



Book Review: The Economics of Immigration.

Bansak, Cynthia, Simpson N. & Zavodny, M. (2015). *The Economics of Immigration*. London and New York: Routledge: 338 pages. ISBN: 9780415747066.

The *Economics of Immigration* by Cynthia Bansak, Nicole Simpson, and Madeline Zavodny is written as an undergraduate economics textbook, presenting theoretical and empirical approaches used in the economics of immigration. The authors did an excellent job in reaching their target audience, highlighting the important issues surrounding immigration and labor markets, and bringing attention to the growing body of research in this area. While the book might not be very interdisciplinary and lacks a significant gender component, these are not major problems since instructors can always add supplemental readings to their courses.

The economics of immigration has been a significant area of research in the field of labor economics for several decades. Many colleges and universities offer courses on migration at both the graduate and undergraduate level and economists continue to research both traditional and contemporary topics related to migration. Until recently, there were few books on the economics of immigration that could be used as a textbook for a migration course or as a survey resource for academic researchers. George Borjas' *Immigration Economics* (2014) and Orn Bodvarsson and Hendrik Van den Berg's *The Economics of Immigration: Theory and Policy* (2009) are appropriate books for graduate-level courses and for use by academic researchers studying the economics of immigration. *The Economics of Immigration* by Cynthia Bansak, Nicole Simpson and Madeline Zavodny is the first textbook aimed at undergraduate students taking an introductory course on the economics of immigration and/or for students taking undergraduate or graduate-level interdisciplinary courses on immigration. I believe the authors have been successful in their goal of creating a thorough and highly accessible introductory text. The authors keep the mathematical analysis to a minimum and expound on concepts and topics that other books gloss over or fail to acknowledge. In addition, the textbook is accompanied by a set of ancillary resources for both instructors and students that include Power Point slides of tables and figures, links to various sources of immigration data, and problem and discussion questions for each chapter.

The textbook is divided into six parts with the first part focusing on trends in immigration. Chapter 1 discusses the importance of studying the economics of immigration and introduces the basic model of immigration. The authors are forthright in what the book does not cover, such as humanitarian issues. It is noteworthy that the authors have included a section in Chapter 1 on the "economics of immigration terminology"

(pp. 9-10). In the process of addressing several immigration-related terms, the authors also take the time to address different ways in which we refer to immigrants who are not legally present in a destination country. This is particularly important for an introductory course or an interdisciplinary course. Chapter 1 also includes a useful appendix that introduces the basic microeconomics tools that students will need to understand the economic models presented throughout the book. Chapter 2 begins with a nice overview of push and pull factors that guide the migration decision and then segues into detailed discussion of the roles that immigration policies and migration costs play in the decision to become an immigrant. I appreciate that the details are provided in these subsections. For example, rather than just skimming over the impact of migration costs, the authors present a detailed discussion of the costs of entering the country illicitly and highlight the unintended consequences of an increase in these costs, such as human trafficking and death (pp. 31-32). The chapter concludes with a presentation of the economic models used to understand the decision to migrate and the empirical evidence in support of these models. The models are presented in a thorough, clear, and non-technical way. Finally, Chapter 3 addresses where immigrants reside and how long they stay in the destination country. Although these topics could have easily been incorporated into the first two chapters of the textbook, the authors' decision to cover them in a separate chapter provides the novice reader with a thorough discussion of topics that influence where migrants choose to reside, such as the roles of networks, welfare programs, and immigration policies. Having a separate chapter also allows for a detailed discussion of immigrant destinations within countries as well as repeat and return migration.

Part II of the textbook (Chapters 4-6) is devoted to immigrant selection and assimilation. This section of the book is the most technical. However, the authors provide straightforward descriptions of the economic models that are appropriate for students with limited economics training. The section titled "Selection among Mexican-U.S. immigrants" is an important part of Chapter 4 because it highlights research that suggests that migrants from Mexico to the U.S. may be intermediate or positively selected rather than negatively selected, as suggested by the standard model's predictions. Although the authors argue that, despite this research, Mexico-U.S. migration still remains negatively selected, additional details from the Daniel Chiquiar and Gordon Hanson (2005)'s study would have been useful for the reader. Chapter 5 provides a nice overview of the issues related to the assimilation of migrants. Chapter 6 addresses the second generation. I particularly appreciated the discussion of ethnic attrition in this chapter, as it illustrates a more recent and interesting area of an on-going research in the intergenerational progress of immigrants. However, readers might benefit from additional discussion about the intergenerational progress among various ethnic groups. This would allow readers to see how the achievements or lack of them, across generations differ by ethnicity.

