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Immigration in France: The Economics and Politics of a Sensitive Issue

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Introduction

Immigration is an important but controversial topic in almost every industrialized nation today, and many people have very strong opinions regarding it. Immigration is also a topic which is heavily debated in the political arena. The French are no exception. In this paper, I examine the economics of immigration in France, the costs and benefits, as well as the impact that immigration has on French society.

Background

In France, as in most industrialized nations today, the birth rate is declining. The number of births fell steadily from 800,400 in 1980 to only 742,840 in 1992. (Fremy, 1994) Today, there are social security “bonuses” for having extra children which families receive regardless of income (which is very different from the welfare system in the United States). Billboards can be seen throughout France encouraging people to have more children. The French know that they need a relatively large workforce to maintain their welfare and health care systems. The average age of workers is also steadily increasing, partly due to the fact that the number of children per mother has dropped from 2.5 in 1968 to 1.7 in 1992. (Fremy, 1994)

It would seem that a country with these sorts of statistics would be eagerly welcoming immigrants in order to increase the size of the workforce and support government welfare and retirement programs. However, just the opposite is true in France today. The French have some of the strictest anti-immigration laws in the world. Even children of immigrants born in France are not considered citizens of France until they choose to be so between the ages of 16 and 21! France also has an alarmingly high unemployment rate, which as of May 1997 stood at 12.9 percent. At the same time there is a large and growing anti-immigration sentiment throughout France. Many feel that it is difficult enough for the average French citizen
to find a job without having to compete with immigrants willing to work for a lower wage. This anti-immigrant sentiment is one that seems to be shared by the majority of the population and by many political groups. Political parties from the far right, such as the National Front, as well as from the center, such as the RPR (Rassemblement pour la Republique), often speak out against immigration in their campaign speeches.

The immigration of people into France is not a new phenomenon. France has always been an attractive area because of its natural borders, beautiful landscape and varied climate, as well as for trade reasons, stemming from the fact that it borders on both the Atlantic Ocean and the Mediterranean Sea. During World War I, France recruited workers from Maghreb, Africa, and from Asia to replace industrial workers who were serving in the French army. (Fassmann, p. 68) Also, at the end of World War II there was a large influx of people immigrating into western Europe. In fact, the ONI (National Immigration Office) was established in France in 1945 to recruit foreign workers. (Fassmann, p. 69)

It is worthwhile to note that European immigration generally follows specific directional patterns. The main patterns generally are either south-to-north or east-to-west. There are also usually large economic differences between the source country and the receiving country, with the former often depressed and the latter prosperous. However, the existence of such economic differences between two countries does not necessarily create a wave of immigration. There are large economic differences between many countries in Europe, and yet immigration within Europe is very low. As Klaus Zimmermann, an economics professor at the University of Munich, explains:

In spite of large economic differences within Western Europe, the inner-EU migration was never very large, even after various attempts to remove barriers to migration, like the recent Single European Act and the completion of the European Common Market at the end of 1992. (Zimmermann, p. 52)

Immigrants also tend to follow friends and family and go to the same countries as those before them, maintaining the same migrational patterns. People from Asia generally tend to migrate to the United Kingdom, while people from Turkey and the Czech Republic usually migrate to Germany. The majority of Africans who migrate go to France, although some also go to Spain and Italy. The immigrant population in France today is mostly African, reflecting the south-to-north migrational pattern. These immigrants are typically from poorer countries and generally have low skill levels and a minimal amount of education. In fact, in comparison with the six major receiving countries in Europe — Belgium, France, Germany, The Netherlands, Sweden, and Switzerland — 97 percent of Algerian immigrants live in France, as well as 88 percent of Tunisians and 60 percent of Moroccans. (Fassmann, p. 15)

There are currently 3.6 million foreigners living in France, or 6.3 percent of the population. If the French nationals are included (those who immigrated into France but have since become French citizens), that number rises to nine percent of the population. Indeed, there are people of many different and distinct cultures living in France today. The immigration “problem” is not simply one of discriminating against the skin color (which some would argue is a more serious problem in the United States). In France, color is not so much the key issue as is culture. For example, a person in France may not be prejudiced against all blacks, but may be prejudiced against Tunisians or Algerians, simply because of their stereotypical or cultural biases.

