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“The Political Economy of Immigration: The United States as an  
Emerging ‘Migration State’”

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**The Political Economy of Immigration:  
The US as an 'Emerging Migration State'\***

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## Introduction

Since the end of World War II immigration in the United States and other advanced industrial democracies has been increasing. The rise in immigration is a function of market forces (demand-pull and supply-push) and kinship networks, which reduce the transactions costs of moving from one society to another. These economic and sociological forces are the necessary conditions for migration to occur, but the sufficient conditions are legal and political. States must be willing to accept immigration and to grant rights to outsiders. How then do states regulate migration, in the face of economic forces that push them toward greater openness, while security concerns and powerful political forces push them toward closure? States are trapped in a “liberal” paradox – in order to maintain a competitive advantage, governments must keep their economies and societies open to trade, investment, and migration. But unlike goods, capital, and services, the movement of people involves greater political risks. States must maintain control of their borders (a degree of political and legal closure), else they risk undermining the social contract and the liberal state itself. The central challenge is how to maintain openness and at the same time protect the rights of individuals, citizens as well as denizens.

In liberal democracies like the United States rights are the key to regulating migration, as states strive to fulfill three key functions: maintaining security, building trade and investment regimes, and regulating migration. The **garrison state** was linked with the **trading state** in the eighteenth and nineteenth centuries. The twentieth and twenty-first centuries have seen the emergence of the **migration state**, where regulation of international migration is as important as providing for the security of the state and the economic well being of the citizenry. In the United States, with the gradual rollback of the national origins quota system in the 1950s and its

eventual repeal in 1965, U.S. immigration policy became increasingly liberal and expansive. This liberalization continued throughout the 1980s and was reinforced by the passage of the Immigration Reform and Control Act (IRCA) of 1986 and the Immigration Act of 1990, both of which opened the door even wider to skilled and unskilled immigration. A new round of restrictionism began in the 1990s with the passage of Proposition 187 in California, designed to limit access of immigrants to public services, and the Illegal Immigration Reform and Immigrant Responsibility Act (IIRAIRA) of 1996, which curtailed welfare and due process rights of legal and illegal immigrants. Despite these new restrictionist policies, the fourth wave of immigration in US history continued unabated into the twenty-first century, and it only has just begun to slowdown as a result of the global economic crisis in 2008-09. What has sustained this long period of expansion in US immigration policy?

One explanation is that immigration is closely tied to the business cycle and the performance of labor markets in the sending and receiving countries. The findings in this paper indicate that economic (push-pull) forces explain much of the variation in levels of legal immigration (flows) *until the 1950s*. From the end of the 1950s, however, policy effects (on flows) have increased. I argue that these increasing policy effects and the break with the business cycle are linked to the rise of **rights-based politics** and an increasingly active federal judiciary, which moved away from the tradition of non-interference in immigration policy. I am able to document the rise and decline of “rights-markets” coalitions through an analysis of roll-call voting in Congress. I also demonstrate the impact of civil rights politics on immigration and refugee policy, from the 1965 Act through the 1986 and 1990 Acts. The coalitions which formed around issues of rights and markets (votes on trade and immigration in particular) create

“strange bedfellow” coalitions of left-liberals (Democrats) and libertarian-conservatives (Republicans). These coalitions helped to sustain liberal immigration and refugee policies, until the end of the Cold War. But the end of the Cold War has led to the breakdown of these coalitions.

In much of the immigration literature, politics is assigned at best a marginal role in migration theory (Hollifield 2008; Portes 1997). According to the logic of push-pull, changing economic and demographic conditions (demand-pull and supply-push) in sending and receiving countries largely dictate levels of immigration in countries like the United States (Martin and Midgley 1994). The sociological literature on immigration stresses the growth of transnational, informational, and kinship networks, which facilitate cross-border movements (Massey 1987; Sassen 1996; Portes 1996). Since there has been a virtually unlimited supply of migrants ready to cross international borders in the postwar period (a more or less constant supply-push), most adherents to the economic model contend that shifting demand for foreign labor is the primary determinant of immigration flows (a variable demand pull). In this logic, major shifts in the volume of immigration are driven by the labor market demands and the business cycles in receiving countries. At the same time, the economic model assumes that government actions designed to control immigration are of little or no explanatory importance. Either policy interventions by national states merely rubber-stamp labor market demands and the business cycle, or they have no effect because they defy these determining economic forces (Simon 1989). Sociological theories of immigration to some extent replicate the basic microeconomic logic of push-pull, but with the major innovation that international migration is heavily dependent on the development of informational and kinship networks between the sending and

receiving communities (Massey, Alarcon and Durand 1987; Portes 1996; Massey, Durand and Malone 2002; Sassen 1988, 1996). Neither economic nor sociological arguments leave much room for the state or public policy as major factors affecting immigration flows.

My research on immigration to the United States demonstrates the independent effects of policy change on immigration flows. Employing a time-series model that enables us to separate economic from policy effects on immigration to the United States from 1891 to 2003, I find that **both** policy interventions and changing U.S. economic conditions have a significant impact on legal immigration flows. In particular, the model suggests that shifts in unemployment and Gross Domestic Product (GDP) had a sizeable and significant effect on levels of legal immigration until 1945. During the postwar years of 1946-2003, however, the effects of unemployment and GDP on immigration flows weaken over time while the impact of government interventions significantly increase.

These findings are supported by considerable evidence that federal policies, which significantly influenced immigration flows after the Second World War, won important support from national officials whose goals reached well beyond the demands of the labor market or business cycle. Against the backdrop of Cold War competition, executive and congressional officials after 1945 came to view immigration control as an important instrument for advancing American foreign policy objectives (Tichenor 2002). Anti-communism animated contending immigration policy camps in the late 1940s and 1950s. Congressional isolationists successfully defended biased national origins quotas and established new ideological exclusions in the early 1950s, despite economic conditions that were conducive to large-scale immigration. By contrast, internationalists in the White House and Congress expanded refugee admissions and

ended Asian exclusion in order to enhance American power and prestige abroad.

By the 1960s, New Frontier and Great Society reformers dismantled restrictive national origins quotas in the name of advancing racial justice and equal rights (Dudziak 2000). Immigration reform in 1965 expanded alien admissions to allow for family reunification, to provide haven for refugees fleeing communist regimes, and to offer new immigration opportunities for ethnic and racial groups long discriminated against in American immigration law. During the 1980s, new reforms more dramatically expanded immigration. They were propelled by an unlikely coalition of liberal lawmakers, who embraced human rights and ethnic fairness in national immigration policy, and free market conservatives in Congress and the executive branch, who saw immigration restriction as antithetical to “regulatory relief” and open markets. Finally, the federal courts became increasingly active after the 1960s in protecting the due process rights of aliens in admissions, asylum, and deportation proceedings (Schuck 1998). The development of American immigration policy in the postwar era, then, captures changing U.S. economic conditions as often less consequential than policy interventions by various actors of the national state. Indeed, as we shall see below, national officials at times have promoted immigration policies that run counter to economic trends in the United States.

The strong impact of changing U.S. economic conditions on immigration flows before 1945 and the larger significance of state actions in subsequent years underscore the need for greater theoretical balance in the scholarly literature on immigration. In the pages that follow, I develop the concept of the migration state and examine U.S. immigration trends from the late nineteenth century up to 2008 in light of labor market dynamics and the business cycle. Using Congressional roll call data, I then look at the emergence of the US as a migration state and the

rise of rights-based politics and rights-markets coalitions in the period from 1945 to 2005. These coalitions in the US Congress are keys to understanding immigration policy outputs and outcomes. The argument can be generalized to cover other liberal democracies in Western Europe, Canada and Australia.

### **The Liberal Paradox**

The United States, like other liberal democracies, is trapped in a “liberal paradox” (Hollifield 1992). Since the end of World War II, international economic forces (trade, investment, and migration) have been pushing these states towards greater openness, while the international state system and powerful (domestic) political forces push states towards greater closure. This is a *liberal* paradox because it highlights some of the contradictions inherent in liberalism—the quintessentially *modern* political and economic philosophy and a defining feature of globalization. Since the 18<sup>th</sup> century when Adam Smith laid down the precepts of economic liberalism in his treatise on *The Wealth of Nations*, the ideology of free trade has become increasingly significant in international relations. With Britain’s rise to power—which reached its zenith in the Victorian era of the late 19<sup>th</sup> century—and America’s dominance of the post-World War II international system, it is increasingly difficult to refute Smith’s argument that laissez-faire economics and free trade are the best ways to enhance the wealth, power, and security of the nation-state.<sup>1</sup> The debacle of the First World War and its aftermath of isolationism, intense nationalism, protectionism, and depression only served to reinforce this lesson. After 1945, the victorious western democracies, led by Britain and the United States, were determined not to repeat the mistakes of the 1920s and ‘30s, and they set about

constructing a new international order, based on liberal principles of free trade and respect for fundamental human rights (Rosecrance 1986; Jacobson 1996).

