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Double Whammy: Falling Birth Rates and Declining Immigration

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Abstract: American women gave birth at the lowest rate in U.S, history and the number of births fell to a 30-year low (Adamy, 2018). The small number of births in the U.S. exacerbated the issues surrounding its aging population. As more people in the U.S. approached retirement age, fewer young workers were available to pay for Social Security and Medicare (Adamy, 2018). The US was among those economies that needed substantial gains in productivity to maintain its level of economic growth. This meant that younger workers faced slower economic growth and a lower standard of living since fewer of them were available to stimulate the economy. People were encouraged to postpone retirement and work longer (Romei, 2025). Digital services including smartphones and social media transformed how young people interacted with one another. They sharply reduced in-person socialising and contributed to the collapse fertility. Similar results were observed in other countries (Burn-Murdoch, 2026). US companies struggled to recruit engineers and researchers needed to be creative and innovative to stay ahead of international competitors. An insufficient number of U.S. citizens were available to fill these positions. In addition, the stock of Hi1-B visas was not sufficient to attract foreign workers with the desired skills. U.S. firms required access to more individuals with critical skills than those available in North America (Fifield, 2013). Immigration contributed to much of the U.S. global population expansion in the immediate past (Kiernan, 2024). A new policy under consideration required applicants for green cards to leave the country as applications were under review (Hackman, 2026A). These immigrants including workers and spouses of U.S, citizens needed to demonstrate extraordinary circumstances in their applications. Most were required to leave the country to apply at a U.S. Consulate. Many risked the real possibility of being unable to return if their applications were denied (Hackman, 2026A).

Keywords: birth rate, replacement rate, H1-B visa, Green Card, duration of status, optional practical training

I. Introduction

Two-thirds of the world's population was in countries where the birth rate was below people resided in countries with birth rates per woman below the 2.1 replacement rate. In addition, the population of many OECD states declined. OECD (Organization for Economic Co-operation and Development) was an international group of 38 democratic nations with free-market economies that worked to build better policies for stronger economic growth and social well-being. Some OECD nations with declining populations included Japan, Italy and Greece, along with China as well as many central and eastern European countries (Romei, 2025).

It was bad enough that countries faced declining birth rates and barely maintained their existing population. Even worse was the fact that many countries suffered a declining population. Several of the world's wealthiest nations needed a 100% increase in productivity to maintain existing growth in their standard of living as they faced falling birth rates (Romei, 2025).

Aside from South Korea, no rich economy that suffered a low birth rate was able to restrict immigration like Japan. Japan's labor force started to decline more than 30 years ago. Its population peaked in 2008, at around 130 million. Under the current circumstances, Japan's population fall was projected to continue its downward trend be less 100 million by midcentury and be less than its current size in the 2100s unless the government implemented successful steeps to solve the problem (Soble, 2014).

Japan faced a huge problem that harmed its economic development. As it became smaller , it lacked workers to fill its jobs and there were fewer younger workers to support its retirees' pensions and medical needs. Since older people tended to be notoriously poor spenders, less money will be spent. This painted a bleak picture for Japan which was projected to become even more dire if it continued to severely restrict immigration.

II. Falling Birth Rates

American women gave birth at the lowest rate in U.S, history and the number of births fell to a 30-year low (Adamy, 2018). The small number of births in the U.S. exacerbated the issues surrounding its aging population. As more people approached retirement age, fewer young workers were available to pay for Social Security and Medicare (Adamy, 2018).

The US was among those economies that needed substantial gains in productivity to maintain its current level of economic growth. This meant that younger workers faced slower economic growth and a lower standard of living since fewer of them were available to stimulate the economy. People were encouraged to postpone retirement and work longer (Romei, 2025).

While the declining birth rate and declining births started over fifty years ago, the pace accelerated in the past ten years. This was a global phenomenon that impacted both developed and non-developed economies (Burn-Murdoch, 2026). This pulled down productivity and living standards. Japan's stagnation since the 1990s was almost entirely explained by low birth rates that shrunk its working-age population (Burn-Murdoch, 2026).

While most young people planned for families and children, exogenous factors caused a gap between the goals and the outcomes since the number of couples declined as it became more difficult to find partners. A lack of couples contributed to the declining birth rate and declining births. Previously, in the U.S. and U.K. housing was the main impediment to forming families as many young adults lived with their parents (Burn-Murdoch, 2026).

Among the elements that contributed to the declining birth rate and declining births was evolving economic status of women versus their male counterparts. Ever increasing numbers of young women pursued higher education as opposed to males. This changed the dynamic of the relationship between men and women. This was mostly a slow shift that did not apply to all parts of the world (Burn-Murdoch, 2026).

Digital services including smartphones and social media transformed how young people interacted with one another. They sharply reduced in-person socialising and contributed to the collapse fertility. Similar results were observed in other countries (Burn-Murdoch, 2026).

Births declined rapidly in the areas when 4G technology was introduced. The advent of social media rapidly impacted the way younger men and women interacted with each other. This was a common phenomenon that was repeated around the world when 4G technology was introduced. The number of births declined rapidly (Burn-Murdoch, 2026).

