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CONTENTS



Introduction	3
The Rising Tide of Global Migration	3
Migration to Advanced Market-Economy Countries	4
Long-Term Benefits of Migration	5
Spatial Distribution of Immigrants	5
Immigrant Settlement Patterns	5
Spatial Distribution of Immigrants	6
Consequences of Geographic Concentration	7
Short-Term Dislocations	7
Crowding of Public Goods	8
Employment Competition	8
Social Services	9
Cultural Competition	9
Management of Migratory Flows	9
Level of Migration	9
Selection of Migrants	10
Redistribution of Short-Term Costs	10
Conclusions	10
References	12
<i>The University of California Institute on Global Conflict and Cooperation</i>	15
<i>Electronic Publishing at IGCC</i>	16
<i>Current Publications</i>	17

THE MANAGEMENT OF INTERNATIONAL MIGRATION: SHORT-TERM DISLOCATIONS VERSUS LONG-TERM BENEFITS

By Jeannette Money



Introduction

Dateline: Denver, Colorado, 12 November 1997. “An African immigrant was killed yesterday . . . by a skinhead. He complained, ‘These people are invading our country’” (citation). This event is only the most recent and violent reminder that immigration often generates controversy and opposition in host states. Yet in the current global environment immigrants are unlikely to disappear. Increased communication and falling transportation costs, combined with vast interstate disparities in wealth, promise continuing migratory pressures. But, while violent and xenophobic behavior exhibited by some segments of the host-country population should neither be tolerated nor drive policy, tensions between the host and immigrant communities can be decreased by policy makers without closing the border to immigration.

This paper examines a specific, generally south to north migratory flow—that of economic migrants from poor nations to advanced market economy countries. Most economic analyses agree that economic migration—as distinct from refugee flows—generates economic benefits. However, the level of benefits generated by these flows vary depending upon the types of migrants accepted (McCarthy and Vernez 1997). Moreover, these economic benefits are unevenly distributed among the host population in the short-term (National Research Council 1997). This uneven distribution creates a public backlash and political demands for restricting migration. To maintain openness toward migration, policies should tailor the level of migration to conditions in the local communities where migrants settle and redistribute the short-term costs associated with these migratory flows.

The Rising Tide of Global Migration

Several factors foster immigration. One leading cause is rapid population growth in developing nations. Exploding populations were generated by a decline in death rates without a corresponding drop in birth rates, postponing the “demographic transition” experienced in more developed nations. Although birth rates are declining in most developing nations and

experts forecast a steady-state population within the next century, the world population is expected to double in the next six decades. The United Nations, in their 1990 long-range population projection, forecasted that the current population of 5.4 billion individuals will increase to 10 billion by 2050 (McNicoll 1992).

This population growth has been combined with some degree of economic development, a process that, by increasing productivity in various sectors of the economy, creates large pools of under-or unemployed labor and generates pressures for these individuals to migrate (Massey 1987, 1989). These demographic and economic trends increase the pool of potential migrants, both internal migrants, within nation states, and international migrants, moving across international borders.

Lawful migration requires the freedom to leave a nation as well as permission to enter another. Until recently, most "communist bloc" nations controlled exit as well as entry, facilitating the control of global migration. In the post-Cold War world, many of these states have permitted freedom of exit, spawning a flow of migrants from eastern Europe and the Soviet successor states. Although it is important to remember that substantial numbers of individuals managed to migrate without permission during the Cold War era, the new freedom of exit has generated fears of increased migratory flows. The nation with the world's largest population, China, still controls population movement, but if this policy changes few of the world's citizens will face barriers to exit. The recent rise in birth rates in China, after two decades of decline (Espenshade 1991; Greenhalgh 1990), adds to concern about growing numbers of would-be migrants from that source. The burden of controlling population movement increasingly rests with the receiving nations.

This growing pool of potential migrants, created by a demographic explosion, economic development, and declining barriers to exit, will find ways to migrate. Information about possible destinations has become easier to obtain at the same time that transportation costs have decreased (Zolberg 1989). In many cases, the move is facilitated by migrant networks, groups of family and friends who help the newcomer make the transition. These factors make the option of migration available to a wider group of individuals.

Economic and political reasons also play a role in the decision to emigrate. Civil disturbances ranging from human rights abuses to civil war abound, causing many people to flee. The Yugoslavian civil wars are a case in point. The conflicts in Croatia and Bosnia generated 2.2 million refugees in 1992, over 10 percent of the total ex-Yugoslavian population.