Despite these multilateral developments, the source of power and authority in international relations continues to revolve around the nation-state. Since the Peace of Westphalia in 1648, the international legal system has been based upon the inviolability of the nation-state. In the Grotian tradition of international law, in order for a state to exist, it must have a territory, a population, and the capacity for self-governance. Once a state has fulfilled these criteria, it may be recognized as independent and it takes on the legal attribute of sovereignty, which Stephen Krasner (1999) wryly describes as “organized hypocrisy.” If a state is sovereign, it has a legal personality and the capacity to enter into relations with other states.

Transnationalism, in the form of trade, cross-border investment, and migration, can challenge the sovereignty and authority of the nation-state. Migration in particular represents a challenge, in the sense that the (unauthorized) movement of individuals across national boundaries can violate the principle of sovereignty, which requires a degree of territorial closure (Hollifield 1994; Sassen 1996; Joppke 1998a). In every region of the globe—with the partial exception of Western Europe—borders are sacrosanct and they represent a fundamental organizational feature of the international system (Andreas and Snyder 2000). Unlike trade in goods or international financial flows, migration can change the ethnic composition of societies and disrupt what Rey Koslowski (2000) has aptly described as the “demographic boundary maintenance regime.” If too many foreigners reside on the national territory, then it may become difficult for a state to identify its population vis-à-vis other states. The national community may feel threatened, and there may be a social or political backlash against immigration. Finally—

and this is most important from the standpoint of *political liberalism*—the citizenry or the *demos* may be transformed in such a way as to violate the social contract, undermine the legitimacy of the government, and the sovereignty of the state itself (Walzer 1983). Thus migration can be seen as a threat to national security, and it can lead to conflicts within and between states (Weiner 1993, 1995; Huntington 1996). Hence the liberal paradox: the economic logic of liberalism is one of openness, but the political and legal logic is one of closure (Hollifield 2000a).

To better understand the liberal paradox and how it drives immigration policy in the United States, we must explore the causes and consequences of immigration and the ways in which the US has tried to regulate migration in an era of globalization, with an eye to understanding how and why the US is an emerging “*migration state*.” In international relations theory, states are defined primarily by their security or military function. The Westphalian state is above all else a *garrison state*. Realists like Hans Morgenthau (1978) and neo-realists like Kenneth Waltz (1979) view the state as a unitary rational actor, with the overriding responsibility to maximize power, protect its territory and people, and pursue its national interest. However, at least since the beginning of the industrial revolution in Europe, the state has increasingly taken on an economic function. Ensuring material wealth and power has required states to risk greater economic openness, and to pursue policies of free trade, giving rise to what Richard Rosecrance (1986) has called the *trading state*. As a result, states have been partially liberated from their dependence on territory and the military as sources of power. International relations theory has moved away from the narrow realist view of the state, recognizing that in an increasingly interdependent world, power is more diffuse (Keohane and

Nye 1977). In this neo-liberal view, states are increasingly linked together by international trade and finance, forcing them to alter their grand strategies and seek new ways to cooperate. Here I shall argue that migration and trade are inextricably linked—two sides of the same coin. Hence the rise of the trading state necessarily entails the rise of the *migration state*, where considerations of power and interest are driven as much by migration (the movement of people) as they are by commerce and finance.

### **Immigration and the Business Cycle**

Many immigration scholars ignore politics and presume or assert that immigration is a function of market forces, as defined by the supply-push of sending countries and the demand-pull of receiving countries (Martin and Midgley 1994:21; Simon 1989). While supply-push factors in sending countries undoubtedly influence immigration flows, an unlimited supply of migrants have been ready to cross national borders when opportunities have presented themselves in receiving countries throughout the past century. As a result, changing economic conditions in receiving countries are assumed to have the greatest effect on immigration. Martin and Midgley, for instance, neatly capture these theoretical predilections and findings in much immigration research. Their work aims to show that the number of immigrants who have come to the United States over time has fluctuated largely with economic conditions. Such assumptions are not reserved to academic circles; they abound in popular discourse and in the media. Popular newspapers like *The Economist* and *The Wall Street Journal* have observed that immigration to the United States is best understood as a function of changing economic conditions (business cycles).

But it is my contention that policy has had an important impact on flows and we seek to understand the relationship between immigration and the business cycles in the United States. How does policy influence immigration independent of economic conditions? Figures 1-4 depict trends in legal immigration to the United States, percent change in real GDP, and fluctuations in the unemployment rate. Immigration decreased from about 600,000 per annum in 1892 to 250,000 by the end of the decade. This decline coincided with the 1893-97 recession, affirming the responsiveness of immigration flows to economic conditions.

(Figure 1 here)

Immigration rebounded strongly at the turn of the century, as did the economy, reflected in positive growth trends, and shorter and shallower economic cycles (excepting 1908). Meanwhile in the labor market, unemployment rates were historically well below the average. In short, demand-pull factors were especially conducive, and immigration flows reached record levels. Indeed the foreign-born population of the United States climbed to 15%, an all-time high. No major immigration legislation was passed during this period, except for literacy tests imposed by Congress in 1917, restrictions that were rendered moot by the effects of the First World War, which parenthetically abruptly ended the so-called third wave of American immigration.

In the interwar years, immigration revived but fluctuated markedly—perhaps in reaction to the volatile economic conditions of the "Roaring '20s". The 1924 Immigration and Naturalization Act (also known as the Johnson-Reed Act) brought the nation's first permanent

and sweeping numerical limits on immigration. These restrictive measures codified the **national origins quota system**, writing racial bias (in favor of northern and western Europeans) into law (King 2000, 2005). The new measures also introduced skill-based, human capital criteria into immigration policy for the first time. Nevertheless, countervailing economic forces, for example, low unemployment, apparently dampened the effects of the 1924 Act. The migration mix began to shift away from Europe and toward the Western Hemisphere, with Canadians and Mexicans comprising the largest number of newcomers. The onset of the Great Depression in 1929-30 demonstrates quite clearly the powerful effect of business cycles on immigration flows in the pre-1945 period. Demand-pull forces ceased virtually overnight, as the economy shrank and unemployment soared (see Figure 1). Annual immigration remained markedly low during the economic hard times of the 1930's.

The recovery of the American economy during the Second World War led to a rapid decline in unemployment rates and a surge in GDP, but no real increase in legal immigration. Adherents of the push-pull model can account for these outcomes by emphasizing the anomalous and exceptional effects of global warfare that cut the United States off from traditional sources of immigrant labor. Tellingly, various U.S. employers turned to Mexican and Central American guestworkers to address growing labor market demands—a trend that was codified in the 1942 Bracero program that continued until 1963 (Calavita 1992).

As a way of further illustrating the relationship between immigration and the business cycle during the period from 1890 to 1945 bivariate correlations were calculated. These reveal no significant association between percent change in real GDP and immigration flows; however, there is a correlation ( $r = -0.425$ ; significant at .01 level) with changes in the unemployment rate.

This suggests that immigration was sensitive to demand-pull forces, even though the overall performance of the American economy (in terms of national income) had less effect in this regard.

During the postwar years of 1945 to 2005, we see in Figure 2 that immigration has slowly trended upward for virtually the entire era, producing the so-called fourth wave in the 1970s through the 1990s. The United States is well into the fourth great wave of immigration in its history. Strikingly, immigration flows did not expand markedly in the early 1950's (1950 and 1952 witnessed declining immigration numbers) despite significant increases in GDP and new lows in unemployment—economic conditions deemed conducive by the economic push-pull model to increased immigration. Just as intriguing is the gradual increase in immigration during the 1970s and early 1980s, a time when unemployment levels were rising in connection with the two oil shocks and the steep recession that followed. U.S. immigration, however, began to soar in the late 1980s amid declining unemployment and fluctuating GDP; whereas sharply rising immigration continued unabated in the 1990s despite increased unemployment and substantial drops in GDP.

(Figures 2-4 here)

If we look at simple bivariate correlations for the postwar period (1946-2003), we again find no significant relationship between percent change in GDP and flows. Although there seems to be a significant relationship between labor market performance (as measured by the unemployment rate) and immigration flows, the correlation (0.27, significant at the .01 level) is

the opposite of what we would expect. How can we account for trends in legal immigration over the past century that defy or elude the predictions of the economic push-pull model? The influence of policy interventions by the American government on immigration may help us fill in some of these theoretical and empirical gaps, a subject to which we now turn.

### **The United States as a Migration State**

Throughout its history the United States has relied heavily upon immigration for purposes of westward expansion, settlement, colonization, and economic development. It is no exaggeration to say that immigration has played a critical role in national development and US grand strategy, with four great waves of immigration if we count the initial colonization by settlers from the British Isles. The question I seek to answer in this section is to what extent was immigration a function of economic pull, growth and development—mirroring the business cycle—and to what extent was it promoted, managed and regulated by the American state.

From the 1890's through the Second World War, levels of immigration to the United States correspond closely with the performance of the American economy. Indeed, the time-series model presented below suggests that shifts in levels of unemployment and real GDP were among the most significant influences on annual immigration totals before 1945. Yet even as the traditional push-pull model goes far in helping us to explain U.S. immigration trends before mid-century, the unprecedented activism of the national state in these decades had a marked effect on the nature of legal immigration flows. The dramatic decline of immigration during American involvement in the First and Second World Wars highlights the extent to which the U.S. government's pursuit of foreign policy objectives may profoundly transform migration trends.

