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There is a contradiction at the heart of our globalising world. No government, except perhaps North Korea's, would dream of trying to ban the movement of goods and services across borders, yet it is seen as perfectly normal to outlaw the movement across borders of most people who produce goods and services. Even within the European Union, for which the free movement of labour is supposedly a fundamental principle, restrictions still exist. Germany, notably, still refuses to allow people from Poland and the other EU accession states to work there legally, while Europe's door remains firmly shut to all but the most educated people from developing countries.

Such immigration controls are morally wrong, economically stupid and politically harmful. Morally wrong, because freedom of movement is one of the most basic human rights. It is abhorrent that the rich and the educated are allowed to circulate freely around the world while the poor are not. Economically stupid, because migration – in effect a form of trade – is generally beneficial, not just within countries but also between them. Politically harmful, because immigration controls are ineffective and counterproductive: far from stopping migration, they mainly drive it underground, damaging society rather than protecting it.

Undeniably, migration can cause problems, just as any change can. Some people may lose out; some may find it hard to adjust; some would prefer that the world stand still. But most of the fears about immigration are unjustified: migration does not generally threaten jobs, the welfare state or our security.

The Universal Declaration of Human Rights states that "Everyone has the right to leave any country, including his own, and to return to his country." But what is the right to leave a country if one cannot enter another? This is not a point of abstract principle. Each year thousands drown trying to reach Europe on flimsy, overloaded boats; others die by other means. We like to think that we are not responsible for these deaths. After all, migrants know the risks of trying to reach our shores illegally. But if a law is unjust, we cannot wash our hands of its consequences. By denying desperate people the opportunity to cross borders legally, we are driving them to risk death.

Of course, voters and government officials would rather migrants didn't die. But implicitly, they consider it a price worth paying for protecting our borders. That sounds shocking – and it is. But how else can we explain the general indifference at the deaths that our immigration controls cause? Why is there not an outcry each time a migrant dies? Why is the official response always that we must remain tough in enforcing our border controls rather than questioning whether the

system makes any sense? If one is to justify these deaths in any rational way, one must argue that migrants pose so great a threat to our society that the terrible consequences of our immigration controls are necessary.

Yet immigrants are not an invading army. They are mostly people seeking a better life who are drawn to Europe by the huge demand for workers to fill the low-end jobs that our ageing and increasingly wealthy societies rely on but which our increasingly well-educated citizens are unwilling to take. That immigrants come illegally is a sign not of moral turpitude but of misguided government intervention: those who want to work here have no other choice.

From a global perspective, the potential gains from freer migration are huge. When people from poorer countries move to rich ones, they too can make use of advanced economies' superior capital, technologies and institutions, making them much more productive. This makes them – and the world – better off. Starting from that simple insight, economists calculate that removing immigration controls could more than double the size of the world economy.¹ Lowering them even slightly would yield disproportionately big gains.

For sure, such figures are little more than back-of-the-envelope calculations. They provide an order of magnitude, not a precise estimate. But if anything, they underestimate the true gains from greater openness because they ignore its much larger dynamic benefits, notably the faster economic growth that increased competition, innovation and enterprise could generate. Just as the freeing up of international trade and finance since World War II has helped power a huge rise in living standards across the world, increased international labour mobility could deliver vast economic gains over the next fifty years.

Critics object that while the global gains may be great, those to a rich country such as Germany may not be. Assume, for the sake of argument, that they are right. Does that imply that the German government should tightly restrict immigration? Yes, they say: immigration policy should be based solely on its impact on the welfare of the existing resident population. Really? It is one thing to believe that the government should give greater weight to the welfare of the German population in its decisions, quite another to argue that it should give none at all

¹ Hamilton, C./J. Whalley (1984), Efficiency and distributional implications of global restrictions on labour mobility: calculations and policy implications, *Journal of Development Economics* 14 (1-2), 61-75; Moses, Jonathon W./Bjørn Letnes (2004), The Economic Costs to International Labor Restrictions: Revisiting the Empirical Discussion, *World Development* 32(10): 1610.

to the wellbeing of those outside Germany. If that logic was applied more broadly, the government would spend nothing to help people starving, drowning in international waters or being slaughtered in far-off countries. Certainly, that is not how the government behaves, nor how voters expect it to act: international aid, for instance, is relatively small, but not zero. How, then, can it be right to deny people much poorer than ourselves the opportunity of a better life, if we gain from it, however slightly – or, indeed, even if we lose from it somewhat?

