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Interview

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WHO'S AFRAID OF IMMIGRATION? A CONVERSATION WITH PROFESSOR NEERAJ KAUSHAL*

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Introduction: Professor Neeraj Kaushal is the author of *Blaming Immigrants: Nationalism and the Economics of Global Movement*. She is an economist and journalist by training. Currently, she is Professor of Social Policy at Columbia School of Social Work, Research Associate at the National Bureau of Economic Research, and a Research Fellow at IZA, the Institute of Labor Economics (Bonn, Germany).

Maya John (MJ): We know that the human race has been migrating to different parts of the world. Do you see a discernible spurt in recent times? Do you identify this current conjuncture as an immigrant crisis?

Neeraj Kaushal (NK): I do not consider this to be a crisis. There has been a growth in immigration in absolute numbers, but overall, in terms of the number people living away from the country of their birth in proportion to the global population, nothing has changed. It was 3 per cent some 150 years ago, it remained about 3 per cent even about 25 years ago, and now too it is 3 per cent. Therefore, immigration is keeping pace with the increase in the global population. I do not think it is crisis. Immigration is an opportunity; both for the people who are moving—especially those who are moving for better opportunities—and also an opportunity for their destinations. They contribute to the economies of places they move to, and finally, in the long run, they contribute to the economy of their home country through remittances, increasing exchange of ideas as well as increasing trade. Many people who move to other countries for certain skills, often come back with their newly acquired skills and contribute to their home countries.

MJ: Does immigration create downward pressure on the wage level in the labour market in the recipient country?

NK: Theoretically the link is very clear. Increase in immigration of people into a certain skill category— or instance, emigration of Indian nurses to the Middle East, the US or Europe— would create increased competition for nurses in those countries/regions and result in some

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lowering of wages. However, empirical evidence is mixed. In Europe, evidence actually suggests that there is no negative wage impact. In the US, there are some studies that show that there is a huge negative impact, but other studies show that there is not much negative impact.

This is only half the story. It shows the effect of only certain people moving into certain occupational categories. For instance, how about the question of immigrant nurses impacting the wages of people in other occupations, like doctors or other healthcare professionals? How does the immigration of nurses impact the wages of these other healthcare professionals? The relationship could be complementary, but in some cases they could be substitutes. In many countries nurses are replacing doctors because they can do a lot of the things that doctors do. So there is a competitive relationship in some cases. On the other hand, overall the public benefits from the entry of foreign nurses. This is specially so in areas with a scarcity of nurses. The story is more complicated than saying that immigration reduces wages. The question that you need to ask is, whose wages, what kind of immigration, etc.

Finally, the question is, what do immigrants do in terms of supplying services to people in the countries to which they are going? The cost of their services will reduce, so you see a multidimensional impact. Take the example of nurses again. Foreign nurses typically go to areas which are under-served. They provide services where such services are limited or do not exist at all. In this scenario, immigrants are not displacing native workers. Immigrants, in fact, are stepping in where they do not exist and also provide the opportunity for local workers to move to other areas. Immigrant doctors in the US, for instance are more likely to work in primary care and other low-paid specialisations which are less paid. In the higher paid specializations like surgery or other highly well-paying specialisations, you will see the concentration of US-born professionals. So the issue becomes far more complicated when you consider, not just within across the larger set of industries/occupations but even within the same industry/occupation.

MJ: On the other side, because of out-migration, do source countries see a decreasing trend in labour supply, and hence a rise in the wage level? Moreover, does it affect, in the long run, equalisation in the wage rate?

NK: Theoretically, as people from high population areas, or low wage countries to high wage countries, there would be in the very long run some kind of equalisation. But the levels of immigration globally have been so low that we have not seen that kind of equalisation. At the level of global equality, you can actually say that immigration is much less than it should be. The inequality that prevails globally, for example between South Asia, Africa, other third world regions and the rich world, and generally inter-country inequality in terms of income levels or level of development is vast. Given this, the level of immigration is much lower than you would expect. That is largely because people do not like to move. They like to live in the country where they were born. They like to live in the city, the village where they were born, and like to live where their families and loved ones are. Therefore, because the level of immigration is not very high, it has not been a major force in equalisation.

