Global workforce, new racism and the declining nation state

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Abstract
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THE DECLINING NATION STATE
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GLOBAL WORKFORCE, NEW RACISM AND THE DECLINING NATION STATE

Introduction

In the closing decade of the 20th century, the world is marked by increasing ecological, economic and cultural interdependence. Yet the nation state remains the dominant political form. It maintains a near monopoly over the means of violence, it is the central focus of most political struggles, and its ideological force is demonstrated by the resurgence of nationalism in many areas. The breakup of the Soviet Empire has opened the door to a wave of nationalisms based on ethnicity. Reunification of Germany and the influx of ethnic Germans appears to confirm the idea of a resurgence of nationalism based on the myth of common blood.

Despite these trends, I will argue in this paper that some of the main factors which led to the ascent of the nation state in the last two centuries are now diminishing in significance. The nation station is beginning to lose its position as the main focus of power and political identity. It is not likely to disappear altogether, but rather to lose many of its functions, and to become one focus among other of identity and political power. The countervailing tendency in Eastern Europe and the Soviet Union is the result of uneven development due to a political system which cut the region off from the mainstream of economic and political development for half a century. It should not blind us to the main tendency in the capitalist world.

The nation state is a form of political organisation which arose from the economic and cultural requirements of the period of industrialisation which started in the 18th century.
The nation state provided internal cultural, political and economic integration, thus creating the conditions for defending and expanding external boundaries. It played a crucial role in the development of the world market and the dissemination of the global culture of technology and modernisation. Today, the interlocking hierarchies of inequality - mainly along the dimensions of gender, class and ethnicity - are still constituted in specific forms within nation states (although as general phenomena, of course, they transcend the nation state).

But the very historical success of the nation state has eroded the conditions for its continued dominance, and made it a barrier to continued development. The political economy of the modern world market relies on increasing international circulation not only of capital, resources and commodities, but also of labour (i.e. people). This is linked both to cultural homogenisation (in the sense of the pervasiveness of the norms of rationality and efficiency) and cultural diversification (in the sense of the intermingling of peoples from different backgrounds). In other words, the growing economic integration of the world, and the increasing intermingling of national cultures encouraged by migration, travel and mass communication, make it hard to see why political legitimacy should be exclusively concentrated at the level of the nation state. Indeed the growing importance of supranational bodies (like the European Community or the World Bank) and the increasing strength of regionalism are seriously questioning the its dominant role.

This paper is concerned with one aspect of these developments: the effects of mass labour migration and the emergence of new ethnic minorities on national identity and political legitimacy in advanced industrial countries. The nation state typically constitutes its boundaries through processes of inclusion and exclusion based on the construction of 'race' or ethnicity. According to Ernest Gellner '...nationalism is a theory of political legitimacy, which requires that ethnic boundaries should not cut across political ones, and in particular, that ethnic boundaries within a given state...should not separate the power-holders from the rest' (Gellner 1983: 1). Nationalism is based on the idea that every ethnic group should have its own state, with flag, army, Olympic team and postage stamps. Similarly, Benedict Anderson defines the nation as '...an imagined political community' (Anderson 1983: 15). The membership and territory of the sovereign nation is limited, and is defined through the belief in 'a deep, horizontal comradeship' (Anderson 1983: 16). But this community is 'imagined' because members of a nation can never personally know most of the other members. The question is therefore: what causes individuals to feel solidarity with
some people and not others, or, in other words, how is ethnicity constituted and why is it regarded as more meaningful than other forms of solidarity?

The growing ethnic minorities within virtually all developed countries are often excluded from the 'imagined community' of the nation, through both informal and institutional racism. Currently, these processes of exclusion are based on the 'new racism': an ideology of the incompatibility of different cultures and the inevitability of conflict between distinct ethnic groups. But if groups which belong to the economic and social life of a country are excluded from the political sphere, this undermines the legitimacy of the state, and questions its relationship with civil society. Caught in the contradiction between the desire to maintain nationalism as an instrument of political integration, and the problem of managing community relations in increasingly diverse societies, states have developed a variety of strategies, ranging from permanent exclusion and marginalisation of minorities (the West German model), to attempts to integrate minorities through citizenship and multiculturalism (the Australian model). Before discussing these in more detail, it is necessary to describe the development of a global workforce, the formation of new ethnic minorities, and the way new racism set out to stabilise national identity.

Labour Migration and the Development of a Global Workforce

Labour migration has always played a central role in capitalist development. In the early colonial period, forced labour and slavery in Africa, Asia and the Americas were a major source of capital accumulation for Western Europe, making possible industrial revolutions, which in turn led to recruitment of migrant workers: the Irish in Britain, Poles and Italians in Germany and France. In the case of the USA, nearly 30 million immigrants, mainly from Europe entered between 1861 and 1920, providing the labour for industrialisation. This was followed by the Great Migration of blacks to the industrial area from the former slave states of the Deep South. Then the Great Depression and a series of restrictive laws kept migration from overseas low until 1965. Within Europe, there was little migration between 1918 and 1939, but the Second World War soon led to new mass population movements, while the Nazi War machine run on forced migrant labour.

