsh media campaign vilifying illegal immigrants, and although his Hispanic support plummeted, his white support soared to an equal extent, giving him a landslide victory in a race the pundits had written off and sweeping in a full slate of victorious down-ticket Republicans. Sailer's simple point is that individual white votes count just as much as Hispanic ones, and since there are vastly more of the former, attracting these with racially-charged campaign themes might prove very politically productive.

An additional fact noted by Sailer is that the racial demographics of a given region can be completely misleading from a political perspective. As mentioned earlier, Hispanics and other immigrants tend to be much younger than whites and much less likely to hold citizenship. Therefore, a state or region in which whites have become a numerical minority may still possess a large white supermajority among the electorate. Once again, today's California provides a telling example, with Hispanics and whites now being about equal in numbers according to the Census, but with whites still regularly casting three times as many votes on Election Day.

The Sailer analysis is ruthlessly logical. Whites are still the overwhelming majority of voters, and will remain so for many decades to come, so raising your share of the white vote by just a couple of points

has much more political impact than huge shifts in the non-white vote. As whites become a smaller and smaller portion of the local population in more and more regions, they will naturally become ripe for political polarization based on appeals to their interests as whites. And if Republicans focus their campaigning on racially charged issues such as immigration and affirmative action, they will promote this polarization, gradually transforming the two national political parties into crude proxies for direct racial interests, effectively becoming the "white party" and the "non-white party." Since white voters are still close to 80 percent of the national electorate, the "white party"—the Republicans—will end up controlling almost all political power and could enact whatever policies they desired, on both racial and non-racial issues.

Many might find this political scenario quite distasteful or unnerving, but that does not necessarily render it implausible. In fact, over the last couple of decades, this exact process has unfolded in many states across the Deep South, with elected white Democrats becoming an increasingly endangered species. Each election year, blacks overwhelmingly vote for the "black party," whites overwhelmingly vote for the "white party," and since whites are usually two-thirds or so of the electorate, they almost invariably win at the polls. Although Republican consultants and pundits make enormous efforts to camouflage or ignore this underlying racial reality, it exists nonetheless.

By contrast, appeals for white support based on racial cohesion would be almost total nonstarters in 95 percent white Vermont or New Hampshire, or in many other states of the North in which the local demographics still approximate those of the country that overwhelmingly supported the Civil Rights legislation of the 1960s. But today's national white percentages are much closer to those of 1960s Alabama and Mississippi, where whites fought that legislation tooth and nail on racial grounds. And as the nation's overall demography continues its inexorable slide from that of Vermont to that of Mississippi, will white politics move in that same direction, especially if given a push?

Now I think a strong case can be made that such a process of deliberate racial polarization in American politics might have numerous adverse consequences for the future well-being of our country, sharply divided as it would become between hostile white and non-white political blocs of roughly equal size. But given the extremely utilitarian mentality of those who

practice electoral politics for a living, the more important question we should explore is whether it would actually *work*, purely on the political level. Might this strategy of racial polarization be applicable across the country as a whole?

## Non-Whites and Blacks

Consider an interesting datapoint. It is certainly true that over the last century those states with the smallest white majorities have generally had names like Mississippi, South Carolina, and Alabama, and these have exhibited a very distinctive brand of white politics and race relations. But the least white state of all has actually projected a very different cultural image.

Whites were a minority in Hawaii at the time of statehood and have always been so, with the relative numbers of whites and Asians shifting somewhat based upon the various flows of migrants. Furthermore, the original white colonists and plantation elites historically had had a quite conflicted relationship both with the Native Hawaiian population whose leadership they supplanted and also with the large numbers of Japanese, Chinese, and other Asian workers originally imported as impoverished plantation laborers.

Yet although the local Republican Party has generally skewed toward the 25 percent of the population that is white, while the Democrats have been more popular among the majority Asians, the state's reputation has overwhelmingly been one of easygoing race relations, a high degree of intermarriage, and a complete lack of vicious political conflict. Ideologically, Hawaii's white minority seems to think and vote much more like the racially liberal residents of 95 percent white Vermont than as members of a racially polarized minority bloc, locked in endless political struggle with its non-white opponents.

Perhaps Hawaii is just a unique case, being a chain of small tropical islands located thousands of miles off the mainland and heavily dependent upon tourism for its economy. But there is an additional example. After Hawaii, the state with the next lowest white percentage throughout most of the 20th century was New Mexico, with the number of whites fluctuating at around half the total depending upon the ebbs and flows of the white and Hispanic populations, before eventually falling to 40 percent in 2010.

And although New Mexico hardly possesses Hawaii's enormously positive social image—it is mostly

rural with a small economy—it has also never developed the reputation of being a boiling racial cauldron, with whites and Hispanics locked in a bitter battle for power. Mention “New Mexico” and the popular images that spring to mind probably revolve around UFOs, vistas of great natural beauty, and government research laboratories, not longstanding racial conflict.

These examples lead to the suspicion that the history of bitter racial politics across most of the Deep South may represent less a conflict of white vs. non-white than one of white vs. black, and this seems quite plausible. After all, slavery and its legacy have for centuries constituted the deepest wound in American society, provoking a bloody Civil War which cost the lives of almost one third of all white Southern men of military age. The history of black/white racial relations is arguably the single most significant element in American political history, so we should hardly be surprised if it continues to heavily influence the politics of numerous states and cities, including those outside the South.

By contrast, although relations between whites and various other groups—Asians, Hispanics, and American Indians—have sometimes been hostile or even violent, these conflicts have never been nearly as long nor intense and are more like the often contentious relationships between various white ethnic groups. As our schoolbooks endlessly emphasize, black/white relations do indeed constitute a unique aspect of American history.

These alternate hypotheses about the underlying sources of white political behavior may be explored empirically by examining the electoral data across the 50 states. Like it or not, today's Republican Party does indeed constitute the “white party,” drawing almost all of its national votes from whites, while the Democratic Party serves as the “mixed party,” with roughly comparable support from whites and non-whites. Therefore, white support for Republicans, particularly at the national level, may serve as a reasonable proxy for a state's apparent degree of “white racial consciousness,” whether implicit or explicit.

Under the “Sailer Hypothesis,” white alignment with the Republicans should be heavily influenced by the white share of the population, with the residents of lily-white states exhibiting little racial consciousness, while those living in states in which whites have slender or non-existent majorities would tilt much more heavily Republican. A second possibility to consider might be called the “Hispanic Hypoth-

esis,” in which the heavy influx of Hispanic immigrants, both legal and illegal, pushes whites toward the harder-line Republicans; since the vast majority of today’s Hispanics come from a relatively recent immigrant background, a state’s overall Hispanic population can be used as a good approximation for this independent variable. Finally, there is the “Black Hypothesis,” in which the long history of black/white racial conflict is assumed to be the primary factor, and the percentage of blacks in the local population is what generally influences white political behavior.

