Migration Policies and the Economic Crisis

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MIGRATION POLICIES AND THE ECONOMIC CRISIS

By A. M. Carr-Saunders

In 1889 the International Emigration Conference affirmed "the right of the individual to the fundamental liberty accorded him by every civilized nation to come and go and dispose of his person and destinies as he pleases." Within the last few years the International Labor Office has published "Migration Laws and Treaties" in three volumes. The existence of this enormous work, which analyzes the most recent legislative and diplomatic action of the various countries of the world in relation to the control of migration movements, shows how far we have departed from the ideal of 1889. That ideal was in accordance with the dominant philosophy of the last century which held that on moral grounds the individual was entitled to freedom of movement, that on economic grounds labor, if free, would flow where it was required, and that in this manner the natural resources of the world would be exploited for the common good. If our fathers were right in their economic views, their sons have taken measures inimical to their own prosperity. Since the entire world has become entangled in the economic depression, it is worth while examining all the possible contributory causes of the catastrophe. It is not inappropriate therefore to ask whether recent restrictions on freedom of movement are not among them. The ethical aspect of the matter would take us too far afield and cannot be examined here.

Of migrations in the distant past we know very little; we can dimly discern the flow of streams of people, but we can ascertain next to nothing about the causes of these movements. From the middle of the seventeenth century onwards we are increasingly better informed. The work of Professor Walter F. Willcox and other scholars has given us a sketch of the growth of the population of the world; we know that it has multiplied some four times in the last three hundred years, and that the European races have had a share of the increase more than proportionate to their numbers, though the increase of the chief races of Asia has also been on a very large scale. The European races alone, however, overflowed their ancient frontiers; having taken possession of vast and virtually empty territories they set about to people and exploit
them. It is this experience which is profitable to analyze, and it is in connection with the more complete exploitation of the new European overseas possessions that the first great problem of world migration arises. Up to the present, with the exception of some recent continental movements, the Asiatic peoples remain where they were three hundred years ago. But there are huge under-developed regions inhabited by colored races not so very far away from the mainland of Asia. The possibility of movement from the crowded countries of Asia to these regions constitutes the second great problem of world migration. For reasons of space this paper must be confined to the first of these problems, though it may be possible to suggest that some of the conclusions derived from a study of the first are also relevant to the second.

Fixing our attention upon the movement from Europe, we find that, up to the beginning of the nineteenth century, economic motives played but a small part among those which led men to migrate. As the century advanced, economic considerations came to dominate over the desire for civil and religious liberty, and it is generally true to say that in the second half of the century non-economic motives were of little or no importance. During the earlier decades, movement was at certain times and places hindered by restrictions, and at others favored by bounties and free passages. But during the later decades, movement was in general neither obstructed nor aided by governments. Thus the century as a whole, and especially the second half, was a period such as our fathers wished to see — a period when men were free to move and were guided wholly or chiefly by economic considerations. What was achieved under these conditions?

Migration statistics are still far from satisfactory though, thanks to the work of the International Labor Office, we are far better informed about movements in our time than our fathers were about movements in theirs. Owing to the efforts of various students, the broad outline of events from 1800 up to the war has been reconstructed. Sundbärg's figures for the gross overseas emigration from Europe show that, while the total volume tended to grow throughout the period, there were booms in emigration separated by lean times, each boom being on a greater scale than the preceding one. Four main booms can be discerned: in the early fifties, around 1870, around 1900, and in the years before the war. By thus fixing our attention upon the phenomenon as a whole, that is, upon the gross movement from Europe, the disturbing ef-
fect of local and temporary actions of governments, in relation to helping or hindering movement, are rendered of little account. We find that there is a broad coincidence between migration booms and times of economic prosperity in the receiving countries, and that since as the century advanced the whole world tended to become prosperous or the opposite simultaneously, migration came to coincide with prosperity in the countries of emigration as well as in those of immigration. If allowances are made for other disturbing factors, such as wars and revolutions, the coincidence becomes more marked. Since the United States took two-thirds of these migrants, a study of immigration into that country can be used to test these conclusions. We are indebted to Dr. Harry Jerome for a penetrating investigation of American experience, especially during the period 1890–1914. He found a close similarity between volume of immigration and cyclical variations in employment opportunity in the United States. But he also observed that the coincidence was not perfect. During times of rising prosperity there was usually a lag in the corresponding fluctuation of immigration. Again, in times of least employment there was usually some net gain by immigration.