Since 1945, there have been two main phases (although the exact forms and periods have varied for different countries and regions): the period 1945 to about 1973 was characterised by centralisation of productive capacities and recruitment of migrant labour in Western Europe and North America. The subsequent period was characterised
by a trend towards the siting of mass production industry in new areas, with concentration of high-technology industry, financial control, design and development capacities mainly in the highly-developed countries. Mass labour migration has been central to the restructuring of the labour process and reconstitution of the working class in developed countries in both phases. In the early phase, the emphasis was on recruitment of low-skilled workers for manufacturing and construction; in the later phase the migrant labour force has been polarised between highly-skilled workers from less-developed countries (the 'brain drain') and unskilled workers both for manufacturing and the services. At the same time, rural-urban migration and overseas emigration has been part of the process of incorporation into the world market and industrialisation for newly industrialising countries.

Labour migration is a central element of the new forms of global organisation of finance, production, distribution and control, which have been emerging in the last two decades. Even Japan, which has hitherto relied on internal labour sources, is now experiencing an influx of undocumented workers from the Philippines, Pakistan, Bangladesh and other poorer Asian countries. Migrant women are employed as bar-girls and dancers, while men work illegally in construction. In early 1990 the Japanese government rejected a legal 'guestworker' program (Sekine 1990) and illegal migration looks certain to grow.

In view of growing populations in poor countries and declining birth-rates and increasingly aged populations in rich countries, the pressure for labour migration continues. Political conflicts are giving rise to increased refugee streams, while international and even intercontinental transport is becoming more accessible. At the same time, policies designed to contain migratory flows are proving difficult to implement, particularly for democratic countries with existing immigrant populations (SOPEMI 1990: 2) Thus there can be little doubt that the mass population flows of the last half century will be dwarfed by those to come in the next fifty years. It is necessary to look at different regions in more detail.

Western Europe
The major period of labour migration to most Western European countries was 1945 to 1973, followed by a phase of family reunion in the 1970s. Most migrants came either through contract labour systems (the so-called 'guestworkers'), or were citizens of former colonies (Castles 1984, 1986) Immigration was low for most countries in the early 1980s, but began increasing again by the end of the decade. The largest influx was into the Federal Republic of Germany (FRG) with about 650 000 new entrants in
1988 and nearly a million in 1989, of whom about 350 000 were from the German Democratic Republic (GDR) (SOPEMI 1990). Labour migration from outside the European Community is increasing again at present. Some former emigration countries are now experiencing mass immigration: Italy, Greece and Spain all have influxes of undocumented workers from African and Asian countries. Since the 1970s there have been streams of refugees from Latin America, Africa and Asian countries like Sri Lanka, Bangladesh and Pakistan, and these have accelerated in the last few years.

At present there are 15-20 million people of migrant origin in Western Europe, making up between 5 and 15 per cent of the populations of various countries. Britain, France and the German Federal Republic all have over 4 million people of migrant origin, of whom 40-50 per cent are of non-European background (Castles 1986, SOPEMI 1990).

The USA
The USA too has become more cosmopolitan through recent migrations. Just as European colonialism eventually led to the immigration of colonised peoples to the metropoles, now the peoples of the USA's neo-colonial world empire are coming to the centre. The Immigration Act of 1965 created a system of worldwide immigration, in which the most important criterion for admission was kinship with US citizens or residents (Briggs 1984). In the Reagan era the economic focus moved from the heavy industrial and engineering industries of the North and mid-West, to the new light industries of the Southern Sunbelt, and the services sectors of the great cities, and millions of new jobs were created. The result was a dramatic upsurge in immigration, reaching 600,000 legal entrants per year, plus about 100,000 refugees by the mid-1980s. In addition agribusiness encouraged the entry of up to 300,000 illegal workers per year from Mexico and other Latin-American countries. Something like one million new migrants now enter the USA annually.

Forty per cent of population growth in the 1970s came through immigration. By 1980 there were 13.9 million overseas-born people in the USA - 6.2 per cent of total population. In recent years, Latin Americans and Asians have come to dominate migrant intakes, leading to a gradual shift in the ethnic composition of the population. It is predicted that Hispanics and Asians will soon outnumber Blacks in many areas of the USA. Asians are concentrated in certain areas, with Chinatowns and Koreatowns in several major cities.
Oil-Producing Countries

The dramatic increase in oil revenues after 1973 led oil-producing countries to embark on ambitious programs of industrialisation. The result was massive recruitment of migrant workers. Kuwait, for instance had 384,000 foreign workers by 1980. In the latter year they made up no less than 78 per cent of the labour force. In 1980 there were 2.7 million migrant workers in the Gulf oil states (Birks et al 1986). The workers came mainly from Arab countries, particularly from Palestine and Jordan, but also from Pakistan, Bangladesh and the Phillipines. Non-Arab oil countries also looked to migrant labour: Venezuela imported large numbers of foreign workers in the late 1970s, from both Latin American countries, and Southern Europe (Cohen 1987: 247). Workers streamed into Nigeria from other African countries. In both these cases there was little state control or planning. Spontaneous flows of undocumented workers fitted well with labour demand.

