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## **Open the Doors**

**by Jim Rogers**

It seems like every time I open a newspaper or watch the news these days there's another story about a boat load of Haitians caught trying to make their way into the U.S. or the tale of a rail car full of Mexicans dying as they cross the border. Getting into our country, after all, is the dream of so many who want to start anew, or at least have a chance at a better life. The immigration issue is a topic of great debate among politicians and lobbyists, media pundits and scholars, conservatives and liberals alike, a controversy that strikes at the heart of this country's identity as a melting pot. It's also a particularly sticky issue these days, as visions of foreign terrorists continue to loom in our minds.

Those opposing immigration everywhere throughout history always use the same reasons especially "These immigrants are different from the ones before."

Remember how Americans complained bitterly that the Irish were "different" from previous immigrants when they came here in the mid-19th century? They were "drunks and outlaws and formed gangs". And, horror of horrors, they were a different religion; they were Roman Catholic. Then later we really got a wave of "different immigrants." We got Italians and southern Europeans who spoke different languages and ate smelly food and were "Papists"; "They could never be loyal Americans because they would obey Rome." "And they form gangs."

The anti-immigrant idea that they were different was so strong and lasted so long that it was inconceivable that a Catholic could be elected President for 170 years. Jack Kennedy changed that, of course, but was America destroyed from within or from without because we had Catholics invade our shores?

Later generations said the same about the Jews, the Chinese, the Eastern Europeans, the Poles, the Germans, the Ethiopians, the Cubans, the Dominicans, the Vietnamese, everyone at one time or another. "This group of immigrants is different from before" which really means they are a

different religion or ethnic group or linguistic group. "Their food smells bad and so do they" -- even though they work harder than anyone else just as all immigrants have had to do throughout history everywhere. For decades Asians could not even own property in the US because they were "different."

All of these arguments sound ludicrous now just as will the current set of "differences" seem absurd in a few years. In Schenectady the Mayor is out recruiting Guyanese immigrants now because they add so much to his city. I remember seeing on TV once a Cuban who had strapped himself to a barrel to get to America. The police arrested him as he washed ashore. I would have been there hiring him instead the moment he washed ashore.

Do we really think America would have been better off if we had kept out the Irish, Italians, Asians, Jews, Poles, Germans, Ethiopians, Dominicans, etc, etc. Should we send them all back? Every one of these groups and others were considered different at one time or another and many argued to close the doors because of them.

Here's my solution: Let 'em all in. Get rid of visas and passports. Do away with custom agents and the Immigration and Naturalization Service. Those people who are ambitious and brave enough to risk it all to get here are exactly the kind of people we want in this country. They are certainly the kind of people I would want working for me. That kind of enterprising attitude is exactly what made this country great. Plus, closing our doors to outsiders isn't going to make the U.S. any safer. No country in history has lost a war because of visas.

In fact, opening our borders to the free movement of labor may be the only way the U.S. is going to remain competitive in the coming century.

Tightening our borders is already hurting various sectors of our economy. Three of our best sources of foreign earnings are education, tourism, and medical care. U.S. schools and universities have attracted tens of thousands of students annually, but the influx has been cut severely. Foreign tourists are skipping the U.S. now since it is so hard to get in. The Mayo Clinic and others are suffering since many high-paying foreigners are not allowed in for treatment.

There are 30 million registered entries by foreigners into the U.S. every year. Yes, there will be some bad guys, but the alternative is impossible. Are we going to close our borders to all tourists, businessmen, sports teams, entertainers, etc.? Or are we all going to quit our jobs and patrol our 12,000 miles of borders to keep out and/or check people?

I know, I know. Such an idea is a tough pill for many to swallow these days. There's a distinct odor of protectionism and isolationism in the air. But those who believe that closing our borders to outsiders will serve the best interests of the country are ignoring some fundamental facts about immigration.

Immigration, after all, is one of the founding principles of this country. My guess is that the forbearers of just about everyone reading this magazine took a great risk once upon a time, coming across a dangerous ocean or a rugged border to get to America. Many of these people came with just the clothes on their back.

Today, there are about 33.1 million immigrants (both legal and illegal) living in the U.S. That means that roughly one in every eight people is foreign-born. Mexico, naturally, is the largest source of our immigrant population, with just under 10 million Mexicans living in the U.S., according to a recent study by the Center for Immigration Studies. Another 50,000 immigrants enter the U.S. annually through the State Department's Green Card lottery system, which admits people from countries with low-rates of immigration to the U.S.

Such a foreign presence within our borders may sound disturbing to some but the reality is that we need these people just as our forebears were needed. Don't think that these are just uneducated laborers, looking to steal American jobs. However, even the laborers are needed since Americans will not take many of the jobs preferring unemployment or welfare instead. Many immigrants are highly skilled workers who bring their talents (and their capital) where they can best be used. Of the legal immigrants living here in the U.S., 21 percent have at least 17 years of education, which often includes graduate or professional schools. Among Americans born here, only 8 percent can boast such expertise.

Before the economy went south, corporations across the country were clamoring for the State Department to raise the number of skilled laborers allowed in to the country. In 1999, Congress passed a bill that increased the number of H-1B temporary work visas, which allow skilled foreign laborers to live and work in the U.S. for up to six years. Heck, I'm not even sure there would have been a Silicon Valley if it weren't for all the computer programmers and engineers who immigrated to this country from places like China and India. At the moment, the tech industry is hurting but when the economy recovers and that sector revives, you can be certain that there will once again be a high demand for the kind of brain power that's often found in other countries.

