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No. 18

Advantages or Disadvantages of Immigration to our Economy

Report of Section on Immigration **Edwin E. Grant**
Former State Senator, Chairman Section on Immigration

Immigration an Advantage to Our Economy **Dr. Duval Jaros**
Ophthalmologist

Immigration a Disadvantage to Our Economy **Wheaton H. Brewer**
Advertising Director "California Farmer"

Discussion from the Floor By the Members

OBJECTS OF THE CLUB

"TO investigate and discuss problems affecting the welfare of the Commonwealth and to aid in their solution."



"TO maintain itself in an impartial position as an open forum for the discussion of disputed questions."

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STUART R. WARD, Editor

WILLIAM L. HUDSON, Managing Editor

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The Commonwealth

Vol. XXXI

San Francisco 19, California, Monday, May 2, 1955

No. 18

Immigration and Our Economy

ONE OF THE BASIC QUESTIONS in our nation's consideration as to whether or not we want additional immigrants is how an influx of people from other shores would affect our national economy.

Even were it granted that—in an empty land—each settler increases the total economic product, does the same thing hold true when the land is already substantially settled, as in the United States? To contrast extremes: should migration to a crowded country, like China or Japan, be viewed in the same light as migration to a sparsely settled continent like South America? And, most importantly, how do added immigrants affect our own country today?

These are basic issues to which our Club's Immigration Section has addressed itself in its study of immigration as it relates to our economy.

This year-long survey rounded out the five-year chairmanship of former State Senator Edwin E. Grant, who as leader of this Section has shown the same courage in dealing with highly controversial issues as he did some years ago when, as the state senator who had authored the Red Light Abatement Act, he permitted himself to be recalled rather than truckle to commercialized prostitution interests—and his abatement act was passed.

The study Section's final report, together with statements by advocates of each view, was submitted to the Club's Report Luncheon of December 28, 1954, in the California Room of the Sheraton-Palace Hotel. This material, together with the discussion of that meeting, as condensed by the Editors, is herein presented.*

The Editor

*Previous issues of the Transactions dealing with related issues, and available at the Club Office at 25 cents a copy are: Immigration (1920), Alien Land Law (1920), Immigration and Population (1923), Immigration Restriction (1924), Mexican Immigration (1926), The Immigration Quota Law (1927), Filipino Immigration (1929), Alien Registration and Deportation (1932), Quota or Exclusion for Japanese Immigration (1932), Should All U. S. Residents Be Registered? (1933), Selective Immigration (1935), The Refugees and Quota Limits (1940), Post War Peace Problems (1943), U. S. Immigration Policy (1947), Immigration & Policy (1950), U. N. Immigration Control? (1953), Wetbacks and Mexican National Agreements (1953), McCarran-Walter Act (1954).

Hearings of Immigration Section

- Jan. 6th—"Study Subject for 1954."
- Feb. 10th—Herbert Pothier, Attorney. "Advantages or Disadvantages of Immigration to Our Economy."
- May 26th—"Advantages or Disadvantages of Immigration to Our Economy."
- June 9th—George B. White, Patent Lawyer. "Inventive Genius and the American Immigrant."
- June 23rd—Dr. Glenn E. Hoover, Professor of Economics and Sociology, Emeritus, Mills College. "The Economic Effects of Immigration."
- July 14th—Bruce Barber, District Director for Northern California, Nevada, and Utah, U. S. Immigration Service. "The Greatest Wetback Drive in History."
- Aug. 11th—F. Chang, Former Director-General, Chinese Customs Administration. "Has Chinese Immigration Been Advantageous to the American Economy?"
- Aug. 25th—C. M. Goethe, of Sacramento, President Immigration Study Commission. "Advantages or Disadvantages of Immigration to Our Economy."
- Sept. 22nd—J. Rupert Mason, Since 1949, President International Union for Land Value Taxation and Free Trade. "Advantages of Immigration to Our Economy—Past, Present and Future."
- Oct. 13th—Ettore di Giantomasso, welfare worker in S. F.'s North Beach. "Have Southern Europeans Been Good or Bad for Our Economy?"
- Oct. 20th—Carl B. Rosenfeld, Owner Walter W. Cribb's Co. "Has the New Immigration from Northern Europe Been Good or Bad for the U. S. Economy?"
- Oct. 27th—William Becker, Labor Committee to Combat Intolerance. "The Immigrants' Contribution to America."
- Nov. 3rd—Wheaton H. Brewer, Advertising Director, "California Farmer." "The Farmer's Problem with New Immigrants."
- Nov. 10th—Wilbur H. Grant, Geological and Mining Engineer. "Does the U. S. Economy Still Need Immigration?"
- Nov. 17th—Herbert Pothier, Attorney. "Advantages of Immigration to Our Economy."
- Nov. 24th—Stuart R. Ward, Executive Secretary, Commonwealth Club of California. "A Backward Look at the Beginnings of Today's Mexican Immigration Issues."
- Dec. 1st—"Further Consideration of Proposed Report: 'Advantages or Disadvantages of Immigration to Our Economy.'"
- Dec. 6th—"Final Consideration of Section Report and Questionnaire on Advantages or Disadvantages of Immigration to U. S. Economy."
- Dec. 28th—"Report to Club Report Luncheon."

Members Who Attended One or More Meetings of the Immigration Section During Study

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Advantages or Disadvantages of Immigration to Our Economy

Report of Immigration Section¹

Edwin E. Grant

Chairman Section on Immigration

PRESIDENT A. H. MOFFITT, JR.: Our subject today is "The Advantages or Disadvantages of Immigration to our Economy." We will now have the Report of the Section on Immigration. The Honorable Edwin E. Grant, attorney and Section chairman, will make the presentation.

I.

IN THE Section's year-long study a sharp division arose between those who thought immigration an economic advantage, and those who felt it has been an economic disadvantage. In restricting this subject to its economic phase, however, we do not forget that the country's economy is a basic factor in our welfare and happiness.

To the end of bettering our economy, and with it our welfare, views expressed ranged from stopping immigration altogether—at least till the economics of it level off—to those who say: "Who are we to decide who should come in?"—believing that immigration is a positive and necessary stimulus to our economic well-being. The former view could shut out all races; the latter could take in the over-populations of Russia, China and India, and other national overflows.

A position more commonly taken is that immigration be favored in principle, though a sharp division centers on its volume percentage-wise. This division is more particularly set forth in the diverse views which follow.

II.

Advantages of Immigration to Our Economy

At any given period it may be possible to distinguish clearly between unnaturalized or naturalized immigrants and native-born Americans. But in any historical survey ranging over more than one period, the terms *immigrant* and *native American* cease to be mutually exclusive, and a certain haziness clouds our argument. The *immigrant* family of 1865 is a *native American* family in 1954, and the *American economy* which the immigrant family of 1865 encountered is but a memory in 1954. The current economy of 1954 bears some trace of its experience with that immigrant family back in 1865. So, in a long-range survey it is difficult to distinguish between the immigrants, who it is contended have benefited our American economy, and the so-called non-immigrant Americans, whose economy has thus been

1. Members of Immigration Section Drafting Committee were Edwin E. Grant, Section chairman, Herbert Pothier, attorney, and Wilbur H. Grant, geological and mining engineer.

benefited. The fact becomes inescapable that we are preponderantly a nation of immigrants.

Should we remove our economy from further immigrant influence? As early as 1797 a Congressman argued in the House for complete termination of immigration, contending that while a liberal immigration policy might have been suitable to a new and unsettled country, it could serve no useful purpose in a nation as fully populated and mature as the United States had become. Since 1797 the cry, "Stop immigration!" has repeatedly been raised.

