

perspectives on migration

The Smith Institute

The Smith Institute is an independent think tank that has been set up to look at issues which flow from the changing relationship between social values and economic imperatives.

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Designed and produced by Owen & Owen

perspectives on migration

Edited by Tony Pilch



2005

THE SMITH INSTITUTE

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Published by the Smith Institute

ISBN 1 902488 82 2

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Preface

Wilf Stevenson, Director of the Smith Institute

The Smith Institute is an independent think tank, which has been set up to undertake research and education in issues that flow from the changing relationship between social value and economic imperatives. In recent years, the institute has centred its work on the policy implications arising from the interactions of equality, enterprise and equity.

Throughout its history, Britain's population has been augmented by successive inflows of migrants. Each inflow has made significant contributions to the UK's economic, social and cultural development. Some ethnic groups have done particularly well in terms of both education and the labour market. But despite this contribution, the debate in recent years has become more negative, and there are now serious difficulties in discussing the differences between immigration, asylum and migration; and in many instances overtones of racism are apparent. In addition, the case for economic migration has often been confused, and has focused on the social costs of immigration rather than its potential economic, social and cultural benefits.

The Smith Institute, in partnership with the Barrow Cadbury Trust, is pleased to be publishing this collection of essays by key experts in the field of migration. We hope that their contributions will help to develop the debate on ensuring that Britain's immigrants continue to make a positive contribution to the country's economic and social development.

Introduction

Tony Pilch, Researcher at the Smith Institute

Throughout its history, Britain's population has been augmented by successive inflows of migrants. Each inflow has made significant contributions to the UK's economic, social and cultural development. Some ethnic groups have done particularly well in terms of both education and the labour market.

It still remains difficult, however, to have a rational public debate about migration. The terms "asylum seeker", "refugee", "immigrant" and "illegal immigrant" have been used interchangeably when they are in fact different concepts. Asylum is the historic and fundamental human right to claim international protection from political or religious persecution, which was embodied in the 1951 Geneva Convention as a response to the horrors of the Second World War. It is ironic to note that between the framing of the 1951 refugee convention and the fall of the Berlin Wall, the terms "asylum seeker" and "refugee" were not used pejoratively; they were seen as brave souls who had escaped the tyranny of the totalitarian regimes of the old Soviet bloc for the liberty of the West.

"Migration", by contrast, is a much broader term. It refers to the freely chosen pursuit of work, prosperity, and personal fulfilment that millions of people each year (including thousands of British emigrants) seek for themselves and their families. There are, and always have been, constant migrant flows between the UK and other countries, and British citizens returning to or leaving the UK.

It is clear that immigration has been good for Britain. Immigration supplied the labour that aided the post-war economic recovery that gave credence to Macmillan's boast that Britons had "never had it so good"; in 2000/01, the government could point to a net contribution from immigration of £2.5 billion; while according to *Eastern Eye* magazine, of the 200 Asians in the UK worth more than £5 million in 2000, 182 were self-made millionaires – a collective fortune of well over £10 billion. Moreover, few would dispute the contribution made to our arts, culture, music and architecture by successive generations of migrants.

Unfortunately, the paucity of the debate, the confusion between asylum and migration and the inability of both the left and the right to discuss the subject rationally have meant that the overall benefits of a managed migration policy have been overlooked. As Sarah Spencer, of Oxford University's Migration Research Centre, has said:

Bold reforms will require the confidence to lead a public debate, explaining the rationale for migration, being honest about the benefits and the costs and realistic about the limits of what can be delivered.

This collection of essays attempts to do just that. By focusing on the economics of migration, we hope to be able to gain a greater understanding of how immigrants perform in the labour market; of the barriers that immigrants may face to successful social and economic integration; and what the framework of a progressive 21st-century managed migration policy might look like.

For the first time, this publication brings together the voluntary sector, the trade union movement, the Confederation of British Industry, academia, commentators and politicians in examining in detail the case for managed migration.

Robert Winder argues that it is no longer easy – perhaps not even possible – to imagine a Britain untouched by immigration. We would lose great buildings, music, food, and even the English language. More importantly, he argues that “we are all from somewhere else: it simply depends how far back you go”.

In their analysis of employment, participation and wages of white and ethnic minority migrants, Christian Dustmann and Francesca Fabbri demonstrate that there is still a worrying trend for ethnic minority migrants to earn less and be more likely to be unemployed than white migrants. They suggest that language proficiency, or religious and cultural differences could be causal factors.

Susan Anderson of the CBI argues that today's global economy demands a better appreciation of the benefits that migration can bring. Migrant workers can offer the skills, experience and knowledge that businesses need – although it should never be a substitute for training UK workers. She calls for an effective policy of managed migration and for measures to control illegal working to ensure that migration does not undermine the long-term economic and social fabric.

Gloria Mills of UNISON echoes the positive contribution that migrants have made to the British economy and society. However, she stresses the exploitation that many migrant workers face and sets out the work of trade unions in campaigning for the protection of migrant workers. She raises some of the issues that UNISON would like to see addressed.

Sukhvinder Stubbs of Barrow Cadbury Trust sets out the case for asylum. She argues that “rather than treating asylum seekers as people who target Britain to steal our jobs or steal our place in the dole queue, we could just accept that circumstances force people to move. There are no deserving or undeserving migrants. All have the right to move and each one that chooses Britain is a potential asset to our society.”

Claude Moraes MEP and Barbara Roche MP examine the role of government against the background of a developing EU agenda on asylum and immigration. They look at the way in which some other countries have dealt with these issues and call for fundamental reform of our own system. They also argue that policies in this area say much about our national identity and the sort of country we want to be.

Irwin Stelzer’s contribution takes a different line from many of the others in the monograph, and also draws on US experience. He outlines the policy choices that are open to governments when trying to strike a balance between the economic and social interests of a nation, and follows this up with some ideas on how to meet these challenges, which he argues are in the spirit of the Institute’s commitment to lively debate.

Chapter 1

The history of migration

Robert Winder, journalist and author of
Bloody Foreigners: The Story of Immigration to Britain

The history of migration¹

Robert Winder

Immigration is often presented as a contemporary or recent phenomenon, one that has been inspired by the ease and low cost of modern communications and transport. It is also a politically inflammable subject. Not since Enoch Powell was delivering his bloody (and inaccurate) race warnings in the 1960s has the nation been so agitated by the idea that it is under siege. The 2004 enlargement of the European Union, coinciding as it did with the continuing outrage about the number of asylum seekers snaking towards Britain, sharpened the sense of public unease. The more rancorous elements of the popular media were able (and more than willing) to depict Britain as a historically settled nation in urgent peril from foreign invaders who were, by definition, lazy and unscrupulous troublemakers.

It is true that international migration has been given a boost by new technology. It is also true that the racial and religious make-up of British society has changed in recent decades. Britain's situations vacant columns can be scanned in Harare, Manila and Bangalore on the day they are posted; flights from almost anywhere to London or Manchester can be booked with a few strokes of a finger. But although it takes bold new forms, migration itself is an ancient story, one that has sculpted British society as steadily as the water and wind have groomed and streaked its landscape.

It is only natural, after all: early humans were nomadic, drifting with the seasons in search of better food, fresher water, safer homes, easier neighbours or a kinder climate. What we see today is merely the continuation of this embedded habit. Perhaps because we are a maritime nation, the metaphors that dominate the subject are aquatic. They talk of an "influx" or "flood" threatening to "swamp" or "drown" British life. But we might do better to think of migration simply as weather: human weather. People drift along on currents created by the tension between areas of low and high pressure – between wealth and poverty, perhaps, or between peace and war. Sometimes the clouds along the fronts can be turbulent, even stormy. But they are always changeable: even downpours are followed by sunny spells.

Haven't we been here before?

It often seems as though the scale of modern immigration, and the bitterness with which

¹ Material in this chapter draws on Winder R, *Bloody Foreigners: The Story of Immigration to Britain* (Little Brown, 2004).

it has been greeted, have no precedent. This is not the case. On 18 April 2005 it will be exactly 100 years since the original parliamentary debate that argued for a restriction on immigration. It was the first reading of the Aliens Bill, and nearly all the arguments we hear today were given a thorough airing at that time.