Yet there are good reasons to believe that the economic benefits of freer migration are large, not just for immigrants themselves, but also for the existing German population. In our globalising world, where the economy is forever changing and opportunities no longer stop at national borders, it is normal and desirable for people to move freely, not just within Germany but also internationally. This is as true for Polish plumbers as it is for German businesspeople. Just as the free movement of goods and services is beneficial, so too that of people who produce goods and services. The emerging pan-European labour market is extending the gains of the EU's single market, encouraging the allocation of labour to its most efficient use. It enables countries that open their labour markets to specialise in what it does best, reap economies of scale, foster dynamic clusters, and improve the variety, quality and cost of local products and services. Increased mobility also makes the economy more flexible, allowing it to adapt more readily to change, and thus boosting growth and stability. Last but not least, foreigners' diversity and dynamism boost competition, innovation and enterprise, raising long-term productivity growth and living standards.

It is widely accepted that Germany benefits from free trade, not just within the EU single market, but also globally. Presumably, then, the emergence of a pan-European labour market also benefits Germany. After all, when Germans go abroad for surgery, it is considered trade, and when foreign surgeons come to Germany, it is called migration – yet the economic impact of the operations on the existing German population is equivalent. But where services have to be delivered locally – old people cannot be cared for from afar; taxi-drivers have to operate locally; food and drink have to be served face to face – international migration is the only form of international trade that is possible. And just as it is often cheaper and mutually beneficial to import clothing from China and IT services from India, it often makes sense to import services that have to be delivered on the spot. Germans accept that it is mutually beneficial to import professional services from Americans, be they in New York or London; surely the same logic applies to Polish plumbers, Indian IT workers, Filipino care-workers, Congolese cleaners and Brazilian barstaff?

The conventional wisdom that Germany may benefit from high-skilled immigration but not from the lower-skilled variety is economically illiterate. It is like arguing that Germany benefits from importing American software, but not Chinese clothes. In fact, the gains from migration depend largely on the extent to which newcomers' attributes, skills, perspectives and experiences differ from those of existing residents and complement ever-changing local resources, needs and circumstances. A selective immigration policy cannot possibly determine the right number or mix of people Germany needs now, let alone how these will evolve in future. Allowing people to work wherever they want and companies to hire whoever they want would clearly deliver a better outcome.

Let me be clear: I am not saying that a higher level of immigration is intrinsically better for the economy. That would be as stupid as arguing that Germany should try to maximise the volume of foreign trade, or attract as many high-skilled migrants as possible. Rather, the level and pattern of cross-border mobility that would exist in the absence of controls would be preferable to that which exists now, which in turn is preferable to a wholly closed national labour market. In short, I am arguing for freer migration, not a higher immigration target. Short of completely free migration, the second-best policy is a uniform tax on employing foreign workers that does not arbitrarily discriminate among types of worker or cap the total number.

While it is impossible to predict who would move across borders if people could move freely, one can suggest particular benefits of certain types of people doing so. Highly skilled foreigners are vital for fostering global clusters: London would be a local financial centre, not a global one, if it wasn't open to professionals from around the world. As the number of university graduates from China, India and other emerging markets soars in coming decades, it will be increasingly important for companies based in Germany to be able to draw on the widest possible pool of talent. Yet economic theory suggests that the gains to Germany from less-skilled migration are potentially greater, since low-skilled labour is relatively scarce here. Germany has an ageing, increasingly well-educated population, while developing countries have a younger, generally less educated one, so their workforces tend to complement each other.

Critics who counter that "we could make everything ourselves if we had to" may be literally correct – Robinson Crusoe scraped by alone on his island – but autarky would make us all much poorer. This is expressed in a more sophisticated, but equally wrong-headed, way by those who argue that we can make do without migrant labour. Of course, alternatives may exist – paying higher wages may in-

duce a higher local supply of labour, or over time induce people to acquire the skills required for jobs in demand; some jobs can be replaced with machines or computers; some tasks can be performed overseas – but closing off one's options clearly has a cost. Like trade barriers, immigration controls reduce the welfare of the German population – and by raising the cost of products and services, they harm the poor most.