Moreover, if changes in the American labor market and business cycle before mid-century go far in helping us to explain **how many** immigrants were admitted in these years (immigration volume), they do not help us understand significant shifts in **who** was granted entry during these decades (immigration composition).

For most of the nineteenth century, the U.S. federal government maintained an essentially **laissez-faire** immigration policy, with most regulatory authority devolving to states and localities (Hutchinson 1981; Neumann 1993; Fuchs 1990; Schuck 1998; Hatton and Williamson 1998). When the national state first developed the legal and administrative means to regulate immigration in the late nineteenth century, its efforts to control immigration often were motivated as much by a devotion to ethnic and racial hierarchy as by a concern for the country's economic and national security interests (Fuchs 1990; Smith 1997; King 2000, 2005). Against the backdrop of intense electoral competition during the post-Reconstruction period, congressional and executive officials of both parties clamored to curry favor with Sinophobic voters of the Far West by enacting the first Chinese exclusion laws in the 1880's (Sandmeyer 1972; Mink 1985; Daniels 1990; King 2000). During the interwar years, the economic impact of immigration figured prominently in the minds of national officials, and they wasted no time in slowing immigration to all but a trickle during the 1920's and '30's. But the centerpiece of this period's restrictive immigration policies, a so-called national origins quota system, was deeply informed by a new scientific theory—eugenics—that reinvigorated old distinctions between desirable and unworthy immigrants on the basis of race, ethnicity, and religion (Higham 1974; Fuchs 1990; Smith 1997; King 2000).

The new quota system was explicitly planned to favor northern and western European

immigrants, and to exclude Asians, Africans, as well as southern and eastern Europeans. At the same time, Mexican migrants were viewed by most officials as a returnable labor force—due to a contiguous border—which could meet the nation’s shifting demands for low-skill labor without making any permanent claims for membership in U.S. society (Reisler 1976; Calavita 1992). Little attention was given to high-skilled immigration or human capital, because immigration was viewed primarily as a source of manpower and population needed to fire the engines of industrialization and settle the frontier. Until the 1960s, U.S. immigration essentially reflected these policy goals; northern and western Europeans comprised most overseas immigration to the country, while Mexican and other Latin American newcomers were typically admitted as guestworkers subject to removal whenever their labor was not in demand (Garcia 1980; Ngai 2004; Zolberg 2006). The American state’s influence on immigration flows before 1945, then, captures not only its responsiveness to changing economic conditions but also its pursuit of foreign policy interests and ascriptive and hierarchic visions of racial order, which cannot be explained simply in economic terms.

Whereas shifts in the U.S. business cycle comport well with immigration trends before the Second World War, they have diverged sharply on several occasions during the past sixty years. Despite an impressive postwar economic recovery, underscored by low unemployment rates and surges in GDP during the 1950s, the modest levels of U.S. immigration remained relatively stable. Immigration flows not only failed to keep pace with the postwar economic expansion as predicted by the push-pull model, but they in fact declined in the early 1950s. To understand declining immigration amidst economic growth requires knowledge of how government policies shaped immigrant admissions independently of postwar economic

developments. Although both the Truman and Eisenhower administrations called for more expansive immigration policies, their efforts were derailed by restrictionist committee chairs in Congress who vigilantly defended national origins quotas. During the early 1950s, anticommunist isolationists in Congress secured legislation that reaffirmed national origins quotas while constructing new immigration barriers intended to tighten national security (Tichenor 1994, 2002; Zolberg 2006). In short, McCarthyism overshadowed economic growth in the immigration realm. Later in the 1950s, the Eisenhower administration took autonomous executive action to grant admissions above the existing quota ceiling not in response to changing economic conditions but to offer refuge to Hungarians and others fleeing communism—in this instance foreign policy trumped immigration policy.

The demise of the national origins quota system finally came with the enactment of the Hart-Celler Act of 1965, an event that was undoubtedly fortified by national prosperity. But reformers in the executive and legislative branches had far more than the economic utility of immigration in mind when they embraced a new visa preference system. In making immigration reform an important feature of the Great Society juggernaut, the White House and its congressional allies argued that discriminatory national origins quotas—like domestic racial barriers—undermined American global prestige and influence amidst urgent Cold War competition (Dudziak 2000; Borstelmann 2001). Civil rights and foreign policy interests loomed large in immigration policy-making of the 1960s. The 1965 law replaced national origin quotas with a new emphasis on uniting families, providing an unlimited number of immigrant visas to immediate family members of U.S. citizens and most numerically-limited visas to other close relatives of citizens and the immediate family of permanent resident aliens. Remaining visa slots

were allocated to refugees and skilled workers. Policy-makers were careful to stipulate that the 1965 immigration reform was strictly designed to remove ethnic, racial, and religious biases from the immigration code—**not** to expand the volume of annual legal admissions (Reimers 1992).

Although expected by its architects primarily to benefit European migrants, the family-based system established in 1965 would spur unprecedented Third World immigration to the United States as a result of unanticipated chain migration during the next 30-40 years. When asked at a Senate hearing whether the new law would alter the composition of immigrant flows, bringing more immigrants from Latin America and Asia, then Attorney General Robert Kennedy insisted that the law would have little impact on flows from non-traditional areas. But we now know that the Hart-Celler Act contributed to a dramatic shift in the composition of U.S. immigration, even though there was a lag between passage of the Act and the beginning of the fourth wave. Surprisingly annual admissions increased only incrementally during the decade following its passage (see Figure 2).

Against the backdrop of economic stagnation in the 1970s, characterized by high levels of inflation and unemployment, public opinion strongly supported significant decreases in legal immigration (Fetzer 2000). Illegal immigration also drew attention as a prominent policy problem. New calls for immigration restriction and stronger border control were consistent with the economic logic of push-pull and guestworker schemes in Europe which saw foreign labor purely as a commodity. Economic stagnation and decline in the United States and Western Europe in the 1970s brought renewed pressure for lower levels of immigration. Yet in the United States the push-pull model could not anticipate formidable political resistance from a

number of strategically-situated lawmakers and special interests, like the growers in California and the Southwest, who supported large-scale immigration and who postponed policy action during economic hard times by brokering support for a bipartisan commission to study immigration—the Select Commission on Immigration and Refugee Policy (Fuchs 1990; Cose 1992; Tichenor 2002; Freeman 1995; Joppke 1997).

After years of political stalemate, Congress finally enacted the Immigration Reform and Control Act (IRCA) in 1986 to address illegal immigration. Initially designed to discourage unlawful entries by severely penalizing U.S. employers who knowingly hired undocumented aliens, the law's final employer sanctions provision lacked sufficient teeth to meet its purposes. IRCA's most significant legacy was an amnesty program that granted legal status to record numbers of undocumented immigrants residing in the country. Troubled by the civil liberties violations and discriminatory effect of past deportation campaigns, national officials embraced amnesty as a more palatable policy solution (Tichenor 1994). This would not be the case in the failed immigration reforms early in the twenty first century. In fact, the inability of the federal government to implement employer sanctions and step up internal enforcement would be a major reason for opposition to amnesty twenty years later in the 2007 immigration debate.

Even as illegal immigration continued unchecked and unemployment levels swelled as a result of recession in the early 1990s, national policy-makers passed a measure, the Immigration Act of 1990, which expanded immigration admissions. Increasing annual visas for immigrants with family ties to U.S. citizens and permanent resident aliens, those with needed job skills (the H1-B program), and those from countries disadvantaged under the 1965 preference system, policy-makers defied the push-pull model in 1990 by substantially expanding legal immigration

opportunities despite an important economic downturn (Schuck 1992). However, increased public concern regarding both legal and illegal immigration—especially the passage of the California ballot initiative, Proposition 187 in 1994—did prompt national policymakers to consider restrictive immigration measures. In 1996, Congress came close to passing a bill that would have significantly scaled back annual legal immigration against the backdrop of robust economic growth and scant unemployment. In the end, however, the 1996 Illegal Immigration Reform and Immigrant Responsibility Act (IIRAIRA) targeted immigrants (both legal and illegal) through the mechanism of welfare reform and restriction of due process rights. But, thanks to the intense lobbying efforts of high-tech industries, such as Intel and Microsoft, legal immigration levels were left unchanged and skilled immigration received a boost through the H1-B program, while new measures were adopted to curtail illegal immigration. Apart from increased border controls and a small pilot program to force employers to check the legal status of workers before hiring them, the main impact of the IIRAIRA was to cut AFDC and SSI for legal immigrant residents—cutbacks that were, at the insistence of the Clinton administration, eventually restored for certain groups of resident aliens.

