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### **Despite His Heritage, Prominent Economist Backs Immigration Cut**

***(Born in Cuba, George Borjas Says His Census Research, Not His Past, Guides Ideas; Why Congress Is Listening)***

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**CAMBRIDGE, Mass.** America's leading immigration economist says immigrants these days are less skilled, less educated and more likely to go on welfare than natives, and are a drain on the national economy. He would sharply curtail immigration.

The economist is George J. Borjas, a Harvard University professor, an influential figure in the national debate on immigration -- and a refugee from Cuba who came to the U.S. with his mother in 1962. In his mind, Mr. Borjas puts aside the conflict between the results of his research and the saga of his own family, which likely would have been barred from the U.S. under his proposed policies.

"I'm not a Cuban when I do economics" he says.

The 45-year-old economist's prominence and research have had a broad impact in the current political climate. An immigration bill influenced by his studies recently passed the House; a similar bill is now being debated in the Senate. Mr. Borjas's tale also underscores national debate over immigration and the difficulty of trying to apply scholarly research to such a delicate subject.

Immigration foes cite Mr. Borjas's work -- and his background -- as a way to insulate themselves from charges of anti Hispanic bias. Immigration supporters rebuff his work by accusing him of callousness, "Borjas thinks the last good boat of immigrants is the one he came in on," Barry Chiswick tells colleagues. Mr. Chiswick, a professor at the University of Illinois at Chicago, has jostled for years with Mr. Borjas. In response, Mr. Borjas calls the remark "false, ludicrous and outrageous."

The acrimony is understandable. More than any other scholar, Mr. Borjas has undermined the view U.S. the U.S. draws great strength from open immigration. His studies of decades of census data show that recent waves of immigrants have fewer skills than natives and less education and are more likely than natives to go on welfare and stay there. The political implications are obvious, he says: Reduce immigration by the "huddled masses" in favor of entry by the more skilled.

Yet Mr. Borjas's personal story might seem to make the opposite point. After arriving broke from Cuba with his high school educated mother, Edita, he went on to win a college scholarship and eventually become a celebrated economist at Harvard's Kennedy School of Government. While his head says that immigration harms the U.S., his heart says that immigration helps. "Personally I would prefer the data went another way," he says. "But that doesn't mean I'm going to write a paper twisting the data."

### Huddled at the Radio

Mr. Borjas's interest in immigration began about 37 years ago, as his family in Havana huddled around the radio, waiting for news that Fidel Castro would march into the city and take power. The Borjas clan was prospering. His grandparents ran a pants factory in a building attached to their house where his mother worked. His father, who was ill for years, died in 1961.

The new regime seized the family business. After the bungled Bay of Pigs invasion, the youngster's elite Catholic school was closed, and he spent seventh grade under the watchful eye of a Communist functionary who taught at the local "revolutionary" school.

The Borjas families applied to emigrate to the U.S., taking advantage of a Kennedy-era policy of accepting Cubans regardless of immigration quotas or the skills of the refugees. Two of Mr. Borjas's aunts preceded him to Miami and sent airline tickets to 12-year-old Jorge -- his given name -- and his mother. In October 1962, a week before the Cuban missile crisis, the small plane carrying Jorge and Edita Borjas touched down in Miami.

The family soon moved to an Italian and Puerto Rican neighborhood in Hoboken, N.J., where Edita Borjas found work as a seamstress in a coat factory. Jorge Borjas quickly assimilated. He dropped Jorge for George, became a naturalized citizen, collected Beatles albums and went to Madison Square Garden to hoot at professional wrestling matches.

### College Survey

But the immigrant experience shaped his career. In college, he surveyed his mother's friends for a research project to determine how much newcomers to the U.S. depend on family financial support. (Answer: a lot.) Around 1978, after receiving a doctorate in economics, he attended a lecture by Mr. Chiswick, the University of Illinois economist, who was among the first to examine the impact of immigration since a study in 1919 by Paul Douglas, economist and future Illinois senator.

Mr. Chiswick's research couldn't have been cheerier. Although immigrants start off earning less than natives. They catch up after only 10 or 15 years in the U.S., he reported. Immigrants "may have more innate ability and are more highly motivated" than native-born workers, he concluded in a scholarly paper detailing his work. But Mr. Borjas found the research troubling. He knew that Cubans who immigrated before the missile crisis, like he did, were mostly from the island's elite and would probably advance much more quickly than those who came later. The Chiswick analysis, based on a single census from 1970, couldn't track the different groups over time.

Some years later, Mr. Borjas was able to compare the 1980 and 1970 census and confirm his hunch. Immigrants who came prior to 1965 did catch up, as Mr. Chiswick predicted. Those who came afterward didn't. The reason: Changes in U.S. immigration policy in 1965 encouraged the migration of the poor and unskilled, especially from Mexico, who couldn't compete as well in America. The changes also made some of the benefits used by the Borjas family and other Cubans available to all immigrants. Siblings could petition to bring in adult family members just as the Borjas sisters brought their relatives from Havana.

Overall, though, the result was a decline in immigrant "quality," Mr. Borjas concluded -- choosing a phrase regularly used in economic literature, but that has incendiary political implications. (He says he now often uses -- "skills" instead of "quality" because "people conjure up stuff I didn't mean.")