On the other hand, you do see that immigration, because of remittances, has been a much better source of foreign money. More than foreign aid or foreign direct investment, remittances have been a much less volatile source of funding for the countries from sending countries. We have seen that in recent years during the great recession, when other sources of foreign aid and foreign

direct investment dried up, remittances were not that volatile. Thus, there are many effects of immigration on people living in sending countries. The issue is immigration is not very high, contrary to what we keep hearing.

A number of countries have received more immigration than others. But even there the current level is not always the historic high. For example, the US has received a record number of immigrants in the last three or four decades, but immigration as a proportion of its population is less than the peak that reached in the 1910s.

MJ: How do you explain the rising discontent on immigration, this globally?

NK: In my book I go into the various fundamental problems that I think are causing discontent in many Western economies, and I have looked at factors such as increasing inequality, stagnating productivity, identity issues, increase in refugee movements, increase in international terrorism, and growing disenchantment with the governing elite. I try to see to what extent immigration is the cause, i.e. is immigration actually a cause or is it just a scapegoat? I have come to the conclusion that it is a scapegoat. I find that immigration could actually address some of the core problems that western democracies are facing. For instance, countries that have the ability to absorb immigrants without much conflict or countries that are welcoming to immigrants, they will be able to arrest decline in productivity they are currently experiencing.

We see two phenomena. Many countries are receiving a huge number of immigrants; partly because of their own need for workers and partly because sending countries provide poor opportunities. But is immigration the cause of growing discontent and the growing support for political parties that are against immigration? Just because immigration is rising and discontent is rising, people are coming to the conclusion that immigration is the cause for discontent. At the same time, many political parties are using immigration as a scapegoat to sell their own exclusionist agenda. So I see the 'crisis of immigration', to repeat your words, not as a crisis that immigrants are causing, but a crisis of management of immigration. It is a crisis because receiving countries either do not have the ability or do not have the intention or the willingness to absorb immigrants in the right way or absorb them in the most productive way. According to my reading of the situation, immigration is being exploited to avoid many of the problems; the discontent is a symptom of much larger problems.

MJ: How do you think trade union movements have responded to the needs of immigrant workers in different parts of the world? Have they caught on to how immigration is being used by the governing elite as a scapegoat, or have they also fallen prey to this kind of politics?

NK: I have only studied this issue in the context of the United States so I will stay with that. For a very long time in the US, trade unions were against immigrants. Till very recently, trade unions actually believed that foreign workers were taking away jobs of native workers. This changed significantly in 2000 when unions began to recognize the growing presence of immigrant workers. They realised that they could strengthen their union base by bringing in more immigrants into their network. Since 2000, trade unions in the US have been supportive of legalisation of undocumented immigrants. This dramatic change is partly reflected in the Democratic Party becoming far more pro-immigration than the Republican Party that has begun to look at immigration from a socially conservative lens.

MJ: What was so peculiar about the early 2000s in the US that triggered this shift? Was it a change in the pattern of migration to the US?

NK: No, there was no change in the patterns of immigration. The year 2000 was the year when discussions about legalisation of undocumented immigrants became mainstream. The US is very interesting geographically. It shares a long southern border with Mexico, a middle-income country with relatively low wages compared to the US. In the mid-1990s, the Mexican economy went through several crises. The Peso collapsed in 1995, and from 1995 onwards, illegal, undocumented immigrant inflow to the US picked up. During the late 1990s when the US economy was growing really fast, almost half a million undocumented Mexican immigrants entered the country every year. In 2000, the US elected a new republican president, who was pro-immigration. George Bush had a strong and clear agenda on immigration and he wanted to start a guest worker programme for undocumented immigrants that would have been the first step towards legalization. They were in the process of announcing the programme when unfortunately 9/11 happened and that changed the way the country looked at immigration. Basically, Bush never talked about legalisation and the guest worker programme after 9/11. It changed immigration from an economic issue to a national security issue.

MJ: To what extent is immigration a politico-cultural issue? For instance, India has an open border with Nepal, but at the same time Bangladeshi immigration (considering the religious profile of the majority of Bangladeshi immigrants) is such a volatile issue?