The consequential interests and actions of the American state concerning immigration more than occasionally have transcended the economic predictors of the push-pull model, as well as straight interest-based explanations à la Freeman (1995). Reducing U.S. immigration levels to a basic economic causality or to a strict interest group dynamic is inadequate in both explanatory and predictive terms. The United States, like other major immigrant receiving countries in the post-World War II era, is trapped in a liberal paradox, needing to maintain adequate supplies of (skilled and unskilled) foreign labor, while struggling to maintain control of its borders, preserve

the social contract, and protect the rights of immigrants. We gain little by denying the powerful influence of changing domestic economic conditions over immigration. But understanding the political economy of immigration requires us to weigh the relative importance of economic and political factors. To understand and distinguish the influence of economic forces and government actions on U.S. immigration requires us to develop a preliminary (multivariate) model that incorporates the two.

### **The Political Economy of US Immigration**

Toward this end I have constructed a time-series model that enables us to separate economic and political effects on legal immigration flows. The results of the analyses are presented in Tables 1-3. I used the log of immigration flows (the dependent variable) in order to meet the model requirements of linearity and stationarity. I then calculate an impact range from the coefficients of each predictor variable by multiplying the coefficient by the highest and lowest value of that variable. This impact range allows for a greater ease of interpretation and discussion of the model results. Both the coefficients and the impact range are reported in the tables.

The first thing to note is that, conforming to the conventional wisdom, economic conditions in the receiving country, in this case the United States, have a significant impact on legal immigration flows. Specifically **demand-pull** forces, as measured by unemployment rates have a modest impact on flows in the U.S. for the period 1891-2003. The coefficients, which assess the influence of a unit change (here 1%) in unemployment on immigration flows (logged annual legal immigration), is -.03 and significant at the .05 level. In the model, I control for a

variety of policy interventions (specified as the five most important immigration acts passed during this time-span), as well as the dampening effects of World Wars I and II. Note that labor market conditions have almost twice the impact of changes in the other predictor, real GDP, which again conforms to the economics literature.

(Tables 1-3 here)

The argument developed in the first sections of this paper predicts a weakening of economic effects over time, as immigration policies change to reflect the rise of rights-based politics, a new legal culture, and more expansive definitions of citizenship and membership (Cornelius, Martin and Hollifield 1994; Schuck 1998), especially during the 1950s and 1960s. Accordingly, I segmented the data into two (pre- and postwar) periods. Table 2 reports the effects of political and economic change on flows from 1891-1945. Once again, we find a highly significant labor market effect while real GDP registers no statistically significant effect. Percent change in unemployment has a strong, inverse relationship with legal immigration flows, ( $\omega = -.03$ , significant at the .05 level). The corresponding impact range tells us that for every one percent change in unemployment there is a decrease in the logged values of immigration ranging from -.04 to -.75 of a one point change. When we refer back to the annual immigration levels, this corresponds to the level range of a low of 23,068 immigrants in this period to a high of 1,285,349 immigrants. In the pre-war period, percent change in real GDP has no statistical significance.

I also controlled for the effects of World Wars I and II and the 1924 National Origins Act

(the Johnson-Reed Act), which wrote into law the principle of racial/ethnic exclusivity. The First World War had an obvious and highly significant effect on immigration flows, as did the 1924 policy intervention. I measure policy interventions as dummy variables (0,1) so that the calculation of the minimum value will always be zero. The ranges for both World War I and for the 1924 Johnson-Reed Act reflect our expectations. The First World War curtailed flows during this period (as evidenced by the negative sign), the 1924 Act also reduced immigration dramatically (with a coefficient of -.46), showing the power of the state to restrict immigration flows during this period, marked by isolationism (in foreign policy), protectionism (in trade policy), and restriction of immigration. World War II, however, does not have a statistically significant impact on flows. This meets the expectations that as policies and World War II curtailed immigration flows, these interventions decreased the capacity of prior immigration streams to draw more immigrants into the country. Mean immigration for the entire period averaged 4.3 percent per annum. Thus, even when controlling for policy interventions and both world wars, labor market conditions had a sizeable and significant impact on immigration flows in the prewar period—a reflection in part of the contracting of the US economy during the Great Depression.

Table 3 reports the results for the period 1946-2003. Several interesting and counterintuitive findings stand out. Tellingly, economic **demand-pull** effects in the United States continue to weaken over time, despite a more highly integrated global labor market, associated improvements in transportation and communication, and more efficient migration networks much in evidence (Massey 1987, Massey et al. 2002; Sassen 1996). Indeed, the coefficients for unemployment and real GDP change show no significant effect for the postwar

period. The McCarran-Walter Act of 1952 is not statistically significant. The contours of the Act corroborate the statistical evidence. The McCarran-Walter Act resulted in only marginal changes to key restrictionist quota provisions of the 1924 National Origins Quota Act.

A number of policy interventions, by contrast, are significant. Surprisingly the Immigration and Nationality Act of 1965 (Hart-Celler), which often is cited as the most important immigration reform since the 1924 law (Reimers 1985), has less of an empirical effect on legal immigration flows than other postwar reforms. The caveat, of course, is that the 1965 Act led to a gradual but dramatic change in the composition of these flows, by stimulating family unification (which was after all the purpose of the law) and encouraging larger flows from non-European sources (which was an unintended consequence). Two major immigration reforms of the late twentieth century, the Immigration Reform and Control Act of 1986 (IRCA) and the 1990 Immigration Act, however, combined to have an influence on immigration that simply dwarfed all others. In sum, the model shows the significant influence of economic factors on immigration until 1946 and the growing impact of government actions on flows in the postwar period. The time-series analysis fundamentally challenges presumptions of much of the economic and sociological literature on immigration, that policy interventions of the American state have had at best a marginal effect on immigration levels (Simon 1989). It underscores the influence of both changing economic conditions and government actions on U.S. immigration during the past century. In the post-World War II period, immigration flows are heavily influenced by the rise of what I have termed rights-based politics and the increasing prominence of rights-markets coalitions in US politics, especially during the cold war era (1947-1990). The next section presents an analysis of these coalitions (another dimension of the political economy

of immigration), their impact on US immigration policy, and the emergence of the US as a migration state.

### **Rights-Markets Coalitions**

Policy interventions (by themselves) are not the best measures of the rise of rights-based politics, and they give only a crude approximation of the liberal paradox. As a proxy measure of rights-based politics and its impact on immigration flows, I incorporated an electoral (left v. right) effect into the time series model, using democratic and republican administrations. Not surprisingly, I found no significant association between the two. Looking at the history of immigration politics and policy, it is hard to find a clear partisan split, with both parties lurching from one consensus to another—for restriction or admission—depending upon the historical context (Fuchs 1990; Tichenor 1994, 1996, 2002; Zolberg 2006). Indeed as noted by Zolberg, immigration politics in the United States often creates strange bedfellows of the (economically liberal) Republican right, and the (politically liberal) Democratic left (Zolberg 2006), especially during the Cold War period.

To explore the rights-markets dynamic and the liberal paradox, we must delve into the history of voting on civil rights, immigration and trade in the Congress, from the 1964 Civil Rights Act through various trade and immigration measures in the 1990s, including NAFTA, Fast-Track authorization, as well as the 1990 and 1996 immigration acts. What I expect to find is a great deal of consistency in voting on these issues over roughly a 30-40 year period, but with a breakdown of the coalition starting in 1990 with the end of the Cold War. To this end I looked dyadically at voting on eight bills in the Senate and the House: (1) the 1964 Civil Rights Act and

the 1965 Immigration and Nationality Act; (2) the 1986 Immigration Reform and Control Act (IRCA) and the 1988 Canadian American Free Trade Agreement (CAFTA); (3) the Immigration Act of 1990 and the North American Free Trade Agreement (NAFTA); and (4) the 1994 General Agreements on Tariffs and Trade enactment (GATT) and the 1996 Illegal Immigration Reform and Immigrant Responsibility Act (IIRAIRA). This analysis also helps to illustrate the close political relationship between trade and immigration policy.

(Table 4 here)

Table 4 displays the comparisons of roll call voting on the bills in the Senate. By dyad and starting with the Senate, we found that the Civil Rights Act and the '65 INA passed by exactly the same vote (76 aye and 18 nay), with the principal opposition coming from Southern Democrats, who voted (4 to 18) against Civil Rights and (9-13) against the INA. Eighty two percent (N=75) voted the same way on the two bills, indicative of a growing civil rights coalition and a close affinity between issues of civil rights and immigration, with the bowl weevils in the minority. Over twenty years later, the rights-markets coalition, including left-liberal Democrats and right-liberal or libertarian (free market) Republicans, is still intact. When we look at voting on the next dyad, IRCA and CAFTA, the vote was 75-21 for the former and 83-9 for the latter. Here we see more dissent on the immigration issue and less on trade, perhaps because trade with Canada is not viewed as terribly threatening for any major interest or constituency. Still the coalition is not as strong as it was in the 1960s, with only sixty eight percent of the senators voting the same way on the two bills (N=54). If we break out seven high immigration states

(California, Texas, Florida, New York, Illinois, New Jersey, and Massachusetts), we find overwhelming support for both measures, with only one dissenting vote (on IRCA) among senators from these states.

