

WHY OPEN BORDERS?

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ÜBERSICHT

1. What do I mean by „open borders“ and what do I not mean?
2. Why do I think open borders are right?
3. Why do I think open borders are important?
4. What are the most common objections?
And do closed borders follow from them?

1

What do I mean by „open borders“
and what do I not mean?

WHAT DO I MEAN BY „OPEN BORDERS“?

- Open borders
 - = everyone may travel to a country, live, work, and do business there
 - = everyone in the country may offer work or lodgings to other people or do business with them
- This right can only be overruled under very strong conditions
- The burden of proof lies with those who want to restrict this right, not those who want to make use of it

HERE COMES THE ZOMBIE ARMY

Examples for reasons that might overrule this right:

- Disastrous and very infectious diseases
- Units of a foreign army
- Terror group who want to prepare or perpetrate attacks
- Criminal organizations that intend to commit crimes

WHAT DO I NOT MEAN?

Open borders do not presuppose a position pro or contra the following:

- Border controls, passports, visa
- Right to asylum, support for refugees
- Access to citizenship, franchise, equality in every regard
- Integration, assimilation, „welcoming culture“
- Idealization of immigrants or their cultures
- No borders at all

WHY SO MANY RESTRICTIONS?

- Open borders are already a very ambitious political goal. Entwining the question with other questions makes realization much harder, perhaps impossible.
- Open borders should ask as little as possible from natives and should not be perceived as a present to immigrants.
- Only with a narrow definition, proponents of different ideologies can pursue the goal together.

2.

Why do I think open borders are
right?

RATHER THRICE BECAUSE IT IS SO IMPORTANT

The ethical argument for open borders:

- Starving Marvin (after Michael Huemer)
- Holiday in Cambodia (after Bryan Caplan)
- Global Apartheid (after Michael Clemens)

Starving Marvin

After Michael Huemer:

“Is There a Right to Immigrate?”

<http://spot.colorado.edu/~huemer/immigration.htm>

STARVING MARVIN

- Marvin is in danger of starving to death.
- But he can go to the city to buy bread.
- When he tries to get there, Sam gets in his way and prevents him from going to the city.
- Marvin starves to death.

Moral intuition: Sam commits an injustice!

WHAT'S THIS GOT TO DO WITH THE QUESTION?

- Marvin is someone from a poor country.
- He can move to rich country and work his way out of his misery.
- The government closes the border.
- Marvin remains in his misery.

Closed borders are an injustice!

IMPORTANT POINT

- This is about a negative right for Marvin not to be prevented from improving his lot.
- It is not about a positive right that someone else should do something for Marvin, i.e. it is not a present to Marvin.
- Someone else has to refrain from committing an injustice. He has to do NOTHING.

DOES MORAL INTUITION SUFFICE?

- Moral intuition can supply a reason „prima facie“. There might be additional reasons that trump this .
- Example: To slit someone's belly open and cut out part of his bowels is an injustice – however, this is not so if a physician removes an inflamed appendix with the consent of the patient.
- But a moral intuition holds as long as no one can supply such strong reasons.

Holiday in Cambodia

After Bryan Caplan:

“Immigration Restrictions: A Solution in Search of a Problem”

http://econlog.econlib.org/archives/2010/09/immigration_res.html

HOLIDAY IN CAMBODIA

- You travel to Cambodia for vacation.
- When you return, the customs official tells you: „You are not allowed to enter Germany.“
- Even after some discussion, he does not change his mind: „We don't have to give you reasons why you cannot enter.“
- You have to stay in Cambodia where you will fare much worse than in Germany.

Moral intuition: An injustice is committed against you!

WHAT'S THIS GOT TO DO WITH THE QUESTION?

- A Cambodian travels to Germany.
- On arrival, the customs official tells him: „You are not allowed to enter Germany.“
- Even after some discussion, he does not change his mind: „We don't have to give you reasons why you cannot enter.“
- He has to stay in Cambodia where he will fare much worse than in Germany.

Moral intuition: an injustice is committed against him!

Global Apartheid

After Michael Clemens:

“The Biggest Idea in Development that No One Really Tried”

<https://www.youtube.com/watch?v=bB1hRNMGdbQ>

GLOBAL APARTHEID

- Under apartheid, blacks in South Africa could not move or live anywhere, could not do any work or do business with everybody, *because they were blacks.*
- Under the Nazis, Jews in Germany could not move or live anywhere, could not do any work or do business with everybody, *because they were Jews.*

This was a grave injustice!

WHAT'S THIS GOT TO DO WITH THE QUESTION?

- Under closed borders, people worldwide cannot move or live anywhere, cannot do any work or do business with everybody, *because they were born in the wrong country.*
- Closed borders are discrimination prescribed by the government.

This is a grave injustice!

WHY OPEN BORDERS ARE RIGHT

Open borders are not a present, but the removal of an injustice.

Caveat

Perhaps there are very strong reasons why borders can be kept closed?

3.

Why do I think open borders are important?