When the oil boom began to deflate in the early 1980s, some countries adopted draconian measures: there were mass expulsions from Nigeria in 1983 and 1985, and from Libya in 1985. But in the case of Kuwait, although the inflow declined, an increasing proportion of immigrant workers were remaining after the completion of their initial contracts (Birks et al 1986). Despite the strict regulations governing the situation of migrants in Gulf states, economic and social factors were leading to longer periods of residence. These included continued demand for personnel to run the new industries, employers' desire to maintain existing labour forces, and the growing employment of domestic servants. However, the invasion of Kuwait by Iraq in August 1990 has led to a massive exodus of migrant workers, and future patterns are hard to predict.

The Newly-Industrialising Countries (NICs)

One reason for the decline in labour migration to Western Europe was the development of a 'new international division of labour', in which labour-intensive production stages were relocated to Third World countries. The main attraction for the foreign companies was the very low wages, long hours and lack of social costs in these areas. The result was a new wave of migratory movements, both internal and international, particularly of women, whom employers regard as most suitable for the light assembly work in the new electronics or clothing factories. Employers take advantage of patriarchal structures, which make women workers cheaper and easier to control.

The growth of manufacturing in NICs generally does not lead to reduced overseas emigration. Rural-urban migration in countries of Latin America and South-East Asia is
bound up with the capitalist revolution in agriculture. The transformation of rainforests into woodchips and of arable land into hamburger ranches liberates more peasants than can be absorbed by the new world market factories. So for many the exploding cities of Brasil, Mexico, Korea or India are mere staging posts on the way to Europe, North America, Australia or the Gulf states.

The changing role of migrant labour in developed countries

In the 1970s and 1980s there were major changes in the structure of the world capitalist economy, which led to substantial restructuring of finance, industry and distribution in the advanced industrial countries. 'Global cities' such as New York, Los Angeles, Tokyo, London, Paris, Singapore and Sydney, become centres of planning, management and innovation for the transnational corporations (Sassen-Koob 1985). One result is a new polarisation emerging in the labour markets of these countries. While demand for highly-trained specialists increases, there are also growing numbers of low-skilled jobs in unregulated and non-unionised branches, such as catering, the retail trades and light manufacturing. As traditional manufacturing declines, the relatively favourable wages and employment conditions achieved by generations of blue-collar trade unionists are being eroded. Labour market entrants without the required educational credentials, particularly migrants, refugees, members of ethnic minorities and women, find they have to take low-skilled non-unionised jobs where they have little bargaining power or security of employment. The 'global cities' pull in highly-qualified personnel from all over the world, but also attract low-skilled migrants to service the needs of the corporate elite. These developments have had profound effects on the situation of migrant workers.

Firstly, the mass immigration of low-skilled workers has declined considerably. Many countries have tried to stop entries, through closing down recruitment schemes, or refusing entry and work permits to people without skills. However, illegal migrants and refugees continue to provide a source of unskilled labour, and this is often tacitly condoned by governments, particularly in the USA and - most recently - in Japan. Immigration policies have favoured entry of highly-skilled, professional and managerial workers, often leading to a 'brain drain' from the Third World.

Secondly, most of the pre-1974 migrants workers have been unable to achieve occupational mobility, and remain in unskilled jobs in manufacturing, construction and the services. Often their children share this position, as education systems have failed to provide them with adequate schooling or vocational training. This group has borne
much of the brunt of industrial restructuring: lacking skills, language proficiency and educational credentials they have been the first to lose their jobs, and have high rates of unemployment.

Thirdly, the traditional sites of migrant incorporation into labour markets have been eroded. Typically, newcomers used to get unskilled factory or construction jobs while they found their feet in the new country, and were able to use these as a base for finding better work and establishing social networks. Now most newcomers (except those with high recognised skills) often undergo long periods of unemployment, or have to take insecure and often illegal jobs in the services sector. This makes initial settlement very difficult, and often leads to long-term poverty and isolation.

Fourthly, a new informal sector is developing, in which members of ethnic minorities are both marginal entrepreneurs and workers. For example, the revival of the garment industry in the highly developed countries, is due to the the exploitation of migrant women, whose wages have been forced almost as low as those of their counterparts in Asia and Latin America (Waldinger 1986, Phizacklea 1987). The services of the great financial centres like New York, Los Angeles, Paris and Frankfurt are run by Black, Hispanic, Asian, North African, Turkish and Southern European workers. Typical migrant workplaces are ethnic restaurants, fast-food chains, retailing, garment outwork and sub-contracting in the construction area (Castles et al, 1990). Migrant-run small businesses play a major role in sectors too small, unprofitable or insecure to interest the large corporations. Some groups have found 'ethnic niches' in specific occupations: the Chinese now dominate the New York 'rag trade' (replacing the Jewish entrepreneurs and workers of an earlier migrant generation), while Koreans play a big part in fruit and vegetable distribution (Waldinger, 1986).

