4

Public Preferences on Immigration Policy

Changes in US policy have led to more immigration overall and from Asia and Latin America in particular. Since poor countries tend to have populations with low educational attainment, it comes as little surprise that a large fraction of recent immigrants arrive with relatively little schooling. The influx of immigrants appears to have depressed average wages in the United States, and the largest wage losses have been borne by low-skilled native workers.

Immigration also appears to affect native incomes through its impact on public finances. US immigration policy increases the population of individuals who demand public services, the population of taxpayers who contribute to public coffers, and the population eligible to gain citizenship and to vote. In the absence of immigration, the short-run net tax burden on native taxpayers in the nation as a whole would have been smaller; in high-immigration states like California, the burden would have been considerably smaller.

The distributive consequences of immigration are likely to affect public attitudes about immigration policy. Kenneth Scheve and Matthew Slaughter (2001a, 2001b, 2001c) have found that less-skilled workers are more likely than high-skilled workers to favor reductions in immigration. This pattern is consistent with the adverse labor-market consequences for less-skilled workers of admitting more foreign workers. Evidence presented in chapter 3 suggests that taxpayers who bear the fiscal costs of immigration may have an incentive to join low-skilled workers in favoring the closing of US borders. This chapter will outline what economic theory has to say

about who will support and who will oppose immigration. I will then use data from the 1992 and 2000 American National Election Studies (NES) surveys to examine how individuals' views on immigration vary with their exposure to labor-market competition and public-finance pressures due to immigration. This analysis, which draws on the framework and results of Hanson, Scheve, and Slaughter (2005), will help characterize the political coalitions that are likely to form for and against open immigration policies.

Individual Preferences on Immigration Policy

To predict individual opinions about admitting foreigners to the United States, I will examine how immigration affects the determinants of an individual's income. This analysis, though simple, links the labor-market and public-finance impacts of immigration to individual well-being.

Individuals receive income from wages and salaries, the profits of businesses they own, interest or capital gains on investments, and transfers from the government in cash and in goods and services. The first three items are the main sources of individuals' pre-tax income. What individuals take home—their after-tax income—consists of pre-tax income less contributions to state and federal income taxes and payroll taxes. In sum, an individuals' total income has three components:

$$\text{Total income} = \text{pre-tax income} + \text{government transfers} - \text{tax payments}.$$

To relate an individual's total income to his or her overall well-being, it is important to acknowledge that the available data sources never report all the factors that affect individual outcomes. A simple way to signify such other factors is to express well-being as the sum of an individual's total income and other residual factors, denoted as E:

$$\text{Well-being} = \text{total income} + E.$$

The new term, E, encompasses multiple factors that vary individually, including the degree to which prevailing public policies reflect the individual's beliefs and preferences. For some people, E might include nonmonetary considerations, such as the impact of immigration on culture. Political conservatives may oppose immigration on ideological grounds even if they themselves benefit monetarily from open borders. Similarly, political liberals, multiculturalists, and members of families recently arrived in the United States may favor immigration even if it is not in their own economic self-interest. When it comes to empirical analysis, it will be important to account for these noneconomic considerations as fully as possible.

To return to the determinants of income, the difference between government transfers and tax payments represents the net fiscal transfer from the government to an individual, which may be positive or negative. Rewriting total income in terms of the net fiscal transfer changes the expression for well-being to

$$\text{Well-being} = \text{pre-tax income} + \text{net fiscal transfer} + E,$$

which reflects earnings in factor markets (pre-tax income), net receipts from the government (net fiscal transfers), and residual factors (E).

Naturally, pre-tax income is likely to be higher for individuals who are more skilled or possess greater financial assets or real-estate holdings. Net fiscal transfers are likely to be positive for low-income individuals, who tend to pay relatively little in taxes and to be eligible for cash benefits, Medicaid, the Earned Income Tax Credit, and other forms of assistance. Net fiscal transfers are likely to be negative for high-income individuals, who tend to make large tax payments and to be ineligible for means-tested benefits. Both low-income and high-income individuals and their families enjoy many types of public services that are not means-tested and not contingent on earnings, such as national defense, public safety, roads and bridges, public schools, parks and public spaces, and the like.