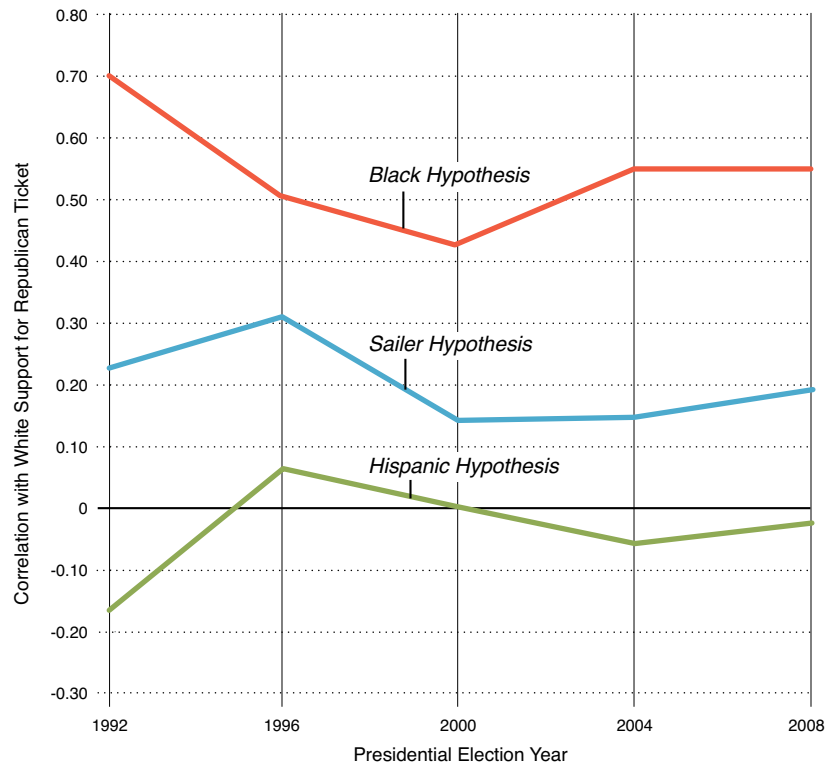
For the sake of simplicity and to minimize the confounding impact of local political issues and personalities, the easiest output variable to examine would be the percentage of the white vote that supported the Republican presidential ticket over the last 20 years. On a population-weighted basis, the correlation results for elections from 1992 through 2008 across the 50 states are as shown in the chart at right.

The results seem conclusive. The correlations between the Hispanic percentage of each state and white voter preferences are approximately zero for all presidential elections, implying that the presence of large Hispanic populations appears to have virtually no impact upon white political alignment, either one way or the other.

By contrast, the evidence for apparent black/white racial conflict being the driving force that prompts whites to vote Republican seems very strong: the correlations between the size of the black population and the degree of white GOP support range from 0.43 to 0.70, with a mean of 0.55, being both quite substantial and very consistent over time.

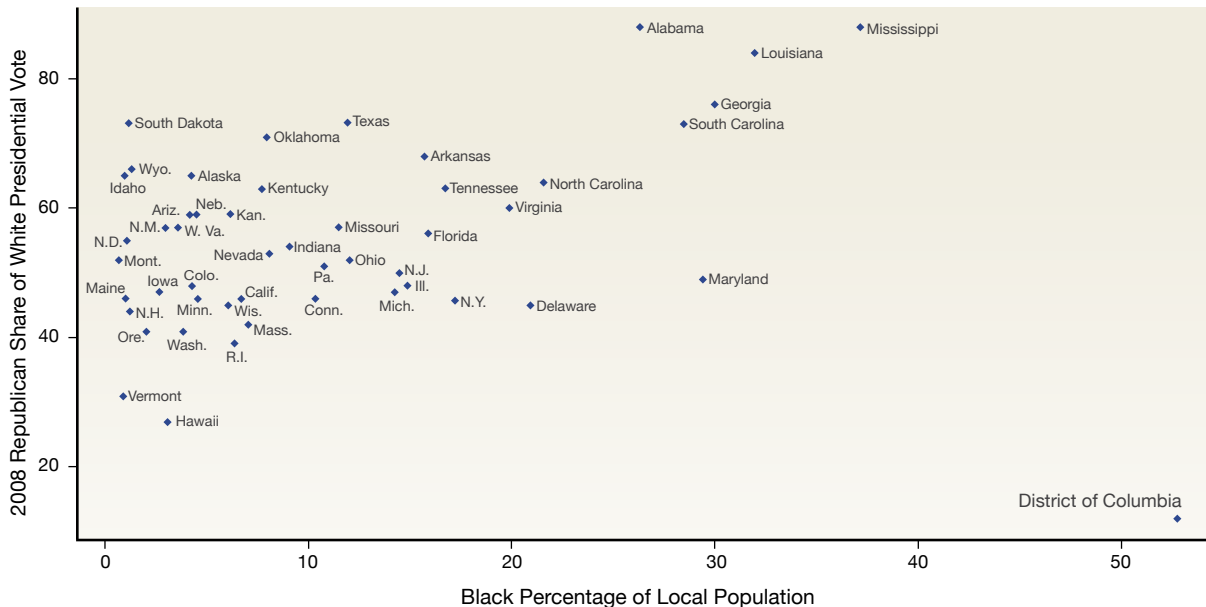
The data regarding the “Sailer Hypothesis” is bit more interesting, with the correlations between a state’s overall non-white percentage and white Republican alignment being small but noticeable, ranging between 0.14 and 0.31, with a mean of 0.20. However, we must remember that a considerable fraction of America’s non-whites are blacks, with the ratio declining from around half in 1992 to about

## White Voting Behavior in Presidential Elections



one-third by 2008, and obviously the strong black correlations impact the non-white result. In fact, the Sailer Hypothesis curve closely tracks the weighted average of the Hispanic and Black Hypothesis curves, the difference being mostly due to America’s small but growing Asian population. Thus, any “Sailer Effect” in white voting patterns appears almost entirely due to the black portion of the non-white population and is therefore merely a statistical artifact.

In many respects, this conclusion merely constitutes a quantitative confirmation of the conventional political wisdom, which stretches back for many decades. For example, in the aftermath of the successful Reagan Revolution of the 1980s, prominent journalists Thomas and Mary Edsall published the widely praised *Chain Reaction*, which emphasized the underlying racial factors prompting America’s political realignment, and several similar books appeared around the same time, notably Peter Brown’s *Minority Party*. Numerous other authors had earlier made the same general point about the politics of the “white backlash” vote in the 1960s and 1970s, the era of urban unrest and forced busing.



In recent years, the Republican Party has grown quite embarrassed over these roots of its modern political rise and has therefore made considerable efforts to downplay such underlying racial factors relative to more innocuous issues such as support for low taxes or small government or patriotism or even traditional religious values, and this sustained effort to rewrite history partly accounts for much current amnesia. But the data speaks for itself.