Some demographers saw women as simply postponing pregnancy. Others saw a permanent shift to childlessness or having just one child. Traditional factors associated with adult pregnancy, such as a stable job, a home, and a partner, were pushed back five to 10 years because of longer periods of education, the higher cost of homes and increased options for finding partners It took longer to find a suitable partner. If childbearing occurred over 10 years instead of 20, fewer children were born (Mitchell, 2026).

The decline was also not uniquely to the U.S. Total fertility rates were well below 2.1 for all 38 OECD. Mexico's rate was 1.9 while Japan's 1.22. Even sub-Saharan Africa, long the demographic counterweight to falling birthrates declined to 4.41 from 7.0 (Mitchell, 2026).

III. Immigration Limits

US companies struggled to recruit engineers and researchers needed to be creative and innovative to stay ahead of international competitors. An insufficient number of U.S. citizens were available to fill these positions. In addition, the stock of Hi1-B visas was not sufficient to attract foreign workers with the desired skills. U.S. firms required access to more individuals with critical skills than those available in North America (Fifield, 2013).

An H1-B visa or a Geen card was necessary for foreign workers, non-citizens, to work in the U.S. while the H-1B was a temporary, employer-sponsored work visa. The Green Card granted permanent legal residency. While H-1B holders were tied to a specific job and faced strict time limits and lottery caps, Green Card holders were free to work for any employer, live anywhere in the U.S. indefinitely, and eventually apply for citizenship. Often overlooked was the importance of the issue for manufacturing companies (Fifield, 2013).

There was wide support for increasing the number of H1-B visas allocated each year. Studies showed that 26 per cent of workers with PhDs in Stem fields were born overseas (Fifield, 2013).

Immigration contributed to much of the U.S. global population expansion in the immediate past. In the U.S. approximately two thirds of these immigrants entered the country illegally through a variety of means including special programs that the government was closing (Kiernan, 2024).

While these immigrant workers filled jobs, contributed to Gross Domestic Product (GDP, and paid taxes among other contributions, many still opposed their presence. The thought weas that they took jobs from domestic workers and became a burden on public education, health care and welfare among many entitlement programs.

Regardless of the views of many, the immigrant workers contributed the GDP and created jobs through their spending and taxes. Immigrant workers contributed to economic development and economic growth (Kiernan, 2024).

A new policy under consideration required applicants for green cards to leave the country as they sought to become permanent residents of the U.S. In the past these immigrants were allowed to remain in the U.S while their applications were under review. In addition to the disruption associated with the possibly leaving their jobs and uprooting their families as they left the U.S., applications were reviewed by officials at the American Consulate where they were submitted (Hackman, 2026A).

These immigrants including workers and spouses of U.S, citizens needed to demonstrate extraordinary circumstances in their applications. Most were required to leave the country to apply at a U.S. Consulate. Many risked the real possibility of being unable to return if their applications were denied (Hackman, 2026A).

Being forced to apply for green cards abroad opened the possibility of years of delay and other legal hurdles. Consular appointments were typically booked months to several years in advance, a backlog that was expected to get worse under the new green-card policy (Hackman, 2026A).

The administration was developing a policy, called the public charge rule, which allowed officers to deny applicants with insufficient education or assets. Consular officers were directed to scrutinize applicants' social-media posts for anti-Israel and other views that were contrary to American values. In addition, anyone denied a visa at a consulate abroad was given no legal recourse to challenge the decision (Hackman, 2026A).

Worldwide the number of births dropped and people lived longer. Increasing immigrant workers offered only a partial solution. This was a complex problem with no simple solution. More residents in a country must be encouraged to enter and stay in the labor force longer. This required higher wages and benefits as part of the compensation package. AI and automation must be implemented to raise productivity (Beattie, 2026).

Immigration must be monitored. Where highly skilled immigrants made significant contributions, mass immigration of uneducated or poorly skilled immigrants was not attractive. The latter were willing to work at lower salaries, reduced quality, dragged down productivity, and displaced domestic workers. Immigration was not expected to create a huge supply of workers willing to accept lower wages. On the other hand, immigration of highly skilled workers was worthy of consideration (Cass, 2026).

Immigration by itself was not a solution to declining birth rates and an ageing population, since it reduced productivity. Spending must be allocated and focused to make manufacturing and services as well as agriculture and mineral extraction more productive(Cass, 2026).

Many workers fear being replaced by artificial intelligence. Companies cited AI investments as they announced high-profile layoffs. (Torry, 2026).

The Trump administration placed limits on how long a foreign student was allowed to remain in the U.S. on a student visa under new regulations. The new policy, known as the "duration of status" rule, capped the length of a student visa at the number of years its holder is enrolled in a particular program, with a maximum of four years. Students needed to apply for an extension if they wanted to stay longer (LeVine and Hackman, 2026).