His basic findings have been accepted by many economists, although not by Mr. Chiswick, who accuses his rival of "misrepresenting my contributions in order to build himself up." Mr. Borjas retorts that, early on, Mr. Chiswick tried to trash his work. Each man scoffs at the other's charges.

When both attended a conference in Australia some years back, they ended up in shouting matches. "It was like: 'Guys, go up to the room and punch each other out,' " says Harvard economist Richard Freeman, who accompanied the pair.

Mr. Borjas has since made his academic reputation as a debunker of immigration "myths." Working on a desktop computer loaded with census records dating to 1900, he divides immigrants by nationality, age, income and year they arrived in this country. He finds that families whose relatives emigrated from eastern and southern Europe before 1924

took four generations to catch up with natives' earnings -- not one or two as commonly believed. More recent immigrants are hobbled by what he calls "ethnic capital" -- meaning that the poor performance by one generation is passed on to the next. Welfare use by immigrants actually increases over time, compared with natives, as newcomers learn the ropes. "Assimilating into the welfare system," Mr. Borjas calls the trend.

In another study, he calculates that native workers lose \$133 billion a year in lower salaries because of immigrant competition; employers pocket the money, and then some, as reduced expenses. Unskilled natives suffer the most. More than one-third of the widening wage gap between high-school dropouts and more-educated workers is because of competition from immigration, he estimates. According to the Borjas view, immigration is akin to busing: a grand social experiment whose costs are borne by working-class families who don't find the experiment so grand.

"No one who works in this area can ignore his work," says Lawrence Katz, a Harvard economist who served as the Clinton Labor Department's chief economist. "People don't have to love him or hate him, but they have to deal with him "

### Call From the Governor

Politicians started phoning for advice. In early 1993, Mr. Borjas, who was teaching at the

University of California at San Diego, joined the state's council of economic advisers and became Republican Gov. Pete Wilson's adviser on immigration issues. Facing a tough re-election campaign, Mr. Wilson was pushing his support for Proposition 187, which would bar illegal immigrants from schools and other government services. (The ballot initiative passed by a wide margin but has been held up by a court challenge.) The governor and his aides turned to Mr. Borjas for the intellectual ammunition to justify immigration restrictions, and for ethnic cover.

"He wasn't an Anglo talking about these numbers." says Lee Grissom, a senior economic aide to Mr. Wilson. Mr. Borjas also helped the governor lay out the argument that immigration was costing California economically. Gov. Wilson knew he would be challenged, Mr. Grissom adds; "How could you defend yourself without being a racist?" So the governor's office would refer reporters to Mr. Borjas for an expert's views on immigration. The serious, earnest Mr. Borjas, who speaks English with a hint of an accent, was a hit.

Cecilia Munoz, deputy vice president of the National Council of La Raza, a Hispanic lobbying group, says Mr. Borjas compromised his academic integrity by working for the California governor. "Anybody with an interest in sound policy should be careful working for someone who's shamelessly politicked on this issue," she says. "That's more true for a Latino, who is in a position to be used."

Mr. Borjas, who calls himself a conservative Republican, strenuously objects. He generally agrees with Mr. Wilson on immigration and other issues, he says, so why shouldn't he help him? "I provide data and facts he can use," the economist says.

Mr. Borjas draws fire from many sides of the political spectrum. He spars in policy debates with the libertarian Cato institute and the liberal Urban institute. On welfare, for instance, an Urban institute study that is widely cited by others, including the Cato institute, finds that a mere 5% of immigrants receive welfare, about the same rate as natives.

But Mr. Borjas points out that the study is based on census data that omits people younger than 15 -- even though welfare benefits often go to children. Look instead at data on households, he advises, which include children. Then, the immigrant welfare rate is considerably higher than that of U.S. natives, especially if such programs as Medicaid and housing assistance are included. That's because immigrant families are poorer than natives, and have more children.

### Pushing for Skills

Denying immigration's costs will eventually undermine political support for any immigration, he fears, and push the U.S. to seal off the border, Pat Buchanan-style. Mr. Borjas urges the U.S. to admit a larger share of skilled immigrants, who don't use welfare as much as natives and who will eventually catch up to them in earnings. (Of the 720,000 legal immigrants who entered the U.S. during the year ended Sept. 30, 1995, only about 10% were admitted for their skills.)

Who would be hurt most under a Borjas-style immigration plan? Unskilled immigrants -

**those who look and sound like the Borjas family of 35 years ago. Alejandro Portes, a Johns Hopkins University sociologist who left Cuba as a youth in 1960, accuses Mr. Borjas of being "rather ungenerous to immigrants facing more difficult circumstances" than those faced by early Cuban refugees. "If we Cubans had been received like Haitians are now, neither George nor I would have turned out to be university professors," Mr. Portes says.**

**Mr. Borjas says he is anguished by the irony, but wouldn't change his recommendations. "Should the fact I would get hurt under different circumstances be the thing that drives policy?" he asks. "It would be wrong to set policy on basis of an egotistical attachment to a particular group. You have to look to the concerns of the nation as a whole."**