How does immigration affect individual well-being? To make our analysis concrete, let us compare the effects of immigration on two native-born individuals, a business executive with a college degree and a janitor who never finished high school. Both are men, live in Houston, and have two children and a wife who is not employed outside the home. Both are contemplating the impact of a 10-percent decrease in immigration on the family's well-being. The total impact of immigration on well-being equals the sum of its impacts on the three components:

$$\begin{gathered}\text{Change in well-being due} \\ \text{to a 10-percent decrease in immigration} = \\ \text{change in pre-tax income} + \\ \text{change in net fiscal transfer} + \text{change in E.}\end{gathered}$$

Consider the janitor. Immigration is concentrated among the low-skilled, and Texas is a high-immigration state. Thus a reduction in immigration would mean a smaller supply of low-skilled labor in Texas and less competition for the janitor in the labor market. This outcome would tend to raise his hourly wage and thus his pre-tax income. What about his net fiscal transfer? The janitor's low income may qualify him or his family for one or more types of social assistance. Since Texas neither provides generous benefits nor gives immigrants access to many benefits, as we saw in figure 3.2, a reduction in immigration would be unlikely to change the state supply of social assistance by much. Thus reduced immigration

would not greatly affect any public benefits the janitor's family receives, leaving his net fiscal transfer more or less unchanged. As for a change in E, it is impossible to determine without knowledge of the janitor's beliefs and values. As a residual term, the average change in E (after netting out the component that is common across individuals) is by definition zero, though it may be large in either direction for particular individuals. In sum, reduced immigration is likely to raise the janitor's pre-tax earnings and leave his net fiscal transfer unchanged, resulting in an improvement in his family's economic well-being. On purely economic grounds, the janitor appears likely to support greater restrictions on immigration.

A decrease in immigration is likely to benefit the executive less. Though a substantial fraction of immigrants are college-educated, these individuals apparently tend to specialize in engineering, medicine, math and science, and other technical areas. Thus reduced immigration would be unlikely to affect the competition that the executive faces in the market for managerial labor. By raising wages for low-skilled labor, however, reduced immigration would increase the labor costs the executive incurs in running his business and maintaining his home. Therefore reduced immigration is likely to reduce his pre-tax income. Again, because Texas does not provide generous benefits to immigrants and lacks a progressive income tax, a reduction in immigration would not lower his tax bill much, leaving the net fiscal transfer he makes to other households more or less unchanged. In sum, reduced immigration would be likely to undermine the executive's economic well-being. All else being equal, the janitor would be more likely than the executive to favor increased restrictions on immigration.

How would the outcome change if the janitor and the executive lived in California instead of Texas? California is also a high-immigration state, but unlike Texas it offers generous public benefits, makes many of these benefits available to immigrants, and finances them in part through a progressive state income tax. Reduced immigration would decrease the net fiscal drain on the state, leading to some combination of increased public services (perhaps including social assistance) and decreased taxes. For the janitor, reduced immigration would raise pre-tax income, as in Texas, but might also raise the net fiscal transfer he receives (if California uses part of the resulting fiscal gain to fund an increase in social assistance). If his net fiscal transfer rises, he would enjoy a larger increase in economic well-being in California than he would in Texas. Thus low-skilled, low-income workers in states that are generous toward immigrants may be more supportive of immigration restrictions than similarly situated workers in states that are not generous toward immigrants.

As for the executive, reduced immigration is likely to lower his pre-tax income, as in Texas, but might also lower his net fiscal transfer to other households (if California uses part of the resulting fiscal gain to support a decrease in tax rates). This outcome would yield a smaller decrease (or larger increase) in the executive's well-being than in Texas. Among high-

skilled, high-income workers, support for restrictive immigration policies is likely to be higher in states that are more generous toward immigrants.

To sum up the argument, there are two broad economic motivations for opposition to immigration. One is concern that immigration increases labor supply and thus exerts downward pressure on wages. Because low skills predominate among immigrants, low-skilled native workers are likely to be the population group most opposed to immigration on the basis of its labor-market consequences. Such opposition is likely to be most intense in high-immigration regions. A second motivation for opposition to immigration is its effect on public finances. States with large immigrant populations and generous welfare policies toward immigrants are likely to bear the highest fiscal costs associated with immigration. Individuals in more generous states are likely to be more opposed to a given level of immigration than individuals in less generous states. The more generous the state (and the more progressive the state's taxation of income), the stronger the opposition of individuals in high-income brackets is likely to be.