There are therefore grounds for saying that, when the conditions desired by the advocates of free movement prevailed, labor flowed in general where it was wanted and when it was wanted. Moreover, under these conditions the new European overseas estates were being rapidly peopled, and exploited. During the forty years between 1881 and 1921 the average annual rate of increase was 2.3 percent for New Zealand, 2.2 percent for Australia, 1.9 percent for the United States and 1.8 percent for Canada. That these rates indicate relatively rapid expansion may be grasped from the fact that only within recent years has the average annual rate of increase of Japan, to which so much attention is directed, much exceeded 1 percent. But from 1921 to 1926 the annual average emigration from Europe did not reach half the pre-war figure, though, taken as a whole, this epoch was not one of economic depression. Does this mean that we have abandoned a system under which the peoples of European origin were able to cope efficiently with the great task of developing their new possessions for the benefit of all?

Before attempting to answer this question it is well to utter a warning against exaggerating the merits of the former system. As mentioned above, Dr. Jerome has pointed to certain imperfec-
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Attacks. Apart from this it is probable, and indeed up to a point certain, that the old system worked with much waste. That same philosophy of which we spoke in the opening paragraph also favored free competition in commercial enterprise. We are all familiar with the eulogies that have been pronounced upon the results of the progress of nineteenth century industry; we can recall the pictures that have been painted of the rapidity with which every useful invention was exploited for the benefit of the public. But we are also aware of the demonstration that this system did at the same time involve waste on a considerable scale. Similarly it is certain that, although there was this coincidence between fluctuations in immigration and fluctuations in opportunities for employment, the migration of individuals acting on their own initiative, often with little or no guidance, must have meant much movement on the part of people wholly unsuited to their new environment, and much waste on the part of those who took time to find what they were suited to do in the new country of their choice.

The next step is to examine the present situation; it may be that it is unlike the past and that in consequence it requires new methods. That is to say, it cannot be taken for granted that the system, which worked at least fairly well before the war, will work equally well under prevailing conditions. We may first, however, take note of a point of view which leads those who hold it to conclude that immigration is of little or no use to a country which wishes to increase its population. The reference is to the famous theory of General Walker. He held, it will be remembered, that immigration made no real addition to the population of a country because the birth-rate was depressed by an amount which corresponded to the volume of immigration. It would seem that this theory is still influential, at least among politicians. But it has often been disproved; recently it has been confuted by Professor Warren Thompson and Dr. Whelpton in their admirable volume “Population Trends in the United States.” It follows that, if the new countries desire to continue to increase their populations at an average annual rate of 2 percent or thereabouts, they must continue to rely on immigration; indeed they must rely more on immigration in the future than in the past because their own contributions by way of natural increase are declining.

The next question is the extent to which migration movements are still desirable. It is impossible to contemplate the countries
peopled by persons of European race without being struck by the grossly unequal distribution of population — densely populated Europe, the sparsely populated new countries. But to speak of a country as densely populated does not imply that there are too many inhabitants. In fact it is impossible to say whether a highly industrialized country like Great Britain is over-populated in the strict economic sense. The number of people which it is desirable on economic grounds to have in a country, which enters as largely as Great Britain does into world trade, depends upon factors, such as tariffs, which affect the amount and direction of international trade. Such a country may be over-populated one day and under-populated the next. What can be asserted of Great Britain is that it is congested, which means that on sociological grounds there are enough, if not too many, inhabitants. It is easier to assess the position of a country like Poland which is mainly agricultural. Official Polish figures in 1921 put the surplus population per square kilometer as 5.5 persons. This would mean a total surplus of some three millions in 1931, and the population is now increasing by about 400,000 a year. It is even less easy to say anything about the population-carrying capacity of the new countries. But it can be asserted without fear of contradiction that, if they are to make the most of their great possessions, they will need to augment their numbers for many decades to come. Therefore within the world of Europe and its derivatives there are countries which would gain by emigration and countries which would gain by immigration.