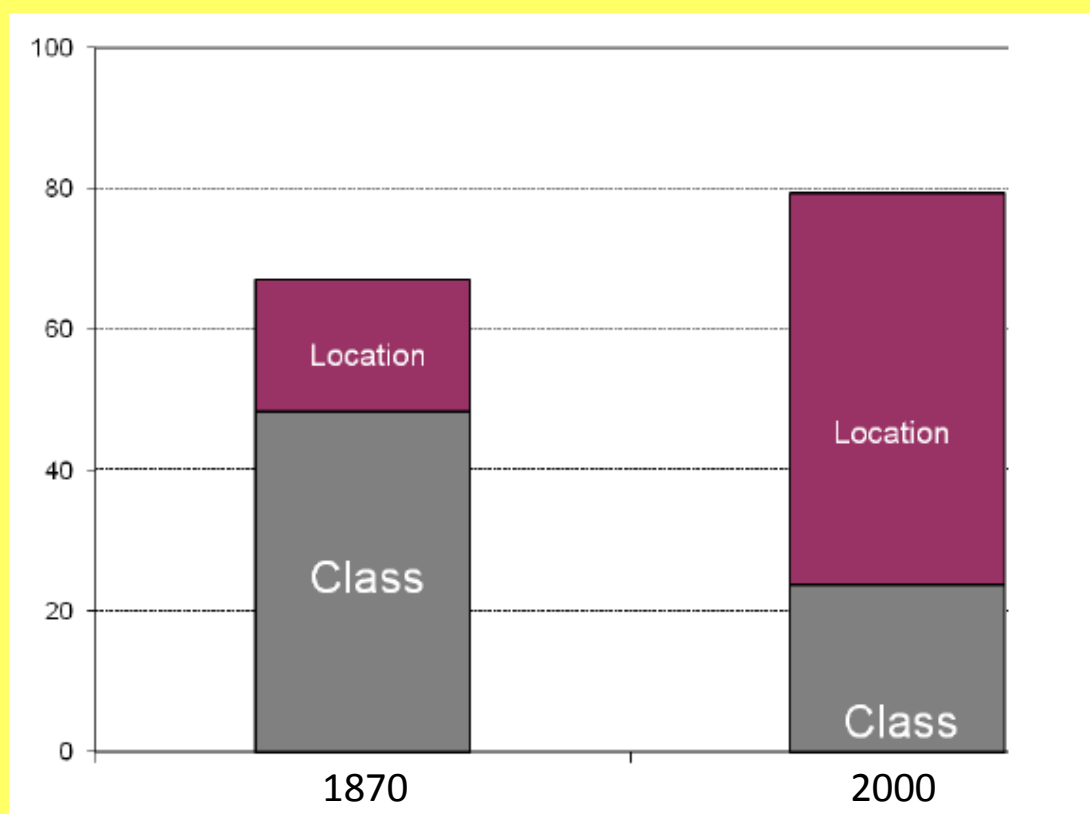
WHY OPEN BORDERS AFTER ALL?

- There are many injustices in the world!
- How about reforming international trade?
- Wouldn't development aid and charitable donations also help people in poor countries?

Answer: Open borders are much more important!

WITHIN AND BETWEEN COUNTRIES

Contribution to inequality of incomes

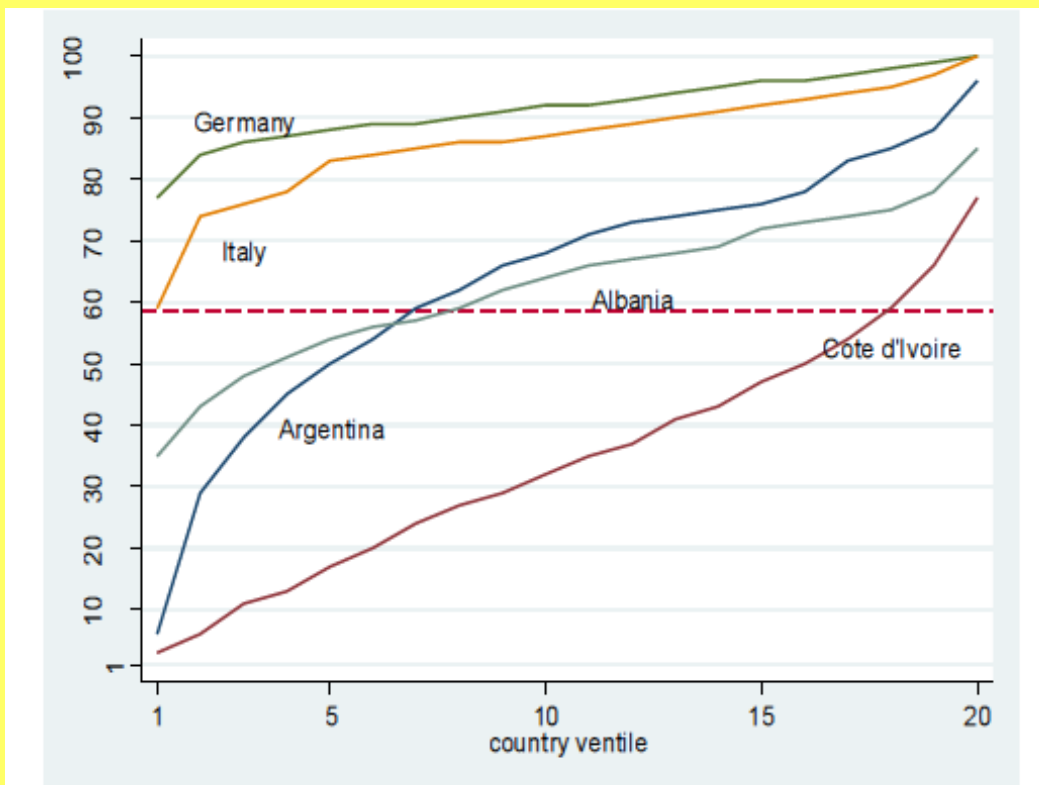


- In 1870, the main difference was what class you belonged to
- In 2000, it was the place where you lived

Source: Branko Milanovic: "Global Income Inequality by the Numbers: In History and Now"

WHO IS POOR?

