

Introduction

Ahmed Ressay boarded a ferry in Victoria, British Columbia, on December 14, 1999. Ressay had carefully stowed high explosives in the trunk of his car that he intended to detonate during the worldwide millennium celebration at Los Angeles International Airport. Using a forged Canadian passport under the name of Benni Noris, he hoped that he would avoid suspicion when he entered the United States. Fortunately, U.S. border agents in Port Angeles, Washington, became suspicious of Ressay during routine questioning and decided to search his vehicle. Although he attempted to flee on foot, agents were able to apprehend the Algerian-born terrorist and thus to avert a potential millennium disaster.¹ Given that five hundred million people cross the border and enter the United States each year, and that it is extremely difficult to maintain strict security along the country's one hundred thousand miles of shoreline and six thousand miles of land borders, the fact that Ressay was apprehended could be considered quite remarkable. Unfortunately, we were not so fortunate in the fall of 2001: all of the 9/11

terrorists were foreign nationals who exploited U.S. immigration and border policy to infiltrate the country and carry out their mission.²

These events made two things clear: global terrorism has emerged as a central security issue the world over; and effective immigration and border control has become a necessary condition to maintain national security.³ That national security and control of international migration are linked is now conventional wisdom. Less recognized, however, is the fact that *migration and national security have been strongly linked long before September 11 and the emergence of the global terror threat*. International migration is not simply an issue of homeland security; it affects numerous facets of governance necessary for national security.

This is a book about the complex relationship that exists between national security and international migration. International migration presents the state with important choices that impact economic production and the accumulation of wealth, manpower resources that can be drawn on to defend the country, internal security, relations with other states, and the national identity—the fabric of our sense of social belonging. Given this complex mix of implications, we face an important question: How can we explain state behavior toward international migration?

My purpose is to address this important question and to provide a theoretical model of migration and border policymaking among advanced industrial states since 1945. Two primary elements are stressed: (1) I will show how the structural security environment facing states affects their decisions regarding immigration and border policies; and (2) I will show how evolving patterns of international migration can influence the national security priorities of states, broadly defined. In the process of explaining these dynamics, the interplay between *realpolitik* and *idealpolitik*—between power and interest, and ideas and norms—emerges as a central theme of the book.

Evolving Notions of Security

It has been said that September 11 “changed everything.” Indeed, the emergence of a new global “war on terrorism” has significantly affected the security priorities of many countries around the world, and homeland security interests now figure prominently in foreign-policy decisions. However, in a

broader sense, the two world wars of the twentieth century and the period of economic upheaval between them would seem the more pivotal in their effect on the politics of our contemporary era. The devastation left in the wake of these wars provided important lessons for international politics that was used by the architects of the postwar world order. Beginning with Franklin Delano Roosevelt's plans for great power cooperation among the world's five powers that later evolved into key international institutions such as the United Nations and the North Atlantic Treaty Organization (NATO), emphasis was placed on facilitating cooperation among states. These efforts were not limited to regimes to foster collective security, but also included the economic realm, beginning with the establishment of the Bretton Woods monetary regime and the General Agreement on Tariffs and Trade (GATT).

Charles Kindleberger documented how the global economic and political collapse during the interwar period provided the impetus for a new postwar conventional wisdom regarding economic strategy.⁴ Isolationism and protectionism were identified as factors contributing to a downward spiral of economic depression, political instability, resurgent nationalism, and ultimately, world conflict. Such lessons provided fertile ground for the adoption of a Ricardian strategy for the accumulation of material power in the emerging postwar world order and took the form of the Bretton Woods monetary regime and the GATT trade regime. Following Ricardian principles of comparative advantage, this emergent strategy was based on the notion that liberal trade policies and laissez-faire treatment of international factor flows is a Pareto-improving endeavor, one that promises to create a "rising tide that will lift all boats" that would increase global output and increase global wealth.⁵ Large, powerful states, increasingly found it more advantageous to plumb the world market through the management of international trade and factor flows rather than attempting to secure resource stocks through military conquest.⁶ Smaller states faced similar incentives to adopt policies favoring openness and engagement rather than isolation. Given their limited resource endowments, pursuing a strategy of autarky was not a realistic option for smaller states desiring an efficient economy. In the post-WWII era, states of all sizes faced considerable pressure to trade in order to sustain an independent national existence—in other words, security.

