Overview
This course examines the theoretical and empirical models developed to study the economic impact of immigration. The course examines the various economic issues that have dominated the debate over immigration policy in the United States and other receiving countries. These issues include the changing contribution of immigrants to the country’s skill endowment; the rate of economic assimilation experienced by immigrants; the impact of immigrants on the employment opportunities of native-born workers; the extent to which immigrants “pay their way” in the welfare state; and the source and magnitude of the economic benefits generated by immigration. The course also examines the extent to which the economic impact of immigration persists across generations, and compares the consequences of the different immigration policies pursued by some of the largest immigrant-receiving countries. In sum: what does economics have to say about the consequences of immigration, and what does one have to assume to get it to say what it says?

Prerequisites:
Previous exposure to microeconomic theory at the level of API-101 is required.

Requirements:
There will be a midterm and a student presentation. The midterm will be composed of questions designed to test the student’s familiarity with the various models and academic papers that are discussed in class and/or are in the syllabus. The midterm will count for 40 percent of the final grade. In addition, each student must make an in-class presentation. The nature of the presentation will depend on the number of students enrolled in the class. Typically, students form small groups, choose a topic that deals with immigration policy, and make a detailed 25-minute presentation. I can provide a suggested list of topics for the in-class presentation, but students are free to explore other areas of interest. The presentation must not be on a topic that was carefully
discussed in class (if in doubt, check with me). The class presentation counts for 40 percent of the final grade. Finally, class participation is also strongly encouraged, will be graded, and will count for 20 percent of the final grade.

Readings:
The course will track the discussion in George J. Borjas, *Heaven’s Door: Immigration Policy and the American Economy*, Princeton University Press, 1999. The additional readings are designed to: (a) introduce the student to some of the key studies in the academic literature; and (b) expose the student to the (very) diverse set of models, findings, and inferences that inform the policy debate.

**TOPICS AND READING LIST**

1. Overview: Immigration in the United States

   George J. Borjas, *Heaven’s Door*, Chapter 1. [Book required for purchase]

2. Assimilation and Cohort Effects

   George J. Borjas, *Heaven’s Door*, Chapter 2. [Book required for purchase]

3. The Self-Selection of Immigrants

   George J. Borjas, *Heaven’s Door*, Chapter 3.

4. The Labor Market Impact of Immigration: Theory

   George J. Borjas, *Heaven’s Door*, Chapters 4 and 5.

5. The Labor Market Impact of Immigration: Empirics


6. The Economic Benefits from Immigration


“Immigration’s Economic Impact,” Council of Economic Advisers, June 2007. [Available on the course webpage or course packet #2]

7. Social Mobility in Immigrant Families


8. Determinants of Social Mobility

George J. Borjas, *Heaven’s Door*, Chapter 9. [Book required for purchase]


9. Illegal Immigration


Philip L. Martin, “There is Nothing More Permanent than Temporary Foreign Workers,” Center for Immigration Studies, April 2001. [Available on the course webpage or course packet #2]

### 10. The Fiscal Impact of Immigration

George J. Borjas, *Heaven’s Door*, Chapter 6. [Book required for purchase]


### 11. Thinking about Immigration Policy

George J. Borjas, *Heaven’s Door*, Chapters 10 and 11. [Book required for purchase]