Voting on the third dyad (the '90 Act and NAFTA) in the Senate shows the continued strength of the rights-markets coalition, even well into the post-Cold War period. The vote was 81-17 in favor of the '90 Act and 61-38 for the NAFTA. In this case seventy one percent of the senators (N=45) voted the same way. In the seven high immigration states (see above), the vote was more nuanced, 7-5 in favor of NAFTA and 10-2 for the '90 Act. In the last dyad (GATT and the '96 Immigration Act), we see a reversal in policy direction as regards IIRAIRA, but a maintenance in the strength of the right-markets coalition. The votes for the two acts are 76-24 for GATT and 97-3 for the new restrictive immigration act, which was supposed to focus on illegal immigration but included provisions for limiting legal immigrant access to social service benefits. The Republican vote on IIRAIRA was 53-0 and 35-11 for the enactment of the GATT agreements, compared to the Democratic tally of 44-3 for the '96 immigration act and 41-13 for GATT. Seventy-three percent of the Senators voted the same way on the two measures (N=88).

Thus, at least in the Senate, the rights-markets coalition has remained relatively strong throughout the period, with two thirds to three fourths of the members voting the same way on issues of rights, markets, and immigration.

(Table 5 here)

However, this pattern does not hold in the House, the body which has a history of being

more protectionist on trade issues (Destler 2005) and more nativist/restrictionist on immigration (Tichenor 2002; Zolberg 2006). Table 5 shows House roll-call voting on these issues. With the first dyad ('64 Civil Rights Act and '65 INA) the House votes were 289-126 for Civil Rights and 320-69 for immigration, again with chief opposition on both bills coming from the bowl weevils. Southern Democrats voted 12-88 against civil rights and 36-52 against immigration. On this dyad in the House, voting consistency was sixty five percent (N=222), not nearly as high as in the Senate.

On the second dyad (IRCA and CAFTA), the tallies in the House were 230-166 on the immigration issue (note that IRCA was designed to deal primarily with the problem of *illegal* immigration) and 366-40 on the issue of freer trade with Canada. Unlike the Senate, we do not find strong bi-partisan support for these measures. Republicans in the House opposed the IRCA by a vote of 62-105, and votes in our seven high immigration states were much closer: 91-61 on NAFTA, compared to 136-9 on CAFTA. This is almost certainly an interest/constituency driven vote, in the sense that freer trade with Mexico is viewed as much more threatening than freer trade with Canada. Fifty two percent of the representatives (N=153) voted the same way on IRCA and CAFTA. We can see more volatility in the coalition and the beginning of the breakdown of bipartisan, rights-markets (or strange bedfellow) coalitions.

On the third dyad (the '90 Act and NAFTA), the vote on reforming legal immigration was opposed by Republicans (45-127), as was the case with the IRCA; but it passed anyway by a vote of 231-192; whereas the vote on NAFTA was a bit closer (234-200), with Democrats leading the opposition to this trade agreement. They voted 102-156 against it. If we break out the major immigration states, we can see that on balance they favored the immigration bill (101-

57), as well as the trade agreement (93-76). Overall, only thirty four percent of the House members (N=92) voted the same way on the '90 Immigration Act and NAFTA.

In the fourth and final dyad, we can see significant division between Republicans and Democrats on the '96 immigration act (IIRAIRA) but more coalition cohesion on the passage of the GATT agreement. IIRAIRA passed the House with a 305-123 vote. The vote count for GATT (Uruguay Round) was much closer; 288 members supported while 146 members opposed the measure. Democrats opposed the immigration measure by a vote of 76 to 117, but Republicans overwhelmingly favored the bill (229-5). Democratic opposition to GATT was less severe than their opposition to the immigration act. Both Democrats and Republicans favored GATT. The enactment had Democratic support of 167-89 and Republican support of 121-56 votes. Fifty-eight percent (N=340) of members voted the same way on these two measures.

We can see a distinct difference between the two legislative bodies on trade and migration issues. The rights-markets coalition held together much better in the Senate, even with the end of the Cold War, whereas it has fallen apart in the House. How can we explain this divergence? At least three explanations are possible. First is that the Senate is simply less partisan (more bipartisan) than the House. The second explanation, which is closely linked to the first, is that the Senate is capable of taking a longer term (i.e. less driven by an electoral dynamics) view of trade and migration, both of which have important foreign policy dimensions. Finally, as noted above, the House is driven more directly by the interests of much smaller districts/constituencies, and is therefore more sensitive to any distributional (or allocational) consequences of trade and migration policies (Destler 2005; Tichenor 2002). Moreover, in the House, Democrats seem to form rights-markets coalitions in support of trade and migration

issues, but the Republicans, who continue to support freer trade, have lost their attachment to rights, especially in the immigration area. This is born out in congressional votes on welfare reform legislation, particularly the IIRAIRA of 1996, as the Republican-controlled House pushed for eliminating welfare benefits for legal as well as illegal immigrants.

### **Conclusion**

The last half of the 20<sup>th</sup> century has marked an important new chapter in the history of globalization. With advances in travel and communications technology, migration has accelerated, reaching levels not seen since the end of the 19<sup>th</sup> century. At the beginning of the 21<sup>st</sup> century, according to the United Nations roughly 200 million people are living outside of their country of birth or citizenship.<sup>2</sup> Even though this figure constitutes less than 3 percent of the world's population, the perception is that international migration is rising at an exponential rate, and that it is a permanent feature of the global economy. It seems that economic forces compelling people to move are intensifying. Supply-push forces remain strong, while the ease of communication and travel have reinforced migrant networks, making it easier than ever before for potential migrants to gather the information that they need in order to make a decision about whether or not to move.

To some extent supply-push forces are constant or rising and have been for many decades. However, demand-pull forces are variable, and as we can see in the case of the United States, political dynamics have an enormous influence on the direction, composition, and flow of immigrants. The emphasis our model places on markets, states and rights improves on the prevailing economic and sociological theories. It incorporates economic **and** policy/legal effects

in a manner that distinguishes their relative influence and provides a stronger overall account of immigration flows. Economic forces alone clearly are insufficient for this task. Bringing the state and policy into immigration analysis offers greater promise for understanding the direction, composition, and flow of immigration. As we have seen in our analysis of the US case, electoral, foreign policy, and national security interests figure prominently in immigration politics, while focusing on economics and business cycles offers only a partial explanation at best.

A model that integrates immigrants, markets and rights is more promising than push-pull or transnational models alone in accounting for the volume and composition of immigration flows. These findings are consistent with other studies of the political economy of immigration in Europe (Hollifield 1992). While they do not contradict the emerging literature in political economy that focuses on interest-based explanations for changes in immigration policy (Freeman 1995; Kessler 1998; Facchini and Mayda 2009), they do offer us an alternative, rights-based and institutional explanation for the rapid rise in immigration among industrial democracies in the late twentieth century (Brettell and Hollifield 2008). The liberal state has played and will continue to play a vital role in regulating levels of immigration.

In the advanced industrial democracies, immigration has been trending upward for most of the post-World War II period, to the point that well over forty percent of the world's migrant population resides in Europe and America, where roughly ten percent of the population is foreign born (UN 2006). International migration is likely to increase in coming decades, unless there is some cataclysmic international event, like war or economic depression. Even after the 9/11 terrorist attack on the United States the liberal democracies have remained relatively open

to international migration. Global economic inequalities mean that supply-push forces remain strong, while at the same time demand-pull forces are intensifying (Martin and Widgren 1996). The growing demand for highly skilled workers, in the United States and across the OECD world, and the demographic decline in the industrial democracies create economic opportunities for migrants. Transnational networks have become more dense and efficient, linking the sending and receiving societies. These networks help to lower the costs and the risks of migration, making it easier for people to move across borders and over long distances. Moreover, when legal migration is not an option, migrants have increasingly turned to professional smugglers, and a global industry of migrant smuggling—often with the involvement of organized crime—has sprung up, especially in the last decade of the 20<sup>th</sup> century. In the twenty first century, hardly a week passes without some news of a tragic loss of life associated with migrant smuggling (Kyle and Koslowski 2001).

But migration, like any type of transnational economic activity (such as trade and foreign investment), cannot and does not take place in a legal or institutional void. As we can see in the US case, states have been and still are deeply involved in organizing and regulating migration and the extension of rights to non-nationals has been an extremely important part of the story of international migration in the post-World War II period. For the most part, rights that accrue to migrants come from the legal and constitutional protections guaranteed to all “members” of society (Hollifield 1992, 1999). Thus if an individual migrant is able to establish some claim to residence on the territory of a liberal state, his or her chances of being able to remain and settle will increase. At the same time, developments in international human rights law have helped to solidify the position of individuals vis-à-vis the nation-state, to the point that individuals (and

certain groups) have acquired a sort of international legal personality, leading some analysts to speculate that we are entering a post-national era, characterized by “universal personhood” (Soysal 1994), the expansion of “rights across borders” (Jacobson 1996), and even “transnational citizenship” (Bauböck 1994). Others have argued that migrants have become transnational, because so many no longer reside exclusively on the territory of one state (Glick-Schiller 1999; Levitt 2001), opting to shuttle between a place of origin and destination. This line of argument gives priority to agency as a defining feature of contemporary migrations; but it ignores the extent to which state policies have shaped the choices that migrants make. The migration state is almost by definition a liberal state, inasmuch as it creates a legal and regulatory environment in which migrants can pursue individual strategies of accumulation.