There is another, more subtle reason why so many of America's political elites and pundits tend to miss the clear signs of this obvious racial relationship, and it becomes apparent when we examine the scatterplot distribution of these election results for the most recent 2008 presidential vote, including the 50 states and also the District of Columbia. (Scatterplots for the previous presidential elections look very similar.) The results for the individual states mostly follow the sort of distribution we would expect for a strongly correlated result, but there is one huge exception: white voting patterns in D.C. constitute an enormously strong outlier. By a wide margin D.C. is simultaneously more heavily black than any state while also having whites who are the most liberal and Democratic in their voting behavior.

D.C.'s population is much smaller than that of nearly all states, so including it in our weighted correlation calculation would have only slightly shifted the results. But in the real world of today's centralized political culture, the world of politicians and media pundits and political journalists, D.C. ranks

as a colossus in mind share, playing a huge role in shaping ideological perceptions and therefore carrying a weight probably greater than that of California or Texas, or perhaps even both combined. And under such a mind-share weighting, that single city filled with a population consisting almost entirely of blacks and very liberal whites serves to substantially mask elite perceptions of the stark racial dynamics that influence political ideologies almost everywhere else in the country.

## An Anti-Immigration Backlash

Let us consider the political implications of these striking results. Since the large-scale presence of non-black non-whites—primarily Hispanic and Asian immigrant groups—does not seem to produce much white political cohesion along racial lines, the continued growth of these populations can hardly represent a potential boon for the Republican Party. Meanwhile, harsh Republican rhetoric or policies that target these groups would naturally tend to drive them into the arms of the Democrats. Under such a scenario, the GOP loses millions of non-white votes without gaining any white votes in exchange, resulting in political disaster.

A perfect example of this danger may be found in the recent political history of California, whose huge size and heavily immigrant population render it a useful testbed for the nation as a whole. During the four decades from 1950 to 1990, California supported

the Republican presidential ticket almost without fail, going Democratic only during Lyndon Johnson's unprecedented 1964 landslide. The state was considered as solidly Republican as Wyoming or Idaho, and the huge number of electoral votes it carried combined with the enormous expense of contesting them established it as the anchor of the GOP presidential strategy, leading to the widespread notion of a Republican "lock" on the White House.

Although Hispanic and Asian numbers had been growing steadily for years, their support for Republicans had been growing as well, and by the early 1990s, a GOP candidate could regularly expect to receive around one-third or more of the Hispanic vote and half that of the Asian. For example, Pete Wilson's narrow 1990 gubernatorial victory over Dianne Feinstein, which significantly relied upon his criticism of "racial quotas," was achieved with 53 percent of the white vote, 47 percent of the Hispanic vote, and 58 percent of the Asian vote according to the prestigious California Field Poll used by the *New York Times*, though others placed his ethnic totals lower.

But all of this permanently changed following Wilson's harsh 1994 reelection campaign, whose television ads relentlessly scapegoated Hispanic immigrants for the state's terrible economic woes. Although his words were carefully chosen in lawyerly fashion to distinguish between legal and illegal immigrants, his message was perceived very differently, and his loudest grassroots activist supporters certainly made no such distinction. Moreover, the resounding California Republican landslide that resulted soon emboldened the newly established Republican majorities in the U.S. House and Senate to focus on passing anti-immigration legislation, which thus placed legal Asian immigrants in the same political crosshairs.

As a direct consequence, Republican support sharply dropped among Hispanics and Asians and has never really recovered. Moreover, the immigration battle frightened and energized many traditionally apolitical Hispanics into finally naturalizing and registering, and during the 15 years that followed, their share of the state vote more than doubled to 22 percent, severely compounding the blow to Republican prospects.

The consequence was that gigantic California—almost as populous as Texas and New York combined—suddenly switched from being the strong anchor of every Republican national campaign to being the equally strong anchor of every Democratic one. In the years that followed, the large GOP congressio-

nal delegation was decimated and the powerful state Republican Party, which had once propelled Nixon and Reagan to national leadership, was reduced to near irrelevance.

Consider the interesting case of Howard Ahmanson, long one of California's wealthiest politically-active Evangelical Christians and during the early 1990s routinely described by the media as a central pillar of the Christian Right within the Republican Party. In a prescient 1993 letter to *Commentary*, he warned of the rising tide of anti-immigrant sentiment in conservative circles and expressed a concern that Republicans would "doom themselves" if they drove away these socially conservative voters, perhaps losing them for generations, just as previous Republicans had done with Italian and Irish immigrants a century earlier. The California Republicans completely ignored his warning, with the political consequences already noted.

In Ahmanson's opinion, today's California GOP has shrunk to the point where it now represents only the most dogmatically taxophobic elements of the state. Meanwhile, the Democrats have expanded so much that they usually incorporate both sides of almost every political divide: business and labor, whites and non-whites, the rich and the poor, liberals and conservatives. This inclusiveness certainly extends to the staunchest socially conservative voters, since it was the overwhelming support of California non-whites that defeated gay marriage at the ballot box in 2008. And these days Howard Ahmanson is a registered Democrat.

There is no logical contradiction between the powerful backlash of California whites against immigrants 20 years ago and the apparent lack of such political sentiments today. In the early 1990s, the state's demographics had just undergone a period of very rapid change, and middle-class whites were naturally fearful and alarmed about the consequences of these changes and the possible behavior of so many millions of new immigrants from such different backgrounds, especially in the immediate aftermath of the deadly Rodney King riots. This left them easy targets for political demagoguery. But after a few years had gone by, most whites concluded that their new neighbors seemed like pretty reasonable people, not too different from themselves, and racial concerns dropped to the lower levels of most public opinion surveys, usually ranking below jobs, housing, healthcare, and sometimes even traffic.

Similarly, most Hispanic and Asian newcomers have developed perfectly amicable relations with their white counterparts, but still remain deeply



suspicious of the Republican Party, whose leaders had spent several years defaming and attacking them. Such ethnic suspicions might occasionally be overcome by a particularly unusual Republican candidate, as we saw in the case of worldwide film superstar Arnold Schwarzenegger—himself a heavily-accented foreign immigrant—who managed to win a couple of landslide victories. But they proved enormous barriers to more typical Republican candidates, who began each statewide campaign with what amounted to an automatic ten or 15-point deficit at the polls and almost invariably lost as a result.

This can be seen in the details of the most recent California election cycle. As the only statewide Republican officeholder and a wealthy Silicon Valley entrepreneur, Insurance Commissioner Steve Poizner was assumed to have a lock on his party's gubernatorial nomination and naturally attracted the support of all major segments of the GOP apparatus. But then former eBay CEO Meg Whitman, an utter political neophyte but with a billion-dollar fortune, decided to enter the race and immediately became the darling of the party's mercenary establishment, given the bottomless funds she promised to spend on her campaign. Outmatched financially, Poizner was forced to refocus on right-wing primary voters, and as a highly opportunistic fellow, he decided to ride the national tidal wave of anti-immigration fears then sweeping across the country and make it the centerpiece of his campaign, eventually spending \$25 million of his own money on the effort.