Migration to Advanced Market-Economy Countries

One path of migration leads from poorer to richer countries.¹ Although controls over capital flows and trade have diminished since World War II, vast international disparities in wealth create economic incentives to migrate. This pattern is found within the "developing" world as well as between "developing" and "developed" nations. The oil-rich nations of the Middle East and the rapidly expanding economies of Asia attract hundreds of thousands of immigrants from poorer nations. Yet the advanced market-economy countries represent a continuing attraction due, in part, to the liberal nature of these states, which provides immigrants with a larger array of legal guarantees regarding their treatment (Hollifield 1992; Weil 1991).

Moreover, high unemployment in many advanced market economy countries no longer deters potential migrants. This phenomenon is due in part to the structural demand for low cost labor in specific sectors of the economy, despite overall high unemployment rates (Cornelius 1996). In addition to the substantial wage differentials between sending and receiving countries, access to adequate sanitation, emergency health care, and education also represents an improved standard of living to the migrants. The Governor of California estimates that \$1.7 billion were spent during the 1992 fiscal year providing services to illegal aliens (*Los Angeles Times*, 11 July 1993), above and beyond those provided to legal immigrants. High unemployment rates in the receiving country, therefore, may no longer deter potential migrants from their destination. This development contrasts with earlier patterns of migration that were highly sensitive to levels of economic activity and unemployment in the target country (Thomas 1954).

All of these factors combine to create enhanced migratory pressures for advanced market-economy countries (Appleyard et al. 1987; Castles and Miller 1993). In the United States, legal migration has doubled since the 1960s, from 371,185 annual legal immigrants on average between 1956 and 1974 to 733,806 annual legal immigrants, on average, between 1981 and 1990 (Briggs 1992: 164). In Europe the major remaining channel of legal migration remains political asylum, a gate through which increasing numbers are attempting to pass. The number of asylum seekers skyrocketed from 75,000 in 1983 to more than 400,000 by 1991, although controls implemented since then have reduced the scope of the problem (Fassmann and Münz 1992). The vast ma-

¹ Migration among advanced market-economy countries is growing in significance but will not be discussed here.

majority of those who apply for asylum do not meet the legal criteria and are considered by the host countries to be economic migrants. Added to these visible flows of migrants is the fear, difficult to dispel through available data, that illegal migration is also on the rise. For the foreseeable future, it seems clear that the world will continue to face growing pressures for international migration.

Long-Term Benefits of Migration

The potential benefits of migration include economic, demographic, and security dimensions. The economic case for open borders is relatively straightforward (Hamilton and Whaley 1984). Economic theory suggests that labor migration is similar to international trade. Provided that markets are competitive and that there are constant returns to scale, trade allows a nation to specialize in producing those goods and services it produces most efficiently and to trade for other goods produced with similar efficiency in other countries. Nations are then able to consume more than would be possible under conditions of autarky; trade makes all nations better off.

Similarly, borders artificially limit the most efficient deployment of productive factors. In a capital-scarce nation, a worker has relatively little capital to work with and is relatively unproductive. If that worker migrates to a capital-abundant country, he or she works with more capital and produces more output. If labor is able to migrate from nations where capital is scarce to those where it is abundant, economic gains arise from the more efficient allocation of resources. If international trade makes the world wealthier, so does international migration.² Only a few estimates have been made of the economic gains from migration, but these suggest that even modest increases in migratory flows will increase world wealth. The potential gains from migration are believed to equal or exceed the gains from a package of trade and capital liberalization measures.

For advanced market-economy countries of the world, immigration also represents the potential for demographic renewal (*Migration News* November 1997). The birth rates in many of these nations are insufficient to reproduce their population without this influx. As a result, these countries face a growing proportion of dependent seniors, whose support is

guaranteed by a social welfare system drawing on contributions from a shrinking working age population. These demographic trends create a growing burden on the working age population that could be reduced or avoided altogether by the arrival of immigrants who join the host labor force.

Global migration may also provide political gains to the international system by increasing international stability. Because technology is unevenly distributed across the globe, the “carrying capacity” in some states is surpassed, producing expansionary pressures (Choucri and North 1975). It is possible that migration relieves this expansionary pressure, thereby reducing the likelihood of interstate conflict.