But, as we have seen in the US case, regulating international migration requires liberal states to be attentive to the (human or civil) rights of the individual. If rights are ignored or trampled upon, then the *liberal* state risks undermining its own legitimacy and *raison d'être* (Hollifield 1999) and anti-immigration policies may come into conflict with *raison d'Etat*. As international migration and transnationalism increase, pressures build upon liberal states to find new and creative ways to cooperate, to manage flows. The definition of the national interest and *raison d'Etat* have to take this reality into account, as rights become more and more a central feature of domestic and foreign policy. New international regimes will be necessary if states are to risk more openness, and rights-based (international) politics will be the order of the day (Hollifield 1992, 1994, 2000a).

In short, the global integration of markets for goods, services and capital along with the rise of rights-based politics at the domestic as well as the international level entail higher levels

of international migration; therefore, if states want to promote liberal economic policies—freer trade and investment—and democratic politics generally, they must be prepared to manage higher levels of migration. Many states (like the US, Canada, and other OECD countries) are willing, if not eager, to sponsor high-end migration, because the numbers are manageable, and there is likely to be less political resistance to the importation of highly skilled individuals. However, mass migration of unskilled and less educated workers is likely to meet with greater political resistance, even in situations and in sectors, like construction or health care, where there is high demand for this type of labor. In these instances, as we have seen in the US immigration debates in 2007, the tendency is for governments to go back to the old guest worker models, in hopes of bringing in just enough temporary workers to fill gaps in the labor market, but with strict contracts between foreign workers and their employers that limit the length of stay and prohibit settlement or family reunification (Miller and Martin 1982). The alternative is illegal immigration and a growing black market for labor—a Hobson's choice.<sup>3</sup>

The 19<sup>th</sup> and 20<sup>th</sup> centuries saw the rise of what Richard Rosecrance (1986) has labeled the *trading state*. The latter half of the 20<sup>th</sup> century has given rise to the *migration state*. In fact, from a strategic, economic and demographic standpoint, trade and migration go hand in hand. Because the wealth, power and stability of the state is now more than ever dependent on its willingness *to risk both trade **and** migration* (Lusztig 1996; Hollifield 2000a), as the US case shows. In the twenty first century, as in the nineteenth, global competitiveness, power, and economic security are closely related to a willingness to accept immigrants, both skilled and unskilled. Many European and Asian countries, specifically Japan, have been reluctant to follow the Canadian, American, and Australian examples of expansive **legal** immigration policies

designed to enhance their material power and wealth. But, in one important respect, Europe has an advantage over the United States, and Canada or Australia for that matter. The European Union is not only creating a free trade and investment zone, but also a free migration area. It remains to be seen whether North America (and East Asia) will follow the European example and create a common labor market.

Now more than ever, *international security and stability are dependent on the capacity of states to manage migration*. It is extremely difficult, if not impossible, for states to manage or control migration either unilaterally or bilaterally. Some type of multilateral/regional regime is required, similar to what the EU has constructed for nationals of the member states. The EU model, as it has evolved from Rome to Maastricht to Amsterdam and beyond, points the way to future international migration regimes, because it is not based purely on *homo economicus*, but incorporates rights for individual migrants and even a rudimentary citizenship, which continues to evolve. The problem, of course, in this type of regional migration regime is how to deal with third country nationals (TCNs). As the EU expands and borders are relaxed, the issue of TCNs, immigrants, and ethnic minorities becomes ever more pressing, and new institutions, laws and regulations must be created to deal with them (Geddes 2003). In the end, the EU, by creating a regional migration regime and a kind of supra-national authority to deal with migration and refugee issues, allows the member states to finesse, if not escape, the liberal paradox (Hollifield 1992). Playing the good cop/bad cop routine and using symbolic politics and policies to maintain the illusion of border control help governments fend off the forces of closure, at least in the short run (Rudolph 2003, 2006). In the end, however, it is the nature of the liberal state itself and the degree to which openness is institutionalized and (constitutionally) protected from the

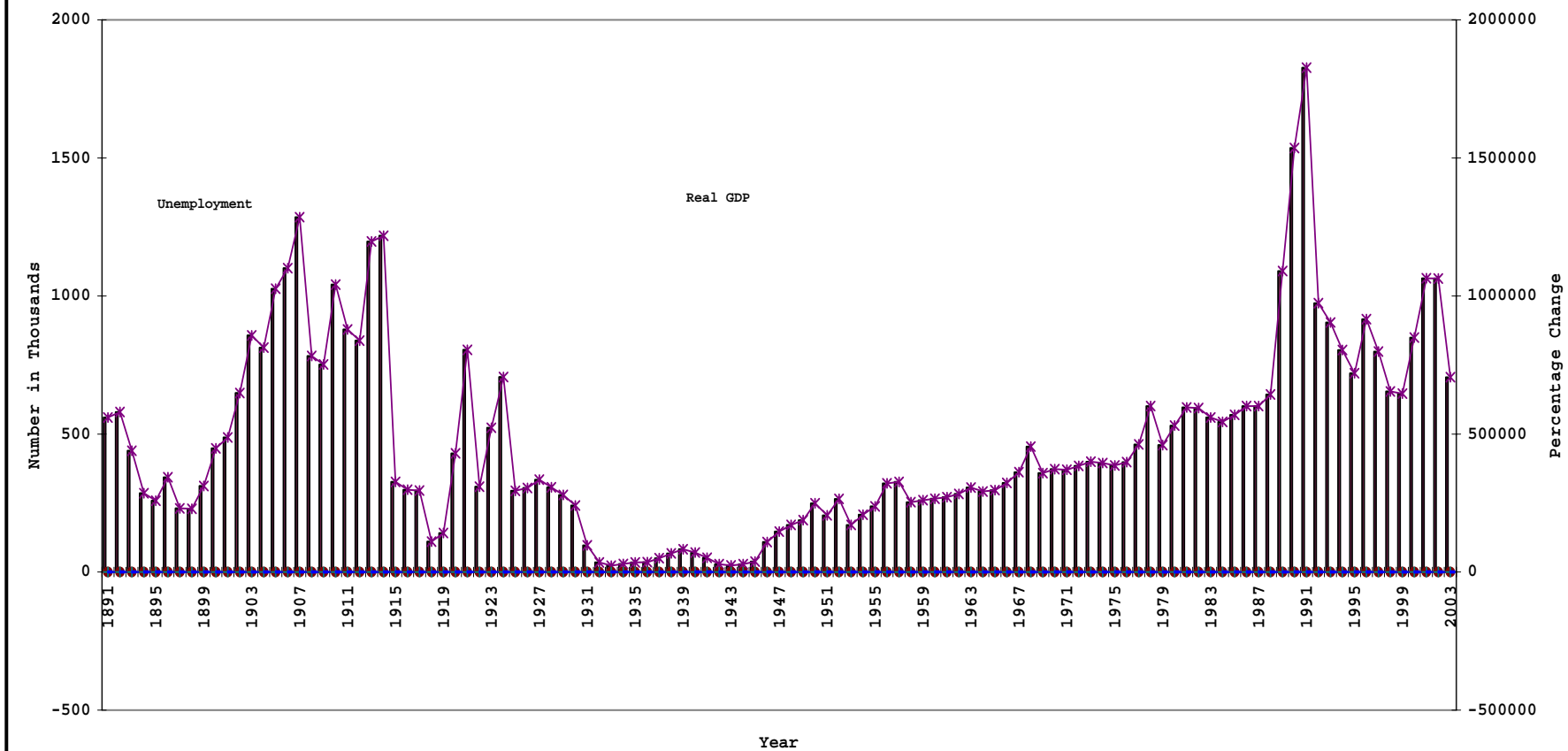
“majority of the moment,” that will determine whether states will continue to risk trade and migration (Hollifield 2000b).

International migration, like trade, is a fundamental feature of the postwar liberal order. As states and societies, like the United States, have become more liberal and open, migration has increased. Will this increase in migration be a virtuous or a vicious cycle? Will it be destabilizing, leading the international system into greater anarchy, disorder and war; or will it lead to greater openness, wealth and human development? Much will depend on how migration is managed by the more powerful liberal states, especially the United States, because they will set the trend for the rest of the globe. To avoid a domestic political backlash against immigration, the rights of migrants must be respected and states must cooperate in building international and regional migration regimes. Even as states become more dependent on migration, they are likely to remain trapped in a liberal paradox for decades to come.

