

# Migrants, Manpower and Math in the Coming Europe

## Migrants, main-d'œuvre et mathématiques dans l'Europe de demain

ROBERT G. EVANS, PHD  
*Faculty, Centre for Health Services and Policy Research  
University of British Columbia  
Vancouver, BC*

### Abstract

“A dead child” said Stalin “is a tragedy. Two million are a statistic.” A single photograph of a beach riveted world attention, converting Syrian refugees from statistics to tragedy. But the statistics remain.

Three Canadian columnists have offered contrasting interpretations. Eric Reguly argues that a static and aging Europe needs more manpower to sustain its economy. Margaret Wentz, however, observes the failure of integration of migrants in Sweden. Migrants are drawn by open borders and a generous welfare state, but do not fit an advanced, high-skill economy. Gwynne Dyer notes that current inflows, IF evenly distributed, are a tiny proportion of the overall European Union. But economic migrants from Africa are a much larger issue. Their numbers are effectively inexhaustible.

### Résumé

« Une mort est une tragédie, disait Staline, un million de morts est une statistique. » La photographie prise sur une plage a captivé l'attention du monde entier, faisant passer de statistique à tragédie le sort des réfugiés syriens. Mais la statistique demeure une réalité.

Trois chroniqueurs canadiens ont présenté des interprétations divergentes. Eric Reguly affirme qu'une Europe statique et vieillissante a besoin de plus de main-d'œuvre pour soutenir son économie. Margaret Wentz, par contre, rappelle l'échec de l'intégration des migrants en Suède. Les migrants sont attirés par les frontières ouvertes et l'État providence, mais ne trouvent pas facilement leur place dans une économie hautement développée et spécialisée. Gwyn Dyer, pour sa part, fait remarquer que le nombre actuel de migrants ne représente qu'une infime proportion de l'ensemble de l'Union européenne, si on les distribue uniformément. Mais les migrants économiques provenant d'Afrique représentent un enjeu beaucoup plus important. En effet, leur nombre est incommensurable.

## Manpower: It's Not What You Thought

Let me begin ... by saying that I find the whole manpower concept repulsive, disgusting, dangerous, fascistic, communistic, incompatible with the ideals of liberal democracy, and unsuitable company for the minds of the young. ... The manpower concept is basically, I suspect, an engineering concept ... and one of the main problems of society is to keep engineers in a decently subordinate position. ... It contemplates society as having a single well-defined end [SWED] ... which is to be pursued with *efficiency*. ... I suspect, however, that the ardent proponents of manpower... actually want to maximize ... the output of SWED. ... The only trouble with SWED is there is no Single Well-Defined End of society. Different people have different objectives. Moreover, there is no such thing as manpower ... . [There are only] men ... (Boulding 1953)

Don't hold back, Ken! Tell 'em what you *really* think.

Kenneth Boulding was one of the most original minds among the previous generation of American economists. He also commanded a pretty decent prose style. In this early broadside against the concept of manpower, Boulding is not foreshadowing the politically correct emasculation of the English language that lumbers us with such infelicitudes as “human resources.” (We are not even tonnes of steel, but potential iron mines.) Sixty years ago that enlightenment was not even on the horizon. Rather, he was objecting – strenuously – to the practice of creating pseudo-concepts by aggregating the un-aggregatable. For some purposes it may be legitimate to add up apples and oranges (or lawyers, nurses and jet pilots) and treat the sum as a homogenous entity. For others, it can be seriously misleading.

In Boulding's view, the concept of “manpower” commits the sin of aggregation twice, first in aggregating all the different forms of human capacity – effort, skill and thought – into a single homogenous form of raw material, similar to steel or potash, and second, by evaluating the efficiency of its use against some imaginary single well-defined social objective. Both forms of aggregation generate concepts that can be readily quantified and manipulated mathematically, uninhibited by the fact that they are meaningless.

In 1953, of course, Boulding was still writing in the shadow of the Second World War. Then, postulating a single well-defined social objective was not unreasonable. And men and women were, in fact, pretty much classes of manpower.

But that was then, this is now. Freed of the exigencies of total war, the various members of our societies are able to choose among a wide variety of different ends and negotiate in various ways whose objectives shall have what degree of priority. These people are not raw material for some overriding end.