Income by ventiles (5% bins)

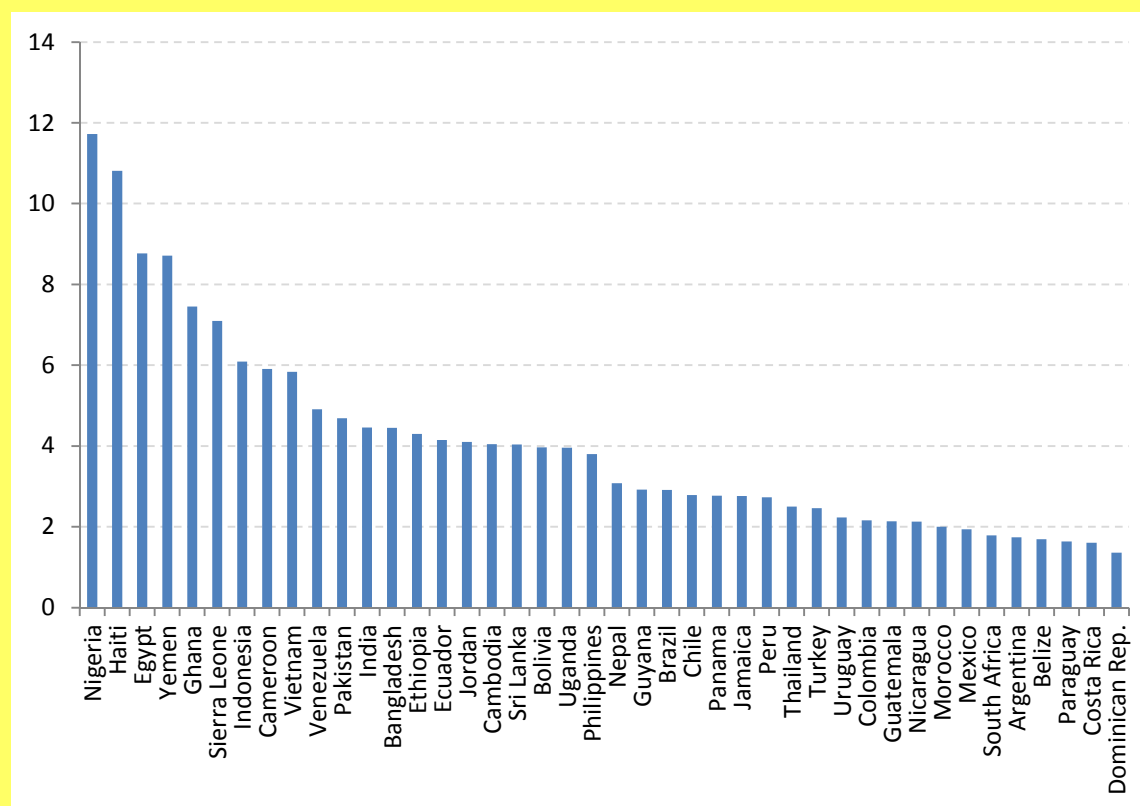


The richest 5% in the Ivory Coast earned as much as the poorest 5% in Germany.

Source: Branko Milanovic: "Global Income Inequality by the Numbers: In History and Now"

THE PLACE PREMIUM

How much more can someone earn elsewhere?



- In a rich country someone from a poor country can earn a **multiple** of what he can earn at home
- For the same work and even **without** higher qualifications

Source: Clemens, Montenegro, Pritchett: The Place Premium: Wage Differences for Identical Workers across the U.S. Border

TRILLION-DOLLAR BILLS ON THE SIDEWALK

What would the effect of other liberalizations be?

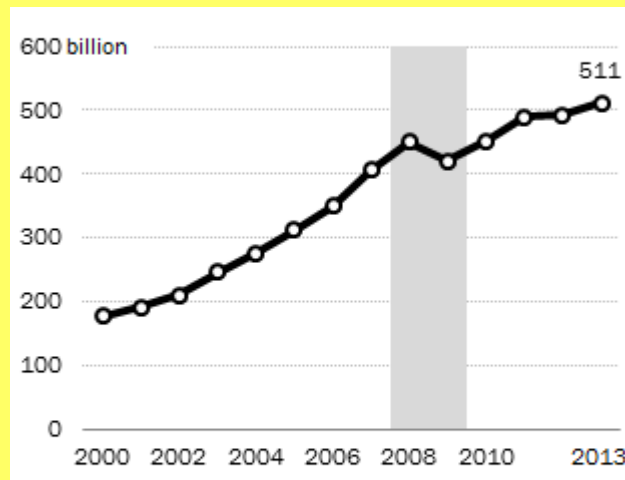
<i>All policy barriers to merchandise trade</i>	
1.8	Goldin, Knudsen, and van der Mensbrugge (1993)
4.1	Dessus, Fukasaku, and Safadi (1999) ^a
0.9	Anderson, Francois, Hertel, Hoekman, and Martin (2000)
1.2	World Bank (2001)
2.8	World Bank (2001) ^a
0.7	Anderson and Martin (2005)
0.3	Hertel and Keeney (2006, table 2.9)
<i>All barriers to capital flows</i>	
1.7	Gourinchas and Jeanne (2006) ^b
0.1	Caselli and Feyrer (2007)
<i>All barriers to labor mobility</i>	
147.3	Hamilton and Whalley (1984, table 4, row 2) ^c
96.5	Moses and Letnes (2004, table 5, row 4) ^c
67	Iregui (2005, table 10.3) ^{c,d}
122	Klein and Ventura (2007, table 3) ^e

