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**Philippe Legrain: Immigrants**

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## Introduction

# Migration Isn't Just for the Birds

*It's time for fresh thinking about  
immigration*

Migration is the oldest action against poverty. It selects those who most want help. It is good for the country to which they go; it helps break the equilibrium of poverty in the country from which they come. What is the perversity in the human soul that causes people to resist so obvious a good?

J. K. Galbraith<sup>1</sup>

Wednesday 6 July 2005 was a day for celebration in London. As the crowds in Trafalgar Square noisily cheered the news that the city would host the 2012 Olympics, a much smaller and more subdued ceremony was taking place a few miles away at Westminster Register Office. Standing beside a framed photograph of Queen Elizabeth II and a large Union Jack, a

grey-haired man in a bright red, fur-trimmed robe decked in white gloves and a big gold chain was addressing a room of some forty people of all ages and colours – an old man with a walking stick, a young man in a black fitted shirt, a schoolgirl in her blue-and-yellow uniform, a toddler in his mother's arms, a baby in a cot, one man in a suit and tie.

'Today is a very important day in your lives,' said the Deputy Lord Mayor of Westminster, after apologising for the absence of the Lord Mayor, who was busy touring TV studios welcoming the Olympic decision. 'You are now British citizens and are entitled to vote in this country.' He paused. 'I will try to be as informal as possible. In fact, ceremonies like these have only been going for just over a year.' But almost despite himself, his words rose to the occasion: 'We welcome you here today into this nation and into this community of Westminster. You are now full members of the British family. As British citizens, we hold dear the values of tolerance and respect to others. I trust you will be loyal subjects and observe the law.'

The new British citizens then swore – or affirmed, in the case of non-believers – their allegiance to the Queen, pledged their commitment to the United Kingdom and queued up to be photographed receiving their certificate of citizenship from the Deputy Lord Mayor. Understated yet momentous, it was all over in less than half an hour. As we left, Adriano, my Brazilian – and now British – friend, was grinning from ear to ear. 'I'm like you now,' he beamed.

On 7 July London's joy turned to horror as four British Muslim suicide bombers blew themselves up on a bus and three Tube trains, killing fifty-two people. As Londoners reeled at this callous attack on their way of life, their mayor, Ken Livingstone, captured the public mood: 'This was not a terrorist attack against the mighty and the powerful. It was not aimed at presidents or prime ministers. It was aimed at ordinary, working-class Londoners, black and white, Muslim and Christian, Hindu and

Jew, young and old. It was an indiscriminate attempt to slaughter, irrespective of any considerations for age, for class, for religion, or whatever.’ Addressing would-be terrorists directly, he continued: ‘In the days that follow look at our airports, look at our sea ports and look at our railway stations and, even after your cowardly attack, you will see that people from the rest of Britain, people from around the world will arrive in London to become Londoners and to fulfil their dreams and achieve their potential.

‘They choose to come to London, as so many have come before, because they come to be free, they come to live the life they choose, they come to be able to be themselves. They flee you because you tell them how they should live. They don’t want that, and nothing you do, however many of us you kill, will stop that flight to our city where freedom is strong and where people can live in harmony with one another. Whatever you do, however many you kill, you will fail.’

The roll-call of the dead poignantly underscored Mayor Livingstone’s words. The fifty-two victims included many foreigners and Britons of foreign descent, whose varied backgrounds highlight London’s status as a cosmopolitan city of opportunity. These immigrants were not the lazy, dishonest scroungers of tabloid fare; they were the lifeblood of a diverse and dynamic global city. Among them were: three Polish women – a forty-three-year-old cleaner and a twenty-nine-year-old assistant manager at a postgraduate residential college, both of whom had been living in London for three years, and a recently arrived twenty-four-year-old administrative assistant who had planned to stay in London for only four months while learning English; a forty-six-year-old Romanian dental technician who described London as ‘the best place in the world’; a thirty-one-year-old Italian business analyst who had come to London ten years earlier as an au pair and was due to marry her British Muslim fiancé on 11 September 2005;