Ethnic Minorities and New Racism

The previous section discussed the increasing significance of labour migration for most developed countries since 1945, and the shifts in migratory patterns and forms of incorporation of migrant labour in recent years. Migrations of various types look set to continue, so that an increasingly international labour force will be a feature of Western Europe, North America, Australia and Japan for the foreseeable future. This obviously means increasing ethnic diversity in the populations of these countries. It is important to understand that, although migrant labour forces are heterogeneous with regard to areas of origin and skill levels, certain sections of the immigrant population have taken on an ethnic minority position in each receiving country.
Ethnic minority status is not a matter of numbers, but rather of processes of social exclusion, which constitute distinct groups with inferior legal rights and/or socio-economic status. Not all immigrants belong to ethnic minorities. Although no generalisation is true of all cases, it may be said that, on the whole, immigrants with high occupational status, from relatively developed countries, and with a similar cultural and ethnic background are not likely to be treated as ethnic minorities. On the other hand, immigrants with low skill levels, from less developed countries, and with distinct cultural and ethnic background are likely to become ethnic minorities. Nor do all ethnic minorities consist of recent migrants: aboriginal peoples in the USA, Canada, Australia, New Zealand and Scandinavia are all victims of processes of social exclusion and marginalisation. The USA has long established black and hispanic minorities. Most European countries also have ‘old’ ethnic minorities, created by conflicts within the historical process of nation building. And finally, gypsies still have ethnic minority status throughout Europe. However, we shall not deal with these old minorities here.

Rather, what we are concerned with here is the process of constitution of new ethnic minorities as a result of the post-1945 migrations, the causes of the process, the mechanisms by which this takes place, the effects on society as a whole, and the consequences for the relationship between civil society and nation state. My argument is that exclusionary policies and practices towards the new ethnic minorities arise from attempts to control migrant labour and to preserve the (assumed and desired) cultural and ideological integrity of the nation states concerned, but that these objectives cannot be achieved in the long run, once the internationalisation of the labour force and population has become irreversible.

Ethnic minorities are constituted through processes whereby dominant groups ascribe (real or imagined) characteristics to the group concerned, and use these to justify exclusion from equal participation in the legal, political, economic, social and cultural arrangements of society. These processes may be seen as racism, both institutional and informal. Institutional racism means the development by a dominant group of structures (such as laws, policies or administrative practices) which exclude or discriminate against the dominated group. Informal racism is when members of a phenotypically or culturally demarcated group express prejudice or carry out discriminatory practices against members of another such group in an unorganised manner.2

Racist practices, whether institutional or informal, are based on racist beliefs (which may be held consciously or unconsciously). ‘Scientific racism’ which developed in the
19th century, put forward biological theories of inherent and immutable differences between human groups, classified according to real or imagined physical differences. It was argued that differences in intelligence, character, behaviour and ability could be related to these assumed phenotypes, and that these differences inevitably led to hierarchical relationships between the groups concerned (Miles 1989). Such theories were used to justify European imperialism and the exploitation of colonised peoples, as well as 'nordic superiority' and anti-semitism within Europe. This type of racism may be defined as the belief that certain groups are intrinsically superior to others, and are therefore entitled to dominate or exclude them. This belief is far from dead, playing a major part in the ideologies of extreme-right groups, as well as in popular culture. Nonetheless, it has been discredited, both by revulsion against the extreme violence of Nazi racism, and by the ending of direct colonial domination. Moreover, most natural and social scientists reject the validity of the concept of 'race' in classifying human groups (Montagu 1974).

The main ideology used to justify exclusionary practices against minorities in developed countries today is a set of beliefs which have come to be called 'new racism' (Barker 1981). This is a discourse on 'natural difference', generally based on the pseudoscience of sociobiology. The theory claims not to be racist, because it is not based on ideas of racial hierarchy, and generally does not use the term 'race', preferring 'tribe' (Morris 1971) or 'ethnic group' (Van den Berghe 1981). Balibar speaks of 'racisme sans race' (Balibar 1988: 36). New racism asserts that all human groups are in principle equal, yet their cultures are different and incompatible, and each must therefore remain on its own territory. In most variants, these cultural differences are seen as immutable, since they are based either on 'human nature' or on long historical processes. Where groups share the same territory through migration, conflict is likely, and can only be prevented by excluding the interlopers from equal participation in society, for instance by denying citizenship. The power of this ideology lies in the way it provides an explanation of immigration and formation of ethnic minorities that fits in with commonsense notions of natural difference and the threat of outsiders. It presents a pseudoscientific justification for exclusion and discrimination, while not appearing to be racist in the traditional sense.
Immigration, citizenship and nation: a comparison of Australia and the Federal Republic of Germany

The construction of ethnic minorities must be considered in relation to four sets of factors:
- economic and social factors which lead to relative segregation, hierarchy, competition and conflict in areas of immigration;
- legal and institutional arrangements;
- attitudes and behaviour towards minorities;
- the reconstitution of culture and identity by minority groups within the process of migration and settlement.

Rather than attempting to present a general model of the interaction of these factors, I will describe them briefly in the case of two countries with widely differing policies towards immigrants and minorities: Australia and the FRG. They are also countries with very different traditions of nation-state formation and citizenship. The two countries may be seen as extreme cases; any similarities we find between them are likely to be of relevance for other countries too.