## TABLES AND FIGURES

<b>Table 1.</b>				
<b>Labor Market and Policy Effects on Immigration, 1891-2003</b>				
	<b>Impact</b>	<b>T</b>	<b>Impact Range</b>	
			(low-high)	
<b>Labor Market</b> (% Unemployed)	-.03 (.01)	-4.8**	-.40	-8.22
<b>Real GDP</b> (% change)	-.01 (.01)	-1.5	.12	-.17
<b>WWI</b>	-.56 (.15)	-3.8**	0.0	-.56
<b>WWII</b>	-.40 (.15)	-2.6**	0.0	-.50
<b>1924 Johnson-Reed Act</b>	-.39 (.12)	-3.4**	0.0	-.4
<b>1952 McCarran-Walter Act</b>	.10 (.12)	.9	0.0	.11
<b>1965 Hart-Celler Act</b>	-.07 (.09)	-.8	0.0	-.07
<b>1986 IRCA/ 1990 Imm. Act</b>	.15 (.10)	1.4	0.0	.15
<b>Lagged Logged Immigration</b>	.69 (.05)	12.7**	6.93	9.95
N=113 $r^2=.90$ D-W=1.8 F=125.7 Sig.=.00 DV=logged annual legal immigration				
* Significant at the .05 level, one directional test (standard errors in parentheses)				
** Significant at the .10 level				

Figure 1. Unemployment, Real GDP and U.S. Legal Immigration, 1891-2003



**Table 2.**  
**Labor Market and Policy Effects on Immigration, 1891-1945**

	Impact	T	Impact Range	
			(low-high)	
<b>Labor Market</b> (% Unemployed)	-.03 (.01)	-2.8*	-.04	-.75
<b>Real GDP</b> (% change)	-.01 (.00)	-.76	.09	-.13
<b>WWI</b>	-.56 (.18)	-2.9*	0.0	-.56
<b>WWII</b>	-.32 (.21)	-1.5	0.0	-.32
<b>1924 Johnson-Reed Act</b>	-.46 (.17)	-2.5*	0.0	-.46
<b>Lagged Logged Immigration</b>	.71 (.08)	8.8*	7.1	9.93
N=55 r <sup>2</sup> =.90 D-W=1.8 F=82.4 Sig=.00 Dependent Variable: logged annual immigration				
* Significant at the .05 level, one directional test (standard errors in parentheses)				
** Significant at the .10 level				

<b>Table 3.</b>				
<b>Labor Market and Policy Effects on Immigration, 1946-2003</b>				
	<b>Impact</b>	<b>T</b>	<b>Impact Range</b>	
			<b>(low-high)</b>	
<b>Labor Market</b> (% Unemployed)	.02 (.02)	.9	.06	.18
<b>Real GDP</b> (% change)	-.01 (.01)	-.7	.08	-.06
<b>1952 McCarran-Walter Act</b>	.00 (.09)	.0	0.0	.00
<b>1965 Hart-Celler Act</b>	.24 (.11)	2.2*	0.0	.24
<b>1986 IRCA/ 1990 Imm. Act</b>	.30 (.10)	3.1*	0.0	.3
<b>Lagged Logged Immigration</b>	.55 (.09)	5.8*	5.73	7.86
N=58 r <sup>2</sup> =.90 D-W=1.78 F=93.56 Sig=.00				
Dependent variable: logged annual legal immigration				
* Significant at the .05 level, one directional test (standard errors in parentheses)				
** Significant at the .10 level				

Figure 2. Legal Immigration to the United States, FY1946-2003

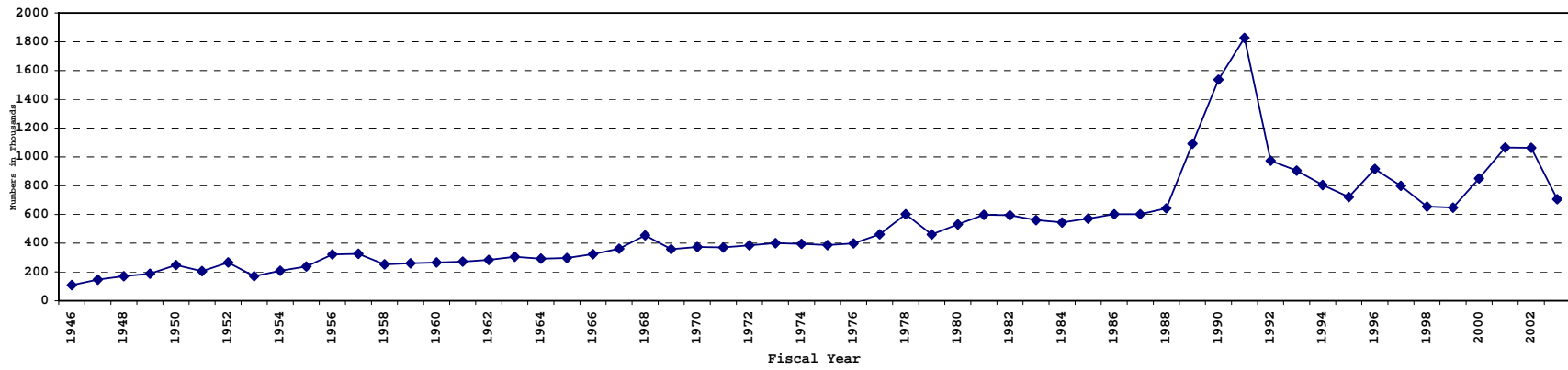


Figure 3. Unemployment Rate in the United States, 1946-2003

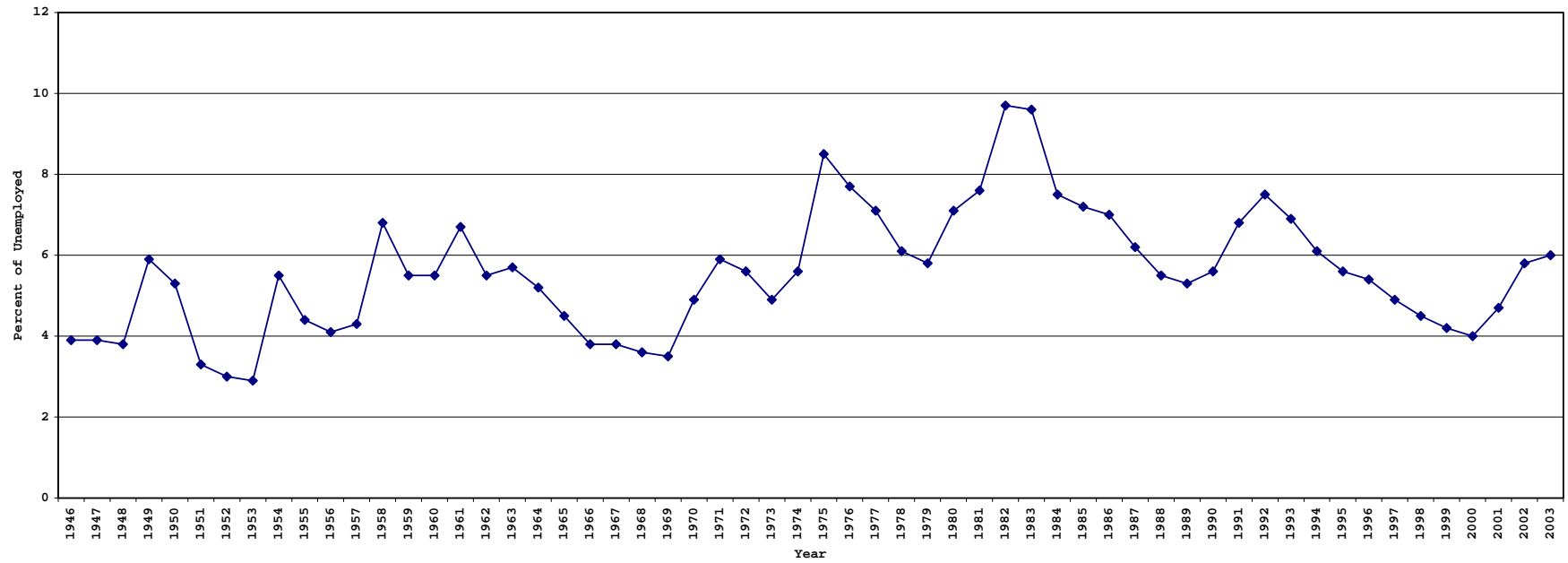


Figure 4. Annual Growth Rate of U.S. National Economy (Percentage Change of Real GDP), 1946-2003