The immigration laws in France remained very relaxed after World War II until the 1970s, when immigration was restricted due to an economic recession. As Fassmann notes:

In the mid-1970s, Western European governments and employers reacted to the economic recession that followed the 1973 oil price shock... by imposing restrictive immigration regulations.... Meanwhile closed borders led to rising numbers of illegal immigrants. (Fassmann, pp. 8-9)

Strict anti-immigrant legislation was implemented but was later repealed. Today, however, strict anti-immigration laws have again been put into effect.
France Today

The French seem to be doing everything possible to keep the immigration population to a minimum. In July 1993, Parliament passed the Act on Immigration Control and the Act on Conditions on Entry and Residence of Foreigners in France. The laws were proposed by Charles Pasqua, who was Secretary of the Interior, and thus are often referred to as the "Pasqua Laws." These laws included the following provisions:

1) Police are permitted to make identity checks, even if no suspicious behavior is observed;
2) Legal immigrants deemed a threat to public order can be deported;
3) Legal immigrants whose papers are not in order will not receive any health insurance coverage;
4) Immigrant workers cannot bring family members for at least two years and then only after proof of housing and sufficient finances. Students cannot bring anyone at all;
5) Children of immigrants must choose to be French only after the age of 16. They are not automatically citizens even if they are born in France;
6) Foreigners living in France illegally can marry, but they are not automatically eligible for a residence permit;
7) A foreign spouse of a French citizen will not become eligible for a residence permit until after one year of proven conjugal life and even then would not be automatically protected from expulsion.

Although immigrants are still coming into France every year, their numbers have fallen since the early 1980s, while the numbers of immigrants into other European countries such as Germany (where immigration laws are much more lenient) continue to rise. In 1982, 1989, and 1992, for example, the number of immigrants living in France were 3.66 million, 3.75 million, and 3.60 million respectively, while Germany had 4.67 million, 4.85 million, and 6.80 million respectively. (Passmann, p. 6)

The Pasqua Laws, mentioned above, are specifically aimed at illegal immigrants living in France; however, they also make it very difficult for new, legal immigrants to enter the country and for legal resident aliens to become French citizens. These difficulties help to explain why the number of immigrants in France has remained relatively stable.

There is a commonly expressed sentiment in France that immigration is equivalent to unemployment: that the number of French citizens who are unemployed is equal to the number of immigrants. This sentiment implies that immigrants are simply "stealing" jobs away from French citizens and that if there were no immigrants, then there would be no unemployment problem. This belief is reinforced by many political parties. The National Front, for example, which is known for its extremely conservative views and is led by Jean-Marie LePen, strongly opposes any immigration. However, French anti-immigrant sentiment is not restricted to extremist political parties such as the National Front. Charles Pasqua, author of the Pasqua Laws, is from one of the center-right parties called the Rassemblement pour la Republique (RPR).

On the other hand, Jacques Mitterand, the president of France from 1981-1995, tried to keep a relatively open immigration policy. (Mitterand, who recently passed away, was a member of the Socialist Party.) It was only after he lost his majority in parliament that the new immigration laws were passed, under a right-dominated parliament. It may be interesting to note that in May 1994, Mitterand and German Chancellor Helmut Kohl announced a German-French initiative against extremism. Included in this was a proposal to stop the flow of hate pamphlets within the European Union. ("Welcome and Stay Out," p. 55)

Another group which is sympathetic to the plight of immigrants is S.O.S.-Racisme. This group, although not a political party, is very pro-immigration and is affiliated with the left. S.O.S.-Racisme is trying to spread awareness by periodically holding demonstrations, essentially anti-discrimination rallies, around France. The group is not only sympathetic to immigrants, but to anyone who in their view is "oppressed." One of its goals is to rid the world of racism in all forms through education and spreading awareness.

Although not everyone in France holds
anti-immigration views, the number of people who support immigrants seems to be relatively small. The simplistic assumption that immigration is universally bad because it leads to more native unemployment is a belief to which many French cling tightly. With unemployment rates currently near 13 percent, people seem to need someone to "blame" for this problem. I would like to relate a few examples that support this contention.

In August 1996 a group of immigrants had been living in a church and were trying to obtain French citizenship. Several of them went on a hunger strike saying that they would not eat until the government granted them the right to live in France. Police eventually stormed into the church and forcefully deported them back to Africa. (Whitney, p. 6) After speaking with a French native, I learned that the majority of the French people were happy about the deportation of these people. They agree with the Pasqua Laws (which help to protect their jobs in their opinion) and are pleased when these laws are enforced.

Another case, however, concerns a man known as "Alfred." His real name is Merhan Karimi Nasseri. Born the son of a physician in 1945 in a jurisdiction of Iran which was occupied by the British, he is now a man without a country. He claims British citizenship, but the British refuse to accept him as a British citizen or give him a passport. Alfred was sent away from Iran for participating in anti-Shah activities. He has been living in the Charles de Gaulle airport just outside of Paris. France claims that he is staying in the country without proper authorization. It wants to deport him, but his citizenship is marked "to be determined" on his expired French identification card. France cannot deport him to an undetermined country. Alfred desperately wants to go live in England but he cannot. He began living in the airport terminal in November 1988 when he tried to take a one-way flight to London from Paris and was sent back. Subsequently, he lost his identification on the subway, so, he returned to the airport, where he has remained ever since. He even receives cards and letters addressed simply, "Alfred, Boutique Level, Charles de Gaulle Airport, France." The French government wants him out, but to the rest of the world he is literally a man who does not exist. No country will claim him. (Valente, p. 1) The support that Alfred has received, both in cards and letters as well as in donations, is evidence that even in a strong anti-immigrant environment, there is not a universal blind hatred towards every immigrant.