The bill was an unfriendly response to a hectic exodus of Jewish refugees from Tsarist Russia. For more than two decades they had been fleeing across the Baltic in their thousands, genuinely seeking sanctuary in Britain or America. No one could dispute the urgency of their plight: the Russian pogroms were violent and relentless. But the speed with which they created a Jewish enclave in London's East End, and built a bustling hive of sweatshops squatting in an area of often drastic poverty, provoked a shrill blast of indignation in nationalist Britain.

The bill was introduced by Mr Akers-Douglas, the Conservative Secretary of State for the Home Department. The need to regulate the flow of new arrivals was, he insisted, "pressing" – the "problem" was "acute". According to his figures, there were 82,000 recent immigrants, and many of them were "undesirable aliens" who brought "evil" in their train. They were responsible for "overcrowding, living in unsanitary conditions, the lowering of the general standard of life and morality, and crime". There was "no doubt", he declared, that this migration was an "organised traffic" that, if unchecked, would soon debauch the kingdom.

The bill included a provision for the expulsion of those "undesirable aliens already in our midst". The idea, it claimed, was "to prevent this country from being made a receptacle for destitute, diseased and criminal aliens".

Several parliamentarians rose to denounce the bill, but it passed; and Britain, which in the whole of the 19th century barely turned away a single would-be immigrant, became an island fortress, determined to repel unwelcome boarders. And then the First World War ushered in the age of the passport, and migration would never again be as easy as packing a bag, bribing a ship's captain or buying a ticket.

A little bit of enterprise goes a long way

In blatant defiance of the stereotypes, the Jews who had succeeded in entering the country before the bar came down prospered and moved into the invisible mainstream of British life. There were some exceptional rags-to-riches stories. One 17-year-old refugee, Michael Marks, arrived in Hull from Russian Poland and sold fancy goods door-to-door before

setting up a market stall of his own in Leeds. He spoke little English, so devised a neat marketing slogan: "Don't ask the price," it said, "it's a penny". The stall flourished, spread, and grew into a grand retail dynasty called Marks & Spencer. The man himself became – as St Michael – the patron saint stitched into the neck of a million take-it-back-if-it-doesn't-fit jumpers.

Marks was by no means the only such figure. The Moses brothers were leading lights in the east London second-hand clothes business (the novels of Dickens and others echo with the "Old clo!" cry of these largely Jewish street traders) until they became an elite formal couturier known as Moss Bros. Their fortunes were matched and then surpassed by Montague Ossinsky, who came from Lithuania, changed his name to Burton, and found work in a shop in Chesterfield. By the time of the First World War he had opened his own clothes shops in several Midlands towns, and he found himself leading the market in a new direction: off-the-peg outfits for men.

Traditional tailoring had not moved with the time – it remained a bespoke business for gentlemen of leisure – but Burton's exploited the growing middle-class appetite for smart but affordable suits. By 1936 it had 600 granite-and-oak stores across the country, selling clothes made by a 20,000-strong workforce in Lancashire. During the war, Burton's provided 13.5 million items of military uniform for the mobilised troops – indeed, it is often supposed that the saying "Gone for a Burton" was a jocular allusion to the sticky end to which many of these clothes were destined. Montague himself was knighted in 1939, and endowed post-war chairs at the universities of Cardiff, Cambridge, London, Edinburgh, Oxford and Jerusalem.

Men like these were hardly typical: the lot of most Jewish migrants at the turn of the century was spirit-sapping poverty and back-breaking work in the tiny garment houses of London and Manchester. But they lit the path for those who followed, and helped overturn the pejorative mythology that had been given such noisy publicity in 1905. Their careers are also closer to the classic immigrant parable than the usual idea of such intruders as feckless spongers and scroungers. Foreigners have been getting on their figurative bikes for centuries, to try their luck here. And the very act of upping sticks and moving overseas implies an entrepreneurial streak, a pioneering spirit not always allowed for in the cartoon versions of migrant indolence.

Whose Britain is it anyway?

Yet we often overlook the contribution of migrants in our national story. In truth, much

of what we see as typically British is the imported fruit of a process that has been going on for many centuries. The British bloodstream, matured by repeated conquest, is a mongrel brew of influences from Iberia, Bohemia, Germany, Rome, Scandinavia and France. The German tribes that pushed aside the Romans planted a Teutonic sensibility that has stood at the heart of the national temper ever since. And the Normans brought the castles and cathedrals at the heart of our classic scenery, planted the grass roots of agribusiness in their monasteries and installed a baronial class system that underscored British life for nearly a thousand years. They put the language through finishing school by rubbing French polish onto the awkward Celtic-Roman-German-Danish tongue and turning it into English.

In the middle ages, religious conflict brought Protestants fleeing from continental Europe in search of a safe haven. They became the first “refugiés”, and were welcomed as suffering co-religionists. One of them, Jan de Groot, made it as far as the northernmost tip of Scotland, where he set up a ferry service to the Orkneys in a place called (in a Gaelic-accented version of his name) John O’Groats.

In Elizabethan times, many Flemish craftsmen crossed the Channel (“onlie to seeke woork”, as the saying went). They came in sufficient numbers, to Sandwich, Canterbury and Norwich, to light the touchpaper of the first industrial revolution, turning England from a passive, monastic woolgatherer into a high-quality textile worker. Later generations of French Huguenots, hounded by Catholic dragoons, brought business acumen, military expertise and mercantile wit; as industrious midwives to the birth of British capitalism, they were also a significant force in the formation of the Bank of England (seven of the original directors were Huguenots).

Historically, it is a moot point whether Protestantism inspired capitalism, or the other way around, but there is no doubt that this sizeable migration, numbering thousands of free-thinking, mercantile French families, helped to reinforce a potent new idea in Puritan England: the Protestant work ethic.

As the Empire expanded, British capitalism rollicked along on the back of cheap labour provided by African slaves, Irish and Italian peasants, and Asiatic seamen or lascars. At home the tone was set by Hanoverian monarchs who brought a brassy German flavour to British culture, giving upper-class taste a whiff of horses, cards and dinner after the opera. Even in Victorian times the royal family spoke German at home, while bestowing on its people the “traditional” British Christmas, and opening the nation up to the German

entrepreneurs, bankers and teachers who helped reinforce Britain's supremacy in business and finance. Many other Germans (the most prominent of whom were Karl Marx and Friedrich Engels) came here as dissident intellectuals from a Germany that refused to have any truck with such ideas. Neither did Britain, but the principle of individual liberty continued to trump merely political considerations. Some of the communists and anarchists who came to England had already been ejected from Paris, Zurich and Frankfurt. They gave a burst of fresh energy to the fledgling socialist unions on these shores.

A frosty welcome

Hungry migrants from Ireland, Italy and the colonies continued to put their ill-paid shoulders to the wheel of British commerce, providing the raw material (cheap labour) without which capitalism could not thrive. And at the end of the 19th century those Jewish refugees from Russia started landing in eastern ports. That they were greeted with such national and public alarm had much to do with the fact that their arrival coincided with the birth of mass-market newspapers, with a vested interest in stirring up and spreading discordant news (which they could then report).

All subsequent immigrants would have to run a gauntlet of abuse not simply in the streets, but in the national newspapers. When the Windrush – the converted troop ship that was carrying 492 Jamaicans to Britain in 1948 – arrived in London, it sparked a racial nervousness bordering on outrage. “Thirty Thousand Colour Problems,” cried the cover of the *Picture Post*. A nation that had seen off thousands of German bombers, and which was absorbing 120,000 Polish evacuees with no country to return to, could still grow hysterical at the prospect of a few hundred mechanics, decorators, musicians, and other jobseekers from the Caribbean.

In almost every case, these groups of migrants were greeted with mixed feelings. On the one hand they were exposed to some sour and violent reactions. The Irish in the Victorian cities were pilloried as barbarians and apes; and the Italians who took to the streets as organ-grinders and ice-cream sellers were denounced in much the same way as Eastern European squeegee merchants or beggars are hounded today. There were plenty of fights, a good deal of outright racism, and no shortage of hot-tempered summer riots. But at the same time, Britain offered a greater degree of liberty and tolerance (even if it came disguised as indifference) than was the norm elsewhere. As one German emigré in the 19th century put it: “We were free to come, and free to suffer under inclement skies.”