Public Opinion on Immigration

The NES surveys (Sapiro et al. 1998) contain extensive surveys of current political opinions based on an individual-level stratified random sample of the US population. These surveys report details about respondents' political values and beliefs, as well as their age, gender, race, ethnicity, educational attainment, occupation, industry of employment, and other characteristics. Regarding immigration, the NES asks,

> Do you think the number of immigrants from foreign countries who are permitted to come to the United States to live should be increased a little, increased a lot, decreased a little, decreased a lot, or left the same as it is now?

Data from the 1992 and 2000 NES jointly provide 3,400 observations on native-born US adults. I classify a respondent as favoring restrictions on immigration if he or she answers that the number of immigrants admitted to the country should be decreased either a little or a lot. This question calls for a respondent to reveal his or her general position on the proper direction for US immigration policy; it does not ask about the skill mix of immigrants affected by the policy. I make the assumption that respondents think any change in immigrant inflows would change the relative supply of less-skilled workers in the labor force, consistent with recent immigration patterns discussed in chapter 2.[1]

1. There are many reasons to be uneasy about the quality of the data in surveys of individual attitudes toward public policy. See Scheve and Slaughter (2001a) for an excellent discussion of how to interpret opinion surveys on changes in immigration policy or trade policy.

First, I examine the fraction of native-born respondents who favored new restrictions on immigration in 1992 and 2000 by three levels of education: those without a high-school diploma, those with a high-school diploma but not a college degree (who may have attended college), and those with a college degree. By virtue of their own skill profile, high-school dropouts are the group most exposed to the labor-market consequences of immigration; by virtue of their income-earning potential, college graduates are the group most exposed to the public-finance consequences of immigration. An alternative approach would be to classify individuals by income rather than education. Labor economists consider education a better indicator than income of the types of individuals with whom a respondent competes in the labor market. Income may fluctuate over time or across regions in response to economic shocks that also affect individual opinions about public policy, thereby complicating the analysis. Since education is highly correlated with income, the results are very similar if I use income level instead.

Preferences by Level of Education

Overall, the fraction of respondents favoring reductions in immigration was 50 percent in 1992 and 48 percent in 2000 (see table 4.1). In both years, the most highly educated were the least opposed to immigration. In 2000, the fraction of college graduates favoring reductions in immigration was 34 percent. That year, high-school dropouts were the most strongly opposed to immigration, with 59 percent favoring greater restrictions on the number of foreigners admitted. In 2000, the implied differential in support for immigration restrictions between high-school dropouts and college graduates was 26 percent, up from 8 percent in 1992.[2]

Why does educational attainment help predict opposition to immigration? Scheve and Slaughter (2001c) argue that low-skilled natives' opposition to immigration is attributable to the fact that their wages have been the most adversely affected by recent immigrant inflows. This interpretation is consistent with the theory presented earlier in this chapter. An alternative possibility is that education is correlated with political beliefs. More-educated individuals may be more tolerant of foreigners or more open to interacting with individuals from other ethnic groups (Hainmueller and Hiscox 2004), and thus less opposed to immigration. Based on the information in table 4.1, both interpretations appear valid. Gauging which has more empirical traction calls for a deeper analysis of the data.

2. These changes and those reported below are all statistically significant at conventional levels. (The one exception is the differential between high-immigration and low-immigration states in college graduates' support for immigration restrictions in 2000, reported in table 4.2.)

Table 4.1 Support for immigration restrictions by level of education, all respondents, 1992 and 2000 (percent)

Year	No high-school diploma	High-school diploma	College degree	Total
1992	47.7	55.0	39.3	50.2
2000	59.4	52.7	33.6	47.5

Notes: The data represent percentages of native-born respondents who stated a preference for reducing immigration by a little or a lot. *No high-school diploma* refers to respondents with up to 12 years of education but no diploma; *high school diploma* refers to those with 12 to 15 years of education; *college degrees* identifies those with 16 or more years of education.

Source: Sapiro et al. (1998).

Preferences by Size of a State's Immigrant Population

To determine whether the relation between education and opposition to immigration is grounded in economic concerns, I distinguished respondents living in states with large immigrant populations (over 10 percent of the state population, the mean national share in 2000) from those in states with small immigrant populations (less than 10 percent of the population).[3] Table 4.2 adds this regional dimension to the data in table 4.1.