Would This Country Have Expanded?

If the Congressman had had his way, it is highly conjectural whether the United States in the ensuing century would have expanded much beyond the boundaries of 1797. In those one hundred years thirty million immigrants were admitted, according to *A Century of Population Growth*, published by the Census Bureau; those immigrants added forty billion dollars to U. S. wealth. They were willing to work anywhere; and the largely untrammelled West yielded to the immigrant axe and plow, while the earth surrendered its treasure to the immigrant miners. It was largely immigrant labor that made possible our transportation system; and at the close of the century, according to the 1911 *Reports of the United States Immigration Commission*, it was with immigrant labor that the nation entered upon unprecedented industrial expansion. Between 1890 and 1910 southern and eastern Europe furnished most of the immigrants. Our population increased 46 percent, accompanied by an increase of 220 percent in coal production, 606 percent in steel, and 191 percent in bank clearings. An increase in bank clearings is one of the best indices of business improvement.

Immigrants Brought Knowledge, Organizing Ability

Nor did this immigrant horde contribute nothing but hand labor. Many brought organizing ability, scientific knowledge and inventive genius. The Germans brought pottery and chinaware to Pennsylvania, introduced tanning in Wisconsin, and at several points furthered the optical business. The Swiss introduced watchmaking, the French certain munitions. Examples could be multiplied many times. Today the proportion of skilled and schooled young adult immigrants is far greater than in any former years, a fact from which our nation reaps a double benefit: she not only profits by the immigrant's special ability, but escapes the expense of his education and training.

But some argue that the immigrant inevitably displaces a native worker. This argument falls apart under investigation for the immigrant is consumer and work creator as well as worker. While between 1870 and 1930

our population increased from 38 to 123 million, the number of gainfully employed increased from 12½ to 49 million—an increase in employment of 17 percent in ratio to population. The widest unemployment this country ever experienced occurred when immigration had been reduced to a minimum.

Did Immigration Curtailment Prevent Unemployment?

Immigration curtailment did not to any noticeable extent prevent unemployment. However, unemployment has shown a definite tendency to check immigration. Since 1929 consular officials have refused to issue visas in depression years, and immigrants already here have not infrequently departed. Between 1932 and 1936 we actually had 136,000 more emigrants than immigrants, and in the latter year the WPA reported that only 4 percent of the families on relief were aliens. Obviously the immigrant is less burden than the citizen during a depression. Thus, reasoning which sees immigration as a cause of unemployment is specious. The causes of unemployment lie deeper—in industrial overexpansion, in technological advances, etc.—and its tragedies smite immigrant and native-American alike.

Some opponents argue that even if immigration does not actually create unemployment, it depresses the wage scale and lowers our American standard of living. This argument might have been valid in the past, though even then both our wage rates and standard of living were higher than anywhere else. Today, thanks to collective bargaining, minimum wage laws, and unemployment insurance, the argument has no validity. To be sure, unskilled labor cannot command the wages of skilled labor, and the machine age has multiplied the need for unskilled in ratio to skilled labor. But since wages are paid by the work done and not by nationality, there can be no question of depression of the wage scale.

"We Need Immigration Desperately"

Now comes the crux of the immigration question: What shall we do about immigration today and tomorrow? Has immigration, however useful in the past, reached the point of diminishing returns? Is the United States now so fully populated that she needs no influx of immigration? Quite the contrary! We need immigration desperately. Goods are constantly being produced cheaply in enormous quantities. Profit depends upon a wide market, upon the capacity of the Toms, Dicks and Harrys of America to buy the manufactured articles. What a marvelous answer this new capitalism provides to communism! The profit of the industrialist rests squarely upon the prosperity of the nation's little people. If they cannot afford to buy, the industrialist is ruined and our economy collapses. And Tom, Dick, and Harry are buying and enjoying a standard of living undreamed of by the Toms,

Dicks, and Harrys of other lands. But if our population does not continue to increase to provide a buying public for the constantly expanding productivity of this nation, we are indeed headed for economic disaster.

And for national suicide: Considering that China with her 475 million, India with her 356 million, and the Soviet Union with 192 million, are continually growing greater both numerically and militarily, for the United States to discourage population growth is to court catastrophe. Dr. Will Durant recently emphasized the menace to this country of the Orient's fecundity coupled with its technological development.

"Select the Immigrants We Want"

Despite this frightening picture, it is not proposed that we panic and invite unlimited immigration. A screening process will enable us to select the immigrants we want. On past experience and with a long-range program in view, we may pick the brains, the brawn, and the skills our country needs. Thus we shall keep our economy going and our population growing.

More, the immigrants we accept will constitute a voluntary corps of Voices of America, describing to the homeland folk the real glory of the American way of life. Their testimony could do much to correct the distorted picture of us which the Soviet Union, for its purposes, holds up before an unknowing world.

III.

Disadvantages of Immigration to Our Economy

This topic should be decided by what is overwhelmingly best for the dominant people of the United States.

Indirect Disadvantages of Immigration to Our Economy

Madison Grant in *Conquest of a Continent* (meaning continental U. S. A.) states that when our first census was taken in 1790, our population was 90 percent Nordic and 95 percent Protestant. In 1930 it was 70 percent Nordic and 90 percent Protestant. This represents a trend toward hybridization of our people. History teaches that homogeneity is far better for any nation.

William Becker² gave us the estimate that 40 million immigrants have entered the United States and argued that immigrants were beneficial to our economy. When told that following his logic one billion more immigrants would improve our economy, he had no answer for this absurdity. The natural reproduction of our present population is as big a problem as we need.

2. Represented Labor Committee to Combat Intolerance. Addressed Section October 27, 1954.

Our first census in 1790 recorded our population as a few thousand less than four million (3,929,214). In the 1880 census there were a few thousand over 50 million (50,155,783), and in 1950, 150,810,198. In September 1954, our Census Bureau estimated that we passed the 163 million mark. In the decade 1940-1950 our population increased 14.54 percent or 19,140,923 in number—ten times that of 1800-1810. All available data clearly indicates that our increase in population during the present decade will be numerically far higher than our greatest last decade.

In March, 1949, our Census Bureau stated that there were 85 percent whites and 15 percent non-whites in our resident population, but that the non-whites were reproducing 50 percent faster than the whites.

World's Major Inventions from Four Countries

Over a period of several years, Clarence K. Streit consulted authorities throughout the world and incorporated the results in his book *Freedom Against Itself*, giving a list of "1,012 Major Inventions, Discoveries and Innovations" during the last two hundred years, from 1750 to 1950. The summary shows that 88 percent originated in four countries: United States (33.64 percent); Britain (21.84 percent), France (17.49 percent) and Germany (14.82 percent); only 12 percent in eighteen other countries and their dependencies. This alone outstandingly justifies our quota preference to immigrants from Northwestern Europe.

The World Almanac 1953³ lists 279 Nobel Prize winners 1901-1953. Here again 63.44 percent were granted to citizens of the above four free countries; U.S.A. 19.35 percent; Germany 17.92 percent; Great Britain 15.41 percent; and France 10.75 percent. Fifty-two peace prizes were granted, of which 60 percent went to citizens of the same four free nations; U.S.A. 25 percent; France 15½ percent; Great Britain 13½ percent; and Germany less than 6 percent.

Government by Strangers

Hon. Jeremiah S. Black, Secretary of State under President Buchanan, stated on October 17, 1880: "*No community has ever been decently, peacefully or honestly governed by strangers, whose wishes, feelings and interests are different from their own. If, aliens by accident, force, or fraud ever get you under their feet, they will inevitably rule you for their own pleasure, and plunder you for their own profit, without the smallest regard for your benefit or your rights.*"⁴

3. Page 593.

4. Quoted from pamphlet preliminary to biography of Judge Black, by Dr. William Norwood Brigance, preparing biography to be published by University of Pennsylvania Press.