Previously student visas were valid for however many years their educational program lasted, plus optional practical training. Optional practical training, or OPT, allowed foreign students to work in the U.S., for up to three years after graduation (LeVine and Hackman, 2026).

The new rule meant foreign Ph.D. students, whose programs typically ran for six years, were required to apply for an extension and risk being denied well into their programs. It also required nearly all students, for the first time, to apply for an extension to use their OPT (LeVine and Hackman, 2026).

The rule was another major piece to reduce nearly all forms of legal immigration. Many suggested the student visa as a way for foreign students to prolong their stay in the U.S., by taking additional courses to hold on to a valid visa longer (LeVine and Hackman, 2026).

Many argued that the OPT program allowed U.S. companies to hire foreign students directly after graduation without any regulations to ensure they were not paid less than American-born graduates (LeVine and Hackman, 2026).

If students were unable to use their OPT, they were much less likely to qualify for an H-1B. This curtailed their chances of remaining in the U.S. long term after studying here (LeVine and Hackman, 2026).

The new rule reduced the amount of time foreign students prepared to leave, change schools, or status after graduation from 60 days to 30 days. When they filed for an extension of status, students needed to demonstrate their academic success and financial stability (LeVine and Hackman, 2026).

The proposed policy discouraged many foreign students, particularly those entering graduate programs, from choosing to study in the U.S. because of the uncertainty of whether they were able to finish their programs or work in the country after graduation (LeVine and Hackman, 2026).

The rule affected foreign media who came to the U.S. on I visas, which were previously granted to Western media for as long as five years. Under the new rule, most I visas were capped at 240 days. Chinese citizens were capped at 90 days (LeVine and Hackman, 2026).

The Trump administration was considering a $100,000 fee on international students' ability to work in the U.S. after they graduated from a U.S university which made it much less attractive for foreigners to study in the U.S. (Hackman, 2026B).

If enacted, the fee restricted a way to legal immigration and harmed universities, which relied on international students as a reliable source of revenue. The proposed fee was attached to optional practical training, or OPT, which allowed international university graduates to work for one to three years on their student visas. There were roughly 419,000 foreigners working on OPT in 2024 (Hackman, 2026B).

Immigration restrictionists have long wanted to target the OPT program. They argued that it allowed companies to hire foreign students directly after graduation without any regulations to ensure they were not being paid less than American-born graduates (Hackman, 2026B).

IV. Conclusions

Not only were countries facing declining birth rates, but they were also facing declining populations as well. While his was not a new phenomenon, it was accelerating in developed and developing countries. Even sub-Shahar Africa was starting to experience the problem.

The real question was what these counties were doing to alleviate the problem. While many studies were undertaken and many policies implemented, they accomplished very little. Efforts that created more affordable housing, subsidized childcare, baby bonuses and similar measures did not deliver as expected. The impact of more young women pursuing higher education as opposed to males changed the relationship between men and women leading to fewer couples, and the impact of social media were more difficult to overcome. Policies cannot be easily implemented to limit women from being more successful than their male counterparts or encourage more coupling. Even more difficult was any attempt limit smartphone usage and social media platforms.

Governments needed to policies that increased productivity and encouraged workers to remain in the labor force longer. Corporate tax breaks and incentives must be linked to increased productivity and not increased share holder value. Increased automation and robotics supported by artificial intelligence (AI) was another way to address the problem. This was true especially for shortages in some segments of the labor force. While AI created problems, it was also the solution. Over fifty years ago government support expanded rapidly targeting undergraduate and graduate work in engineering, medicine, and scientific fields. A similar initiative was necessary today in the STEM fields. Another initiative was necessary in vocational education to develop highly skilled workers ready to enter the labor force.

A smaller labor force reduced output since fewer workers were available as birth rates declined. Not only was economic growth stifled, but fewer workers were also available to support older retirees and related social programs. Boosting productivity along with higher wages improved outcomes for workers.

While tariffs played a major role in generating government revenue, limiting imports, the idea that tariffs encouraged domestic production that created jobs was somewhat misguided since fewer workers were available to fill those jobs. Increaesed production in many areas required heavy reliance on automation supported by artificial intelligence (AI). Reality must be faced that some products and services may need to be imported with oversight that limited excessive offshoring that prevented becoming too reliant on some exports.

While certain amounts of immigration were necessary for a variety of reasons,
immigration was only a partial solution to an ageing population. Highly skilled and well-educated immigrant worker was necessary in certain key fields and in areas where labor shortages were particularly acute.

Mass immigration of unskilled workers caused problems since it produced a large supply of workers who accepted lower wages and replaced domestic workers. Decreased wages and replaced workers created opposition to immigration by unions, political groups, and domestic workers.

On the other hand, extensive attempts that limited immigration were misguided. Programs that made it difficult to obtain H1-B visas and Green Cards, created obstacles to apply for permanent residency, reduced time limits on student visas, excessive fees for Hi-B visas and optional practical training after completing an undergraduate degree were more disruptive than helpful. While all these programs needed modification and review, many of the changes and proposed measures were over the top.

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