Consider high-school dropouts. In 1992, 53 percent of high-school dropouts in high-immigration states favored restrictions on immigration, compared to 45 percent in low-immigration states. This amounts to an 8 percent differential between high- and low-immigration states (compare rows a and b in column 1). In 2000, the differential rose to 16 percent: 68 percent in high-immigration states and 52 percent in low-immigration states (compare rows c and d in column 1). The low-skilled thus appear to be much more uniformly opposed to immigration in states where they are likely to face greater labor-market competition from immigrants. They also appear to have become increasingly opposed to immigration over time: support for immigration restrictions rose by 15 percent (68 – 53) in high-immigration states and 7 percent (52 – 45) in low-immigration states. The time dimension is important, since labor-market competition from low-skilled immigrants increased considerably during the 1990s. Both across regions and over time, the opposition to immigration of low-skilled natives appears to

3. These results are not very sensitive to how high-immigration states are defined. In unreported results, I tried alternative splits of the data, classifying states as high-immigration based on threshold immigrant population shares of 12.5, 15, or 17.5 percent; on year-specific thresholds (equal to the national mean immigrant population share for that year); and on thresholds specific to the year and education category of the respondent (the national mean immigrant population share in the respondent's education group for that year). The results for each of these splits are strikingly similar to those reported in tables 4.1 through 4.4.

Table 4.2 Support for immigration restrictions by level of education and size of state immigrant population, 1992 and 2000 (percent)

Year	Size of state immigrant population	(1) No high-school diploma	(2) High-school diploma	(3) College degree
1992	(a) Low	45.4	55.3	38.3
	(b) High	52.9	54.5	40.3
2000	(c) Low	52.1	55.5	33.2
	(d) High	68.4	49.8	33.9

Notes: The data represent percentages of native-born respondents who stated a preference for reducing immigration by a little or a lot. *No high-school diploma* refers to respondents with up to 12 years of education but no diploma; *high-school diploma* refers to those with 12 to 15 years of education; *college degree* identifies those with 16 or more years of education.

In states with high immigrant populations, immigrants represent over 0.104 percent of the population (the US mean in 2000). States with high immigrant access to public assistance are those listed in the four upper-right cells of figure 3.2.

Source: Sapiro et al. (1998).

be strongest where labor-market competition from immigrants is most intense.

Among college graduates, opposition to immigration is also stronger in high-immigration states, but the regional differential is much weaker than for high-school dropouts. In 1992, 40 percent of college graduates in high-immigration states favored restrictions on immigration, compared to 38 percent in low-immigration states, a differential of 2 percent. In 2000, the regional differential was again small: Support for immigration restrictions dropped to 34 percent in high-immigration states and 33 percent in low-immigration states. Over time, it appears, more-skilled workers became less opposed to immigration. One possible explanation is that welfare reform softened high-skilled, high-income individuals' opposition to immigration. I will evaluate additional evidence on this interpretation below.

Preferences by Immigrants' Access to Public Services

The size of a state's immigrant population is only part of the story about the economic consequences of immigration. Though labor-market effects are likely to be more pronounced in states with larger immigrant populations, the public-finance consequences depend not just on the size of the immigrant population but also on immigrants' eligibility for public services. As we saw in figure 3.2, high-skilled, high-income workers are more exposed to the fiscal consequences of immigration in states like California than in states like Texas. It makes sense, then, to further differentiate states by the generosity of their welfare programs. Table 4.3 distinguishes respondents

Table 4.3 Support for immigration restrictions by level of education, size of state immigrant population, and immigrant access to public assistance, 1992 and 2000 (percent)

		Size of state immigrant population					
		No high-school diploma		High-school diploma		College degree	
Year	Immigrant access to public assistance	(1) Low	(2) High	(3) Low	(4) High	(5) Low	(6) High
1992	(a) Low	42.3	51.1	54.2	56.1	39.9	30.8
	(b) High	53.7	61.8	58.5	52.3	32.9	48.1
2000	(c) Low	53.1	68.0	56.3	50.2	34.0	30.3
	(d) High	46.2	69.2	52.6	49.3	30.6	37.4

Notes: The data represent percentages of native-born respondents who stated a preference for reducing immigration by a little or a lot. *No high-school diploma* refers to respondents with up to 12 years of education but no diploma; *high-school diploma* refers to those with 12 to 15 years of education; *college degree* identifies those with 16 or more years of education.

In states with high immigrant populations, immigrants represent over 0.104 percent of the population (the US mean in 2000). States with high immigrant access to public assistance are those listed in the four upper-right cells of figure 3.2.