So far we have not come across any changes in conditions which might suggest the need for changes in methods. We have now to take note of a very profound change. The dominant mode of exploiting the new overseas estates in the nineteenth century was by grants of free or cheap land. This has come to an end. In consequence, any further increase of population must be accommodated either by intensification of agriculture or by expansion of industry and commerce. Unregulated individual migration, whatever its defects may have been, was clearly better suited to the needs of a country adding to its farm acreage than to a country engaged in what we may call internal expansion. Pioneering on the frontier is an individual matter; the intensification of the existing economic structure is less so. The intensification of agriculture normally results from the pressure of the natural increase of population; to bring it about otherwise demands planning and
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organization. As to the growth of industry, the increase in the size of the unit is worthy of note because the nature of the operations of large industrial units demands planning, including the selection and collective recruitment of labor. Connected with the growth of and changes in industry is the rise of protective labor associations which seek to safeguard the welfare of their members against the immigrant. Unless steps are taken to remove the fear that immigrants will undercut wages, these associations will oppose immigration. Further, it is not only in countries of immigration that conditions have changed. In countries of emigration, more especially in the highly organized countries of northern and western Europe, the mass of the people, largely as a result of education, demand a greater degree of personal consideration than before. It is not, as is sometimes mistakenly suggested, that they have grown soft; the war disproved that suggestion clearly enough. It is that they are not so willing as before to jump into the migrant stream and allow themselves to be floated somewhere by the play of uncontrolled forces. The metaphor can be carried further. We may say that, whereas formerly there was a fair chance of climbing out at some point on to the bank and taking possession of a piece of land to cultivate, this is no longer so. In fact, they would like a craft provided for them which will land them at some definite point for some definite purpose.

The situation has thus undergone profound changes, and the neglect of this fact must vitiate any proposals the object of which is to set the sluggish stream flowing once more. To propose a mere return to freedom of movement is to forget that, even under favorable circumstances, it worked none too efficiently, and that recent changes have all been in the direction of rendering it a still less efficient instrument. The inference to be drawn from what has been said above is that no less amount of migration than before is desirable but that it demands planning and guidance. What then have the governments of the world done? What is the nature of their activities as shown by the three great tomes issued by the International Labor Office?

The most striking conclusion emerging from a study of all this activity is that most of it results in restricting migration movements. The total volume of immigration is cut down either by rigid numerical quotas, as in the case of the United States, or by the no less effective but more flexible methods used by the British Dominions. In addition there are special restrictions in respect of
the entry of certain races, groups or categories of persons; in these latter cases entry is either forbidden or prevented altogether. What are the declared motives which prompt action of this type? The Walker theory may not be without some influence. Rather surprisingly, however, purely economic reasons do not seem often to be alleged; it does not seem to be the case that advocates of this kind of legislation often believe that the countries attracting immigrants could not find employment for all who come. Purely economic reasons, however, are influential in times of depression; the New Zealand Immigration Restriction Act of 1931, which gives power to suspend British immigration so long as unfavorable economic conditions prevail, is an example of this. But they are unimportant in normal times. We do find one clearly expressed motive in the desire to exclude persons of bad character and of sub-normal quality, mental defectives and the like. But the amount of exclusion which can be justified under this head is small. It is nevertheless a perfectly proper ground for exclusion, and a point can be made against the dogmatic upholders of the theory of complete freedom of movement that they failed to recognize this fact. By far the most important of the declared reasons for restriction or exclusion is the necessity of ensuring that the immigrants will be assimilated. Governmental action with this end in view began far back in the last century when the United States and Canada, followed later by Australia, restricted and finally prohibited the entry first of Chinese and later of Japanese. The ostensible object of the American immigration laws is to achieve this end; it is no less true of the British Dominions. Again, it may be urged against the upholders of freedom of movement that they neglected this perfectly proper consideration. It is the duty of every government to attempt to ensure that the component elements of the population are of such a nature that the growth of a true community is possible. But while it is relatively easy to decide what people are undesirable as immigrants because they are of subnormal quality, there can be no harder task than to say who can be assimilated and who cannot. There are and can be no rules to which to appeal; assimilation largely depends on the mental outlook of the immigrants on the one hand and of the present inhabitants on the other, and this is likely to undergo continuous change. Experiment and observation alone can decide.

It is obvious that these declared reasons do not by themselves
account for so great a mass of restrictive legislation. The plain fact is that the assimilation difficulty is often used as a cloak under which mere dislike of foreigners may find expression, and this again is to be traced to the rising forces of nationalism. Again, as the new countries have become industrialized, protective labor organizations have grown up. These organizations fear that immigrants will undercut the wages of their members and therefore press for restriction, though for reasons of politics they seldom confess their true motives, preferring to employ the argument based on the difficulty of assimilation.

While matters have been going this way in countries of immigration, developments have been taking place in countries of emigration, notably in Italy. The new Italian emigration policy dates from 1927. The government has made emigration impossible for certain classes and only permits a restricted amount of emigration for other classes. Whereas formerly the Italian emigrant obtained concessions in the shape of cheap fares from his home to the port, it is now the Italian returning from abroad who is favored in this way. Not content with this, the government has taken under its wing the nine million Italians who are estimated to live outside Italy. A General Directorate of Italians Abroad has been set up to stimulate patriotism among Italian emigrants and to keep them attached to the homeland. It operates by organizing schools and fascist groups and by encouraging the visits of children of emigrants to Italy; it also works on the literary side in conjunction with the Dante Alighieri Society. It is obvious that in so far as such a policy is successful, so far is assimilation made a more serious issue. But when all considerations are taken into account, it cannot be denied, as a survey of legislative action before 1927 shows, that much restrictive action has been taken, ostensibly in the cause of assimilation, which was in fact dictated by racial prejudice or by other insufficient or unworthy motives.

