

IMMIGRANTS:BOON OR BANE

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Abstract: *The article talks about the influx of immigrants and its repercussions on the economy of the subsequent country.*

It is exceptionally hard, and rather foolish, to ignore how the events leading up to the American Presidential Election of 2016 are unfolding; after all, the United States has undoubtedly established itself as the global superpower and the end of this gigantic hegemon is anywhere near. Although the comments made by the Republican candidate, Donald Trump, have been ridiculed all over the world, his hard stance on immigrants has brought world attention to this very issue. With world furor building in support of Syrian refugees flooding into Europe, one must not forget a similar crisis brewing at the US-Mexican border where over 10,000 children were denied access into the States. These families are fleeing from scenes of gang violence, acute poverty and possibly, persecution. Heading East, we encounter another migration crisis looming over Europe. With over 13.5 million refugees making their way across European borders, it has become a matter of serious concern for not just Europe, but also America who will soon be facing an influx of similar nature. The fact that the problem of immigrants poses such a threat to America is in itself quite ironic, as America after all, was founded and built upon by immigrants.

With the humanitarian crisis unraveling at the US-Mexico border and the influx of Syrian refugees, the question of whether to accommodate these unfortunately displaced people or not, cannot be brushed under the carpet any longer. Trump boldly proposes that the children of refugees should be denied birthright citizenship and all undocumented people would be subject to mass deportations. However, even if the politics of immigration is exasperating, the economics of it is pretty straightforward.

It cannot be denied that America's labour force participation has been at a decline since the 70's. With its public debt mounting over \$16 trillion, and economic growth rate of just about 3%, an influx of immigrant labour would give a much-needed boost to its economy. The Population Division of the United Nations has estimated that without immigration, the population of the States will stop growing by 2042, with dire consequences on its economy of course. The dwindling labour force participation can in fact, be offset by the inundation of 'outsiders'.

The coming in of immigrants is profitable for the US on various fronts. The immediate demographic benefit is that immigrants tend to be younger, better educated than those nearing retirement and bring in higher levels of fertility. Even if they're not highly educated, low-skilled immigrant workers will be more willing and mobile to take up work than native-born American workers.

Another fear associated with accepting immigrants into the country is that it will lead to lower wages for the natives. However, this misconception needs to be addressed. In fact, immigrants boost wages and lower prices. Immigrants do not always compete for the same jobs; they, by accepting lowly paid jobs, open up opportunities for the natives to grab the better ones. Not only do they affect the supply side, they also increase the demand for goods and services stimulating the economy. Only when the skill sets of native's and immigrant's overlap could there be a conflict over jobs.

Many also believe that refugees are a drain on the welfare state; they are living off public coffers. However this argument can be contended on several grounds. The welfare reform bill of 1996, signed by the then President Bill Clinton, clearly states who is eligible for benefits. Temporary Assistance to Needy

Families (TANF) policies restricts most immigrants from receiving state help. Only immigrants with a 'qualified' status are eligible to receive welfare benefits, which excludes undocumented immigrants altogether. Additionally, qualified immigrants need to spend five years in the United States till they actually start receiving TANF benefits. The only exception to the law is asylees and refugees, who too like TANF recipients, need to wait five years. Interestingly, US has only admitted about 70,000 refugees in 2014. To top it all, the TANF benefits remain a tiny part of the budget, costing the government barely \$20 billion, or 1.5% of the national budget.

Moreover, immigrants bring with them their expertise and knowledge of foreign markets which for an economy is a gain in itself.

However, one cannot deny that letting refugees enter the Western countries in masses has led to a threat to national security as seen in the case of the Parisian attacks, where one of the terrorists had entered the country with a fake Syrian passport. Overall, unlike Mr. Trump, one should not shun those who are seeking refuge. They could, and in all likelihood, be exceptionally beneficial. What has started off as being a humanitarian crisis could soon turn into an acute economic crisis, if America does not reach a solution, and a solution fast.