

IMMIGRATION leads to a number of serious problems that cannot be ignored. There has been a false dilemma in the past in that the choice seemed to be restricted to controlling immigration on the one hand or doing nothing on the other. There is, however, a third alternative to be considered: free immigration combined with a vigorous attack on the problems associated with immigration.

These problems, though they often interact on one another, are of two distinct kinds: those that already exist but which immigration makes more acute, and those that arise from immigration specifically. The problems in the first category have to be solved whether or not there is immigration; immigration does not cause them, and immigrants themselves suffer from them. Moreover, if immigration is taking place, all the problems — in both categories — have to be faced irrespective of the rate of that immigration. If sound solutions are found to these problems when there are 7,500 immigrants a year, the same solutions are likely to be effective however many immigrants there are. None of these problems derives peculiarly from free immigration.

Admittedly, with complete freedom, known extremists, such as members of the Ku Klux Klan, could enter the country but their activities would then be subject to the law. If they behaved themselves when in Britain interference with their entry would not be justified; if they did not behave themselves they would incur the penalty the law prescribes.

The nature of the various problems associated with immigration, both real and imagined, must now be examined. The line of reasoning in the last article established a powerful case for freedom founded on respect for human rights, and there can therefore be no case for control of immigration unless it can be proved that any particular problem is real and cannot be successfully tackled in any way other than by control of immigration.

A common objection raised against unrestricted immigration is that Britain is already overcrowded. Although Britain is one of the most densely populated countries of the world, and although there is an excessive concentration of population in certain areas, it is not true or anywhere near true, that Britain as a whole is overcrowded. Every year some 40,000 acres of open land are developed, but it has been calculated that, at this rate, by the year 2,000 only a further five per cent of Britain's land area will have been urbanised, bringing the total from 11 per cent to 16 per cent. In the south-east—usually, though erroneously, thought to be the most densely populated region of Britain — eighty-five per cent of the land area is undeveloped, according to a statement by Sir Keith Joseph, then Minister of Housing and Local Government, in the House of Commons on May 4, 1964. Mr. Terence Bendixson, planning correspondent of *The Guardian*, in an article published on February 3, 1965, compared the population of the south-east (18,365,000) with its acreage (9,879,000) and noted that the density was under two people per acre. "One fact that becomes apparent", he

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wrote, "is that there is no overall shortage of land." Mr. Bendixson also mentioned that the north-west, commonly supposed to be sparsely populated, has a density of over three people to the acre. Evidently the impressions that people have about population density are not to be trusted! The best antidote to preconceptions is to look at the relevant maps in the *Atlas of Britain and Northern Ireland*, published by the Clarendon Press in 1963, from which it can be clearly seen how the built-up areas of the country compare with the agricultural and uncultivated land.

There is, then, no problem of overcrowding in Britain as a whole. In so far as there is a problem of overcrowding it is the problem of concentration of population in big towns. Immigrants tend to concentrate in these towns, just as natives do, but they also sometimes concentrate in specific areas within the towns. The first kind of concentration is due to the excessive magnetism of the cities, which is one of our major existing problems and has nothing to do with immigration. The second kind of concentration reflects the lack of native hospitality. If naturally apprehensive immigrants were assured of a warm welcome from the natives, and no discrimination, they would not have to make a dash for other immigrants of their own race. The organisation of immediate instruction in the English language, if this is necessary, the provision of decent housing at reasonable prices, and the general help for immigrants that local voluntary committees can give, are all important factors here and more will be said about them later. As it is, separate immigrant communities grow up, foreign customs are perpetuated, and the natives grow increasingly conscious of, and frightened by, the existence of cohesive immigrant groups within their midst, particularly when the immigrants are coloured.

In a report published in June 1965 by the Centre for Urban Studies the authors describe immigrants from Asia, Africa and the Caribbean as "highly visible" groups and remark that this visibility, combined with their concentration in particular urban areas creates an illusion that there are more immigrants than there are. For all the current pre-occupation with colour—and the popular agitation for immigration control stemmed largely from awareness of colour — it is thought likely that these "highly visible" groups are still outnumbered, as they were in 1961, by the Irish and other Europeans, about whom passions are so

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much less easily aroused. The Centre estimated that there were about 769,500 immigrants from Asia, Africa, and the Caribbean in Britain at the beginning of 1965.