Our top populationists and demographers agree on two points: (1) Each immigrant admitted to the U. S. is by the opportunities thus presented, granted the equivalent of a \$10,000 subsidy on arrival;⁵ and (2) Each immigrant prevents the birth of one child from pioneer stock ancestors.⁶ The next paragraph shows the horror of this trend.

Sir Cyril Burt, after a survey in England for the Royal Commission on Population, suggested that in 50 years the number of students of scholarship ability will be approximately halved, and the number of feeble-minded almost doubled. He concluded that the average intelligence will decrease five I. Q. points in 50 or 60 years for English citizens. American populationists reach the same conclusions for American citizens, using (1) psychological tests; (2) educational attainments; (3) economic status; and (4) type of occupation.

Direct Disadvantages of Immigration to Our Economy

The greatest damage ever done to our American economy was initiated by Russian communist immigrants. Russian immigrants in New York, plotting to overthrow the Kerensky Republic, obtained their initial \$100 million from American dupes. Their penetration of every secret branch of our government along with their American aides, the billions of lend-lease we gave them (without which Stalin admitted he could not have survived), their gobbling up of satellite countries, their aggressive wars since, grants from 2,000 American foundations, and thousands of other devices they have used to destroy our economy are too well known to itemize here. Then the Fabian Society of Britain sent Keynes to teach socialism in our American universities.

J. Edgar Hoover and Stalin agreed that communists had ten fellow travelers to one hard core communist in each country they proposed to annex. They helped the socialists organize our politics through the Americans for Democratic Action because the communists can easily take over the socialist suckers when the time comes.

Damage to Economy Cited

The major objective of the communists is to ruin our economy. Out of all this chaos, started by immigrant communists Lenin and Trotsky and agents of Fabian and Hitler socialists, they have more than half accom-

5. Statement of H. H. Laughlin, who was for many years adviser to Congress on all immigration matters.

6. A previous Report of this Section, "Immigration and Population," Transactions of Commonwealth Club of California, Vol. XVII, No. 8 (October 1922), contained statistical proof of this argument.

plished this objective. Already they have reduced the buying power of our dollar to about one-third what it was before World War II.

The second largest disadvantage of immigration to our economy has been the initiation of wholesale crime. Experts estimate the cost of crime in our country annually has been between 20 and 30 billion dollars. Italians dominated the liquor traffic during prohibition; e.g., rum-runner Costello. Al Capone's take has been estimated at 200 million per year. Murder, Inc., was headed by Lucky Luciano, now credited with conducting a lucrative business from Naples, Italy, smuggling narcotics into the United States. Some of the finest people of the world originate in the Italian Tyrols and others in central Italy, but Milan in the industrial north is the hot-bed of communists. The Mafia, or Black Hands, have headquarters in Sicily. A high percentage of those in the heel and toe of the Italian boot are considered poverty-stricken and degenerates. Can you blame our electorate for not wanting to increase Italy's quota?

Most of Southern California's "zoot-suiters" and those on relief are Mexican immigrants. Of course, individuals of all nationals have committed crimes, and the majority of all nationals do not, but cited are cases where immigrants have initiated some of our worst crimes to the disadvantage of our economy.

Colonize in Slums

Just as under Gresham's law, "bad money drives out good," lower-power immigrants tend to colonize in our slums and thus to depreciate realty values. The Orientals have done this extensively in California.

Another injurious effect of immigrants is that they pay but a fraction of the cost of the schools their children must attend. Many other free utilities, such as sewers, are not paid pro rata by the immigrants. Time does not permit itemizing many other examples.

Optimum Population

The one factor basic to our topic is "What should be the maximum population of the United States, so that each resident would have the greatest possible benefit from our free economy?"

United States government reports give the following data:

During its short history the United States has lost one-third of its topsoil, four-fifths of its standing saw timber, and many of its known minerals and wild life resources are nearing depletion.

The United States Bureau of Mines reports that of our known mineral resources already exhausted are 97 percent of our mercury; 83 percent of our silver and lead; 78 percent of our chromium; 70 percent of our vanadium, bauxite, manganese and tungsten; 65 percent of our zinc, and

60 percent of our copper and petroleum. There is a growing shortage of high-grade coking coal and iron ore.

Resources Depleted

The radio commentator Paul Harvey quoted an authority that from the Gulf Coast of East Texas to San Diego, the ground water level has been lowering at the annual rate of 5 feet. Engineers already are calculating on diverting Mississippi River flood waters to Texas through canals, the cost of which would run into the billions. Some engineers estimate that all the run-off water in California's rivers is insufficient to supply the present population without rationing during dry years. The cost of collecting it would be enormous.

Hundreds of other shortages could be cited.

Prof. P. H. Whelpton, America's foremost authority on populations, states: "If this nation could choose between having a stationary population of 150 million or 100 million, it can be shown quite conclusively that the small number would be best from an economic standpoint."

Make Ourselves Nation of "Displaced Persons"?

Every other argument sinks into insignificance when we study our population trend towards making *ourselves* a nation of "displaced persons" like many other over populated areas. Where would we go then? Who would help us out then?

A government survey, recently concluded, has resulted in a pamphlet, "Potential Economic Growth in the United States During the Next Decade." Some 150 private economists and Government specialists participated.

The survey concludes that by 1965 our population should reach 190 million. The labor force would be 79 million. Civilian employment would amount to 73 million. Hours of work would be reduced to 36 hours weekly.

Population Already Above Optimum

Highly commending the scope and objectivity of this survey, the Whaley Eaton Service for October 30, 1954 also pointed to the movement of about 5,000 monthly of Puerto Ricans mainly into New York City, altering white-non-white ratios in that area. By 1970, the Service predicts, the non-white and Puerto Rican total will reach two million, 28 percent of New York City's population. Because of the move to the suburbs, the white population will be down 800,000.

Since our population is already over 63 million above the optimum for our economy, and it is estimated will be 90 million above that optimum ten years hence, the sensible thing is to stop all immigration until we can work

out the problems presented by our present normal reproduction optimum and provide a trend towards a population size coinciding with our economic optimum.

IV.

Rebuttal by Those Believing Immigration an Advantage to Our Economy

The first "indirect disadvantage" cited is that every immigrant receives in opportunities the equivalent of a \$10,000 subsidy. This figure is unsupported by authority. True, the capital contribution of an employer hiring an additional worker may well exceed \$10,000. But the employer's outlay is not determined by the new employee's nationality and is no subsidy but an investment made in full expectation of return. In the nation as a whole the return has been magnificent. The immigrant worker has created wealth by producing more than he consumed. Statisticians have calculated the money value of the 27.5 million immigrants between 1821 and 1930 as high as 1000 billion dollars of 1930 value.⁷

The second so-called *indirect disadvantage* is that each immigrant prevents birth of one child of pioneer stock. This argument merely puts the cart before the horse.

True, the American birthrate declined consistently from 1800 until twenty years ago, but this was less than in those western countries where immigration was not a factor. The fallacy of the notion that immigration replaces native population is shown by two recent decades: the '30's when immigration and native population increase were both low, and the '40's when both were considerably greater.

Foreign Born Whites Committed Fewer Crimes Than Native Whites

Unless the immigrant by increasing national output would, in the final analysis, increase the real wages of American manpower, how could the

7. Gini, Corrado, Banca Nazionale del Lavoro Quarterly Review, 1948, quoted from W. S. Woytinsky and E. S. Woytinsky "World Population and Production, Trends and Outlook" 1268 pp., New York 1953, p. 372, Note 19.