- Removing all barriers to trade = 0.9% to 4.1% of world GDP
- Removing all barriers to capital flows = 0.1% to 1.7% more world GDP
- Removing all barriers to labor mobility = **67% to 147.3%** more world GDP

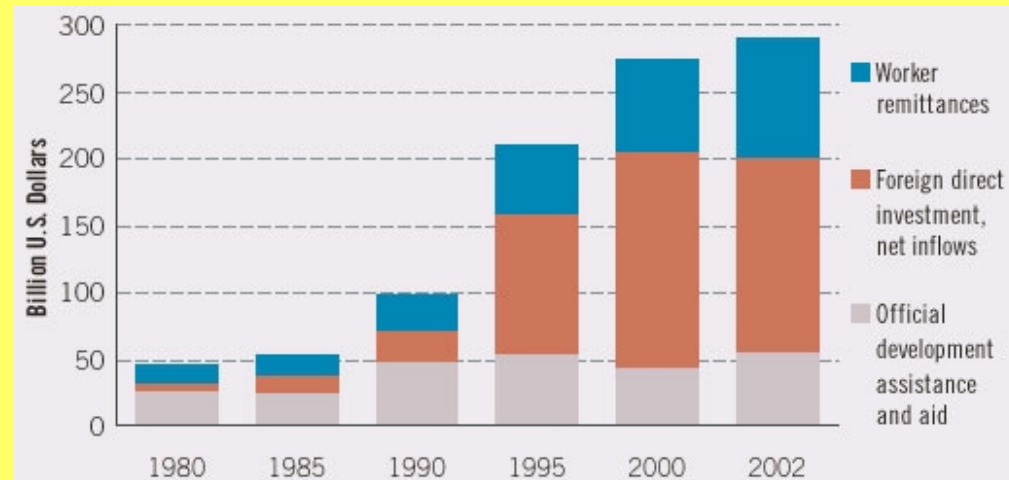
Source: Michael Clemens: Economics and Emigration: Trillion-Dollar Bills on the Sidewalk?

REMITTANCES

Remittances in billions of US-dollars (Base = 2013)



Remittances (blue), net foreign direct investment (brown) and official development assistance and aid (grey)



- More than 500 billion dollars per year
- Much more than all development aid

Source: Pew Research Center/Worldbank & World Resources 2005/Worldbank via Filip Spagnoli: „Statistics on Remittances“

ARGUMENTS FOR OTHER APPROACHES

- For utilitarians: Worldwide wellbeing would rise massively under open borders.
- For egalitarians: Worldwide inequality would strongly decline.
- For Rawlsians: The worst off would be far better off.
- For further groups: openborders.info und de.openborders.info

WHY OPEN BORDERS ARE IMPORTANT

- Inequality mainly between countries
- Poor people in poor countries are really poor
- Migration can raise income by a multiple
- Potential: 50 **trillion** euros
- Remittance already exceed all development aid
- Open borders compelling also for other ethical approaches

4.

What are the most common objections? And do closed borders follow from them?

Must no one lose?

GENERAL ARGUMENT

- Protectionism = coercive transfer from consumers to certain producers
- Protected groups may lose from free trade
- Is it justified to introduce free trade then?

- Of course, because this transfer is exploitation and unjust
- Protected groups might really lose, but they never had a claim to the advantage in the first place
- If you have enjoyed such an advantage for a long time, this does not constitute a claim to keep it forever

APPLICATION TO OPEN BORDERS

- Closed borders = coercive transfer from consumers to certain producers
- Protected groups may lose from open borders
- Is it justified to introduce open borders then?

- Of course, because this transfer is exploitation and unjust
- Protected groups might really lose, but they never had a claim to the advantage in the first place
- If you have enjoyed such an advantage for a long time, this does not constitute a claim to keep it forever

IS THIS CORRECT UNDER ALL CIRCUMSTANCES?

- The removal of one injustice could lead to an injustice of similar or greater size
- But then someone has to establish that *catastrophical* consequences are *probable* (not just possible)
- It is not sufficient to show that those who are now advantaged will suffer a *moderate* setback
- They enjoyed their advantage only at the expense of consumers and those who were kept out of the country
- You could even ask whether there should not be a claim to some compensation

What if there are problems?

STEREOTYPICAL ARGUMENT

- I see some problem X, Y, or Z
- We could solve this problem with closed borders
- That's why we have to close the borders!

Even if the problem is real, and the „solution“ is a solution: What is wrong with this argument?

THAT'S WRONG

- I have a blister on my foot that hurts me
 - The physician could amputate my foot and my blister would no more hurt me
 - That's why the physician should amputate my foot!
-
1. The means should be commensurate
 2. The means should be the most humane means available
 3. There might also be an option of doing nothing

KEYHOLE SOLUTIONS

- Even if there is problem, as a rule closed borders are like firing a shotgun
- Better: take aim directly and precisely at the problem = Keyhole Solutions
- For practically every assumed problem there is a more humane solution than closed borders

Top 10 Objections

TOP 10 OBJECTIONS

1. „Open borders are impossible.“
2. „Tomorrow there will be billions at the gates.“
3. „Cheap competition will impoverish us.“
4. „We only need the extremely intelligent.“
5. „The welfare state will collapse.“
6. „The welfare state will grow even bigger.“
7. „Open borders hurt poor countries.“
8. „We will lose our liberty.“
9. „Our culture will disappear.“
10. „Crime rates will go through the roof.“

