Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

OPEN TRADE, CLOSED BORDERS
Immigration in the Era of Globalization

By MARGARET E. PETERS*

Introduction

WHAT explains variation in immigration policy, especially policy regulating low-skill workers? A common argument invokes prejudice against foreigners as an explanation for why nations close their economies to immigrants.[1] This prejudice has been ubiquitous throughout history even as immigration policies changed. Social theories of this sort may be descriptively true but are not helpful in predicting variation in policy. Other scholars have turned to the role that native labor plays in protecting its interests against immigration, but they have not explained why labor is able to restrict immigration when it has not been able to restrict trade, even though open trade has wreaked as much, if not more, havoc on labor.[2] A third group of scholars focuses on states' concerns about the fiscal costs of immigrants as an explanation for the changes in policy over time.[3] While fiscal costs are likely to play a role, this argument cannot explain exclusion prior to the creation of the modern welfare state in the early twentieth century. Finally, a fourth group of scholars has examined the power of immigrants themselves.[4] While immigrants clearly affect immigration policy in democracies, they have never been a sufficiently large plurality of the polity to be able to change policy on their own, and they have less voice in autocracies where they can more easily be deported.

* I would like to thank the editors and anonymous reviewers for their comments. I would like to thank Judith Goldstein for her comments on several drafts as well as financial support for the project. I would also like to thank Michael Tomz, Kenneth Schultz, James Fearon, Jon Pevehouse, Jeff D. Colgan, Ashley Jester, Andrew Kerner, James Morrison, Molly Roberts, David Steinberg, and Felicity Vabulas for their comments and suggestions. Finally, I thank the research assistants who helped me collect and code the cross-national data set: Vinnie Intersimone, Minh Dan Vuong, Karine Hoffman, Roxana Moussavian, and Lucia Hennelly. All errors remain my own.

[1] For example, Freeman 1995; Zolberg 2006.

[2] For example, Briggs 2001; Mayda 2008; Timmer and Williamson 1998.

[3] For example, Hanson, Scheve, and Slaughter 2007; Hatton and Williamson 2005; Hatton and Williamson 2008; Money 1999.

[4] For example, Hollifield 2004; Tichenor 2002.

World Politics 67, no. 1 (January 2015), 114–54
Copyright © 2014 Trustees of Princeton University
doi: 10.1017/S0043887114000331

What is missing from these political theories is a discussion of trade policy's effect on the politics of immigration, especially on the preferences and political behavior of firms. According to the Stolper-Samuelson theorem, openness through the movement of people, goods, or capital affects prices and wages in the same way, benefiting the abundant factor of production in the country while hurting the scarce factor. As openness in all three of these policy areas has the same effect, economic theory tells us little about which policy or policies states should choose when they want to open their economies.[5] By this logic, states' choices of policy should either be idiosyncratic, or all three should open or close in tandem, since opening any one flow would lead to the same distributional consequences as opening the others. Yet, empirically, trade and immigration policy are rarely opened together, and states do not seem to choose these policies idiosyncratically. Instead, states often choose the same set of policies at the same time. For example, in the nineteenth century, most labor-scarce states—the states most likely to face immigration pressures—chose to open immigration and restrict trade to a greater or lesser degree.[6] In contrast, most of these same states have chosen open trade since the 1950s but have restricted immigration. What explains these patterns and why do we rarely see trade and immigration open at the same time?

I argue that the choice to open or close trade changes the domestic political context in which immigration policy is made. Trade policy affects the composition of firms in the economy and their need for low-skill labor. Trade restrictions in labor-scarce states—the states studied in this article—lead to an increase in production in labor-intensive industries. Without a concomitant increase in the labor supply, wages will rise throughout the economy. Business interests, especially those producing nontradable goods or hurt by trade restrictions, have an incentive to push for open immigration when trade is restricted. In contrast, when trade is opened there is a decrease in labor-intensive production as labor-intensive firms go out of business.[7] In such times, these firms will no longer push for open immigration. Additionally, they will lay

[5] Economic historians have considered whether flows of goods, people, and capital are substitutes or complements and found ambiguous results. O'Rourke and Williamson 1999.

[6] While the conventional wisdom argues that the nineteenth century was open to trade, both Frieden 2006 and Hatton and Williamson 2008 argue that many states protected import-competing industries in their states, especially in the later part of the nineteenth century and the early twentieth century. Also, as shown below, tariffs were higher in most states in the nineteenth century than today.

[7] Firms that are threatened by trade openness may lobby policymakers for increased immigration or tax breaks to stay in business. However, as I argue, these subsidies are difficult to maintain as trade opens further because increased openness necessitates increased immigration or subsidies.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

off their workers, depressing wages throughout the economy, which reduces other firms' need for immigrant labor and their incentives to push for open immigration. Policymakers are then likely to restrict immigration to appease other constituencies, such as nativists, labor, and taxpayers concerned about the fiscal costs of immigration.

This article diverges from the majority of the literature on international political economy by arguing for an integrated view of foreign economic policy. Recently, scholars have begun to examine how capital and trade policies act as substitutes for each other,[8] how migration flows affect capital flows,[9] and how remittances affect exchange rate policy.[10] I continue this trend by examining the interaction of immigration and trade policy, something that has yet to be considered.[11]

After further explicating the argument, I test it on a new data set of de jure immigration policy for nineteen countries from 1783–2010. This is one of the few data sets to measure immigration policy, and it covers the nineteenth, twentieth, and twenty-first centuries.[12] The data show that trade and immigration policy are profoundly interrelated. The nineteenth century was generally a period of open immigration but relatively closed trade. The interwar period was a time of general closure to goods and people, although the states that had more open trade policies also restricted their immigration policies to a greater degree. After World War II, most states opened trade but continued to restrict immigration. The data thus show that increasing trade openness has led to increasingly restrictive immigration policies.

How Trade Policy Affects Immigration Policy

In this section I examine how trade policy affects immigration policy toward low-skill immigrants in low-skill labor-scarce states (henceforth, "immigration policy").[13] I focus on labor-scarce states because those are the states to which immigrants want to move because of their high wages and, therefore, those are the states that must decide whether or not to restrict immigration.

[8] For example, Copelovitch and Pevehouse 2013.

[9] For example, Leblang 2010.

[10] For example, Singer 2010.

[11] While the argument could also be extended to exchange-rate policies that act as trade barriers as well as capital policies, I limit this article to the relationship between trade and immigration for parsimony. See Peters 2014a for more on capital policies.

[12] See Bjerre et al. 2014 for a review of immigration policy indices.

[13] For this article, I focus on immigration policy toward low-skill immigrants in general, not immigration policy toward any single country. For a discussion of immigration policy toward a specific sending country, see Peters 2014b.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

I examine policy toward low-skill immigrants for three reasons. First, the vast majority of potential immigrants, those who would migrate if they were legally allowed to, are low skilled.[14] Currently, 23.5 percent of immigrants in the world have a high level of education; nonetheless, this level of skilled migration is endogenous to the policies in this study, meaning that without immigration barriers, the share of low-skill immigrants would increase greatly.[15] Second, survey data show that flows of low-skill immigrants are more politicized in immigrant-receiving states than are flows of high-skill immigrants.[16] Most historic episodes of nativism, such as the backlash against Asians and people from Southern and Eastern Europe throughout the New World in the nineteenth and early twentieth centuries, targeted these groups in part because they were low-skill immigrants. Finally, if we care about economic development, we should determine why wealthy states are not more open to low-skill immigration, as it has the ability to greatly increase developing world income.[17]

I begin by examining a highly stylized economy that is affected by exogenous shocks in trade policy. To simplify the argument, I abstract away from all the other factors that could affect immigration policy, such as regime type, history as a colonial power, and national culture and identity, among other things. I control for these variables in the empirical section.

Assume there is a low-skill labor-scarce economy that at time t has one-third of its firms in the high-skill intensive export sector, another third in the low-skill intensive import-competing sector, and the final third in the service or nontradable sector, which I assume uses mostly low-skill labor.[18] At some point in the future, time $t + 1$, trade is restricted, which increases prices and production in the import-competing sector.[19] As the import-competing sector grows, it will attract labor from the service sector and from the small pool of low-skill labor that was working in the export sector.[20] Profits will go down for all firms as wages for low-skill labor increase. By opening immigration,

[14] Hatton and Williamson 2005.

[15] United Nations Development Program 2009.

[16] Goldstein and Peters 2014; Hainmueller and Hiscox 2010.

[17] Hatton and Williamson 2005.

[18] The composition of firms in the export and import-competing sectors is a result of the Stolper-Samuelson theorem. If the service sector consists of high-skill firms, it should act in the same manner as the export sector.

[19] This result assumes that consumers will buy more domestically produced, labor-intensive goods as a result of trade barriers, rather than consuming less.

[20] Under "new" new trade theory, trade restrictions allow less productive firms to produce as well, also increasing the amount of labor needed.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

policymakers can appease those firms hurt by the increase in wages due to the trade restrictions and thus reduce their opposition to trade barriers. Even though export-oriented firms would like freer trade, the increase in immigration decreases their labor costs and increases returns to their capital. Therefore, I expect that when trade is closed, firms clamor for open immigration and policymakers respond to their demands.[21]

Now assume that, instead of restricting trade at time $t + 1$, trade is opened for exogenous reasons. Open trade reduces the price of the goods that low-skill intensive firms produce and, under our classic trade models, leads these firms to close.[22] When these firms close, they can no longer pressure policymakers for open immigration. Further, when these firms lay off their low-skill labor, those workers can be employed in the service and export sectors. The service and export sectors are then less likely to pressure policymakers for open immigration as well.[23] Firms have a limited amount of political capital to spend and they may want to spend it elsewhere when wages for low-skill labor are already low. In addition, it may not be possible to lower wages further despite increases in immigration due to a minimum wage.[24] As such, policymakers are likely to restrict immigration to appease groups such as nativists, labor, and taxpayers. Thus, I expect that when trade is opened, policymakers restrict immigration.[25]

I next move away from a highly stylized economy to a more realistic one. In the case of trade closure, firms could increase productivity in response to high labor costs. By increasing productivity, these firms decrease their need for labor and their support for open immigration.[26] Similarly, in the case of trade openness, low-skill firms could increase productivity to decrease labor costs, which again would decrease their

[21] This result is similar to that of Facchini and Willmann 2005, who find that complementary factors have an incentive to oppose protection for their complements.

[22] The results do not depend on the assumption that firms close, only that labor-intensive production decreases. Similarly, in "new" new trade theory, trade openness leads to the closure of less productive firms, decreasing the need for labor. Helpman, Itskhoki, and Redding 2010.

[23] These results implicitly assume that production by nontradable- and export-oriented firms does not increase the demand for low-skill labor. The firms that exit the economy are low-skill labor intensive and should release enough native low-skill labor for the high-skill labor-intensive export sector. Empirically, rising wage inequality due to increases in productivity and trade seem to bear this out. Feenstra and Hanson 1996.

[24] Further, minimum wage regulations mean that wages can only fall to the minimum wage, after which increased immigration will lead to greater unemployment and greater taxation to support the unemployed.

[25] In the US there is evidence that firms' lobbying strategies on immigration change with globalization and that their lobbying affects policy. See Peters 2014a and Facchini, Mayda, and Mishra 2011.

[26] Helpman, Itskhoki, and Redding 2010 and others have argued that increased productivity necessitates high-skilled labor, not the low-skill qualifications that most immigrants possess.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

support for open immigration. I expect, then, immigration policy to become more restricted over time as labor-saving technology increases.

An assumption of trade models in the existing literature is that as soon as trade opens, firms close. We know, however, that firms often stay in business after trade opens either by running at a loss or otherwise scaling back production. These threatened firms are likely to lobby policymakers for support to stay in business, reducing labor costs for example through increased immigration or subsidized production. Policymakers may open immigration or offer tax subsidies if the costs of doing so outweigh the costs of allowing the firm to close. If the threatened firm closes, policymakers will lose the tax revenue, jobs, and any political capital the firm would have provided. If policymakers choose to help firms by opening immigration, they potentially increase the fiscal cost of immigrants to the state and the risk of nativist backlash. If they choose to subsidize firms by using tax subsidies, they have less money to spend on other constituencies. In addition, depending on the trade regime, they may not be able to subsidize the firm without facing retaliation from trading partners.