a twenty-six-year-old Nigerian oil executive; a fifty-year-old cleaner of Ghanaian origin who had spent half her life in London; a thirty-nine-year-old Israeli charity worker who had come to London when she was twenty-one; a twenty-six-year-old New Zealander with dual Irish nationality who had lived in London for three years; a recently arrived thirty-seven-year-old Vietnamese-American; a twenty-seven-year-old accountant from Mauritius who had been in Britain for three years; a twenty-eight-year-old Vietnamese-born Australian working in computing who had lived in London for two years; a thirty-year-old Sri Lankan-born assistant buyer for the Royal Mail, who had come to Britain when she was one; a sixty-year-old retired policeman born in Grenada, who had come to London to retire; a radiographer of Indian origin at Great Ormond Street Hospital for Sick Children; a fifty-six-year-old social worker of Nigerian descent; a twenty-two-year-old shop assistant of Irish origin; a twenty-eight-year-old advertising salesman with Jamaican grandparents; and a thirty-seven-year-old IT manager of Indian descent.

Among the fifty-two victims were also five Muslims: a twenty-four-year-old French computer scientist of Tunisian origin who was working as a waiter in London over the summer while learning English; a twenty-four-year-old Turkish woman, also studying English; a forty-eight-year-old Iranian biomedical officer at Great Ormond Street Hospital; a twenty-four-year-old Afghan man who had come to Britain as a refugee from the Taliban; and a twenty-year-old bank cashier of Bangladeshi origin. The last of them, Shahara Islam, was described as ‘a thoroughly modern Muslim, a girl who loved her Burberry plaid handbag and fashionable clothes while at the same time respecting her family’s wishes that she sometimes wear traditional *shalwar kameez* at home. She went shopping in the West End of London with friends but would always be seen at the mosque for Friday prayers.’<sup>2</sup> Her short life was an

eloquent answer to those on both sides of the divide who claim that Islamic immigrants cannot successfully integrate into Western societies.

### **A microcosm of the debate**

It is a cruel irony that I began writing this book just as my city and everything it stands for came under attack from terrorists who were British-born but of foreign descent. But at the same time, the London bombings have helped crystallise the debate that is at the heart of this book: should we welcome or seek to prevent the unprecedented wave of international migration that is bringing ever greater numbers of people from poor countries to rich countries like Britain, Spain and the United States? Fear of foreigners versus the dynamism of multicultural London: a microcosm of the wider debate about immigration that is raging around the world.

As our societies age and many businesses complain they are short of workers, the pressure to let in immigrants grows, but many people in rich countries remain unconvinced. In the United States, President Bush has sent the National Guard to patrol the border with Mexico to keep out unwanted immigrants, while pundits warn that Hispanic immigration risks splitting America in two. The government tries to juggle its desire to attract talented foreign students and workers with heightened fears about national security since 9/11. As record numbers of Africans risk death on flimsy boats to reach its shores, Spain erects ever higher walls – six metres high at the last count – around its enclaves in North Africa to try to close off Europe's southern gateway. Until recently a country of emigration, Spain now receives more immigrants than any other country in Europe. France's largely immigrant suburbs erupt into riots to protest at poverty and discrimination, while rioters in Sydney launch violent attacks on

Lebanese immigrants. John Howard comes from behind in the polls to win Australia's general election in 2001 by declaring that 'we will decide, and nobody else, who comes to this country' and turning back a boat laden with Afghan refugees. Germans struggle to accept that the children and grandchildren of Turkish guest-workers are German too. The murder in Amsterdam of Theo van Gogh, a top filmmaker critical of Islam, by a Dutch-born Muslim extremist provokes a spate of tit-for-tat burnings of schools, churches and mosques. Meanwhile, the eastward enlargement of the European Union opens the door for Poles, Czechs and others to come to work in Britain, Ireland and Sweden (and more recently Finland, Greece, Portugal and Spain) – and one day the rest of western Europe too.