OPEN BORDERS ARE IMPOSSIBLE

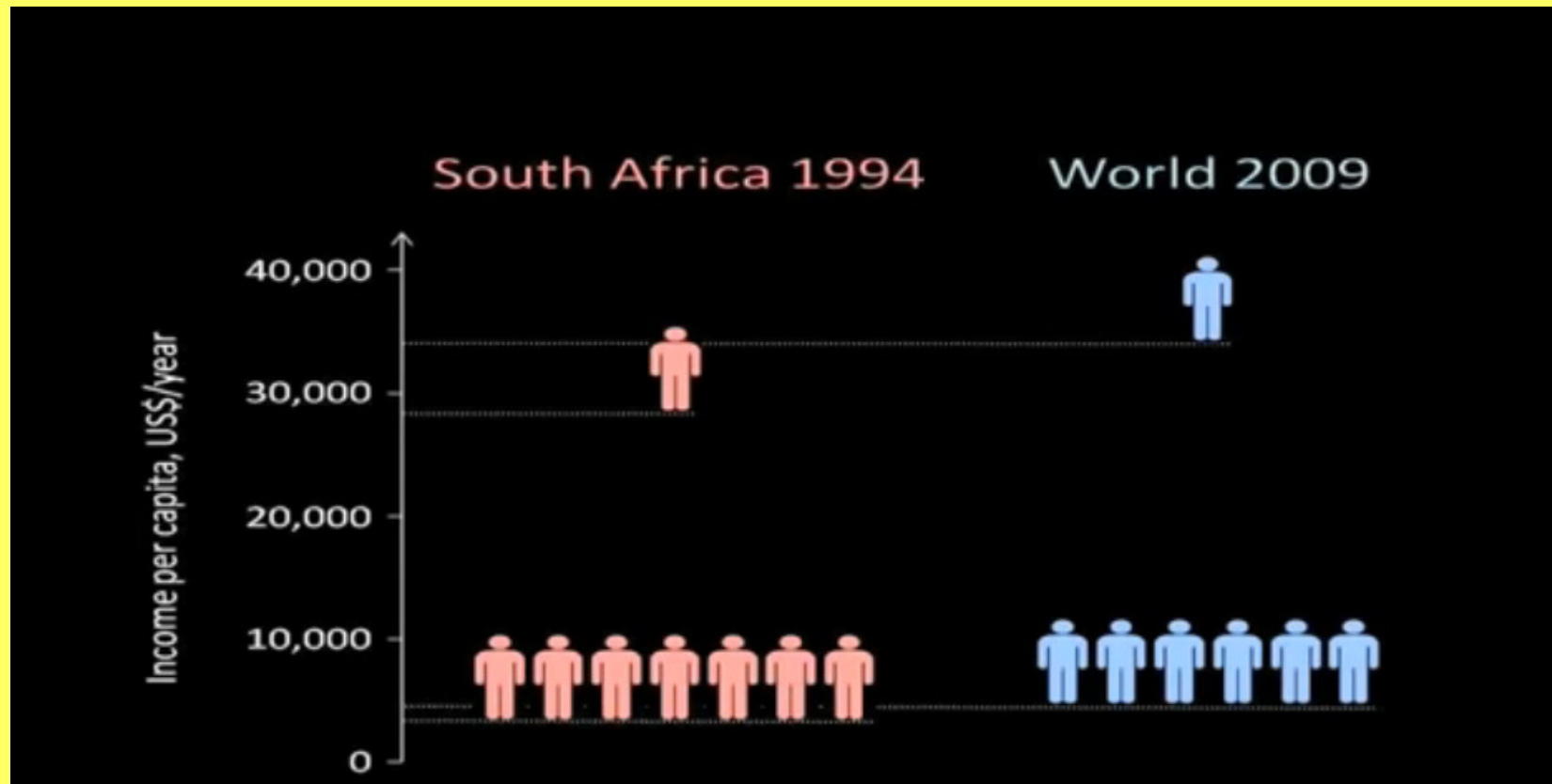
German Passport Law of 1867

§ 2.

Also from foreigners no travel documents shall be demanded, neither when entering or leaving the federal territory nor while staying there or traveling within the same.

- Simple – the government has to do NOTHING: Laissez Faire, Laissez Passer
- Germany had almost completely open borders from 1867 to 1885!
- Open borders for most of Europe until World War I

THAT WAS THEN, BUT NOW IT IS DIFFERENT



Apartheid could be abolished without grave problems

Source: Michael Clemens: "The Biggest Idea in Development that No One Really Tried"

BILLIONS AT THE GATES

- There'd be much more migration under open borders
- Gallup polls: about 630 million worldwide interested in emigrating, of whom 28 million to Germany

Number of adults (projected numbers based on percentages who would like to move)	
United States	138 million
United Kingdom	42 million
Canada	37 million
France	31 million
Saudi Arabia	29 million
Germany	28 million
Australia	26 million

- But for a horizon of a decade

Source: Gallup: "More Than 100 Million Worldwide Dream of a Life in the U.S."