The post-war Nationality Act of 1948 strove to indicate that Britain was still a great power and gave all children of the Empire the right of abode in Britain. But when technology brought this grandiose ideal within reach, it introduced a series of ever tighter restrictions. As a result, the many inward migrations since the war, from the Caribbean, Asia and Africa, have been pursued in the face of considerable animosity and political nervousness. They have also – more often than we sometimes imagine – found a soft landing. The migrant experience has not been uniform – there have been happy stories as well as sad ones, comedies as well as tragedies, fairy tales as well as horror stories – but through it all, Britain has taken a good many steps on the rocky road to racial and ethnic equality.

Many more steps remain. But far from bringing racial unease – the concept was never rare, even in the days when someone from Hampshire would see someone from Somerset as a “bloody foreigner” – the migrants who have settled in Britain have brought its opposite: an insistence on toleration and equality. They, more than we, are responsible for making Britain the plural, varied and elastic culture it is today.

The post-war migration from the Commonwealth has been the logical, indeed the inevitable reverberation of Britain's own colonial adventures overseas. European imperialism has proved to be a terrific engine of migration, uprooting and mixing the world's population with scant thought for the consequences. Some 350 million people of African descent live outside Africa; 250 million people of European descent live outside Europe; nearly 30 million people of Chinese descent live outside China; and almost 10 million South Asians live elsewhere. There is no arresting or interfering with this global phenomenon: the only question is how well or otherwise nations adapt to it. In Britain's case the truth, despite the well-publicised wrath over the numbers of foreign nationals arriving at British ports, is that we are only lightly brushed by this commotion. Few of the world's refugees have either the resources or aspirations necessary to cross continents: most huddle in camps not far from the conflicts or disasters that have expelled them from their own homes.

A richer Britain

It is no longer easy – perhaps not even possible – to imagine a Britain untouched by immigration. We would have to throw away the Roman grid of towns and roads, and a lengthy catalogue of artists such as Van Dyck, Vanburgh, Handel, Holst, Eliot, Conrad, Naipaul, Rushdie, Brendel, Tan, Freud and countless others. We would lose the Bible (a durable immigrant which seems, in translation, like a national treasure), and much of our vocabulary. We would lose publishers like Andre Deutsch, Heinemann, Victor Gollancz and George Weidenfeld, film-makers such as Korda and Pressburger, and many generations of

actors from David Garrick to Daniel Day Lewis.

There are too many remarkable individuals to count. Jean and Peter Dollond came as Protestant refugees in the 18th century from France (not Holland, as their name might suggest). They were part of a desperate evacuation that has precise echoes, 200 years later, in the hair-raising cross-channel dashes from Sangatte. They came as stowaways, hiding in wine barrels, bales of straw and mounds of coal. The Dollonds set up as opticians in the Strand and perfected a range of optical instruments: the telescope became known, in naval slang, as "a Dollond". Eventually, after the 1926 merger with Aitchison, they became one of the most common presences on the modern British high street.

In so many areas, immigration goes back further than we think. Britain's first black professional footballers, Arthur Walton and Walter Tull, played for Preston and Northampton long before the First World War. Tull, the son of a freed slave from the West Indies, was an especially potent figure. He went on to become the first black officer in the British army (he was killed in France in 1916). He is the kind of man who ought to loom large in our historical imaginations. Perhaps, one day, he will.

The Victorian fleet was to a great extent staffed by South Asians (lascars), some of whom disembarked in cold British harbours and found a home from home in our damp city centres. But there is also a long tradition of more senior Indian figures in British life. The first Indian MP, Dadabhai Naoroji, was a Bombay Parsee who won the seat of Finsbury as long ago as 1893.

Without immigration, we would lose Nobel prize-winners, politicians, generals and captains of industry. We would have to survive without Ritz, Schweppes, Brunel, Trust House Forte and Selfridges. We might never have had Triumph (founded by a German sewing machine salesman) or ICI, Harland & Woolf or GEC, Kleinworts or Rothschilds, Warburgs or Schroders. We would not have pizzas and pastas, curries and spring rolls, kippers, kebabs and even oxtail soup (a Huguenot speciality). Where would we be without afternoon tea – not by accident is it served in "china"? And how would we cope without the migrant cricketers, footballers, athletes and boxers who have brightened our sporting lives (although as Linford Christie once remarked, when he won he won for Britain, but when he lost he became "Jamaican-born")?

The list is almost endless. We would lose Glyndebourne and the Edinburgh Festival (launched by refugee German musicians led by Rudolf Bing) and the Notting Hill Carnival,

the corner shop and the takeaway. Half of Humberside would be knee-deep in ooze (it was drained by Dutch engineers in Stuart times). We would not contemplate, imagine, conjecture, think or dream of looking at *Roget's Thesaurus*. The pinks, roses and rhododendrons in our gardens, the chestnuts, figs and cherries in our fields ... all are foreign interlopers, thriving in our rich and varied soil.

Indeed, Britain's historic ability to commandeer and absorb foreign habits, skills and people, even as it shouts them down, is an overlooked aspect of the national temper. Contrary to the fables that present us as insular and prickly, we are a magpie nation. Far from being fearful or angry, we should see this as a source of pride. The truth is that we are all from somewhere else: it simply depends how far back you go. And immigration, it could be said, is the sincerest form of flattery.

Chapter 2

Employment, participation and wages of white and minority immigrants in Britain

Christian Dustmann, Professor of Economics at University College London, and Francesca Fabbri, Research Fellow at the Centre for Research & Analysis of Migration at University College London and Postdoctoral Fellow at the Munich Graduate School of Economics

Employment, participation and wages of white and minority immigrants in Britain²

Christian Dustmann and Francesca Fabbri

1. Introduction

According to figures from the 2001 population census, some 4.9 million individuals living in Britain (or 8.3% of the population) were born in another country. Individuals born outside Britain (to whom we will refer as “immigrants” or “migrants” below) differ from British-born individuals as well as among each other in education, demographic structure, culture and skills. These differences may partly determine economic success as well as social adaptation and integration. Over time, immigrants may adjust in many respects to natives, due to accumulation of skills and information, as well as adoption of habits and behaviour.

Migration is an increasingly prominent and controversial issue in the political debate.³ It has implications for multiple areas of government policy, such as education, employment, health and social cohesion. An important prerequisite for migration policy is to understand how immigrants perform in the labour market, and how this relates to origin, as well as their individual characteristics.

In this chapter, we use the British labour force survey for the years 1979-2000 to provide a picture of some aspects of the labour market performance of immigrants in Britain. We investigate three different performance indicators: labour force participation, employment and wages. Our comparison group is white British-born individuals.

Where possible and meaningful, we distinguish between immigrants of different origin. In addition, we compare the performance of immigrants to that of British-born workers with the same individual and labour market characteristics, where we use regression analysis to keep observed individual characteristics constant. Thus, we do not only provide answers to questions like, “What is the difference in wages between an average male immigrant and an average male, white British-born worker?” but also to questions like, “What is the difference in wages between a male immigrant and a white British-born worker who are identical in their education, age, other demographic characteristics and choice of residence area?”

² Material in this chapter draws on a report for the British Home Office (Dustmann et al, 2003).

³ The recent public debate has focused mainly on asylum seekers and refugees. In the past five years, the number of asylum seekers and refugees in the UK has dramatically increased (Heath and Hill, 2002). However, they still represent only a small fraction of the overall immigrant population (Dobson et al, 2001).

Our analysis considers not only men, but also women. Different traditions, religions and culture may lead to behaviour of female immigrants that results in labour market outcomes that are more distinct from their British-born peers than those of male immigrants.

Much of our analysis is based on regression models. It is purely descriptive, in the sense that we do not attempt to identify causal effects. We therefore do not address issues related to, for instance, selective labour force participation and unobserved individual heterogeneity.