There is little to be said for the actions of governments such as have been described above. A survey of modern conditions suggests that what is wanted is the control and guidance of the stream of migration. Control means restriction at certain times, but it also means expansion at others. The first complaint about action of this kind is that it results in nothing but restriction. The American immigration laws set a low and an absolute limit to the flow. The regulations in force in the British Dominions, though less
rigid, aim chiefly at keeping down the number of immigrants. The second complaint is that it does nothing in the direction of guidance, that it is wholly unconstructive. It merely permits a limited amount of the old individual, hit or miss, migration.

Fortunately the arrangements that have been discussed do not constitute the whole contribution of statesmanship to the solution of the problem. The recent treaties between Germany and Poland and between France and several states point the way to better methods of dealing with the situation. In 1927, Germany came to an agreement with Poland which is remarkable on account of the high degree of organization with which the movements permitted are carried out. Germany discovered that, in spite of widespread unemployment, she still needed for several months in each year a large number of Polish agricultural workers. The complicated arrangements for supplying this labor may be briefly summarized by saying that, to begin with, German farmers apply for permits to employ Polish labor. These applications are reviewed in the light of the condition of the German labor market and a certain number of permits are granted. The total is communicated to the Polish authorities, together with suggestions as to where the labor should be recruited and how it should be allocated. The Poles may make counter-suggestions. At length it is agreed to recruit so many persons in particular places for particular purposes; each migrant is provided with a standard form of contract; elaborate arrangements are made for transport and for the settlement of such disputes as may arise. The system is said to have worked very well.

The arrangements made by France with several countries are of even greater importance because so many immigrants remain permanently. It is estimated that there are some three million foreigners in France and that up to eighty thousand a year became naturalized. The Foreign Department of the Ministry of Labor and the Agricultural Labor Department supervise the operation of the treaties. They fix the number permitted to enter and draw up standard contracts. Under these arrangements large agricultural districts in the southwest of France, which were becoming depopulated and derelict, have passed into the hands of foreigners who have initiated a rural revival. It is said that foreigners form forty percent of all coal miners in France and the large majority of all who are engaged in extraction in French iron mines.
The notable thing about these arrangements is that the economic situation is kept clearly in view and an attempt made to provide for it. There is, of course, no reason why, in so doing, regard should not be had to considerations of assimilation, if the movement is intended to be permanent. Indeed it would be obviously proper to do so. What the governments of France and Germany are trying to do is to assess the need for labor and to provide it in sufficient quantity and suitable quality and thus to avoid waste. The government is not itself engaged in attempting to exploit its territory; it is merely setting out to enable its citizens to do so. The experience of Australian governments, so illuminatingly described by Mr. Eggleston in the second series of "The Peopling of Australia," is a warning to governments against the taking of this task upon their own shoulders. For this purpose governmental machinery is inefficient and clumsy. Moreover, governments tend to begin or to continue development when the season is not propitious because they are not sensitive to the economic barometer. The private citizen and private corporation, on the other hand, are far better placed to know when development is justified, and it is the task of the government to fulfil their needs by organizing the inflow of the necessary labor.

Two features of these arrangements deserve special attention. Collective recruitment of foreign workers for particular purposes plays a large part. It may be that a particular industry or a given corporation envisages development and looks round for the necessary labor. This implies that some degree at least of intelligent planning is at work and that the action of the governments concerned is of the nature of directing a stream of migration of the right size where it is wanted. Again, the standard contract is of great importance. It removes the legitimate fear experienced by labor organizations that wages will be undercut. If labor still objects, the true motives for opposition become apparent; these are either race prejudice or a desire to hold up the community to ransom by creating an artificial shortage of wage earners. It also does something effective to reassure the better class of intending emigrant. He knows that there will be work for him of a certain kind and what he will get for it.

