#### **TRANSCRIPT**

#### The Work Goes On

**Guest Host: George Borjas** 

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# **George Borjas:**

I think illegal immigration really contaminates the whole debate. It's very hard to talk about what kind of immigration policy to have, and what's the best thing for us, if your border is sort of wide open.

# **Orley Ashenfelter:**

Welcome to <u>The Work Goes On</u>, a podcast from the <u>Industrial Relations Section at Princeton University</u>. I'm your host, <u>Orley Ashenfelter</u>, the Joseph Douglas Green 1895 Professor of Economics emeritus at <u>Princeton University</u>.

In this podcast series of conversations with leading thinkers and practitioners, we are creating an oral history of an entire generation of industrial relations experts and labor economists whose contributions to their fields have been absolutely extraordinary.

Our guest today is <u>George Borjas</u>, Scrivner Professor of Economics and Social Policy at <u>Harvard's Kennedy School</u>. He is renowned for his work in labor economics and especially for his work on the economics of immigration. George, welcome to <u>The Work Goes On</u>.

#### **George Borjas:**

Thank you so much, Orley. Thank you so much for having me.

# **Orley Ashenfelter:**

Let's begin the discussion by talking about your background, which I know is interesting. Where did you grow up?

#### **George Borjas:**

I grew up until the age of 12 in Cuba, and my childhood coincided with Castro's takeover, and when Castro took over, my family used to be a capitalist kind of family. They owned a very, very small clothing factory, which immediately got confiscated by the Castro government.

In fact, I remember vividly the truck coming in one day to the factory, and picking up all the sewing machines. They manufactured men's jeans. So, I'm actually a labor economist, Orley, who's been inside a factory many, many, many times, unlike most of us. And then, we got kicked out, and I came to Miami, right after I turned 12.

# **Orley Ashenfelter:**

That's so interesting. But I know that you somehow ended up outside of Miami.

Υ	e	s	

In New Jersey, I guess.

#### **George Borjas:**

That's exactly right. What happened was that my mother couldn't get a job in Miami, basically, and we stayed there for about a year, a year and a half. And then, one of her sisters had migrated and had settled in Hoboken, of all places, which in those days, is not the Hoboken of today, okay? Trust me.

# **Orley Ashenfelter:**

I know we had Marjorie McElroy on and she had a similar experience in New Brunswick, which was not what she was familiar with.

# **George Borjas:**

It's exactly the same, exactly, except Hoboken now is really quite an area to be able to live in, right? But anyway, so I ended up in Hoboken, because my mother could get a job there.

Then I went to St. Peter's College, which was in Jersey City, very close to where I lived, which was really the only college that gave me money, and we didn't have any money at the time, and that's where I ended up. And then I was able to go to Columbia after that.

# **Orley Ashenfelter:**

Now, St. Peter's College, I was always interested in the fact that you went there. I think it's now called St. Peter's University.

#### **George Borjas:**

That's correct. They're big in basketball these days, I believe, every once in a while.

# Orley Ashenfelter: I think so.

# George Borjas:

Yes.

# **Orley Ashenfelter:**

It's a Jesuit school.

# **George Borjas:**

Yes, it is.

#### **Orley Ashenfelter:**

Were you a religious person?

My mother was very religious. I have aunts who are very religious, or I had aunts who are very religious. I personally, I'm internally religious, in the sense that I sort of believe in certain things, but I don't outwardly do all the kinds of stuff that the Catholic Church pursues, but it wasn't really that I was very religious at the time. It was more a financial factor.

# **Orley Ashenfelter:**

And how did you like St. Peter's?

# **George Borjas:**

I liked it a lot. What happened was that I didn't really know what to do with my life, when I started college, okay? I always thought I'd be a lawyer. I really wanted to be a doctor, but I couldn't be a doctor.

I have what's called a vasovagal response to illness and blood, and stuff like that, and I basically faint, if I see anything like that, which is sort of funny, because two of my kids are in the health profession. And one is a surgeon, so ...

# **Orley Ashenfelter:**

I guess it's not hereditary.

#### **George Borjas:**

It's not. So, that was out of the question, right? So, I thought the only thing I could do was go to law school, and I was very lucky that I got a job in the New York City courts, basically, the criminal courts in the summer after my junior year in college.

