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Immigration and the Labor Supply

TO speak of the new Immigration law as having gone "into effect" May 1 is to speak loosely; for nowadays there is scarcely a tithe of the one-time human materials upon which it can take effect. It will be really effective only when the war ends—perhaps only when its aftermath is gone. In the years immediately preceding the European war an annual average of one and a fifth million aliens came to America—1,214,480 in 1914. The conflict at once cut off most of this volume and comparatively accelerated a return stream of Europeans repatriating themselves. Thus in the year ending June 30, 1915, some 435,000 immigrants sought the United States, and some 385,000 aliens went home, leaving a balance here of 50,000. In the year ending June 30, 1916, less than 370,000 immigrants arrived and 240,000 aliens returned, leaving a balance of 130,000. Lately less than ten thousand immigrants a month were arriving at New York, the principal entry. In considering what will be the effects of this law, with its excellent provisions strengthening the medical demands as to the bodily and "constitutional psychopathic" health of immigrants and its unwise provision that all immigrants above sixteen must be able to read some language, we cannot dissociate it from the war's own effects upon immigration. Congress debated it in the light of before-the-war; we must consider it in that of after-the-war conditions.

Opponents of the law have always contended, as did Taft and Wilson, that the literacy test is simply a quantitative restriction. Many defenders frankly avowed this, and the popular sentiment behind the bill was almost wholly one for a quantitative restriction on South European immigration. How great this restriction would be is not known, but some estimates put it high; for in the years 1899-1909 the self-admitted percentage of illiteracy among immigrants was 26.7. It is evident that a reduction of what immigration the war leaves us by one-fourth, or even much less, may be very unfortunate. Already the country demands labor urgently in many sections, and there is ground for believing that the months following the war may leave the demand still great and still unsatisfied. The war is remaking Europe socially, and in many respects it will leave lands

like Russia and Austria-Hungary much more desirable for the lower classes. Land-division schemes are being formulated there and throughout Europe, and multitudes of large estates will be broken up, by Government action or the bankruptcy of great holders, and distributed under plans for returning soldiers to the land. States organized to mobilize industry in every field may in many instances take steps to retain able-bodied men to fill the places of the millions killed or incapacitated, even by forbidding emigration by law. And Commissioner Howe tells us that "reports from steamship and railway companies indicate that large numbers of men [in America] are planning to return to Europe after the war. The estimates, based upon investigation, run as high as a million men. Poles and Hungarians are imbued with the idea that land will be cheap in Europe, and that the savings they have accumulated in this country can be used for the purchase of small holdings in their native country." It is true that another view holds that high taxes, fear of future wars, and faith in the richness of America will bring multitudes to this country.

Within the past two years two millions of unemployed in America have been absorbed, and wages have risen fast. The average day's pay of an unskilled laborer before the war has been put at from \$1.65 to \$1.75, and it is said that it now varies from \$2.25 to \$3. Iron and steel workers who used to receive \$2 or less, now, thanks to several 10 per cent. increases, receive \$2.50 or more. But the labor shortage is beginning to hamper American industry in many fields, and is crippling it in some. Gen. Coxe is reported as complaining that, though he offers "the lowest kind of labor \$3 a day and cakes" at his Ohio quarry, he cannot keep the men! The farmer, in the Middle West especially, can hardly fulfil the nation's expectations of him without an increase in the labor supply for which there is no apparent source. The importation of "peons" from across the Southwestern border, in response to the wage demand, has been unwelcome to many; and the South is protesting against the great exodus of negroes to Northern industrial centres. If industrial conditions remain good after the war, if immigration remains poor, and emigration from America takes place on a large scale, the labor problem may be progressively acute.

Plainly, the literacy test will now shut out some thousands of workers whom the country needs. The country is in the position of rushing into a restrictive policy when that policy is most uncertain and dangerous. The argument is clearer than ever that if restriction is to be decided upon, it ought to be a flexible form of restriction. A suggestion has been made for a standing immigration commission empowered to lift and lower bars according to the visible labor needs, empowered to discriminate between certain kinds of labor as required by this country, and empowered to direct labor to the sections where it is in demand; and huge as are the problems involved, it deserves consideration.