Even though economic benefits may accrue with liberalized migration and the more efficient allocation of productive factors, there is no guarantee that the gains would be evenly or equitably distributed. Migration therefore represents a distributional problem: some nations may gain at the expense of other nations and some domestic groups may gain at the expense of other domestic groups. Herein lies one of the reasons for migration controls.

Spatial Distribution of Immigrants

The spatial concentration of immigrants within the host states is the primary reason that the net benefits of migration there may not be evenly distributed. Among demographers and sociologists, the geographic specificity of migratory patterns is well known, on both the sending and receiving end. “Migrants arriving in a particular country do not spread out randomly throughout all possible destinations” (White 1993a: 52).

Immigrant Settlement Patterns

The spatial concentration of migrants has several sources. White (1993a) enumerates the economic, social, political, and geographic forces that affect migrant destinations in the host countries, the most important of which are the initial economic pull of labor markets and the subsequent reinforcement of migrant concentration through migrant networks or “chain migration” (King 1993; Massey 1987, 1989).

The most powerful determinant of migrant destination in the initial phase is economic (White 1993a). Regardless of the reasons for migration, migrants need to support themselves and seek economically vibrant regions in which to settle and find employment. This is reinforced in many cases by employer

² Roemer (1997) suggests that there are limits to the benefits accruing to immigration, so that completely open borders may be counterproductive.

or state recruitment of foreign workers and their placement in the host country in those regions experiencing labor shortages.

The original economic impetus becomes less critical as the social dimension of migration takes hold. The original migrants facilitate the migration process for family and friends who remained in the home country through “migrant networks.” Massey (1989:16) defines migrant networks as “sets of interpersonal ties that link together migrants, former migrants, and nonmigrants in origin and *destination* areas through the bonds of kinship, friendship, and shared community origin” (emphasis added). These networks are a source of information to new migrants about conditions in the host country; members of networks provide introductions to potential employers in the host countries and provide living facilities while the new migrants are getting settled in the host country. Transportation costs are often sponsored through the migrant network. By helping new migrants “get to know the ropes” in the host country, these interpersonal relations reduce the financial and psychic costs of migration.

At the same time, chain migration sustained through migrant networks helps to ensure the geographic concentration of migrants within the host country even after the draw of economic opportunities has diminished. For example, in Australia, as reflected in the 1991 census, eight of the twelve constituencies with the highest intake of recent immigrants (more than 10 percent in the last five years) are also among the twelve constituencies with the highest level of immigrants (from 37.8 to 49.0 percent foreign born). Six of these twelve constituencies had unemployment rates above the national mean of 11.5 percent (in 1991), and three ranked at the top of all constituencies in terms of unemployment rates, ranging from 15.3 to 24.2 percent. Six of the twelve constituencies with high new immigrant intakes were also among the poorest in the nation, ranking at the bottom of all constituencies in terms of socioeconomic status, with between 73.4 and 87.3 percent of the national average income. Thus, migrant networks generate chain migration and represent a powerful factor in reinforcing the concentration of immigrants in particular districts and regions, regardless of economic conditions.

Political and geographic factors play smaller roles in the spatial distribution of immigrants. For example, state housing policies have alternately reinforced the concentration of immigrant communities, as in French social housing, or attempted to disperse the immigrant communities, as in Britain. But even where dispersal is a state goal, policies have been relatively ineffective and the withdrawal of govern-

ment from housing and labor markets only increases the impact of migrant networks in concentrating immigrant communities.

The geographic dimension of migrant flows emphasizes proximity of borders, such as the concentration of Mexican immigrants in the United States on the U.S.–Mexican border, or the concentration of Italian immigrants in France on the French–Italian border. Geography is clearly a significant determinant of immigrants’ spatial location in specific cases, but assumes much less importance overall given the initial and growing diversity of immigrant flows.

Spatial Distribution of Immigrants

In summary, all four factors, economic, social, political, and geographic, are important determinants of immigrants’ destination in the host country. All four work to concentrate immigrants in a few, predominantly urban locations in the host country. This geographic concentration is visible in all advanced market economy countries, in the so-called settler states as well as the “ethnic” states of Europe.

In the United States, 73 percent of the foreign-born population are concentrated in six states. California, New York, Florida, Texas, New Jersey, and Illinois attract the vast majority of immigrants, with 33 percent of the foreign-born population residing in California alone (Martin and Midgely 1994). A comparison of these states’ foreign-born population with the national average provides another measure of geographic concentration. In 1990, as a whole, 8 percent of the U.S. population were foreign born; in contrast, 22 percent of the population of California and 40 percent of the residents of Los Angeles County were foreign born (*Migration News* 4, 10 October 1997). And, because a few states are over represented in terms of foreign-born populations, other states fall well below the national average.

