Introduction

While only a little more than one percent of the world’s population resides in a country other than the one in which they were born, immigrants are heavily concentrated in particular countries. In these countries, large waves of legal and illegal immigrants have sparked a debate about the effects of immigration, and calls for immigration restrictions enjoy a measure of popular support. Not surprisingly, economic research into immigration addresses concerns raised in public debates. The purpose of much of this research is to gauge the economic effects of immigration, to determine whether countries should restrict immigration, and, if so, exactly how it should be restricted.

To anyone trained in the economics of immigration and well-versed in the public debates, Catholic social teaching on immigration comes as a shock. In Catholic social teaching, immigration is a right that the state cannot abridge. This assertion of the rights of immigrants contrasts sharply with the direction of economics research, which assumes the right of the state to curtail immigration. For its part, the economics literature suggests a new set of pressing questions for Catholic social teaching. Economics raises important questions about policies proposed by Catholic social teaching, and offers a subtler understanding of the effects of immigration in an economy with few barriers to capital, labor, and goods flows.

Catholic Social Teaching on the Economics of Immigration

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Catholic social teaching and the economics literature take very different approaches to immigration policy. This article is both a re-reading of the economics of immigration in light of Catholic social teaching, and a rereading of Catholic social teaching on immigration in light of the economics literature. Catholic social teaching provides a normative framework for immigration policy that is strikingly different from the secular framework within which economics currently operates. For example, the Catholic assertion that migration is a right contrasts sharply with the direction of economics research, which assumes the right of the state to curtail immigration. For its part, the economics literature suggests a new set of pressing questions for Catholic social teaching. Economics raises important questions about policies proposed by Catholic social teaching, and offers a subtler understanding of the effects of immigration in an economy with few barriers to capital, labor, and goods flows.

Catholic Social Teaching on Immigration

Catholic social teaching addresses immigration only briefly, but it speaks definitively. The central principle in its commentary is the right to emigrate. This emphasis on emigration—as opposed to immigration—reflects the historical context in which the issue has arisen, when the most visible barriers to migration were those that prevented people from leaving their home country. Of course, as John Paul II pointedly notes in his address on World Migration Day 1995, the right to emigrate is worth little if no country will guarantee the right to immigrate. Emigration and immigration are flip sides of the same coin; the right to migrate encompasses both.

The right to migrate springs from three separate principles in Catholic social teaching: the right of a family to sustenance, the priority of the family over the state, and the right of economic initiative. For the same reason that humans have a right to privately owned goods—so that families can provide for their needs and development—humans have a right to migrate to provide materially both for the family that migrates, and for those to whom the migrant sends
questions that are prior to the economic issues. Do people have a right to mi-
grant, and does this right supersede the prerogatives and interests of the state?
What are the duties of migrants with respect to obeying the laws of the host
countries, including the laws that seek to exclude them? By what standard of
justice do we measure the wages paid to immigrants? Furthermore, what stan-
dard of justice should be used toward natives whose wages fall as a result of
immigration? These questions are properly called normative in economics, and
they are prior to the positive issues addressed by economists. Because Catholic
social teaching gives answers to these questions that are different from the an-
swers given by secular sources, the implications of recent economic research
must be reinterpreted in light of Catholic social teaching. Such a reinterpreta-
tion is the purpose of this article.

A Catholic economist seeking to understand this issue begins with Catholic
social teaching to provide a context for the positive analysis. However, the traf-
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family’s right to seek a better life by moving.

Economists contribute much to the policy debate about immigration. How-
ever, there are certain basic questions beyond the economist’s expertise,
remittances. The prerogative of the family to build a better life cannot be abridged by the state. In Laborum Exercens, John Paul II makes this right very clear: “Man has the right to leave his native land for various motives—and also the right to return—in order to seek better conditions of life in another country.” Closely tied to the right of the family to immigrate is the right to economic initiative. In Sollicitudo Rei Socialis, John Paul II observes that many migrate because their right to economic initiative is unduly restricted in the home country. Thus, he argues, they may justly seek out alternate locations where this right may be exercised.