And one of the things that they let you do was go to the courtrooms all day long, and just listen in. And within a week of that, I realized law was not for me. I mean, I just could not put up with that. And what happened was, I thought to myself, "What am I going to do with my life?"

The thought of getting a job never actually occurred to me. Somehow, I had to go to school somehow. And I know, it sounds insane, but that's the way it was. And the only thing I was really good at that I sort of liked was math. I couldn't really be a scientist, because I don't like being in labs.

So, I said to myself, "What can I do with math?" I had taken economics classes. And then, my senior year, all I did was take economics and math, and that's how I prepared for graduate school.

# **Orley Ashenfelter:**

Columbia, of course, it was a legendary place at the time you went there.

#### **George Borjas:**

Yes, yes.

#### **Orley Ashenfelter:**

And it's still a very good university, but it was extraordinary back in the early days. How did it end up that you went to Columbia? Is that because it was close by?

#### **George Borjas:**

What happened was, that this is where St. Peter's professor was very helpful, because I got into a few places, and he said, "Go to the best place you get into, no matter how much money they give you."

That's what I did, and that's how I ended up at Columbia. And I really had no clue what field to go into, or anything like that.

I just knew that I liked economics, because that involved math, and I was attuned to that kind of thinking. And then, it turns out, that you will recall this, because you were in Princeton at the time, while all this was happening. The very first econometrics class I take in my first semester at Columbia is taught by, guess who? Jim Heckman. This is his first time teaching, I believe.

At the end of the semester, so this is December '71 or something like that, after all the semester was done, he asked me, "Do you want to be my RA?" That's how I got started. From that point on, I really went to graduate school at the Bureau, which was really, it was just like Columbia. It was legendary.

The number of people who went through the Bureau, the number of labor economists who went through the Bureau, was just unbelievable. It's an incredible training.

# **Orley Ashenfelter:**

Was Gary Becker still there, or had he left, for sure?

#### **George Borjas:**

Gary Becker had left, but he would go to the Bureau once in a while, and he was really nice to me. He made a point of going by offices, and sort of introducing himself and stuff like that to younger people, and he did that with me, so it was really incredibly helpful.

# **Orley Ashenfelter:**

Isn't that interesting? Well, Jim Heckman had many, many good students, but he probably wasn't on your committee. Who was on your committee?

#### **George Borjas:**

My committee was Jacob Mincer. After Jim left for Chicago, I became Jacob's assistant, RA. So my committee was Jacob, Jim, and John Taylor, of all people.

#### **Orley Ashenfelter:**

Oh, John Taylor is a very good friend of mine.

# **George Borjas:**

Yes, yes. He was in my committee. He probably won't remember this at all, but he was in my committee. He was a third member.

# **Orley Ashenfelter:**

He actually did some work, in what kind of micro? He did a quite famous paper about the death penalty with Peter Passell, years ago.

#### **George Borjas:**

Really?

# **Orley Ashenfelter:**

For some reason, yes. He's a good friend, and I still see him quite often. He's at Stanford, of course.

# **George Borjas:**

Well, he was in my committee.

# **Orley Ashenfelter:**

Isn't that interesting? Well, that's certainly an all-star committee.

# **George Borjas:**

Also, the other person that I became very good friends with at the time was Sherwin Rosen because Jacob visited Chicago for a year, I believe, during that period, and Sherwin came to Columbia, and took over Jacob's classes, and stuff like that. The mentoring that I had was really quite amazing.

# **Orley Ashenfelter:**

Extraordinary. What was your dissertation about?

# **George Borjas:**

You could care less about it, trust me. It was about, basically, specific training and general training in the context of earnings evolution of the life cycle. You know, how the composition of human capital would change as you change jobs.

The only section of the dissertation that's even worth mentioning is a footnote that became a paper that I think you're familiar with, which is the hours and division bias, labor supply, in labor supply functions. That was a footnote in my dissertation.

# **Orley Ashenfelter:**

Well, that's a very interesting footnote. Now, I know you first started teaching at one of the city colleges.

#### **George Borjas:**

Yes, I taught at Queen's College. What happened was that I was at the Bureau all this time, and Jacob had an idea of writing a follow-up to schooling, experience, and earnings. He's basically wanted me and Ann Bartel, to write a joint kind of thing.