The paradox of productivity growth is that while Germany's future prosperity depends on developing new high-productivity activities and nurturing existing ones, a large share of future employment will be in low-skill, low-productivity location-specific activities, precisely because such jobs cannot readily be mechanised or imported. The fastest area of employment growth in advanced economies is not high-tech, but care for the elderly.

Low-skilled jobs still account for over a quarter of the German workforce. But the supply of low-skilled workers is shrinking fast, as less-skilled older workers retire and younger ones with higher aspirations replace them. Whereas 79% of 55-64 year olds (and only 72% of women of that age) have finished upper secondary education, 84% of 25-34 year olds (including 83% of women of that age) have, while even those with no qualifications do not want to do certain dirty, difficult and dangerous jobs.²

Consider old-age care. The UN Population Division forecasts that the share of Germany's population aged over 60 will rise from 25% in 2006 to 35% in 2050, with the share of over-80s – those most likely to need care – more than doubling from 4.5% to 12.3% over the same period.³ Many will need looking after, and persuading young local people who would rather do something else to work in a retirement home would require a substantial wage hike – and that implies pensioners making do with much less care, big budget cuts elsewhere, or large tax rises.

But migrant workers face a different set of alternatives: since wages in Germany are a multiple of those in, for instance, the Philippines, Filipinos are happy doing such work. This is not exploitation: it makes everyone – migrants, taxpayers, Germans young and old – better off. It does not undercut wages, since locals do

2 OECD (2007), *Education at a Glance, Indicator A1*, >>http://www.oecd.org/document/30/0,3343,en_2649_39263238_39251550_1_1_1_1,00.html<<.

3 UN (2006), *Population Division, Population ageing*, >><http://www.un.org/esa/population/publications/ageing/ageing2006.htm><<.

not want these jobs in any case. And it does not undermine social standards: if there is abuse, legal migrants have recourse to unions and the law. Nor does it entail creating a permanent underclass. If migrants are temporary, as most aspire to be, their point of reference is their home country – and thanks to their work in Germany, they return home relatively well off. If they end up settling, their wages tend to rise over time as they gain skills, contacts and experience. Their German-born children ought to have the same opportunities as other German children. If it turns out that some children are left behind, whoever their parents may be, it is a reason to redouble efforts to ensure equality of opportunity, not to keep out immigrants. Thus immigration can widen opportunity not only within Germany, but also internationally.

Gains from trade are one powerful reason why freer migration would be good for Germany. A second is that it would make the economy more flexible. It is generally accepted that labour mobility within Germany is economically beneficial; *a priori*, then, the same is true within Europe, or indeed globally. If it is a good thing for people to move from Bonn to Berlin when their labour is in demand, surely the same applies to those moving from Bulgaria or Bolivia. And if it is desirable for the Deutsche Bank to be able to hire the right people in the right place at the right time, the same is surely true for a small machine-tools business that has just received a big order from China but cannot find the requisite employees locally or an organic farmer who cannot meet surging demand without foreign labour.

Increased mobility makes the economy more flexible and adaptable. Job shortages can quickly be met by migrant workers, who tend to be more willing, once arrived, to move to where the jobs are, and to change jobs as conditions change. The benefits of increased mobility are particularly great at a local, micro level: the smaller an economic unit is, the more it has to gain from accessing a wider pool of labour. But they are also significant at an economy-wide, macro level. Greater flexibility enables the economy to grow faster for longer without running in to inflationary bottlenecks. That enables Germans to enjoy higher living standards, lower unemployment and lower interest rates than otherwise.

Increased mobility is as beneficial in a downturn as it is in an upswing. Consider Britain's recent experience. Contrary to the claims of those who warned that recent migrants would swell the dole queues when the economy soured, they are increasingly moving on to parts of Europe, including Poland, that are faring better. Of the million or so east Europeans who have come to work in Britain since

2004, over half have already left again.⁴ By heading elsewhere as the UK economy weakens, migrant workers will help smooth its adjustment: unemployment will rise less than otherwise, making the recession shorter and shallower and putting less of a strain on public finances.

The biggest benefit of greater openness is the greater diversity and dynamism that it brings. Migrants are a self-selected minority who tend to be young, hard-working and enterprising. Like starting a new business, migrating is a risky enterprise, and hard work is needed to make it pay off. An influx of young, industrious types not only boosts the productivity of the economy directly; it also tends to stimulate greater productivity gains from native workers. Polish builders may spur their German counterparts to up their game, for instance, as well as transferring new skills to them.