Sir William Petty, Political arithmetic, London, 1691, examines the money value of human resources from the view of a king who owns the land with its inhabitants. This is practically identical with national interest. From his rather high figures he concluded: "From whence, we may learn to compute the loss we have sustained by the plague, by the slaughter of men in war and by sending them abroad into services of Princes." His method was refined by the American statisticians Louis I. Dublin and Alfred J. Lotka, the Money Value of a Man, New York 1946.

The general conclusion from all the computations is: "Actually the whole money value of immigrants has been invested in the running concern of the whole economy of the United States. Their contribution to national income and the increment of wealth in the country have been roughly proportionate to their and their descendants' share in the national labor force." W. S. Woytinsky . . . 1.c.p. 372, Note 19.

C.I.O. and A.F.L. now strongly favor liberal immigration policies? They have completely reversed their former attitude.⁸

The increase in crime is cited as a *direct* disadvantage of immigration. The figures are misleading; the statement that immigrants are responsible for wholesale crime is contrary to the records, which show that foreign-born whites committed fewer crimes than native-born whites.⁹

A further argument is that we have reached our optimum population and can absorb no more. The basis for this view is the reputed depletion of our natural resources. This pessimistic view is not shared by the recent Congressional Joint Committee on Economic Report which looks forward to a population of 190 million by 1965 (an increase of 20%) and a national production of 535 million dollars (an increase of 45%). This is the survey quoted in III. These figures resulted from careful evaluation of all factors including available physical resources.^{10, 11} From 1929 to 1953 our national income doubled on a constant dollar basis.¹² The United States Department of Agriculture believes, in emergency, we could increase agricultural output sufficiently in a decade to provide food at American standards for 380 million people.¹³ At present vast storage plants are necessary to stock excess food. Technological science seems well on the way to relieving our shortage of certain minerals. In fact, with atomic power in the offing, we seem to be fairly bursting with industrial promise, but whether we can realize our vast potentialities without immigration is questionable.

The contention that communist immigrants are wholly undesirable is beyond challenge, but a careful screening process would keep them out. To stop all immigration because we want no communists would be like avoiding all nourishment because some food is inedible.

8. The Commonwealth, Vol. XXVI, No. 46, p. 54 sq.

9. Sutherland, Principles of Criminology, Lippincott 1939, p. 123.

10. "Potential Economic Growth of the United States During the Next Decade," Materials prepared for the Joint Committee on the Economic Report. Oct. 27, 1954, pp. 8, 19.

11. The nightmare of dwindling resources has haunted the experts for 400 years. In A.D. 1556, Georgius Agricola, De Re Metallica, translated into English by our Club member former President Herbert Hoover and Mrs. Hoover, London 1912 p. 5; NY 1950—tried to deny the contention that the imminent exhaustion of deposits made the mining industry highly unstable.

12. On a "constant dollar" level the gross national product was
\$150,000,000,000 in 1929
and over . . . \$300,000,000,000 in 1953.

S. F. Chronicle, Nov. 22, 1954 from Commerce Department's study of "National Income."

13. Dept. of Agriculture, Our Food Potential 1944, quoted from W. S. Woytinsky l.c.p. 534.

Recommendations of Immigration Section to Commonwealth Club of California

Results of Mail Ballot Taken at Completion of Section's Study on Topic "Advantages or Disadvantages of Immigration to Our Economy"

1. Do you believe immigration was an aid to this country's economy:
 - (a) Before the Revolutionary War? **YES 49, No 1**
 - (b) Between the Revolutionary and Civil Wars? **YES 48, No 2**
 - (c) Between the Civil War and 1900? **YES 43, No 7**
 - (d) Between 1900 and World War I? **YES 39, No 11**
 - (e) Following World War I until 1924? **YES 33, No 17**
 - (f) Between 1924 and World War II? **YES 30, No 19**
 - (g) Following World War II up to the present? **YES 31, No 18**
2. Do you believe that the per capita wealth of the U. S. will be greatest if immigration is
 - (a) completely cut off? 12
OR
 - (b) continued at present rate (in 1953 immigration was 184,324)? **24**
OR
 - (c) substantially increased? 14
3. (a) Is immigration at present levels an advantage. **30**
OR
disadvantage 18
to the U. S. economy taken as a whole?
 - (b) Would substantially increased immigration be an advantage. 19
OR
disadvantage **26**
to the U. S. economy taken as a whole?
 - (c) Would stopping immigration altogether be an advantage. 14
OR
disadvantage. **36**
to the U. S. economy taken as a whole?
4. Irrespective of your opinion on the above questions, do you approve the Section's proposed Report as a whole as to form and content? **YES 30, No 13**

Immigration an Advantage to our Economy

by Dr. Duval Jaros
Ophthalmologist

PRESIDENT MOFFITT: Our next speaker will take the topic, "Immigration an Advantage to Our Economy"—Dr. Duval Jaros, ophthalmologist.

THE PROBLEM of immigration centers around one primary consideration, national security. All other problems which the immigration question presents become ancillary. If immigration contributes materially to national security then we must overcome whatever difficulties immigration presents.

To develop my thesis I will touch on five points: First—the economic goals of this nation. Second—the fact that there is a current threat to our society, as we know it. Third—the role of a strong economy in meeting that

threat. Fourth—the role of a large population in strengthening our economy. Fifth—the worth of immigration in population growth.

The economic goals of this nation are various. Probably the most acceptable common denominator is freedom—freedom to engage in production—freedom to keep one's fair share of what he produces. These freedoms are fundamental to justice. In this basic regard our philosophy differs from the communist philosophy.

That there is a threat to our form of government is generally accepted. In the past this country has won its wars. We had the power of production. We could outproduce any other country. Ultimately we would win. It was merely a matter of time. This situation, I think, has now changed.

Opposed to us is a bloc which commands a tremendous number of people. Its technology, we believe, is behind ours now. Yet it is not far behind, and it is improving all the time. This combination of huge population and advancing technology presents a definite threat.

Must Prepare to Defend Our System

We must prepare now to defend our economic system, to defend our ideology. Unfortunately, force is still a large factor in international politics.

The role of a strong economy in providing security is in giving us force. I do not advocate that we rely on force solely. We must combat the threat in all spheres—ideologic, economic, military, and our performance will be profoundly affected by the strength of our economy.

Material wealth is the cornerstone of a strong economy, and a nation's wealth can be evaluated on two scales: absolute wealth and relative wealth. If you have a large population but a minimum living standard, you may have great absolute wealth, but you don't have great relative wealth.

Evaluating Economic Strength

Both absolute and relative wealth must be considered in evaluating the economic strength of a nation. Force dependent upon military power stems from how much of the national product a nation can set aside for military use.

Wealth, then, can be divided into three, rather than the usual two, classifications: 1) consumer goods, 2) capital goods, and 3) encompassed by neither of the former, military goods. Military goods are neither consumer goods nor capital.

If a nation is large in population and in wealth it will have the goods to set aside for military use and for use in economic spheres outside the country. If its population is larger than that of its adversary (other things being equal) the amount of wealth it will have to draw from will be greater than his. In addition, if its living standard is higher, the percentage of the total national product which can be set aside for this economic force is greater. Thus, so long as our people has free access to the tools of production, increase in population will be one of the most important ways of providing the goods upon which our national security may rest in time of international strife.