Do the new arrivals pose a threat to everything we cherish – jobs, the welfare state, our national identity and way of life, even our freedom and security – or does their diversity in fact enrich and invigorate the economy, culture and society of their adopted homes? Could we put a stop to immigration if we wanted to, or is it an inevitable consequence of a globalising world riven between rich and poor? And what should we do to help the immigrants and people of foreign descent who are already living among us fit in better? These questions are not only about Them, and their possible merits and faults, but also about Us – what kind of place, country and world we want to live in; how far our sense of solidarity and justice extends beyond national borders; how much we value diversity and to what extent we fear it clashes with other values we hold dear; and ultimately whether our concept of Us is broad and flexible enough to embrace Them too.

I hope that it is, not least because I feel like one of Them as well as one of Us. My grandparents fled Estonia in 1944 as the Red Army arrived and ended up half a world away building a new life in California. That's where my Estonian-American mother was raised, before moving to New York, where she met

and married my French father in 1969. They eventually ended up in London, where I was born in 1973 and grew up. Although the name on my birth certificate, Philippe Legrain, sounds quintessentially French, London is my home and my friends call me Phil. My family history isn't important as such (except to help explain my outlook); it is just one of the many different life stories that we lump together as 'immigration'.

I am in good company. With me are people like George Borjas, a Cuban refugee who has become a professor at Harvard University and an expert on the economics of immigration. Ironically, he advocates that the US should let in only skilled immigrants – a policy that would have denied his family entry to America. Or Stephan Petrusiak, a Polish-Ukrainian who recently returned to Warsaw to complete his medical studies after several years in London working as a nurse for Britain's state-funded National Health Service. He hopes to return to Britain as a fully fledged doctor in 2007. Or Lasso Kourouma, a refugee from the civil war in Côte d'Ivoire who almost drowned trying to get to Spain and spent two years sleeping rough in Malaga. He now has a job as a nightclub bouncer, as well as a lovely wife and a young daughter. Or Jander Lacerda, a Brazilian artist who does odd jobs while trying to establish himself in the New York art world. Or Inmer Omar Rivera, who has made his way illegally from Honduras to the US–Mexican border. He hopes to make it into America and work hard so that his son can afford to study and have a better life. Or Hanna, who was working as a cleaner in London illegally until Poland joined the EU in 2004 and she became entitled to work here. She has now officially registered her cleaning business, pays taxes, regularly sends money back to her mother in Poland and hopes to return there permanently once she has saved enough to secure a better future for her son. Or, for that matter, countless famous and illustrious people who may or may not be representative, but who have certainly made a difference.

Whenever people talk in the abstract about the pros and cons of immigration, one should not forget that immigrants are individual human beings whose lives happen not to fit neatly within national borders – and that like all human beings, they are all different.

How different, though? Different better, or different worse? Such basic questions underlie whether people are willing to accept outsiders in their midst. Are the newcomers perceived to be honest, hard-working people keen to fit in to their new country, or feckless, scrounging layabouts who make no effort to adapt to their adopted society – and might even harbour bad intentions towards it? Perceptions – or prejudice – matter more than reality, since foreigners are strangers and therefore largely unknown. The truth, of course, is that immigrants may be good, bad, or probably a mixture of both. Generally, though, I believe they have two big qualities: they are typically hard-working and enterprising. Why? Because every immigrant is also an emigrant, and it takes courage and enterprise to uproot yourself to a foreign land. You have to be particularly desperate or adventurous to leave behind your family, friends and homeland to take a leap into the unknown and try to start a new life in an alien and potentially hostile country. And once you have made that big leap, you have every incentive to try to better yourself and build a better future for yourself and your children.