It is well-known that our future living standards depend largely on long-term productivity growth. Yet the partial, static neo-classical models by which the economic impact of migration is generally assessed take no account of the potentially huge dynamic benefits of an open society – increased competition, innovation and enterprise – not to mention the consumption benefits of diversity – a wider choice of ethnic restaurants, fusion food, R&B music, salsa classes, tai chi and yoga. If free trade was judged by the same yardstick, one might also conclude that Germany scarcely benefited from it.

These dynamic gains may be hard to measure at a macro level, but policymakers cannot afford to ignore them. Outsiders' different perspectives and experiences and burning drive to succeed help stimulate the new ideas and businesses on which our future prosperity depends. History and global experience shows that the exceptional individuals who come up with brilliant new ideas often happen to be migrants. Instead of following the conventional wisdom, they tend to see things differently, and as outsiders they are more determined to succeed. Some 70 of America's 300 Nobel laureates since 1901 were born abroad; 22 of Britain's 114 Nobel-prize winners are foreign-born.⁵

Immigrants' collective diversity is also vital. Most innovation comes from groups of talented people sparking off each other – and foreigners with different ideas, perspectives and experiences add something extra to the mix. While ten heads

4 Pollard, Naomi / Maria Latorre / Dhananjayan Sriskandarajah (2008), *Floodgates or turnstiles? Post-EU enlargement migration flows to (and from) the UK*, Institute for Public Policy Research.

5 >>http://en.wikipedia.org/wiki/Nobel_laureates_by_country<<.

who think alike (however talented) are no better than one, by sparking off each other a diverse group can solve problems better and faster, as a growing volume of research shows.⁶ Just look at Silicon Valley: Google, Yahoo! and eBay were all co-founded by immigrants who arrived not as graduates selected by some clever points system, but as children. Nearly half of America's venture-capital-funded start-ups were co-founded by immigrants.⁷

The value of diversity does not apply only in high-tech: an ever-increasing share of our prosperity comes from solving problems – such as developing new medicines, computer games and environmentally friendly technologies, designing innovative products and policies, providing original management advice. Consider HIV research. For years, American researchers struggled to find an effective anti-HIV medication. They came up with all sorts of drugs that worked more or less well, but none did so for long. Then a Taiwanese immigrant, David Ho, came up with a bright new idea: why not try a cocktail of drugs? And it worked. Think how many lives that has saved worldwide.

Diversity is also a magnet for talent. Go-getting people are drawn to cities like London because they are exciting and cosmopolitan. The same was true, of course, of 1920s Berlin. As Richard Florida documents in *The Rise of the Creative Class*, “Regional economic growth is powered by creative people, who prefer places that are diverse, tolerant and open to new ideas”⁸.

Newcomers' contribution is potentially vast – yet inherently unpredictable. Nobody could have guessed, when he arrived in the United States aged six as a refugee from the Soviet Union, that Sergey Brin would go on to co-found Google. Had he been denied entry, America would never have realised the opportunity that had been missed. How many potential Brins does Germany turn away or scare off – and at what cost?

As the 19th century philosopher John Stuart Mill rightly said: “It is hardly possible to overrate the value, for the improvement of human beings, of things which bring them into contact with persons dissimilar to themselves, and with modes of

6 See, for instance, Scott Page (2007), *The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools, and Societies*, Princeton.

7 National Venture Capital Association (2006), *American Made: The Impact of Immigrant Entrepreneurs and Professionals on US Competitiveness*.

8 Richard Florida (2002), *The Rise of the Creative Class: And How It's Transforming Work, Leisure, and Everyday Life*, Basic Books.

thought and action unlike those with which they are familiar... there is no nation which does not need to borrow from others.”⁹

Of course, diversity can also cause friction. A fruitful exchange of ideas requires communication and an open mind. Making the most of diversity within companies requires shared goals and values. Society as a whole needs common institutions and laws underpinned, however imperfectly, by liberal values. Reaping the full economic benefits of diversity requires vigorous anti-discrimination laws, encouragement of social mobility, and tolerance of differences – all of which are desirable in any case.