## From Manpower to Migrants

Boulding's old rant came to mind as I was reading two recent articles in the *Globe and Mail*,

both stimulated by the migrant crisis in Europe, but with sharply contrasting implications for how to think about it (and by extension, respond to it). Eric Reguly (2015) takes a very positive view of the newcomers, summarized in his title: “Ignore the Fear Mongers, Europe’s Economy Needs Migrants.” Margaret Wenté (2015) draws on the Swedish experience to offer a considerably darker picture, concluding: “They [the Swedes] cannot afford it.”

Reguly’s view, it seems to me, arises from treating the migrants as “manpower,” or if you prefer, “human resources,” that can support renewed growth in Europe’s gross domestic product (GDP) – too often, today’s single well-defined social objective. Wenté takes a much more highly differentiated view of the migrants, and of the prospects for turning them into national income.

What relevance does this have for a journal on healthcare policy? Well, Reguly argues that renewed economic growth is essential to preserve the European “welfare states.” Wenté suggests that they will be weakened, if not bankrupted, as the migrants bring costs without commensurate benefits. For Reguly, migrants are manpower. Wenté emphasizes their diversity, and particularly their differences from the host populations.

Note that Wenté says “they can’t afford it” – presumably, the present residents of Sweden, i.e., people. Reguly refers to “Europe’s economy,” which “needs migrants.” But an economy is not a big person or even a big group of people. It is an abstract idea referring to a vast range of human activities and as such cannot have needs. Only people have needs. The common shorthand that reifies the abstract concept of an economy presumably stands for the people who in various ways participate in and benefit from the economic activity that takes place in a geographic or political region called “Europe.” Reguly’s affirmation that Europe needs migrants presumably means that Europeans would be better off, at least in economic terms, as a result of the influx of migrants.

Moreover, since it seems self-evident that successful migrants are better off for reaching Europe, Reguly must, I think, mean that non- or pre-migrant Europeans will, at least on average, benefit from the arrival of a large number of newcomers. Wenté is suggesting the reverse.

Yet in the longer perspective of history and demography, both arguments may be beside the point. Gwynne Dyer (2015) weighs in with a commentary that seems to undercut both Reguly and Wenté. In the short run, the rate of arrival of migrants is very small relative to the whole European Union (EU). Dyer thus sidesteps the economic issues and advocates a more open Europe on moral grounds. But over the long run, if the current rate of influx continues – or, more likely, increases – Europe will become a very different place.

### **Reguly: Migrants Will Save Europe’s Bacon**

Interestingly, Reguly actually begins on a similar note, quoting a speech by Moammar Gadhafi in which he threatened to send fleets of migrant ships across the Mediterranean unless he was paid to keep them out: “Tomorrow, Europe might no longer be European, and even black, as there are millions who want to come in.” (As this is being written, the EU has pledged \$1.5 billion to support keeping Syrian refugees in the Middle East.)

Gadhafi is gone; the migrants have come without his help.

Ghadhafi's statement is notable because he said this in mid-2010, before the Syrian civil war – and its consequent stream of refugees – had begun. The “migrant” issue for Europe is in fact older, and far bigger, than the Syrian refugees.

Reguly's pro-migrant argument tills familiar ground. At root it is very simple. Birth rates in Europe (as in Canada and the United States) crashed in the 1960s. It turned out that when women have the means and the freedom to control their own fertility, they choose to have fewer babies. Without powerful social sanctions (mostly male-enforced) to “encourage” them to reproduce – as there are in many less-developed societies – net reproduction rates drop below unity and population trajectories turn down.

Obviously this reduces the long-term rate of economic growth, though not necessarily the growth of per capita income. In a world increasingly overburdened with people and the consequences of their activities, this would not be a bad thing. (Ask the other species on the planet!) It has been estimated that the carrying capacity of the planet, if all humans were to share average North American living standards, would be perhaps half the present 7.5 billion. Current projections indicate that we are on our way to 11 billion before, perhaps, topping out.

But stable or declining populations are typically perceived, by a country's rulers, as a “manpower shortage.” That shortage will place upward pressure on wages, lowering the return on capital and further threatening economic growth by shifting the distribution of income between workers and capitalists or rentiers. (Compare the experience of China and India.)