Broader questions arise when immigrants arrive in sufficient numbers that they start to change their adopted society. Greens may be concerned that a rising population puts additional strain on the environment. Trade unionists may fear that the newcomers threaten the jobs and wages of marginal workers. Taxpayers may fret about the burden they might impose on the welfare state. Cultural conservatives may worry about their impact on national identity and social mores. Such concerns must be addressed, because even though freer international migration can bring huge economic and cultural benefits, it also requires polit-

ical consent. Already, as immigration has risen in recent years, it has sparked a backlash in America, Europe and elsewhere.

### **Fear of foreigners**

Around a million people migrate legally to the US each year, and maybe another half a million – nobody knows the exact figure – enter the country illegally.<sup>3</sup> Europe admits some 2.8 million foreigners each year, with another 800,000 or so – again, nobody knows for sure – entering illegally.<sup>4</sup> Canada, with a population of 32 million, admits around 235,000 permanent migrants a year; Australia, with a population of 19 million, around 150,000 (but around 60,000 foreigners leave each year).<sup>5</sup>

These are big numbers, but what makes them especially significant is that people in rich countries are having far fewer babies than ever before. Which means that immigrants account for a rising share of the workforce and population in rich countries – and an even larger share of the population increase. One in ten Europeans and one in eight Americans are now foreign-born. So are one in five Canadians and nearly one in four Australians.<sup>6</sup> Two in five Australians have a parent who was born overseas.<sup>7</sup> Even more strikingly, immigrants accounted for three-quarters of America's population growth in the second half of the 1990s, while Europe's population would have fallen by 4.4 million over the same period were it not for the arrival of 5 million immigrants.

Immigration has already changed the faces of many rich countries. Back in 1970, there were only 10 million foreign-born Americans; now, there are officially over 37 million – plus several million uncounted illegals – and the new faces are mostly Latin American and Asian.<sup>8</sup> In a country fractured by race and fragmented by the unintended consequences of 'affirmative action' (the well-meaning attempt to give blacks and later other

minority groups a hand-up through positive discrimination), the new wave of immigration has sparked a fervent debate about the changing face of America.

Peter Brimelow, a British-born but naturalised American financial journalist, sounded the alarm in 1995 in his best-seller, *Alien Nation: Common Sense about America's Immigration Disaster*.<sup>9</sup> He warned that mass immigration was 'so huge and so systematically different from anything that had gone before as to transform – and ultimately perhaps even to destroy – the . . . American nation', adding that 'US government policy is literally dissolving the people and electing a new one'.<sup>10</sup> His argument, in a nutshell, is that 'Race and ethnicity are destiny in American politics. The racial and ethnic balance of America is being radically altered through public policy. This can only have the most profound effects. *Is it what Americans want?*'<sup>11</sup>

In *The Death of the West: How Dying Populations and Immigrant Invasions Imperil Our Country and Civilization*, Pat Buchanan, a right-wing populist who sought the Republican nomination for the presidency in 1992 and 1996 and was the Reform Party's presidential candidate in 2000, shamelessly sought to exploit heightened fears of terrorism in the aftermath of 9/11 to stir up anti-immigrant feelings:

Suddenly, we awoke to the realization that among our millions of foreign-born, a third are here illegally, tens of thousands are loyal to regimes with which we could be at war, and some are trained terrorists sent here to murder Americans. For the first time since Andrew Jackson drove the British out of Louisiana in 1815, a foreign enemy is inside the gates, and the American people are at risk in their own country. In those days after September 11, many suddenly saw how the face of America had changed in their own lifetimes.<sup>12</sup>

Yearning to turn the clock back to the comforting certainties of the 1950s, he wails that ‘Uncontrolled immigration threatens to deconstruct the nation we grew up in and convert America into a conglomeration of peoples with almost nothing in common – not history, heroes, language, culture, faith, or ancestors. Balkanization beckons.’<sup>13</sup>

