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Immigration and Integration: Challenges for the 1990s

By Philip L. Martin

Immigration and integration are two of the major issues that will confront the industrial democracies of Western Europe, North America, and Asia during the 1990s. The immigration challenge is how to deal with the millions of people who would like to "go north" and take advantage of the opportunities offered for economic advancement and political freedom in France and Germany, the United States, and Japan. The integration challenge is: whether and how to help the 40 million immigrants and their children who have arrived in the industrial democracies over the past 30 years to be accepted as fellow citizens and future leaders.

Immigration and integration have risen toward the top of the international agenda because large and unpredictable waves of newcomers are arriving at a time of economic insecurity and political uncertainty. The numbers are large, there is no natural end to the current wave of immigration in sight, and there is a troubling sense that, by the time we really know whether today's newcomers will be a benefit or burden, it will be too late to act. This uneasiness arises from the fact that demography is ultimately a society's destiny, a point that is well-illustrated by the probably apocryphal story of the dying American Indian chief who, in the 1880s, was asked by his young braves to name the major mistake of his generation? His reply was simple: we failed to stop the illegal immigration of the white man.

There are three dimensions of the migration challenge today that merit careful attention. First, immigration into the industrial countries is at its highest levels ever, and is likely to rise further in the 1990s. Second, the industrial countries are reacting in very different and in generally uncoordinated ways to rising immigration pressures. Third, industrial country responses to unwanted immigration usually involve a trade-off between restrictions and generosity — what some call a Grand Bargain — in which efforts to reduce immigration are coupled with programs to accelerate the integration of newcomers. The best Grand Bargain for the 1990s would be a redoubling of immigration control efforts coupled with a commitment to truly integrate the newcomers and their children in our midst.

A World on the Move

The world's population is 5.5 billion, the world's work force is 2.5 billion, and both numbers are increasing by almost 100 million annually.

Neither people nor income are distributed equally around the globe. The World Bank divides the countries on which it collects data into 20 "high-income" and 110 middle and low income countries. High-income countries — the United States and Canada, Western European nations from Sweden to Spain, and Asian countries such as Japan, Singapore, and Australia — include only 15 percent of the world's population, but they account for over three-fourths of the world's \$22 trillion GDP in 1991. The average income in these rich countries was over \$21,000 annually, versus a worldwide average \$4000.

An average person from one of the poorer 110 countries could increase his or her income 7 times by moving into one of the 20 richest countries. And young people are responding to the opportunity to "go north" because the three major factors that regulate international migration are evolving in ways that promise more rather than less movement.

International migration occurs because of demand-pull factors that draw migrants into industrial countries, supply-push factors that push them out of their own countries, and networks of friends and relatives already in industrial societies who serve as anchor communities for newcomers. Once begun for economic or humanitarian reasons, migration often takes on a life of its own, as guestworker and refugee families unify in industrial countries. If economic gaps or persecution persist, friends and relatives of settled immigrants often seek to join them in industrial countries, so that one migrant can, in snowball fashion, lead to 5 to 10 more.

The demand-pull factors that encourage immigration are strengthening. All of the major industrial democracies include 5 to 10 percent immigrants in their workforces. The surprise is that these immigrant workers tend to be found in the same industries from Bavaria to California to Osaka: construction, agriculture, and service jobs that offer low wages, such as restaurants and hotels, or night and weekend work, such as nursing. Immigrant workers are also found in labor-intensive manufacturing. It is ironic that garments, products of one of the industries

most protected from developing nation imports, are often made in the industrial democracies by immigrant workers, a clear case in which a protectionist trade policy frustrates policies that try to control immigration.

The demand-pull of jobs in industrial democracies is matched neatly by the supply-push of low wages and joblessness in the developing countries from which most migrant workers come. About 5 in 6 of the world's workers are in the world's poorer 110 nations, and every year another 100 million workers join the 2 billion-strong workforce there. This leads to an enormous job creation challenge. Developing nations from Mexico to Turkey must create 100 million new jobs annually for the youth who every year enter the workforce, plus find jobs for the 20 to 40 percent of the workforce that is currently unemployed or underemployed. On top of these job creation challenges, developing nations must find jobs for ex-farmers and workers who are not seeking work because there aren't enough jobs. Two examples illustrate the dimensions of the job creation challenge.