The result was that he lost the primary by 40 points. When you run as an immigration hard-liner, spend \$25 million on your race, and lose by 40 points among the hard-core conservatives who dominate Republican primaries, you're clearly selling the dog food that dogs just won't eat. These days, anti-immigration candidacies in California possess about as much resonance as anti-papist candidacies in Massachusetts.

Afterwards, Whitman went on to spend an astonishing \$180 million in her campaign, nearly all of it her own money, and in a year featuring an enormous national backlash against career politicians lost in a landslide to former Governor Jerry Brown, who had almost continuously been an elected official or a political candidate for the previous 45 years. Meanwhile, the best nationwide year for Republicans in two decades saw their California party lose every statewide race, mostly by wide margins. Such is the dismal political legacy that Pete Wilson bequeathed to his most unfortunate local successors.

Now consider the likely political future of a state such as Arizona, ground zero of the most recent national anti-immigrant backlash by nervous whites. A severe recession and rapidly changing demographics had alarmed Arizona voters, many of them elderly retirees from elsewhere, leaving them vulnerable to wild rumors of a huge immigrant crime wave, including beheadings and kidnappings, almost all of which was complete nonsense. As a result, harsh anti-immigrant measures were passed into law, and their mostly Republican supporters won sweeping victories among an electorate that is today roughly 80 percent white.

But buried near the bottom of a single one of the innumerable *New York Times* articles analyzing Arizona politics was the seemingly minor and irrelevant fact that almost half of all Arizona schoolchildren are now Hispanic. Meanwhile, according to Census data, over 80 percent of Arizonans aged 65 or older are white. A decade or more from now it seems likely that Arizona whites and Hispanics will enjoy perfectly good relations, and the former will have long since forgotten their current "immigrant scare." But the latter will still remember it, and the once mighty Arizona Republican Party will be set on the road to oblivion.

Even in a rock-solid Deep South Republican state like Georgia, Hispanics have now grown into a remarkable 10 percent of the population, up from almost nothing in the early 1990s, and represent an even larger share of younger Georgians. So unless the local Republican Party can somehow greatly enhance its appeal to the 30 percent of Georgians who are black, the current wave of anti-immigrant legislation may prove highly problematical ten or 20 years down the road.

This pattern highlights a central dilemma faced by today's Republican leadership. In states or regions experiencing heavy waves of non-white immigration, the party's white conservative base tends to grow alarmed, and any particular spark—an economic downturn, a brutal crime widely publicized by the media—can lead to an explosion of racial hostility. At that point, thoughtful Republican candidates are faced with the choice of either following this populist appeal to immediate victory, often attracting the crossover support of large numbers of Democratic or independent voters in the process, or gritting their teeth and opposing it.

If they take the former approach, temporary electoral victories, no matter how sweeping, almost invariably become long-term disasters in political alignment. But if they take the latter stance, they sac-

rifice the sort of immediate opportunities that tend to figure very high in the minds of most politicians, and even risk losing primaries to harder-line rivals with shorter horizons or fewer scruples.

Since the Democratic Party is already so heavily influenced at the national level by non-white voters and pro-immigrant activists, local Democrats possess little leeway on this sort of issue, and any candidates who might consider adopting a populist anti-immigrant platform would quickly find themselves black-listed by the party leadership, quite possibly becoming Republicans at the end of a bitter ideological divorce.

But when we consider the case of California and the numerous other states that now appear to be following along that same demographic trajectory, certainly including the Republican anchor state of Texas in which whites recently became a minority, today's high levels of immigration seem to be forcing the Republicans into a very difficult strategic position, not necessarily over the next five or six years, but over the next ten or 20. Is there any way they can somehow escape this racial trap, perhaps by curtailing immigration? Moreover, can such a proposal be justified on anything other than political grounds?

## Our Population Ponzi Scheme

This obviously leads into the endlessly contentious topic of immigration, and whether or not today's high levels provide benefits that outweigh their problems. There are few subjects so likely to provoke angry emotions in political circles, as well as sweeping ideological justifications, personal vilifications, and factual claims that have no basis in reality. Furthermore, this is one issue in which individuals quite frequently feel compelled to take one position publicly while very clearly holding the opposite belief in private; and such dishonesty seems to occur in both directions of the debate.

Many of the leading factors driving populist opposition to immigration, such as perceptions of high crime rates or anti-white ethnic hostility, seem completely incorrect. As I demonstrated in a 2010 article, all available evidence indicates that most immigrant groups tend to have approximately the same crime rates as white Americans of a similar age, or perhaps even a bit lower. Similarly, there is overwhelming evidence that today's immigrants want to learn English, gain productive employment, assimilate into our society, and generally become "good Americans" at least as much as did their European counterparts of a century ago.

The notion that masses of non-white immigrants, legal or not, will turn our cities into violent battlefields

or support ethnic separatist movements which shatter national unity are total absurdities, and the people who believe such claims are fools. And as we have seen above from the accumulated voting data of the last couple of decades, after a brief transition period, whites and non-white immigrant groups seem to coexist perfectly well, or at least as well as did the various white ethnic groups on the East Coast 50 or 60 years ago.

However, the fact does remain that America's current immigration levels are extremely high, not merely relative to the 40-year pause between 1925 and 1965, but even relative to the previous peak reached during the early years of the 20th century. Over the last de-

*The notion that masses of non-white immigrants will turn our cities into violent battlefields is a total absurdity.*

cade, the flow of immigrants has often hit a million or more per year, a rate that would have seemed almost unimaginable during the immigration controversy of the early 1990s, when Peter Brimelow warned of America becoming an "Alien Nation" in his alarmist book of that title. The number of foreign-born Americans has doubled in the last 20 years, while almost a quarter of all American children today have at least one foreign-born parent, nearly matching the level reached during the absolute height of European immigration a century ago.

The result of all this has been a quite remarkable rate of national population growth. During the early 1970s, when environmental concerns, such as depletion of resources and overpopulation, became leading causes among the liberal intelligentsia, America's population was a little over 200 million, and growth was rapidly diminishing, with birth rates falling to replacement levels following the end of the postwar Baby Boom. But soon after those activists declared victory and moved on to new and varied ideological causes, population growth—driven almost entirely by immigrants and their children—suddenly started up again, with numbers reaching unprecedented levels: 250 million in 1990, 275 million in 2000, and well over 300 million today. A couple of years ago, urban-development expert Joel Kotkin published *The Next Hundred Million*, a book in which he trumpeted the likely fact that the American population would reach 400 million within about 30 years. Does an

eventual billion inhabitants of the 50 states now seem utterly impossible?