So, I didn't really go in the market when I got my PhD, because I had committed myself to doing this big project with Jacob, which never panned out, it turns out. And then, the way I sort of started my career was that Jim got me a post-doc at Chicago, and from there, I went out to California.

# Orley Ashenfelter:

I didn't realize that we should count you as another one of Jim Heckman's outstanding students. He's had so many good ones.

# **George Borjas:**

Yeah, I was one of his first, I mean, and believe me, I believe the class I took from him in fall '71 was the first class he ever taught at Columbia.

I'm not going to ask you what kind of a teacher he was. I think I'll get the wrong answer. At some point, you went and spent quite a long time, because I remember visiting you there, at University of California at Santa Barbara.

# **George Borjas:**

That's where I got my first job after Chicago, exactly. And I spent something like 15 years there. And that's actually where my research really fully developed on my own. It was way out there. It wasn't really a center of labor economics like Columbia was, or anything like that.

So, it made me think a little more about what I really wanted to do, and what kinds of things would interest me. I'm actually quite glad that I was able to get that opportunity to sort of develop a little bit on my own.

# **Orley Ashenfelter:**

And it's now actually strong in labor economics.

# **George Borjas:**

Oh, I know that. I know that. I know that.

#### **Orley Ashenfelter:**

It never declined after you left.

#### **George Borjas:**

I know.

# **Orley Ashenfelter:**

And you were at San Diego for a while, too.

# **George Borjas:**

I went to San Diego after Santa Barbara. And San Diego, I considered to be my best job, okay? No, really, the best job I ever had. And the reason was that, again, it wasn't very strong in labor economics, but they had incredible econometricians, incredible theorists, right?

Those people would talk to you and would put up with the stupid questions I had from labor economics, without any problem. So, people like Engle, and Granger, Mark Machina, people like that would talk to me, and would help me understand things in a very different light.

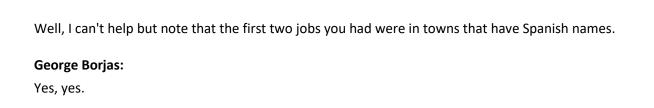
It was an incredibly friendly department. Plus, as you know, it's a beautiful location, right?

#### **Orley Ashenfelter:**

It is beautiful there.

# **George Borjas:**

So you look out your window, and it's the ocean.



That's right.

# **George Borjas:**

Perhaps it's in one of those jobs that I actually became interested in immigration.

# **Orley Ashenfelter:**

I was going to ask you where that started.

# **George Borjas:**

Well, I'm an immigrant, obviously, right? So, there's a predisposition involved in all this, but where it really started was at Columbia, when I was in graduate school, and Barry Chiswick gives his first famous JPE paper, right, as a draft, a seminar on the assimilation paper, that eventually come out in the JPE years later.

I found that fascinating, and it brought a question to my mind, which I specifically asked at the seminar. And the question was because of my background, okay? So, it had nothing to do with economics, it had to do with my personal life.

Because I happened to be a Cuban refugee, and Cuban immigrants, I knew, came in two waves. There are people who came like me, prior to the Cuban Missile crisis, when the door closed for a long time. And there are people who came after 1967-68, when the door opened again.

And in the Cuban community, there were rumors, if you want to say that, that the first wave of the people who left right after Castro took over were different from the people who came after '67-'68. What I asked Barry was, "How do you account for these differences in entry cohorts," whatever you want call them, right?

I have no idea what he said, but the question stuck in my mind as an interesting technical detail about how do you measure assimilation, when these things are happening, right? And I remember going out to Santa Barbara, at U.C. Santa Barbara, my first academic job, really, except for Queen's College, the couple of years I was there, I remember going to Santa Barbara, and putting that question in midterms and finals for the undergraduate labor economics class.

So, it sort of stuck in my mind. I sort of knew inside me that you needed something more than a crosssection to get the right answer, right? And I waited for the '80 Census to come out, which came out like

183, or something like that. The minute it came out, I ran the regress	sions that I had in my mind all thos
years, and that led to my '85 JOLE paper.	

Interesting.

And the reason that I got interested in immigration was because I was in Santa Barbara, and you could see the place changing. You could literally, this is when the undocumented immigration from Mexico really began to increase in the U.S., right?