A sudden drop in birth rates does create a “temporary” bulge in the population pyramid, the famous Pig in the Python. There is an overhang of the previous generation that takes some decades to work through – but it *will* work through. (The baby boomers will eventually die off.) During the process, however, dependency ratios rise – more consumers, fewer producers. The rising proportion of elderly is placing increasing strain on our health and welfare systems, etc., etc. So why not import a whole lot more labour from countries whose populations are spilling out (to feed us and look after us in our old age)?

The pro-migrant argument thus links up with the egregiously false claims in Canada that the aging of the population is bankrupting our healthcare system. Import more manpower – younger, more energetic workers – stimulate economic growth, and collect the taxes required to support our health and welfare systems.

## Wente: Migrants Will Eat Europe's Lunch

Wente tells a very different story, based on the Swedish experience. Her principal informant is Tino Sanandaji, a Kurdish-Swedish economist born in Iran who specializes in immigration issues.

Among all the countries of Europe, Sweden is the most open to and welcoming of refugees/immigrants. (It does not distinguish between them.) Migrants now make up about 16% of the population. Sweden also makes the greatest efforts to assist newcomers in integrating

into Swedish society, including economic support, language training, and cultural familiarization. But, according to Sanandaji, and as reported by Wenté, this is not working very well:

“There has been a lack of integration among non-European refugees,” [Sanandaji] told me. Forty-eight per cent of immigrants of working age don’t work, he said. Even after 15 years in Sweden, their employment rates reach only about 60 per cent. ... [I]nequality is now entrenched. ... Forty-two per cent of the long-term unemployed are immigrants, Mr. Sanandaji said. Fifty-eight per cent of welfare payments go to immigrants. Forty-five per cent of children with low test scores are immigrants. Immigrants on average earn less than 40 per cent of Swedes. The majority of people charged with murder, rape and robbery are either first- or second-generation immigrants. “Since the 1980s, Sweden has had the largest increase in inequality of any country in the OECD. ... The argument that [hundreds of thousands, or millions of migrants] are vital to boost the economy – that they will magically create economic growth and bail the Europeans out of their demographic decline – is a fantasy... It’s really very simple,” Mr. Sanandaji explained. You can’t combine open borders with a welfare state. (Wenté 2015) Sweden is a highly skills-intensive economy. When even low-skilled Swedes have trouble finding work, what chance has a forty-year-old woman from Africa? (Wenté 2015)

That is also Boulding’s point. “Manpower” is not a form of homogenous raw material, feeding into the production of GDP.

Not much doubt about where Wenté stands.

### **Dyer: Whatever; There’s More Where That Came From**

In a somewhat cooler tone, Dyer (2015) provides a broader statistical context: “Refugees from the wars of the Middle East are pouring into the European Union at an unprecedented rate. So are economic migrants from Africa and non-EU countries in the Balkans...”

A single photograph of a dead child, however, has focused world attention almost exclusively on the Syrian dimension of the crisis. “A dead child,” said Stalin, “is a tragedy. Two million are a statistic.” But as Gadhafi’s remarks made clear, the problem is much bigger than Syria. If a single photograph has pried open the world’s conscience, there are some very large statistics to follow.

As Dyer points out, however, the EU is also a very big place, with a total population of about 500 million. Refugees and/or economic migrants are currently coming in at about 3,000 per day, or a million per year. One-fifth of one per cent of the EU population is not a very large number. The migrants might easily be absorbed if each EU country took a “fair share,” presumably based on population and perhaps adjusted for wealth or land area. On that basis, Dyer sidesteps both Reguly and Wenté – economic productivity versus affordability – and appears to take a strong pro-migrant stand on moral grounds.

But the EU member states are not taking “fair shares.” Instead they are responding in very different ways, characterized by Dyer as “the Good, the Bad and the Ugly.” The Good are relatively welcoming to the refugees, and best of all is Germany. To France, Italy and the Netherlands, he gives a B+. The Bad, such as the United Kingdom, are going out of their way to avoid accepting a fair share, while the Ugly set up razor-wire fences and threaten to call out the army. These last, all in eastern Europe, are fiercely resisting EU efforts to establish even country quotas that would be just “a drop in the bucket.”

The burden thus falls disproportionately on the willing. This is not too onerous for Germany, but Wentz’s informant describes what can happen in a small country with a very generous welfare system and wide-open borders.

Moreover, the numbers now under discussion in the EU are merely a drop in the bucket. And the bucket is in the process of becoming very much bigger. There are three main forces in play.

