

More economists or grief-counsellors? My answer to the immigrant dilemma



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THE GOOD NEWS is that the Government has realised finally that unrestricted immigration is not a viable policy. The bad news is that John Reid thinks he can figure out just which immigrants can add to Britain's prosperity, and which won't.

The Home Secretary will outline his policy on restricting emigrants from Bulgaria and Romania today. It is likely that a panel of business leaders and bureaucrats will then attempt to predict the nation's needs. Such a bureaucracy will import huge inefficiencies into Britain's labour market, and seriously disadvantage the nation in the interests of big business.

To devise an immigration policy is no easy thing. Start with the economics. An ample supply of labour is in the interests of employers, but threatens jobs and wage levels — particularly of workers with no or minimal skills. Then there are the social issues: the pressure of sheer numbers on this still-green and pleasant land; the effect on the native culture of a large number of

immigrants with different customs and values entering a country in which tolerance has mutated into multiculturalism; the pressure newcomers impose on the social services. Finally, we have a new fear: that Islamist terrorist will arrive, intent on mayhem.

Here are the policy choices. Choice number one would be an open-door, humanitarian policy. But this fails to address legitimate concerns about overcrowding, burdens on the social services, welfare scroungers, dangers to the existing culture and terrorists. Choice number two is a slammed-door policy, based on the notions that immigrants represent a net drain on Britain's resources, and that immigration dilutes its values, customs and mores. That, too, has difficulties, as the composition of the labour force in the construction and hospitality industries, and the rich historic contribution of immigration to Britain's culture, make obvious. Choice number three is based on economic self-interest: admit those immigrants likely to maximise the wealth of the native population.

The Government is considering plans to have its bureaucrats sit down with the nation's corporocrats, and set up a point system that will give entry permits to those with the highest scores. In Australia such a system quite sensibly assigns 50 per cent more points to a chef than to a "real estate salesperson", but proves its fallibility by assigning the same number of points to a "grief counsellor" as to the clearly more valuable category, "economist".

A system that relies on bureaucrats' judgments will, quite naturally, favour people just like them, but not immigrants who arrive seeking work in the hospitality industries. Get corporocrats involved, and guess whether large or small businesses will get the workers they need.

The point system, by granting points for language skills and education, also has a bias against those wanting to assimilate but who have not had the opportunity to learn a second language in their countries of origin. Let me at this point declare an interest: such a rule would have prevented my Yiddish and Polish-speaking father from entering America. More important, such a rule would bar Mexicans seeking to work and to assimilate, while admitting well-educated, English-proficient Saudis planning to fly airliners into the World Trade Centre.

Moreover, a system that grants points for certain skills is very difficult to administer. Australia has a list of 247 "skilled occupations", many vaguely defined. This leaves civil servants charged with administering this system much leeway; an invitation to the sort of corruption that has already plagued the immigration service.

An English-speaking, highly educated immigrant is likely to earn more to national income than an unskilled worker? After all, the nation might already be overpopulated with English-speaking grief counsellors who earn points on both counts, and woefully short of people whose language skills are minimal but are willing to empty bedpans in hospitals or dig foundations for new homes and factories.

The solution to all these problems lies in a four-phase policy. First, limit those allowed in to those most likely to enrich the nation. Secondly, allocate the available places to those who will be the largest net contributors to British economic life. Thirdly, require the beneficiaries of immigration to share their

Let the market decide: candidates should bid for their immigration visas to Britain

gains with those who bear the costs. Fourthly, bar immigration from countries noted for producing terrorists.

How, then, do you balance the economic goal, while at the same time meeting the legitimate social concerns? Answer: rely on the market to determine which sorts of workers are needed, and insist on the attainment of language skills and other tools of assimilation as a requirement for permanent leave to remain or citizenship.

But first, deny welfare benefits to immigrants in order to discourage the lazy and the incompetent from seeking entry, and reduce some of the opposition to immigration by those who bear the cost of immigrants who are unwilling or unable to work. Such a policy cannot be applied with com-

plete success. But we can't let the perfect be the enemy of the good.

Further, rely on the market to identify those immigrants who are likely to make a net addition to the wealth of the nation. That can be accomplished by a market-driven system of bidding for immigration visas: the workers likely to make the greatest contribution to Britain, and to their employers, would enter the highest bids. Such a bidding system will prove more efficient in identifying those who will make a net contribution to their new country than will even the most refined bureaucrat-based system, and it need not disadvantage potential immigrants who have no money, since employers would be willing to put up the funds necessary to bid for a permit.

Such a system allows the Government to insist that employers and employees who benefit from immigration compensate those who bear its costs. The funds paid for tickets conveying the right to immigrate can be directed to communities in which schools, hospitals and other facilities are affected adversely by immigration, and to retrain displaced native workers.

Add an absolute bar to applicants from countries that breed terrorists and you have an immigration policy that will enrich the nation, compensate those who bear the costs of immigration by charging those who benefit from it and maximise national security.

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