

Economics of Immigration

Economics 114-Spring 2006

MWF 2:00 - 2:50 pm

Solis Hall Rm. 107

Instructor

Prof. Robert Duval-Hernández

rduvalhernandez@ucsd.edu

Center for U.S.-Mexican Studies (CUSMS) 111

Office Hours: Tuesdays, 1-3 pm

Teaching Assistants

	<i>OH's</i>	<i>Rm</i>	<i>Email</i>
Michael Futch	M & F 11-12:30am	Sequoyah 228	mfutch@weber.ucsd.edu
Karmen Suen	Tu & Th 12:30-2pm	Sequoyah 239	ksuen@econ.ucsd.edu
Choon Wang	M & W 3-4:30pm	Sequoyah 208	lwang@ucsd.edu

Objective

This course is an introduction to the economics of immigration. The focus will be on the United States and for the most part, on immigration in the last decades. This course aims to help you understand what are the economic causes of immigration, who are the immigrants that come to the US, what is their economic performance once they arrive, what is the impact of immigration on the US economy. I will also discuss what are the main immigration policy alternatives being discussed and what are their potential economic consequences.

Readings

Required Texts

[Bo] George J. Borjas: *Heaven's Door. Immigration Policy and the American Economy*, Princeton University Press, New Jersey, 2001 **(Required)**

[Han] Gordon Hanson *Why Does Immigration Divide America? Public Finance and Political Opposition to Open Borders*, Institute for International Economics, 2005 **(Required)**

In addition to these two textbooks, we will rely on book chapters, articles from academic journals and newspapers, working papers from research institutions, web-based documents, etc. The textbooks are for sale at the Price Center Bookstore. Most of the additional readings

are in the electronic reserve for the course <http://reserves.ucsd.edu>, otherwise they will be directly available from the internet.

Some of the readings are required, while others are optional but strongly recommended. The optional (but strongly recommended) ones will be covered in class. You will only be required to know what I cover in class about these readings.

I will post my Power Point presentations on my webpage. You should read them too.

Grading

There will be 1 midterm exam and 1 cumulative final exam. In addition to that, there will be 4 in-class reading quizzes to test your understanding of the readings, and to encourage you to read in advance and not procrastinate until the exams come. The date of the reading quizzes will not be announced in advance. The distributions of these 3 components will be the following:

Quizzes: 25%

Midterm: 35%

Final: 40%

Course Plan

(*) Required reading

A. Overview of Immigration Trends and Laws

“American immigration. Dreaming of the other side of the wire” *The Economist*, Mar 10th, 2005. (*)

[Han] Chapter 1 & 2 (*)

[Bo] Chapter 1 (*)

J.S. Passel & R. Suro, (2005), “Rise, Peak, and Decline: Trends in U.S. Immigration 1992-2004”, *Pew Hispanic Center Report*, <http://pewhispanic.org/files/reports/53.pdf> (optional)

George J. Borjas (2000) *Labor economics* Boston: Irwin/McGraw-Hill, 2nd Ed.
Chapter 9, Section 9-4 (optional)

B. Who Migrates? Skills and Nationality of the Immigrants

[Bo] Chapter 2 & 3 (*)

J.S. Passel & R. Suro, (2005), “Rise, Peak, and Decline: Trends in U.S. Immigration 1992-2004”, *Pew Hispanic Center Report*, <http://pewhispanic.org/files/reports/53.pdf> (optional)

George J. Borjas (2000) *Labor economics* Boston: Irwin/McGraw-Hill, 2nd Ed.
Chapter 9, Section 9-5 (optional)

Technical Interlude: Regression Analysis

George J. Borjas (2000) *Labor economics* Boston: Irwin/McGraw-Hill, 2nd Ed.
Appendix to Chapter 1: An Introduction to Regression Analysis (*)

C. Causes of Immigration

George J. Borjas (2000) *Labor economics* Boston: Irwin/McGraw-Hill, 2nd Ed.
Chapter 9, Sections 9-1, 9-3, 9-6. (*)

D. Chiquiar and G.H. Hanson, (2005), “International Migration, Self-Selection, and the Distribution of Wages: Evidence from Mexico and the United States”, *Journal of Political Economy*, vol. 113, pp. 239-281 (optional)

D. Labor Market Impact of Immigration

[Bo] Chapter 4 (*)

David Card (2005), “Is the New Immigration Really so Bad?” *Economic Journal*, Vol. 115, No. 507, Read pp. F300-F316 (optional)

E. Economic Benefits of Immigration

[Bo] Chapter 5 (*)

James P. Smith and Barry Edmonston, (1997), *The New Americans: Economic, Demographic, and Fiscal Effects of Immigration*, National Academies Press, Ch. 4, pp.135-146, 151-153 and Conclusions (*), the rest of the chapter is optional.

George J. Borjas (2000) *Labor economics* Boston: Irwin/McGraw-Hill, 2nd Ed.
Chapter 9, Section 9-7 (optional)

F. Public Finance and Immigration

[Bo] Chapter 6 (*)

[Han] Chapter 3 (*)

Tito Boeri, Gordon Hanson, and Barry McCormick, (2002), *Immigration policy and the welfare system*, New York: Oxford University Press, Chapter 11, pp. 207-231 (optional)

G. Impact of Migration on Sending Economies

Kurt Unger, (2005), “Regional Economic Development and Mexican Out-Migration”, N.B.E.R. Working Papers: 11432. (*)

H. Immigration Policy

[Bo] Chapters 10 & 11 (*)

[Han] Chapter 5 (*)

Esther Pan, "Q&A: HOMELAND SECURITY: U.S.-Mexico Border Woes", *New York Times*, February 22, 2006. (*)

I. Immigration and Public Opinion (time allowing)

[Han] Chapter 4. (*)

Robert J. Blendon, et. al. (2005), "Immigration and the U.S. Economy", *Challenge* Vol.48, No. 2 pp. 113-132. (*)