The third part of the textbook (Chapters 7-9) addresses the labor market effects of immigration, with Chapter 7 devoted to the theory and Chapter 8 to a discussion of the empirical evidence. The review of the theory

and empirical evidence is accurate and presented in an uncomplicated way. In addition, the theoretical and empirical coverage is more in depth than one might find in a chapter on migration in a typical labor economics textbook; at the same time, it doesn't dominate the coverage of the book. The appendix to Chapter 7 is more technical and covers production functions where advanced students will find it useful. Advanced students might also appreciate a similar appendix for Chapter 8, with a focus on the basics of regression analysis.

Other effects of immigration are addressed in the fourth part of the book (Chapters 9-11). The authors do a good job in Chapter 9 of addressing how immigration affects housing, prices of goods and services, product diversity, international trade, financial markets, physical capital, technology, income inequality and growth. The section on the Solow model is a bit more technical than other sections and may be better suited for an appendix. Some users of the textbook might also want to see a discussion of the impact of immigration on poverty since economists have recently explored the ways in which immigration can affect poverty levels in the destination country. Chapter 10 addresses the fiscal impacts of immigration and Chapter 11 focuses on topics such as the brain drain and immigrant remittances. Given the complications associated with measuring the fiscal impact of migration, Chapter 10 might be more accessible to students with only a basic understanding of economics if the sections of the static account method and dynamic modeling were moved to an appendix.

The fifth part of the book (Chapter 12) is novel in that it surveys research that goes beyond standard measurements of the labor market impacts or fiscal effects of immigration, such as how happiness influences migration or is influenced by immigration. This is an important chapter because it demonstrates the breadth and scope of the economics of immigration and will help guide students in developing their own research ideas. Other topics included in this chapter include the impact of immigration on education systems, health outcomes, fertility, crime, and issues of human trafficking.

The textbook concludes with two chapters that explore immigration policy. Chapter 13 focuses specifically on U.S. immigration policy. The chapter begins with a brief discussion of the history of U.S. immigration policy. Given the dynamic and evolutionary nature of immigration policy, students might benefit from additional details on the history of U.S. immigration policy and a discussion of the ethnic groups specifically affected by those policies. In addition, the discussion of current immigration issues could be strengthened if the authors focused less on immigrant visas and more on policies with regard to unauthorized immigrants and the direct and unintended consequences of those policies. I found Chapter 14 to be very useful in that it provides students an opportunity to compare immigration policies across countries.

Overall, the book is particularly effective at presenting formal economic models in an understandable way and at providing a well rounded synthesis of the research on the economics of immigration. The authors also introduce readers to a larger range of topics and provide thorough discussions of topics that other books gloss over or fail to acknowledge. Although some sections of the textbook may appear to be repetitive, these sections

serve as useful summaries that link chapters together, which can be advantageous for students studying this topic for the first time. Another unique feature of the textbook is the authors' choice to discuss unauthorized migration throughout the book rather than to devote a separate chapter to it as other books tend to do. Doing so provides instructors an opportunity to discuss unauthorized migration throughout a course and not just at the end. There are limited references to gender-related immigration research. Although the authors mention the issue of the impact of women's rights in the country of origin on emigration (pp. 45), provide a short discussion on the assimilation of migrant women (pp. 112-113), and examine the joint decision to migrate (pp. 38), readers would profit from further discussion of gender dynamics given that the share of women in the world's migrant stock is close to half and more women are migrating for economic purposes and not just to accompany spouses. For example, in Chapter 4 on the selection of migrants, it would be useful to reference research that shows that the selection of women may be different from that of men. Or, in Chapter 11, it might be useful to discuss studies on how the gender of the household head and remittances affect budget allocation or how the gender of the remitter shapes these allocations. The textbook also lacks an interdisciplinary approach to the topic. Although the authors state from the outset that the focus is on the economics of immigration through the lens of neoclassical economics, readers might benefit from references to studies in sociology and other disciplines. Immigration is complex and at times, we need to go beyond traditional mainstream economics to accurately understand the causes and effects of immigration as well as the consequences of immigration policy. However, instructors can easily address both of these drawbacks by providing supplemental readings for students.

Mary Lopez
Associate Professor
Occidental College
Los Angeles, CA 90041

References:

Borjas, George J. (2014) *Immigration Economics*, Harvard University Press.

Bodvarsson, Örn B. and Hendrik Van den Berg (2009) *The Economics of Immigration: Theory and Policy*, Springer-Verlag New York.

Chiquiar, Daniel and Gordon Hanson (2005) "International Migration, Self-Selection, and the Distribution of Wages: Evidence from Mexico and the United States", *Journal of Political Economy*, Vol.113 (2), pp.239-281.