Source: Sapiro et al. (1998).

along four dimensions: year, education, size of the state's immigration population, and that population's access to social assistance. I classify access to social assistance as high if the state falls into one the four upper-right cells in figure 3.2—that is, if the state provides more generous public benefits and makes those benefits more available to immigrant households.

Among high-school dropouts, opinions on immigration policy depend strongly on the size of the state immigrant population, as we saw in table 4.2. High-school dropouts' support for restrictions on immigration is much stronger in states with large immigrant populations, regardless of immigrants' level of access to public benefits. The differential between high-immigration and low-immigration states in the level of high-school dropouts' support for immigration restrictions (compare columns 1 and 2 by row in table 4.3) is similar in high-access and low-access states, ranging only from 8 percent to 9 percent in 1992 and from 15 percent to 23 percent in 2000. In contrast, the differential between high-access and low-access states (compare rows a and b and rows c and d in column 1) reveals no discernible pattern over time. For high-school dropouts, the potential labor-market consequences of immigration appear to be a strong predictor of support for immigration restrictions. However, there is no consistent evidence that their opinions on immigration are related to immigrants' access to public assistance.

Among college graduates, what appears to matter for preferences on immigration policy is the interaction between the size of the immigrant population and immigrants' access to public benefits. In neither 1992 nor 2000 is there a consistent difference in support for immigration restrictions between low-immigration and high-immigration states (compare columns 5 and 6 in rows a and b or in rows c and d) or between low-access and high-access states (compare rows a and b or rows c and d in columns 5 and 6). In both years, however, support for immigration restrictions is strongest in states that are both high-immigration and high-access. In high-immigration states, college graduates' support for immigration restrictions is higher in high-access states by 17 percent in 1992 (compare rows a and b in column 6) and by 7 percent in 2000 (compare rows c and d in column 6). Similarly, in high-access states, support for immigration restrictions was higher in high-immigration states by 15 percent in 1992 (compare columns 5 and 6 in row b) and by 7 percent in 2000 (compare columns 5 and 6 in row d).

In high-immigration/high-access states, more-educated workers are relatively exposed to the fiscal costs associated with immigration by virtue of their high incomes. If college graduates were uniformly more supportive of immigration restrictions across all high-immigration states—irrespective of their generosity—there would be no indication that the fiscal burden of immigration motivates their opposition to admitting foreigners. Similarly, were college graduates uniformly more supportive of immigration restrictions across all high-access states—irrespective of the size of the state immigrant population—it would also be difficult to make inferences from this test about the motivations for their policy preferences. That high-skilled individuals' opposition to immigration is strongest in states where immigrants represent a larger fiscal burden, and not simply in states where immigrants have a larger presence, suggests that the public-finance consequences of immigration are an important factor in shaping their policy preferences.

Table 4.3 also provides clues about why high-skilled workers' support for immigration restrictions has fallen over time. Among college graduates, the largest reduction in support for immigration restrictions occurred in high-immigration/high-access states (compare rows b and d in column 6). This decline of 11 percent accounts for much of the overall decline in college-graduate support for immigration restrictions evident in table 4.1. Natives in high-immigration/high-access states were those most likely to benefit from federal welfare reform's restrictions on immigrant access to public benefits. As was seen in figure 3.1, usage of social assistance by immigrant households declined relative to that of native households for all categories except Medicaid after welfare reform.

One interpretation of the results in table 4.3 is that welfare reform reduced high-income respondents' exposure to the fiscal costs of immigration, softening their support for immigration restrictions. Obviously, one

Table 4.4 Support for immigration restrictions excluding very conservative and very liberal respondents, 1992 and 2000 (percent)

		Size of state immigrant population					
		No high-school diploma		High-school diploma		College degree	
Year	Immigrant access to public assistance	(1) Low	(2) High	(3) Low	(4) High	(5) Low	(6) High
1992	(a) Low	43.3	52.4	54.3	55.8	39.1	30.2
	(b) High	51.3	56.7	58.9	53.2	33.8	46.7
2000	(c) Low	53.9	67.4	58.6	52.5	32.8	30.1
	(d) High	46.2	70.8	52.4	50.6	30.8	36.6

Notes: The data represent percentages of native-born respondents who stated a preference for reducing immigration by a little or a lot. *No high-school diploma* refers to respondents with up to 12 years of education but no diploma; *high-school diploma* refers to those with 12 to 15 years of education; *college degree* identifies those with 16 or more years of education.