In spite of its clear stand on the right to migrate, Catholic social teaching raises two concerns about migration. Immigration entails a regrettable loss for the home country, which “loses a subject” whose creative initiative might have served the common good. John Paul II designates this consequence of immigration a “material evil,” although not a moral evil (since the person is within his or her rights to migrate). Stated this strongly, it appears that the migrant crosses an unbridgeable gulf, cutting himself off completely from his homeland, unable and unwilling to contribute to its economic life. In fact, immigrants often have strong ties to their home country, sending significant remittances and often returning home with savings and skills. The strength of the ties that bind an immigrant to his home country may mitigate, if not eliminate, the material evil of migration.

The second concern about migration is the danger to which it exposes migrants. Immigrants are often at a disadvantage in labor markets, particularly where there are few enclave networks to provide information and job leads. This problem is particularly acute for illegal immigrants. Added to the concern about the material vulnerability of immigrants is a concern for the quality of their moral life—their family, community, and faith. By weakening ties to family and culture, immigration may lead to a decline in morals, particularly among the young.

In light of the ambivalence of Catholic social teaching toward migration (it is a right, but is in some ways regrettable), it recommends a set of policies that guarantee the right, yet at the same time seek to make it less likely that the right will be exercised. Paul VI urges an international agreement to guarantee the right of emigration; according to John XXIII, one of the benefits of international peace between countries is that it makes migration easier, helping to guarantee the right.

At the same time, Catholic social teaching recognizes that migration is often a result of imbalances among nations. Migrants want to leave places where they are poor, and live in places where they are not. The popes blame economic backwardness on different causes. Leo XIII and John Paul II emphasize the internal suppression of property and initiative; John XXIII and Paul VI assign more blame to other countries in the international economic system. No matter what the cause, the elimination of the economic imbalances between nations (in economic terms, convergence) will reduce the incentive to migrate, without directly preventing people from migrating. Of course, eliminating incentives of absolute advantage across countries will not eliminate the incentives of individual comparative advantage.

Until convergence is achieved, countries should provide aid to immigrants to ease their integration into the host country. John Paul II urges the protection of the labor rights of immigrants to ensure that they are treated with no less dignity than native workers. In addition, countries are urged to promote, not hinder, family unity. John XXIII puts particular emphasis on the right of the family (as opposed to the individual) to migrate. To effectively guarantee a right to migrate, Paul VI recommends that provisions be made for families to join an immigrant in the host country.

Catholic social teaching advocates policies to guarantee the right of migration across national borders, to foster the integration of immigrants (who are permanent, presumably) into the host country’s society, and to mitigate the national economic disparities that spur people to migrate. A final point is worthy of mention. Catholic social teaching does not distinguish, as nations do, between economic migrants (who presumably have a claim on a host country’s welcome) and normal migrants. On the contrary, most of Catholic social teaching’s discussion of the right to migrate is conducted in the context of economic motives for migration. To Catholic social teaching, a country violates the rights of economic migrants when it returns them to their home country, even when they are in fact not fleeing violence or religious or political persecution.

Economics on Immigration

Current economic research recognizes no right to migrate, but it nevertheless offers a useful perspective on practical issues not fully addressed by Catholic social teaching: the causes of immigration, the effects of various immigration policies, and the assimilation process. It also raises some important normative issues not yet fully addressed by Catholic social teaching.

Why People Immigrate

In economic theory, immigration is a response to differences in opportunity across national borders. These differences may arise from several causes: (1) Poorly constituted economies (i.e., centrally planned economies) provide a lower
remittances. The prerogative of the family to build a better life cannot be abridged by the state. In Laborum Exercens, John Paul II makes this right very clear: “Man has the right to leave his native land for various motives—and also the right to return—in order to seek better conditions of life in another country.” Closely tied to the right of the family to immigrate is the right to economic initiative; in Sollicitudo Rei Socialis, John Paul II observes that many migrate because their right to economic initiative is unduly restricted in the home country. Thus, he argues, they may justly seek out alternate locations where this right may be exercised.

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At the same time, Catholic social teaching recognizes that migration is often a result of imbalances among nations. Migrants want to leave places where they are poor, and live in places where they are not. The popes blame economic backwardness on different causes. Leo XIII and John Paul II emphasize the internal suppression of property and initiative; John XXIII and Paul VI assign more blame to other countries in the international economic system. No matter what the cause, the elimination of the economic imbalances between nations (in economic terms, convergence) will reduce the incentive to migrate, without directly preventing people from migrating. Of course, eliminating incentives of absolute advantage across countries will not eliminate the incentives of individual comparative advantage.