BILLIONS AT THE GATES

- Effects in the opposite direction
 - More return migration under open borders, e.g. Italians in the 19th century, 2013: 197,009 from Poland to Germany and 124,071 from Germany to Poland
 - Emigration tends to ramp up slowly, e.g. Puerto Rico = emigration of more than half of the population, **but over a century**
 - Prices as constraints: Why don't 500 million Europeans move to the richest country Luxembourg?
- There might be a backlog due to closed borders
- Keyhole Solution: gradual opening of the borders

Source: Statista (Main sending countries for immigrants and main target countries for emigrants), Bryan Caplan: "The Swamping that Wasn't: The Diaspora Dynamics of the Puerto Rican Open Borders Experiment"

CHEAP COMPETITION WILL IMPOVERISH US

- Moderate decrease of salaries in the short run, long-run effect unclear
 - George Borjas: -3% for American employees because of immigration **over 20 years**
 - Giovanni Peri: +1% for American employees
 - Moderate losses for those with very low qualifications
- Millions of women have „immigrated“ into the German labor market for men
- If this led to slight losses for men, would that have justified locking women out of work?

WHY WE WON'T BE POOR

- Immigrants also increase demand for products and services of natives
- Capital and land become scarcer and more valuable
- Skills of natives (= human capital) become more valuable, e.g. language skills
- Immigrants often have complementary and not competing skills
- Gains from improved division of labor

WHY WE WON'T BE POOR

- Open borders are not a zero-sum game where one loses what the other gains
- There is a huge net gain
- Keyhole Solution: Taxation via entry fees or extra taxes and compensation for native „losers“

ONLY SUPERMEN, PLEASE

- Principle of comparative advantages: everybody has some comparative advantage
- In a society of Einsteins, Einsteins would collect the garbage
- Also people with low or no qualifications know how to care for themselves: If people can earn enough to live on less than one euro a day, they surely can live on much more
- Rights are not just for the intelligent or the industrious, but also for the stupid and the lazy

COLLAPSE OF THE WELFARE STATE

- Welfare state = the (poorer) young subsidize the (richer) old
- OECD: no „immigration into the welfare state“
- Lower expenses per native for defense, debt service and (to a certain extent) infrastructure
- Do immigrants work too much or too little?
- Keyhole Solution: building a wall around the welfare state = no or limited benefits and/or benefits after a waiting period

AN EVEN BIGGER WELFARE STATE

- The biggest welfare states are in very homogeneous countries (especially Northern Europe)
- Diversity leads to less support for a welfare state
- Immigrants less active in politics, less organized and less prone to vote
- Keyhole Solution: no franchise or waiting periods

HARM TO POOR COUNTRIES?

- „Brain Drain“? Under open borders, not only those with high qualifications can emigrate
- Demand for human capital from abroad entices people to accumulate more (example: nurses in the Philippines)
- Positive for technological transfer and trade
- Remittances exceed development aid
- Keyhole Solution: entrance fees/ extra taxes to finance support to sending countries

WE WILL LOSE OUR LIBERTY

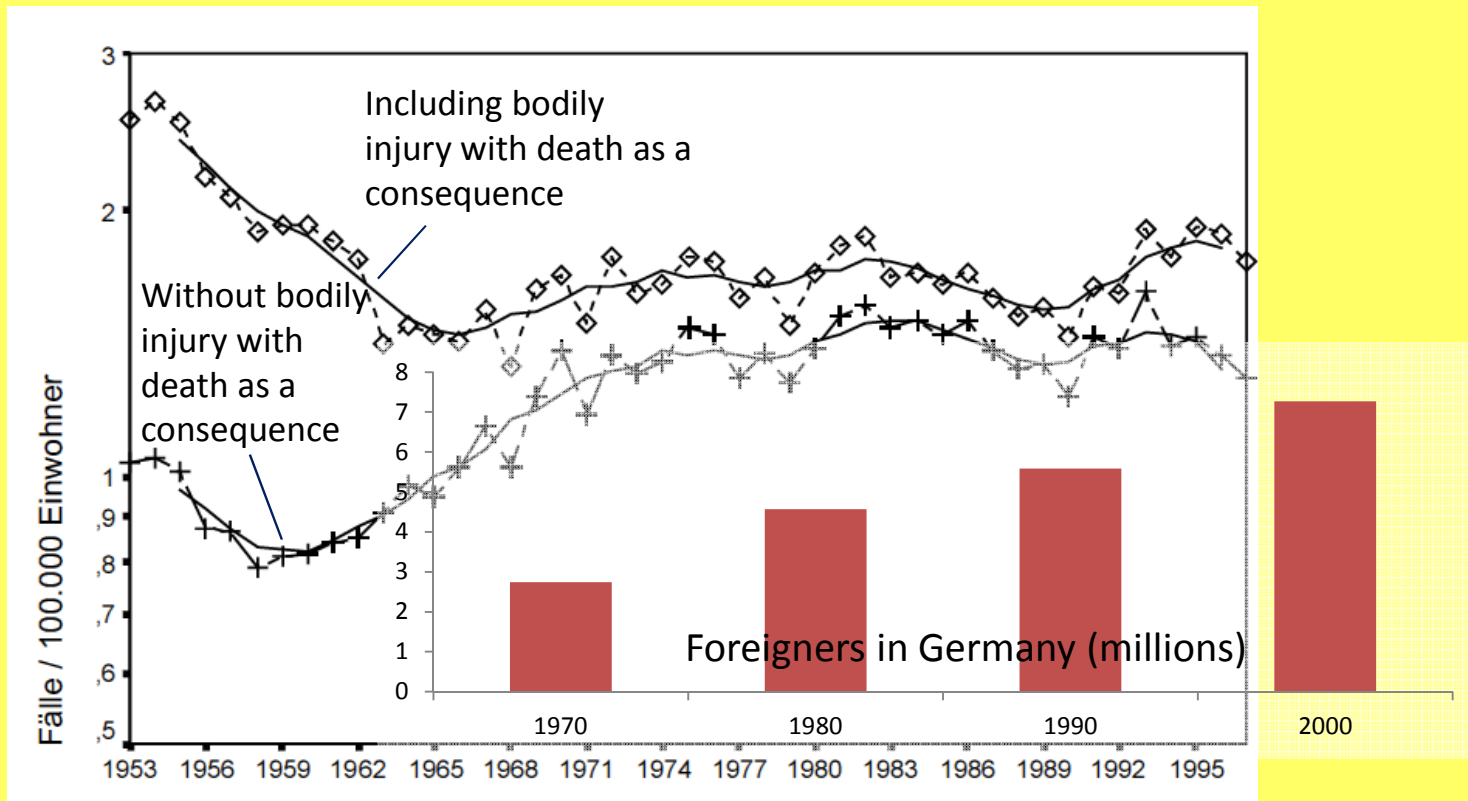
- Abolishing liberty to save it?
- Many immigrants come because of our liberty
- On a world scale: it is better for liberty, if more people can enjoy it and see it in action
- The „House of Liberty“ should become bigger, the „House of Serfdom“ smaller
- Even incomplete assimilation shifts worldwide support for liberty in the direction of liberty
- Keyhole Solution: limited franchise

