

what next for Labour and immigration?

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"We got it wrong on immigration" has become one of the standard refrains of Labour's leadership election. On that, the majority of candidates seem to be agreed. What is less clear is what they think getting it right would have looked like or might in the future.

In looking at that challenge – what is a progressive immigration policy in the years to come – we face the daunting figures of public opinion which tells us that second only to the economy, people are concerned about immigration. Only a third of people think that immigration is good for the economy – despite overwhelming evidence to the contrary, two thirds were dissatisfied with Labour's handling of immigration and clear majorities in every age and social class demographic say there are too many immigrants in Britain.

Therefore, on the level of public opinion – the one so dear to new Labour's heart – we can say with certainty that the last Government did get it wrong. Despite almost constant talk of clampdowns and restrictions, people lost confidence in the system. And that mattered in electoral as well as social terms. Amongst those C1 and C2 voters that deserted Labour, immigration was undoubtedly an issue, although perhaps not in the traditional way that many have assumed since the election.

This was not the triumph of prejudice. It was the triumph of fear and insecurity. If you look at the other issues that motivated these groups – crime, anti-social behaviour, a feeling of a lack of respect and of not belonging to their community – we can develop a better understanding of why immigration caused concern and how we might respond to it.

The BNP may have exploited these concerns and put a racist face on it but by and large, this popular concern was not motivated by racial hatred or prejudice. It was not even necessarily driven by local experience of immigration. Indeed, the percentage of those who say that immigration is a concern in their local area is about a third of those who say it is a problem nationally. If we see immigration through the prism of race we play into the hands of the far right and we also cannot solve the issue of public concern.

Concerns about immigration are rooted in people's insecurity – magnified by economic uncertainty and fear of public spending cuts – and a reduction in community. Immigration becomes the scapegoat for a variety of other issues ranging from population mobility through poor work-life balance to graffiti in the neighbourhood. Therefore talk of border controls and ever-more restrictive policies do not meet the needs of those who are

concerned. We need to rebuild the social fabric of our communities – investing in the infrastructure that support people getting to know one another and having high social capital in their neighbourhoods.

In many traditional communities, a loss of identify has gone alongside profound socio-economic changes. Worklessness and the loss of stable jobs have impacted upon social structures and a decline in traditional institutions such as trade unions and social clubs. In some places, these issues do become racialised as competition for resources or perceptions of bad service are exploited by extremists and 'the other' is blamed. Labour did begin to get this and the Connecting Communities programme launched by John Denham last year was a major change in policy. However it was too little, too late. And now its been scrapped by the new administration.

We need to bury the myth of myth-busting. No amount of facts during the past decade has turned public opinion around on immigration. We can talk all we like about the numbers in real terms and the economic benefits but it does not get through. There is no marketplace of ideas operating here. If people are presented with facts which do not match deeply held beliefs and fears, they will simply not believe them, particularly if those facts are being offered by a distrusted politician.

One thing I do think the left has got wrong is that it has automatically equated liberal immigration policies with progressive policy. Is this really the case? When it comes to accepting refugees and asylum seekers it is certainly the case and it is perhaps unfortunate that the first assault on immigration under Labour was concentrated on the number of asylum seekers. But are open borders necessarily progressive? Support for minority communities and inclusive integration policies are not the same thing as allowing anyone into the country.

Last month, the ONS showed that the great wave of EU immigration has come to an end. This might be a blip but, for our purposes, let us assume it is correct and use the opportunity to take stock. In just over five years, over one million eastern Europeans entered Britain. At its height in 2007, an additional 200 people arrived every day. Since 1997, inward migration increased threefold. Not only was this grossly and negligently not predicted by the government, it has had a profound effect on our communities. I think we need to say that we got this wrong. We should have had transitional controls on the A8 countries. We should have been better prepared and we should have supported frontline service providers to deal with the influx of people registering for schools and GPs. The failure of this has allowed others to fuel public hostility. It is all very well to castigate the Daily Mail but we have given them the ammunition.