NK: We do not have an official count of the number of Bangladeshis living in India. Numbers are being randomly cited. In fact, the Census shows that there are 3.2 million Bangladeshis living in India. The answer given to a question raised in parliament was 20 million immigrants, but there is no information on how this figure was computed. The debate in India on Bangladeshi immigration is not based on data. This debate is largely political and a way to score political points. In some parts of the country, it is to consolidate the Hindu majority vote.

How do you address such migration? We can learn from countries that have been faced with the influx of many undocumented people. Many have huge programmes of legalisation. Italy has had seven legalisation drives between 1985 and 2012. Spain had as many between 1985 and 2006. The United States has also had several legalization programmes. Thus, several countries opt for the legalisation of undocumented immigrants.

Meanwhile India talks of two things: deportation and placing the undocumented in camps. We have seen that these are not the solutions that work. Countries that have tried either of these methods have ended up spending a lot of resources without lowering the undocumented count. Europe, for example, has tried to deport people by putting them on planes and flying them to the countries which the European governments consider to be their countries of origin. With no documents to show, home countries refuse to take the undocumented back.

This is going to be a problem for India, with Bangladeshis looking and speaking so much like Indian Bengalis. If India thinks camps are the solution, it has only to look at countries, e.g. Kenya, Uganda, where refugees in camps have become a protracted situation lasting decades. We should learn from our experience with Nepali immigrants who have assimilated very well within our own population. We could use the same strategy for with Bangladeshi migrants, i.e. give them temporary status to work here in India. We will resolve the issue much better in this

manner, rather than trying to organise large-scale surveys, followed by threats of deportations, or constructing thousands of camps, which is likely to be an enormously expensive administrative failure.

MJ: Many people in India, as part of the middle class, would like to move to the West and have rights in the recipient country, but they tend to support a policy discourse and politics which denies the same prospect to immigrants in India. Your comment.

NK: I do not know if that is the case, unless there is a survey to that effect. I would on the other hand like to believe that the immigrants are influenced by liberal as well as conservative ideas and bring back these ideas to their countries of origin.

MJ: I would just come in here and say that a section of the Indian diaspora is quite conservative because of the way in which they have supported the Hindu right-wing in India, and we know that a lot of funds have flowed in for parties like the Bharitya Janta Party (BJP).

NK: That is a different issue. It is not linked to what such diasporas think of immigrants. What you have pointed out takes us to the question of how diasporas influence their countries: for instance, the Hindu diaspora supporting the Hindu nationalist cause, or the Sikh diaspora involved in the Khalistani movement in the 1980s. Similarly, you have the Sri Lankan diaspora being involved in the civil war in Sri Lanka. So there are negative impacts as well.

Immigrants in the US are socially quite conservative. Those from Latin American countries are mostly Catholic. They are socially very conservative, but often very liberal on economic issues. They do not support rights of abortion, divorce, etc. Indian immigrants are often socially conservative and can even be conservative on economic issues. Indian immigrants are generally well-off and support the Republican Party's idea of lower taxes because these taxes affect them directly. I really would not put immigrants in any one particular category. On both social and economic issues, immigrants hold a wide spectrum of beliefs.

MJ: At a time of competitive federalism, different state governments in India have attempted to restrict jobs to the local population. In Andhra Pradesh, for instance, private industries have been recently notified about hiring local labour. This is a trend with respect to internal migration in India. Nevertheless, what is your comment?

NK: I think migration is good whether it is internal or international. And the reason is because these are people who are moving from one place to another in search of better opportunities elsewhere. The receiving states will benefit from such migration, and by restricting such movement, governments are reducing the options that entrepreneurs have. Often industry adjusts to such reservations. I also believe that this would be unconstitutional because I do not think state governments have the power to impose such reservations on the private sector. I believe the reaction of industrialists to this would probably be to reduce employment, particularly formal employment. They would end up hiring more contract labour. Let us say that highly skilled migrants from other states would simply be employed as consultants. Meanwhile, such reservation might be used for providing for low-skilled jobs. Overall, I think this is going to adversely impact the states that are restricting employers' ability to hire the best that they need. This in turn would encourage employers to leave such states and relocate operations. They would

rather go to places where there are fewer restrictions on hiring. This would mean loss of employment in the state from which they are shifting.

MJ: Do you see our particular times as witnessing a clash of different cultures, or do you see the possibility of multiculturalism and cosmopolitanism?