And in Southern California, you could really see the place changing, almost overnight. So, that's what really got into my mind, and that's what motivated me to do that again.

# **Orley Ashenfelter:**

Very interesting. Now, of course, I have to ask you about my favorite paper, which is where basically, everybody had the understanding that differences in wages would drive migration but most people didn't think about the selection associated with that, the application of the Roy model, which I think is one of the most famous papers, I think. I happened to handle that as the editor of the AER.

#### **George Borjas:**

I know. I know.

# **Orley Ashenfelter:**

So I'm extremely proud that we didn't reject it.

#### **George Borjas:**

I'm very happy about that too, Orley, trust me.

#### **Orley Ashenfelter:**

It could have happened.

# **George Borjas:**

I remember one referee very well. It could easily have happened. Yes.

#### **Orley Ashenfelter:**

Right. So, how did you come to write that paper?

# **George Borjas:**

Okay, so my JOLE paper was basically saying that in fact, you saw the newer cohorts of immigrants not doing quite as well as the earlier cohorts. So, that was a finding that needed explanation to me, just to make me, myself internally happy. Nothing to do with policy, nothing to do with it. Nobody really cared about immigration in those days, just for me to understand what's going on, right?

And trust me, having spent a year in Chicago, I really liked modeling. So, I played with a lot of models, trying to understand that, but nothing really was intuitive enough to sort of come out of the tip of your tongue, right?

It was just these complicated stories. I had talked to Sherwin a lot in graduate school, and he actually went through the Roy model in class very carefully, okay?

I mean, he actually did that in class. So, I had it as a graduate student, which was very unusual in those days. And what happened was, and you'll appreciate this, I used to be working with Finis Welch in Santa Monica, in those days.

I would drive up and down from Santa Barbara to Santa Monica, to work with Finis. And you might recall that in Santa Barbara, in those days, the freeway was stopped by four red lights.

So, people would drive 65-80 miles an hour, or whatever. Then you get to town, and there are these four red lights that take 10 minutes to go through, right?

# **Orley Ashenfelter:**

Well, now, of course, the freeway is so clogged. There are no lights, but you still can't drive on it very fast

# **George Borjas:**

Right, right. But what happened one day, I was going to Santa Monica, was that I got stuck behind the red light, okay? It was a five-minute wait, or whatever, because it's just this thing. I had been working on this paper, and the whole Roy model idea came to my mind in that stop.

I get to Santa Monica, and by the end of the day, I literally had the theoretical part of the paper written up. It's just something that I knew, but as you say, it's a new way of thinking in the migration context. And I had never made the connection, until that day. Sort of stopping at that red light made me realize the connection.

# **Orley Ashenfelter:**

It's shocking, probably, to people to think now, that at the time you were writing that paper in the early '80s, immigration was not a really big issue. In fact, in <u>The Handbook of Labor Economics</u>, we didn't have a chapter on immigration in the first issue.

# **George Borjas:**

Right.

#### **Orley Ashenfelter:**

And there was no work on it. The only thing there was was this one paper whose name, I forgot the name of the guy, but his paper basically established that wage differences had an effect on migration, and he did that very well. But it never occurred to him to think about the selection effects, so that any regression you ran later on the migrants would be different from that on the non-migrants.

# **George Borjas:**

Right.

#### **Orley Ashenfelter:**

And you extended that in such beautiful way. But I can see now how, because Rosen had worked on that, in the context of education, where he had, college or not college? And he and Willis had a paper about it, too. So, I could see how that happened.

#### **George Borjas:**

Right. Right.

Eventually, you left all those cities with the Spanish names and moved to Cambridge, which doesn't have a Spanish name.

# **George Borjas:**

Yes. That's true. That is true.

# **Orley Ashenfelter:**

Why and how did that come about?

# **George Borjas:**

That came about for two reasons. One is, Harvard called, okay? And when Harvard calls, you sort of pay attention on the phone, right? And you all see what it's like. So, that's one reason. The other reason was, I had gotten married. We had three little kids. My wife is in the Massachusetts area, Western Massachusetts, Springfield, of all places.