Richard Rosecrance characterized this emergent strategy as constituting the rise of "trading states," where state power is increasingly a function of

control over a global trading system rather than one based on the accumulation of power via territorial conquest.⁷ By no means does he render military affairs useless to statecraft, but he does argue that security in the trading-state world is being recast in response to long-term changes in the nature of warfare and lessons learned from the great empires of the past. As warfare has become increasingly costly, complicated, and destructive, the cost of conquering and maintaining vast empires of territorial holdings has become evident to those states with imperial or hegemonic designs.⁸ Moreover, the development of increasingly sophisticated weaponry and exponential growth in their destructive capacity have made wars of territorial expansion not only more costly but also more dangerous, both economically and politically. In both economic and political terms, the development of nuclear weapons and the availability of intercontinental delivery systems have made the cost of major war unpalatable for material, political, and normative reasons.⁹ Moreover, emergent international norms regarding modern laws of war place increasing emphasis on legitimacy regarding the use of force. States not deemed to be engaging in a “just war” increasingly risk being ostracized by the international community—an outcome that can have significantly deleterious political and economic effects.

American leadership and its rise to maintaining a preponderance of power in the Western sphere facilitated the emergence of this trading-state system in the post-WWII era. Although not a global hegemony, the bipolar distribution of power during the cold war established two distinct spheres, each with a dominant hegemon.¹⁰ In the West, the United States was able to create and maintain a generally open economic structure by providing stability and offering incentives to other states to embrace openness by giving them access to its large domestic market in the form of asymmetric tariff bargains.¹¹ In addition, the United States also provided the confidence required for a stable international monetary system, and the strength of its currency offered the liquidity needed to maintain an increasingly open system, especially when external shocks threatened global stability. Regimes then serve to maintain such systems as the structural environment changes over time.¹²

There is certainly strong evidence to support the argument that a trading-state orientation has shaped trade policies and capital flows since 1945. Since Bretton Woods, tariffs have dropped steadily and significantly, especially among advanced industrial states, spurring increased levels of world trade.¹³

In fact, during the 1990s, world trade grew at more than three times the rate of global output.¹⁴ Even more significant expansion has taken place in the volume of flows in international capital markets.¹⁵ Facilitated by the deregulation of domestic financial markets, liberalization of capital flows, and advanced IT hardware and communications devices, the foreign-exchange market's daily turnover rate grew from \$15 billion in 1970 to some \$1.5 trillion in 1998.¹⁶

What about international labor mobility? Here, the evidence is less supportive of purely Ricardian explanations. Although most trading states employed more liberal and open policies regarding international migration in the early cold war period, they have generally taken a nearly opposite trajectory relative to policies governing trade and capital flows over the past thirty-five years.¹⁷ This raises some important questions: *Why do trading states seem to favor more openness for trade and capital flows than for labor flows? More generally, how can we account for state behavior regarding international migration?*

Given current conventional wisdom, this tendency might be easily explained by suggesting that facilitating international migration in an age of global terrorism has simply become "too risky." However, such explanations do little to explain restrictivism prior to 2001. Another appealing explanation might be to suggest that immigration involves a net cost to the state and thus serves to *decrease* state power rather than increase it. Or, we might take a softer position and posit that immigration involves less *relative* gains for the state than those available through open trade or capital mobility. In fact, neither of these would seem to be supported by the available evidence.