Economic and social factors in the formation of ethnic minorities
Both Australia and the FRG had mass, organised labour migration from the Mediterranean region in the postwar period, Australia from 1947 until the early 1970s, the FRG from 1956 to 1973. Both countries recruited low-skilled workers to support the expansion of their manufacturing and construction sectors. Primary migration was followed by family settlement. In both cases, new migratory flows, often of refugees, developed in the late 1970s, with migrants coming from a wide range of non-European countries.

Currently Australia has an immigrant population of around 3 million - about 20 per cent of total population. Another 3 million are children of immigrants - the so-called second generation. However, over two fifths of immigrants are from Britain or New Zealand, and cannot be considered to have ethnic minority status. There are over 80 different ethnic groups, the largest being the Italians, Greeks, Germans, Lebanese and Vietnamese. The FRG has a foreign population of 4.5 million - 7.5 per cent of total population. One third of them are Turks; the other large groups are mainly from Southern Europe.
Lack of education and training, together with various types of institutional and informal discrimination restricted migrant workers' job opportunities. They became heavily concentrated in factory work and building, though there was a subsequent shift into the services sector. There has been relatively little upward social mobility of the original migrant workers, so that labour forces show marked segmentation by area of origin and gender. Certain types of work - such as car assembly - are done predominantly by migrant men, while other - such as garment manufacturing and food processing - are done predominantly by migrant women. The availability of migrant labour forces has made upward mobility easier for a section of the local labour forces.

In both countries, concentration in certain types of work was one factor leading to concentration in certain types of housing and residential areas: generally low quality housing in city centre or industrial areas. Other factors were institutional and informal racism in allocation of housing, and the desire of migrants to live near their compatriots. In both Australia and Germany there are identifiable areas of migrant concentration. Here the infrastructure for ethnic communities can develop. On the other hand, the indigenous population develops a perception of distinct - and perhaps threatening - ethnic enclaves.

Thus, apart from the relative size of the ethnic minorities, there are considerable similarities between the two countries in the economic and social situation.

**Institutional and legal arrangements towards ethnic minorities**

However, when we look at the character of the nation-states and the way in which immigrants have been incorporated, we find major differences. Australia is a new nation, settled by British colonists in the 18th and 19th centuries. The relatively small Aboriginal population was killed or pushed aside and excluded from the emerging nation. Australia became a sovereign state in 1901, though still closely linked to Britain. Until the Second World War most settler were from Britain, although there some Irish and other Europeans. Identity was based on British culture and traditions, and on being part of the Empire, although distinctively Australian features began to emerge in the early part of the 20th century.

From 1901 until the 1970s, the White Australia Policy shaped entry to the nation in explicitly racist terms. In 1947 a mass immigration policy was introduced, to increase population for strategic reason and to provide labour for industrial growth. The aim was to bring in predominantly British migrants, but not enough were available. When it proved necessary to bring in Eastern and Southern Europeans, policies were deigned to
bring about complete political and cultural assimilation. State policy towards migrants was inclusionary: they were treated as 'New Australians', and encouraged to settle as families and become Australian citizens. Naturalisation was granted after five years (later reduced to three and then to two years), and migrants formally had full rights in every social sphere.

Nonetheless there were (and remain today) a number of institutional barriers which prevent migrants from fully participating in society, and lead to economic and social disadvantage. Indeed it can be argued that labour market policies which lead to ethnic segmentation directly contradict the ideology of assimilation. Moreover assimilation itself is a racist policy, in that it labels immigrants' cultures as inferior, and tries to obliterate them. As will be discussed later in this paper, assimilationism was abandoned in the mid-1970s in favour of the a policy of cultural pluralism called multiculturalism.

However, it is significant that Australian citizenship is inclusionary. It is based on *jus soli*, that is on territoriality rather than ethnicity, and is designed to make people from varied backgrounds part of the 'imagined community'. In other words membership of the civil society is a membership ticket to the nation. The state, through immigration policy, can decide who is to become part of the civil society, and then, through the mechanism of naturalisation, make them into part of the people.

Germany, on the other hand, is an historical nation, with roots which go back many centuries, although attempts to define the nation in cultural terms did not become significant until the 18th century, and the demand for a German national state did not become significant until the 19th century (Hoffmann 1990: 74). When the German Reich emerged as the first real German state in 1871, it was far from including on its territory everybody considered German. Indeed no German state has ever done this, although the Reich put this forward as an aim, just as the later Bundesrepublik claimed to represent all Germans, even those who had never stepped on its soil. German nationality was defined not through territoriality, but through ethnicity, that is through language and culture. Essentially, a person could only obtain German nationality by being born into the German community, so that 'blood' became a label for ethnicity, and the ethnic group became the *Volk*.

German citizenship, then is based on *jus sanguinis*, and the nation-state is a *Volkstaat*. Anyone who can claim German ethnicity (or 'blood') is entitled to citizenship. When Hitler annexed Austria in 1938, he could claim that its citizens were going 'home to the Reich', though they had never belonged to it. Similarly Germans from the GDR,
Poland, the Soviet Union, etc. can receive a passport the moment they arrive in the FRG. But nobody who is not born German can become it. The Nazis took away the citizenship of Jews and gypsies whose ancestors had lived in Germany for centuries, because they allegedly lacked German ‘blood’. Today, immigrants who have worked and lived for 20 years in the FRG are denied naturalisation, and their children, born in the FRG, can never be German, because they have the wrong ‘blood’. Some exceptions are made: in 1987 37,810 persons were granted German citizenship, at which rate it would take 125 years before the whole foreign population became German (SOPEMI 1990: 187).