And we sort of had this idea we should come back to the East Coast, really for family reasons, partly. So, it really was a combination of those two things. I don't know. To be totally honest, I don't know if I have been single, that I would have taken that jump across the coast because I really love San Diego, I really love UCSD. I really love living there.

But in retrospect, it worked out really well. I think it gave me a lot of opportunities, got to meet new people, so it was fine.

# **Orley Ashenfelter:**

Now, you've done one thing which is pretty unusual for economists. You've actually put much of your work into books. I'm not thinking of your textbook, but of books about immigration.

# **George Borjas:**

Right, right.

#### **Orley Ashenfelter:**

Of course, as the years have gone by, this has become the hottest topic.

#### **George Borjas:**

Yes.

#### **Orley Ashenfelter:**

I mean, it's almost too hot.

# **George Borjas:**

It's unfortunate. It's really very unfortunate. Very unfortunate.

# **Orley Ashenfelter:**

Yeah. Your latest book was 2016, I think?

Right? We Wanted Workers, I think. Yeah.

# **Orley Ashenfelter:**

What prompted you to write that?

#### **George Borjas:**

Let me answer a different question first, okay? I love writing books, and the reason I love writing books is because I get up in the morning, and I know what I'm going to do. I don't have this doubt that I have to, "What am I going to do today? I have to write Chapter Three, Section Five, and that's what I have to do today."

And that puts a schedule in your mind, that's very, very nice to live with. You sort of know what you're going to do. Now, what was the other question? You asked about the ...

# **Orley Ashenfelter:**

Yeah. No, the question is, what stimulated to write that book?

# **George Borjas:**

Okay, the <u>We Wanted Workers</u> book. I first wrote another book published in 2014, called <u>Immigration Economics</u>, which is purely technical, okay, equation after equation after equation, right? And I really wanted to avoid writing anything for the public and I've learned over the years, that the more I avoid that, the happier I am.

So, I try to have as little to do with that side of the immigration thing as I can these days. But my *Immigration Economics*, book came out, which a few people can read, even though it's cited, but it's cited by economists, and that stuff, and that's fine with me. But I don't know if you know this guy, Jack Repcheck. He used to be at Princeton University?

#### **Orley Ashenfelter:**

Oh, yeah, I know him very well.

# **George Borjas:**

Oh. Well, he is the person responsible for-

# **Orley Ashenfelter:**

Oh, is that right?

# **George Borjas:**

We Wanted Workers.

#### **Orley Ashenfelter:**

He's an old time publisher. He's the kind of guy that-

# **George Borjas:**

Yes, he is.

... would show up at the Lyre's restaurant, and sit in the lounge, and smoke a cigarette, and drink a martini.

# **George Borjas:**

He shows up in my office in Cambridge one day, and says, "You, you're going to be irresponsible. You just wrote this 200-page book or whatever for Harvard University Press, <u>Immigration Economics</u>, it's all algebra, nobody's going to read it. You really owe the people an English version of that." He was with Norton at the time, "and I'm going to publish it." That was really the motivation.

And I took it because I felt a little guilty, number one. He made me feel guilty about it. And I took it also, because what I said before, writing a book just puts this discipline in my mind of what I'm going to do daily, and I sort of like that. So, it gave me an opportunity to do something that I thought would be worthwhile, and then, have a little more professional discipline in my life.

# **Orley Ashenfelter:**

How would you describe the main point of that book?

# **George Borjas:**

Oh, my God, I haven't thought of ... Oddly, once I publish anything, I never read it ever again in my life, okay? So ...

# **Orley Ashenfelter:**

Actually, I like to read my old stuff.

# **George Borjas:**

Really? Oh, I can't stand it. I find so many mistakes. I hate it. But anyway, the main point is that, which is something I'm actually working on much more these days. The main point is that empirical work in social science, particularly in contentious topics, is not as definitive as we would like it to be. So, in the book, I go through examples about assumptions that different people make, can lead to different answers. Okay?

Now, most of the time, people will care less about that. When it comes to immigration, it's something that people fight and fight over. Okay? I made a point in that book of saying, "Look, immigration, it's a huge topic, politically, very contentious, but one really should read the footnote, if you want to think of it that way, before one takes the talking point of a paper seriously." Because a lot of that stuff depends on all kinds of assumptions people make along the way.