While policymakers might be inclined to increase immigration or subsidize firms at moderate levels of trade openness, those strategies become more difficult at high levels of trade openness. More trade openness either decreases the price of goods at a greater rate or decreases the price of a greater number of goods. As such, to keep threatened firms in business, policymakers would need to increase immigration or increase subsidies even more. Yet we know from current public opinion data[27] and from historical examples, such as the backlashes mentioned above and those against Muslim and East European immigrants in Europe today, that large-scale movements of immigrants are politically unpopular. Policymakers have to balance their desire to keep firms in business and the potential for such backlash. At high enough levels of trade, policymakers will find it less costly to allow firms to close than to face the anti-immigrant backlash.

What happens if the change in trade policy is not exogenous? First, could trade affect immigration policy if the policymaker chooses both trade and immigration policies? Under Gene Grossman and Elhanan Helpman's endogenous trade theory model, policymakers' choice of trade policy is affected by contributions (or bribes in an authoritarian context) from firms and concerns over the aggregate welfare of their

[27] Goldstein and Peters 2014; Hainmueller and Hiscox 2010.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

constituents.[28] To restrict trade, policymakers have to receive enough in contributions from import-competing firms to make up for lower contributions from the export sector, the deadweight loss of trade barriers, and the political costs of a more open immigration policy. Assuming that import-competing firms are powerful, we expect that they should be able to contribute enough to gain protection. In fact, this is what happened in many countries, especially the US and Germany, in the late nineteenth century.[29]

Alexander Hamilton provides us with an example of a policymaker who chose the closed trade/open immigration bundle to appease the export sector at the time, agriculture.[30] Hamilton famously argued that a tariff would provide the US government with revenue as well as protect infant industries.[31] Yet he also understood that agricultural interests opposed the tariffs for several reasons: tariffs increased the price of manufactured goods; they might lead to retaliation from Great Britain, which was the major consumer of US agricultural products; and they would lead to labor shortages and higher wages. It was likely prohibitively difficult to appease farmers with subsidies at the time. Further, Hamilton could not prevent British retaliation. He could, however, offer a more open immigration policy, which would ensure an agricultural labor supply and low wages.[32] Hamilton recognized the trade-off between tariffs and immigration policy.

When policymakers choose open trade—even if they, as benevolent social planners, choose it because it will increase national income—they are privileging the export sector and, perhaps, the service sector, over the import-competing sector. Under a lobbying model, policymakers will only open trade if export-oriented firms offer enough political capital to overcome the political capital of import-competing firms, any losses in welfare from the eventual loss of threatened firms, and the impact of a change in immigration policy. Assuming that the export-oriented sector is wealthy enough, it should be possible for it to pay for free trade. Further, one could imagine that cynical policymakers open trade specifically to lower business demand for immigration, which would make it easier for them to close immigration.

[28] The Grossman and Helpman 1994 model focuses on sectors, but the framework can be extended to firms; for example, see Bombardini 2008.

[29] Rogowski 1989.

[30] In comparison to today, agriculture was relatively labor intensive in the late eighteenth century; however, in comparison to British agriculture at that time, US agriculture was relatively land intensive. Herndon 1975.

[31] Carey 1827.

[32] Carey 1827, 22.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

Thus, under an endogenous trade model, policymakers could be induced to open trade, even knowing that some firms will be lost and immigration will be restricted.

Second, is it possible that immigration policy is driving trade policy? If it is, we would expect that trade and immigration should be complements or that there should be little relationship between the two policies, but that they should not be substitutes. Immigration restrictions lead to higher wage costs and make low-skill firms less competitive, which would increase their opposition to trade openness. This increased opposition should make it harder for policymakers to maintain or increase trade openness, likely leading to trade restrictions. However, openness to immigration increases the competitiveness of low-skill firms and leads to less opposition to trade openness. At extreme levels of openness to immigration, this complementarity between immigration and trade may break down. If immigration openness leads the wage to converge to the world wage, prices for both low-skill and high-skill goods will converge to the world price. As argued by Robert Mundell, at that point there would be no gains from trade, as prices are already equal.[33] Policymakers would be free to have an open trade policy, an autarkic policy, or something in between, and prices would stay the same. Therefore, if immigration is the first-mover policy, then trade and immigration should be complements or there should be little relationship between the two, but they should not be substitutes.

Third, is it possible that some omitted variable is driving both policies? There are many variables that may affect trade and immigration policy, including domestic variables, such as democracy, and systemic variables, such as the existence of a hegemon. Below, I test whether the relationship between trade and immigration policy holds when accounting for these variables.

Cross-National Immigration Policy, 1783–2010

One of the major obstacles to research on immigration has been the lack of longitudinal cross-national data. In response to this lacuna, this article examines data on the de jure immigration policy of nineteen countries over the last 225 years. The resulting data set is one of the few on immigration policy and, importantly, it covers the nineteenth, twentieth, and twenty-first centuries.[34] I focus on a de jure measure of

[33] Mundell 1957.

[34] See Bjerre et al. 2014 for a review of immigration policy indices.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

policy rather than a de facto measure of flows in part because of data limitations. To use flow data, I would have to account for factors other than policy that affect flows, including the state of the economy in the receiving and sending states, the political environment in sending states, transportation costs, migrant networks, and so on. As in the trade literature, I would need to use a gravity model incorporating all those variables. While Jennifer Fitzgerald, David Leblang, and Jessica Teets have examined a gravity model in Organization for Economic Cooperation and Development (OECD) states post-1960, it is impossible to extend the research to the nineteenth century or to most autocracies.[35] Thus, for the argument presented in this article, using flow data would limit the empirical tests to the OECD post–World War II, which would affect the external validity of the tests.

There are two overlapping universes of cases to which the argument of this article could apply. First are the relatively low-skill, labor-scarce states. These are states that have relatively high wages in comparison to the rest of the world or in comparison to their major trading partners. Second are the states to which immigrants want to move. If immigrants are not interested in moving to the state, the state could choose any immigration policy, since migrants would not move there regardless of the policy. Previous research on migration suggests that migrants choose locations where wages are high relative to the transactional costs of moving.[36] States that are very wealthy are likely to attract migrants from all over the world, while states that are relatively wealthy in comparison to their neighbors are likely to attract migrants from their neighbors but not from countries far away. The states chosen for this study, therefore, are all wealthy, low-skill labor-scarce states in comparison to the rest of the world or to their neighbors.[37]

From the universe of wealthy countries, nineteen states and state-like entities were selected (Table 1) that have a range of values on the important explanatory variables for this study and on the alternative explanations in the literature. For my argument, it was important to find states that have different levels of trade openness and states that have had both open and closed trade policies. I control for several ma-

[35] Fitzgerald, Leblang, and Teets 2014. See Clemens et al. 2009 for a discussion about the limited immigration data.

[36] See Massey et al. 1993 for a review.

[37] This criterion was operationalized as states with GDP per capita above 200 percent of the world average GDP per capita or above 200 percent of the average GDP per capita for their geographic region for at least ten years. These two criteria lead to the inclusion of seventy-seven states (or state-like entities) over some part of the 1800–2008 time period.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

TABLE 1
COUNTRIES INCLUDED IN THE DATA SET AND THE DATES OF INCLUSION

Group	*Country*
Settler States	Argentina (1810–2010)
	Australia (1787–2010)
	Brazil (1808–2010)
	Canada (1783–2010)
	New Zealand (1840–2010)
	South Africa (1806–2010)
	US (1790–2010)
European Liberal Democracies	France (1793–2010)
	Germany (1871–2010)
	Netherlands (1815–2010)
	Switzerland (1848–2010)
	UK (1792–2010)
Export-Oriented Industrializers	Hong Kong (1843–2010)
	Japan (1868–2010)
	Singapore (1955–2010)
	South Korea (1948–2010)
	Taiwan (1949–2010)
Rentier States	Kuwait (1961–2010)
	Saudi Arabia (1950–2010)

jor alternative explanations in the literature as well: interest-group explanations based on the power of labor, nativists, and immigrants, as well as the fiscal costs of immigrants; societal explanations based on whether or not a state was a colonial power; regime type; and participation in wars. The states chosen vary in these dimensions.

These criteria mean that Europe is relatively undersampled in comparison to many other immigration studies. This under-sampling would be problematic if there were ranges of the explanatory variables that are not represented in the study. Fortunately, the Nordic countries are similar to the Netherlands on many of the key variables, and Portugal, Spain, Italy, and Greece's experiences as new immigration countries are similar to those of Japan, South Korea, and Taiwan. Thus, the exclusion of these cases should not affect the external validity of this study.

The choice of these nineteen states should also provide greater confidence in the external validity of the tests. While in international political economy we often test our theories on OECD states, I include states such as Saudi Arabia and Kuwait, which have very different

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

decision-making processes than democratic states have. If the same relationship holds in Saudi Arabia and Kuwait, it will increase the external validity of the argument.

Two other coding decisions in regard to case selection had to be made: how to handle federal states and when to begin the analysis. Each federal state is coded according to the policy of its most open member until the time when the federal government took sole responsibility for immigration policy, at which point the federal policy is coded. Because most federal states allow the free movement of persons among their members, an immigrant who can enter one member can have access to them all.[38] Every state was coded through 2010, but states enter the data set when they gain control over their immigration policy, that is, when they obtain responsible government, independence, or otherwise emerge in their modern-day form.[39]

Similar to trade, there are many different ways to regulate immigration. This study includes data on all laws on immigration and immigrant rights.[40] Immigration policy is an amalgam of several policies, including those that regulate who gains entry to the state (border regulations), what rights immigrants receive (immigrant rights), and how the border is enforced (enforcement). Within each of these three categories, states have used numerous policy substitutes. After an exhaustive reading of more than 350 primary and secondary sources on the immigration policies of countries in Europe, the Middle East, East Asia, and the New World, I determined that there are twelve dimensions of regulations that are important for testing the hypotheses of this paper.[41] Eight of the dimensions regulate entrance to the state. Four of these—work prohibitions, family reunification, refugee policy, and asylee policy—could also be considered rights; two cover immigrant rights; and two cover enforcement. Table 2 lists the different dimensions in each category and gives a brief description.[42] Each

[38] Due to this coding, only US federal policy is coded. Prior to the 1848 *Passenger Cases* decision, many states enacted their own immigration policies, but immigration was unrestricted through some ports of entry. The policies that states enacted were similar to the 1875 Federal Immigration Act. Neuman 1993. Coding the US using these state policies does not affect the results. Among EU members, each individual state is coded because freedom of movement does not extend to third-country nationals. See Appendix B in the supplementary materials for more details; Peters 2014c.

[39] See Appendix B in the supplementary materials for more details; Peters 2014c.

[40] Administrative actions were not included because they have not been documented in a systematic way.

[41] A list of sources used to compile the data set can be found in Appendix B in the supplementary material; Peters 2014c.

[42] A more detailed explanation of the dimensions and their coding can be found in Appendix B in the supplementary material; Peters 2014c. Other migration policy data sets use similar categories. For example, the International Migration Policy and Law Analysis (IMPALA) database uses the following

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

TABLE 2
DIMENSIONS OF IMMIGRATION POLICY

Category	*Dimension*	*Coding Criteria*
Border Regulations	nationality	number of nationalities restricted
	skill	restrictions based on skill or wealth
	quotas	numerical limits on entry
	recruitment	policies aimed at recruiting immigrants
	work prohibitions	restrictions on industries or positions held
	family reunification	distance of relatives allowed special entry
	refugee policy	entrance policies for refugees outside the state
	asylum policy	entrance policies for those claiming refugee status at the border
Immigrant Rights	citizenship	who can be a member of the state
	other rights	other rights immigrants possess
Enforcement	deportation	who can be deported and how
	other enforcement	other enforcement measures in place

dimension was coded from 1 to 5, with greater restrictions taking lower values.[43]

Border regulations are often considered the most important aspect of immigration policy because they determine who gains entry to a state (Figure 1).[44] The preferred method for controlling immigration in the late nineteenth century was to use national origin, for example, the Chinese Exclusion Act in the US, and German laws against Polish immigration. After World War II, nationality as a basis for restriction was delegitimized and skill requirements often replaced it as a way to restrict the same categories of immigrants.[45] Yet nationality restrictions are still used today, though cast in a more positive light—as in the EU—as free migration areas (FMAs). Similar to free trade areas, FMAs can lead to "migration diversion," as states often open their borders to migrants from within the FMA while restricting immigration from outside the FMA. For example, as most EU members have opened their borders to migrants from within the EU, they have restricted ac-

seven categories: economic migration, family reunification, student migration, humanitarian migration, naturalization, irregular migration, and bilateral agreements. Gest et al. 2014.

