

OPINION

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Dollars and Deaths: Demographic Trends Show We Need Immigration Reform

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Overlapping silhouettes of elderly or old age people. DigitalVision Vectors/Getty Images

Data can tell us a lot about this country. Demographic data can tell us where we're headed. And what the data say today is that significant policies are not going to keep up.

May 11 marked the end of the COVID-19 public health emergency. The data supported this decision, as the number of deaths attributed to COVID-19 have plummeted, hospitals are no longer being overwhelmed with COVID-19 patients, and the nation is returning to a semblance of normalcy.

Yet, remnants of the pandemic persist, influencing society, reshaping the economy, as well as impacting our nation's health and wellbeing.

People have become accustomed to working remotely, with over one-quarter of American workers continuing to do so. Many employees even remain resistant to returning to their offices. The “stay-at-home” mentality coupled with the digital economy provided tailwinds to the Great Resignation. This in turn has fueled growth in the gig economy as a means to supplement or earn a living on one’s own terms.

The Centers for Disease Control and Prevention (CDC) reported that life expectancy at birth has dropped for two consecutive years to levels last seen in the mid-1990s. The pandemic certainly contributed to this decline. However, other factors appear to be playing a role, with the net effect of erasing health and medical advances that will likely take years to be recouped.

Some of these factors include obesity, which continues to ravage the health of the population. Over 41% of the adult population now meet the criteria for obesity, based on a 2021 CDC survey. Obesity contributes to a reduction in both quality and quantity of life for many of those afflicted.

The number of preventable deaths in 2021 was over 224,000, an increase of almost 12% from 2020 and the highest number ever recorded. This included firearm deaths (which exceeded 45,000), drug overdoses (which exceeded 98,000), and automobile accident deaths (which were estimated to exceed 42,000).

With a persistently aging population comes higher medical costs that will further strain government (and private sector) resources, contributing to growing federal deficits. This will drive the federal debt even higher, requiring more debt ceiling debates in the future that consume the energy and attention of our elected officials in Washington. Given that every debt ceiling debate results in the debt ceiling inevitably being raised (is there really a choice?), it makes sense to eliminate the debt ceiling completely or set the debt ceiling limit to be some arbitrarily high figure, like three times the gross domestic product. The opportunity cost for these periodic and frequent debates is sufficiently large that eliminating them would be a sound policy and a better use of time spent by legislators in Congress, rather than as a negotiation lever.

Then there are entitlement programs like Social Security and Medicare, which are designed with components that resemble pyramid plans, where many people contribute, while only a small group collects benefits today. Although bookkeeping gives the impression that there is a repository of money held in Social Security Trust Funds, the federal government uses such money to run the government, effectively borrowing from these funds to meet current expenses. As these trust funds begin to show annual deficits, this points to a dour view of their future.

Preserving the economic structure of these programs requires an influx of a growing number of young contributors who will not collect any benefits for decades. Yet, the number of births in the United States have been on a mostly downward trend since 2006, although a pandemic bump lifted the number of births in 2021. Given all these trends, immigration reform is critical to keep Social Security and Medicare operating and solvent.

For this to work, another much-needed adjustment to keep these programs solvent is a change in the formulae used to pay Social Security benefits for future retirees and beneficiaries. The recent

drop in life expectancy will help improve Social Security's fiscal health since older Americans utilize this program until their death, although the impact of this will take years to accrue. What is needed are bipartisan- changes, including revamping benefits that align with and are updated based on factors like the most recent life expectancy numbers.

Historically, the United States has been labeled as a nation of immigrants, with nearly 14% of the current population being foreign-born. But earlier in the nation's history, every person who came to the nation was an immigrant. Today, immigration reform has become politicized as a divisive issue. It does not need to be.

Numerous industries rely on immigrants to fill their workforces. These include the food packing and service industries, apparel manufacturing, and health services. Tech industries also need immigrants to fill many of their positions.

Some immigration opponents argue that immigrants are taking jobs from Americans. The data does not support this position. The Bureau of Labor reported that there were over 10 million job openings in April 2023, with just under 6 million unemployed American workers available to fill them. Everyone can compete for any job, provided they have the necessary skills, training, interest and aptitude. If immigrants are more qualified to fill positions, they add tremendous value to society. Given the current labor shortage, immigrants are needed just to fill existing positions.

Immigration reform should be a top priority in Washington. Every person in the nation would benefit from sensible immigration policies. Without such reforms, unfilled labor needs, as well as programs like Social Security and Medicare, are all at risk.

Although the future may appear dark, the fact that something can be done to remedy the situation for everyone's benefit gives our elected officials a path forward to make a difference. The question is whether they are willing to traverse it amidst all the political landmines that it entails.

This is why our democracy is designed for these lawmakers to represent the people and the interests of the nation. Perhaps someone should remind lawmakers in Congress about that and what they are paid to do.

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