Such rapid and massive population growth is found nowhere else in the developed world and is rare even among the more successful developing countries. The European nations, Japan, and China are all approximately stable in their populations, and in most cases are projected to undergo some decline in the near future. Even crowded Mexico, long the

*Immigrants have very high labor-force participation rates and relatively low rates of welfare dependency.*

leading source of anti-immigrationist dystopian nightmares, saw total fertility rates drop to replacement levels a few years ago, as increasing levels of affluence and education permeated the population.

Large and growing populations certainly do produce national benefits as well as burdens, and America's wide-open interior spaces still provide a much lower overall population density than small and crowded European countries. But if our national population trends are so wildly discordant with those of almost all our international peers, perhaps we should at least question them.

There are obvious reasons for this curious lack of national debate. The solvency of our Social Security system is buttressed by such rapid population growth, which increases the number of current workers relative to retirees. The housing sector—which during the peak of the bubble became America's largest industry—is heavily dependent upon population growth to boost demand. But support for immigration based on these arguments amounts to an endorsement of Ponzi schemes in which growth must continue indefinitely in order to maintain the same benefits. And as we have seen in the recent past, Ponzi schemes eventually collapse, usually leaving devastation in their wake.

Meanwhile, consider the strange continued silence of the once vocal environmentalist groups, for whom massive housing growth and endless suburban sprawl are hardly cherished dreams. I strongly suspect that the difference between their energetic criticism a generation or so ago and their quiescence today centers

on the matter of race: back then, America's population growth was driven almost entirely by the white birthrate, while today non-white immigration and the children of such immigrants are the overwhelming source. And these days in American society, very few individuals—least of all the sort of affluent liberals who focus on the environment—care to risk being branded with a “Scarlet R”.

As a prime example of this dynamic, consider the case of the Sierra Club, one of America's oldest and largest environmental groups, which quite naturally had always made population growth one of its major concerns. During the mid-1990s, a wealthy California environmentalist, David Gelbaum, himself the grandson of Jewish immigrants from Europe and with a Mexican-American wife, grew outraged over the nasty racial tone of the political battle unleashed by Pete Wilson and Proposition 187 and privately pledged \$100 million to the Sierra Club on the condition that it never turn anti-immigration. This requirement was accepted, permanently silencing that organization.

Even without such explicit inducements, we should hardly be surprised that liberal, cosmopolitan, upper middle class environmentalists would be extremely uncomfortable enlisting in a political cause typically spearheaded by the sort of loud right-wing populists whom they personally detest as “racist rabble.” Sometimes strange bedfellows do find it extremely difficult to share the same bed.

Meanwhile, many other powerful lobbies within our political system derive important real or perceived benefits from endless population growth. The massive inflow of often impoverished and desperate immigrants tends to weaken unions and drive down working-class wages, thereby increasing corporate profits, a slice of which is then rebated back to the campaign accounts of the elected officials who maintain such policies. Some of the more expansively-minded neoconservatives feel that if America must establish a hegemonic world empire, it necessarily requires a vast population to do so, especially given their expectation of an inevitable conflict with China. Particular proposals from some of these individuals carry strong echoes of the decaying Late Roman Empire, with Max Boot, a senior fellow at the Council on Foreign Relations, having suggested that we should offer automatic American citizenship to any foreigner willing to enlist in the U.S. military.

But if we take a step back and ask ourselves to consider the current outcome of all these interlocked policies, we discover a very sorry situation. The massive immigration of the last couple of decades is certainly not the sole or even the leading cause, but it is an

important contributing factor. Endless foreign wars, partly made possible by the availability of pliant immigrant cannon fodder, have ruined America's worldwide reputation and its finances. A gigantic housing bubble, inflated by heavy immigration-driven population growth, has collapsed, wrecking the American economy and endangering our financial system. And the extremes of American wealth and poverty have reached levels never previously seen in our society.

This last point is perhaps the most significant, but also the least often articulated, given that both political parties are largely funded by the same financial interests.

## The Politics of Rich and Poor

In recent decades, American society has undergone an almost unprecedented concentration of wealth, now reaching the point at which the top 1 percent possess as much net wealth as the bottom 90-95 percent. This same top 1 percent received over 80 percent of the total increase in American personal income between 1980 and 2005, and that trend has almost certainly accelerated since then. Late last year *New York Times* columnist Nicholas Kristof sounded the alarm that America might soon reach the extremes of wealth and poverty found in the notoriously polarized societies of Argentina and the "banana republics" of Latin America, then needed to retract that claim when he discovered that we had already long since passed most of those countries in that regard. And in a widely discussed *Vanity Fair* article, Economics Nobel Laureate Joseph Stiglitz characterized today's America as being a country "Of the One Percent, By the One Percent, and For the One Percent." This state of affairs is clearly not beneficial to the less wealthy 99 percent of our society, but he also pointed out that the obvious potential for social instability should deeply concern the more thoughtful members of the One Percent themselves.

Furthermore, much of this economic decline has been absolute rather than merely relative. Adjusted for inflation, median personal income has been stagnant for the past 40 years, and a substantial fraction of the population has seen a sharp drop in its standard of living, a situation almost without precedent in American history. Meanwhile, the costs of numerous budget items such as healthcare or higher education have risen very rapidly, thereby forcing more and more families into what Paul Krugman has characterized as a system of permanent "debt peonage" or what Warren Buffett has similarly described as a "sharecropper's society." As a result, nearly a quarter

of American households have zero to negative net worth, and a single unexpected illness or economic setback can push them to the brink of destitution.

To some extent, this long stagnation in financial well-being has been masked by the material benefits derived from the exponentially growing power of our electronic technologies and also by the false sense of wealth temporarily provided by the housing bubble. But with the collapse of the latter, many Americans are finally discovering just how poor they really have become. And in many respects, this economic situation seems far worse in America than in most of the other wealthy countries we have long regarded as our economic peers, so it cannot simply be blamed upon problems of technological displacement or the rise of China or global free trade.

It is perhaps not entirely coincidental that this 40 year period of economic stagnation for most Americans coincides exactly with 40 years of rapidly rising immigration levels. After all, the concept that a huge influx of eager workers would tend to benefit Capital at the expense of Labor is hardly astonishing, nor does it require years of academic research into the intricacies of economic theory.

Consider, for example, the case of self-educated union activist Cesar Chavez, a liberal icon of the 1960s who today ranks as the top Latino figure in America's progressive pantheon. During nearly his entire career, Chavez stood as a vigorous opponent of immigration, especially of the undocumented variety, repeatedly denouncing the failure of the government to enforce its immigration laws due to the pervasive influence of the business lobby and even occasionally organizing vigilante patrols at the Mexican border. Indeed, the Minutemen border activists of a few years back were merely following in Chavez's footsteps and would have had every historical right to have named their organization the "Cesar Chavez Brigade." I think a good case can be made that during his own era Chavez ranked as America's foremost anti-immigration activist.

But today's union leaders have grown almost completely silent on the obvious impact that large increases in the supply of labor have on the economic well-being of ordinary workers. A crucial explanation is that for reasons of citizenship and language, the overwhelming majority of immigrants are employed in the private sector, particularly the small-scale non-unionized private sector. Meanwhile, population growth tends to increase the need for teachers, police officers, firefighters, and other government employees, thereby benefiting the powerful public-sector unions that today completely dominate the labor movement.