German citizenship is thus based on exclusion, and is fundamentally racist, defining the ‘imagined community’ on the basis of culture or ‘blood’. Millions of foreign workers have been recruited for the economy. They have settled and become part of civil society, but they are are excluded from the nation, and from incorporation in the state. This is the political rationale behind the seemingly absurd slogan ‘the FRG is not a country of immigration’. Foreigners can become members of the civil society, but not of nation and state (see Hoffmann 1990). It is obvious that this model cannot be stable, as will be discussed further below.

Attitudes and behaviour towards minorities
When we turn to popular attitudes towards immigrants, we again find marked similarities between Australia and Germany. Both countries have traditions of racism which have their roots in 19th centuries ideas of ‘Nordic’ racial superiority. Popular culture, as reflected in the mass media and in ‘commonsense’ knowledge, is replete with racist stereotypes. Both countries have a history of racism towards members of certain European ethnic groups. For instance, anti-semitism was strong in both countries up to 1945, and has still not disappeared altogether. Past treatment of labour migrants (such as the Irish and Southern Europeans in Australia, Poles and Italians in Germany) was discriminatory and exploitative. Attitudes and behaviour towards non-Europeans goes back to genocide against Aborigines and exclusion of Chinese and other non-Europeans through the White Australia Policy in the case of Australia. German colonialism, marked by brutal treatment of black people in South West Africa and other territories, has left widespread prejudice against non-Europeans.

Postwar Southern European labour migrants to both Australia and the FRG encountered considerable hostility and discrimination. In the last 15 years or so, both countries have had less European immigrants, and an increase in entries from other parts of the world: the Middle East, South-East Asian and Latin America, in the case of
Australia; Turkey, North Africa and other parts of Africa and Asia in the case of the FRG. It appears that 'otherness' is now primarily constructed around non-European origin. In addition Islam is taken as a special marker of difference (Commission of the European Communities, 1989; Goot 1988). Racial attacks, public statements, discrimination and the activities of extreme-right groups all concentrate on non-European minorities. In Australia and the FRG (and indeed in most other developed countries) the incidence and virulence of racism is on the increase. There are powerful political forces calling for the stopping of immigration, the reduction of minority rights and even mass deportation.

Increased racism has relatively little to do with the characteristics of the minorities themselves. Rather it is linked to the economic and social crisis arising through economic restructuring and rapid social change. In particular the working classes of countries like Australia and Germany have suffered severe and sudden changes in their conditions of work and life in the last two decades: new technology, deskillng, decline in blue-collar employment, urban crisis and declines in the welfare services. These changes have occurred at a time when immigrants, particularly of non-European origin, have become increasingly visible in the cities. They appear as competitors for jobs, housing and social amenities, and as a threat to security and life-styles.

Neo-conservative theories of difference and conflict provide an ideological justification for such 'commonsense' interpretations of ethnic competition and conflict. These in turn provides the basis for state strategies of crisis management based on exclusion and control of minorities. In this area the difference between the FRG and Australia is that the discourse of exclusion has prevailed in the former, while in the latter it has not. The reasons for this lie partly in the different ways in which the nation-state is constituted in the two countries, as discussed above, and partly in the problems of managing community relations in a country with very large minorities, as will be argued below.

The reconstitution of culture and identity by ethnic minorities
In the process of migration and settlement, migrant groups create their own social networks. These provide support and social contact in a strange and sometimes hostile environment. They are often based on chain migration and some degree of residential proximity. Typically, these networks provide a form of community (within the wider society), marked by language and cultural maintenance, development of educational, cultural and political organisations, and emergence of an ethnic petit-bourgeoisie. Ethnic communities find a source of identity in homeland culture, though this is applied in uneven and contradictory ways, and often considerably modified in the new situation.
This process is very complex, and varies considerably in character in different immigration countries and for different groups. A detailed discussion is not possible here.

The existence of ethnic communities is in part a reaction to informal racism: where settlers encounter discrimination and exclusion, they group together for physical and psychological protection. This in turn may appear to local people as a threatening enclave or ghetto, thus confirming racist fears of 'swamping'. Equally, institutional racism and labour market segmentation cause residential clustering, by forcing minorities into a common low status position. Nonetheless, maintenance and adaptation of migrant cultures and the development of communities in the cities is major force of social change and renewal. In both Australia and the FRG this type of community formation has taken place, and in both cases has led to a discourse on enclaves and Überfremdung. The difference is that Australian policies of granting full rights and citizenship to immigrants grants greater legitimacy to the cultural and political expression of minorities. Often this is articulated through the development of minority petit-bourgeoisies, which act both as forces of social control and as sources of economic and cultural innovation. In the FRG, in contrast, exclusionary policies deny legitimacy to such developments.