The structure of this chapter is as follows. In part 2 we describe the composition of immigrants in Britain, their socioeconomic characteristics, and their labour market outcomes. In part 3 we analyse the labour market performance of immigrants of different origin, and compare them with British-born whites with the same characteristics. Finally, part 4 concludes.

2. Ethnic composition and individual characteristics

In table 1, we highlight some simple facts about the various minority groups in Britain. The numbers are from the 1979, 1983 and 2000 labour force surveys, and refer to the population of working age (year of arrival and education data are only available, in full, from 1983 onward).

In the first three columns of the table, we report figures for British-born whites, and individuals who are foreign-born. The next columns split the foreign-born into groups of various origins.

The particular immigration flows to the UK⁴ have shaped the demographic patterns observed in table 1. In 1979, around 7% of the working-age population were born outside Britain. The largest immigrant community at that time was those of Irish origin, some 1.4% of the population, or around 600,000 individuals. Next are the Indian and EU communities, each accounting for around 1% of the working-age population, or around 400,000 people.

By the year 2000, the total immigrant stock had risen to around 9% of the working-age population. The largest immigrant group was now individuals born elsewhere in the EU (outside Ireland), at around 1.4% of the population, followed by immigrants from India.

4 See Hatton and Wheatley Price (2002) for an excellent survey of the recent history of immigration into the UK.

The shares of immigrants from sub-Saharan Africa, Pakistan, Bangladesh and the old Commonwealth countries of Australia, New Zealand (and the USA), all grew over this period, while the share of immigrants from the Caribbean and Ireland fell. Notice that the change in the composition of the immigrant population of working age was not only due to immigration and demographic developments, but also may have been due to return migration. The median age of the immigrant population is very similar to that of British-born whites in both 1979 and 2000.

We report in the table the median years since migration for the total immigrant population, and distinguish between different origin groups, for the years 1983 and 2000. The average immigrant had already spent around 18 years in Britain by 1983 and around 19 years by 2000. This average conceals some large differences across the various groups, reflecting the history and geographic pattern of immigration into Britain over the past 50 years. The median age of arrival of the working-age population residing in Britain in the year 2000 was around 20. Again, there is a large variation across the various immigrant groups that we identify. We find that 90% of immigrants resident in 2000 came to Britain before the age of 30. Interestingly, according to the labour force survey for the same year, around one-third of all immigrants arrived as children (or under the age of 15). Again, there is considerable heterogeneity across the different groups.

Table 1: Immigrants and British-born whites in Britain (population of working age)

	Year	British-born white	Immigrants	West Indian	African	Indian	Pakistani	Bangladeshi	Chinese	Other non-white	Irish	Old Commonwealth	EU	Non-EU	Other white
% of population	1979	92.2	7.3	0.7	0.3	1.2	0.4	0.1	0.2	0.6	1.4	0.4	1	0.4	0.9
	2000	88.3	9.3	0.4	0.6	1.2	0.7	0.3	0.2	1.2	0.8	0.8	1.4	0.4	1.3
Median age	1979	36	37	39	30	33	31	37	29	31	42	34	40	53	35
	2000	39	38	46	35	43	37	33	37	37	47	34	33	32	39
Median years here	1983	--	18	22	11	14	14	10	8	10	26	11	21	35	22
	2000	--	19	34	9	25	20	16	14	12	32	11	16	5	28
Median entry age	2000	--	20	16	24	19	19	17	22	23	18	23	19	22	11
% arrive < age 15	2000	--	34	46	14	30	37	46	25	22	32	33	37	17	57
% graduates (men)	1983	10	15	4	20	16	8	11	14	27	5	36	16	11	21
	2000	16	21	5	33	23	12	7	31	23	15	26	20	11	32
% no qualifications	1983	46	47	65	10	42	67	85	47	23	72	22	40	61	30
	2000	14	16	38	9	16	35	41	21	12	25	5	9	16	8
% graduates (women)	1983	4	9	1	7	9	4	2	9	13	3	26	10	16	13
	2000	12	16	10	12	14	6	6	23	14	14	26	16	14	25
% no qualifications	1983	51	49	58	38	57	75	91	47	38	61	16	43	50	33
	2000	19	19	21	17	28	52	55	15	15	26	5	8	8	10
% in London	1979	10	34	60	64	46	17	52	38	57	34	28	29	28	28
	2000	9	42	61	73	46	23	62	49	67	34	37	31	56	33
% marry same	1979	99	91	82	81	90	94	98	80	57	99	97	98	99	98
	2000	99	89	66	74	89	93	98	72	66	98	96	96	95	97

Notes: All figures population weighted. Source: Dustmann et al (2003).

Table 1 also outlines the differential levels of educational attainment. It is apparent that the immigrant community as a whole is generally more educated than British-born whites. Among men, in 1983, only 10% of British-born whites had graduated, while this is the case for 15% of the immigrant population. By 2000, the percentage of graduates in the British-born white population had increased to 16%, and to 21% in the immigrant population. At the lower end of the education distribution, the relative numbers are quite similar: 46% of the British-born white and 47% of the foreign-born population had no educational qualification in 1983; these numbers have dramatically decreased for both populations, to 14% and 16% respectively. This indicates a significant improvement in educational background in the immigrant population in Britain.

While there have been significant improvements for nearly all groups at the lower end of the skill distribution, there are stark differences in the percentages of graduates, according to country of birth. While, for instance, only 4% of individuals from the West Indies had graduated in 1983 (and 5% in 2000), 36% (and 26% in 2000) of immigrants from old Commonwealth countries (including the US) had a degree.

The black African, Indian and Chinese groups have higher percentages of graduates than British-born whites and a correspondingly lower share of those with no qualifications. In 2000, around one-third of the African and Chinese immigrant populations living in Britain had a degree, compared with 16% of British-born whites. In contrast, the West Indian, the Pakistani, and particularly the Bangladeshi communities contained fewer graduates than the national average and many more individuals with no formal qualifications. In 2000, around 40% of all Bangladeshis had no formal qualifications, compared with 14% of British-born whites and 9% of those in the black African group. While the West Indian immigrant community does relatively badly in terms of educational attainment, it is the only ethnic group, including British-born whites, where women do better than men. For women, the differences across years and origin groups are similar, but the levels are generally lower.

Another interesting feature is the stark concentration of immigrants in the capital. In 2000, London contained around 9% of the total population, but more than 40% of all immigrants.

The bottom two rows of table 1 highlight the proportion of each group who have married within the same ethnic/immigrant group. Around 10% of immigrants have married outside their ethnic group. Marriage or cohabitation with someone from outside the

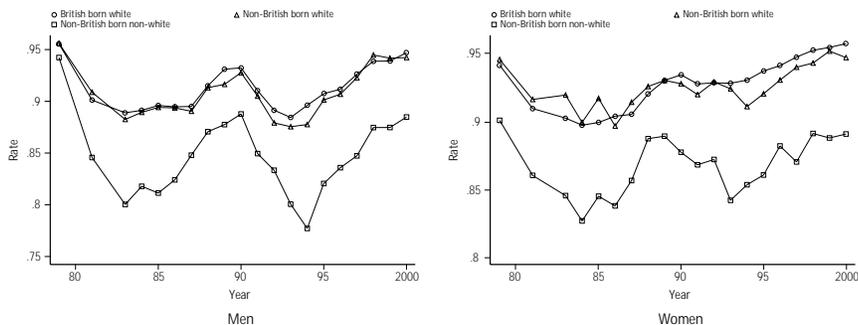
immigrant/ethnic group is quite common among members of the West Indian and Chinese communities, and less so in the Pakistani and Bangladeshi communities.

Participation and employment

Next, we examine differences in labour force participation and employment between British-born whites and the foreign-born. We distinguish between foreign-born whites and foreign-born non-whites. We exclude students to remove any effects of increased participation in tertiary education. We define the participation rate as the ratio of economically active individuals over the total population. Economically active individuals include individuals unemployed, but seeking a job. We define the employment rate as the ratio of individuals working over individuals participating. Accordingly, the unemployment rate equals one minus the employment rate. The inactivity rate is one minus the participation rate. Our results are reported in figure 1 (employment rates) and figure 2 (participation rates).