This pattern holds for Australia as well. In 1991, 22.3 percent of the population was foreign born; this population is concentrated in the states of New South Wales and Victoria and, in particular, in the cities and suburbs of Sydney and Melbourne (Kopras 1993). Of the 147 parliamentary constituencies of approximately equal population, the smallest percentage of foreign born residents was 4.8 percent and the largest was ten times that level, at 49 percent. The newly arriving immigrants are similarly concentrated. The country as a whole averaged an intake of 3.7 percent of the national population in the five years preceding the census. In contrast, twelve constituencies experienced inflows exceeding 10 percent of their population. Of these twelve, eight were among the top twelve constituencies in terms of all foreign born (ranging from 37.8 to 49.0 percent foreign

born), demonstrating that those areas with the highest percentage of foreign-born residents continue to attract new immigrant populations.

In Canada, 17 percent of the population is foreign born. But that immigrant population is concentrated in just three urban areas, Toronto, Montreal, and Vancouver, where three quarters of all immigrants settle. In Toronto, 42 percent of the population is foreign born, and in Vancouver, 33 percent is foreign born (*Migration News*, December 1997).

A similar concentration of immigrants is found in European states. In Britain, for example, 58 percent of the Afro-Caribbeans live in Greater London as do 80 percent of the black African immigrants (Cross 1993:124). Immigrants from the Indian subcontinent are less concentrated but nonetheless are located primarily in the conurbations of London, the Midlands (Birmingham), and the Northwest (Manchester). In France, 40 percent of the foreign population can be found in the Parisian basin, with the remainder concentrated in the industrial regions surrounding Lyons, Marseille, and Strasbourg (King 1993). Within these regions immigrants are concentrated still further in urban areas.

In summary, not only are immigrants concentrated in particular regions of host states, they are particularly concentrated in urban areas within those regions. Moreover, that concentration is increasing rather than decreasing (White 1993b: 67–68).

Consequences of Geographic Concentration

This brief overview indicates that the spatial concentration of immigrants in host countries is well understood theoretically and well documented empirically. But the political significance of this concentration has been widely overlooked.

One factor that may diminish the significance of the immigrant community's geographic concentration—and may account for why this aspect of immigration has been ignored in political analyses of immigration policy—is internal migration (Borjas et al. 1997). Evidence of internal out-migration of the indigenous population from regions of international immigration is unsystematic and of recent origin. The evidence is most systematically developed for the United States (Borjas 1994). Frey (1994), in a provocatively titled report “The New White Flight,” reports that international immigration to the United States between 1985 and 1995 generated internal out-migration from the areas of immigrant destination. The 1990 U.S. census reveals that five of the six states that received the largest inflows of international migrants between 1985 and 1990 had net negative outflows of the resident (predominantly indigenous) population. For the 1990–95 period, the sixth

state, California, which had previously experienced net positive internal migration, turned negative as well. Briggs (1992) argues that the presence of growing immigrant communities in the United States dampens the attraction of those regions to internal migrants.

In Europe, Cross (1993:124) also reports a recent trend in British internal migration associated with international migration. “The ‘inner city’ boroughs [of London] with high black³ concentrations, lead the way in terms of out-migration. The fall of Inner London between 1981 and 1991 was –11.1 percent, but for three of the five boroughs with black populations of 15 percent or more, the figure was well above that. Previous evidence suggests that this out-migration is unlikely to be black, with the resultant greater separation and concentration of populations.” A broader observation on Europe comes from White (1993b), who notes the “counter urbanization trend starting for the population at large” that abandon urban areas to the immigrant population.

If these internal migratory trends are systematic and significant, the impact of immigrant concentration is diminished and more widely spread among the indigenous population. Internal migrants spread whatever impact immigrants have on wage rates and unemployment rates (either negative or positive) to the region where they relocate. And the social impact of immigration is reduced by the self-selected out-migration of individuals with the least tolerance for immigrants. But there are two reasons to believe that internal migration does not mitigate entirely the consequences of immigrants' geographic concentration. First, internal migration is never so complete that it entirely separates the indigenous and immigrant communities. Therefore, for better or for worse, interaction between the two populations is always higher in some areas than in others. Second, what appears to be a recent trend in internal out-migration may, in fact, intensify relations between the two communities by increasing the ratio of immigrants to the remaining host population.