Almost half of the workforce in developing nations are farmers. We do not need 1 billion farmers to produce the world's food and fiber — in the industrial democracies, less than 5 percent of the workforce produces such an abundance that rich countries feel compelled to subsidize their farmers. Developing countries, on the other hand, often tax their farmers by requiring them to sell their cotton or coffee at below world prices to a government agency, which in turn exports the commodity at the world price and pockets the difference. Farming thus generates only one-fourth to one-third of the average income in countries such as Mexico and Turkey, and ex-farmers crowd booming cities from Mexico City to Manila. Once in these capital cities, it is much easier for them to board an airplane and, a day or two later, arrive in Frankfurt or Los Angeles.

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A second example of the job creation challenge facing the world is the fact that many workers in developing nations do not seek work because they know jobs are scarce. In the industrial democracies, half of the population is typically in the workforce, so that the United States, with a population of 260 million, has a workforce of about 130 million. In developing nations, one-third of the population is typically in the workforce, so that Mexico, with 90 million people, has a workforce of about 30 million. Many of the Mexicans who are not in the workforce would like to work; if

there were jobs, many of the housewives in the cities would seek them.

The demand-pull of jobs in the industrial democracies is linked to the supply-push of low wages and joblessness by migration networks. Migration networks encompass everything that enables people in developing nations to learn about opportunities in the industrial democracies and take advantage of them. These networks or linkages have been shaped by three of the major revolutions of the past generation: the communications revolution, the transportation revolution, and the rights revolution.

The communications revolution refers to the fact that potential migrants know far more about opportunities in the industrial democracies than did turn of the century migrants from southern and eastern Europe who set out for the United States. Their major source of information is their countrymen already settled abroad — they can tell the migrants about opportunities in Paris or Los Angeles, and in many cases provide advice and funds to migrate, legally or illegally. The industrial democracies perhaps unwittingly add to their allure by portraying, in TV shows such as Dallas and Dynasty that are exported even to the remote corners of the globe, a life of opulence. Migrants have their expectations raised by these portrayals of life in the industrial democracies, and many hope to achieve a better life for themselves by migrating to the wealth.

The transportation revolution lies in the fact that the cost of traveling has dropped enormously, while convenience has increased geometrically. Even the most remote peasant is less than one week away from the bright lights of New York — once he gets to his capital city, the international network of flights can take him anywhere within a day or two.

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The third revolution that encourages migration is the rights revolution, or the spread of individual rights and entitlements. All of the industrial democracies have strengthened personal rights vis-a-vis government agencies, and most have signed international treaties that, for example, commit them to provide refuge to those fleeing persecution. One effect of this rights revolution is that, once a migrant arrives in an industrial country, he or she can avoid deportation for 2, 3, or even 4 years.

While a migrant's case winds its way through the legal system, industrial countries face a Hobson's choice. If they prohibit the migrant from working

because his legal right to do so is in doubt, then the government must support the migrant. If the migrant is permitted to work, then the humanitarian right not to be returned to persecution becomes a backdoor guestworker program.

Demand-pull, supply-push, and network factors are evolving in ways that encourage more migration. In light of these easily understandable forces, the world should be on the move. There are about 100 million legal immigrants, refugees and asylum seekers, temporary workers, and unauthorized workers living outside their country of citizenship, and their number has been increasing by 2 million annually. If combined into a single country, this "nation of migrants" would be the world's tenth largest nation.

But the surprise to many observers is how few, not how many, migrants move into the industrial democracies. Most people do not move: most people will live and die within a few miles of their birthplace. International migration remains an extraordinary event despite the evolution of demand, supply, and network factors that encourage migration. Furthermore, most of those who migrate internationally move only a short distance, so that 60 percent of the world's migrants move from one developing nation to another. One unlikely country, Iran, includes almost one-fourth of the world's 19 million refugees.