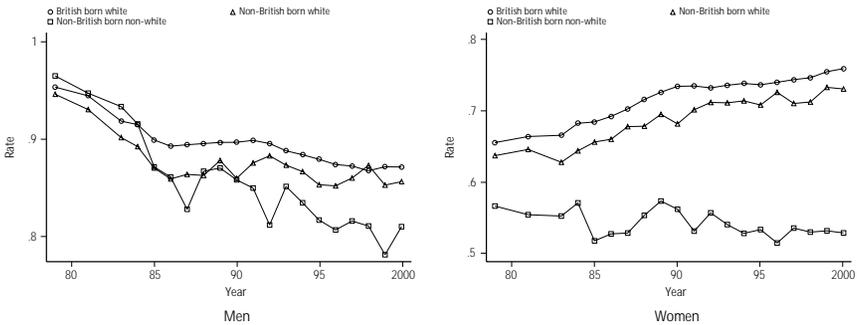
As figure 1 shows, non-white immigrants have, on average, a dramatically lower employment rate than British-born white individuals. Foreign-born whites are very similar to the British-born whites. Differences are similar for women and for men. For men, the employment gap does not appear to be present in the late 1970s, when information on immigrants in the labour force survey was first collected. Over time, through two major economic recessions and subsequent recoveries, employment rates for non-white immigrants have displayed more volatility than those of British-born whites or white immigrants. In bad times, employment rates of non-white male immigrants fall further, but recovery is also faster. This is true for both men and women.

Figure 1: Employment rates, British-born whites and immigrants, 1979-2000



Source: Dustmann et al (2003)

Figure 2: Participation rates, British-born whites and immigrants, 1979-2000.



Source: Dustmann et al (2003)

In figure 2, we show participation rates for men and women, using the same grouping as for employment rates. Male participation rates are falling over the entire period considered, but have fallen most among non-white immigrants. Especially in the 1990s, participation rates of non-white immigrants fell more sharply than those of white immigrants, and of British-born whites. Among women, non-white immigrants have much lower participation rates than whites. Moreover, non-white immigrants do not, on average, appear to have contributed to the large rise in female participation over the past 20 years. These averages may be shaped by the changing composition of the immigrant population over time and conceal large differences across different groups.

Sector allocation and origin

What can explain the large variation in participation and employment rates, as well as the greater susceptibility to the economic cycle, among the non-white immigrant community? If certain groups were younger, had fewer qualifications, or were resident in areas where labour demand was weak, then this could help explain these differences. For example, since minority immigrants tend to be younger, a higher share of these groups will be in the age range 16-24, an age group that is vulnerable to unemployment.

We first provide some descriptive information on immigrants' economic activity in Britain. We consider the occupational status of immigrants, and compare it with that of British-born whites. Again, we look at these features at two points in time: 1979 and 2000. We report some summary statistics for men in table 2 (distributions for women are similar).

The first two rows of table 2 outline the share of part-time workers. Part-time work seems to be more widespread in the immigrant community, but the patterns differ widely according to origin. A very high proportion of male immigrant employees from the Bangladeshi and Pakistani communities work part-time. Part-time working among women in these groups is also highest.

Temporary working appears highest among workers from the old Commonwealth and Europe outside the EU, although this, in part, may be explained by visa restrictions on working for citizens of these countries. Many may be on working holidaymaker schemes.

The next two panels investigate sector allocation of the foreign-born and British-born individuals. Between 1979 and 2000, there is a remarkable increase of foreign-born individuals in the finance sector, in the health sector, and in the retail and hotel/restaurant sectors. Relative to British-born individuals, immigrant shares increased most dramatically in the health sector.

The allocation to sectors differs quite substantially across origin groups. In 2000, more than half of all Bangladeshi men in employment worked in the hotel and restaurant

Table 2: Employment patterns of immigrants and British-born whites in Britain - men (population of working age)

	Year	British-born white		Immigrants		West Indian	African	Indian	Pakistani	Bangladeshi	Chinese	Other non-white	Irish	Old Commonwealth	EU	Non-EU	Other white
% part-time	1979	0.5	1	0.5	1	0.2	1	3	2	2	2	1	0.5	2	1	1	
	2000	4	10	5	11	5	15	21	7	9	3	4	5	15	5		
% temporary	2000	5	10	8	15	7	8	7	15	13	6	14	13	12	8		
	1979	34	36	43	35	41	55	51	10	24	28	25	38	50	28		
% manufact		10	9	9	2	4	1	N/a	1	3	26	6	5	7	5		
% construction		8	8	14	14	10	11	4	2	6	8	6	6	6	7		
% transport		8	8	4	9	15	8	10	7	9	5	7	8	6	8		
% retail		1	5	1	5	1	2	19	57	6	2	1	14	2	7		
% hotel/rest		4	3	1	4	3	4	N/a	10	6	2	2	3	2	6		
% finance		3	2	1	3	1	1	N/a	2	5	1	9	2	4	3		
% education		2	3	2	5	5	2	7	5	9	2	4	3	2	3		
% health																	
% manufact	2000	24	17	29	9	20	22	12	8	14	12	14	21	17	13		
		13	7	12	1	6	2	1	2	3	26	4	5	10	6		
		10	11	15	13	14	27	5	5	12	14	7	8	5	8		
		6	8	5	9	16	12	7	2	8	5	3	5	10	5		
		4	9	3	8	3	11	55	39	12	1	3	13	13	6		
		15	19	10	23	18	9	4	19	16	15	30	20	20	28		
		4	4	1	3	2	1	3	8	5	4	7	7	9	5		
		3	8	8	16	8	3	3	11	11	7	5	5	3	9		
		16	16	18	29	12	9	7	18	19	18	22	12	10	18		
		% public															

Notes: All figures population weighted. Excludes those in full-time education. Figures are percentages of all employees in each origin category. Part-time workers are all employees. Source: Dustmann et al (2003).

sector, compared with just 4% of British-born whites. A large percentage of individuals from the old Commonwealth or Europe are employed in the finance sector. Some 8% of the Indian or West Indian population, and 16% of male immigrants from Africa work in the health sector, compared with only 3% of the British-born white population.

For 2000, we also report the fraction of individuals working in the public sector. The percentage is fairly equal between the three groups we consider here.

Economic performance of British-born and foreign-born individuals

In the previous paragraph we have illustrated that rates of employment, unemployment and economic activity differ substantially between foreign-born and British-born individuals. Also, we have demonstrated large differences with respect to some key characteristics, and even larger differences in individual characteristics, as well as economic outcomes, across groups of different origin. Some of the difference in economic performance between British-born whites and the foreign-born may be explained by differences in individual characteristics. In this section, we address this issue.

The first two performance indicators we analyse are employment and labour force participation. We then investigate wages. In most of our analysis, we shall distinguish between men and women. Furthermore, as mentioned above, we will focus the discussion on differentials between the various immigrant groups, all relative to white British-born individuals, conditional and unconditional on regional and individual characteristics, as well as the relative patterns of adaptation. We use graphical presentations for our results.

Our analysis covers the period between 1992 and 2000. We are not able to distinguish between all possible countries of origin, because numbers of observations would be too small. We therefore group some origin countries into larger geographical areas, which we consider as being similar with respect to factors affecting economic performance.

We distinguish between ethnic minority (non-white) and white immigrants. The first group contains black Caribbeans, black Africans, Indians, Pakistanis, Bangladeshis, African Asians, Chinese and other ethnic minorities. The second group are white individuals who were born in the old Commonwealth (including South Africa and the US), the new Commonwealth (including Pakistan), China, Ireland, the EU (before the enlargement), other European countries (Eastern Europe, Turkey, Switzerland and Norway) and other countries.

The figures we present report regression-based estimates of the differential effects of the respective outcome between an immigrant of a respective group (as indicated in the graph), relative to a white British-born individual. The white British-born individuals are represented by the horizontal line through zero. The entries in the figures represent the point estimate in the difference between the respective immigrant group and British-born whites, and the 95% statistical confidence interval, represented by a vertical line. If the vertical line overlaps with the horizontal line, the difference between the respective immigrant group and the British-born white population is not statistically significant.