NK: I would like to answer that in the context of immigration. Much of the opposition to immigration is due to the fear that these people from different cultures, with different beliefs and customs will erode the established cultures of the receiving countries. This is being played out especially in Europe in their opposition to immigration. There is fear of or resistance in some measure to multiculturalism. Many countries fear that multiculturalism will not work. We see that happening in Japan, which has a very high ageing population. They have realised, at least recent prime ministers have, that immigration is important, but they also say that multiculturalism will not work. Therefore the Japanese have adopted a policy of less immigration. This can be seen in many homogenous societies in Europe as well, like Poland, which is not in favour of immigration and have said that they will not allow a single Syrian refugee to settle there. Poland's demographic would suggest that it would benefit from immigration, but it has a very homogenous population so cultural identity plays a major role in restricting immigration. This is true of most of Europe. In the US, there are many states which are very homogenous and are against immigration. They are afraid of the 'outsider'. They are afraid of foreigners who belong to different cultures, ethnicities, religious background, etc. On the other hand, we do see multiculturalism growing in large American cities. It could be because of immigration.

On the one hand, then, places which are highly homogenous are against immigration, are against different cultures mingling. On the other hand, places which are highly heterogeneous, which have a lot of diversity, are places where immigrants are welcome. Unfortunately, because social media talks mostly of negative stories, we do not discuss positive stories that much. However, across the world, there are places where immigrants have settled, and these regions keep welcoming immigrants, providing them with more facilities, and creating institutions that would help the incorporation of immigrants into the mainstream.

MJ: What are your views on the changes in India's immigrant policies? Are successive policies of the Indian government becoming more insular?

NK: Currently in India we are witnessing two debates. One is about refugee policy. Mind you, we are not a signatory to the UN convention on refugees. But we have, during various periods, had a positive and welcoming approach to refugees, such as Afghan refugees, who have now returned to Afghanistan. We had a lot of Bangladeshi refugees at one time, many of whom went back. However, we have been opposed to Rohingyas coming here. Unfortunately India is largely formulating a refugee policy using a religious lens, and I think that is a problem. For a country like India of India's size and ambition, we need to have a refugee policy based on human rights rather than religion.

Then there is the issue of immigration policy. Here there are two things. One is how to deal with undocumented Bangladeshis. We have a very good policy in the case of Nepal and it has worked well for both countries. We could adopt a similar policy in the case of Bangladesh, or we can let the issue simmer forever keep it a political issue which can be accentuated during elections. The

second issue is how do we deal with skilled emigrants? There is a scarcity of skills globally, which is recognised by most countries. The US has a very liberal policy on skilled migration, which is why one can work one's way up from a student to getting a job and applying for permanent residence. Many Western countries have tried to follow this model to be more liberal in inviting students. This is not because they want to be good to foreigners, but because they feel that this is going to help their own economies. This is not just in Europe or the US, but also in China. China is also feeling the crunch or scarcity of talent. Seeing this as a threat to growth, China has been taking steps in the last ten years to create policies that attract foreigners and also the skilled among the Chinese diaspora. They feel that they are in a race with the Western countries for talent. So China has programmes like the Thousand Talent policy in which they invite highly skilled people from outside and give them every facility to excel. They have dedicated programmes that encourage the return of their own diaspora and programmes which encourage their youth to go abroad, acquire skills and return. Over the last six or seven years, China has attracted a lot of foreign students, making it the third largest recipient of international students. Many of them acquire talent in China and leave, but many stay and work in China for some time. This is why Chinese universities are among the top universities in the world and attract young people.

In India we have not really started thinking along these lines. We believe that because we have so many of our own young and talented people to give jobs to, we cannot attract foreign talent. Actually, we have an advantage in that we have a large population of skilled people who speak English. We have an education system where English is the medium of instruction in many schools. This is an opportunity for us to develop institutions of higher education which are globally competitive. To give you an example: in the US, entrepreneurs like Bill Gates have been saying that the US should stamp 'green card' (for permanent residency) on the diploma of foreign students who are graduating. President Trump will not follow their advice, but we should.