"But Jim," the isolationists cry, "we don't want to lose our jobs to Mexicans and Canadians. We've got to keep immigrants out. We have to protect our economy."

Wrong.

Immigration is not about foreigners stealing American jobs. It's about having the workforce necessary to meet the many different niches of employment, from highly-skilled technicians to farm hands to child-care workers to nurses. We especially need them now since our low birth rate is undermining the solvency of the Social Security System and Medicare. I've made my pitch against protectionism and isolationism before but it's worth repeating: Closing our borders to foreign influence, whether it's in the form of goods and services or labor, is the worst we could do to our economy. History doesn't lie: In 1957, Ghana was the richest country in the British Empire. Then the government decided to completely close its borders to any foreign influence. What happened? Within a decade, Ghana was bankrupt. The same happened in Burma once it closed its borders. It does not take long to ruin a society once you close it off.

I've often preached in favor of free-trade zones and open markets where goods and services can move easily across borders. George Bush recently proposed eliminating all tariffs by 2015 in one of the most exciting proposals to emanate from Washington in decades. Why should labor be any different? Complicated laws limiting immigration naturally lead to illegal immigration and the black market madness which results whenever demand and supply are distorted. Prohibition did not work either. In the best of all possible worlds, the most talented labor will move to where it can best be put to use. Remember: One of the reasons the U.S. has been so successful is because we've always had complete mobility of labor. If you don't like living in New York, you can move to Texas to start a new life or get a new job. In other words, you can move where your talents best serve the marketplace.

Consider the alternative: Now when immigrants come here they pay taxes and spend money which helps our economy. If we keep them out, they will start companies and/or compete with us from abroad. Then we get no taxes and none of their money is spent here. Had you rather have the Indian engineers here paying taxes or staying home starting software companies taking jobs, taxes, and spending away from America?

The European Common Market is copying the very model we created, opening its borders and creating labor mobility. The EU was once only six countries; now it's 15. Within the next few years, it's likely to grow to at least 25 countries. As the EU has grown, the governments have removed restrictions on labor movement, so a computer programmer in Portugal can take his

skills to Ireland and find a job. Bigger markets ultimately lead to more competition, more efficiency, and lower costs for consumers.

I actually find the Irish example informative. They have never limited emigration out or immigration in and have benefited both ways. We in the US seem to be doing the opposite both ways. We are now limiting people coming here, but we are also making it illegal to leave or at least to leave with one's assets. The law now is such that Americans cannot leave the country and take their assets joining other countries with such laws as Iraq, North Korea, Cuba, Libya, Myanmar, Iran, and Argentina. The U.S. Government makes the exact same defense of this law as the East Germans did when they built the Berlin Wall.

The bottom line is that there's a proven link between economic prosperity and immigration: A good economy attracts talented immigrants (both as workers and as investors). At the same time, a constant influx of skilled labor helps an economy grow. Consider Ireland, a country that for the majority of the 20th century saw more people leave than enter the country. Its economy suffered. When the tech boom hit in the 1990s, Ireland became an economic tiger and skilled labor moved there in droves.

Those who opposed a more liberal immigration policy ultimately point to security as the biggest reason we should tighten our borders. After all, the man who shot and killed two people at the Los Angeles airport last July 4 was admitted through the Green Card Lottery. John Lee Malvo, the Washington D.C. sniper, was an illegal immigrant who somehow evaded the INS. Like everyone else, I certainly want to live in a safe environment, but remember "security" is a common ruse used by isolationists to promote various causes. Protectionists limit foreign mohair coming into the U.S. in the name of national defense. Even foreign sugar is limited in the name of security.

There is even a movement to deport immigrants because they are "dangerous," but we are much more likely to be murdered or harmed by family members or friends than by foreigners in the U.S. Shall we deport our mothers and children too?

That said, fear should not be used as excuse for what's best for our country and what's best for our society and economy. Let's not forget the events of Oklahoma City, which reminded us that terrorism is a domestic problem as much as an international one. The McVeigh family had been here for generations as had the family of John Allen Williams the mastermind of the D.C. snipers. The Unibomber was a former professor and Harvard graduate. The solution is not to close our borders. Instead, we need to have better policies and programs to insure freedoms and

prosperity here. Immigrants, legal or illegal are here to stay. That's not likely to change. I'm no expert, but I would imagine that we'd have better luck rooting out the bad seeds if we embraced those who want to come to our country, rather than having so many people try to slip in surreptitiously.

Short-sighted measures now will only hurt us in the end. Ben Franklin lived here in a period of wars and revolution. A third of the population opposed the Revolution and were "subversives." The colonies were surrounded on every border by enemies ready to destroy us. Things were much worse then, but he said it best: "They that can give up essential liberty to obtain a little temporary safety deserve neither liberty nor safety."

[Jim Rogers](#), an investment advisor who regularly appears on CNBC and Fox News, is the author of [Investment Biker: Around the World with Jim Rogers](#) and (upcoming in May) [Adventure Capitalist: The Ultimate Investor's Road Trip](#). This article appears on Mr. Roger's [website](#) and is reprinted here by permission.