More recently, Samuel Huntington, the Harvard professor who shot to fame by predicting a global ‘clash of civilisations’ between Christianity and Islam, has talked up the threat of a domestic clash of civilisations between Latinos and Anglo-Protestant Americans. In *Who Are We? America’s Great Debate*, he warns of the risk of a ‘bifurcated America, with two languages, Spanish and English, and two cultures, Anglo-Protestant and Hispanic’ and the potential for a backlash against this: an ‘exclusivist America, once again defined by race and ethnicity and that excludes and/or subordinates those who are not white and European’.<sup>14</sup>

Right on cue, conservative talk-radio stations rail against the Bush administration’s unwillingness to deport the nation’s illegal residents and fix its ‘broken borders’. California’s Austrian-born governor, Arnold Schwarzenegger, says the border with Mexico should be closed, although he later recants, claiming (without any sense of irony) that his poor command of English had let him down. Groups of armed vigilantes – who call themselves ‘Minutemen’, after the shock troops of America’s War of Independence – take to patrolling the Arizona desert ‘to protect our country from a 40-year-long invasion across our southern border with Mexico’.<sup>15</sup>

An even more vitriolic backlash is sweeping through Europe, where the number of foreign-born residents has soared from 10 million in 1970 to 29 million in 2000. Traditionally Christian Europe – which, unlike the US, has never considered itself a land of immigration – is now home to some 15 million Muslims.

In Britain, tabloid newspapers fan fears about the country being swamped with feral foreigners, accusing them of all manner of ills – stealing jobs, scrounging welfare benefits, spreading disease, committing crime, plotting terrorism and so on. The *Sun* even concocted an unsubstantiated but widely believed front-page story – headlined ‘Swan Bake’ – about immigrants eating the Queen’s swans in St James’s Park. In the 2005 general election, the opposition Conservative Party made the threat of supposedly out-of-control immigration the centrepiece of its campaign. Although the Tories lost, they prompted the Labour government to harden its stance on immigration.

In France, Jean-Marie Le Pen, the leader of the openly racist National Front, came second in the country’s presidential poll in 2002, with a fifth of the vote. When riots erupted in Paris’s deprived and largely non-white suburbs in October 2005, interior minister and presidential hopeful Nicolas Sarkozy called the protesters ‘*racaille*’ (‘rabble’) whom he pledged to sandblast away, while Philippe de Villiers’ nationalist Movement for France launched a poster campaign under the banner ‘France: Love Her or Leave Her’ – in effect calling for the repatriation of disaffected immigrants. Germany is struggling to accept that its Turkish minority is there to stay. The Dutch are questioning their long tradition of multiculturalism. Denmark’s coalition government, with the support of the anti-immigration Danish People’s Party, has imposed draconian curbs on immigration – and was re-elected with an increased parliamentary majority. Regardless of whether rich countries choose to admit more immigrants, they clearly need to do a better job of integrating those who have already arrived.

### **A global debate**

Migration is increasingly a global issue, yet the debate about it is still mainly conducted along (hostile) national lines – as if

each country were an isolated citadel threatened by hordes of barbarian invaders.

When I told my friends I was planning to write a book about migration, they were puzzled: what could I possibly have to say about birds? Most people think of the movement of people across borders as *immigration*, not migration. Which is why, unfortunately, the title of this book refers to immigrants rather than migrants: my publisher (and I) want to be sure that potential readers know what the book is about – although perhaps it would sell better if people mistakenly thought it was about birds.

Of course, nation states still matter, as do the views and interests of their citizens. Much of this book will examine the impact of migration on individual countries, and what they can learn from each other's experiences. But looking at international migration solely from a national perspective gives a distorted and partial view of what is happening. The increase in international migration is not occurring in a vacuum: it is part and parcel of globalisation, the combination of distance-shrinking technology and market-opening government policy that is bringing the world closer together.