We Could Support 350,000,000

Department of Agriculture statistics show that if present agricultural methods were applied to our land with intensified application but without any change in methods, we could support three hundred fifty millions in this country right now. As technology advances, the number will increase. Eventually the Malthus-

ian web may catch us, but that problem is not nearly so imminent as the Soviet web.

We must, therefore, take the immediate course of increasing our population. I very much fear that this fact will be generally realized too late.

How Best Increase Population?

Since greater population is important for our survival, how best may we increase our population? There are two routes: native birth and immigration. Both should be exploited. The former is good, but it is more efficient to screen immigrants carefully and take men into this country who are producers from the start, who require no nurturing from the cradle, who come to us with many thousands of dollars worth of training and can apply it to increasing the national product immediately.

In summary:

Our survival through a time of international crisis has been shown to depend in great part upon that portion of the national product which can be set aside from capital and consumer use.

A large population has been shown to be vital in creating this type of wealth.

It has been pointed out that screened immigration is the most efficient way of reaching the ends sought through increased population, and therefore should be used in addition to native birth.

Immigration a Disadvantage to Our Economy

by Wheaton H. Brewer

Advertising Director "California Farmer"

PRESIDENT MOFFITT: Now, we will have presented, "Immigration a Disadvantage to Our Economy," by Mr. Wheaton H. Brewer, Advertising Director of the "California Farmer."

THE BASIC ISSUE raised by this Report is: Are we to have an immigration policy based primarily on what is good for America, or a policy based primarily on the desires of Europe, a policy fraught with danger for our American economy and way of life! Actually, the discussion in this Report is centered around the question, "How much immigration is good for America?" as there is very little support for the extremes of unlimited immigration or none.

It is too bad we cannot know what the great New England chief, Uncas, felt about the immigration policies of the 1600's in America. The policy of unrestricted immigration then in force submerged and overwhelmed the natives, up to that time prosperous and contented according to their own lights.

It seems incomprehensible that some are anxious to repeat the debacle that overwhelmed the Indians by inviting a flood of immigrants we currently cannot easily assimilate or integrate.

During the last 200 years our immigrants played a major role in developing our frontier, expanding our industry, and building up our opulent standard

of living. But under the impact of global wars, the increased productivity per worker, and dwindling exports due to lack of purchasing power abroad, we have been wise in slowing the flood and adopting more selective policies for newcomers. (Actually, of course, by "making exceptions" in the case of displaced persons, we have added, rather than decreased the total intake. That fact is consistently ignored by the breast-beaters for unrestricted immigration.)

Some have urged increased immigration to provide more customers for our production—a ridiculous absurdity. We should increase our exports instead.

Unrestricted Immigration Not "Unmixed Blessing"

Unrestricted immigration has not been an unmixed blessing. We have permitted concentration of immigrants in tight knots of slum areas. There they cling to their old-world customs, languages and habits. Thus health hazards are set up, education in the American trends of thought hindered, crime and poverty encouraged. Can we, in all honesty, open the gates to an even larger influx of newcomers to be caught in the web of crime waiting for them?

The great freedom enjoyed here is not accorded at the other end of the line. In Italy and Spain, for example, missionaries receive short shrift. Are there American language broadcasts, radio programs and newspapers in the countries most anxious to export their problems to America?

Immigration and Aid to Europe

There is another aspect of this problem we should consider. Since World War II we have emigrated our own capital and know-how in Marshall Plans and economic aids. This relieved the pressure for immigration from these countries to some extent, as was intended. If we let the economies of south European countries continue to decay and stagnate by draining off their best brains and brawn, sooner or later one of two things must occur—the Communists take over, or we import whole nations, desirable or not, assimilable or not, to our shores.

Should Continue Existing Policies

To an impartial ear, the Section's Report makes a clear case for continuance of the policies established by our present laws.

During the past year we were faced with a slight recession. Unemployment rose with terrifying suddenness to more than 4,000,000. Heavy industry bore the brunt of this blow—the very place immigrants would most likely be affected. Fortunately, the people who were affected were established Americans with savings, resources, and the protection of unemployment insurance—in other words, integrated people. In a reasonable period of time, the tide was turned, and the slack is being taken up. Rather grim to contemplate what might have taken place had the sentimentalists and bleeding hearts had their way!

The government pamphlet "Political Economic Growth During the Next Decade" establishes certain facts which make discussions based on smaller population than we have even now only academic. That paper not only confirms that we are on our way to a population of 190 million in 1965, but it points up strongly the contention raised today that our present restricted volume of immigration is the best for the American economy.

As previously stated, the sudden arrival of large numbers of people who cannot be readily absorbed tends to create undesirable concentrations. For example, 5,000 Puerto Ricans arrive monthly in New York City alone where they huddle in increasing misery, crime and squalor. This will result in a possible total of 2,000,000 by 1970, nearly a third of New York City's population. A similar embarrassing situation is reported in *Time* magazine for December 27 on page 18. Increasing numbers of Negroes have been pouring into Great Britain from Jamaica and other British West Indies Islands, where they are clotted in tight unhappy knots in the industrial cities of England. The conditions of intolerance and prejudice so acute among our Puerto Rican group have arisen in once "unprejudiced" England. Actually the immigrants create no unemployment because there are more jobs in England than men to fill them, but they are coming faster than they can be absorbed and are creating the same problems we face here. And these are no "immigrants"—but British citizens strange to the customs of their new environment.

Congressman Francis E. Walter, in a notable article in the *Reader's Digest* of May, 1953, said:

"We believe it is a mistake to condemn any quota system based on national origins as inherently illiberal and an expression of religious or racial prejudice. It is no reflection on the many fine American citizens of all races, creeds, and national origins to recognize realistically that some nations are far closer to the United States in culture, custom and standards of living, respect for law and experience in self-government."

That statement is the basis of our present policy.

Agricultural Picture Somewhat Similar

In agriculture, the picture is somewhat similar to that in industry. High wages and short hours have attracted a large proportion of immigrants to industry, and the farmer has, as a result, the two-fold problem of obtaining enough qualified immigrants to perform the necessary labor, and to obtain that labor at a cost that will permit a profit. To provide mass seasonal labor, the farmers in the west and southwest have had to use Mexican nationals and are, therefore, in a sense, importers of migratory immigrants. To the farmer this presents some knotty problems:

(A) He must decide at least 45 days in advance when his crop will be ready to harvest. Unless he has a heavenly pipeline, this can be expensive. Pay starts on arrival.

(B) The national is here primarily to make as much for as little as is possible, regardless of what is said by the sputtering idealists who would have a fit if they had to employ nationals.

(C) Contract labor, as this Club said in its Transactions,* is allied to indentured labor. And indenture labor seldom provides satisfactory output without duress.

This situation invites the use of illegal "Wetbacks." The Wetbacks are not the sole responsibility of the farmer. Many of them go into industry—some think as many or more than turn to agriculture. But by some twist of logic the problem is usually laid wholly at the door of agriculture.

Labor is aware of this. Henry C. Todd* said: "Between July 1951 and

**The Commonwealth*, Part II, April 20, 1953.

March, 1952, 17,300 Wetbacks were arrested while employed in trades, crafts and industries in no way connected with agriculture."

It has been alleged that Wetbacks are responsible for disease, dope and espionage. If so, it means that Wetbacks are more dangerous in cities than in agriculture. And the dangers are present among the nationals as well, in a very real sense.

More Border Inspectors?

The remedies proposed to solve the Wetback problem are interesting. First and foremost, more border inspectors and patrols are advocated. This is quite an order. Tens of millions of dollars would be needed—thousands of people added to the tax burden. And one wonders how efficient the barrier might be, how much more the problems regarding nationals might multiply.