The 40 million migrants in the industrial democracies *are* significant. But it should be emphasized that most people do not migrate despite ever more incentives to do so. The industrial democracies are not being overrun by a tidal wave of immigrants, but if they do not act now, they may someday face doomsday scenarios such as those portrayed in the film *March From Africa*, in which desperate Africans supposedly set out for Europe and political leaders there put troops on the border to stop them.

Toward International Cooperation?

Controlling who crosses a nation's borders is considered one of the most basic aspects of sovereignty. However, unlike defense or economic policies, which are coordinated in international organizations from NATO to GATT, immigration policy has remained country-specific. Indeed, immigration is probably the major issue facing the industrial democracies that is not being coordinated in an international organization.

This lack of international coordination is evident in the responses of the world's three major industrial areas to today's immigration pressures. In Western Europe, controlling unwanted immigration is a top domestic priority. In Germany, there were more than 10 attacks on foreigners every day in 1992 and 1993, including several arson fires that resulted in the deaths of Turkish children born in Germany. France, Europe's traditional immigration country, has announced that its goal is to have no immigration. The European response has been to embark on what has proven to be a

contentious process to construct an ever higher external wall around fortress Europe so that there can be freedom of movement within Europe.

The United States and Canada are the world's two major traditional immigration countries: they plan for the acceptance of about 1 million immigrants annually, or 90 percent of all the immigrants that the industrial democracies plan to accept. Even though they are nations of immigrants, most Americans and Canadians want legal immigration reduced and new efforts launched to curb illegal immigration. This is not a new phenomenon: only once during the past half century, in 1953, did more than 10 percent of Americans favor increasing legal immigration.

The American and Canadian governments have responded to anti-immigrants sentiments by taking what have proven to be largely symbolic efforts to reduce illegal immigration. The United States in 1986 adopted sanctions or fines on employers who knowingly hired illegal immigrants, but this restrictionist symbol spawned a counterfeit document industry that paradoxically made it easier rather than harder for such "falsely documented workers." In 1990, the United States approved a cap on legal immigration, but it included so many exceptions that legal immigration is expected to remain at least 30 percent higher than "planned." Controlling immigration may be important in North America, but it ranks below creating jobs and controlling health care costs, crime, and welfare costs on the national agenda.

Asian industrial democracies such as Japan and South Korea are becoming, for the first time, destinations for immigrants. Unlike Europe, where emigration played a large role in nation-building, or the United States, where immigration helped to shape the nation's identity, neither emigration nor immigration has played significant roles in these nations. But both countries are opening side doors for guestworkers to enter, and they have announced their intention to avoid the European mistake of permitting these guestworkers to become immigrants.

The migrants living in the industrial countries send remittances to their countries of origin. Worldwide, remittances are at least \$75 billion annually, or one and one-half times the level of Official Development Assistance provided to developing nations. From Algeria to Yugoslavia, labor is the most important export of many nations, and remittances are the most important source of foreign exchange.

As pressures to enter industrial democracies rise during the 1990s, should the industrial democracies coordinate their migration policies? Logic suggests that they should. If Germany restricts the immigration of persons seeking asylum, some may seek asylum in France, the United States, or Canada. Similarly, as world trade in services grows, migration issues inevitably arise, since many services are delivered in person.

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The industrial world is at the beginning of a new era of migration. Instead of people moving from Europe to America, the major flow of people will be from south to north. There is as yet little effective coordination or consultation on immigration matters. Perhaps migration issues today are akin to energy concerns in the 1960s. When oil was plentiful and cheap, there seemed to be no need for international coordination. When that fact changed, international organizations were quickly formed, and the industrial nations proved willing to coordinate their efforts — even to the Gulf War of 1991.

Two Grand Bargains

Migration is likely to increase rather than to decrease in the 1990s, and there is today only a limited basis for international cooperation to deal with international migration. What should the industrial democracies do about rising immigration pressures?

No one knows whether the immigrants arriving in industrial democracies today will be well-integrated fellow citizens or an unassimilable underclass tomorrow. Indeed, it is often difficult to engage in a rational discussion about immigration, especially in an immigrant country such as the United States. Past fears that Germans, Italians, or Jews could not assimilate proved to be groundless. Historians and social scientists cannot agree on why the United States was able to achieve *e pluribus unum* — from many, one — and thus they cannot reassure a public that today fears that newcomers will be difficult to integrate are groundless, but the fact that past fears of unassimilable newcomers were not borne out places a high hurdle in front of today's proponents of less immigration.