All upper panels of the figures report results for men, and the lower panels report results for women. The left panels report unconditional differences which only correct for changes over time (the numbers refer to the base year, 1992). Part of these differences could still be due to differences in the age composition, education or regional distribution of immigrants versus British-born individuals. Therefore we also report differences that compare an immigrant from a respective ethnic group with a white British-born individual of the same age, education and regional distribution. These differences are reported in the right-hand panels of the figures.

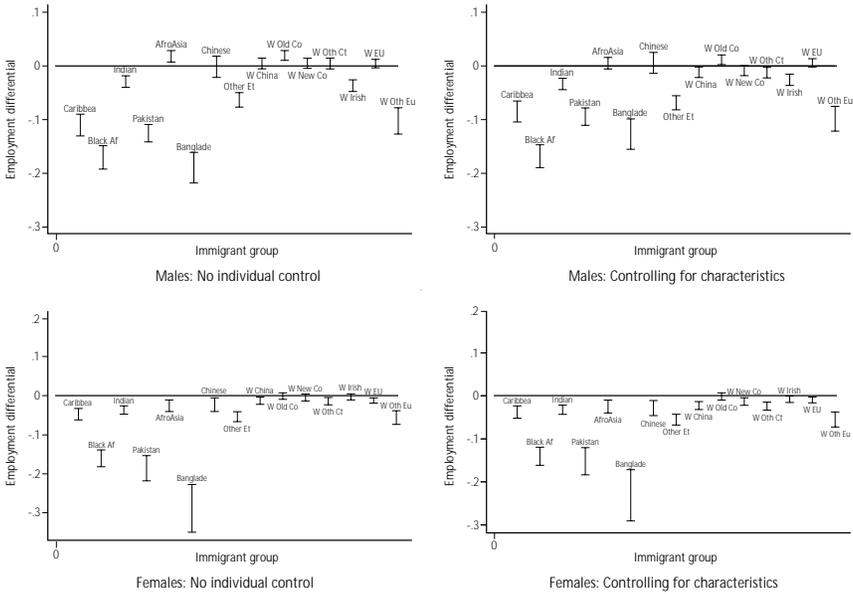
(a) Employment

We commence by discussing employment probabilities (defined as the probability of an individual being employed rather than unemployed) for males (upper two panels in figure 3). We have ordered the countries of origin so that ethnic minority immigrants are in the left area of the graphs, and white immigrants are in the right area. The upper-left graph reports simple average differences, where we only condition on time effects (which include the year of the survey, and the quarter of the interview).

The entries indicate that ethnic minority individuals, and in particular individuals from the Indian, Caribbean, Pakistani, black African, and Bangladeshi communities, have significantly lower employment probabilities than white immigrants, who are similar in this respect to the British-born white population. Exceptions are white individuals from other European countries, who are predominantly from the former Eastern Bloc countries and Turkey.

In the upper right graph, we report results where we keep location choice and individual characteristics constant. Coefficient estimates change slightly, and the differences to the white British-born population widen for some origin groups.

Figure 3: Employment differentials, immigrants and white British-born individuals



Source: Dustmann et al (2003)

One reason for the widening of the employment gap is that immigrants are predominantly located in regions that are economically very successful. When we condition on region, we eliminate the advantage immigrants have because of their regional distribution.⁵ Another reason for the changes is the difference in the demographic structure between the immigrant and the British-born population.

The figure indicates that some immigrant groups have a substantially lower probability of employment, compared with white British-born individuals. The three most disadvantaged groups are black Africans, Pakistanis, and Bangladeshis. On the other side, white immigrants and immigrants from the Chinese and Afro-Asian communities have virtually identical employment probabilities to the white British-born.

⁵ The regional dummies indicate that employment probabilities vary across regions. For men, and relative to Greater London, employment probabilities (conditional on individuals' characteristics) are highest in East Anglia and the South East (2.7% higher), and lowest in Merseyside (4.0% lower). For women, differences across regions are much smaller, and often not significant.

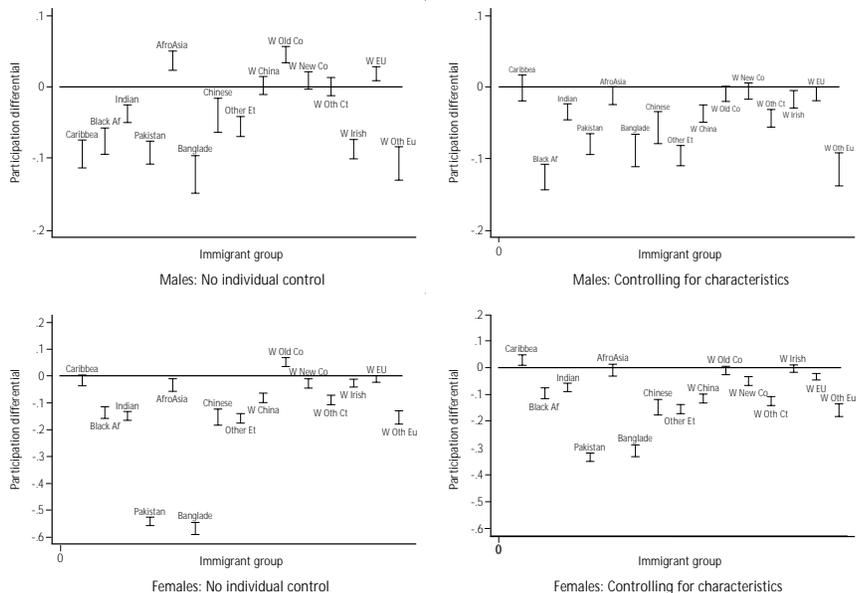
We report in the lower two panels results for women. The picture that emerges is quite similar to that for men, but the divergence across the different groups is larger.

(b) Participation

In this paragraph we look at the decision of the individual whether or not to participate in the labour market. Both employed individuals, and individuals who are unemployed but looking for a job, fall in the participation category; those who are not employed and who are not looking for a job are the reference category – the economically inactive.

In figure 4 we report participation differentials between British-born whites and the foreign-born.

Figure 4: Participation differentials, immigrants and white British-born individuals



Source: Dustmann et al (2003)

For men, the conditional and unconditional participation probabilities are, for nearly all immigrant groups, significantly lower than for the British-born white population. There is a significant change in differentials once we condition on region and individual characteristics. Many immigrant groups have participation probabilities about 10 percentage points lower than those for white British-born individuals. There are quite substantial differences between the various origin groups. Black Africans and white Europeans from outside the EU have the lowest participation probabilities.

These large differentials reflect the results we have found in the simple mean analysis in the last paragraph. They suggest that for men characteristics like education, age, and regional distribution explain participation differentials only to a small extent.

Even more dramatic are the figures for women. We also find substantial differences between the conditional and unconditional estimates. When we compare the average female immigrant from a particular community (for instance, Pakistani) with the average British-born white individual, the difference in participation probabilities seems large. However, if we compare a Pakistani woman with a British-born white woman *with the same demographic characteristics*, the difference diminishes substantially. This suggests that for women differences in age and education are largely responsible for the differences in participation probabilities.