This is most obvious in the case of skilled professionals – people like investment bankers, management consultants and computer specialists – who increasingly operate in a global labour market. In some cases, such as the City of London and Hollywood, they cluster together in one place to serve the world market. Thus Goldman Sachs, an American investment bank, employs people from around the world in its London offices to trade in global financial markets. Warner Brothers assembles actors from different countries in southern California to produce films for a global audience. Arsenal scours the world for the best football players to spar against its London rivals Chelsea on television screens everywhere.

At the same time, multinational companies span the globe by

deploying skilled professionals around the world to serve separate national and regional markets. Thus Unilever, an Anglo-Dutch giant that produces everything from soap powder to margarine, sends out foreign managers to run its operations in far-flung countries. Governments do something similar, posting ambassadors to look after their interests abroad. And many businesspeople spend their year jetting around the globe, forever on the move, as medieval kings once were.

In the increasingly global market in higher education – where top-end universities like the London School of Economics, as well as less prestigious colleges like Luton University, increasingly draw students from around the world – people move to consume services rather than to produce them, although many universities are also busy setting up foreign franchises to educate students in their home country, or even allowing students in remote locations to complete their degree courses online. And while globalisation stimulates increased international migration, foreign migrants also create new cross-border trading links. In Silicon Valley, for instance, many Chinese and Indian entrepreneurs, who typically came to the US to study, have started new companies that trade with Asia. Others return home after working for a few years in the Valley and set up companies that trade with the US. Likewise, Americans who came to London to work for Goldman Sachs or J. P. Morgan in the City cross town to set up hedge funds, private equity funds and other global investment vehicles in St James's.

What is true for skilled professionals is increasingly true more generally – or at least it would be if rich-country governments weren't desperately trying to prevent it. While governments broadly accept, or are even actively encouraging, the creation of a global labour market for skilled professionals, they steadfastly refuse to allow most other people, especially those from poor countries, to cross borders in search of work. Although the US admitted 946,000 legal immigrants in the fiscal year 2004, most

of them were allowed in because they already had family in America. Only 155,000 were admitted on work visas, and only 5,000 of those were for unskilled foreigners seeking year-round work. In effect, the door is closed to people like Inner from Honduras. As Tamar Jacoby of the Manhattan Institute explained in her deposition to the US Senate in July 2005, ‘A Mexican without family in the US who wants to do something other than farm work has virtually no legal way to enter the country. And even a man with family here must wait from six to 22 years for a visa.’<sup>16</sup>

Likewise, it is almost impossible for people from poor countries who do not have family in Europe to migrate legally to work in the European Union, as Lasso from Côte d’Ivoire can testify. And although Canada and Australia admit large numbers of foreign workers each year, you don’t stand a chance of getting in unless you have certain skills or professional qualifications that politicians and bureaucrats deem necessary. No wonder illegal immigration is on the rise: most would-be migrants who want to move in search of a better life have no other option.

While governments are making it easier for goods and capital to circulate around the globe, they are seeking to erect ever-higher national barriers to the free movement of people. The US Border Patrol builds walls, puts up razor-wire fences, installs night-vision cameras, places heat and movement sensors, and deploys cars, trucks, helicopters and planes to try to keep out Mexicans and other poor people. Spain has built a double ring of walls around its colonial outposts in North Africa, Ceuta and Melilla, while its coastguard patrols the narrow stretch of water between Morocco and Spain for *pateras*, the flimsy rafts that desperate Africans use to cross. Australia’s navy prevents boats that might be carrying refugees or migrants from entering its domestic waters.