And our responses, while not altogether wrong, seem to miss the point. The introduction of the points-based system may well prove to be the right thing in the long-term but the idea of 'probationary citizenship' is clearly unfair. We are expecting immigrants who want to settle here to be better citizens than the rest of us. But these measures also fail to address the issue. None of the measures introduced have any impact upon those million plus eastern Europeans who have arrived. The EU's free movement of people means that they can come and go as they please no matter what other border controls we have and they do not need to worry about learning the language or earning their citizenship. Instead, we have simply made it harder for non-EU immigrants to come here and settle. There is a danger that we are effectively saying it is only black and brown immigration we are concerned about.

If we are serious about addressing immigration then, as Ed Balls said in the Observer last weekend, it is at the EU level that something needs to be done. And here are three things that might help. Firstly, we need to work with other governments to have a better system of tracking who is living where. This is not just a UK problem but even without talking of restrictions, we need to know who is where so we can provide services for them. Secondly, the EU should bolster its funding support for migrant integration, funding for language classes should be provided by the EU and bi- or even tri-lingualism should be encouraged across Europe.

Lastly, we need to be able to reflect the real cost of immigration in our tax system. I'm not as convinced as Ed Balls that immigration has had such a deflationary impact on wages but what if we put an extra penny on employers' NI contributions for every non-British worker they employed? This would not necessarily deter them but it might allow for extra funding to be channelled back to service providers to allow them to employ the extra teachers, GPs or police that areas with growing populations need.

Business and the economy have undoubtedly been boosted by recent immigration but the benefits have been realised at a national or corporate level while the costs are being borne at the local level. Even if the overall balance sheet is positive, that has not been the case locally. This has been exacerbated by the fact that the new arrivals have not been proportionally distributed across the country. Over a third have come to London, a fifth to Yorkshire and the Humber with another significant share to the eastern region. A national economic boost does not reflect these local pinch points.

For too long our financial approach to immigration has been regressive with employers and business reaping the benefits whilst many vulnerable communities have suffered in terms of increased competition for resources. It is time to change that.

We also need to get better at integration. I do not subscribe to the David Goodhart thesis that diversity is incompatible with strong welfare states but where he has a point is that we do need to generate solidarity to support a strong state. It is a similar argument to the one made by the Fabians in their report on the need for universalism in the benefit system to maintain popular support. We need to feel that we are all in this together. And how we do that in a world that is more mobile and diverse needs to be different. It does also need the state to facilitate this.

One of the primary challenges posed to cohesion from migration is the inequality and high levels of social exclusion faced by many refugee and new migrant communities – we need to ensure that they receive better health, education and housing services. Leaving vulnerable people behind simply because they have not paid into the welfare system is not only morally wrong but self-defeating in the long-term. However it is easier to look after people if we have some control over how many people there are. We need to promote citizenship and a sense of civic duty for all people – not just new arrivals. We need to provide better and cheaper language provision in return for requiring people to learn English. We should investigate the establishment of a mobility fund which would enable areas experiencing short-term changes to bid for one-off payments. All of this requires the state – and resources – which could at least partially be paid for by the employers' NI surcharge. It also shows just why leaving integration to the 'big society' is a recipe for disaster.

We also need to get real about irregular migrants. It was embarrassing during the Prime Ministerial debates to watch Gordon Brown attack Nick Clegg over the Liberal Democrats' plans for amnesty. It may be unpopular but we need to spell out the facts that deportation is simply a non-starter. Even if we can find people, the costs of apprehension, detention and transport overseas are prohibitive. Recent costs were given as £11,000 for the enforced removal of a failed asylum seeker; even on a conservative estimate of the amount of irregular migrant in the country, this would cost over £5 billion. Far better to have a path to citizenship and not only start receiving the tax revenues from these people but also take them out of criminal activity and help them integrate into society.

So let's be positive and confident about immigration. Let's call out racism and prejudice when we see it and trumpet the contributions that immigrants have made and will continue to make to our country. But let's also make sure that immigration works for

everyone – migrants and host communities alike. Let's put in place the support as well as the obligations to encourage and support new arrivals to become equal and active members of our society. Let's not get ever more draconian with third country migration whilst not acknowledging that the concerns of recent years have been driven by the EU. Let's do integration properly but recognise that some of the economic benefits of migration need to be passed back to the communities dealing with change and paid for by those benefitting. In recognising the real issues faced by some communities, we can respond to them and thus remove grievances that others can exploit. Then we can be positive about immigration and tell the story of just how good it has been for this country.