First, there is a very large backlog of Syrian refugees in the surrounding Middle Eastern countries, which are already doing much more than their “fair share.” But second, Dyer predicts that the Syrian conflict appears to be getting very much worse. If the (brutal and nasty) Assad regime collapses, Islamic State (IS) will overrun all or most of Syria. It is the declared intention of the caliphate to treat conquered (non-Sunni) populations “as it was in the time of the Prophet,” i.e., kill the men, rape the women, and sell the survivors into slavery. The Alawite minority in particular are marked for death as apostates. An IS victory over Assad will create a further flood of desperate refugees with no hope of return.

But Dyer also points out that a large proportion of the “refugees” beating at the doors of the EU are in fact economic migrants, being pulled, not pushed, and over the longer term these are in virtually infinite supply: “[T]here is every reason to believe that there will be another million people risking everything to make it across the EU’s borders next year, and probably for many years thereafter. It may even get worse.” (Dyer 2015)

Population growth rates in the central African states have been running at 3% or more for decades, with little sign of slackening. Pakistan, Bangladesh and Afghanistan have somewhat less rapid growth rates, but a larger population base.

The countries of the EU, by contrast, are static or shrinking. Meanwhile, climate change is undermining agricultural productivity, and the 40-year breathing space granted by the Green Revolution since 1970 is over.

## This May Be Where We Came In

This situation should sound familiar; Europe has been over-run before:

31 December 406 is the often-repeated date of the crossing of the Rhine by a mixed group of barbarians that included Vandals, Alans and Suebi. The Rhine-crossing transgressed one of the Late Empire’s most secure *limites* or boundaries, a climactic moment in the decline of the Roman Empire ... [and] a marker date in the

Migrations Period. ... The initial gathering of barbarians on the east bank of the Rhine has been interpreted as a banding of refugees from the Huns or the remnants of Radagaisus' defeated Goths. (Wikipedia 2015)

Four years later, the Visigoths sacked Rome itself, for the first time in 800 years. Seventy years later the last Roman Emperor in the West, contemptuously styled Romulus Augustulus, was removed from the throne by the German Odoacer, who then ruled as King of Italy. *Vae victis!*

The invasion of Europe now beginning is not just about a group of refugees, albeit a very large group, from a specific conflict. Gadhafi understood this. The refugees have shown that Europe, like the Rhine frontier, can be breached, and the economic migrants are coming with them. Reguly concludes: "So much for Col. Gadhafi's threat." One wonders why?

### References

- Boulding, K.E. 1953. "An Economist's View of the Manpower Concept." Presentation at a conference on The Utilization of Scientific and Professional Manpower, Columbia University, October 7–11, 1953 and published in K.E. Boulding, *Beyond Economics: Essays on Society, Religion, and Ethics* (pp. 14–27). Ann Arbor: University of Michigan Press, 1968.
- Dunnigan, J.F. and A. Bay. 1992. *From Shield to Storm: High-Tech Weapons, Military Strategy and Coalition Warfare in the Persian Gulf* (pp. 374–75). New York: William Morrow.
- Dyer, G. 2015 (September 3). "Europe's Refugee Crisis: The Good, the Bad and the Ugly." *The Sydney Morning Herald*. Retrieved October 3, 2015. <<http://www.smh.com.au/comment/eu-response-to-migrant-crisis-ranges-from-generosity-to-panic-20150903-gje39e.html>>.
- Reguly, E. 2015 (September 11). "Ignore the Fear Mongers, Europe's Economy Needs Migrants." *The Globe and Mail*. Retrieved October 3, 2015. <<http://www.theglobeandmail.com/report-on-business/economy/economic-insight/ignore-the-fearmongers-europes-economy-needs-migrants/article26329418/>>.
- Wente, M. 2015 (September 11). "Sweden's Ugly Immigration Problem." *The Globe and Mail*. Retrieved October 3, 2015. <<http://www.theglobeandmail.com/globe-debate/swedens-ugly-immigration-problem/article26338254/>>.
- Wikipedia. 2015 (June 15). "Crossing of the Rhine." Retrieved October 3, 2015. <[https://en.wikipedia.org/wiki/Crossing\\_of\\_the\\_Rhine](https://en.wikipedia.org/wiki/Crossing_of_the_Rhine)>.