These three key economic benefits – gains from trade, increased flexibility and the dynamic boost from diversity – urgently need quantifying at a European level, based on better statistics and a rigorous analysis, along the lines of the Stern report into the economics of climate change. If, as expected, they prove to be large, they provide the means to compensate any losers from immigration, offset any other social costs and still leave Germans better off. Extra tax revenue and higher economic growth, for instance, make better healthcare, education and transport more affordable. And if we are counting immigration's purported social costs, we should not ignore its palpable benefits, to which anyone with a partner, parent, relative, friend or colleague of foreign descent can testify.

Often, though, the costs of immigration are more perceived than real. Immigrants are said to take local workers' jobs, as if there were only a fixed number of jobs to go round. We heard similar arguments when women began to enter the labour force in large numbers: many men thought that if women worked, there would be fewer jobs for them. But of course, people don't just take jobs, they also create them. They create jobs as they spend their wages – because they stimulate extra demand for people to produce the goods and services they consume – and they create jobs as they work, because they stimulate demand for complementary workers: an influx of builders, for instance, boosts demand for those selling building supplies, as well as for interior designers.

When opponents of immigration argue that immigrants harm the job prospects of German workers, they implicitly assume that they compete directly with them in the labour market – and that the economy never adapts to their arrival. If immigrants were identical to native workers and suddenly arrived in an economy

9 John Stuart Mill (1848), *Principles of Political Economy*.

with no vacancies, they would indeed have a temporary negative impact on local workers, until investment caught up with the increased supply of workers and demand for goods and services.

But immigrants and German workers are not identical. The newcomers, after all, are foreign: they speak the local language less well, they have fewer contacts and less knowledge of local practices, and low-skilled migrants may have less education and fewer skills than local workers. At most, then, they are imperfect substitutes for local workers, and compete only indirectly with them in the labour market. Some individuals, then, may lose out: an unreliable German builder who does shoddy work may find himself out of work. But even if Polish builders are willing to work for lower wages than German ones, they don't necessarily deprive them of work: if home repairs are cheaper, more people, including poorer Germans, can afford house improvements, while reliable, established German builders may be able to charge richer clients more. Mostly, though, immigrants take jobs that local workers can't or won't do, and thus do not compete with them at all. On the contrary: immigrants often complement German workers' efforts, raising productivity and thus lifting their wages. A foreign childminder may allow a doctor to return to work, where her productivity is enhanced by hard-working foreign nurses and cleaners.

In such cases, one would expect to find immigrants having a positive impact on natives' wages in countries with flexible labour markets, and a positive impact on natives' employment in countries with rigid labour markets. And that is precisely what many recent studies find. For instance, a study of Germany found that a one percent increase in the share of foreign workers in the labour market led to a small increase of 0.2 per cent in the wages of blue-collar workers, but to a 1.3 per cent rise in the wages of white-collar workers, boosting natives' wages by 0.6 percent overall.¹⁰ More broadly, although countries such as the United States, Spain and Britain have admitted large numbers of immigrants in recent years, unemployment in each of these countries fell – until the onset of the global financial crisis. There is no correlation between rich countries' unemployment rate and the share of immigrants in the population.¹¹

10 Haisken-DeNew, J./K.F. Zimmerman (1995), *Wage and Mobility – Effects of Trade and Migration*, CEPR Discussion Paper 1318, London.

11 Coppel, Jonathan/Jean-Christophe Dumont/Ignazio Visco (2001), *Trends in Immigration and Economic Consequences*, Economics Department Working Paper 284. Organisation for Economic Co-operation and Development, Paris.

But wouldn't opening up instead attract more welfare claimants? Unlikely: those willing to take a leap in the dark by migrating tend to be more enterprising, and to make the gamble pay off they have every incentive to work hard. After Britain, Ireland and Sweden in 2004 opened up to workers from the new EU accession states, Britain and Ireland restricted their initial access to welfare benefits, yet only 1% of Polish migrants chose Sweden and its generous welfare. Such temporary, mostly young migrant workers who arrive without their families clearly bolster public finances. Educated abroad and likely to retire there too, they still pay taxes while working in a foreign country.

Admittedly, previous migrants who have settled permanently have often ended up unemployed. While the gap in employment rates between native-born people and foreign-born ones has shrunk considerably, it remains significant. And while immigrants' children tend to do better than their parents, they still fare less well than those of native Germans.

This is a serious problem, not least for those concerned. But what are its causes? Many believe that immigrants are work-shy or unemployable. Yet other explanations are more plausible. Discrimination is one: strikingly, the daughters of immigrants who strive to obtain a university degree are much less likely to be employed than those of native Germans.¹² Other inequalities of opportunity surely hold people back.