OUR CULTURE WILL VANISH

- Is the right to hospitality and the respect for the rights of other people also a part of our culture?
- How many Germans speak Turkish after decades of immigration? How many Turkish immigrants speak German?
- Cultures are not immutable: the best example is Germany 1850 vs. 1880 vs. 1910 vs. 1940 vs. 1970 vs. 2000
- Keyhole Solution: cultural and linguistic tests

MORE CRIME BECAUSE OF IMMIGRATION?

Homicide rate for Federal Republic of Germany



40 years of immigrations and no essential change

Source: Christoph Birkel and Helmut Thome: Die Entwicklung der Gewaltkriminalität in der Bundesrepublik Deutschland, England/Wales und Schweden in der zweiten Hälfte des 20. Jahrhunderts

ORDERS OF MAGNITUDE

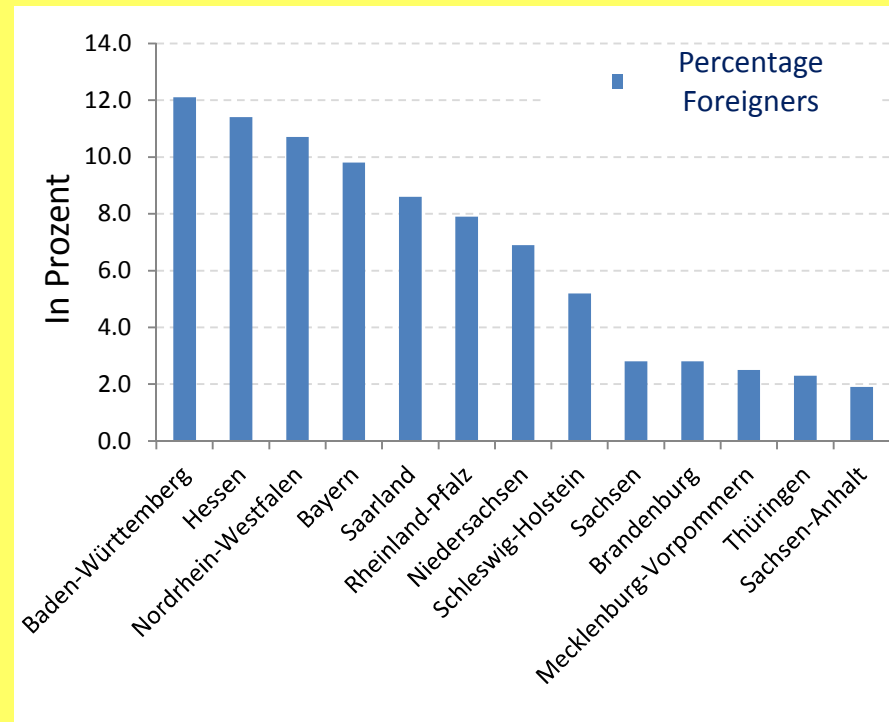
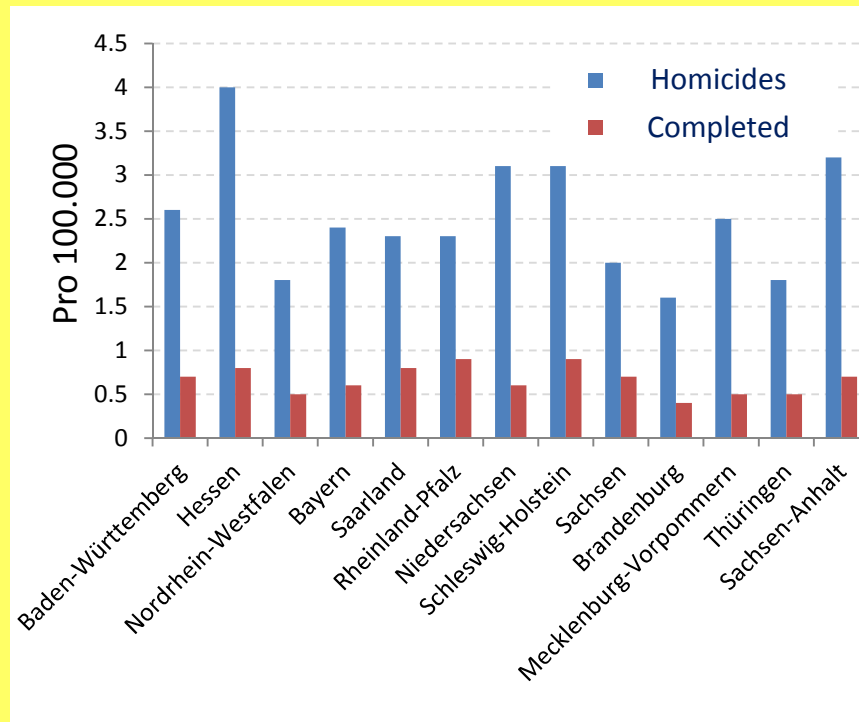
- High levels for homicides: Honduras 90,4, Venezuela 53.7, Europe in the 15th century 41 vs. European countries now at about 1 per 100,000
- Assumption: immigrants do bring their level of crime with them
 - Total rate rises only with their percentage
 - Short range: there is often a very close relationship between perpetrator and victim
- Actually immigrants to the US from Latin America (even Honduras!) are less criminal than natives