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This relates to another perfectly valid criticism raised by anti-immigration activists, namely that the net fiscal impact of many immigrants is substantially negative. The notion that large numbers of immigrants and their families subsist on welfare or that Mexican immigrant mothers often have five or ten children is sheer nonsense. Immigrants actually have very high labor force participation rates and relatively low rates of welfare dependency, while the vast majority of their families stop at two or three children, a number somewhat higher than that of today's native-born whites but really no different from the typical American family during the hallowed 1950s. And since, as mentioned earlier, immigrant crime rates are about average, there is no large additional cost for police or prisons.

The fiscal difficulty lies not on the expenditure side but on the tax side. Most immigrants, especially illegal ones, work at relatively low paid jobs, and the various taxes they pay simply cannot cover their share of the (extremely inflated) costs of America's governmental structure, notably schooling. Furthermore, for exactly this same reason of relative poverty, they receive a disproportionate share of those government programs aimed at benefiting the working poor, ranging from tax credits to food stamps to rental subsidies. Immigration

critics have persuasively argued that the current system amounts to the classic case of economic special interests managing to privatize profits while socializing costs, wherein immigrant employers receive the full benefits of the labor done by their low-wage workforce while pushing many of the costs—including explicit income subsidies—onto the taxpayers. Obviously, all these same factors are equally true for non-immigrant Americans who fall into the category of working-poor, but the large continuing inflow of low-wage workers greatly exacerbates this basic fiscal problem.

### Immigration and the Political Trap

But even if we conclude that our high immigration levels represent a serious national problem, is there any possible solution? The political reality is that both major parties are enormously dependent upon the business interests that greatly benefit from the current system and are also dominated by disparate ideologies—libertarian open-borders and multicultural open-borders—whose positions tend to coincide on this issue.

As an extreme example of the bizarre ideological views of our current political elites, consider a less-

publicized element of the immigration reform plan that President George W. Bush trumpeted during his 2004 reelection campaign. This provision would have allowed any foreigner anywhere in the world to legally immigrate to America if he accepted a minimum-wage job that no American were willing to fill, an utterly insane proposal which would have effectively transformed America's minimum wage into its maximum wage. Naturally his opponent, Sen. John Kerry, saw absolutely nothing wrong with this idea, though he did criticize various other aspects of Bush's immigration plan as being somewhat mean-spirited.

Furthermore, while significant Democratic support for curtailing immigration appears almost unthinkable given the party's internal dynamics, a committed Republican effort—unlikely though it might be—would seem doomed to failure due to the racial aspects of the issue. Republicans would immediately be subjected to withering Democratic attacks in the media—whether or not these were fair or sincere—and as a result would lose much of whatever remaining non-white political support they still retained, while the GOP plan would never have the slightest chance of gaining majority support in Congress, let alone a filibuster-proof majority. The Republicans would suffer massive political damage without any possibility of achieving legislative success, and knowing that, would never undertake the effort. So they don't.

After all, even strictly enforcing *existing* immigration laws is almost impossible in our current political and media climate. Although the press has recently highlighted the hundreds of thousands of undocumented residents annually deported under the Obama administration—and this has sparked a sharp political backlash among his pro-immigrant supporters—such a number is negligible compared to the estimated total of 11 million or so. Only the most utterly egregious employers of those workers have ever paid serious penalties, and the dollars involved are usually trivial compared to the economic benefits of ignoring the law. In almost all cases, “employer sanctions” have amounted to just a (small) cost of doing business. When both worker and employer have a strong mutual interest in evading a law, enforcement becomes very difficult and cumbersome, just as we have seen in the case of our endlessly violated drug laws.

Even so, attacking the employment side of the equation remains the most effective approach. Virtually all immigrants come here for jobs, so eliminating government benefits would merely serve to further immiserate millions of families, who would

remain in this country regardless. Having immigration agents conduct random sweeps through ethnic neighborhoods would engender enormous fear and anger and also deter immigrants from reporting crimes, while constituting a massive violation of traditional civil liberties. Even building a fence and doubling the border-patrol would probably have just a small impact across such an enormously long border, not least because an estimated one-half of all illegal immigrants enter the country legally and then overstay their visas. If the magnetic appeal of the American job market could somehow be reduced or eliminated, such ancillary measures might prove useful, but if the jobs remain, the immigrants will remain here as well.

## Escaping the Low-Wage Society

So we are faced with several apparently insoluble and reinforcing dilemmas. Passing legislation to curtail immigration seems a political non-starter with both parties, and enforcing such legislation even if passed is equally unlikely. Yet as an almost inevitable consequence of the current system, the bulk of the American population—including the vast majority of immigrants and their children—falls deeper and deeper into economic misery, while government finances steadily deteriorate, leading our country to a looming calamity whose outcome appears both dire and quite difficult to predict. Over the last century, the political consequences of a largely impoverished middle class and a bankrupt government—whether in Latin America or in Central Europe—have often been very unfortunate.

By contrast, the sharp constriction in the labor supply resulting from steep reductions in additional immigration would dramatically boost worker wages, especially at the low end, with current immigrants themselves being among the greatest beneficiaries. An increase of a couple of dollars per hour or more could make huge improvements in the difficult existence of the working poor, perhaps allowing them to exit the debt treadmill and stand a better chance of eventually rising into a revitalized middle class. Admittedly, corporate profits might suffer a little and some businesses at the lowest end might disappear; but corporate profits are already doing quite nicely these days, and it makes no sense for developed countries to desperately compete with the impoverished Third World for jobs that are only viable under Third World salaries. Immigration restrictions that raised working-class wages by a couple of dollars an

hour would also do wonders for the fiscal health of the Social Security system and government finances in general.

But perhaps the obvious escape from this seemingly inescapable political trap is as simple as merely reversing the direction of cause and effect. Consider the consequences of a very substantial rise in the national minimum wage, perhaps to \$10 or more likely \$12 per hour.

The automatic rejoinder to proposals for hiking the minimum wage is that “jobs will be lost.” But in today’s America a huge fraction of jobs at or near the minimum wage are held by immigrants, often illegal ones. Eliminating those jobs is a central goal of the plan, a feature not a bug.

Let us explore the likely implications of this simple proposal. The analysis that follows should be regarded as impressionistic and plausible rather than based on any sort of rigorous and detailed research. It is intended to raise possibilities rather than provide answers. Also, let us assume for the moment that these higher wage requirements would be very strictly enforced.

First, the vast majority of workers in America’s surviving manufacturing sector—whether in unionized Seattle or non-union South Carolina—already earn far more than the existing minimum wage, so their employers would hardly be affected, resulting in almost no impact on our international competitiveness.