Historical perspectives of the economic gains achieved from migration suggest that it can be of vital importance to the production and accumulation of material power. Timothy Hatton and Jeffrey Williamson found that gains from migration were higher than trade in goods in the nineteenth-century Atlantic economy.¹⁸ When comparing gains in historical perspective, "it really looks like the 'bigger bang' was received in that period from migration—by quite a long shot—than from trade in goods."¹⁹ Moreover, whereas the dominant economic perspective on the relationship between migration and trade has long viewed the two as *substitutes*, these more recent analyses of the empirical evidence suggest that migration and trade are, in fact, *complements*.²⁰ Economists and scholars of international political

economy have long pointed to the importance of trade for the accumulation of material economic power. However, if migration complements trade, then it must be considered a necessary condition to achieve maximum gains through trade, especially in situations of total specialization or where locational economies of scale exist.²¹

These economic incentives for liberal immigration policies remain important even as most advanced industrial countries shift from Fordist manufacturing-based economies to knowledge- and skills-based economies. In an ever more skill-driven world economy, *knowledge* is indeed an increasingly important component of state power.²² A 1999 OECD report surmised that “the movement toward an economy and society where knowledge is highly valued is more or less inevitable.”²³ In advanced industrial states, the proportion of GDP that is generated by services—especially those in the high value category—has steadily increased during the past half-century. In the United States, the percentage of GDP that was generated by services increased from below 60 percent in 1960 to about 70 percent by 1990, with most focused in the high-value categories.²⁴ In 2001, the percentage of GDP attributed to services reached 80 percent. In contrast, since 1960 the percentage of U.S. GDP attributed to industry (manufacturing) decreased from 35 percent to its current level of 18 percent. The U.S. Labor Bureau forecast that the country would need 1.7 million computer technicians during the decade ending in 2008, and predicted that demand would continue to increase over time. Maximizing national wealth and power would thus be a function of attracting the best and the brightest in the global labor market and of establishing policy that facilitates their entry and retention.

The economic gains from immigration are not limited to the high-skill sector, however. The increasing returns to high-skilled labor in advanced industrial countries create incentives for a restructuring of the labor market that pushes domestic workers toward those careers where returns are higher (that is, high-skilled services). However, low-skilled jobs remain crucial to a well-functioning economy and society, including domestic labor (for example, child care) and low-skilled service labor (for example, gardening, housekeeping, maintenance, and so on). Such jobs are increasingly unappealing to the domestic labor force due to low wages, low opportunity for career advancement, and/or low social status linked to these occupations.²⁵ Increasingly these jobs are assumed by foreign labor in such segmented labor

market economies, and demand for foreign labor can become “structurally embedded” in the economy and society.²⁶

The effects that current demographic trends in advanced industrial countries have on social welfare systems also create demand for immigration. Low fertility rates among populations in most advanced industrial countries (averaging about 1.7) not only serve to decrease the pool of available “high productivity” labor but also change the age composition of the population over time. The aging population creates increased demand on social security entitlements at a time when there are fewer workers paying into the system, creating a growing problem of solvency.²⁷ Three remedies are commonly offered to this dilemma: (1) increase domestic birthrates (which is not only difficult for the state to manage but also will take nearly two decades to bolster the rolls of those contributing to the system); (2) increase returns on the social security fund held by the state (increasing returns invariably involves accepting increased risk); or (3) increasing the number of working-age laborers through liberalized immigration. Given the risks and limitations of the first two alternatives, there are incentives for states to pursue the third option.

Like trade, openness to immigration flows is generally associated with economic gains necessary for the creation of state wealth and power. Of course, not all domestic actors benefit. As is the case with trade flows, factor flows create short-term winners and losers in the domestic economy.²⁸ However, in aggregate and over the long-term, most economists agree that immigration has had favorable economic consequences for receiving countries.²⁹ Immigrants contribute to economic growth by increasing demand for goods and services through their consumption patterns, creating new jobs due to their generally high levels of entrepreneurship, and contributing to an economy’s comparative advantage by facilitating the creation of economies of scale production.³⁰

From the standpoint of the state seeking to maintain its place in international society through the accumulation of power, it would seem that liberalization of policy would be an important facet of trading-state grand strategy. Yet, policy outcomes do not consistently display the type of steady, increased liberalization over time that is evident for trade policies or openness to international capital mobility. However, this behavior is *not* because immigration is not an important element of the national interest, but rather because migration’s place in the construction of state grand strategy

is more complex than a purely Ricardian (or “trading state”) model can capture. The model delineated in this book is intended to, among other things, “fill in the blanks” present in the trading-state model to better account of state behavior.