Although most governments wouldn’t dream of trying to ban cross-border trade in goods and services – only North

Korea aspires to autarky these days – outlawing the movement across borders of people who make goods and provide services is considered perfectly normal and reasonable. Yet the global economic forces driving poor people to cross the world in search of work are pretty similar – and seemingly just as beneficial – as those that lure foreign bankers to Tokyo, scatter Coca-Cola executives around the world or, indeed, cause us to import computers from China and beef from Brazil. Thanks to satellite television, cheap phone calls and the internet, people in developing countries are more aware than ever of job opportunities in rich countries; and thanks to the falling cost of international travel, they can more readily afford to try to get there. Would-be migrants have a huge incentive to relocate: even allowing for the higher cost of living in rich countries, wages for equivalent jobs are typically five times higher than in poor ones.<sup>17</sup> According to a survey of recent immigrants to the US by Rand, a Californian think-tank, the average immigrant ends up \$20,000 a year better off.<sup>18</sup> The disparity in wages between rich and poor countries is so huge that university graduates from poor countries are often better off financially driving cabs in rich countries than doing graduate work in their country of origin.

So, They need Us. But, as this book will argue, We also need Them. Some migrants come to do the jobs that people in rich countries no longer want to do, like cleaning, waiting tables and picking fruit. Others come to do the jobs that not enough people in rich countries can do: filling a shortage of nurses in Britain's National Health Service, for instance. Many come to service the clusters of global professionals – and other residents – in places like London and Silicon Valley: preparing their lunchtime sandwiches, chauffeuring them around by cab, coaching them at the gym, looking after their children, cleaning their houses by day and their offices by night, cooking and serving them ethnic cuisine, decorating their houses and repairing their cars, and so

on. And increasingly, as our societies age, they are caring for our old people. In effect, most of these migrants are service-providers who ply their trade in foreign countries, just as American investment bankers and European insurance brokers do. And just as it is often cheaper and mutually beneficial for us to buy computers made in China or use call centres in India, it often makes sense for us to import services that have to be delivered on the spot – such as nannying or personal training – from foreigners.

Over the next twenty years, the supply of potential migrants in poor countries is likely to continue rising. While rich countries' baby-boom generation are nearing retirement age, poor countries' much younger baby-boomers are just starting to enter the labour market. Many of these young people will be tempted by the prospect of a better life in North America, Europe or Australia, especially since moving to a foreign land seems less daunting now that there are established immigrant communities in most rich countries. At the same time, the demand for migrants in rich countries is set to rise, as ageing populations and shrinking workforces put a strain on businesses, economies and government finances. With more old people around, the demand for services such as nursing care will soar. With more rich people around, the demand for services such as cleaning and restaurant work will also grow fast. Since people in rich countries increasingly turn their noses up at such jobs, the demand for immigrants to fill them will inevitably rise. Demand for skilled immigrants is also likely to increase, as companies, cities and countries compete for an advantage in the global marketplace by trying to hire the most talented people, most of whom will increasingly come from poor countries, where the number of university graduates is rising fast. But whether this increased potential for migration translates into higher immigration in practice depends on what border controls rich-country governments maintain and how effective they are at enforcing them. Ultimately, then, it depends on Us.

### **An economic boon**

Few people now bat an eyelid at the movement across borders of skilled professionals, in particular those from rich countries. It is considered normal, and perfectly acceptable, for an American management consultant – even one of Indian origin – to ply his trade in London, or for a German banker to be based in New York. Within the EU, this freedom extends to all workers, whatever their qualifications – albeit with temporary restrictions on the movement of labour from the eight relatively poor ex-communist countries that joined the EU in 2004 to most of the richer members. Yet most people baulk at the thought of people from poor countries coming to work in rich ones.

Why? Why can computers be imported from China duty-free but Chinese people not freely come to make computers here? Why is it a good thing for French insurance salespeople to hawk policies in Poland but a bad thing for Polish plumbers to offer to fix French pipes? Why is the door open for American managers to run factories in Honduras but the door slammed shut for Hondurans who want to work in American factories? Why, in short, is free trade and the free movement of Western elites a wonderful thing but the free movement of everybody else unthinkable? And why is it a good thing for workers to move within a country to where the jobs are, but a bad thing for people to move between countries for the same reason?

Until recently, Communist China strictly curtailed its people's movement. Unless you were a privileged party official, you needed a special permit to move – or even travel – from your home town to another part of the country. It sounds like a totalitarian nightmare, yet it is not too far removed from the situation that those on the other side of the global migration apartheid find themselves in.