[43] Theoretically, immigration policy has no bounds; states could always pay people money to come to their country—which was South Africa's recruitment policy in the 1960s—or states could denaturalize part of their population and force them to leave—such as Nazi policy against the Jews. These examples are very rare.

[44] The data were combined using principal component analysis, which revealed only one factor.

[45] I code skill requirements as restrictions because I am interested in openness to low-skill immigrants.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms.
https://doi.org/10.1017/S0043887114000331

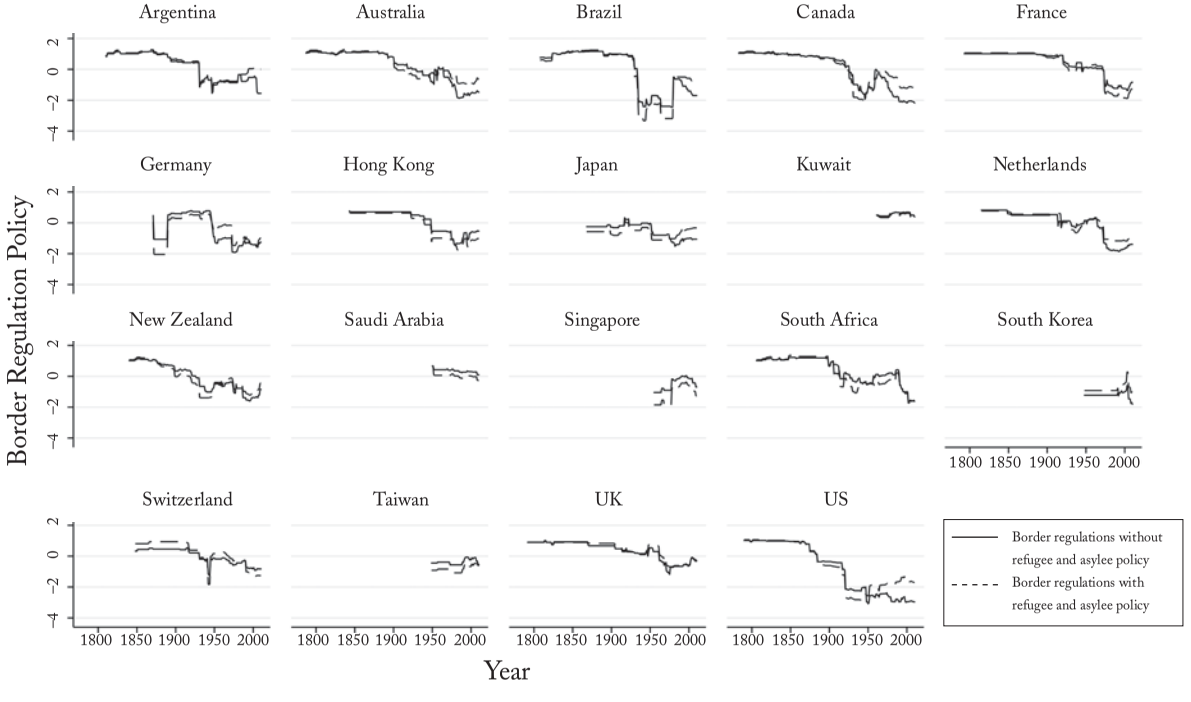

FIGURE 1
BORDER REGULATIONS OVER TIME[a]

[a] Higher values denote a more open policy. Data coded by author.

cess from outside of the EU. For this study, what matters is the overall openness to low-skill immigration; thus, joining an FMA or a bilateral labor migration treaty only leads to greater openness if it does not lead to migration diversion.

Another way states have regulated entry is through recruitment measures. At times states allow private firms to recruit workers or they recruit workers themselves, and at other times they prohibit recruitment. States also regulate entry by controlling access to their labor markets, thus limiting the availability of positions in certain industries. Further, states allow varying levels of family reunification, and some states use numerical quotas. In general, we see that while there has been some variation in border regulations over time, regulations have gotten more restrictive.

Additionally, states have varied in their openness to refugees and asylees.[46] No state had a formal refugee policy prior to World War II and many states still do not. After World War II, however, most states created asylum policies that were fairly generous at first but have been curtailed in recent years. These policies are categorized as border regulations, rather than immigrant rights, because refugees and asylees are often thought of as economic migrants in disguise[47] and they often enter the labor market once granted entry into a country. Because of this, firms are keenly interested in refugee and asylum policy. In the nineteenth century, for example, agricultural interests in Canada and Argentina lobbied to recruit persecuted minorities in Eastern Europe and Russia to work on their farms. After World War II, Congressional lobbying reports show that the American Farm Bureau lobbied for the Displaced Persons Act in hopes of receiving agricultural labor. Similarly to the rest of the border regulations, when I include refugee and asylum policies, we see that these policies have generally become more restrictive over time. While some states that had not previously adopted refugee and asylum provisions—such as Argentina, Brazil, and Japan—began to adopt them in the late twentieth century, many other states—including most European states—began to restrict them.

States also vary the legal rights they grant to immigrants (Figure 2). While there is no definitive proof that rights affect immigrants' choice of where to move, there is evidence that states act strategically when granting them. For example, in the nineteenth century, Argentina,

[46] In this article, a refugee is a person fleeing their country who is outside the receiving state. An asylee is a person who is at the receiving state's borders or inside the country and who claims refugee status.

[47] Kay and Miles 1988.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms.
https://doi.org/10.1017/S0043887114000331

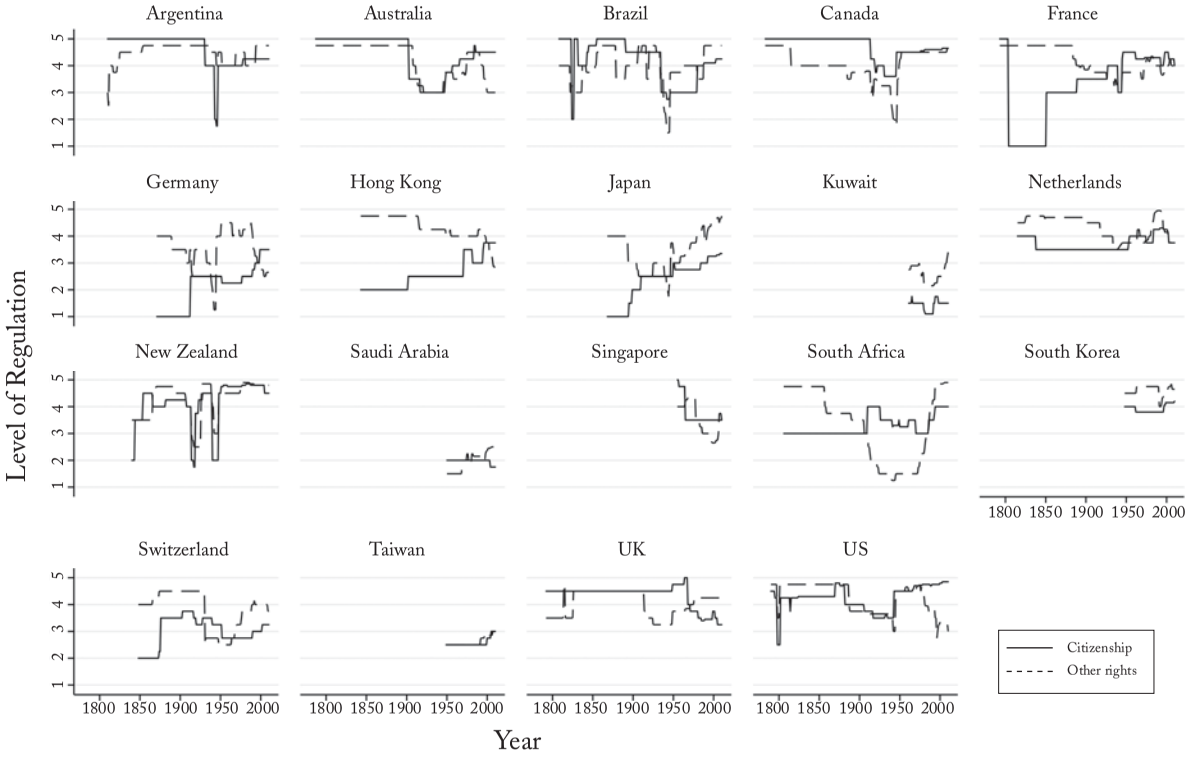

FIGURE 2
CITIZENSHIP AND OTHER RIGHTS OVER TIME[a]

[a] Higher values denote a more open policy. Data coded by author.

Brazil, and Canada granted land to attract immigrants. Recently, the US and many European states have limited access to the welfare system to deter immigration. Further, the treatment of immigrants affects the sending countries' willingness to allow emigration. In the 1920s, India limited the recruitment of workers due to mistreatment abroad, and the Philippines has done so more recently. A strategic state thus may change the rights they give to immigrants as a way to forestall the laws of sending states. The most important right is citizenship; citizenship allows the immigrant to have the same rights as the native. Citizenship laws vary from very restrictive—Saudi Arabia, for example, only grants citizenship to foreign-born wives—to very liberal—several settler states offer citizenship after only a few years' residence. Other rights vary greatly too, including the right to own land or a business, the right to access the welfare system, and even, occasionally, the right to vote. The trends in citizenship and other rights are more varied than the trends in border regulations. New democracies tend to increase both citizenship and other rights; established democracies increase citizenship while decreasing other rights, especially welfare access; and autocracies increase rights without increasing citizenship.

Finally, states have used a myriad of different enforcement policies, and most states have increased enforcement in recent years (Figure 3). It is important to measure enforcement, because a restrictive immigration policy that is not enforced is effectively similar to an open policy.[48] Deportation is often used to enforce immigration laws, yet there has been great variation in who can be deported and the form that the deportation process takes. The dimension "other enforcement" captures the variety of other measures states use to enforce their laws, including employer and carrier sanctions, fences and border patrols, and amnesties for those in the country illegally. As can be seen from the graphs, almost all states have increased enforcement over the last half-century.

The goal of a state's immigration policy is to attract or repel a certain number of immigrants. While there is no consensus on how these different dimensions affect the flow of immigrants, it is clear that not all dimensions affect migration equally. To combine these different policies into a single measure, I use principal component analysis. The

[48] Ideally, we might use a measure of effectiveness of enforcement; however, there are few reliable estimates of undocumented immigrants. My ranking of states' deportation and enforcement rules generally conform to the ranking of state capacity for enforcement in Massey 1999.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms.
https://doi.org/10.1017/S0043887114000331

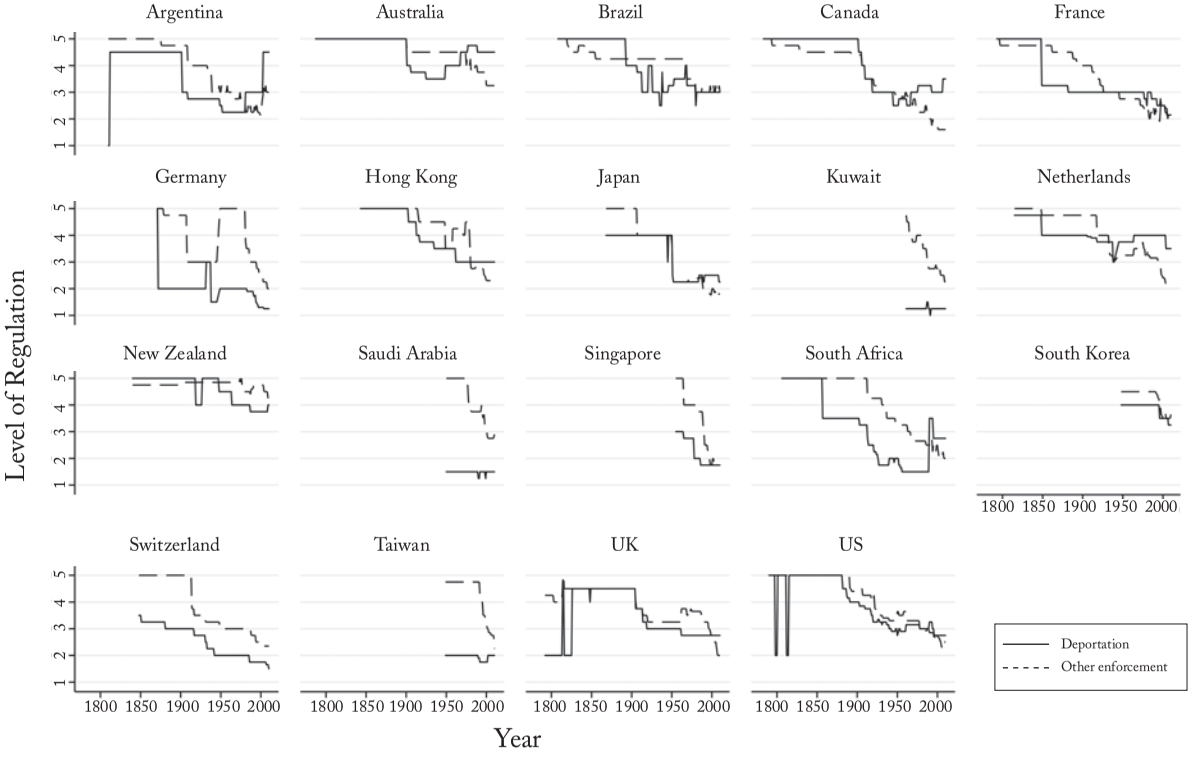

FIGURE 3
DEPORTATION AND ENFORCEMENT OVER TIME[a]