It is apparent in these examples that the French government has been focused in its effort to keep immigration levels to a minimum in the hopes of improving France's economic situation. The overall impact that these laws are having on France's economy is still not completely known, however.

The Economics of Immigration

Often the costs of immigrants on society are emphasized by political groups and by the media, costs which include the possibility of lower wages and the loss of jobs for natives. It is the threat of these possibilities, the impact that immigration will make on their daily lives, that worries the native population. As a result, immigrants are commonly viewed by the native population very negatively.

However, history has shown us that in the past immigrants have tended to go where there was a need for them. For example, they were an integral part of rebuilding the economy of Europe after WWII. (Zimmermann, p. 47) Indeed, the world would not be as technologically or industrially advanced as it is today without the help of immigrant workforces that came where they were needed. The industrial revolution in America is another obvious example, which would not have been as successful without immigrants. Immigrants usually relocate to an area where there is a labor shortage, not to an area where there is a labor surplus. As Friedberg and Hunt, economists at Brown University, have stated (p. 42):

"Despite the popular belief that immigrants have a large, adverse impact on the wages and employment opportunities of the native-born population, the literature on this question does not provide much support for this conclusion.

In fact, much of the economics literature argues that immigrant workers help to improve the economies of the host countries. As
Rosemarie Rogers puts it:  

It is far too simple to assume — as has been done, for example in arguments in support of return incentive schemes — that unemployment in a host country would disappear, if only a substantial number of foreign workers were to return home. The foreign workers are by now integral to many sectors of the host country economies, and some of the jobs they fill are not wanted by domestic workers. (Rogers, p. 286)

Yet without knowing the gains and losses from immigration, it is impossible for native workers to make sound judgements regarding the impact that immigrants have on the host country. As Borjas argues, “The absence of any serious discussion regarding the gains from immigration is puzzling because costs must be contrasted with benefits before we conclude that immigrants are a ‘boon or bane’ ...” (Borjas, p. 5) Another difficulty in determining gains from immigration is that these gains are often not visible to the average population. Julian Simon is a professor of business administration at the University of Maryland whose main interest is in studying the economic effects stemming from population changes. In his book *The Economic Consequences of Immigration*, he discusses the reasons why it is difficult to determine if there is unemployment “caused” by immigrants. He argues that the job-creating process associated with an increase in population is much more indirect and far less discernable than the process of filling an existing job. He goes on to say:

It is even difficult to establish how many advertised jobs would stand open if immigrants do not come, because after a while employers make other arrangements, either by using machines instead of human labor or by reducing the scale of the enterprise. Assuredly, one learns nothing about the extent of “displacement” by simply observing either that immigrants are “occupying” jobs... or that immigrants are working at wages that do not attract sufficient natives to fill the jobs. (Simon, p. 225)

Therefore, the factors that can be seen (e.g., counting the number of jobs filled by immigrant workers) cannot render an accurate account of the true economic situation. Simon also points out that immigrants are more likely than natives to start new businesses, usually because the businesses start out small and involve risks which many natives are not willing to take. In this case, immigrants are creating the potential for lowering unemployment for the host country by hiring people for their business. (Simon, p. 247)

Immigrants also tend to stay employed in the same industries as those that have come before them. Children born of immigrants (second-generation immigrants) in France have an important presence in only a few economic sectors, generally as low-skilled labor in the building trades, public works, the steel and metallurgical industries, and the textile and clothing industries. The textile industry tends to employ immigrant men while the clothing industry tends to attract immigrant women.

These professions are sometimes referred to as “immigrant” jobs due to the high percentage of immigrants working in these fields coupled with the fact that these industries are very labor-intensive and generally low-skilled. In fact, a study of northern France showed that 75 percent of the immigrant workers observed had a job in one of the fields mentioned above. The study goes on to say that “this type of occupational concentration indicates that there is a certain reproduction of the foreign labor force from one generation to the next.” (Rogers, p. 145) Evidence like this strongly supports the contention that the immigrant population is not intruding on the jobs typically held by natives, but rather is staying in the same low-skilled jobs — even in subsequent generations.