In states with high immigrant populations, immigrants represent over 0.104 percent of the population (the US mean in 2000). States with high immigrant access to public assistance are those listed in the four upper-right cells of figure 3.2.

Source: Sapiro et al. (1998).

should be cautious about such an interpretation. During the 1990s many other factors changed across states, and table 4.3 controls only for education, the size of a state's immigrant population, and immigrants' access to state benefits. As I will discuss below, the large decline in support for immigration restrictions among college graduates in high-immigration/high-access states holds up in regression analysis when additional controls are introduced (Hanson, Scheve, and Slaughter 2005). Nevertheless, there may be other influential factors for which I have not accounted. This leaves us with intriguing but still tentative evidence that welfare reform may have reduced support for immigration restrictions.

The Relationship Between Preferences and Ideology

Tables 4.1 through 4.3 do not control for the political beliefs and values of respondents. More conservative individuals may choose not to live in states with large immigrant populations or generous public benefits; more liberal individuals may be more willing to live in high-immigration states or those with generous benefits. A related possibility is that the political beliefs of a state's native residents affect how friendly its policies are toward immigrants. Both possibilities could artificially inflate observed regional differences in public opinion about immigration policy.

To control for the possible effects of ideology on my results, table 4.4 replicates table 4.3 but excludes individuals who describe themselves as

either very conservative or very liberal; these two groups jointly account for 10 percent of the sample. The pattern of support for restrictions on immigration shown in table 4.4 is very similar to that in table 4.3. Thus ideology does not appear to be driving the results reported in tables 4.1 through 4.3. Even excluding individuals who describe themselves as conservative to very conservative and liberal to very liberal—38 percent of respondents—the results are very similar.

Econometric Analysis of Individual Preferences

Even with controls for ideology, the analysis reported so far is somewhat crude. A more rigorous approach would be to model individual preferences on immigration policy econometrically. Hanson, Scheve, and Slaughter (2005) use the 1992 and 2000 NES data to estimate the probability that a given respondent favors restrictions on immigration as a function of individual characteristics (age, education, gender, race, ethnicity, ideology, employment status), characteristics of the state in which the respondent lives (size of the immigrant population, generosity toward immigrants), and other factors. Their results are consistent with those presented here, suggesting that additional controls would not change the key qualitative findings.

Hanson, Scheve, and Slaughter find stronger support for restrictions on immigration among the less educated, whites, union workers, unemployed workers, and political conservatives. Clearly, individual circumstances matter in policy preferences. Support for immigration restrictions is also stronger in states with larger immigrant populations and those where immigrants have greater access to public benefits. In high-immigration states, it is the least-skilled individuals who are relatively more opposed to immigration. This finding is consistent with the hypothesis that political opposition to immigration arises in part from its impact on labor-market competition. In those states characterized by both larger immigrant populations and greater generosity, it is the more skilled who are relatively more opposed to immigration. In these states, opposition to immigration may be due in part to its effects on the net fiscal burdens of existing native residents. Between 1992 and 2000, less-skilled natives became more opposed and high-skilled natives became less opposed to immigration. Again, there are important differences in these changes across states. In high-immigration/high-access states, most skill groups became less opposed to immigration; the largest changes occurred among college graduates, the group most exposed to the fiscal effects of immigration on income taxes. This finding is consistent with the hypothesis that welfare reform has softened opposition to immigration in states where the fiscal consequences of immigration are most acute. In sum, though political beliefs almost surely play a role in opinions on immigration policy, the edu-

cation cleavage seems very consistent with economic concern about labor-market and public-finance pressures.[4]

The economic consequences of immigration appear to affect public opinion about admitting foreigners to the United States. Individuals are more supportive of restrictions on immigration if they are more exposed to the labor-market consequences of immigration—as are low-skilled natives in states with large immigrant populations—or to the public-finance consequences of immigration—as are high-skilled natives in states with large immigrant populations and generous public assistance for immigrants. There is some evidence, however, that changes in policy affect individual policy preferences. After welfare reform, which restricted immigrants' access to public benefits, opposition to immigration fell among those most exposed to the fiscal costs of admitting foreigners. It appears that one key to generating greater support for immigration would be to reduce its adverse effects on the labor-market earnings and fiscal burdens of US residents.

4. See Scheve and Slaughter (2001a, 2001c) and Hanson, Scheve, and Slaughter (2005) for further discussion.