Above all, labour-market regulations and institutions that privilege insiders at the expense of outsiders deter employers from giving immigrants, their children and others, notably young working-class natives, a chance.

The priorities should be clear: bolster efforts to combat discrimination and promote equality of opportunity; enact labour-market reforms that better combine security, adaptability, employability and opportunity; and adopt welfare reforms that provide protection but minimise disincentives to work.

For sure, when migrants settle, broader questions arise, notably whether a more culturally diverse Germany would continue to support a generous welfare state. The evidence so far is positive; just look at the generosity of welfare provision in super-diverse Canada or hyper-diverse Toronto, or consider that cosmopolitan

12 Their employment rate is 74%, compared with 86% for the daughters of native-born parents. OECD, *International Migration Outlook 2007*, Annex Table I.A1.4.

London has a distinctly progressive bent. Above all, by boosting economic growth, freer migration could help pay for the welfare state.

Part of the opposition to immigration stems from the belief that it is an inexorable, once-and-for-all movement. But migration is generally temporary when people are allowed to move freely, because most people don't want to leave home forever. That is true for globe-trotting businessmen and increasingly so for more modest migrants too: Filipino nurses and Polish plumbers.

Britain's recent experience is instructive. After it opened its borders to people from Poland and other new EU member states, all 75 million people in those countries could have moved there. In fact, only a small fraction have, and most of those have already left. Many are, in effect, international commuters, splitting their time between Britain and Poland. Of course, some will end up settling, but most won't. Most migrants just want to work abroad for a while to earn enough to buy a house or set up a business back home.

Studies show that most non-EU migrants have similar aspirations. If they could come and go freely, most would move only temporarily. But perversely, our border controls end up making many stay for good. Sociological studies confirm what logic suggests: if crossing borders is very difficult, people who manage to get through tend to stay longer than they would ideally like to. One of the main reasons why 4 million "guest workers" ended up staying in Germany is precisely because West Germany closed its borders in 1973; before then, most tended to go home.

Governments ought to be encouraging such international mobility. It would benefit poor countries as well as rich ones. Already, migrants from poor countries working in rich ones send home much more – \$300 billion a year officially, perhaps twice that informally – than the miserly \$100 billion Western governments give in aid. These remittances are not spent on weapons or siphoned off into Swiss bank accounts; they go straight into people's pockets. They pay for food, clean water and medicines. They enable children to stay in school, fund small businesses, and benefit the local economy. That's why, just as EU trade barriers that prevent African farmers selling the fruit of their labour in Europe are unfair, so too are immigration controls that prevent Africans selling their labour here. What's more, when migrants return home, they bring with them new skills, new ideas and the money to start businesses that can stimulate the local economy. Africa's first internet cafés were started by migrants returning from Europe.

The World Bank calculates that in countries where remittances account for a large share of the economy (11% of GDP on average) they slash the poverty rate by a third. Even in countries which receive relatively little (2.2% of GDP on average) remittances can cut the poverty rate by nearly a fifth. Since the true level of remittances is much higher than official figures, their impact on poverty is likely to be even greater. By keeping children in school, paying for them to see a doctor and funding new businesses, remittances boost economic growth.

John Kenneth Galbraith said "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?"

Psychological studies confirm that opposition to immigration tends to stem from an emotional dislike of foreigners.¹³ Intelligent critics then construct an elaborate set of arguments to justify their prejudice. When immigrants are out of work, they are scrounging on the welfare state and when they are working, they are stealing our jobs. When they are poor, they are driving standards down, when they are rich, they are driving prices up. Immigrants can't win: they are damned if they do and damned if they don't. While it is important to address people's fears and consider their arguments, it is also important to see them for what they often are: a rationalisation of xenophobia.

Admittedly, while diversity is generally a good thing, it can also cause problems. Learning to live together can be tough, and problems arise. But societies have wrestled with these issues throughout history. They do not arise solely because of immigration: they apply to each individual and group that must find a place for themselves in society. And if society is broad enough to include nuns and transsexuals, Marxists and libertarians, radical environmentalists and private-equity managers, surely it can embrace immigrants too?