*The minimum wage represents one of those issues whose vast appeal to ordinary voters is matched by little interest among political elites.*

The same would be true for government employees, resulting in negligible cost to the taxpayer.

By contrast, the bulk of the low-wage jobs affected fall into the category of domestic non-tradeable service-sector jobs, which cannot be replaced by overseas workers. Many of these jobs would disappear, but a substantial fraction would remain viable at the higher wage level, with employers either raising prices or trimming profits or more likely a mixture of both. Perhaps consumers would pay 3 percent more for Wal-Mart goods or an extra dime for a McDonald’s hamburger, but most of these jobs would still exist and the price changes would be small compared to

ongoing fluctuations due to commodity prices, international exchange rates, or Chinese production costs.

Meanwhile, many millions of low-wage workers would see an immediate 20 percent or 30 percent boost in their take-home pay, producing a large increase in general economic activity, not to mention personal well-being. We must bear in mind that an increase in the hourly minimum wage from the current federal level of \$7.25 to (say) \$12.00 would also have secondary, smaller ripple effects, boosting wages already above that level as well, perhaps even reaching workers earning as much as \$15 per hour.

The likely impact upon immigrant workers, whether legal or illegal, would be quite varied. Those most recently arrived, especially illegal ones with weak language or job skills, would probably lose their jobs, especially since many of these individuals are already forced to work (illegally) for sub-minimum wages. However, workers who have been here for some years and acquired reasonably good language and job skills and who had demonstrated their reliability over time would probably be kept on, even if their employer needed to boost their pay by a dollar or two an hour.

Thus, the force of the policy would fall overwhelmingly on those immigrants who possessed the weakest ties to American society and still retained the strongest links to their country of origin. By contrast, those immigrants—legal or otherwise—who had lived here for some years and therefore had gradually become part of the community would mostly emerge unscathed, probably receiving a very welcome boost to their family income. Some anti-immigration activists might find this prospect extremely distasteful, but half- or two-thirds of a loaf is better than none.

Moreover, although this wage structure would tend to “grandfather” a considerable fraction of existing illegal immigrants, it would constitute a very formidable barrier to future ones. Paying \$12 per hour might be reasonable for a reliable employee who had worked with you for several years, but would be much harder to justify for an impoverished new arrival speaking minimal English and with no track record. To a large extent, the undocumented job window in America would have permanently slammed shut.

In effect, a much higher minimum wage serves to remove the lowest rungs in the employment ladder, thus preventing newly arrived immigrants from gaining their initial foothold in the economy. As a natural consequence, these rungs would also disappear for the bottom-most American workers, such as youths seeking their first jobs or the least skilled in our soci-

ety. But over the last few decades, these groups have already been largely displaced in the private-sector job market by immigrants, especially illegal ones. Whereas 40 years ago, teenagers and blacks tended to mow lawns and work as janitors, in most parts of the country these days, such jobs are now held by recent arrivals from south of the border. So the net loss of opportunity to Americans would not be large.

Furthermore, recently arrived illegal workers must very quickly find employment if they hope to cover their living expenses and remain here rather than being forced to return home instead. But first-time American job-seekers are already living with their families and anyway have no other home to draw them away, and consequently could spend months seeking an available job. Thus, a higher minimum wage would tend to disproportionately impact new immigrants rather than their American-born competitors.

**T**he enforcement of these wage provisions would be quite easy compared with the complex web of current government requirements and restrictions. It is possible for business owners to claim they were “fooled” by obviously fraudulent legal documents or that they somehow neglected to run the confusing electronic background checks on their new temporary dishwasher. But it is very difficult for anyone to claim he “forgot” to pay his workers the legally mandated minimum wage. Furthermore, the former situation constitutes something of a “victimless crime” and usually arouses considerable sympathy among immigrant-rights advocates and within ethnic communities; but the latter would universally be seen as the case of a greedy boss who refused to pay his workers the money they were legally due and would attract no sympathy from the media, the police, juries, or anyone else.

Very stiff penalties, including mandatory prison terms, could assure near absolute compliance. Virtually no employer would be foolish enough to attempt to save a few hundred dollars a month in wages paid at the risk of a five-year prison sentence, especially since the workers he was cheating would immediately acquire enormous bargaining leverage over him by threatening to report his behavior to the police.

The proposed change would simply be in the rate of the minimum wage, rather than in the structure of the law, so certain relatively small modification and exceptions, such as including estimated tips for some restaurant employees, might be maintained, so long as these did not expand as a means of circumventing the statute.

Depending upon the state, the current American minimum wage ranges between \$7.25 and \$8.67 per hour. But is a much higher national minimum wage such as \$12 per hour really unreasonable by historical or international standards? In 2011 dollars, the American hourly minimum wage was over \$10 in 1968, during our peak of postwar prosperity and full employment, and perhaps that relationship was partly causal. Although exchange-rate fluctuations render exact comparisons difficult, the minimum wage in Ontario along our northern border is currently well over \$10 per hour, while in France it now stands at nearly \$13. Even more remarkably, Australia recently raised its minimum wage to over \$16 per hour, and nonetheless has an unemployment rate of just 5 percent. With the collapse of America’s unsustainable housing-bubble economy of the 2000s, our unemployment rates seem no better and in many cases considerably worse than those of affluent Western countries that have refused to pursue our race-to-the-bottom low-wage economic strategy of recent decades.

**B**ut suppose this boost in the minimum wage succeeded at one of its primary goals and eliminated the jobs of many millions of America’s large undocumented population. Would these current workers and their families remain here anyway, perhaps turning to crime as they became financially desperate? After all, huge numbers of immigrants were employed in housing construction, and following the collapse of that industry their unemployment rates have soared, but most of them have stayed here anyway rather than going home again.

The central point to recognize is that most illegal immigrants, and a substantial fraction of legal ones, enter America with the original goal of short-term economic gain, intending to work for a few years, save as much money as possible, then go back home to their family and friends with a nice nest-egg. Frequently, these plans are unrealistic—saving money proves more difficult than expected—and local ties develop. But except for financial factors, even those individuals who have lived here a decade or longer often still dream of returning to their native countries, sometimes even after they have married, had American-born children, and put down considerable roots.

Among other factors, the cost-structure of American society is extremely high compared with that in most of the developing world, where dollars go much farther. This is the primary reason that substantial numbers of non-Hispanic American retirees have chosen to relocate to Mexico with their pensions, de-



spite considerable barriers of language and culture.

Furthermore, as discussed earlier, the fiscal costs to the American government of low-wage immigrant families can be enormous. A couple working jobs at or near the present minimum wage pays negligible taxes, while if they have two school-age children, the grossly inflated expense structure of American public education may easily result in an annual taxpayer burden of \$20,000 or more, even excluding the substantial costs associated with all other public services. And if one or both of these parents lose their jobs due to a soaring minimum wage, the fiscal burden grows still more severe.