[a] Higher values denote a more open policy. Data coded by author.

analysis reveals that these dimensions combine to create two different factors: immigration policy and rights of immigrants.[49]

The first factor, immigration policy, places more weight on nationality, skill, recruitment, quotas, deportation, and enforcement policies than the second factor, rights of immigrants, which places more weight on family reunification, refugee, asylee, citizenship, and work prohibition policies, and rights. Thus, the names for the two factors (Table 3).[50] Henceforth I focus on the immigration policy factor. The immigration policy variable now takes values between 2 and −2, with higher values signaling a more open policy.[51]

Figure 4 shows how immigration policy has changed over the last 225 years. As noted in the figure, more open policies take higher values. Most importantly, we see that while states have used different regulations to control their borders, all of these regulations have had a similar effect on the openness of immigration policy toward low-skill workers. The data also confirm the conventional wisdom on the restrictiveness

TABLE 3
FACTOR LOADINGS

Variable	*Factor Loading Immigration Policy*	*Factor Loading Rights of Immigrants*	*Uniqueness*
Nationality	0.3868	0.1451	0.8293
Skill	0.7438	–0.0364	0.4455
Quota	0.4278	–0.431	0.6313
Recruitment	0.5485	0.0713	0.694
Work Prohibitions	0.4264	0.5465	0.5195
Family Reunification	–0.691	0.4365	0.3321
Refugees	–0.4836	0.6175	0.3849
Asylum	–0.4526	0.44	0.6016
Citizenship	0.2434	0.605	0.5747
Other rights	0.4569	0.636	0.3868
Deportation	0.741	0.4097	0.2831
Enforcement	0.7463	–0.079	0.4368

[49] There are four eigenvalues above 1, but the third and fourth eigenvalues do not describe much of the variation (see Appendix A, Table A8, in the supplementary material; Peters 2014c). In this coding, refugees, asylees, and family policies are coded as a 1 until there is a policy on these issues in place. As a robustness check, I code these policies as 5 for years with no policy and 1 once there is another policy in place that would exclude a refugee, asylee, or family reunification immigrant. This coding produced just one factor, which correlates with the coding of immigration policy at 0.9. Additionally, the data for eight countries were recoded by a second coder; the two codings correlate at 0.9.

[50] The first factor correlates highly (at 0.95) with a standardized average of nationality, skill, quota, recruitment, work prohibitions, deportation, and enforcement.

[51] Combining the data from the nineteenth century through today as well as combining data from the different countries can lead to compression of recent changes.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms.
https://doi.org/10.1017/S0043887114000331

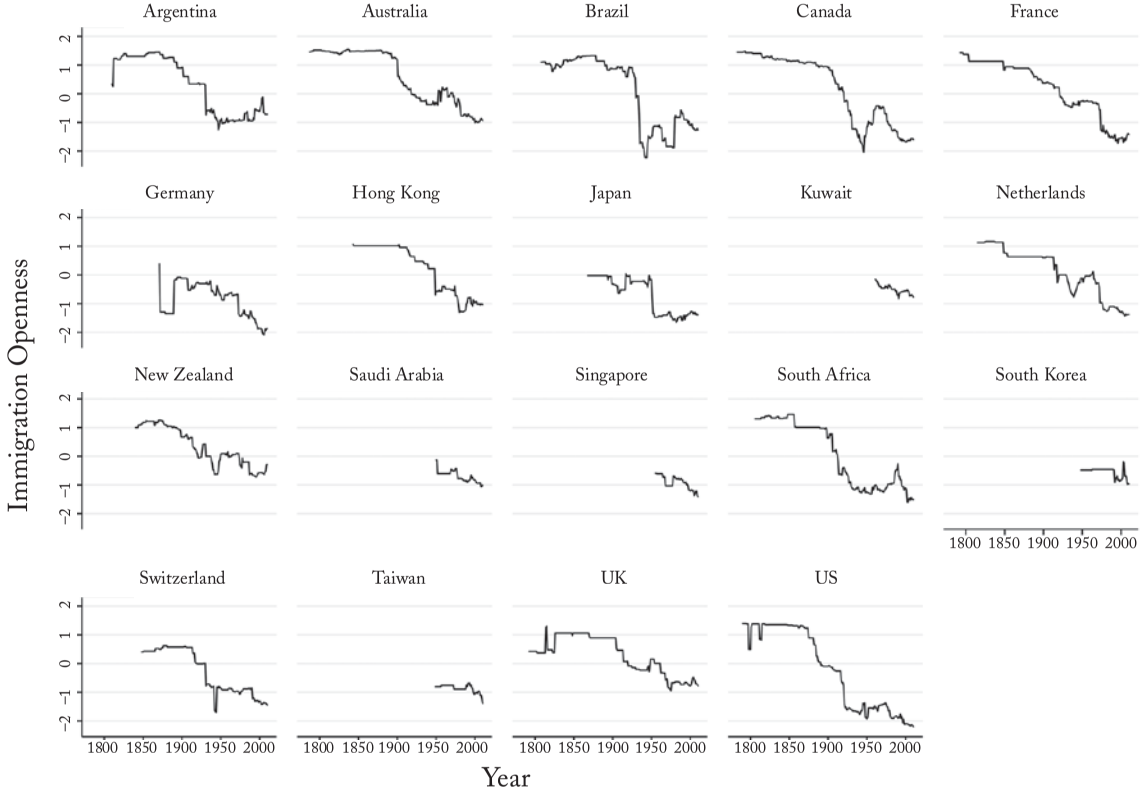

FIGURE 4
IMMIGRATION POLICY FOR EACH STATE[a]

[a] Higher values denote a more open policy. Data coded by author.

of immigration policy; among the states that had control of their immigration policy in the nineteenth century, that policy is more restrictive today than it was back then.[52] Moreover, most states have increasingly adopted restrictions, at least since the end of the Bretton Woods era in the early 1970s.

The policy coding may seem, at first glance, to be at odds with immigrant flows. By measures of stocks, Saudi Arabia and Kuwait, with 25 percent and 62 percent of their population foreign-born, respectively, should be very open.[53] Similarly, the United States looks as open today as it did a hundred years ago if we examine the total flows.[54] However, we must ask what the proper counterfactual level of immigration in the absence of these restrictive policies is.

The counterfactual level of immigration would likely be much higher than the actual level if policy was less restrictive. Transportation costs have dropped precipitously with the rise of air travel, rising incomes worldwide have released the poverty trap that kept many from migrating, and globalization has increased flows by disrupting the traditional economy of sending states.[55] Thus it is not surprising that surveys find that 13 percent of people worldwide want to migrate, whereas 3 percent have migrated.[56]

Nonetheless, I expect that the policy correlates with flows once I control for the demand to immigrate. As a simple test (Figure 5), I plot immigration policy and flows per million dollars of gross domestic product (GDP) for a small sample of country-years for which flow data is available: the OECD states along with a longer time series for the US and Canada.[57] Standardizing by GDP I control for the demand to migrate due to economic growth in the receiving state.[58] Additionally, we can get a sense of what the counterfactual demand for immigration might be if firms used the same amount of labor per million dollars produced today as they did in the past.

From the immigrant flow data, three things can be observed. First, immigration per million dollars has been shrinking in many states. For example, there were 14 immigrants per million dollars of GDP in Canada and 8.7 per million dollars in the US at the height of immigration

[52] Hatton and Williamson 2005; Hatton and Williamson 2008.
[53] Ratha and Xu 2008.
[54] Office of Immigration Statistics 2010.
[55] Sassen 1988.
[56] Survey data are from Clifton 2014. Migrant stock data are from United Nations Development Program 2009.
[57] Flow data is from Citizenship and Immigration Canada 2011; Fitzgerald, Leblang, and Teets 2014; Office of Immigration Statistics 2010.
[58] Massey et al. 1993. The results are similar if we use flows standardized by GDP per capita.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms.
https://doi.org/10.1017/S0043887114000331

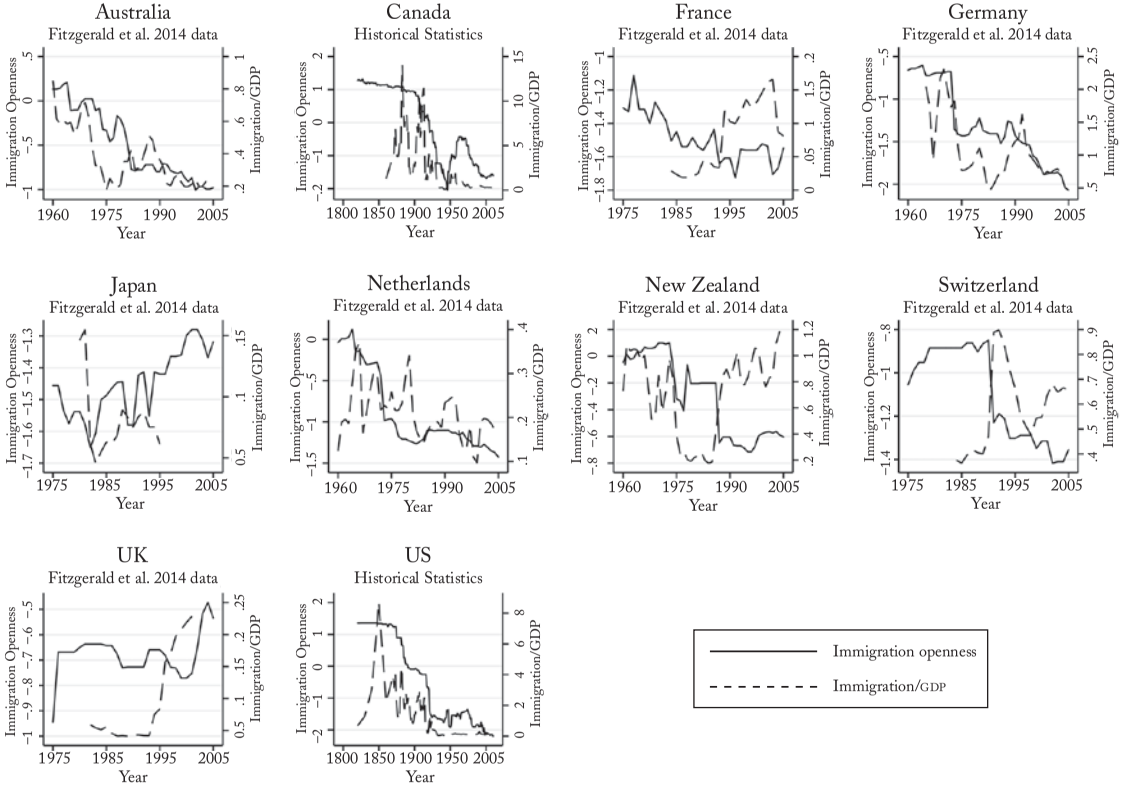

FIGURE 5
IMMIGRATION POLICY AND IMMIGRANT FLOWS OVER GDP[a]

[a]Immigrant flows are standardized by million dollars of GDP. Higher values denote a more open policy and greater flows. Immigration openness coded by author. Immigrant flow data are from Citizenship and Immigration Canada 2011; Fitzgerald, Leblang, and Teets 2014; and Office of Immigration Statistics 2010. GDP data are from Maddison 2011.

in the nineteenth century, whereas today there are 0.29 per million dollars of GDP in Canada and 0.12 in the US. Thus, if there were as many immigrants per dollar of the economy today, there would be 48.3 and 72.5 times as many immigrants in Canada and the US, respectively. Figure 5 additionally shows that states can open their borders but immigrants will not necessarily respond. For example, when immigration is very open, as was the case in Canada and the US in the nineteenth century, immigration fluctuated with the state of the economy, even when controlling for GDP. Finally, states can also increase restrictions without affecting the flow due to factors beyond their control. For example, the flow of migrants to France jumped in the early 1990s even though policy remained restricted, largely due to the Algerian civil war.