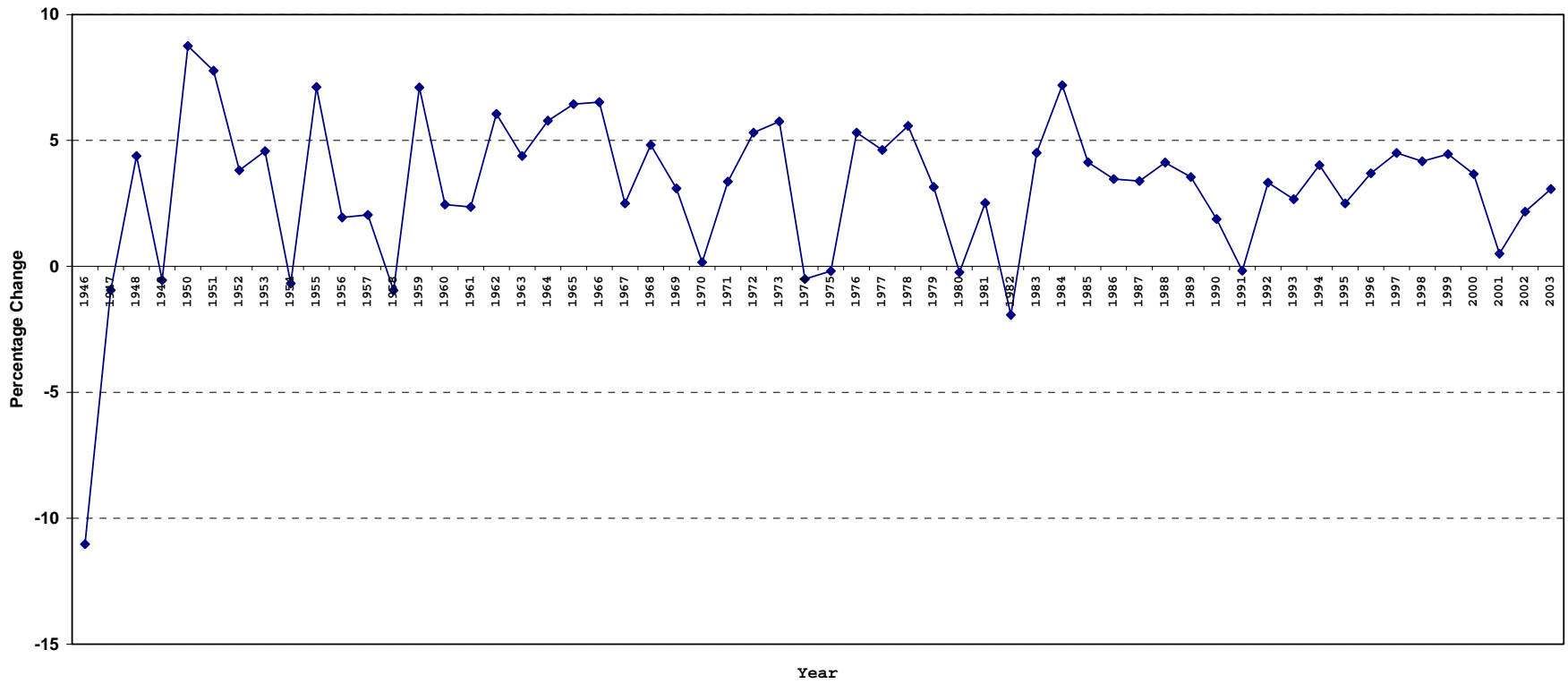


Table 4.  
Roll Call Voting on Rights, Markets, and Immigration Issues,  
U.S. Senate

<i>1964 Civil Rights and 1965 Immigration and National Acts</i>		
	Rights	INA
	76-18	76-18
D	46-18	52-15
R	30-0	24-3
SD+	4-18	9-19
Same-way voting: 82% (N=75)		
<i>Canadian-American Free Trade Agreement and the Immigration Reform and Control Acts</i>		
	Markets	IRCA
	83-9	75-21
D	43-7	41-4
R	40-2	34-17
SD+	10-0	11-1
Same-way voting 68% (N=54)		
<i>North American Free Trade Agreement and Visa Quota Restriction Acts</i>		
	Markets	VQR
	61-38	81-17
D	27-18	40-14
R	23-10	41-3
M*	7-5	10-2
Same-way voting: 71% (N=45)		
<i>General Agreements on Tariffs and Trade and Illegal Immigration Reform and Immigrant Responsibility Acts</i>		
	Markets	IIRAIRA
	76-24	97-3
D	41-13	44-3
R	35-11	53-0
SD+	10-2	10-2
M*		
Same-way voting: 74% (N=88)		

**Notes:** +Southern Democrat.

\*Major immigration state.

**Source:** *The Congressional Record*.

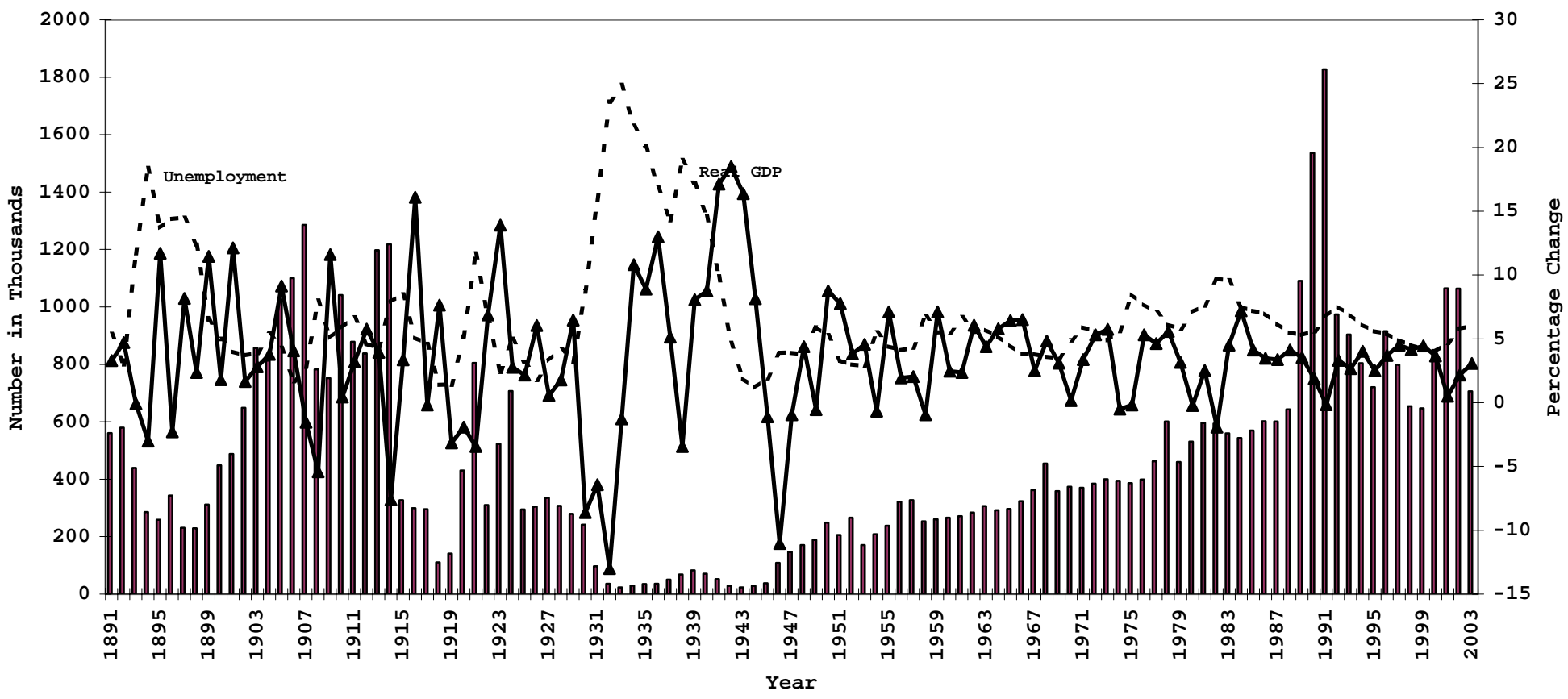
Table 5. Roll Call Voting on Rights, Markets, and Immigration Issues, U.S. House		
<i>1964 Civil Rights and 1965 Immigration and National Acts</i>		
	Rights	INA
	289-126	320-69
D	159-91	202-59
R	136-35	118-10
SD+	12-88	36-52
Same-way voting: 65% (N=222)		
<i>Canadian-American Free Trade Agreement and the Immigration Reform and Control Acts</i>		
	Markets	IRCA
	336-40	230-166
D	215-30	168-61
R	151-10	62-105
SD+	136-9	91-61
Same-way voting: 52% (N=153)		
<i>North American Free Trade Agreement and Visa Quota Restriction Acts</i>		
	Markets	VQR
	234-200	231-192
D	102-156	186-65
R	132-43	45-127
M*	93-76	101-57
Same-way voting: 34% (N=92)		
<i>General Agreements on Tariffs and Trade and Illegal Immigration Reform and Immigrant Responsibility Acts</i>		
	Markets	IIRAIRA
	288-146	305-123
D	167-89	76-117
R	121-56	229-5
Same-way voting: 58% (N=340)		

**Notes:** +Southern Democrat.

\*Major immigration state.

**Source:** *The Congressional Record*.

Figure 1. Unemployment, Real GDP and U.S. Legal Immigration, 1891-2003



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<sup>1</sup> In this context, it is important to remember that Smith was not worried about high levels of international migration, because as he put it "*Man is of all sorts of luggage—the most difficult to be transported.*"

<sup>2</sup> The trend in international migration has been steadily upward since the end of World War II (IOM 1996, 2000; United Nations 2006).

<sup>3</sup> At this writing (in spring 2007) the US Congress had failed to pass so-called comprehensive immigration reform, which included a new guest worker program.