Short-Term Dislocations

Because immigrants are geographically concentrated, their impact on the host population is also concen-

³ In Britain, the term “black” is used generically to refer to all nonwhite populations, including Afro-Caribbeans, Africans, and Asians. Moreover, since a substantial proportion of immigrants to Britain arriving after World War II are (black) New Commonwealth immigrants, there is also a tendency to conflate “black” with “immigrant.”

trated in those localities where they settle. The local communities that serve as hosts to the newly arriving immigrants are not uniformly hostile. Much of the impact is positive. Employers gain access to an expanded labor force. Migrants often take jobs that the host population has abandoned, providing needed goods and services. Migrants may move into decaying urban centers, abandoned by the wealthier host population seeking the amenities of newer suburbs, and revitalize these communities. On a more personal scale, families hire immigrants to help with domestic chores. Cultures and cuisines are shared. In some cases, a guest worker population, housed on work sites without their families, may rarely come into sustained contact with the host population. Thus encounters between the host and immigrant communities may be positive and/or limited.

But, *under certain conditions*, an immigrant community's presence may place it in competition with the host community. When the contact between the two populations is based on competition, that interaction may be less benign. In the multiple arenas that may generate competition, the degree of competition varies with the level of economic activity, the rate of growth of the immigrant community, the degree of immigrant access to and dependence on social services, and the rapidity of immigrant incorporation into the host community.

Crowding of Public Goods

Advanced market economy countries are distinctive in their provision of vast amounts of public goods: sanitation, education, health care, transportation and communications systems are but a few examples (Freeman 1986). When the immigrant population increases rapidly in the host community, there is often a lag in the provision of additional public goods. Public goods in the rigorous sense are characterized by two traits: nonexcludability, which means that once the good is provided to a particular class of individuals, other members of that class cannot be excluded from consuming that good; and jointness of supply, which means that the provision of the good to one person does not diminish the supply available to others.

To the extent that public goods are nonexcludable but lack jointness of supply, these goods become subject to crowding and thereby increase the competition between the host and immigrant communities for these goods. If the rate of increase in the immigrant community is large, immigrants stretch the capacity of the system to deliver these goods: classrooms become crowded; traffic increases; public transportation becomes overburdened; sewage treatment facilities are overloaded. In the medium to long

term, additional public goods may be made available as revenues from the increased population flow to the state and are allocated to the provision of these goods. But, in the short term, competition for these goods is exacerbated by a rapid increase in the number of immigrants.

Employment Competition

There is a considerable amount of controversy regarding the position of the migrant vis-à-vis the host workforce (Borjas 1994). Some economists argue that migrants complement the native workforce and actually enhance the returns of the host population. Others argue that the immigrant labor force substitutes for the native workforce; in this view immigrants obtain employment at the expense of the host population. A third group of analysts points to the fact that some proportion of migrants works within the immigrant enclave itself, producing a zero net employment effect on the host community (Light 1997). Undoubtedly, there is some truth to all three propositions. But, regardless of the underlying relationship between the host and immigrant workforce, there is variation in the degree of competition during periods of recession and economic prosperity.

The immigrant workforce usually bears the brunt of economic recession—as indicated by higher than average unemployment rates. However, the host workforce is not totally protected by the immigrant buffer—as indicated by rising local and national levels of unemployment. Economic recession places the host and immigrant labor forces in more direct competition than in periods of economic prosperity. The dynamic proceeds because workers are often willing to take otherwise unacceptable employment during periods of economic downturn. To be sure, this willingness is mitigated by the presence of a “reservation wage,” the remuneration available from nonwork sources, such as unemployment benefits and family allowances.

To the extent that employment exists at greater than the reservation wage, unemployed workers accept employment that is lower in pay and prestige during economic recession. This is because they evaluate the probability of future employment opportunities differently in periods of economic recession than in periods of economic prosperity. This can be shown by examining the decision calculus of workers when accepting employment. An individual will accept employment when the job offer exceeds the value of the probably of employment at the previous (higher) wage and exceeds the reservation wage.

In economic recession, the probability of employment at the higher wage diminishes, thereby making less remunerative employment more accept-

able than in periods of economic prosperity. If these jobs are filled with immigrant labor, as undoubtedly some are, the competition between the host and immigrant labor force will rise during economic downturns. This competition is reinforced by employer recruitment practices that rely on immigrant networks to the exclusion of host-country workers (Waldinger 1995). Labor market competition thus intensifies during periods of economic recession.