Nonetheless, immigrant flows standardized by GDP correlates well with immigration policy. I regress the standardized flows on immigration policy in a simple model with fixed effects. The coefficient on policy is 1.43 ($p = 0.007$). Thus, a one standard deviation increase in immigration policy for these countries leads to 1.43 more immigrants per million dollars of GDP.

Examination of the flows standardized by GDP also confirms some of the counterintuitive results of the policy variable. For example, the US is coded as having the most restrictive policy in the 2000s. The conventional wisdom is that the US is much more open to immigration than most other states, especially European states. Yet, when we examine the flows over GDP in this decade, we see the US is the most restrictive country in comparison to the European liberal democracies. From 2000 to 2010, flows to the US averaged 0.12 immigrants per million dollars of GDP, while in contrast Australia averaged 0.22, France 0.13, Germany 0.74, the Netherlands 0.19, New Zealand 0.95, Switzerland 0.64, and the UK 0.22. While US politicians often play up the immigrant character of the country and European politicians often understate it, it appears that Europe is more open, and in some cases much more open, to immigrants than is the US.

As shorthand to explain the immigration policies of the different states, I group the states into four categories—settler states, European liberal democracies, export-oriented industrializers, and rentier states—that tend to use similar regulations and tend to have similar trade policies. The settler states consist of the land-abundant states of the New World: Argentina, Australia, Brazil, Canada, New Zealand, South Africa, and the United States. The European liberal democracies consist of capital-abundant states: France, Germany, the Nether-

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

lands, Switzerland, and the United Kingdom. In the third group—the export-oriented industrializers—are states that industrialized by orienting their markets to export goods: Hong Kong, Japan, Singapore, South Korea, and Taiwan. Finally, there are the natural resource rentier states of Kuwait and Saudi Arabia.

The settler states and the European liberal democracies were open to low-skill immigrants throughout most of the nineteenth century, but began to restrict their borders prior to World War I. Most of these policies were strengthened during the interwar period, especially during the Great Depression. After World War II, these states reopened their doors to some extent before closing them again; however, immigration policy was never open to the same extent that it was prior to World War I. While much of the literature argues that due to their history as "ethnic states," European countries have more restrictive policies than settler states, I find that this is not the case. The European liberal democracies analyzed in this study had only slightly more restrictive policies than those states during the nineteenth and early twentieth centuries, leading to large in-flows of immigrants.[59] In the twentieth and early twenty-first centuries, Europe again was not more restrictive than the settler states; in fact, as mentioned above, many of the European states were relatively more open to immigrants than the United States. The export-oriented industrializers comparatively had relatively restrictive policy immediately after World War II; they relaxed these policies in the 1970s and 1980s but have restricted immigration since then. Finally, the rentier states had relatively open immigration policies after World War II but have been restricting immigration since the 1980s as well.

In sum, the immigration policy data show that even though these groups of states have used different immigration policies, all states restrict immigration more today than previously. What accounts for these restrictions?

[59] See Cross 1983 and Libet 1995 on flows to France; Bade 1987 and Herbert 1990 on flows to Germany; Caestecker and Moore 2010 and Lucassen and Penninx 1997 on flows to the Netherlands; Holmes 1988 and Vuilleumier 1992 on flows to Switzerland; and Walvin 1984 on flows to Great Britain. Further, Ferenczi 1929 estimates that more than 700,000 migrants from Europe arrived in Great Britain between 1891 and 1905; that on average there were more than 200,000 foreign workers each year in France between 1920 and 1924; that almost 3.6 million alien workers entered Germany between 1910 and 1924; and that more than a million immigrants, not including immigrants from Dutch colonies, entered the Netherlands between 1865 and 1924.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

The History of Immigration and Trade Policy

Using the immigration policy variable, I next examine how immigration and trade policy have been used over time (Figure 6). Trade policy is measured as the percent of imports that are not dutied.[60]

The nineteenth century was generally an era of relatively closed trade but open immigration. For the most part, states chose to restrict trade for reasons orthogonal to immigration policy: they needed to generate revenue—most states lacked the administrative capacity to use other forms of taxation—and to provide a barrier behind which domestic industry could develop. Barriers to trade were exacerbated by the relatively high cost of shipping and lack of communications technology as well. These barriers increased the size of domestic industry. The increase in labor-intensive industries led to increased wages and calls from business for increased immigration.[61] For example, in 1875, Otto von Bismarck increased tariffs as a way to undermine the free-trade National Liberals and increase the German government's revenue.[62] The reasons for opening trade in this case were largely orthogonal to immigration; Bismarck had pushed for a relatively restrictive immigration policy, including mass expulsions of Poles, a few years prior to this change. Not long after the change in tariff policy, Germany began to reopen its borders to Polish guest workers. The main exception to this pattern is the UK, which had more open trade policies but more restrictive immigration policies than most states and, in 1905, was one of the first states to greatly restrict immigration. France also had more open trade during the middle of the nineteenth century, and it too had a more restrictive immigration policy than most other states.

At the end of the nineteenth century and in the interwar period, states closed their doors to immigrants and, after the Great Depression, to trade as well. Immigration restrictions were driven by several factors. Laborsaving technology likely decreased the need for labor. Improvements in shipping and communications technology decreased natural trade barriers, and more open trade policies decreased labor-intensive production in some states. The Great Depression was the final blow, leading to autarkic trade and immigration policies. Even

[60] Tariff data is from Clemens and Williamson 2004 and was updated by the author. As a robustness check, I have also used membership in the General Agreement on Tariffs and Trade/World Trade Organization as a measure of trade policy and found similar results. See Peters 2011.

[61] Immigration openness, of course, was also driven by other factors. Settler states saw immigration as a way to increase their hold on their territory. Similarly, in the time of the mass army (1859–1970), France opened immigration as a way to increase its population in response to security threats. Weil 2001.

[62] Rogowski 1989, 40.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms.
https://doi.org/10.1017/S0043887114000331

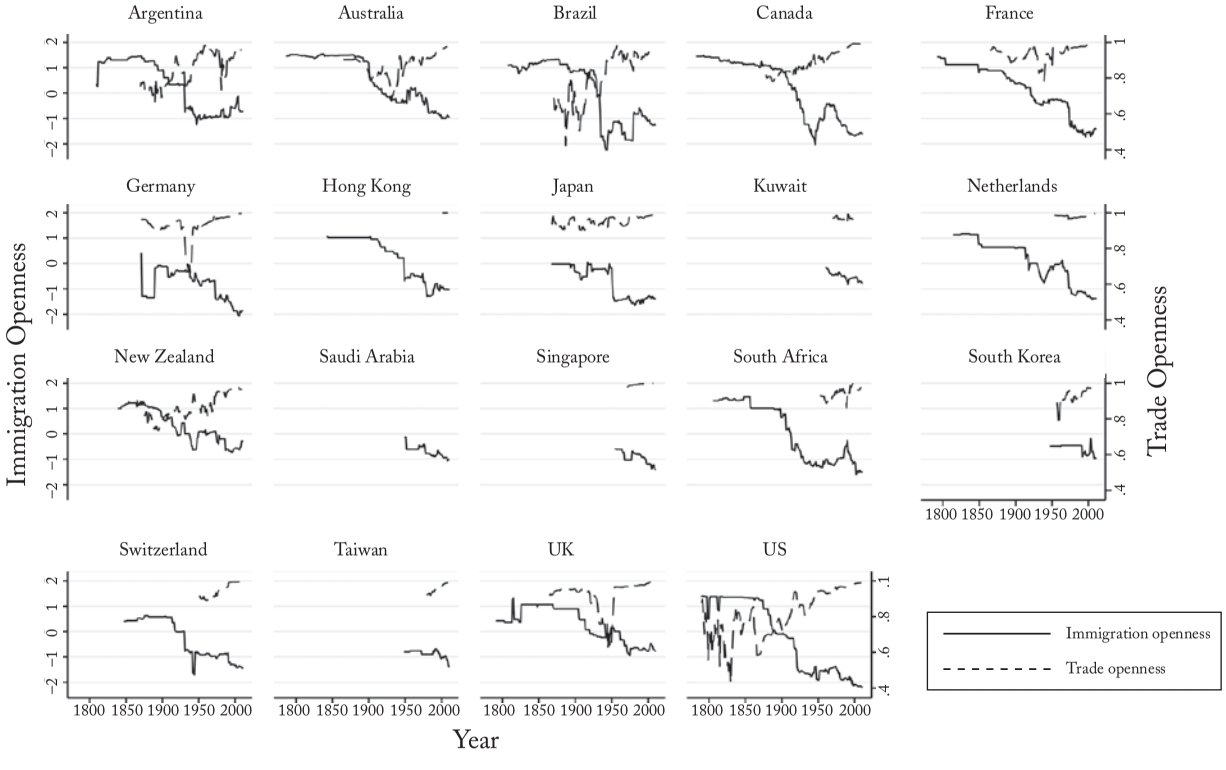

FIGURE 6
TRADE AND IMMIGRATION POLICY [a]

[a] Higher values denote a more open policy. Immigration openness coded by author. Trade openness is 1 minus the ad valorem tariff rate. Tariff data are from Clemens and Williamson 2004.

though the argument predicts that closed trade should lead to more open immigration, we have reason to believe that this would not happen during a recession or depression. Most firms were not planning to expand production and those that did could likely use native, unemployed workers. Once the unemployment rate returned to its natural level we would expect firms to lobby for more open immigration.

After World War II, most states increasingly adopted policies of open trade but restricted immigration. Again the changes to trade policy were largely orthogonal to immigration policy: many in the West, including Cordell Hull, the US Secretary of State under President Franklin Roosevelt; Harry Dexter White, the lead US representative at the Bretton Woods conference; and John Maynard Keynes, the lead British representative at Bretton Woods, believed that opening trade was a matter of national security for both the US and Western Europe and would help rebuild Europe and bind together Western economies, especially the economies of France and Germany.[63] Similarly, the EU was conceived to increase trade in hopes of avoiding yet another European conflict. In comparison, migration, beyond the resettlement of refugees, was not addressed as part of the postwar order—freedom of movement was similarly heavily restricted in the early days of the predecessor to the EU, the European Coal and Steel Community (ECSC)[64]—in part because the US was unwilling to lead on immigration due to opposition in Congress[65] and in part because many other states were unwilling to reopen immigration due to fears of large flows of poor refugees. Thus, trade was opened and institutionalized largely to unite and develop the West in face of the communist threat, a fear orthogonal to immigration.

As the Western economies regained their footing in the 1950s, many settler and European states opened their economies to a small degree to immigration. This openness may have allowed their labor-intensive firms to remain competitive, and in turn allowed these countries to further open trade. But there was a backlash to immigration and it was again restricted with the recessions of the late 1960s and early 1970s. Immigration in the twentieth century, however, was never opened as far as it had been in the nineteenth century, and today is relatively restricted while trade is open.

The export-oriented economies also followed a pattern similar to that of the European liberal democracies, about twenty years later. In the 1950s and 1960s, these states opened their economies to some

[63] Barton et al. 2006; Ikenberry 2001.
[64] Geddes and Money 2011.
[65] Holborn 1965.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

trade but kept their currencies undervalued, which acted as a trade barrier. As standards of living and wages rose and more states industrialized, the export-oriented states began to open immigration slightly in an attempt to maintain their competitive edge. Firms in these states continued to lose ground due to exogenous changes in the world economy, especially the rise of China. Japan's competitiveness was also affected by US pressure to revalue the Japanese currency. In most of the export-oriented economies, the competitive pressures combined with a backlash against immigration led these states to restrict it.[66] The rentier states, in contrast, kept trade relatively restricted and opened their borders to workers of all skill levels after World War II. Recently the rentier states have shifted to more restrictive immigration policies in order to develop high-skilled service economies while increasing their openness to trade.

Table 4 examines the relationship between trade and immigration policy more rigorously, by regressing immigration policy on trade policy using an ordinary least squares (OLS) model.[67] Each model contains country and year fixed effects to capture unchanging country characteristics and yearly shocks. In addition, a linear time trend for each state is included to ensure that the relationship is not spurious.[68] Also included are polity as a measure of regime type, GDP growth, and an indicator variable for war.[69] Model 1 examines all years of the data, while the next six models examine each historical era from preglobalization through the post–Bretton Woods era.