At the same time, penalties for employment are urged. This too would be expensive, although industry could be fairly well policed. But to demand that the isolated farmer screen all job applicants under dire penalty of fine or prison is too great a burden to place on his shoulders. It would be an unconstitutional abrogation of our rights to withdraw from the farmer the protection from unjustified search and seizure. It could only, like Prohibition, multiply abuses, induce illegal practices, and build up a resistance to law and order.

The problem has existed for decades. But certain basic suggestions can be made that would bring the matter under control:

First, we can make better use of our domestic labor supply. Farm wages are the highest in history. Surplus industrial labor could be encouraged to enter the seasonal market. Second, we could and should insist on increased productivity per unit and per hour. It should be possible to discharge and send home the time-wasters, non-cooperators and chisellers, who are on the increase.

Need for Immigration Has Been Gradually Slowing Down

To sum this up in a few words: Historically, since formation of the United States, there has been a gradual slowing down of the need for immigration. Our government—and we all remember how wholeheartedly this Club endorsed the action a year ago—has set up a moderated policy of restricted immigration, maintaining the historical racial proportions that have made this country strong.

This policy has been modified by executive order, admitting many thousands of displaced persons who actually have somewhat altered the ratio. It therefore seems wise, as the result of the Section study, to uphold that policy. We have concrete examples in the arrival of the Puerto Ricans in New York, the Mexican nationals and Wetbacks in the west and Negroes from the West Indies in England, of the startling and distressing effects that sudden increases in nationals not easily assimilated can have on the economy. We have further eased the pressure abroad by exporting our own capital through various aid plans to assist in building up the foreign nations' economies so that their people can acquire an increasingly high living standard and serve as a further bulwark to the inroads of Communism.

Under the republican form of government we have created in this nation, we are able to adjust our policies from time to time to meet changing conditions. In the age of atomic power ahead of us there may be increased need for manpower in America. Then we may again find it economically wise to open our gates to a wider stream of newcomers.

Discussion From the Floor

PRESIDENT MOFFITT: Now, we'll turn to three-minute discussion from the floor. The discussion is to concern itself with the advantage or disadvantages of immigration to our economy. First we will have a paper by J. C. Russell.

Under 3-Minute Rule

Paper by J. C. Russell

Gibson Wine Company

MR. RUSSELL: Proponents of the liberalization of immigration laws argue that more people make more jobs, and more jobs make more prosperity. To a certain extent, that is true. But were it literally true, India and China would be the most prosperous nations on earth. Their hordes of immigrants arrived hundreds, or perhaps two thousand years ago, and their great increases in population have been due to the fertility of these ancient immigrants. America's immigrant hordes arrived about 60 or 70 years ago, and our large increase in population may also be attributed to their fecundity. It is well known that tradition in China, and religion in India, have obstructed development of a national economy, whereas the founders and developers of our country were not hindered by such obstacles.

There is, however, a saturation point in economic development as well as in population growth. India and China have about reached the saturation point in population growth and the United States is rapidly approaching a crisis in economic development. The credit structure is being stretched to a breaking point, and when a recession or depression strikes, there will be millions of homes, automobiles, and televisions repossessed.

The population of this country is increasing approximately 2,000,000 per year with immigration accounting for 150,000 or 200,000 at the most. At that rate we are on the road to becoming one of the most populous nations—a position not necessarily to be envied. Were the immigration bars completely lowered the 150,000 would not be missed in our "growing pains"; hence it is false to argue that we need the 150,000 to further our economic development.

To illustrate the fallacy of the arguments that immigration is an advantage to our economy, permit me to quote Governor Knight's statement that because of increasing migration to California, taxes would again have to be raised. Admitting that more people require additional state facilities, are not the tax structures of California and the United States high enough now? No economy can stand increased taxes year after year.

Constitutionally California cannot erect immigration bars on its borders but on a national scale we can prevent immigrants from other countries from entering the United States and increasing the congestion in our cities without comparable contributions elsewhere. If immigrants possess talents needed in this country, those talents could be much more usefully employed to improve the economies of their home lands—relieving us of the burden of foreign aid—or to assist them to reach the proportions of the American economy to which they seem anxious to contribute.

Remarks by Dr. Edward H. Heims*Retired Banker*

DR. HEIMS: Is it worthwhile—all this effort? Yesterday an eminent economist, Dr. S. V. Ciriacy-Wantrup, submitted to the American Association for the Advancement of Science, the same question. His subject was how the science of economics should figure the cost and benefit of public works, and he asks, "Is it worthwhile, all this effort?" and he says: "Decisions by the government regarding resource development are essentially political rather than economic. This holds for their substance, for the social process by which they are reached, and for the institutions through which they are implemented. This in itself is merely an observation of reality, neutral in terms of value judgments."

Should we be in the same frustration? For instance, I have not seen that any of the facts we of the Immigration Section have tried to dig out have swayed any member from the opinion of the side he holds from the beginning. I am not totally disillusioned, but we have to evaluate this work with some modesty and resignation. We still may trust that proven facts will restrain the abuse of semi-scientific arguments.

Furthermore there is a time lag. Results of our research will very slowly leak out in public opinion, and after years there will be some effect.

I agree with Wilbur Grant in his statement that the main danger is the dysgenic birth rate in this country. That has already been emphasized in the report of 1950, but the conclusion for immigration policy was different. I quote from "The Commonwealth" XLV pp. 55-59:

"But what of immigration's effect on the human qualities of the American people? . . . Within our country, those groups of people who promise to contribute most to society have too low a birthrate. This must result in a gradual deterioration of the average intelligence and other good social qualities. It is a major concern of our sociologists, and has been emphasized many times in our Section . . . In English schools, findings were similar. The English population expert, Sir Cecil Burt, observed: 'the rate of decline, if maintained for 50 years, would roughly double the number of feeble-minded children, and halve the number of pupils of scholarship ability.' Unequal distribution of birth control measures decreases the average qualities of the population. So our main concern is the quality of population growth. What kind of immigration will improve quality? . . . Everything points to selective immigration on the basis of individual merit: . . . (b) We want to make sure that such immigration improves our human assets and counteracts the failure of socially desirable groups in this country to reproduce themselves. (c) Individual screening is the only way of efficient selection known . . . We do not propose to invite only 'superior' and exceptional people. We want the 'regular guy,' ordinary men and women, but regular guys with at least average intelligence and other good social and human traits. If the American average of those features will be the minimum requirements, nobody will be lower and many will be higher. By necessity the newcomers must have a higher average so immigration will be a gain, will counteract the so much deplored distribution of our birthrate."

The recommendation was to work out a practical way of objective tests for prospective immigrants.

Remarks by Albert W. Schwabacher*Vice-President, Mill Agents & Distributors, Inc.*

MR. SCHWABACHER: As an immigrant citizen, I'm biased, but as a member of this Club, these points are offered for your consideration.

What was California 150 years ago? An empty land, mostly waste, and then came the Vallejos and Figueroas, the Fremonts and the Donner Party, the Crocker and the Weinstocks, and they brought in the Chinese and the Mexicans.

San Francisco had an earthquake and fire—and who had to build it up? Mexicans and Germans and Irish and Chinese; the Italians and the French. There was a great quarrel. Who built the ships and the planes? The Kaisers and the Bechtels, the Severskys and the Boeings. And who worked in the factories and the shipyards? The Monteverdis and the Schmalenbergers and the Lubaskys; the Whites and the Negroes; the Protestants, the Catholics, the Jews, and the Atheists—all Americans.

Close our doors? Cut out immigration? Keep out persons and ideas? The Einsteins and the Fermis applied their ideas and theories to create an atomic age. History proves a country cut off from the exchange of ideas can go down fast. In an atomic age this could be with atomic speed.