The obvious solution, both humane and highly cost-effective, would be for the government to offer immigrants extremely generous financial relocation packages if they return home to their own countries. A tax-free cash payment perhaps as high as \$5,000 or even \$10,000 per adult plus a much smaller sum per minor child, together with free travel arrangements, would constitute an enormously attractive offer, probably being much more than they had managed to accumulate during many years of difficult low-wage labor. If the legal changes proposed herein had already caused their jobs to disappear, such a relocation offer would become irresistible. (Naturally, the full financial package would require hard evidence that they had already been living in America for a year or more, thereby preventing foreigners from crossing our borders simply to game the system.) Given the massive fiscal burdens inherent in the current situation, even such generous financial terms would probably pay for themselves almost immediately.

An important aspect of all these proposals is that they are largely self-enforcing. Workers would be perfectly aware of the simple minimum wage laws, and harsh penalties would deter employers from taking the risk of violating them. The disappearance of low-wage jobs would remove the primary lure for new illegal immigrants, and generous cash relocation packages would lead many existing ones to eagerly turn themselves in and seek deportation. Although the Border Patrol would continue to exist and immigration laws would remain on the books, after a short transition period these would become much less necessary, and a vast existing system of government bureaucracy, business red tape, and taxpayer expense could safely be reduced.

Even principled libertarians, fervently opposed to the very concept of a minimum wage, might find this system preferable to the status quo, which contains an enormously complex web of regulations and employment restrictions; the civil libertarian nightmares

of identity cards, national databases, and workplace raids; and an existing minimum wage on top of all these other things.

## The Political Balance Sheet

The political response to this package would obviously not be uniformly favorable, but would almost certainly be more so than for any typical immigration-restriction proposal.

Most of the larger corporations, especially those in the industrial sector, would be minimally affected by the wage changes, while benefiting from the (eventually) decreased burden of immigration-related reporting and paperwork requirements.

Many large retail establishments would be forced to pay higher wages, but since these requirements would be uniform, hitting all of them simultaneously, they would be able to raise prices in unison to cover much of the additional expense, a situation very different from one in which well-paid unionized companies are driven to the wall by their lower-paid non-unionized competitors. Furthermore, during the course of this severe recession, giant companies such as Wal-Mart have disclosed disturbing trends of declining sales, and this has widely been ascribed to the growing impoverishment of their lower-middle-class and working-poor customers. A dramatic rise in the wages of low-end groups would reverse this situation and probably boost the fortunes of Wal-Mart and its peers.

Large agricultural interests are heavily reliant upon illegal labor, but while they might be unhappy about raising their workers' pay by a significant amount, they would find this situation vastly preferable to actual enforcement of today's immigration laws, which would immediately put them out of business. Anyway, although agricultural labor is difficult and unpleasant, most field workers already earn well above current minimum-wage levels, averaging just over \$10 per hour in 2009, so the required increase would be much less than what one might assume. And unlike the situation decades ago, only a small fraction of today's illegal immigrants are employed in agriculture.

Many small textile manufacturers and other businesses that survive only by relying upon very low-paid immigrant labor, working in near-sweatshop conditions, would probably be driven out of business. But that is the intent of the proposal.

The reality is that most of the larger, more powerful business interests in America are much less heav-

ily impacted by minimum wage laws than by all sorts of other regulatory and legal issues, not to mention healthcare and pension costs. A simple change in minimum-wage rates would provoke only a small fraction of the organized business opposition generated by many of the other sweeping national proposals of recent decades, notably healthcare reform. Small business interests, influential in Republican circles, would certainly oppose the measure, but they would largely stand alone.

A greater difficulty on the Republican side of the aisle would involve the entrenched ideological positions of many conservative elected officials and pundits, who over the years have come to vaguely regard minimum wage laws as being “bad,” both economically and even spiritually, having substituted dogma for thinking. As an example, conservative firebrand Rep. Michele Bachmann recently hinted that the solution to America’s current economic problems might involve substantially *reducing* our existing minimum-wage rates. Presumably, she believes our country would prosper by cutting its wages to Sub-Saharan African levels, then naturally importing millions of Sub-Saharan Africans happy to work at those rates.

But we should also recognize that these days a crucial component of the Republican electorate consists of working-class whites, often strongly religious ones, who tend to live in non-unionized low-wage states or who otherwise generally subsist, sometimes with considerable difficulty, on the lower rungs of the economic ladder. Proposing a large wage increase to a socially conservative evangelical Christian who works at Wal-Mart and currently struggles to pay her bills would be the sort of simple, clear message that might easily cut through an enormous amount of ideological clutter. And even if Rush Limbaugh, who earns tens of millions of dollars each year, denounced this proposal as “big-government liberalism,” for once his views might not find receptive ears. I suspect that a very substantial fraction of Michele Bachmann’s supporters fall into exactly this socioeconomic category.

The minimum wage represents one of those political issues whose vast appeal to ordinary voters is matched by little if any interest among establishment political elites. As an example, in 1996, following years of unsuccessful attempts to attract the support of California politicians, disgruntled union activists led by State Sen. Hilda Solis, now serving as President Obama’s secretary of labor, scraped together the funds to place a huge 35 percent minimum wage increase

on the state ballot. Once Republican pollsters began testing the issue, they discovered voter support was so immensely broad and deep that the ballot initiative could not possibly be defeated, and they advised their business clients to avoid any attempt to do so, thus allowing the measure to pass in a landslide against almost no organized opposition. Afterward, the free-market naysayers who had predicted economic disaster were proven entirely wrong, and instead the state economy boomed.

Finally, we should remember that many of the most militant and ideologically fervent grassroots activists within conservative ranks are vehemently anti-immigration, often largely on racial grounds, and sometimes focus on that one issue to the exclusion of most others. For them, the very realistic prospect of dramatically cutting the numbers of America’s huge undocumented population, reducing future illegal immigration to a mere trickle, and even perhaps encouraging a substantial fraction of our legal immigrants to return home would be tremendously attractive, and they might make life very uncomfortable for any Republican politician who opposed this plan without providing a realistic alternative in its place.

The political calculus among Democrats would be much simpler. Any neoliberal Democratic officeholder who balked at a large rise in the minimum wage by citing the economic theories of Milton Friedman or the research reports of Goldman Sachs would be trampled into the dust by his enraged constituents, disappearing forever.

A little over a century ago, Henry Ford took the bold step of doubling the regular wages of his assembly-line workers to the then remarkable sum of \$5 per day, thereby achieving international fame as well as enormous business success for his own company. According to most accounts, this event was a crucial factor in creating the prosperous middle class that eventually dominated America’s 20th-century history, and Lenin later hailed Ford as one of the world’s greatest revolutionary heroes, urged his followers to closely study Ford’s writings, and argued that so long as America possessed leaders of such wisdom, no Communist revolution would be necessary there.

These days, times have changed. But perhaps a similarly bold step, which similarly raises the income of America’s working class and similarly crosses many ideological lines, would help safeguard and maintain the national prosperity that men like Ford originally created. ■