Over all years, we see a negative and statistically significant relationship between trade and immigration. A change in trade openness from the 25th percentile to the 75th percentile, or from a 17 percent average tariff level to a 4 percent average tariff level, leads to a −0.39 (95 percent confidence interval −0.64 to −0.15) change—about half a standard deviation change—in immigration policy. We also see a negative and statically significant relationship between trade and immigration if we

[66] For example, the Japanese relaxed immigration restrictions with laws that allowed companies to hire foreign low-skill "trainees" in 1989 and allowed Nikkeijin, descendants of Japanese emigres, to work in Japan for three years in 1990. After the start of the Great Recession in 2008, Japan cut the trainee program drastically and paid Nikkeijin to return to their country of origin.

[67] These results are robust to using a structural equation model (SEM) with latent immigration policy as the dependent variable. See Appendix A, Table A4 in the supplementary material; Peters 2014c. The SEM analysis ensures that the results are not driven by the way I combine the twelve dimensions.

[68] For example, the linear time trend variable takes a value of 1 for Saudi Arabia in 1950 and a value of 161 for the US in 1950. The results are robust to excluding the linear time trend or including a five-year moving average of lagged immigration policy. See Appendix A, Table A3 in the supplementary material; Peters 2014c.

[69] Maddison 2011; Marshall, Gurr, and Jaggers 2011; Sarkees 2000.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

TABLE 4
IMMIGRATION POLICY REGRESSED ON TRADE POLICY BY ERA

	All Years	*Pre-globalization*	*19th Cen. Globalization*	*Interwar*	*Bretton Woods*	*Post–Bretton Woods*	*Post–Bretton Woods, w/o Argentina*
Trade Openness	−3.04**	−1.81*	−1.68*	−3.25+	−1.27*	−1.33	−3.60**
	(0.89)	(0.67)	(0.58)	(1.66)	(0.55)	(1.20)	(1.13)
Years since Inclusion	−0.02***	−0.00	−0.02***	−0.03**	0.02	−0.01***	−0.01**
	(0.00)	(0.01)	(0.00)	(0.01)	(0.01)	(0.00)	(0.00)
Polity	0.01	0.06*	0.15	0.02	0.02+	0.01+	0.01
	(0.01)	(0.02)	(0.09)	(0.02)	(0.01)	(0.00)	(0.01)
GDP Growth	0.17	0.18	0.19	−0.16	0.03	0.16	0.01
	(0.16)	(0.16)	(0.12)	(0.33)	(0.36)	(0.18)	(0.16)
War	0.17	0.96	0.00	0.2	−0.01	−0.03	−0.03
	(0.12)	(0.52)	(0.05)	(0.21)	(0.09)	(0.04)	(0.04)
Constant	4.32***	2.07*	2.79***	6.02*	−1.97	1.78	3.74**
	(0.89)	(0.81)	(0.52)	(1.95)	(1.45)	(1.21)	(0.92)
Country FE	yes	yes	yes	yes	yes	yes	yes
Year FE	yes	yes	yes	yes	yes	yes	yes
Observations	1577	77	297	298	325	580	548
R^2	0.77	0.64	0.53	0.55	0.30	0.36	0.48

Robust standard errors in parentheses; + p<0.10, * p<0.05, ** p<0.01, *** p<0.001

examine each era. Argentina is an outlier in the post–Bretton Woods period and is excluded from the regression in model 7.[70] After the end of its military dictatorship in 1983, Argentina adopted neoliberal economic policies and opened immigration by repealing the draconian enforcement policies of the dictatorship. Most recently, Argentina has restricted immigration, in line with the argument of this article.

The statistical significance of trade in each of the eras should give us greater confidence that we are discovering a true relationship between trade and immigration, not one caused by an omitted variable. In terms of our major systemic variables, the eras were marked by multipolarity, bipolarity, and unipolarity, and periods of economic hegemony; had different exchange rate regimes; and had different systemic levels of capital openness.[71] The relationship between trade and immigration

[70] The results in Table 4 are robust to estimation techniques that reduce the weight of outliers. See Appendix A, Table A5 in the supplementary material; Peters 2014c.

[71] Capital mobility may also affect immigration policy by giving firms the option of taking their capital to labor rather than bringing labor to capital. To do this, firms need to be able to move out of their home country and into another country; the systemic level of capital openness controls for this hypothesis. See Rajan and Zingales 2003 for a similar estimation strategy.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

also holds if we examine other major theories of immigration, and holds through different waves of emigration from Asia, Europe, and Latin America; through wars and peacetime; and through good economic times and bad.

We can have some confidence that the relationship is driven by trade affecting immigration rather than immigration affecting trade. First, as discussed above, if immigration is the driver of trade policy, we would expect immigration and trade policy to be complements or for there to be no relationship between the two; they should not be substitutes. Second, as discussed above, a country's trade policy is often driven by reasons orthogonal to immigration policy.

Table 4 also provides evidence for an auxiliary hypothesis from the argument and from the literature. There is a negative and statistically significant coefficient on the years since the inclusion variable, which may signal the effect of changes in laborsaving technology.[72] We can also conclude that there is no statistically significant effect of regime type (as measured by the Polity IV Project). This is somewhat surprising. Scholars since Karl Polanyi have argued that the enfranchisement of the masses leads policymakers to choose policies that benefit the average citizen.[73] Greater democratization should lead to more immigration restrictions according to this logic, as immigrants compete with natives for scarce jobs.[74] That is not what we see, though this may be due to how Polity codes democracy. Further, there is no effect of GDP growth on immigration—states close their doors to immigrants in good times and bad—and there is no effect of engaging in a war.

What about other explanations in the literature for immigration policy? One set of alternative explanations argues that societies see themselves as either immigrant or nonimmigrant states and that these identities affect the politics of immigration.[75] One way to examine these identities is through the country fixed effects included in the above regression, reestimated without a constant. The fixed effects on their own have relatively little meaning; what is important is their relative size. All of the fixed effects are positive, statistically significant, and of similar magnitudes (Table 5). For interpretation, Singapore can be used as the reference category; Taiwan has a similar baseline preference

[72] Cross-national data on productivity are relatively scarce. Using data from Comin and Hobijn 2009, I find a negative and statistically significant relationship between measures of technology adoption and immigration policy for the few states for which the data are available. See Peters 2011.

[73] Polanyi 1944.

[74] See also Hatton and Williamson 2005.

[75] See Freeman 1995; Zolberg 2006.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

TABLE 5
FIXED EFFECTS BY COUNTRY IN ORDER OF SIZE[a]

State	*Coefficient*	*Standard Error*
Singapore	2.63***	(0.21)
Taiwan	2.64***	(0.19)
South Korea	2.79***	(0.19)
Kuwait	2.98***	(0.21)
Germany	3.00***	(0.19)
Japan	3.24***	(0.2)
Switzerland	3.58***	(0.19)
US	3.64***	(0.19)
South Africa	4.12***	(0.2)
Brazil	4.15***	(0.18)
New Zealand	4.20***	(0.19)
Netherlands	4.35***	(0.2)
Argentina	4.39***	(0.2)
Canada	4.45***	(0.2)
France	4.58***	(0.21)
Australia	4.72***	(0.19)
UK	4.85***	(0.2)

Model runs without a constant so that all fixed effects could be reported; + p<0.10, * p<0.05, ** p<0.01, *** p<0.001

[a]Groupings denote whether coefficients are statistically different from each other. Saudi Arabia and Hong Kong are dropped due to lack of trade data.

for immigration as Singapore, and all other states have a baseline preference for greater openness. These patterns do not directly conform to the previous hypotheses about why these different identities exist: the export-oriented and rentier states have smaller baseline preferences than the settler states, and there is little pattern to the size of the fixed effects of the European liberal democracies.

Another set of explanations examines the role that interest groups play. These theories argue that interest groups compete to open or close immigration based on their preferences, and that policy reflects groups' relative power. The literature suggests that there are four groups, besides firms, that affect immigration (and also trade) policy: native labor, taxpayers, nativists, and immigrants themselves. Nonetheless, I expect that trade policy should still have its predicted effect when controlling for these variables. Table 6 examines the relationship between trade and immigration while including these variables. Most of these variables are only available for OECD states for 1950–1995. The Gini coefficient is only available after 1972 and is included in models 3 and 4.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

TABLE 6
IMMIGRATION POLICY REGRESSED ON TRADE POLICY AND ALTERNATIVE EXPLANATIONS FOR OECD STATES 1951–1995[a]

DV: Immigration Policy	*Model 1 Bretton Woods*	*Model 2 Bretton Woods*	*Model 3 Bretton Woods*	*Model 4 Post–Bretton Woods*	*Model 5 Post–Bretton Woods*	*Model 6 Post–Bretton Woods*
Trade Openness	2.67	−1.04	3.5	−6.23+	−6.63*	−4.44*
	(2.39)	(0.98)	(2.09)	(3.14)	(2.08)	(1.59)
Years since Inclusion	0.00	0.01	0.04**	−0.00	−0.01	−0.03***
	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)	(0.00)
Polity	0.01	0.03*		−0.18**	−0.21***	
	(0.01)	(0.01)		(0.05)	(0.04)	
GDP Growth	0.25	−0.41	−0.73	2.12+	1.47	1.22
	(0.37)	(0.48)	(0.74)	(1.12)	(0.85)	(0.72)
War	0.07	−0.03	−0.03	0.05	0.06	0.01
	(0.10)	(0.09)	(0.14)	(0.06)	(0.06)	(0.09)
Welfare Taxes		−0.05	−0.14*		−0.02	−0.02
		(0.03)	(0.04)		(0.01)	(0.02)
Union Density		−1.53	−0.38		−2.03+	−2.14+
		(2.05)	(1.00)		(0.92)	(1.02)
Center Parties		0.07	0.06+		0.05+	0.06*
		(0.07)	(0.03)		(0.03)	(0.03)
Right Parties		0.05	0.10*		0.08*	0.07*
		(0.04)	(0.03)		(0.03)	(0.03)
Lagged Immigrants (100,000s)			−0.01			−0.03***
			(0.01)			(0.01)
Gini					−0.00	−0.00
					(0.00)	(0.00)
Constant	−4.03	−0.4	−10.54*	7.35*	10.31**	8.54**
	(2.44)	(2.70)	(3.48)	(2.47)	(2.18)	(2.43)
Observations	179	191	62	207	154	122
R^2	0.22	0.32	0.86	0.48	0.62	0.8

Robust standard errors in parentheses. + p<0.10, * p<0.05, ** p<0.01, *** p<0.001
[a] Polity dropped from some models due to collinearity.

As above, I split the sample into the Bretton Woods and post–Bretton Woods era to control for systemic-level variables.

First, the negative relationship between trade and immigration policy remains in the post–Bretton Woods period when I control for these other interest groups. In the Bretton Woods period, Australia, Canada, France, Germany, Japan, the Netherlands, Switzerland, the UK, and the US changed their immigration policies very little (Figure 7), leading to the null results. In contrast to Table 4, polity now has a statisti-

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms.
https://doi.org/10.1017/S0043887114000331

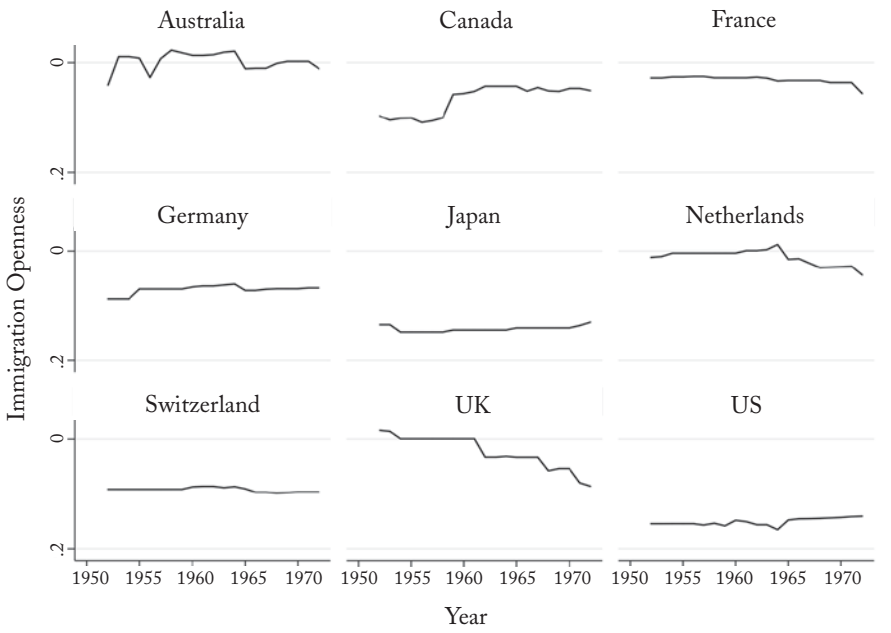

FIGURE 7
IMMIGRATION POLICIES IN OECD STATES, 1951–1972 [a]

[a] Higher values denote a more open policy. Immigration openness coded by author.

cally significant effect, driven by small changes in France's score, and should be judged skeptically.