The point to be emphasised is that ethnicity does not arise because of 'primordial sentiments' or the desire to maintain a separate identity within the country of immigration. Since most migration is part of a transition from rural to industrial, it must be assumed that most migrants are open to cultural and social change. Rather ethnicity is part of a process of dynamic interaction, in which migrant groups use the cultural resources available to them to cope with a particular situation within the migratory process. Exclusionary policies by the receiving society will encourage a trend towards tradtionalism and separatism (and even fundamentalism). Denial of cultural pluralism by racist structures and practices thus actually creates pluralist demands from the minorities. In contrast, where receiving societies create structures which permit equality of opportunity and civil rights to settlers, separatism is unlikely, and migrant cultures will survive in a form of creative interaction with the majority culture.

Whether the majority accepts the cultural rights of minority groups or not, their survival affects the character of the nation state. Members of migrant minorities inevitably have multiple identities, based - in varying contexts - on aspects of homeland cultures and receiving country cultures, and on a synthesis of both. If the minorities are excluded from the nation (as in the FRG), that very exclusion questions the legitimacy of the
state, while the denial of rights leads to conflicts within civil society. An exclusionary nation-state must, in the long run be a repressive and racist one. If, on the other hand, cultural pluralism is accepted, then the whole society has to recognise a multiplicity of identities. This may undermine a national identity based on ethnicity, and cause a redefinition of the boundaries of the nation.

**Multiculturalism and the Nation**

The comparison of immigration and minority formation in Australia and the FRG has shown both similarities and differences. The similarities include:

- Large-scale immigration and settlement since 1945, with increasing numbers of non-European migrants in recent years;
- Institutional and informal practices which concentrate certain groups of migrants in manual employment, leading to marked segmentation of the labour market according to ethnicity and gender;
- Residential concentration in urban areas, affected by housing problems and poor infrastructure, where competition and conflict with local people, especially members of the working class, develop;
- The growing significance of racist discourses, based mainly on 'new racism', which use the presence of minorities as an explanation of economic and social problems, and advocate exclusion and discrimination.

The differences include:

- Larger relative size of the immigrant population in Australia;
- An inclusionary concept of the nation in Australia, where access to the civil society leads to inclusion in nation and state, compared with an exclusionary, racist form of the nation in the FRG;
- An immigration policy based on permanent settlement and citizenship in Australia, compared with a policy based on temporary residence in the FRG.

With regard to the similarities, both countries are fairly typical of the situation in most developed countries. With regard to the differences, they represent opposite poles on a continuum, where most other countries are somewhere in-between. In view of the likely continuation (and even expansion) of migration to developed countries, it is my hypothesis that the German model of temporary migration and exclusion from the nation cannot be maintained in the long run, because it negates a central principle upon which the legitimacy of the contemporary liberal state is based: that it should appear to which incorporates all significant sections of civil society, and take account of their
interests. By excluding a large and growing section of civil society, the German model creates the conditions for separatism and conflict. The only way of managing the real ethnic diversity of society while maintaining an exclusionary form of nation and citizenship is by raising the new racist discourse on difference to an official ideology. Certainly, there are strong forces, especially within the CDU-CSU, which are trying to do just that, as the new Ausländergesetz shows. However they can only postpone the inevitable shift to a more inclusionary model, and in doing so cause a great deal of conflict and hardship. They cannot prevent the shift in the long run. The needs of administration and community relations have already led to the emergence of multicultural policies in some areas in education, welfare and local government. Such policies are eventually likely to extend to areas of central government such as immigration policy, labour market rights, welfare entitlement and citizenship.

It is therefore important to look in more detail at the development of policies for managing diversity within Australia, and to realise that multiculturalism is not without its contradictions and problems (the following account is based on Castles et al 1988). As already mentioned, assimilation was seen as the basic principle for dealing with immigrants in the early postwar period. Access to citizenship, together with assimilationist educational and social policies were designed to make them 'New Australians' - indistinguishable from Anglo-Australians by the second generation. Assimilation was thus an attempt to preserve Anglo-Australian ethnicity as a principle for defining the nation, though cultural absorption. It failed because labour market segmentation, residential concentration and the maintenance of migrant cultures combined to produce continued ethnic pluralism. By the late 1960s the explicitly racist construction of identity through assimilationism and the White Australia Policy had to be abandoned.

The Australian Labor Party Government (ALP) from 1972-75 emphasised migrant rights and cultural diversity as a principle for making the welfare system more open to disadvantaged groups. However it was the Liberal-Country Party Government of the late 1970s that really made multiculturalism a principle of social policy. This was done within the framework of a neo-conservative agenda devoted to cutting government expenditure, and privatising welfare. Ethnicity, defined in primordialist terms, was made the principle for welfare delivery and social control. By recognising the ethnic group, as represented by traditionalist, male, petit-bourgeois leaders, the conservative government could avoid confronting issues of class, gender and racism. Multiculturalism in this period was thus an ideology of cultural pluralism, with no consequences for the central economic and political structures of society.
In the period of ALP Government since 1983, multiculturalism has been redefined in a process of public debate and conflict, in which the main contenders have been:

- Federal and state bureaucracies concerned both with economic efficiency and social control;
- Ethnic minorities, with a variety of conflicting interests and needs;
- A labour movement concerned with potential threats to conditions both through immigration and a divided labour force;
- Progressive intellectuals who advocate a cosmopolitan and open concept of the nation;
- New racist intellectuals, who have tried to mobilise public opinion around an exclusionary concept of national identity.