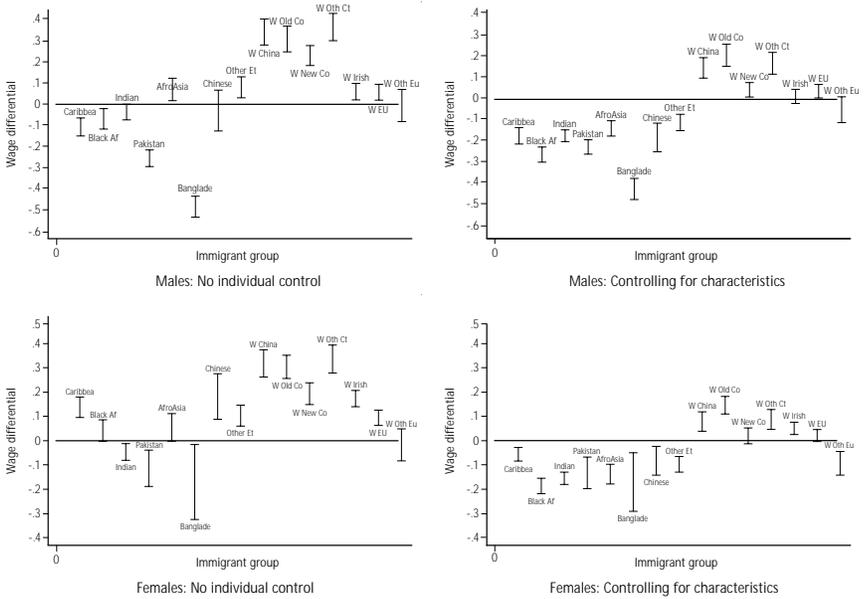
(c) Wages

We now investigate wage differentials between immigrants and white British-born individuals. The adaptation of immigrants' earnings to the labour market conditions of the host country is a central issue in the literature on immigration. The analysis we provided above suggests that breakdown according to origin seems to be very important in the case of Britain. Our measure for earnings is gross hourly wage.

Again, we commence by investigating the differences in wages between different immigrant groups and British-born white individuals, estimating similar models to those above. Notice that we do not include the years of residence in the regressions. As a consequence, the coefficients we obtain compare British-born and foreign-born individuals with the same characteristics, where the foreign-born are evaluated at average number of years of residence in Britain for the respective group.

Figure 5 summarises our main results. We first discuss male immigrants.

Figure 5: Wage differentials, immigrants and white British-born individuals



Source: Dustmann et al (2003)

The most obvious feature of the graphs is the apparent difference between ethnic minority immigrants and white immigrants. The wage differences between non-white immigrants and white British-born increase for most groups when we condition on individual characteristics and regional distribution, which may be explained by the fact that ethnic minority immigrants concentrate heavily in high-wage areas, such as London. When we condition on individual characteristics and region, an interesting picture emerges. Non-white immigrant groups have wages at least 10% lower than those of the white British-born population. On the other hand, all white immigrant groups have wages higher than or equal to those of British-born whites. The horizontal line is almost separating these two groups of immigrants.

The differentials for some ethnic minority groups are quite substantial: unconditional on individual characteristics and region, Bangladeshis and Pakistanis earn about 48% and 25% lower wages than white British-born; when we condition on individual characteristics and region, this difference reduces to 40% and 20%, which is still substantial. On the

other side, white immigrants are mostly more successful than comparable British-born individuals. For instance, individuals from the old Commonwealth countries earn on average 20% higher wages than comparable British-born individuals.⁶ For women, the patterns are very similar. Again, individuals from the Bangladeshi community have the lowest relative wages. The wage differentials between white female immigrants relative to the British-born are even larger than for men.

4. Conclusion

One of the main conclusions that can be drawn from these results is that immigrants in Britain are far from homogeneous. Immigrants of different origin differ substantially with respect to their education and age structure, their regional allocation, sector choice and time of residence in Britain. But these observable differences explain only a part of the differences in economic outcomes. Our analysis illustrates substantial differences in many aspects of economic behaviour between immigrants and native-born whites, and even larger differences across immigrants of different origin, even conditional on education, age and other individual characteristics, such as marital status, number of children and region.

In general, white immigrants are more successful in Britain, although there are differences between groups of different origin. The investigation identifies immigrants from ethnic minority groups as those who are most disadvantaged. Pakistanis and Bangladeshis are at the lower end of this scale. Our research also shows that labour market outcomes of non-white immigrants are more volatile over the economic cycle than for white immigrants and British-born whites. We also find that immigrants concentrate in different sectors, according to their origin. This may be related to comparative advantages in certain occupations and industries.

We do not have a simple answer for why there are large differences between immigrants of different origin, conditional on observable characteristics. One reason may be language proficiency. Results from Dustmann and Fabbri (2003) indicate that language proficiency is lowest among those groups that exhibit the largest disadvantages in the labour market, and that language is an important determinant for economic success. Other reasons include family and household background – participation decisions are usually taken in a household context – as well as demand factors. Our present research agenda addresses some of these issues.

⁶ We compute percentage differences in wages as $(e^{\beta} - 1) * 100$, where β is the estimated parameter of the respective origin dummy.

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Chapter 3

Migration: a business view

Susan Anderson, Director of Human Resources at the
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Migration: a business view

Susan Anderson

The UK has a longstanding – and hard-won – reputation as a liberal, tolerant society that welcomes migrants from all corners of the globe. No one can question the huge cultural impact immigrants have had on British society. Whether it be French Huguenot weavers or the restaurateurs of Brick Lane, the legacy of the UK's migrant communities is clear to see.

But the influence of migrants goes far wider than the cultural diversity they bring. Migrant workers have long been significant contributors to the British economy. Yet too often the economic benefits of migration are called into question.

It is high time the economic imperatives and benefits of immigration were properly understood:

- Today's global economy demands a more liberal attitude towards immigration.
- Migrant workers can offer the skills, experience and knowledge that business needs.
- But ensuring that the long-term economic and social fabric remains intact requires an effective policy of managed migration.

The global economy demands a more liberal attitude

In the age of the global economy, business is not restricted to local towns and cities. Neither is it limited to national borders or the EU. Business deals are made across countries, across trade blocs and across continents. Yesterday's boundaries are swiftly disappearing and the modern world is more connected and easily accessible than ever before.

The business community is convinced of the economic benefits to be had from encouraging greater migration and movement of labour around the world. Migrant workers can fill skills gaps – but also they help widen the pool of available labour and help develop a more diverse, multicultural workforce.

The critics of such ideals suggest that greater immigration will result in higher unemployment, lower wages and a huge drain on the welfare state and public finances. Yet there is little, if any, evidence for such alarmist claims, and it is crucial to offer a more balanced approach to the debate about the economic benefits of migration.

The benefits are clear

The idea that immigration will result in higher unemployment is rooted in the “lump of labour” fallacy, suggesting there is a finite amount of work to be done in the labour market. The main demand for migrant workers comes from those sectors suffering severe skill shortages or long-term vacancies. Either the indigenous workers do not have readily available skills to carry out the work, or they are not attracted to the jobs on offer. Rather than taking away jobs that British workers could fill, migrant workers frequently take jobs that British workers cannot or will not take on. And filling these jobs will actually lead to the creation of further jobs – so that, in reality, the successful placement of migrant workers opens up new product markets, developing more innovative products and services, creating more demand and in turn more jobs.

The idea that immigration will introduce an unsustainable strain on the welfare state and the public purse is also refuted by the evidence. The evidence suggests that migrant workers’ financial contribution to the economy and the state far outweighs any costs. In 1999/2000 the net contribution of migrant workers to the UK economy was £2.5 billion,⁷ and Home Office studies suggest that a 1% increase in migration is associated with an increase in GDP of between 1.25% and 1.5%.⁸

Another frequently expressed fear associated with immigration is that it depresses the wages of workers in direct competition for jobs with migrants – particularly the wages of low-paid and unskilled workers. But here too there is limited evidence to support such fears. A recent report suggested that employment and wages may be insensitive to immigration⁹ where the economy is characterised by a large and heterogeneous traded goods sector. Such findings lend support to the argument that UK immigration has neither damaged the economy nor the wage and employment performance of UK workers. Even if wages for some particular groups may have been higher in the absence of immigration – since without immigration, the shortage of supply would drive up pay – the general population would still benefit, as the real value of their wages would rise as immigration kept down the price of specific services they need to buy.

Demand for migrant workers in the UK is high

The UK’s employment record has been a huge success over recent years. Record-breaking levels of employment, and record lows in unemployment, have led to one of the tightest

⁷ *The Migrant Population in the UK: Fiscal Effects* (Home Office, 2002).

⁸ *Migration: An Economic & Social Analysis* (Home Office, 2001).

⁹ Dustmann, C, Preston, I, Wadsworth, J *The Local Labour Market Effects of Immigration in the UK* (2003).

labour markets in living memory. With UK claimant unemployment at its lowest point for almost 30 years, and the second-lowest among industrialised countries, labour shortages are, partially, inevitable.

