

WALL STREET JOURNAL

ACCEPT VICTORY ON IMMIGRATION

By L. Gordon Crovitz
June 30, 2013

The Senate has passed an immigration bill, but the prospects of reform in the Republican-led House are doubtful. That is a surprising turn of events. In recent decades, it has been Republican presidents and legislators who have led successful immigration reform, overcoming union-driven Democratic opposition.

Conservatives in the House should accept victory and pass a bill embracing the Senate's fundamental changes in immigration law that not even Ronald Reagan could accomplish: a focus on the economics of immigration and new legal routes to welcome more skilled immigrants, bolstering American competitiveness. This is the time to act, considering that the U.S. is losing the global competition for the best and brightest immigrants for the first time since the founding of the country—just as Washington needs all the new productive taxpayers it can find.

The last major reforms of immigration were signed by Reagan in 1986 and George H.W. Bush in 1990. The Reagan reforms let more than 2.5 million illegal or temporary agricultural workers become lawful residents. More people immigrated lawfully to the U.S. during the Reagan years than under any president since Teddy Roosevelt. The Bush bill increased limits on legal immigration and temporary workers.

Last year, Democrats blocked a House bill that would have reformed immigration for skilled workers, holding this issue hostage to broader reform. This sacrifice of skilled immigrants was even supported by Rep. Zoe Lofgren, a Democrat who represents Silicon Valley, where in recent years half of all startups have had a foreign-born founder. Steve Jobs famously chastised President Obama for his failure to get more skilled workers in the country.

Media coverage of the Senate bill focused on how far the law goes to block illegal immigration and how to treat the estimated 12 million illegal aliens already here.

There's been less attention on the long-overdue opening of the border for skilled workers. The Senate bill introduces a new, merit-based visa for up to 250,000 people a year. Applicants would earn "merit points" to qualify based on factors such as education, employment, civic involvement, English proficiency and age. This would tilt the balance toward skills-based immigration rather than today's almost exclusive focus on family reunification. Today, only 13% of visas to the U.S. are dedicated to workers, versus 67% for both Canada and Australia.

For the first time, there would be no limit on immigration for corporate executives, researchers, academics and athletes. Visas would go to any foreign graduate with a job offer and an advanced degree in science, technology, engineering or math from a U.S. university. There would be an entrepreneur visa for foreigners seeking to start companies in the U.S.

This year, the quota for the H-1B visa for high-tech and other skilled workers ran out in less than a week. The Senate bill would raise the limit from 65,000 to 110,000 a year, rising as high as 180,000, depending on demand.

The Senate bill would also end the visa lottery that caps any country's immigrants at 7% of the slots—discriminating against people from populous countries like China and India.

Unions historically oppose immigration reform on the ground that a greater supply of workers harms their members by driving down the price of labor. In 2007, Democrats acting at the behest of the AFL-CIO killed a broad immigration-reform bill over the issue of visas for temporary workers.

During negotiations over this year's Senate bill, union leaders and the U.S. Chamber of Commerce agreed on criteria for up to 200,000 annual guest-worker visas. Unions tried unsuccessfully to add new regulations to deter companies from recruiting high-skilled immigrants.

Immigration reform would help solve the fiscal problems of the country. An influx of immigrants, who tend to be younger and pay more in taxes than they get in benefits, would help reduce the deficit and support underfunded pensions and social-welfare programs. The Congressional Budget Office estimates that the Senate bill would cut the federal deficit by \$200 billion over the next decade and by \$700 billion the following decade.

As the debate moves to the House, Republicans should reflect and act on what Reagan said about the power of immigration in his farewell address in 1989:

"I've spoken of the shining city all my political life, but I don't know if I ever quite communicated what I saw when I said it. But in my mind it was a tall, proud city built on rocks stronger than oceans, windswept, God-blessed and teeming with people of all kinds living in harmony and peace; a city with free ports that hummed with commerce and creativity. And if there had to be city walls, the walls had doors and the doors were open to anyone with the will and heart to get here."