An analysis of the garment industry in Paris, as one example, shows why this industry has become and has remained an immigrant industry. The garment industry has maintained a steady match between the characteristics of its industry and the economic expectations and characteristics of immigrants. These characteristics include:

1) the small size of the industry, which encourages entrepreneurs to start small businesses as discussed above;
2) the segmented labor market, which again encourages small businesses to develop due to the many small niches in the clothing industry, and sub-
contracting, which usually results in lower wages paid;
3) the unpredictability of the industry and fashion orientation.

The unpredictability of the industry is generally not attractive to native workers. Immigrants’ willingness to take risks allows them to thrive in this type of industry. Men often work their way up from being wage earners to being entrepreneurs. Women, however, despite being highly skilled, do not have similar access to the resources needed to set up their own businesses. (Morokvasic, 104)

Immigration can be a great benefit to the host country because it increases economic activity and the overall size of the workforce, yet does not always infringe on native jobs. Furthermore, immigrant workers are paying taxes and supporting government programs, another fact which should also not be overlooked.

Opponents to immigration do not always seem to realize that the immigrant workforce generates income for the host country. Borjas says that immigrants usually increase the national income by more than what it costs to pay their wages. However, he also points out that the major benefits are generally only realized when the skill levels of the immigrant and native populations are not the same. (Borjas, pp. 6, 13) If the skill levels were equal, then immigrant workers may indeed be taking jobs that were formerly held by native workers. This scenario of equally skilled immigrants and native workers is the one that is generally emphasized in anti-immigration political speeches, when it is said that immigrants steal jobs from the native population. Yet even when the skill levels of the two groups are equal, there are still jobs created by a larger workforce. As Borjas emphasizes, regarding immigration policy, “The debate over immigration policy has usually focused on the potentially harmful labor market impacts rather than on the overall increase in native income. In other words, the debate stresses distributional issues… rather than the efficiency gains.” (Borjas, pp. 8-9)

Yet another important consideration which cannot be ignored when considering immigration policy is the state of the host country’s workforce. Today, the workforces of most major industrialized nations are both aging and shrinking. This is due to people marrying later in life, having fewer children, and living longer lives. According to the Economist, “Early in the 21st century, the world’s five largest capitalist countries will have 1/4 as many pensioners as workers. These retired workers will demand excellent medical care and a standard of living that continues to rise. One way of balancing the equation is to increase immigration.” (Imported Youth, p. 75) Therefore, whether the average native worker realizes it or not, he is likely to need immigrant workers to support his retirement. As Zimmermann adds:

Both Japan and the United States share with Europe the prospect of stagnant population growth and an aging population, with corresponding fears of an aging workforce…. [T]his lack of young workers generates strong economic incentives for future immigration. (Zimmermann, p. 45)

Another issue of concern that needs to be answered is the amount of money that immigrants are supposedly “taking” from their host countries, as well as all the supposed millions that countries are spending to “support” the immigrants who do not even “belong” there. A 1986 poll taken in the United States illustrates this concern well. According to the poll, 47 percent of Americans feared that most immigrants, especially illegal immigrants, would wind up on welfare, thus putting a huge burden on the hardworking, native taxpayers. (Simon, p. 105)

However, the fact is that most illegal immigrants would not risk being caught by signing up for welfare programs. Also, most immigrants are adults, so no government money has been spent on their education. Research shows that immigrants are less likely than natives to use government programs which provide food and medical care services. (Simon, p. 106) It can be argued that, in general, less government money is spent on immigrants than on the average native worker. Also, there are proportionally far fewer immigrants than natives of retirement age, and retirement pensions represent the largest cost in social service expenses. (Simon, p. 108)

In short, native workers tend to focus on the costs of immigration and do not always realize the benefits. This is certainly no exception in France. Politicians are not helping the situ-
ation either. Although the average French citizen is not knowledgeable about the economics of immigration, no one seems to be willing to educate the public in these matters. Instead, the government seems to be merely playing along with this fear of immigrants and is imposing the strict laws that the public is demanding. Indeed, according to a recent report by the United Nations (April, 1996), a wave of xenophobia and racism, fueled by the Pasqua laws on immigration, has swept across France. This has led to a parliamentary committee suggesting measures to make the laws even tougher. ("Keep Them Out," p. 53)

**Conclusion**

In recent years, France has implemented some very aggressive anti-immigrant legislation. Although these legislative policies were implemented with the good intention of protecting jobs for the native French, it may be that the lawmakers are hurting France more than they are helping her. As I've tried to explain, immigration brings with it both benefits as well as costs.

Immigration is a sensitive issue, and it is difficult to find a satisfactory solution for all involved. Perhaps France will serve as either a wonderful example or a painful reminder to other countries who are dealing with the same immigration issues.

**REFERENCES**