India can advertise its university education in foreign countries. Initially, we will not get people from Europe or the US, but we can attract talent from countries around us or African countries, and because we have a cost advantage, we can really tap foreign talent. We need to rethink our immigration policy in the direction of attracting foreign talent; we have to move beyond the perspective that we are too many, that we should be self-sufficient, hence harbouring an exclusionist policy vis-à-vis immigrants. Self-sufficiency has really not worked anywhere. The model that has worked is learning from the experience of others and bringing the best from outside to contribute to our economic development.

MJ: Does the migration of skilled professionals (like nurses, doctors, engineers, etc., whose cost of skilling is borne by the local economy) spell a loss for the national economy? Is there a brain drain?

NK: There are some small Caribbean countries which have set up institutions for training nurses, doctors, etc. These countries bear most of the cost, and then their skilled healthcare professionals leave and work elsewhere. For these countries, outflow of health professionals results in brain drain. In turn these countries benefit from remittances. It would be a very different scenario if they can make their institutions of training so good that people from elsewhere come to study.

Elsewhere in the world, such as in India, there is some brain ‘drain’, but there is also brain ‘regain’. Many people come back. We have also witnessed people going abroad to acquire skills—in fact, certain skills that they cannot get in India—and then coming back to India. So in effect there is brain circulation. What we need to do is to really improve the quality of our higher educational institutions by bringing them to globally competitive levels so that we are able to attract not just our own people, but also outsiders who can come and get training, and then stay on to contribute to our economy.

MJ: With respect to immigrant policies, how does your work factor in gender dynamics?

NK: Some countries, the Philippines for example, see immigration of women. However, in most instances, such female migration is part of family migration; women follow their husbands or their parents. People tend to use the concept feminisation of immigration and I do not like the term because I do not think that is what is happening. In terms of gender issues, because most of this immigration is family migration, these immigrants remain highly influenced by the culture of their home country. There is a lot of literature on this and I too have some work in this area. With colleagues, I have studied how the home country’s culture impacts immigrants in their host country. For instance, we find that gender norms in the home country influence the employment of immigrant women in host countries. Feminists in western countries debate whether immigration will erode the gender equality that they have fought so hard to attain. My contribution in this debate is that the impact of the home country’s culture reduces substantially over time so that the second generation of women immigrants is as likely to work as the third or higher generations women. I have also studied how the home country’s culture affects the decisions on family size and the fertility rate after emigration. We find that gender norms in the home country have an impact but it dissipates over time.

MJ: Bringing in the question of age: with respect to the recent problems caused by the Trump regime cracking down on immigrants, how much sympathy and solidarity do you see on the ground, especially when it comes to immigrant children who are being detained and separated from their parents?

NK: There are two or three ways of looking at this. One would be to look at the US’s own immigration policy which is based on the 1965 Act; the guiding principle of which was unification of the family. The separation of immigrant children at the border from their families is against the very principle that has guided the US immigration policy over the past 50 odd years.

The other way of looking at it is, is it cost effective? In a purely administrative vein, is the current practice cost-effective, and is it administratively manageable? Finally, what does it do to America’s global image? It is definitely not cost-effective and the government is spending a lot of money in the process of separating immigrant families. One would have to spend much less if immigrant children are allowed to be with their families. It also increases the state’s responsibility towards these children, and so administratively it is a bad policy to separate children from parents. The system is overwhelmed. I have been to the border and I have seen just how overwhelmed all the agencies and NGOs are because they do not know how to handle the stream of people. Administratively speaking, from a human rights perspective, from the cost

perspective, and even from the perspective of US immigration policy, I do not think it is working very well.

There is a lot of sympathy in the US media, especially the liberal press. There is a huge NGO community that works for immigrants, especially undocumented ones. It is quite impressive the way NGOs have come together, and as soon as the asylum application is accepted, they provide help to asylum seekers. Despite this, the restrictions make it very hard for asylum seekers. At the ground level, people are mostly overwhelmed with the number of people who are struggling to provide day-to-day services. The government needs to step back and think of a long-term policy. The long-term policy should be to redirect them to consulate offices in their own countries, instead of the large numbers of central Americans traveling for more than a month across Mexico to reach the US border. There has to be an increase in the temporary visas for migrants from these countries

MJ: Thank you Professor Kaushal for a very rich and informative interview.