It is of interest to note the view of Dr. C. Peach, of the School of Geography, Oxford University, writing in the journal of the Institute of Race Relations, that the high rate of immigration in the first half of 1962, when the demand for labour was depressed was attributable almost entirely to the expectation of restrictions on entry. "It is ironic," he writes, "that the large increase in the movement was due to the fear of government control, while the Government adduced the need for control from that same large increase."

The next question to be considered is that of employment. There is a great deal of talk about British jobs being taken by immigrants, as if the number of jobs available were somehow a fixed quantity and could be increased only by creating more of them. That this is not the case can be seen by a reconstruction from first principles. In primitive conditions, where all men support themselves directly from nature by hunting, fishing, or farming, a man's own wants spur him to exercise his labour in order to satisfy them. He is able to do so, for, tragedies apart, every mouth that comes into the world is accompanied by a brain and two hands with which to feed it. The individual, suffering a demand for the products of labour, supplies them for himself.

The division of labour and the introduction of money do not fundamentally alter this situation. Although every man specialises in providing goods or services for money, and uses this money to procure goods and services that he himself wants, what is happening is that there is an unconscious co-operation by which one man agrees to exercise his labour in one direction if others exercise their labour in other directions. If for simplicity we imagine a community of only two men, a farmer and a tailor, the farmer devotes half his labour to feeding himself and half his labour to producing food for the tailor, while the tailor devotes half his labour to clothing himself and half his labour to making clothes for the farmer. Each benefits from the exchange of his products. The labour of the farmer is supplied to meet the demand of the tailor and thereby procure the clothes that the farmer desires; similarly the labour of the tailor is supplied to meet the demand of the farmer and procure the food that the

tailor desires. The total supply of labour in the community is the labour of the farmer, plus the labour of the tailor, and the total demand for labour is the labour of the tailor plus the labour of the farmer. The supply of one man's labour constitutes the demand of another man's labour and over the community as a whole the supply of labour and the demand for labour must be equal.

This can be seen clearly enough in a primitive new community (in which, at first, everybody is an immigrant). In a complex industrial society, where men often work for an employer, the principle is no different, and when an immigrant comes into a country and gets a job instead of a native, the supply of his labour in itself creates a demand for labour elsewhere. If an employer, confident that by increasing production of goods he can enhance his profit, advertises a vacancy and takes on an immigrant, the goods created by the immigrant's labour constitute an effective demand, which did not previously exist, for goods or services of equivalent value. This demand can be met, directly or indirectly, by the native whose job, he may feel, the immigrant has taken. The filling of one vacancy creates another. The immigrant is in effect providing for himself, just as if he were providing all his own wants directly and not participating in the economy at all.

Increase in population, whether by native increase or by immigration, does not create unemployment, although it may alter the pattern of demand and change the nature of employment. This is obvious if the population of Britain today is compared with that of fifty years ago, or five hundred years ago. If there were a fixed number of jobs in those days, however did the large increase in population that has taken place since then come to be employed? Certainly not by economic planning! The truth is that the increase of population created its own jobs, and it still does so.

There is, therefore, no reason as far as employment is concerned why immigration should be controlled. Dr. Peach, in an article previously mentioned, gives evidence to show that the immigrant flow to Britain, at least from the West Indies, increases when there is a time of optimism and a large number of vacancies, and decreases when the number of vacancies are few. (Several employers in this country have had special recruiting arrangements in the West Indian territories.) Immigrant workers want to come to Britain because they hope to be better off here than in their own countries, and they help to raise the standard of living for all of us because their willingness to undertake unskilled jobs releases natives who are immediately, or by relatively easy and quick training, capable of exercising greater skill.

The objection that a plentiful supply of labour impedes modernisation and better management has little validity. Lack of innovation and poor quality of management exist independently of immigration, and the cure for them is the restoration of proper incentives, by the reform of taxation, and the removal of all protection from the sharp wind of competition. Given these, we could have the modernisation and the better management *and* the additional benefit to

production and living standards that increase of population brings. Certainly, a form of control which gives strong preference to highly skilled immigrants and virtually debars the entry of the unskilled is, on humanitarian grounds, deplorable, for it is the unskilled who are likely to be the poorest and suffering the greatest hardships.