Next, I examine the role that unions play. Unions oppose immigration because immigrants compete with native labor for jobs, and as unions gain strength, they force policymakers to increase the barriers to immigration.[76] I include net union density from Miriam Golden, Peter Lange, and Michael Wallerstein to measure the strength of labor (Table 6, models 2, 3, 5 and 6).[77] The coefficient on unions is in the hypothesized direction and is not statistically significant in models 2 and 3 but is significant in models 5 and 6. This suggests that unions play an anti-immigrant role in the polity.[78] Similarly, Ashley Timmer and Jeffrey Williamson argue that immigration increases income inequality, which in turn leads voters to push for increased restrictions.[79] There

[76] Briggs 2001.

[77] I use the union density measure because it is comparable across countries and covers a greater number of years and countries. Golden, Lange, and Wallerstein 2009.

[78] Facchini, Madram, and Mishra 2011 similarly find that US sectors with greater union membership get fewer immigration visas.

[79] Timmer and Williamson 1998.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

is less support for this argument; the Gini coefficient does not have a substantively or statistically significant effect on immigration policy.[80]

Other scholars have focused on the fiscal costs of immigrants. They argue that citizens oppose immigration because immigrants are thought to consume more government services than they provide in tax revenue.[81] I use Thomas Cusack's measure of taxation for social spending to examine this hypothesis (Table 6, models 2, 3, 5 and 6).[82] Increasing the size of the welfare state is correlated with immigration restrictions but it is only statistically significant in model 3.

Immigration also changes the national culture, which is threatening to nativist members of society. As a proxy for nativism, I examine the ideology of the party in power, as nativists tend to join right-wing parties. If the nativist hypothesis is correct, immigration should be more restrictive under right-wing parties.[83] I find the opposite of the hypothesized effect; right parties are more supportive of immigration than left-wing or center parties.[84] Both right- and left-wing parties are often split on immigration: right-wing parties often represent both nativists and economic liberals and left-wing parties often represent both cosmopolitans and labor unions. Regarding immigration, however, labor unions tend to be a more powerful interest group on immigration than cosmopolitans, for whom immigration is not often a salient issue. It may be the case that left-wing parties are pulled in the anti-immigration direction more than right-wing parties.

The final set of interest groups discussed in the literature is immigrant groups. Immigrants often want open immigration so that family members or coethnics can enter the state and/or so that their own place within society will be secure; when immigrants are more powerful, immigration policy should be more open.[85] As with nativism, it is difficult to explicitly test the strength of immigrants. In Table 6, I include the total flow of immigrants each year for OECD countries (lagged five years due to the endogeneity of flows to policy). If immigrants play a role in immigration policy, an increase in their number should increase their

[80] As a robustness check, I also include the top ten percent income share and find similar results. See Peters 2011.

[81] Conconi et al. 2012; Hanson, Scheve, and Slaughter 2007; Hatton and Williamson 2008; Money 1999.

[82] Cusack 2000a.

[83] The data on parties are from Cusack 2000b.

[84] Conconi et al. 2012 find that in the US Democrats are more supportive of immigration than Republicans; however, Peters 2014a finds that Democrats only became more proimmigration in the late 1970s and that most of the partisan divide can be explained by differences in the exposure of firms in senators' districts to trade pressure and their ability to outsource production.

[85] Tichenor 2002.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

power. Alternatively, if an increase in immigration leads to increased nativism, then an increase in immigration should lead to a more restrictive immigration policy. I find that an increase in the total flow of immigrants leads to a more restrictive policy in the post–Bretton Woods era.[86] This suggests, as argued above, that if immigration policy is opened too far, policymakers will face a backlash, leading to a less open policy.[87]

As a final test, I examine whether the relationship between trade and immigration is generally in equilibrium—that is, whether a shock to trade policy leads to an adjustment in immigration policy and whether a shock to immigration policy leads to an adjustment in trade policy. To examine this relationship, I use an error correction model (ECM), following the Engle-Granger method, on the relationship between immigration policy and tariffs (Table 7). The ECM tests for cointegration, that is, it tests whether—even if both series are increasing or decreasing over time—they are increasing or decreasing together. I estimate the model on tariff levels rather than trade policy—as tariffs increase, so too should immigration policy and vice versa—as most ECM models examine phenomena that move in the same direction. The data on immigration policy and tariffs have been scaled so that their distributions have the same magnitude. Model 1 examines all the data and models 2 and 3 split the sample before and after World War II. Before World War II, states changed their immigration policy relatively infrequently, occurring in about 25 percent of the country-years. After World War II, as was the case with many policy areas, states changed their immigration policy much more frequently, in about 75 percent of the country-years. This suggests that these two eras should be estimated separately. In contrast, tariffs change relatively frequently due to both policy and price changes. From the data, it appears that the zero lag model is appropriate for all time periods.[88]

From Table 7 it is clear that in all the data, tariffs and immigration policy are linked—the error correction term is statistically significant for both policies in the first and third models and is statistically significant for tariffs in the second model. Further, as expected, the terms are in opposite directions, showing that the two flows will continue to

[86] Conconi et al. 2012 find that members of Congress from districts with a larger number of immigrants are more proimmigration; however, Peters 2014a finds no effect of the number of immigrants.

[87] As a robustness check, I examine the power of only those immigrants who can gain citizenship. I recode the immigration policy variable excluding citizenship and regress it on the measure of citizenship and find similar results. See Appendix A, Table A7 in the supplementary material; Peters 2014c.

[88] A test for a five-year lag and a two-year lag for the pre–World War II and post–World War II eras, respectively, are significant at $p<0.1$ and are found in Appendix A, Table A8 in the supplementary material; Peters 2014c.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

TABLE 7
ERROR CORRECTION MODEL OF IMMIGRATION AND TRADE POLICY BY ERA

DV: Δ Immigration Policy	*Model 1 All*	*Model 2 Pre-1945*	*Model 3 Post-1946*
EC	−0.01**	−0.00	−0.03***
	(0.00)	(0.01)	(0.01)
Constant	−0.30***	−0.44***	−0.17*
	(0.05)	(0.09)	(0.07)
Observations	1783	839	944
R^2	0.01	0.00	0.02
DV: Δ Tariffs			
EC	0.02***	0.02**	0.01*
	(0.00)	(0.01)	(0.01)
Constant	−0.06	0.00	−0.13*
	(0.06)	(0.11)	(0.05)
Observations	1756	840	916
R^2	0.02	0.01	0.01

Residuals calculated from regressions on all years, pre-1946 and post-1946, respectively. Robust standard errors in parentheses; + p<0.10, * p<0.05, ** p<0.01, *** p<0.001

increase or decrease together after shocks to either policy occur. This means that if tariffs are decreasing (increasing) over time, immigration openness should also decrease (increase). In models 1 and 2, the error correction term, also known as the speed of adjustment term, is larger in the tariff regression. There is more variation, however, in tariffs than in immigration policy (that is, the standard deviation of tariffs is larger than that of immigration policy), meaning that a change in the error correction term has a relatively larger effect on immigration policy than on tariffs. This suggests that immigration and tariff policies respond to shocks in each other at the same relative rate in all the data. In the post–World War II era, immigration policy and tariff policy have about the same level of variation (that is, their standard deviations are about equal) and thus, immigration policy has responded to trade policy faster than trade policy has responded to immigration policy. Overall, the error correction model shows that trade and immigration policies have been linked over the last two hundred years.

CONCLUSION

States' immigration policies do not conform to the patterns that political analysts expect—sometimes immigration policy responds to in-

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms.
https://doi.org/10.1017/S0043887114000331

creases in democracy, sometimes it responds to economic conditions, sometimes to increased nativist sentiment, and so on—because these expectations rely on variation in domestic factors to explain immigration policy and ignore the international context in which policy is made. This article argues that other foreign economic policies cannot be ignored: immigration policy cannot be understood without considering the effects of trade policy on a nation's economy.

By examining data on immigration policy in all its forms, comparable across countries and time, I find that trade and immigration policy are substitutes both economically and politically. The increased use of technology has allowed firms to use less labor, leading to greater immigration restrictions as well. This article additionally examines existing theories of immigration policy. I find that unions affect immigration policy and high levels of immigration lead to a backlash, as predicted. Most of the other dominant theories of immigration policy, however, are not supported by the data.

Trade and immigration openness should be viewed as substitutes, as economists predict, because of their effects on the national economy and industry, which lead to changing political support for the different policies. Closure to trade leads to greater production of low-skill labor-intensive goods, driving up the demand for low-skill labor and wages and leading to pressure from firms for increased immigration. Openness to trade subjects those same labor-intensive firms to increased competition, leading them to close their doors or become more high-skill intensive. Either way, with more open trade policies, demand for labor is reduced and immigration can be restricted.

While economists argue that trade and immigration policy are substitutes, they make few predictions about how the choice of one policy affects the other policies. This article shows that the sequencing of policies matters because the choice of one policy profoundly affects the domestic political context in which the other policies are made. In the nineteenth century, the choice to restrict trade to generate tax revenue and protect infant industries increased the demand for open immigration. After World War II, the choice to open trade first reduced the demand for open immigration and then allowed policymakers to restrict immigration.

In sum, this article increases our understanding of policy formation by examining the role that international factors play in constructing domestic policy. Economists have long argued that policies that govern the movement of goods, people, and capital are substitutes, yet political scientists have frequently ignored this argument when studying these

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

three policies. Instead, these scholars have mostly focused on domestic factors and have therefore missed the effect that other foreign economic policy choices have on any discrete policy. This article brings these international factors back into focus by arguing that the choice of a given policy can have a path-dependent effect on other policy choices; the sequencing of the policies matters. Immigration policy cannot be understood without examining trade policy. Similarly, trade and other foreign economic policies should be examined in light of immigration policy.

Supplementary Material

Supplementary material for this article can be found at http://dx.doi.org10.1017/S0043887114000331.

References

Bade, Klaus J. 1987. "Labour, Migration, and the State: Germany from the Late 19th Century to the Onset of the Great Depression." In Klaus J. Bade, ed., *Population, Labour, and Migration in 19th- and 20th-Century Germany*. New York, N.Y.: St. Martin's Press, Inc.: 59–86.

Barton, John H., Judith L. Goldstein, Timothy E. Josling, and Richard H. Steinberg. 2006. *The Evolution of the Trade Regime: Politics, Law, and Economics of the GATT and the WTO*. Princeton, N.J.: Princeton University Press.

Bjerre, Liv, Marc Helbling, Friederike Romer, and Malisa Zobel. 2014. "Conceptualizing and Measuring Immigration Policies: A Comparative Perspective." *International Migration Review*. http://dx.doi.org/10.1111/imre.12100.

Bombardini, Matilde. 2008. "Firm Heterogeneity and Lobby Participation." *Journal of International Economics*, 75 no. 2: 329–48.

Briggs, Vernon M. 2001. *Immigration and American Unionism*. Ithaca, N.Y.: Cornell University Press.

Caestecker, Frank, and Bob Moore, 2010. "The Legal Construction of Policy towards Aliens prior to 1933." In Frank Caestecker and Bob Moore, eds., *Refugees from Nazi Germany and the Liberal European States*. New York: Berghahn Books.

Carey, Matthew, ed. 1827. *Alexander Hamilton's Report on the Subject of Manufacturers, Made in his Capacity of Secretary of the Treasury, on the Fifth of December, 1791*, 6th ed. Philadelphia, Pa.: Brown.

Citizenship and Immigration Canada. 2011. "Permanent Residents." In *Facts and Figures 2010*. Ottawa, Canada: Citizenship and Immigration Canada. At www.cic.gc.ca/english/resources/statistics/facts2010/permanent/index.asp#permanent, accessed July 24, 2011.