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Rather than trying to project the future success of

any particular nationality or ethnic group, it is more useful to examine the effects of immigration on the industrial democracies. Throughout human history, most societies have had pyramid shapes: a king on top, and the poor masses at the bottom. The great achievement of the industrial democracies has been the development of diamond-shaped societies: the number of rich people was limited by taxes, the number of poor people with a social safety net, and the people in the middle class represented the widest portion of the diamond.

The diagram of immigrants now arriving in the industrial democracies would have an hourglass shape. According to the U.S. Department of Labor's analysis of census data, 24 percent of all immigrants 25 and older had 4 or more years of college in 1980, versus 16 percent of the native-born population. Immigrants are also much more likely than natives to have less than a high school education — 41 percent of adult immigrants had less than a high school education in 1980, versus 32 percent of the native born. The hourglass or barbell shape of immigration was accentuated in the 1980s, making immigration another factor — probably secondary compared to deregulation, trade patterns, and other economic shifts — that is increasing inequality in the industrial democracies, a major socio-economic issue of the 1990s.

First generation immigrants may not mind being at the bottom of the economic ladder, but their second and third generation children are likely to have the same aspirations as native children. The challenge for the industrial democracies is to ensure that these children of immigrants have the skills to match their expectations.

The studies and speculations about the prospects for the children of immigrants range from very optimistic to very pessimistic. But regardless of expectations, there is almost universal agreement that, to tip the scales more toward success, more should be done to help integrate immigrants and their children. This raises a dilemma. How can the industrial democracies devote more resources to immigrants and their children when 70 to 80 percent of their people think that immigration should be reduced?

The answer is the first so-called Grand Bargain. Industrial democracies could couple renewed efforts to control immigration with expanded efforts to promote integration. The industrial democracies have often used Grand Bargains to deal with immigration dilemmas. The United States in 1986 coupled sanctions on employers (meant to stop illegal immigration) with the world's largest amnesty program. Western Europe in 1974 stopped the recruitment of guestworkers, but permitted families to be unified in France and Germany.

There is also a second dimension to this Grand Bargain. The remittances sent home by migrants now exceed \$75 billion annually, or 1.5 times ODA. If the

industrial democracies are able to reduce immigration, they may also reduce the remittances that are the lifeblood of many families, communities, and economies. The industrial democracies are going to have to be prepared to couple trade concessions and aid with new get tough immigration policies in order to avoid hurting developing nations that depend on international migration.

Using trade to accelerate development produces one of the many paradoxes that bedevil rational discussion of the migration challenge facing the industrial democracies. As industrial countries free up trade with the countries from which migrants come, the trade and investment, which in the long run produce jobs and economic growth, in the short run often lead to an economic restructuring that increases migration pressures. The result is the so-called "migration hump" — migration pressures first rise, and then fall. In the case of NAFTA, freeing up trade and investment is expected to increase migration for a decade or more, producing the paradox that the policies which make immigration control less necessary in the long-run make it more necessary in the short run.

A Grand Bargain that coupled new immigration

controls with a redoubling of efforts to integrate the newcomers in the industrial democracies, and a renewed effort to use trade and aid to accelerate development in emigration areas, has intuitive appeal, but it is difficult for any one country to accomplish. Governments are sensitive to employers who want immigrant workers, and neither foreign aid nor rolling back individual rights are politically popular. It is for this reason that the difficult choices that must be made in immigration matters may gravitate toward an international organization would help individual countries to adopt effective immigration controls.

It is true that difficult problems often lead to bad policies. But doing nothing about rising immigration is likely to produce the worst of all worlds. If the status quo continues, large numbers of unskilled immigrants will arrive in industrial countries, and right-wing political parties in Europe and compassion-fatigued publics in the United States will support politicians and parties that are not likely to make integrating newcomer immigrants a top priority. Such a political gridlock would produce yet another deficit for later generations to grapple with: the deficit of uplifting those left behind. ■