China has now relaxed its constraints on internal migration and has witnessed the biggest movement of people in history as

peasants flock to the cities to make a better life for themselves working in factories, fuelling the country's explosive economic growth. So would relaxing rich countries' controls on immigration from poor countries provide similarly spectacular economic gains?

Most likely, yes. Sober-minded economists reckon that the potential gains from freer global migration are huge, and greatly exceed the benefits from freer world trade. As I explained in my first book, *Open World: The Truth about Globalisation*, the freeing up of global trade in manufactured goods in the second half of the twentieth century led to a quintupling of the world economy and an unprecedented rise in living standards in both rich countries and poor. So just think how opening our borders to migrants could transform our world for the better in the twenty-first century.

Historical experience certainly suggests it would do a lot of good: the United States' stunning economic growth between 1870 and 1920 coincided with the migration of tens of millions of Europeans to America. A study of fifteen European countries finds that a 1 per cent increase in the population through migration is associated with a boost to the economy of between 1.25 per cent and 1.5 per cent.<sup>19</sup> The World Bank reckons that if rich countries allowed their workforce to swell by a mere 3 per cent by letting in an extra 14 million workers from developing countries between 2001 and 2025, the world would be \$356 billion a year better off, with the new migrants themselves gaining \$162 billion a year, people who remain in poor countries \$143 billion, and natives in rich countries \$139 billion.<sup>20</sup> And those figures grossly underestimate the likely economic gains from the added diversity and dynamism that immigrants bring. Foreigners don't just slot in to vacancies left by local people; they bring different skills, varied views, diverse experiences and a zeal for self-improvement that combine with the talents of local people to boost innovation, productivity and economic growth. Would

the US be as dynamic and successful without all its immigrants trying to get ahead?

If you are sceptical about the merits of globalisation, you may not be swayed by the argument that the case for freer migration follows on logically from the case for freer trade – although you might be, since I am essentially arguing that rich countries should open their borders to service-providers from poor countries, which is not a million miles away from arguing that rich countries should open up their markets to farm produce from poor countries. But another way of looking at the case for freer international migration is this: if you want to help people in poor countries, freer migration is one of the most effective ways of doing so.

Campaigners for global justice quite rightly argue that rich-country governments should increase their aid to poor countries. Currently, aid is pitifully low, at a mere \$79 billion or so a year, the equivalent to each of us in rich countries donating a miserly \$1.60 a week (86p) to those in poor countries.<sup>21</sup> Worse, a lot of this aid fails to benefit needy people: it is spent on fat fees and five-star hotel bills for Western consultants, ends up in the Swiss bank accounts of African dictators, or is simply wasted. In short, poor countries need not only more aid, but better-targeted aid – which is exactly what migrants provide.

According to official figures, people from poor countries working in rich ones send home some \$160 billion a year. Informally, they are reckoned to send home a further \$320 billion a year. That makes \$480 billion, or six times official government aid.<sup>22</sup> It is also nearly three times the \$166 billion in foreign direct investment that developing countries received in 2004.<sup>23</sup> Mexico received \$18.1 billion in official remittances from Mexicans working abroad in 2004 – and possibly a further \$36 billion through informal channels. That could add up to nearly 8 per cent of Mexico's economy, a significant proportion by any standards.<sup>24</sup> Better still, it ends up directly in the pockets

of needy Mexican people, who can choose how to spend it as they see fit. In the case of the Philippines, which received \$11.6 billion officially and perhaps twice that unofficially, remittances from Filipinos abroad could conceivably account for some 40 per cent of the country's economy. So just think how much people in poor countries would benefit if rich countries allowed in more immigrants. Or, to put it another way, if you believe that the world is an unequal place and that the rich should do more to help the poor, then freer international migration should be the next front in the battle for global economic justice.