A good example of that is this, even today people worry about this, and that is, do immigrants use welfare more often than natives or not, for example? Important question, right? In the book, I have two graphs side by side. Remember the show, *Let's Make A Deal*, curtain number one, curtain number two?

# **Orley Ashenfelter:**

Monte Hall. I do remember,

Monte Hall, exactly. I was thinking of *Let's Make a Deal* as I was writing this, I have two graphs, using exactly the same CPS data. One graph shows that immigrants use welfare much more than natives. The other graph shows that they don't. Same CPS data. How could that be?

And believe me, and what I'm about to say, if you look at what people argue about, they're literally referring to the same data, and doing the twist that it takes to get whatever answer they want.

One thing you can do is, you can do it at the personal level, look at, does the person use welfare? Are you an immigrant, or are you a native born? Count the number of immigrants who own welfare, divide by the right denominator on whatever, right?

The other way, you can do this at the household level, you can call that an immigrant household or a native household, right? And the huge differences of, what do you do? And then, what drives the whole thing is, how do you treat the little kids of immigrants, the children of immigrants?

A lot of welfare programs work through children, right? And how do you define that? It's a fact that the mother is an immigrant, but the kids are native born, does that classify the kids as native born or is it an immigrant household? And that drives the whole thing.

And now, unless you know the footnotes of what people are doing, you will never realize that the whole debate is depending on how people treat these samples of "native born" children of immigrants, right?

# **Orley Ashenfelter:**

That's interesting. It's a very good example, actually.

# **George Borjas:**

It's incredibly relevant and it drives the result. It totally drives the result.

# **Orley Ashenfelter:**

I use another example, that I think I got from you, but I can't... I don't know where. And it's the gap in wages between Puerto Rico and the US, or mainland US. I use it, because it's interesting, because any Puerto Rican doesn't need a passport. They can move to the U.S.

# **George Borjas:**

That's right.

# **Orley Ashenfelter:**

And once they're on U.S. soil, they're basically treated like a native.

#### **George Borjas:**

That's right.

# **Orley Ashenfelter:**

So, you would think there can't be any migration barriers, but wages don't equalize. I don't know if I got that example from you. It certainly suggests that immigration costs are enormous.

# **George Borjas:**

Yes. One way to see that, and sort of continuing the Puerto Rico example, is that if migration were driven only by income differences, and if costs were low, Puerto Rico would be empty.

Orley Ashenfelter:
That's an extreme way of putting it, yes.
George Borjas:
But that's true.

Yeah, of course.

# **George Borjas:**

It is true. So there's something wrong with that model. Either there's something wrong with a model, or that it's not really income that drives the migration.

# **Orley Ashenfelter:**

There's something wrong somewhere. You're absolutely right.

#### **George Borjas:**

Somewhere.

# **Orley Ashenfelter:**

That's right.

# **George Borjas:**

Somewhere. And those are the kinds of things that really interest me, like these little puzzles that, how do you explain this?

#### **Orley Ashenfelter:**

I have a couple more things I want to talk to you about, but first I'd like to ask you, have you been back to Cuba?

# **George Borjas:**

Never, okay? Never. My family had a really hard time getting out, and they never wanted to go back. I promised my kids that someday, I'll bring everybody over and look at my old house and all that stuff.

I would like to go back just to look around, and see, but I've never been back. And it's really more because I know how difficult it was, for my mother and my aunts to get out.

# **Orley Ashenfelter:**

Could you go back and have no problem?

#### **George Borjas:**

I don't know that, right? I mean, that's the ...

Yeah, I know. It's not like going back to visit Santa Barbara.

# **George Borjas:**

No, it's not. The funny thing is, I almost went back one day. We were visiting when my kids were small, we were vacationing in Jamaica, and they have day tours in Cuba, to Cuba from Jamaica. And I really, really wanted to do it. And then, at the last minute I said, "I don't know."

# **Orley Ashenfelter:**

I can understand that. Well, the last thing I think we should talk about a little bit, anyway... I don't want to get the Presidential election involved here. We're not doing anything about that, or any Presidential election, ever. But if you were the advisor... I know you were Arnold Schwarzenegger's advisor, as I recall.

#### **George Borjas:**

I've talked to him. I never was his official advisor, but I have talked to him, yes.