Social Services

There is another vociferous debate about whether immigrants contribute more in taxes than they receive in services from the state (Martin and Midgley 1994). These services are usually defined in terms of specific payments to immigrants, above and beyond access to the public goods described above. Even without resolving the debate over net contributions, it is possible to point out that competition varies as a function of economic prosperity, regardless of the underlying net balance of contributions. The discussion of labor market competition above incorporates the reservation wage, that is, services and revenues unrelated to employment. Many of these services and revenues are supplied by the state. However, economic recession reduces state revenues while increasing demands on those revenues. The scarcity of resources available to the state for redistribution increases the competition between the immigrant population and the host population over access to these assets regardless of whether immigrant contributions exceed expenditures on immigrants.

This competition is also affected by the characteristics of the immigrant population and their access to social services. Single, young, male immigrants tend to use fewer social services than do immigrant families with a large number of dependents. Moreover, some countries, such as Sweden, offer to immigrants services identical to those of the host population; others, such as the United States, limit the services available to noncitizens.

At a more general level, economic recession reduces the reservation wage. This reduction aggravates the competition between the native and the immigrant workforce over employment by enlarging the segment of employment opportunities over which they compete.

Cultural Competition

As foreigners enter a community, they bring with them an alternative conception of society, thereby presenting competition over the definition of the local community (Waever 1993). Rather than being associated with economic recession, this competition is

triggered by the sheer number of immigrants in the community. The competition is offset by the process of assimilating or incorporating the foreign population into the host population, thereby undermining competition from the alternative. The level of assimilation required by the host society appears to vary across societies. Moreover, the ability of immigrants to assimilate and the length of time required to do so appear to vary across groups; this introduces immigrant characteristics into the equation of native/immigrant competition.

Managing Migratory Flows

The recommendations presented here to cope with the potential short-term dislocations associated with migratory flows are based on a concern with equity (Carens 1987). There are vast disparities in wealth and in life opportunities among nations. A reduction in these disparities can be promoted by migration. But global equity should not come at the expense of increased disparities within nations. Thus, when developing policies governing migration to advanced market-economy countries, policymakers should pay attention to the conditions in the local communities that will host the new immigrants.

Level of Migration

If competition between the host and home populations increases the costs of immigration, efforts to reduce these costs entail a reduction of that competition. Where competition is related to the business cycle, immigration intakes should be tailored to the business cycle. A fixed annual quota set by legislation prevents the flexibility in immigration intakes that would reduce employment competition and competition over social services. And, in formulating a flexible immigration scheme, national economic indicators are insufficiently sensitive to local economic conditions in the communities where immigrants reside. That the U.S. economy is growing and unemployment low does not in itself imply that these conditions apply equally across either spatial or sectoral groups. Therefore, immigration streams should be tailored to economic conditions in those areas where immigrants are likely to be located.

An important dimension of local immigrant pressures comes from the crowding of public services and infrastructure. Equal treatment of immigrants means that they will ultimately pay for these services according to the rules of the society: with progressive

tax structures, poor immigrants, just like the poor host-country population, pay less than wealthier immigrants and the wealthier host-country population. In the short term, however, the local host community faces costs. Even where funds are available, schools, roads, and sewage systems cannot be built overnight. This suggests that intake levels be tailored to the ability of local communities to provide an adequate infrastructure for immigrants who settle there.

Selection of Migrants

Competition can also be mitigated by attention to migrant characteristics. Highly skilled migrants, like highly skilled members of the host society, tend to be more productive, earn more, and pay more in taxes than unskilled immigrants (and unskilled members of the host society), and are less likely to need social services. The inclusion of skilled migrants in the migratory stream enhances the net economic benefits while reducing competition for social services. However, selectivity of migrants should be weighed against a societal interest in equity. The opportunity to migrate should be an equal opportunity; migration should be open to unskilled as well as skilled workers.