Statesmanship has therefore not been found entirely bankrupt when called upon to cope with the changed conditions of the migration problem. Experiments have been made with a new mechanism which are full of promise. This mechanism, it should
be observed, does not take the form of general legislation, which is an unsuitable method of dealing with migration, but of bilateral treaties. So far little use of the bilateral agreement has been made to facilitate overseas movements, but there is a valuable precedent in the treaty between Poland and Sao Paulo. That treaty contains the interesting provision that the Sao Paulo Department of Labor is to inform the Polish Emigration Office of the intention to establish new agricultural settlements so that arrangements may be made to put into force the organized recruitment of selected Polish settlers contemplated in other parts of the agreement. Within the British Empire a little progress has been made towards attempting to meet the needs of the Dominions in an orderly fashion. But collective recruitment for purposes other than government schemes, of which some criticism was made above, has so far played but a small part. Nevertheless, there are now proposals, such as the projected development of Northern Australia under some form of chartered corporation, which show that experiments will probably soon be made in this direction.

The conclusions drawn from study of the problem of migration among peoples of European origin are not without some relevance to the problem of colored migration. This second problem is also a concern of the white races inasmuch as they control most of the under-developed lands to which the crowded peoples of Asia might go. The assimilation issue is here also very much alive, as Indian movements into South Africa bear witness. The responsibility of the white races in the matter is heavy, since the colored peoples, to whose homes Asiatic races might go, are quite unable to protect themselves; it would constitute a serious charge against the European Powers, who have assumed control of these peoples, if they permitted a state of affairs to arise in which racial conflicts were inevitable.

Leaving the assimilation matter aside, any examination of the question shows that it is no mere matter of opening and closing doors. The under-developed lands are in one sense fully occupied—but under a system of extensive cultivation carried out by more or less primitive methods. Everyone is aware of the racial strife in Palestine consequent upon immigration. That country also provides an excellent example of the difficulty arising from the present methods of using the land. The British Government, being anxious to ascertain what amount of migration to Palestine should be permitted, sent Sir J. Hope Simpson to make an en-
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quity. He reported that the present average Arab holding was insufficient to maintain the cultivators at a decent standard of life. It follows that, if room is to be found on the land for new arrivals, the existing agricultural practices of the Arabs must be replaced by a system which will permit of more intensive cultivation and thus provide support for a family on a smaller area at a higher standard. Generally speaking, the same is true of those under-developed countries to which Asiatic peoples might go. That means that, if the European governments, who are responsible for these territories and for the welfare of the existing inhabitants, decide to permit immigration, they must be prepared to undertake the tremendous task of adapting the present form of land utilization so that the methods of cultivation may provide adequately both for the present inhabitants and for the newcomers. In other words, the solution of this aspect of the world migration problem is not to be found in the mere raising of restrictions, but demands continuous skilled guidance and control. So once again we conclude that constructive government action is necessary in the field of migration problems.

To an economist the problem of migration is the problem of directing the flow of labor in such a manner that it fulfils, both as regards quality and quantity, the needs of countries of immigration. Failure to solve the problem will meet with more than an economic penalty, that is, a penalty which deprives the countries concerned of a degree of material welfare to which they would otherwise have attained. Under-developed countries are potential danger spots. So long as development continues at a reasonable rate, all may be well. But tension is introduced into international relations if development is held up. The situation, which would arise if the European inhabitants of some well endowed but sparsely populated region neither added to their numbers by natural increase nor permitted immigration, could not endure. Sooner or later the tension created would lead to some upheaval. Moreover, those who try to solve the problem find themselves dealing with all the most intractable features of the world situation, racial prejudice, territorial jealousy, sovereignty and flag-waving. The problem cannot be shelved; it presses for attention. From a long view, it is no great exaggeration to say that it is more important than disarmament. If the problem is solved amicably and rationally, it will not matter very much whether there are armaments or not, because the chief sources of international ten-
sion will have disappeared. If it is not solved, it will not much matter about armaments because, if there are none, men will fight with their fists.

At first sight it might seem as though the international migration conferences held since the war had achieved no more than international conferences concerned with other matters. Indeed, a pessimist might argue that the Havana conference of 1928 marked a descent from the level of the Rome conference of 1924. From all accounts the Havana conference does seem at times to have been rather a bear garden. But at Havana the delegates did not confine themselves to discussing small matters; they touched upon fundamental issues such as assimilation and the absolute right of those who control any territory to say who shall enter. No one who knows what international jealousies are should be surprised if at times the delegates pulled faces at one another. An optimist might say that to touch these matters at all was a step forward. However that may be, we can at least take comfort from two events. The nations have agreed to keep more detailed figures of migration movements. This is not a trivial matter; the rational solution of these problems demands accurate data as a prerequisite. Secondly there are the bilateral agreements which show the sort of way in which the problem may perhaps be handled. It is worthy of note that some of these agreements have been made between countries which notoriously do not love one another overmuch.