#### **Orley Ashenfelter:**

And he probably was, he's an immigrant, of course.

#### **George Borjas:**

He's an immigrant. He's an immigrant.

# Orley Ashenfelter:

And did you talk about immigration with him?

#### **George Borjas:**

We did. When he ran for Governor of California, before he even decided to run for Governor, okay, I knew one of his assistants. That guy called me, and said, basically, "Would you mind going to Arnold's place and giving him a little lecture on immigration?" So, he wanted ...

#### **Orley Ashenfelter:**

This is great, actually. You prepared a lecture for Arnold Schwarzenegger?

# **George Borjas:**

That's exactly what I did.

#### **Orley Ashenfelter:**

And you know he knew Spanish, because he said, "Hasta La Vista."

#### **George Borjas:**

Yeah, that's right. That's right. So that's precisely what he did, okay? And literally, I prepared a PowerPoint, which is what I would do, for any kind of introduction to immigration kind of thing, right?

And it turned out that for whatever reason, I couldn't go to his office that day because he needed to be in the house, or something, so his assistant actually drove me to Arnold's place in Brentwood, California, okay?

So,, I have been to Arnold Schwarzenegger's house, and we just sat there by the pool, and I sort of gave him a little introduction to immigration. That was my role with Arnold.

# **Orley Ashenfelter:**

Did he have any about what public policy should be in this area?

# **George Borjas:**

I don't remember him saying anything one way or the other. The one thing I remember him saying, which really impressed me, was that I thought he was one of the cleverest people that I've met in the political arena.

And the reason was this. It's a personal story from his side, and I'm probably getting it wrong, but I believe it's in his memoir so one can-double check how much of this is there, okay?

And he said that he came to the U.S. to make money, and to be a weightlifting champion, right? But he really wanted to make money, and he thought he needed an MBA.

They had some kind of visa that allowed him to go to school so many credits per semester. But he wanted the MBA. Had he satisfied the requirements in that visa, it would take years and years or whatever to get the MBA, right?

What he did was, he looked at the actual law regarding that visa regulation and he realized that the limit was only a number of credits per school. So, he enrolled in many schools in the L.A. area, and would take classes all over LA, to get all the credits needed to finish in a year, or whatever. That sort of struck me, "Yeah, that's a clever thing to do."

# **Orley Ashenfelter:**

I think, if you have those slides, you should put them up somewhere, so people can...

# **George Borjas:**

I have, yes.

# **Orley Ashenfelter:**

... see what Arnold Schwarzenegger...

# **George Borjas:**

Right.

#### **Orley Ashenfelter:**

And finally, immigration policy. I know you have some views about what would make sensible changes in immigration policy. Can you describe those?

Things have changed so much, even since I wrote <u>We Wanted Workers</u> with immigration, that it's sort of a little depressing for me to see everything that's going on.

And the reason that I think it's a little depressing, is because I think illegal immigration really contaminates the whole debate. It's very hard to talk about what kind of immigration policy to have, and what's the best thing for us, if your border is sort of wide open.

I don't know how many people are coming through because the numbers are all over the place, but it's certainly in the millions, and these are completely unvetted kind of people. They're not being filtered by any kind of rules or anything like that. So, I find the whole thing very depressing.

And what makes it worse, I think, for people like me, and people in academia, is that because it's so contaminated by all this political sort of stuff going on, it is really, it makes it very difficult.

# **Orley Ashenfelter:**

Yeah, and I agree. And one of the other thing that is very upsetting about the whole immigration issue is that what we like to think about, as your model did, economics as a factor in explaining why people move. But of course, we now have the same organization that handled refugees during the Second World War, and they now have just as many refugees today as they had back then. These are just people that are moved, not for choice, but just because they haven't got an option. George, it's just been wonderful talking to you today.

# **George Borjas:**

Thank you, Orley. Thank you. That was a lot of fun.

#### **Orley Ashenfelter:**

Our guest today has been <u>George Borjas</u>, the Scrivner Professor at <u>Harvard's Kennedy School</u>. Please join us again for the next episode of <u>The Work Goes On: an Oral History of Industrial Relations and Labor Economics</u> from the <u>Industrial Relations Section at Princeton University</u>. I'm your host, Orley Ashenfelter. Thanks for listening.

# Announcer:

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