Redistribution of Short-Term Costs

Competition between the host and immigrant population, where it exists, arises in part from the substitutability of immigrant labor for domestic labor rather than patterns of complementarity. Host-country workers who compete with immigrant labor experience lower wages and fewer work opportunities (Simon 1989). This is true for unskilled labor as well as skilled labor, as computer programmers in the United States are likely to understand. To decrease this competition, training should be provided to those who compete with immigrants to ensure complementarity rather than competition. Therefore, a more equitable domestic outcome would entail training the host-country workers for higher skilled, higher value-added jobs (Layard, Nickell and Jackman 1991). As complements to the immigrant workforce, rather than as competitors, this group of workers would ultimately benefit. Without training and alternative job opportunities, increased immigration would only cause increased competition and increased anti-immigrant pressures.

Efforts to reduce the costs of immigration accruing to specific segments of the population do not ensure that these costs are reduced to zero. Therefore, equity suggests that the short-term costs should be borne by those who reap the benefits of immigration. One such group is the employers of immigrant labor.

In economic terms, if the employment of immigrant labor creates short-term externalities (costs not borne by the employers), these externalities can be mitigated by policies that incorporate the externalities into the employment cost structure (Taylor and Martin 1996). Just as housing developers are required to build or to contribute to the local social infrastructure, employers of immigrants can be required to build or to contribute to the local social infrastructure. Alternatively, a tax on the employment of immigrants could provide the funds to expand the infrastructure appropriately.

If there are concentrated benefits of immigration, there are diffuse benefits as well. Where immigration benefits the economy as a whole, those living outside the areas of immigrant concentration experience the diffuse gains from migration without the associated short-term costs. Those who purchase cheaper immigrant produced goods benefit from immigration while avoiding the costs of immigration. This suggests that part of the short-term costs of providing social infrastructure for immigrants should be borne in part by the nation as a whole rather than by those citizens living in areas where immigrants are concentrated.

Conclusions

Global migration represents both an opportunity and a threat. As a result, the long-term patterns of immigration control tend to be cyclical: periods of openness followed by periods of closure generated by the ultimate political victory of those who incur the costs associated with immigration. These cycles generate costs of their own, as patterns of communications, trade, and production are periodically shattered. Continued migration promises greater economic efficiency and greater world wealth but does not guarantee an equitable distribution of that wealth. Equity can be judged along three dimensions, among nation-states, between the immigrant and the host populations, and among the diverse host-country groups. If global and domestic equity are appropriate goals, political entrepreneurs have the ability to create a set of policies to maintain a level of relative openness to immigrants that avoids the stop-and-go nature of immigration policy to date.

These policies would reduce the short-term costs of immigration in communities that receive large immigrant intakes by tailoring the flow of immigration to the business cycle and to the ability to provide a social infrastructure. These policies would also

transfer some of the benefits of immigration to pay for the associated short-term costs created by dislocation. Surely there will always be mean-spirited individuals in every nation, lashing out at some (mis)perceived enemy. But the acknowledgment of and compensation for the short-term dislocations associated with immigration could mute some real, instead of imaginary, concerns. Racist and xenophobic behavior should never be tolerated. However, the construction of policies that are sensitive to the short-term dislocations associated with immigration would reduce the audience for the destructive xenophobic rhetoric and behavior visible in advanced market-economy countries today. Such policies may have the salutary effect of reducing incidents such as the one noted in the introductory paragraph.

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The University of California Institute on Global Conflict and Cooperation (IGCC) was founded in 1983 as a multi-campus research unit serving the entire University of California (UC) system. The institute's purpose is to study the causes of international conflict and the opportunities to resolve it through international cooperation. During IGCC's first five years, research focused largely on the issue of averting nuclear war through arms control and confidence-building measures between the superpowers. Since then the research program has diversified to encompass several broad areas of inquiry: regional relations, international environmental policy, international relations theory, and most recently, the domestic sources of foreign policy.

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In addition to projects undertaken by the central office at UC San Diego, IGCC supports research, instructional programs, and public education throughout the UC system. The institute receives financial support from the Regents of the University of California and the state of California, and has been awarded grants by such foundations as Ford, John D. And Catherine T. MacArthur, Rockefeller, Sloan, W. Alton Jones, Ploughshares, William and Flora Hewlett, the Carnegie Corporation, the Rockefeller Brothers Fund, the United States Institute of Peace, and The Pew Charitable Trusts.

Stephan Haggard, a professor in UC San Diego's Graduate School of International Relations and Pacific Studies and in the UCSD Department of Political Science, was appointed acting director of IGCC in July, 1997, replacing Susan L. Shirk, who served from June 1991–June 1997. Former directors of the institute include John Gerard Ruggie (1989–1991), and Herbert F. York (1983–1989), who now serves as director emeritus.



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