People don't all need to be alike in order to live together. We must just respect the basic principles on which our societies are based: laws are made by people, not God; the people who make those laws are elected; their ability to make laws

13 For instance, Pittinsky, T. L./S. A. Rosenthal/R. M. Montoya (2007), *Moving Beyond Tolerance: Allophilia Theory and Measurement*, Presented to the Society for Personality and Social Psychology.

is constrained by certain fundamental principles such as freedom within the law, equality before the law and tolerance of differences.

These are not "German values", or "European values", they are liberal ones. They are shared by many non-Europeans, and they are rejected by some Europeans such as the extreme right. And while people cannot be forced to believe in these values, they can be required to respect the law: even those who believe that women are not equal to men must treat them as such.

Of course, all societies fall well short of the lofty ideals of liberal democracy – discrimination is rife and tolerance limited – but they are still the standards we aspire to and the basis of our peaceful coexistence. But if immigrants must abide by the rules, they must also be made to feel welcome.

Unfortunately, the debate about immigration has got mixed up with fears about terrorism. Of course, it is worrying that certain disaffected young people express their alienation through extremism and that a tiny minority actually want to blow themselves and others up. But stigmatising Muslims because a tiny minority are terrorists is unfair and counterproductive. Christian fundamentalists bomb US abortion clinics; right-wing militias caused the Oklahoma bombing; the IRA bombed Germany, as did the Baader Meinhof group. Yet during the IRA's bombing campaigns, we did not treat all Irish people as a potential threat, and the British government continued to let Irish citizens travel to Britain freely without a passport. Governments need to combat terrorism through measures, such as intelligence and surveillance, that are targeted, proportionate and effective. Attacking immigration is none of those things.

We have every interest to make the best of immigration, because ultimately governments cannot stop people moving across borders. Despite efforts to build a Fortress Europe, over a million foreigners bypass its defences each year. Some enter covertly; most overstay their visas and then work illicitly. While draconian policies do curb migration somewhat, they primarily drive it underground.

That creates huge costs: a humanitarian crisis, with thousands dying each year trying to reach Europe and many more detained; the soaring expense of border controls and bureaucracy; a criminalised people-smuggling industry; an expanding shadow economy, where illegal migrants are vulnerable to exploitation, labour laws are broken and taxes go unpaid; an undermining of faith in government, because politicians cannot deliver on their promises to halt immigration; a corrosion of attitudes towards immigrants, who are perceived as law-breakers rather than

hard-working and enterprising; and the mistreatment of refugees in an attempt to deter people who want to come work from applying for asylum, besmirching our commitment to help those fleeing terror.

These problems are generally blamed on immigrants, but they are due to our immigration controls. It should be obvious, even to those who view immigrants as a threat, that our border controls are not just costly and cruel, but ineffective and counterproductive. Far from protecting society, they undermine law and order, just as Prohibition did more damage to America than drinking ever has.

Those who claim that tougher measures could stop immigration are peddling a false prospectus. Even if, at huge cost, the EU built a wall along its vast eastern border, deployed an armada to patrol its southern shores, searched every arriving vehicle and vessel, denied people from developing countries visas altogether, and enforced stringent internal checks on people's right to be there, migrants would get through: documents can be forged or stolen, people smuggled, officials bribed. If we continue along this road, we will end up in a police state. Even then, our borders would still be permeable. Politicians should have the courage to stop fighting an unwinnable war against migration and instead treat immigration as an opportunity.

I believe our borders should be open. But if that is not politically acceptable for now, Europe should at least open up a legal route for people from developing countries to come work here. Over time, hopefully, we can move to a position where borders are completely open.

Persuading sceptics won't be easy. That's why I think the argument for free migration has to be made at several levels: a principled case: it increases freedom and reduces injustice; a humanitarian case: it helps people much poorer than ourselves; an economic case: it makes us richer; and a pragmatic case: it is inevitable, so it is in everyone's interests to make the best of it. Freedom of movement is not just a matter of human rights and international solidarity; it is in our self-interest.

Opening our borders may seem unrealistic. But so too, once, did abolishing slavery or giving women the vote. Campaigning for people's right to move freely is a noble cause for our time.

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Phillippe Legrain is a journalist and writer, working primarily on globalisation, migration and European issues. He studied economics and politics of the world economy at the *London School of Economics* and worked afterwards among other things for the *World Trade Organisation*. After his first book *Open World: The Truth about Globalisation*, he published in 2007 a further highly appreciated book with the title: *Immigrants: Your country needs them*.