The concept of multiculturalism which has become predominant in policy-making since about 1987 is one which accepts cultural pluralism as long-term feature of society, but no longer sees this as a central policy-focus. Rather the central issue is seen as one of full equality of rights and opportunities for all citizens, whatever their ethnic background. The National Agenda for a Multicultural Society, an official policy document launched by the Prime Minister in July 1989, names three dimensions of multicultural policy (Department of the Prime Minister and Cabinet 1989):

- Cultural identity: the right of all Australians, within carefully defined limits, to express and share their individual cultural heritage, including their language and religion;
- Social justice: the right to all Australians to equality of treatment and opportunity, and the removal of barriers of race, ethnicity, culture, religion, language, gender or place of birth;
- Economic efficiency: the need to maintain, develop and utilise effectively the skills and talents of all Australians, regardless of background.

This program is notable for its inclusionary rhetoric: it speaks not of minorities but of 'all Australians'. It reiterate the rights of all citizens in a liberal society, and then goes on to recognise the existence of structural barriers which have to be removed to achieve these. The third dimension is a justification of the first two in terms of an ideology of modernisation. It is a statement of faith in the integrative power of the capitalist economy and the liberal state. But the program is based on recognition that lack of language proficiency and education, together with still-existing mechanisms of marginalisation require special measures to improve the situation of minorities. The measures announced in the National Agenda are predominantly concerned with
increasing equality of educational and occupational opportunities, rather than with cultural pluralism. They fit in with a whole gamut of special institutions and services introduced in the last few years to increase equality of opportunity make government services accessible to people of all ethnic backgrounds. Laws on equal opportunity in employment, and against racial vilification and incitement are also part of the process of removing barriers.

Nobody would claim that racism has been overcome in Australia, nor that inequalities of ethnicity and gender have been removed. It is also significant that the issue of class is not mentioned at all in the National Agenda, although inequality of income distribution, and the number of very poor and very rich Australians are currently increasing. However, it is important that multiculturalism has now been defined as a necessary aspect of the constitution of the liberal state, and that it is conceptualised in terms of economic, social and political rights. It seems to be that this principle is significant for all states which have experienced mass immigration, and that the best way of countering racism is firstly to fight for the introduction of this principle, and secondly to work to give it real social content - something which is still necessary in Australia too.

Conclusion

Migrants inevitably have multiple identities. These last for generations and lead to links with countries of origin as well as country of residence. But then, most people have multiple identities which relate to family, peer groups, hometown, voluntary groups and so on - for migrants the issue of plural national identity is added. However, this leads to a dilemma, which is already very visible in the Australian case: if the nation can no longer be defined by ethnicity, because the civil society is made up of many groups, nor by exclusion, because the nation-state needs to incorporate all significant groups, what is its basis? If we add to this that the economy is increasingly international, and that culture and language no longer function as sufficient national markers, then the problem is obvious. If being Australian is only defined through possession of certain economic, social and political rights, then how is it different from being a citizen of any other liberal democratic state?

Some people have suggested that the answer is a return to territoriality, which was the principle for defining political status prior to the bourgeois revolutions. A person was automatically the subject of a certain monarch, through simply being on the soil of his or her territory. A modern version would be that as soon as a migrant was allowed to
enter a country, he or she would be a citizen with all rights and duties. This is an attractive option in many ways, but it effectively abolishes the nation-state based on ethnicity. It would presumably mean the end of nationalism, because who would be willing to die for a state which was held together only by the legal status of a citizenship which could be readily exchanged for another one?

This would not be a reason for despondance. The only tangible function left to the nation-state in this age of population movements and internationalisation of economy and culture is a political one: the nation-state can to a limited extent develop national ideologies and loyalties; it can control the means of violence; it can manage social conflicts. The state can also provide the systems of social security, education and training needed to reproduce the working population. The nation state thus survives because it is still the most effective agency for managing civil society and for social control. But this function is not one that most people on the left would want to defend.

However, the nation-state is not on the verge of extinction. I would suggest that its political and ideological basis has become shaky in countries with large and diverse immigrant populations like Australia, although even here there are strong racist and nationalist sentiments. It also appears to me that similar problems for the definition of the nation-state will develop in other countries like the FRG, France and Britain, as it becomes obvious that ethnic diversity can only be effectively managed by making immigrants not only members of civil society but also full participants in the nation. I suggest that this will give further impetus to the development of new forms of social identification and political legitimacy, which will erode the still-dominant role of the nation-state.

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1 Ellie Vasta of the Department of Sociology at the University of Wollongong read a draft of this paper and made valuable comments.

2 It should be noted that the self-definition of cultural and social identity by members of an ethnic minority is also relevant in this context. This will be discussed below, in the section on the reconstitutions of culture and identity by ethnic minorities.
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