Overview

This course examines the theoretical and empirical models developed to study the economic impact of immigration. The course examines the economic issues that have dominated the debate over immigration policy in the United States and other receiving countries. These 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 we think it says?

Prerequisites:

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

Requirements:

There will be a midterm, a short (10-page) final paper, and a student presentation based on the paper.

The in-class 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. The midterm will be held on Monday, October 30, 2017. Please check your calendars as soon as possible and avoid any
scheduling conflicts for the midterm. I will **NOT** schedule makeup exams except for students with documented dire emergencies (e.g., you are admitted to a hospital).

Each student must write a short paper researching some aspect of immigration policy and make an in-class presentation of the findings. You can choose any topic that deals with immigration policy anywhere in the world. The presentation will be 25-30 minutes in length and will be scheduled in the last 2 or 3 weeks of the course, depending on enrollment. I can suggest topics, but students are free to explore any area of interest. I am very open to topic choices as **long as the topic was NOT carefully discussed in class** (if in doubt, check with me). You should let me know of the topic by **Monday, October 30, 2017**; submitting a short paragraph describing the issue being analyzed.

The final paper should be at most 10 pages; including all graphs, tables, and references; and double-spaced in normal 12 pt. font. The paper should introduce the problem being addressed, the set of findings that should guide our thinking about it, and any implications for policy actions. The paper is due on Friday, December 1, 2017. The presentation and paper will count for 50 percent of the final grade.

Finally, class participation is **strongly** encouraged, will be graded, and will count for 10 percent of the final grade.

**Class Logistics:**
1. Students are expected to attend class, do the readings before the lecture, and be prepared to participate in class discussions. No mobile phones, tablets, PDAs, or laptops may be used in class. In short: No electronics of any type are allowed unless there’s a documented need. See me or have the relevant administrator contact me if such a need exists.
2. Tardiness is extremely disruptive. Please try to make it to class on time.

**Readings:**
The course will track the discussion in George J. Borjas, *We Wanted Workers: Unraveling the Immigration Narrative*, Norton, 2016. The 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. I have purposefully avoided assigning non-academic readings. The immigration debate is contentious enough as is, and there’s little need to make it more so by relying on material whose main purpose is to influence the direction of the public discourse.

**Academic Honesty:**
Please act sensibly and responsibly. Academic misconduct of any sort cannot be tolerated and everyone should know that HKS takes this issue very seriously. If in doubt about whether any particular action is crossing the line, do not do it.
TOPICS AND READING LIST

1. Overview: Immigration in the United States

George J. Borjas, *We Wanted Workers*, Chapter 3.

2. The Selection of Immigrants

George J. Borjas, *We Wanted Workers*, Chapter 4.

Technical paper with the original presentation of the selection model:

3. Assimilation and Cohort Effects

George J. Borjas, *We Wanted Workers*, Chapter 5.

4. Intergenerational Assimilation

5. The Labor Market Impact of Immigration: Theory

George J. Borjas, *We Wanted Workers*, Chapter 7, pp. 126-132; and chapter 8.

6. Open Borders


Technical paper that started the literature:

7. The Labor Market Impact of Immigration: Descriptive Evidence

George J. Borjas, *We Wanted Workers*, Chapter 7, pp. 132-152.

8. Mariel


You can also look at these responses if you really want to get into the back-and-forth of the debate:


Technical papers, but at the core of the current debate:


10. High-Skill Immigration


11. The Fiscal Impact of Immigration

George J. Borjas, We Wanted Workers, Chapter 9.


Francine Blau and Chris Mackie, “Chapter 8: Past and Future Fiscal Impacts of Immigration on the Nation,” and “Chapter 9: State and Local Fiscal Effects of Immigration,” in

12. Thinking about Immigration Policy

George J. Borjas, We Wanted Workers, Chapters 10.