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standard of living than well-constituted ones (i.e., mixed economies); (2) War, social unrest, and political or religious oppression lower the benefits of the country in which they take place; and (3) Even between countries that have identical free economic and political structures, differences in opportunities for individuals arise naturally from changes in technology and comparative advantage.

Mancur Olson argues convincingly that much of the difference between poor and rich nations is due to the first cause. It is not surprising, then, that much current immigration is from poorly managed economies to well-managed ones. The increasingly widespread adoption of free markets is beginning to address these imbalances. As countries open themselves up to the world trading system, there is some evidence that they will begin to catch up to the developed world.

Those counting on convergence to alter immigration patterns radically should not expect quick results. This convergence accords with the desire in Catholic social teaching to see economic imbalances disappear, but it will take many decades, since developing nations are so far behind the developed world. In the meantime, immigrants from countries that are recovering from poverty will want to immigrate to the developed world; even modestly wealthy economies such as Ireland and Korea are still sources of significant immigration to the United States. Moreover, as the global economy becomes more integrated, a lowering of barriers to international movements of labor will lower the costs of immigration; smaller economic differences between countries will still induce immigration.

Free Trade, Immigration, and Inequality

The increase in inequality within the United States over the past fifteen years, which is a result of the stagnation of wages at the lowest percentiles of the income distribution, has generated a debate in which immigration and free trade feature prominently. Because factor price equalization implies that under free trade the returns to scarce factors (in the United States, unskilled labor) decline, many look for evidence of a link between increased trade with developing countries and the decline in the wages of the unskilled. Labor and capital flows can have such a large effect as trade flows on returns to scarce factors, so many look to immigration to explain the stagnation of unskilled workers’ incomes.

This state of affairs reveals a tension, which is mentioned but not emphasized in the literature—namely, the greater the disruption in an economy induced by trade or immigration (measured by changes in prices, wages, and profits), the greater the net gains to natives from immigration. Thus, if no native workers are hurt by immigration, then there are no net gains to United States natives from immigration. This result may not hold under increasing returns, but increasing returns are probably not significant in the industries that hire most United States immigrants.

The literature on the effect of immigration on the wages of unskilled workers has taken a variety of empirical approaches, usefully summarized by Rachel Friedburg and Jennifer Hunt. The most that can be said is that immigration can account for perhaps one-quarter (and probably less) of the increase in United States inequality over the last fifteen years. If the rise in immigration cannot account for much of the relative fall in unskilled wages, then immigration does little to increase the aggregate incomes of natives. On the other hand, since immigration has had little effect on the wages of native unskilled labor, then there are no distribution-related grounds on which to object to it. Thus, one of the main objections to immigration (that it hurts unskilled native workers) has only weak empirical support.

Moreover, economic theory sets immigration policy in a broader context, within which the difficulty of reducing the effects of immigration on income distribution becomes apparent. Free trade in goods and free trade in labor and capital are interchangeable to a large degree in their effects on the economy. If immigration is found to have adverse distribution-related consequences, then the simple elimination of immigration would not eliminate the effects, unless free trade in goods and capital was similarly restricted. For example, if one does not want low-wage Mexicans working in United States tomato fields because one wants to preserve higher wages for native farm workers, one will have to restrict both immigration of Mexican farm workers and imports of Mexican tomatoes.

How Well Do Immigrants Fare? Assimilation and Welfare Participation

If people must immigrate, Catholic social teaching wants them to assimilate quickly into their new country. How well do immigrants assimilate in the United States? In economic analysis, assimilation is measured by the rate at which immigrant earnings catch up to native earnings, after an initial earnings disadvantage.

Before examining the literature on immigrant assimilation, it should be noted that for the many immigrants who return to their home country after immigration, assimilation is not the issue. Up to one-third of United States immigrants eventually return home. We do not know what proportion of this group intended a temporary migration when they arrived, and what proportion were disappointed by their experience in the United States. The size of the remigration flow, however, is such that one should not assume that all
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immigrants come to stay, a temporary migrant will invest in host-country skills (language and labor market) differently, and may have a very different assimilation profile.