Remarks by Hon. Addison E. Southard*Retired Diplomat; Former Minister to Ethiopia*

MR. SOUTHARD: Arguments in Part 3 of this interesting Report are concise, and in most instances cite authority sources. Part 2 arguments are more diffuse, and in most instances are *not* supported by citations. This difference is one consideration in my choice of Part 3 as the more objective and effective.

Both parts could be strengthened, it seems, by comparison of our economic status in the 50 years before 1900 with the 50 years after, relating our economic situation in each period to immigration. The most authoritative sources familiar to me during a professional lifetime of contact with this general subject contend that we benefited from a sizeable flow of immigration during the 19th century, but that our improved economic status after 1900 aroused much doubt as to our need for more immigrants.

It seems demonstrable that many variations in certain qualities essential to our politico-economic welfare have existed as between immigrants of the 19th century and those of the current century. There are comparisons of economic impact statistically demonstrable which allegedly favor the more rugged immigrants of the earlier era; such comparisons, for illustration, as percentages of foreign born in our eleemosynary, correctional, and other public institutions.

Complete suspension of immigration would not be the answer because we would thus ignore the "comity of nations." But the comity of nations would not require us to accept greater immigration than we might find advantageous. It would require that we accept immigration at least in principle with, presumably, such restrictions as our national sovereignty found justifiable.

Efficiently and fairly to devise and administer a necessarily selective immigration procedure would require that our officials, politicians, pseudo-liberals, pressure groups, and others now involved in our immigration mishmash, collectively bring to the task those ideal attributes of ethical, objective and other obvious qualities which sometimes seem nowadays to be neglected.

Remarks by J. Rupert Mason*President, International Union for Land Value Taxation and Free Trade*

MR. MASON: From an economic standpoint, this immigration argument parallels the current tariff argument.

As a nation we seem to regard giving away the fruit of our work as better economics than allowing people to pay for what we give them. Is that not the way of the Marshall Plan? We give other nations the money to buy our products

rather than lower tariffs so they may earn the dollars to buy them. I believe that it's better to get something for what you produce than to give things away.

I've heard quite similar economic arguments in this immigration study. We had them back of California's alien land law, we're hearing similar arguments today from South Africa. We still have restrictive covenants. We don't want anyone to locate in a neighborhood unless we all like him. In California in the 1930's, the Los Angeles city police were stationed at California borders to keep "immigrants" from other states out. That was later declared unconstitutional. California's 32 year old Alien Land Law was declared unconstitutional in 1951.

As we visualize the trend to a world composed of nations none of which allow any immigration and none of which allow goods to come in from another country—is that the sort of economic world that will better guarantee peace?

Remarks by Carlos B. Lastreto

Retired World Trader

MR. LASTRETO: The question is asked: "Did the Puerto Ricans, the Negroes, the Chinese, contribute to the restoration of San Francisco after the fire?" No. But who did?

Shortly after the fire, I motored through the rubble of downtown San Francisco on to Russian Hill. All about were ruins, but to the northeast a new city amazed and puzzled me. The Italian quarter on and at Telegraph Hill, Columbus Ave. and Broadway had miraculously been rebuilt. Yes, the Italians had been by far the first in the restoration, and, with Giannini's financial support retained San Francisco's metropolitan position.

While I was last in Rome, during 1939, I was repeatedly the guest of a prominent literary and historical writer, who contributed to the Encyclopedia Britannica. He entertained visiting writers, diplomats, artists, cosmopolitans, and so on. I remember two—an Englishman and a Scandinavian woman who specifically reported their observations that at the places whence came the immigrants to the U. S., their families are good wholesome people despite the changes that come over some of them and succeeding generations in Americanization.

Should we blame the Italians as a class because in their acclimatation some acquired local, infective disorders?

Remarks by Charles R. Ginsburg

Retired

MR. GINSBURG: I have found that whenever an immigrant speaks in favor of immigration he is suspected of having the interests of some foreign peoples at heart. I would therefore like to show that opinions favorable to immigration are also held by many millions of American-born citizens who are concerned mainly with their own economic welfare, namely the great labor unions of this nation.

At their last annual conventions, both the A. F. of L. and the C. I. O. passed resolutions in condemnation of the unfair restrictions of the McCarran immigration law and promised to make every effort to secure a liberalization of this

law. The C. I. O. went still further by giving its full support to the Lehman Bill which also proposes to increase the present annual quota to 250,000, which, I may add, is going even further than I myself am prepared to go.

Why do these labor unions, whose function it is to protect the interests of some sixty million American workers, favor a more liberal immigration policy? These realistic and hard-boiled labor leaders are not international dogooders who weep for the sad plight of foreigners. Their prime objective at all times is to promote the welfare of their own American workers.

That this is true can be proved by the fact that labor unions did not always hold these views. During the pre-depression era labor was strongly opposed to further immigration and they themselves helped to pass our quota laws in the belief that they were thus protecting the jobs of American workers. But during the great depression labor learned the hard way that this great nation still needs immigration for its economic prosperity.

They learned through bitter experience that it was not immigration that caused the great depression, but probably the drastic immigration restrictions already in force for five years that helped bring it on. They learned that although immigrants may take away *some* jobs, that *all* immigrants become *new* customers who stimulate the growth of this nation, and that many immigrants bring *new* ideas for *new* industries which create *new* jobs.

How else explain why these great labor unions, who are in a far better position than anyone else to know what is good for their millions of workers, should today unanimously favor a more liberal immigration policy?

Remarks by Victor E. Cappa

Attorney

MR. CAPPA: The proposed report is in part inaccurate, defamatory, libelous, intolerant and vicious. If adopted without deletion of certain portions, it would lend the influence of this Section to the wiping out of the gains in the field of racial understanding achieved through the splendid efforts of such civic groups as the Anti-Defamation Leagues of the B'nai Brith, the Sons of Italy and the Pan-American Society.

Apart from our good Latin-American citizens, some ten million citizens of Italian extraction are openly slandered. They are blamed for wholesale crime and held responsible for a few individuals of Italian extraction whose organizational ability and sensational financial success in various criminal enterprises, far exceeding that of similarly engaged criminals of other racial stocks, made them first page news and nationally infamous. All these individuals, however, were either born in the United States or brought here at an early age by hard-working and respectable immigrant parents. They were the product of the local environment in which they were reared and conditioned, which produced more infamous criminals, the Dillingers and Baby-Face Nelsons of native racial stocks. The responsibility lies here at home.

The author of the Report should read the lead article in the January, 1954, edition of The Reader's Digest, which ably summarizes the consistent contribution of Italians to the economy and culture of this country since Columbus, the Italian who discovered it, Vespucci, the Italian after whom it was named, and Verazzano, Tonti, the Cabots and the other Italians who first explored it.

As the author states, "unfortunately for others of Italian descent, the sordid activities of a small segment have too often shifted public attention away from

the real achievements of the great body of Italian Americans. Studies have shown that our citizens of Italian origin do not have a peculiar propensity for racketeering, mayhem and murder. Arrests and convictions of Italians are no more frequent, per hundred thousand in the same age and sex brackets, than for any other immigrant group, and they are slightly less than for our citizens of native stock."

The fact is that the Italian Americans in proportion to their numbers have contributed more than any other ethnic group, both economically and culturally, to this country since its foundation.