Source: Wikipedia (Homicide Rates, UNODC), Manuel Eisner: "Long-Term Historical Trends in Violent Crime", Rumbaut, Gonzales, Komaie und Morgan: "Debunking the Myth of Immigrant Criminality: Imprisonment Among First- and Second-Generation Young Men"

HOW MUCH WOULD BE UNACCEPTABLE?

- 1 per 100,000 \approx one case per 1.000 per 100 years
- **100% increase !!!** \approx per 50 years
- Would closed borders also be the go-to solution for similar or greater differences?
 - Men aged 20 to 30 years are especially violent
 - Should we build a wall to protect women and/or older people?

REVEALED PREFERENCES



Almost no one considers this a reason for their choice of residence!

- From North-Rhine Westphalia 1,8 → Hesse 4,0 = + 122%
- From Bonn 1,8 → Frankfurt am Main 8,0 = + 344%

Source: Polizeiliche Kriminalstatistik Jahrbuch 2012, Seiten 130-131 (Jahr=2012)

EMPIRICAL RESULTS

- Bell, Fasani und Machin, 2010: England & Wales
 - Asylum seekers from 1990s on & free movement for A8-countries since 2004
 - No effect for violent crimes for either group
 - 1% more asylum seekers in the population led to 1.09% more property crime
 - 1% more immigrants from A8 countries led to 0.39% *less* property crime
- Bianchi, Buonanno and Pinotti, 2008: Italy
 - 1% more immigrants in the population led to 0.1% more crimes
 - Mainly property crime
 - But general problem with endogeneity: If immigrants move to neighborhoods with more crime, they may not be the cause
 - Instrumental variables: no significant effect from immigrants
- Spenkuch, 2013: USA
 - No effect for violent crime
 - 10% more immigrants led to 1.2% more property crime
 - Only significant for immigrants from Mexico, not for other groups

EMPIRICAL RESULTS

- **Alonso, Garoupa, Perera & Vazquez , 2008: Spain**
 - Statistically significant effect of immigrants on crime
 - [Machin & Bell:] probably methodological problems with endogeneity
- **Butcher & Piehl , 1998: USA**
 - No effect on total crime or violent crime
 - Effect even in the direction of a reduction, but not statistically significant
- **Nunziata, 2011: 17 countries in Western Europe**
 - On the basis of individual data
 - However, quality of data unclear because self-reported
 - No effect on crime
- **Butcher & Piehl, 1998b, 2005: USA**
 - Low rates of prison inmates for immigrants (especially those only shortly in the country)
 - Bell, Fasani and Machin, 2010: marginally higher rates for England & Wales

HOW ABOUT CLOSED BORDERS?

Antithesis: closed borders lead to crime!

- Under closed borders: *relatively* many criminals
- Economies of scale for criminal organizations
- Is persecution of immigrants the most efficient way to fight crime?
- The US federal government spends 18 billion dollars on it per year, more than the 14.4 billion for *all other* law enforcement at the federal level

KEYHOLE SOLUTIONS

General Keyhole Solutions

- Deposits for immigrants
- More police officers financed by entry fees/extra taxes
- Tougher and faster sentencing
- Subsidies for additional private security services
- More opportunity for self-defense (looser regulation of guns)

Property crime

- Subsidies for insurance and prevention
- Example: insurance with a maximum of € 58,500 € for Frankfurt starts at € 59.80 € a year without participation
- 100% more burglaries ≈ an extra 5 euros per month

SUMMARY

- Open borders are not a present, but the removal of an injustice.
- Open borders are presumably the best means to alleviate poverty in the world, if not to eradicate it.
- Open borders will lead to change and can also have moderately negative consequences. Positive consequences outweigh them by far.
- Even if you cannot bring yourself to support completely open borders, there are more humane means than closed borders: Keyhole Solutions.

THANK YOU FOR YOUR ATTENTION!

„Not only every German, but every human being has the right not to be chased away like a dog.“

– Eduard Lasker in the Reichstag, 1867

„But I have unfortunately had to hear uncharitable utterances, such as: „Why do we have to concern ourselves with those foreigners? After all, who has told them to come hither?“ As for now, I want to leave the question completely undiscussed and undecided if these people can invoke some codified principle of international law in their defense. But I know this much that there is a right, older and more sacred than all written statutes and treaties, a right that was held sacred already at the beginning of all civilization: the right to hospitality! And I believe that for a people as the Germans, who are rightly proud of their culture and humanity, it can be least of all worthy to violate this old sacred right or even only let it be violated without the most resolute protest. Or don't you think that the current events do not cast a stain on the German name?“

– Julius Otto Ludwig Möller in the Reichstag, 1886