Clemens, Michael A., Patricia A. Santo Tomas, and Lawrence H. Summers, 2009. "Migrants Count: Five Steps toward Better Migration Data." *Report of the Commission on International Migration Data for Development Research and Policy*, Washington D.C.: Center for Global Development. At www

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

.cgdev.org/files/1422146_file_CGD_migration_FINAL_web.pdf, accessed October 26, 2011.
Clemens, Michael A., and Jeffrey G. Williamson. 2004. "Why Did the Tariff–Growth Correlation Change after 1950?" *Journal of Economic Growth* 9, no. 1: 5–46.
Clifton, Jon. 2014. "More Than 100 Million Worldwide Dream of a Life in the US" *Gallup World*. At www.gallup.com/poll/161435/100-million-worldwide-dream-life.aspx, accessed May 22, 2014.
Comin, Diego A., and Bart Hobijn. 2009. "The CHAT Dataset." Working Paper Series, Working Paper no. 15319. Cambridge, Mass.: National Bureau of Economic Research. At www.nber.org/papers/w15319.pdf, accessed May 26, 2011.
Conconi, Paola, Giovanni Facchini, Max Steinhardt, and Maurizio Zanardi. 2012. "The Political Economy of Trade and Migration: Evidence from the US Congress." CEPR Discussion Paper DP9270. At www.cepr.org/pubs/dps/DP9270.asp, accessed June 9, 2014.
Copelovitch, Mark, and Jon C. Pevehouse. 2013. "Ties that Bind? Preferential Trade Agreements and Exchange Rate Policy Choice." *International Studies Quarterly* 57, no. 2: 385–99.
Cross, G. S. 1983. *Immigrant Workers in Industrial France: The Making of a New Laboring Class*. Philadephia, Pa.: Temple University Press.
Cusack, Thomas R. 2000a. *General Government Taxation Dataset*. Berlin, Germany: Wissenschaftszentrum Berlin für Sozialforschung. At http://www2000.wzb.eu/alt/ism/people/misc/cusack/d_sets.en.htm, accessed May 26, 2011.
———. 2000b. *Center of Political Gravity Dataset*. Berlin, Germany: Wissenschaftszentrum Berlin für Sozialforschung. At http://www2000.wzb.eu/alt/ism/people/misc/cusack/d_sets.en.htm, accessed May 26, 2011.
Facchini, Giovanni, Anna Maria Mayda, and Prachi Mishra. 2011. "Do Interest Groups Affect US Immigration Policy?" *Journal of International Economics* 85, no. 1: 114–28.
Facchini, Giovanni, and Gerald Willmann. 2005. "The Political Economy of International Factor Mobility." *Journal of International Economics* 67, no. 1: 201–19.
Feenstra, Robert C., and Gordon H. Hanson. 1996. "Globalization, Outsourcing, and Wage Inequality." *The American Economic Review* 86, no. 2: 240–45.
Ferenczi, Imre. 1929. "Introduction and Notes." In Walter F. Wilcox, ed., *International Migrations, Volume I: Statistics.* New York, N.Y.: National Bureau of Economic Research.
Fitzgerald, Jennifer, David Leblang, and Jessica C. Teets. 2014. "Defying the Law of Gravity: The Political Economy of International Migration." *World Politics* 66, no. 3: 406–45.
Freeman, Gary P. 1995. "Modes of Immigration Politics in Liberal Democratic States." *International Migration Review* 29, no. 4: 881–902.
Frieden, Jeffry A. 2006. *Global Capitalism: Its Fall and Rise in the Twentieth Century*. New York, N.Y.: W. W. Norton & Company.
Geddes, Andrew, and Jeannette Money. 2011. "Mobility within the European Union." In R. Hansen and J. Koehler, eds., *Migration, Nation States, and International Cooperation*. New York, N.Y.: Routledge: 31–43.
Gest, Justin, Anna Boucher, Suzanna Challen, Brian Burgoon, Eiko Thielemann, Michel Beine, Mary Crock, Hillel Rappaport, and Michael J. Hiscox. 2014.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

"Measuring and Comparing Imigration, Asylum and Naturalization Policies Across Countries: Challenges and Solutions." *Global Policy*. http://dx.doi.org/10.1111/1758-5899.12132.

Golden, Miriam, Peter Lange, and Michael Wallerstein. 2009. "Union Centralization among Advanced Industrial Societies: An Empirical Study." At http://hdl.handle.net/1902.1/10193, accessed May 26, 2011.

Goldstein, Judith L., and Margaret E. Peters 2014. "Nativism or Economic Threat: Attitudes toward Immigrants during the Great Recession." *International Interactions* 40, no. 3: 376–401.

Grossman, Gene M., and Elhanan Helpman. 1994. "Protection for Sale." *The American Economic Review* 84, no. 4: 833–50.

Hainmueller, Jens, and Michael J. Hiscox. 2010. "Attitudes toward Highly Skilled and Low-skilled Immigration: Evidence from a Survey Experiment." *American Political Science Review* 104, no. 1: 61–84.

Hanson, Gordon H., Kenneth Scheve, and Matthew J. Slaughter. 2007. "Public Finance and Individual Preferences over Globalization Strategies." *Economics & Politics* 19, no. 1: 1–33.

Hatton, Timothy J., and Jeffrey G. Williamson. 2005. *Global Migration and the World Economy*. Cambridge, Mass.: MIT Press.

———. 2008. "The Impact of Immigration: Comparing Two Global Eras." *World Development* 36, no. 3: 345–61.

Helpman, Elhanan, Oleg Itskhoki, and Stephen Redding. 2010. "Inequality and Unemployment in a Global Economy." *Econometra* 78, no. 4: 1239–83.

Herbert, Ulrich. 1990. *A History of Foreign Labor in Germany, 1880–1990: Seasonal Workers, Forced Laborers, Guest Workers*. Ann Arbor, Mich.: University of Michigan Press.

Herndon, G. Melvin. 1975. "Agriculture in America in the 1790s: An Englishman's View." *Agricultural History* 49, no. 3: 505–16.

Holborn, Louise W. 1965. "International Organizations for Migration of European Nationals and Refugees." *International Journal* 20, no. 3: 331–49.

Hollifield, James F. 2004. "The Emerging Migration State." *International Migration Review* 38, no. 3: 885–912.

Holmes, Madelyn. 1988. *Forgotten Migrants: Foreign Workers in Switzerland before World War I*. Rutherford, N.J.: Fairleigh Dickinson University Press.

Ikenberry, G. John. 2001. *After Victory: Institutions, Strategic Restraint, and the Rebuilding of Order after Major Wars*. Princeton, N.J.: Princeton University Press.

Kay, Diana, and Robert Miles. 1988. "Refugees or Migrant Workers? The Case of the European Volunteer Workers in Britain (1946–1951)." *Journal of Refugee Studies* 1, no. 3–4: 214–36.

Leblang, David A. 2010. "Familiarity Breeds Investment: Diaspora Networks and International Investment." *American Political Science Review* 104, no. 3: 584–600.

Libet, Ludwig Victor. 1995. "Building the Border: The Treatment of Immigrants in France 1884–1914." Ph.D. diss., University of Illinois at Urbana-Champaign.

Lucassen, Jan, and Rinus Penninx. 1997. *Newcomers: Immigrants and their Descendants in the Netherlands; 1550–1995*. Amsterdam, Netherlands: Het Spinhuis.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

Maddison, Angus. 2011. *Statistics on World Population, GDP, and Per Capita GDP, 1–2008 AD*. Gronginen, Netherlands: University of Groningen.

Marshall, Monty G., Ted Robert Gurr, and Keith Jaggers. 2011. *Polity IV Project: Political Regime Characteristics and Transistions, 1800–2009*. Vienna, Va.: Center for Systemic Peace. At www.systemicpeace.org/polity/polity4.htm, accessed May 22, 2011.

Massey, Douglas S. 1999. "International Migration at the Dawn of the Twenty-First Century: The Role of the State." *Population and Development Review* 25, no. 2: 303–22.

Massey, Douglas S., Joaquin Arrango, Graeme Hugo, Ali Kouaouci, Adela Pellegrino, and J. Edward Taylor. 1993. "Theories of International Migration: A Review and Appraisal." *Population and Development Review* 19, no. 3: 431–66.

Mayda, Anna Maria. 2008. "Why Are People More Pro-Trade than Pro-Migration?" *Economic Letters* 101, no. 3: 160–63.

Money, Jeannette. 1999. *Fences and Neighbors: The Political Geography of Immigration Control*. Ithaca, N.Y.: Cornell University Press.

Mundell, Robert A. 1957. "International Trade and Factor Mobility." *American Economic Review* 47, no. 3: 321–35.

Neuman, Gerald L. 1993. "The Lost Century of American Immigration Law (1776–1875)." *Columbia Law Review* 93, no. 8: 1833–1901.

Office of Immigration Statistics. 2010. *2009 Yearbook of Immigration Statistcs*. Washington, D.C.: Department of Homeland Security. At http://www.dhs.gov/xlibrary/assets/statistics/yearbook/2009/ois_yb_2009.pdf, accessed May 16, 2011.

O'Rourke, Kevin H., and Jeffrey G. Williamson. 1999. *Globalization and History: The Evolution of a Nineteenth-Century Atlantic Economy*. Cambridge, Mass.: MIT Press.

Peters, Margaret E. 2011. "Open Trade, Closed Borders: Immigration Policy in the Era of Globalization." Ph.D. diss., Stanford University.

———. 2014a. "Trade, Foreign Direct Investment and Immigration Policy-Making in the US." *International Organization*. At http://dx.doi.org/10.1017/S0020818314000150.

———. 2014b. "Immigration, Delegation and International Law." New Haven, Conn.: Yale University. At http://margaretpeters.commons.yale.edu/files/Immigration-delegation-and-International-Law_RR_version_with_name.pdf.

———. 2014c. Supplementary material. At http://dx.doi.org10.1017/S0043887114000331.

Polanyi, Karl. 1944. *The Great Transformation: The Political and Economic Origins of Our Time*. New York, N.Y.: Rinehart.

Rajan, Raghuram G., and Luigi Zingales. 2003. "The Great Reversals: The Politics of Financial Development in the Twentieth Century." *Journal of Financial Economics* 69, no. 1: 5–50.

Ratha, Dilip, and Zhimei Xu. 2008. *Migration and Remittances Factbook 2008*. Washington, D.C.: International Bank for Reconstruction and Development/World Bank.

Rogowski, Ronald. 1989. *Commerce and Coalitions*. Princeton, N.J.: Princeton University Press.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/S0043887114000331

Sarkees, Meredith Reid. 2000. "The Correlates of War Data on War: An Update to 1997." *Conflict Management and Peace Science* 18, no. 1: 123–44.
Sassen, Saskia. 1988. *The Mobility of Labor and Capital: A Study in International Investment and Labor Flow*. Cambridge, UK: Cambridge University Press.
Singer, David Andrew. 2010. "Migrant Remittances and Exchange Rate Regimes in the Developing World." *American Political Science Review* 104, no. 2: 307–23.
Tichenor, Daniel J. 2002. *Dividing Lines: The Politics of Immigration Control in America*. Princeton, N.J.: Princeton University Press.
Timmer, Ashley S., and Jeffrey G. Williamson. 1998. "Immigration Policy prior to the 1930s: Labor Markets, Policy Interactions, and Globalization Backlash." *Population and Development Review* 24, no. 4: 739–71.
United Nations Development Program. 2009. *Human Development Report 2009*. New York, N.Y.: United Nations. At http://hdr.undp.org/en/content/human-development-report-2009, accessed August 21, 2013.
Vuilleumier, Marc. 1992. *Immigrants and Refugees in Switzerland: An Outline History*. Zurich, Switzerland: Pro Helvetia.
Walvin, James. 1984. *Passage to Britain: Immigration in British History and Politics*. Harmondsworth, UK: Penguin in association with Belitha Press.
Weil, Patrick. 2001. "Access to Citizenship: A Comparison of Twenty-five Nationality Laws." In T. Alexander Aleinikoff and Douglas Klusmeyer, eds., *Citizenship Today: Global Perspectives and Practices*, Washington, D.C.: Carnegie Endowment for International Peace. 17–35.
Zolberg, Aristide R. 2006. *A Nation by Design: Immigration Policy in the Fashioning of America*. Cambridge, Mass.: Harvard University Press.

Downloaded from https://www.cambridge.org/core. Instituto de matematica Estatistica, on 18 Aug 2017 at 20:22:58, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms.
https://doi.org/10.1017/S0043887114000331