When an immigrant arrives in the United States, he typically finds himself at an earnings disadvantage relative to native workers of similar education and labor-market experience. This disadvantage arises either because the immigrant does not possess certain types of human capital that are important in the United States market (language, knowledge of institutions) or because human capital produced at home (education, experience) transfers imperfectly into the United States. Over time, the immigrant-native earnings differential usually narrows, as immigrants gain host-country-specific education and experience. Both poor English language skills and residence in immigrant enclaves are associated with slower assimilation and slower adoption of English, but the direction of causation is not clear.

George Borjas offers evidence that recent immigrants (arrivals since 1965) are entering the United States at a larger earnings disadvantage, and, as a result, do not catch up to native earnings. These recent immigrants are more likely to come from Latin America and Asia, are less educated than previous immigrants, and are less likely to speak English. Robert Schoeni contends that only immigrants from Mexico and Central America (who make up 20 percent of male immigrants) fail to catch up to natives. The decrease in immigrant quality has led to calls for restrictions on the immigration of unskilled immigrants, and for a change in visa rules to attract more-skilled immigrants.

If we are to take Catholic social teaching at face value, the news that certain immigrant groups are adjusting to the United States labor market more slowly than others should not lead to calls for restrictions on the immigration of the lower quality immigrants. Evidence that a particular immigrant or immigrant group do poorly in the United States is not sufficient grounds on which to violate that immigrant's right to migrate, any more than evidence that a particular child will struggle in life is sufficient grounds to violate that child's right to life. If anything, such evidence calls for measures that might make assimilation easier, or to remove measures that impede assimilation. For example, Schoeni presents evidence that the wages of immigrants who are educated in the United States converge more quickly to native wages than the wages of those who are educated abroad, and that within immigrant groups, more highly educated immigrants assimilate more successfully than poorly educated immigrants. If this is true, then proposals to restrict the access of immigrant children to United States education will make the assimilation of those children significantly more difficult. If the correlation between English language adoption and assimilation reflects an underlying causal relationship, then immigrant children should learn English.

An important research question is how the children and grandchildren of immigrants fare. If the progeny of immigrants take on the lifestyle, language, and behavior patterns of natives, then the issue of immigrant quality is only a short-run concern. This literature is not extensive, and does not cover the children and grandchildren of the lower-quality immigrants targeted in the assimilation literature. George Borjas suggests that the earnings of second-generation immigrants converge toward those of natives, but that the differences may persist into the third or fourth generations. Depending on the size of the earnings differences that persist across generations, a shift in immigration policy toward skilled immigrants may matter little in the long run. In the short run, it is worth noting that a shift toward more highly educated immigrants (the abundant factor in the United States) would decrease the (already small) gains to immigration, unless there were significantly large external economies or capital complementarities to be gained in industries employing highly skilled people.

Another current concern about immigrants is their use of the United States welfare system. George Borjas and Lynnette Hinton show that immigrants receive cash and non-cash welfare benefits at higher rates than natives, and that the welfare participation rate appears to increase with time in the United States—some immigrant groups appear to assimilate into welfare. It is not clear what extent the higher rates are due to refugee use of the welfare system, or to higher use across all immigrant groups. In a survey article on the topic, Borjas makes it clear, despite the objections of Julian Simon, that higher rates of welfare participation translate into disproportional expenditures on immigrant welfare benefits. Although any calculation of net contributions to state and federal expenditures is necessarily fraught with strong assumptions, the net cost of immigrants on the welfare system is probably not large (Borjas estimates the net cost at $16 billion per year), although certain states bear those costs disproportionally.

Aside from the usual concern in Catholic social teaching that the poor and vulnerable be provided for, and the debate about whether the current welfare system in the United States is an appropriate response to poverty, Catholic social teaching's main concern with immigrant use of welfare should be whether the welfare system helps immigrants to adjust to the United States. The highest rates of welfare use are found among refugees, who have the strongest claim to direct aid from the system. However, the fact that refugees remain on welfare longer than other immigrant groups raises the question whether the welfare system...
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system in general helps immigrants to adjust to the United States. This is currently an open question; it may be that the system provides disincentives to work and to invest in human capital, or it may be that refugees are less able than other immigrants to adjust to the United States market.

