1 Goals and Guidelines

There is nothing new about world migration: it has been going on for centuries, and noncoerced *mass* migration has been going on for the last two. Nor are the reasons people move a big mystery: they do it today to improve the quality of their lives, and they did it for the same reason two centuries ago.

The demand for long-distance moves from poor to rich countries, and the ability of potential migrants to finance them, have both soared over the past two centuries. Transport technologies have improved dramatically, so much so that the cost of long-distance moves—as a share of family income at home—are now so low that they are within reach of even very poor Third World citizens, moves that were unthinkable 150 years ago. While only the western European worker was close enough to the labor-scarce New World and far enough above subsistence to be able to invest in a relatively short overseas move in the mid-nineteenth century, workers from poorer and more-distant parts of Europe—Italians, Poles, Slavs, and Russian Jews—were increasingly able to do so as the century progressed. By the mid-twentieth century, poor Mexican and Caribbean workers could finance a move to the United States, and poor Greek and Turkish workers could do the same to western Europe. In the early twenty-first century, there seems to be no distant Asian, African, or Latin American village that is not now within reach of some high-wage Organization for Economic Cooperation and Development (OECD) labor market. Improved transport technologies have lowered the relative cost of long-distance moves, and this has served to increase the number of potential movers. Even though much of the Third World fell behind the rich industrialized First World in the twentieth century, improved educational levels and living standards increased the ability of potential emigrants to make the move. Thus, the passage of time has seen the poverty trap unlocked for poorer and poorer potential migrants, ones increasingly distant from high-wage labor markets. This emigration fact implies an immigration corollary that has important political economy implications: relative to native-born host country populations, world immigrants have fallen in "quality" over time—at least as judged by the way host country markets value their labor. Such an erosion in relative immigrant quality took place during the decades before World War I, and another has taken place during the decades since World War II.

The widening economic gap between rich and poor countries also increased the incentive to move across the twentieth century, although by 1950 it was already big enough to motivate a move for almost any worker in distant Third World villages, towns, and cities—as long as the poverty trap did not lock the potential emigrant in at home. Adding to that demand for emigration, the share of the population at risk increased as poor countries started the long process of economic modernization. Every country passes through a demographic transition as modern development unfolds: improved nutrition and health conditions cause child mortality rates to fall, serving to raise the share of surviving children in the population; after a couple of decades, this swarm of children becomes a swarm of young adults, exactly those who are most responsive to emigration incentives. These demographic events were important in pushing poor Europeans overseas in swelling numbers across the late nineteenth century, and they have been just as important in pushing poor Third World workers to the First World across the late twentieth century. The rich OECD is, of course, at the other end of this demographic transition; there an aging population contributes to a scarcity of working adults and thus to a First World immigration pull that reinforces the Third World emigration push.

Thus, the impressive rise in world mass migration after the 1960s should have come as no surprise to any observer who paid attention to history. Annual immigration to North America rose gradually until the mid-1970s before surging to a million per year in the 1990s. The absolute numbers were by then similar to those reached during the age of mass migration about a century earlier, although they were much smaller relative to the host country populations that absorbed them: the *rate* of immigration in the 1990s was still only a third of what it was in the 1900s. Still, look at what happened to foreign-born shares in host countries. The postwar immigration boom increased the U.S. foreign-born share from less than 5 percent in 1970, to more than 8 percent in 1990, to more than 10 percent in 2000, and to even higher figures as we write. What happened to the United States also happened worldwide. The foreign-born share increased by about a third in Australia and New Zealand between 1965 and 2000 (from 14.4 to 19.1 percent), more than tripled in Europe as a whole (from 2.2 to 7.7 percent), and increased by five times in western Europe (from 2.2 to 10.3 percent). Most of the OECD rise in foreign-born shares took place in the 1990s: two-thirds of the increase in the North American foreign-born share and four-fifths of the increase in the European foreign-born share took place in that decade. In short, OECD immigration has accelerated since 1965 and especially in recent years.

The amazing attribute of this modern boom in world mass migration is that it has taken place in such a hostile policy environment. Prior to World War I, most world mass migration took place without visas, quotas, asylum status, green cards, smuggled illegals, and security barriers. After World War II, *all* of world mass migration took place under those restrictions and limits, and in the face of those hurdles. Imagine how much bigger world mass migration would be today without these modern policy restrictions. Imagine how much bigger those migrations would be today were we still living in the age of unrestricted migration that characterized the first global century before 1914.

While rarely have the poorest been a major part of the mass migrations, it is clear that the nineteenth-century mass emigration from Europe served to diminish poverty there. Indeed, living standards between participating host and sending countries converged during the decades of that century, and the mass migrations were doing most of the convergence work. That is, world mass migration was *much* more important in contributing to convergence than were booming world trade and booming world capital markets in the first global century. If the same cannot be said in regard to the effects of emigration from modern Asia, Africa, the Middle East, and Latin America in the present global century, it is not because the impact of world capital markets and world trade are any more powerful, but rather because the emigrations are so much smaller relative to the huge populations that send these people to the OECD. In the first global century, emigration raised living standards in poor countries a lot. In the second global century, emigration *could* raise living standards in poor countries a lot, but typically it does not. And even when emigration does raise a sending country's living standards, it cannot do so forever. At some point, successful catch-up development diminishes the incentive to leave home, more young adults opt to stay, emigration slows down, and the successful country must rely increasingly on its own productivity devices to continue the catch-up.

If there is even more to be gained by world mass migration today than in the first global century, why are so many potential migrants kept out of the industrial OECD? In large part, the answer has to do with economic adjustment in the host countries and with who pays for the adjustment. Thus, it has to do with the economic damage done to low-skilled native-born workers and their political clout. These factors played a central role when the United States, Australia, Argentina, and other overseas high-wage countries retreated from unrestricted immigration before World War I to tight quotas thereafter. They play the same role today. Modern immigration restriction also has to do with the net fiscal impact of the immigrants, who pays for it, and their political clout. This is a new issue, one that did not arise during the immigration debates in the first global century.

This book covers all of these issues using two centuries of world mass migration experience. It has four parts: Part I deals with the first global century, the age of so-called free world migration; part III deals with the second global century, our current age of restricted world migration; part II deals with the autarchic disaster in between; and the book ends, in part IV, with an assessment of the future of world mass migration.

World mass migration cannot be understood by looking only at the past decade or two. It can be understood only by assessing the present relative to a past that stretches back over two centuries. Let us show you why.