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Immigration - Lifeboat Earth - Is the Boat Full

In 1974 the US ecologist Garrett Hardin introduced the metaphor Lifeboat Earth. Imagine, the metaphor goes, you are on a lifeboat with, say, 40 people on board. There is room on the boat for 10 more. This gives it a total capacity of 50. Suppose you now see 100 people swimming in the water, pleading for admission to your boat. Since the boat has unused capacity of 10, you could admit 10 more. The dilemma is which 10 to choose. Or you could adopt the Marxist ideal "to each according to his needs" and take in all 100. The boat collapses and all drown – a tragedy. The 'tragedy of the commons'.

Hardin, the darling of the political right, used this metaphor to illustrate the idea that unrestricted immigration means Western populations become swamped. The only way to avoid this tragedy and save the world for future generations is 'tough-love', because "freedom in a commons brings ruin to all".

So, is the boat full? Is it in danger of sinking? Or is it, as the philosopher Ben Dupré puts it, a matter of "bloated fat cats budging up a bit and taking a cut in their rations".

Economic theory and economic research can help answer those questions because Immigration may impact labour markets (employers and native born workers, wages, income inequality), housing costs, property values, government fiscal policy, living standards (will they rise or fall) and crime.

According to data from the United Nations 3.5 percent of world's population are immigrants and this pales in comparison to a Gallup 2012 report which concludes that 13 percent of the world's population would like to emigrate to another country. Global warming, desertification and food shortages will lead to future substantial migration. In addition, a study also shows that the number of refugees depends on political and not economic conditions. Data published in 2013 show that if China's emigration rate was the same as the West bank and Gaza it would be more than 900 million emigrants.

The Immigration Surplus

Studies show that immigrants tend to be entrepreneurial. Immigration can bring new ideas and generate economic gains. In the U.S, twenty percent of the Fortune 500 companies were founded by immigrants and another 20 percent were founded by the immigrants of children. The founders of Google, Yahoo and eBay were immigrants to the U.S.

On a global basis the economic gains from immigration are vast. Economic research suggests that if one-half of the population of poor countries were to migrate to rich countries, global GDP could increase by between 20% and 60%.

Labour Markets

In their book the *economics of immigration* the authors Cynthia Bansak, Nicole Simpson and Madeline Zavodny say that this immigration surplus can result in winners and losers and therefore government policies on immigration can be controversial – which groups should government policy favour?

In theory, where there is a large influx of less educated workers, wage rates for less educated native workers can fall. These are the losers. The economic (welfare) gain will accrue to employers and more skilled workers who benefit from lower costs. These are the winners. This will enhance income inequality and a policy response would be to find a costless way to redistribute the gains from immigration.

Because of social and income inequality, immigration can be opposed by workers with particular educational and work skills and in areas with large number of immigrants and where spatial patterns of poverty (and violence) is symbolic of the spatial and cultural organisation of urban areas. Opposition can come from those who suffer from "capability deprivation" (the inability to change one's situation). This defines the marginalised in society that have little possibility to change.

Destination

Where immigrants settle does affect the behaviour of natives because of the impact immigration may have on property values, housing costs, educational capacity or natives may simply dislike living near immigrants. Research conducted in the U.S., Spain and Germany indicate that immigrant inflows put upward pressure on rental costs and market prices. On the other hand property values may be negatively impacted if natives do not wish to live near ethnic enclaves.

Welfare magnets

One reason why immigration is controversial is whether a country's generous social welfare supports attract more immigrants. International evidence suggests that in most industrialised countries, immigrants are likely to receive more than natives in welfare assistance. In addition, the research suggests that countries with more generous welfare supports attract more immigrants. But studies of 27 OECED countries (2013) report that immigration has minor fiscal impact effects on government finances. Countries with high levels of skilled and educated immigrants will see positive impacts on government coffers and countries with high levels of humanitarian immigration can experience fiscal losses. What is difficult to measure in all these studies is the psychic costs of the reception immigrants receive, the psychic trauma of not being with friends and family, the cultural adjustments needed, and the language barriers. A study conducted in 2014 show that the Irish who emigrated to England between 1920 and 1960 had low levels of education, came from low income backgrounds and suffered poor health. It also showed that many had suffered from child abuse. The psychic costs of staying in Ireland were high.

Fertility Rates

Countries with long life spans and low fertility rates are problematic especially for countries with generous old-age pension systems. Because of immigration the U.S., for example, does not have a low fertility rate. Japan on the other hand has an immigrant population of just 1 percent and is expected to see its population fall by one-third over the next 50 years. The higher national income or the 'immigration surplus' generated by immigration would suggest that if Japan were to increase its immigration rate to 11% its income per capital would double in the long run.

Crime

The perception in developed countries is that immigrants increase crime rates. Statistically, young men are the demographic group most likely to be involved in crime. However, the research on the impact of immigration on crime rates is mixed. Studies indicate that immigration does not necessarily increase crime rates in large U.S. cities. A U.K. study in 2013 indicates that asylum immigrant inflows lead to increases in property related crime. In general, research by economists reveal that there is no significant correlation between immigration and crime rates.

The Lifeboat Earth metaphor requires western liberals to consider answers to those normative questions posed by Hardin. But the answer to them possibly depends on the economic effects of immigration and this can come from both economic theory and research.