Plan of the Book

This study begins by examining existing models of immigration and border policy formation. A survey of the extant literature presented in Chapter 2 makes two things clear. First, although a sizeable literature exists dealing with the issue of international migration from myriad disciplinary perspectives, there are few comprehensive models of policy formation that incorporate more than a single case study. Instead, much of the focus reflected in the literature has been placed on explaining factors that can generate migration pressures, its effects on sending- and receiving-countries in terms of jobs and wages, issues of immigrant incorporation and assimilation, or the personal and social aspects of migration networks.³¹ The focus of analysis is on migration processes or the migrants themselves rather than on state responses to migration through the creation of new policy. Second, most existing models of policymaking forward a conventional thinking about the context in which such processes take place. Immigration and border policy is considered to be inherently an issue of *domestic* public policy. Among political scientists, this conventional wisdom has placed (and maintained) immigration scholarship among Americanists and area studies specialists. Variables examined to explain policy outcomes are generally specific to a given case and generally conform to a “bottom-up” conception of political processes.

In contrast to these existing models, the remainder of Chapter 2 outlines a theory of policy formation where the state serves a central, rather than peripheral, role. Rather than characterizing the state as primarily inward looking (as domestic politics scholars tend to do if they include the state as an autonomous actor) or outward looking (as international relations theorists are prone to), I argue that the state figuratively resembles the mythological Roman god Janus, with one face looking out as the other looks in. In crafting an overall grand strategy that shapes the general direction of policy outcomes, policymakers must respond to perceived threats along both

vectors. Policy is then modeled as primarily a function of threat perception, and whether threats are most acutely felt originating externally (geopolitics) or internally (domestic politics). However, the manner in which a state responds (the specific characteristics of policy outcomes) is *shaped* according to prevailing ideas about security and economics.

Chapters 3 through 6 present empirical evidence from four case studies since 1945, including the United States, Germany, France, and Great Britain. Each case not only shows central tendencies in the construction of a three-dimensional grand strategy—one comprised of military, economic, and societal factors—but also identifies and explains the effects of intervening variables that shape policy outcomes. These case studies show that among this set of primary trading states (those most instrumental in shaping post-war security and economic institutions based on trading-state principles), central tendencies of policy formation exist across cases that conform to a three-dimensional security logic. Although case-specific intervening variables also affect policy outcomes, an emphasis is placed on explaining how geopolitical structure and ideas interact at the state level to establish a baseline direction for immigration and border policies.

The primary purpose of the book is to present an explanation of state behavior that subsumes existing explanations within a more comprehensive analytical framework. However, international migration and policies enacted to manage it and other cross-border flows has significant social and political implications that go beyond simple explanations of policy outputs. International migration and the global mixing of peoples have a profound affect on social identities, political order and the legitimacy of the state, and the principle of sovereignty on which international order is based. Chapter 7 offers concluding remarks about these important issues and how the findings presented in the study help us to understand them better. International migration rests at the fault line between the tectonic forces that shape our world—between the forces of globalization, on the one hand, and the forces of fragmentation, on the other. Understanding the state's position relative to these forces is paramount if we are to gain a clear understanding of the factors that shape state behavior.

The globalization of international migration (as well as other flows, including trade and capital) offers a means to national wealth and power—requirements to maintain both security and sovereignty. Yet it is the global-

ization of migration in particular that calls into question basic ordering principles. As international migration flows have grown in scale and scope, expressions of social anxiety have manifest themselves in calls for restrictionist policies.³² At the root of many of these expressions is the question of how the globalization of migration prompts us to continually reassess a basic question: Who are we?³³ Good governance as we move forward in our increasingly global age is dependent on the state's ability to craft policy that maintains security and order, both externally and internally. To this point, so-called trading states have been characterized solely by their focus on the material benefits of openness and globalization.³⁴ However, such a perspective neglects the political importance of the nationalist impulse in societies. Clearly, relative success for states in a world of cross-border flows is increasingly a function of their ability to navigate the complex political terrain between these conflicting impulses for globalization and fragmentation.