Pressing Questions for Catholic Social Teaching

Economics can help Catholic social teaching in its attempt to direct immigration policy toward moral ends. As discussed above, economics can put into perspective the effectiveness of economic convergence in decreasing the rates of international migration; it can help Catholic social teaching to see labor flows as one of many interrelated flows (including goods and capital) that have similar effects in an integrated international economy; and it can provide empirical and theoretical help for understanding the effects of migration on host countries. However, there are several issues that economists cannot address, which remain for Catholic social teaching to resolve. The two most important of these issues are the standards of just compensation in an interrelated global economy, and the treatment of the rights of illegal immigrants who, in exercising their right to migrate, violate the laws of the host country.

John XXIII declared in Mater et Magistra (1961) that the social question had become global; the most pressing issue of economic justice was no longer the disparity of income between capital and labor in developed countries, but the differences in income across national borders. As all countries now become more closely tied to one another through flows of goods, labor, and capital, the distinction between the global and the local social questions becomes moot—the global social question manifests itself locally in an integrated world economy. When a developed economy opens its doors to the global economy (allowing labor and capital as well as goods to move freely), it creates an expanded economy in which a much larger proportion of the labor force is unskilled. The United States, for example, has increased the effective supply of unskilled workers to the United States economy, both through imports of goods made with unskilled labor, and through the immigration of unskilled workers. As noted above, empirical work on this issue has found relatively small effects of trade and immigration on unskilled labor in the United States, but the issue raises an important question that cannot be answered by economics. Do native unskilled workers have a claim to protection aimed at maintaining their living standards, even at the expense of unskilled workers in other countries, whose living standards are raised by trade with the United States? Do we have greater obligations to the unskilled textile worker in South Carolina than to the much poorer textile worker in South Asia?

Related to this question are the standards of justice that apply to workers in other countries, and to immigrants within the United States. What is a just wage for an immigrant from Mexico: the wage in Mexico, or the wage in the United States? If just compensation is defined in terms of the prevailing level (the level of a just wage grows in a growing economy, and does not remain at subsistence), then which country's standards should determine a just wage, a just level of access to health care, and other benefits? These are not questions for economists to answer, although economists can predict the effects of various programs aimed at meeting whatever standards of justice are appropriate.

The final issue warranting further consideration in Catholic social teaching is how economies should treat illegal immigration. A recent statement by John Paul II for World Migration Day 1995 reflects the ambivalence of Catholic social teaching toward illegal immigrants. Although he states clearly that “illegal immigration should be prevented,” thereby implying that states have a right to enforce restrictions on migration, he just as clearly states that illegal immigrants should be provided with “the necessary means of subsistence.” Furthermore, he attacks the growing hostility toward migrants seen in increased immigration restrictions as a barrier to solidarity.

Behind this ambivalence is a tension, as yet unresolved, between the rights and duties of immigrants, and the rights and duties of states. The right of a person to migrate conflicts with the duty to obey the laws of the country in which he or she lives. In reflecting on the Federal requirement that the state of California and the city of Los Angeles provide welfare benefits and education to illegal immigrants, a case can be made that poor Mexicans who remain in Mexico have a greater claim on the resources of the state than those who immigrate illegally, since Mexican non-immigrants are probably as needy, and they at least are not violating United States law.

Central to this issue is the prior question of whether restrictions on immigration can ever be just. If they are just, then people are obligated to observe them. However, if they are unjust, then immigrants may ignore them, only if greater harm (and scandal) does not come from breaking the law than from obeying it. Catholic social teaching is silent on this issue John Paul II in his World Migration Day message sympathizes with the pressures on countries to restrict migration, but at the same time suspects that the restrictions are too severe. Catholic social teaching should provide some guidance as to when migration restrictions are unjust; for example, it might make clear that restrictions on the rights of refugees to flee their country are unjust.
system in general helps immigrants to adjust to the United States. This is currently an open question; it may be that the system provides disincentives to work and to invest in human capital, or it may be that refugees are less able than other immigrants to adjust to the United States market.

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Notes

7. Ibid., no. 109.
8. Populorum Progressio, no. 67.
11. Octogesima Adveniens, no. 17.
12. Laborem Exercens, no. 23.
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