On the economic side, Italians settled in New Castle, Delaware, in 1657, founded a glass works in Virginia in 1622 and a silk factory in Georgia in 1700. The Gianninis with Italian personnel and customers founded and built the largest bank in the world. The Di Giorgios founded the largest agricultural empire in the world. Caesar Graselli founded the great chemical company, Giovanni Tagliabue, the great manufacturing company of scientific instruments; the wine and silk industry of this country are the product of Italian immigration; an Italian, William Paca, signed the Declaration of Independence; Filippo Mazzei, the friend of Thomas Jefferson, made invaluable contributions to the American Revolution. Col. Francesco Vigo played a decisive role in making possible the victory of General George Rogers Clark at Vincennes on February 25, 1779, the victory which saved for the United States the old Northwest territory. Luigi di Cessola, Civil War General, was the founder of the Metropolitan Museum of Art. There were over 200 officers of Italian extraction in the Civil War, five of whom were generals; and last but not least, what about Enrico Fermi, the discoverer of the atom bomb?

Certainly an ethnic group which has contributed so much economically and culturally is worthy of better treatment at the hands of this Section than given it by this bigoted Report.

Remarks by David Frankel

Investment Counselor, Stone & Youngberg

MR. FRANKEL: In the report, under "Disadvantage of Immigration to Our Economy," it says, "This topic should be decided by what is overwhelmingly best for the dominant people of the United States." I think we are all agreed that we would like an immigration that is best for the United States.

What I object to is the view that no further immigration should come into this country. The Section has voted that immigration should continue at the present rate with the statement that 1953 immigration was 184,324. My point is in regard to the unused quota.

I am an immigrant of British descent. I came here in 1935. I was made a citizen in 1945. Fortunately I am British, but had I wanted to come today as a Greek or an Italian, I would find it difficult under the present immigration law. That is one of the strong objections I have against the present immigration statute.

Under the same heading the Report refers to one of the speakers who came before the Section, and says, "William Becker gave us the estimate that forty million immigrants have entered the United States and argued that immigrants

were beneficial to our economy. When told that following his logic one billion more immigrants would improve our economy, he had no answer for this absurdity."

I don't think that is correct. If anything, Mr. Becker had no comment.

Telegram by C. M. Goethe*

Sacramento

Delayed Christmas mail brings reminder Immigration Section members' privilege under three minute rule to contribute opinion at coming meeting. Same mail brings message from Finland where writer made field studies of weakening of government through heterogeneity after also similar field studies in Czechoslovakia. Writer is appalled at decay possibilities of heterogeneity. Club's current study is of economic gain or profit. Even though one disregard spiritual values, who can measure economic loss because of one unscreened traitor, Klaus Fuchs? His betrayal ended American military superiority. One wonders if our current taxes could not be almost halved had this one undesirable immigrant never been admitted.

Remarks by Stanley P. Mamalakis

Attorney

MR. MAMALAKIS: The real question is not whether we should liberalize or close the gates entirely to immigration. The question is whether or not immigration benefits our economy.

Immigration has given our economy many advantages.

In our day, United States' products dominate world markets. However, there are still areas of great importance in which immigrants can help.

As the leader of the democratic world, America needs all the talents, all the financial and economic assistance and ingenuity of all real democracies.

The Russians have imported German scientists who have helped them develop the rockets that menace world peace and American security. The United States and England also have imported scientists, who helped develop our arms and increase world security.

Every nationality has special talents. We should not open the gates without restrictions or selective rules but immigration of people who have special talents will continue to advance the American economy.

The psychology of people who have lived in a thrifty economy is different from ours—we who have lived in an economy of abundance. These people have thrift in their hearts. They are industrious, and they balance our tendency to be at times wasteful.

There are immigrants who can help our economy, not only because of advancement in science, but because of stamina and brains. I would cite Charles Skouras, who died recently, as an example. He came to the United States an illiterate. Still he developed the cinemascope, and the motion picture industry is highly indebted to him for his contributions.

We shouldn't say that we should permit only those people to immigrate who have the highest training and skills. Anyone who has health and brains can help our economy. Such people we need.

*Read by Executive Secretary Stuart R. Ward.

Remarks by Robert Tideman*Executive Secretary, Henry George School of Social Science*

MR. TIDEMAN: It is not always easy to say whether increased population will be an advantage or a disadvantage to a given economy. The answer depends upon the economy—upon the enlightenment of its institutions, especially upon its system of land tenure.

Increased population can be a tremendous advantage. Consider, for instance, the first settler in a pioneer community. His condition is much improved when a second family arrives, for now the two families can co-operate. They help each other with the heavy work of building. When one kills a bullock, he shares the meat with his neighbor, who returns the favor later, so both can have fresh meat more often. When one goes to town, he does errands for the other. As more settlers come, one may be a blacksmith, another a shoemaker, another a teacher. Each works at his specialty and trades with the others, and all benefit.

When the pioneer town grows to a city of teeming millions, *the same principle applies*. Doctor, baker, engineer, tailor, mechanic—name any occupation—and in a large city you will find that occupation subdivided into further specialties, enabling each person's contribution to be enormously greater. This principle of specialization and trade is a great principle. It is the basis of co-operation, the very foundation of civilization itself.

What makes this specialization possible, this mass production? Isn't it the tremendous co-operating population? If our population were cut in half, we could not specialize so thoroughly. Mass production would be weakened. We would have to pay more for everything we buy. We would be poorer than we are. A larger population permits finer specialization, stronger mass production. It can make us wealthier.

Many supposed experts talk about a population limit. They say that the limit is reached "when a country becomes overcrowded like India or Japan or Italy." But they blink the most obvious facts when they assert that *any* country is overcrowded. They ignore the idle and underused land that exists in every supposedly overpopulated country, and they ignore the savage tax systems which rob producers for the benefit of a predatory landlord class.

If any country seems overcrowded, it is only because the viewer has concentrated his attention on the poor. The rich have room and resources to spare. Where the land is in the hands of a few, who deny others their rightful share in nature's bounty, and where people lack the wit to see what is wrong or the courage to right it, there, of course, no economic benefit can come from population growth. The real limit to growing population is the economic enlightenment and moral courage of the people.

Remarks by Dr. Duval Jaros*Ophthalmologist*

DR. JAROS: It has been the custom of historians and economists all through history to prophesy dire consequences from population growth beyond the then current figures. That their prophesies have been in error has been amply demonstrated by the continuing rise in both population and living standards over much of the world. Two observations are pertinent with respect to our nation:

First, there is the Agricultural Department's report that our agriculture without improvement can support three hundred fifty million people. Second, while

the population increase in this country in the last decade has been approximately nineteen million people, the average diet of the American individual has improved, according to statisticians, through per capita increase in consumption of meat products, vegetables, and fruits. This, I think, is a trend, and chances are that it will continue.

Remarks of Executive Secretary Stuart R. Ward

EXECUTIVE SECRETARY WARD: Mr. President, in the Commonwealth Club of California we pride ourselves on *impersonality* but, of course, it takes *persons* to run things. I'm one of the few members present who has been a member of the Club's Immigration Section for over thirty years. This present gathering will be the last Club meeting at which former State Senator Edwin Grant can appear as Chairman of that Section. Therefore, I would like to suggest, Mr. President, that a vote of heartiest appreciation be accorded to Senator Grant for five years of devoted, conscientious and thoroughly competent work in his leadership of this important Section.

MR. BREWER: I'll make that a motion.

SEVERAL MEMBERS: I second the motion.

PRESIDENT MOFFITT: It's been moved by Mr. Brewer and unanimously seconded that we express our appreciation to Senator Grant for his five years of excellent service to the Commonwealth Club, and particularly to this Section. The motion is unanimously carried.

There being no further business to come before the meeting, I thank you for attending and participating in what I believe to be a most worthwhile Report meeting. We stand adjourned.

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