There will always be migration, but its extent and many of the problems to which it gives rise, are often the result of poverty. Increasing prosperity in underdeveloped countries would check the drift of population to richer countries, and the key to achieving that prosperity is to abolish the barrier to progress arising from the private ownership of land and to throw open the land to the people. Whatever else may be necessary, this is the first essential step, and without it all other attempts are bound to fail. A barrier that frustrates the development of agriculture and other primary industries in underdeveloped countries stunts the economic growth of those countries, for it is on the solid foundation of vigorous primary industries, particularly agriculture, that extensive division of labour and heavy industrialisation become possible. Even a doctor, whatever his sympathies, can make a poor living in a country where no one can afford to pay for his services. Only when the peoples of the underdeveloped world begin to raise their standard of living by creating a healthy agriculture, helped no doubt by foreign teaching and foreign capital, will workers of all kinds, skilled and unskilled, be able to find a decent living in their own countries.

BINDWEED OF THE WELFARE STATE

A STUDY GROUP which includes Colin Clark, Ralph Harris and Graham Hutton among its members could scarcely fail to produce a report worth reading. *Towards a Welfare Society** is a stimulating document, welcome not least because it makes a hecatomb of the sacred cows that have been consuming so much provender of late. For example: "Rationing by price in the markets is more egalitarian than rationing by officials controlling queues waiting for insufficient supplies. Patients waiting for doctors, parents waiting for headmasters, hopeful tenants waiting for Council officials, and pensioners waiting for pensions officials make a better case for themselves or their children if they are literate, physically fit, well-connected or politically alert." (p. 10). There is plenty more good sense of a similar kind.

The "planners" who have evolved our present public systems of education, health services, housing and pensions, never really designed them according to an overall plan. Like Topsy, these systems "just grewed." They "grewed" out of a mass of different, and sometimes contradictory, empirical considerations. The time is long

**Towards a Welfare Society*. Report of an IEA study group. Occasional Paper 13. Institute of Economic Affairs Ltd. 6s.

overdue for people to sit down calmly and consider whether the aims that applied when our modern services developed are any longer applicable. Half a century ago, council houses were a social service, designed to rescue very poor people from slums. Today there are many places where the incomes of the council house dwellers must be higher than the incomes of the dwellers in private houses who are subsidising them. The process of providing free medical service for all, though designed to ensure that poverty is no bar to health, may well have the practical result of filling the doctors' surgeries with people who have minor ailments but plenty of time on their hands, while people who are more seriously ill are unwilling or unable to face the queues. We can all think of plenty of other examples of the same kind of thing.

The members of this study group have given a hard, long look at our social services, and have come out in favour of a "voucher system." I do not think that they would claim for one moment that their answer is complete—if, indeed, a complete answer is ever possible. But the theme that runs through the pamphlet is worthy of the applause and attention of every libertarian: "The only effective way in which people can learn to choose is by being able to practise the art of choice. They will not learn if they are not allowed to choose." (p. 37).

Just so. The study group is thinking on the right lines, and their work deserves careful study by politicians, economists, public servants, and all others who are—or think they ought to be—the leaders of contemporary opinion.

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REPUDIATION!

The United Committee for the Taxation of Land Values, founded in 1907, emphatically repudiates any suggestion that the Land Commission Act bears any relation to the reform the Committee has consistently advocated, viz., the annual taxation of all land at its market value whether it be used or held out of use and irrespective of present use or potential development.

Further, it denies that the formation of the Land Commission is in any way a step in that direction or that the Commission will ever achieve its own limited objectives of making land cheaper and ending land speculation.

In that the Act does not touch existing land values or increases in land values that accrue where no redevelopment takes place, the levy is, in effect, a tax on development and far removed from the legislation required to achieve the Committee's objectives, which are the end of land speculation, cheaper land, a more plentiful supply of land and the return to the community of values that belong to the community, objectives which only a true land-value tax can achieve.

The above statement appeared in the Personal Column of *The Times*, Friday, 17 March, 1966.