Evidence that business is looking for a wider pool of available labour from outside the UK is clear from the Confederation of British Industry's own surveys. The CBI's most recent employment trends survey¹⁰ underlines the demand for workers from the EU and further afield. The 2004 survey shows that 25% of firms are looking to recruit from the old EU members, and 27% from the new EU states; a further 12% of companies were looking outside the EU.

EU enlargement is too recent for any long-term trends to be evident. However, the first figures on immigration under the government's registration scheme, which is less restrictive than the arrangements that other members of the EU15 have in place, are now available. Between May and September 2004, just over 90,000 people applied for registered status, with around 87,000 being granted the right to work, over half of whom came from Poland. The bulk of the remaining 3,000 applications were still being processed in September.

Those workers already admitted to the UK are making a valuable contribution to the economy. Almost all (96%) are working full-time, mostly in jobs earning up to £6 an hour in industries suffering labour shortages, such as hospitality; around 16% are working in factories. Estimates to date suggest that these immigrants have paid £20 million in tax and national insurance, and the Home Secretary has suggested that the benefit to the economy of registered migrants over the first few months was around £120 million.

Table 1: Proportion of firms recruiting migrant workers over the next 12 months (%)

		EU15	New EU members	Outside the EU
Highly skilled				
- of which	managerial	10	5	6
- of which	professional	14	8	8
- of which	skilled	14	17	7
Unskilled		13	16	5
Other positions		1	0	1
Any of the above		25	27	12

Source: CBI employment trends survey 2004

10 *Measuring Flexibility in the Labour Market: Employment Trends Survey 2004* (CBI/Pertemps).

The demand for migrant labour cuts across all skills levels, as table 1 demonstrates. Two-thirds of the demand is for skilled or professional workers, while 34% of employers expect to recruit unskilled workers.

Not surprisingly, larger firms are more likely to hire migrant workers than smaller firms: over a third (38%) of medium-sized firms (between 500 and 4,999 employees) expect to recruit workers from the original EU members. The largest firms are most likely to be seeking employees from overseas – around half of such firms (with over 5,000 employees) expect to hire workers from new members, and 39% from the older EU states. The picture is very different for smaller firms – only one in five firms with fewer than 500 employees expects to hire employees from either the original EU states or the new members.

The CBI's employment trends survey suggests there are significant sectoral differences, reflecting skill and labour shortages in certain sectors. Construction firms are most likely to be seeking skills outside the UK – not surprising, given that construction firms are three times more likely to report skill shortages than the national average. Half of construction firms expect to recruit from within the EU, but a third were looking wider still. And with people shortages starting to bite at lower skill levels, 40% of firms in the retail sector are planning to recruit from the new EU states over the next year, as are 29% of firms in the hotels and restaurants sector. On the other hand, professional services firms were most likely to want managerial and professional staff.

For many of these people, migration will be for a short period – such as the 12 months allowed by the sector-based scheme entry route – and there is always a flow of migrants into and out of the UK. This is not a one-way street – in 2001, there were 375,000 non-British immigrants to the UK, but 150,000 non-British people who left.¹¹

Mobility in the EU remains relatively low

Geographical mobility should be an essential part of the European single market. Employers take the view that mobility between the UK and other EU states and within the EU can and should increase. Greater mobility could alleviate regional skill shortages and reduce regional unemployment. For individuals it should be a means of career development and personal fulfilment, while employers could benefit from the advantages of recruiting from a wider pool of people and spreading knowledge and expertise. It should be an essential aspect of labour market flexibility.

¹¹ International passenger survey data.

So why is it that despite the demand for labour and skills, there is still a relatively low level of mobility within the EU? As few as 2% of EU citizens reside outside their home state.¹² There has been some limited action to facilitate EU mobility, such as the Posted Workers Directive, which ensures that posted workers receive the same rights as nationals of the member state. But further action to facilitate mobility through better co-ordination of social security systems (particularly pension rights) and portability of qualifications is also needed.

Other cultural barriers – language and housing – must be addressed. The CBI report *Europe Without Borders*¹³ identified the need for concerted action on the part of employers, governments and the EU that could make a success of EU mobility. The CBI called for employers to adopt strategic policies to enable their employees to relocate, and for EU-level action to remove obstacles to mobility, particularly on the portability of benefits and qualifications.

But it is not just intra-EU mobility that is likely to rise – increasingly, larger companies are starting to think in terms of global workforces, and the competition within Europe for the best global talent is rising. Over the period 1997-99, Western Europe saw greater growth in its expatriate population than North America, the rest of Europe and China.¹⁴ These developments have been primarily business-driven. The CBI's data is supported by IRS surveys that indicate that 60% of employers foresaw an increase in the proportion of staff working in a different country from where they were based over the next five years, while only 8% predicted a decline.

Migration is no substitute for training the UK workforce

But let us not fall into the trap of thinking that immigration is a panacea for the UK's skill problems. It cannot be seen as an alternative to improving the skills of the home-grown workforce – nor should immigration be seen as negating the need for effective active labour market policies to tackle the problem of economic inactivity.

Our priority must be to invest in and develop the skills and abilities of the existing population. Poor literacy and numeracy are key factors in constraining business performance and shrinking the pool of employable labour. It is unacceptable that 20% of the UK workforce lacks appropriate levels of functional numeracy and literacy – raising

¹² *Creating a Europe That Works* (CBI, 1999).

¹³ *Europe Without Borders* (CBI, 2002).

¹⁴ *Ibid* p9.

the skill levels of this group would help to ease recruitment difficulties faced by employers. UK employers are committed to playing their part, spending more on training each year than almost all our European partners: £23.5 billion in 2000.¹⁵

The New Deal and other active labour market policies have also been successful in reconnecting many young and long-term unemployed people with the labour market. Older workers with poor basic skills are severely limited in their employment opportunities, and employers want to work with government to increase the participation rate of older workers who have left the labour market. Action is being taken, but progress is necessarily slow, and migrant workers can fill short-term gaps.

Schemes are needed to attract knowledge and diversity

With UK claimant unemployment at its lowest point for almost 30 years, and the second-lowest among industrialised countries, labour shortages are almost inevitable. Our trends survey shows that skills gaps and shortages are a restraint to growth – 83% of UK firms feel that workers' skill deficiencies damaged company performance, while 24% felt that shortages of certain skills had a detrimental effect on their present workforce.¹⁶

While in the long term there is no substitute for training UK workers, short-term skill shortages can be eased by recruitment from abroad. The highly skilled migrants programme supplements the work permit system by enabling migrants to enter the country without a job offer to seek work after their arrival. This programme is especially useful to smaller businesses, which may not have had the networks or funds to seek skills abroad.

In sectors such as hospitality and agriculture, some longstanding schemes have helped firms to recruit to address labour shortages. The Commonwealth working holiday scheme allows citizens of Commonwealth countries to work in the UK if such work is incidental to a holiday. Visas are granted for up to two years. The seasonal agricultural workers scheme has long catered for the needs of the agriculture sector. More recently, business has benefited from the introduction of limited immigration of low-skill workers for other key sectors via the sector-based scheme, which is valued by employers.

We must address legitimate concerns

But while such schemes are useful to employers, immigration has become a politically charged and sensitive issue drawing on concerns about illegal working and unfounded

¹⁵ *Measuring Flexibility in the Labour Market: Employment Trends Survey 2004* (CBI/Pertemps).

¹⁶ *Ibid.*

asylum claims, which can lead to heightened racial and religious tensions. It would be facile to pretend that such problems do not exist – illegal working, social inclusion of refugees, and race issues must be faced and addressed.

We should not make the mistake of thinking migrants are a homogeneous group. Migrants have a wide range of skills and are over-represented at the top of the income distribution as well as at the bottom.¹⁷ Migrant workers cannot be treated as one group – a targeted approach is necessary.

Integrating refugees

The debate over refugees and asylum seekers is politically sensitive and has spilled over into the issue of immigration. According to government data, the number of people seeking asylum in the UK rose from almost 33,000 in 1994 to over 84,000 in 2002; since then there has been a significant fall in application levels to 43,000 in 2003. Around a third of applications in 2002 resulted in a grant of asylum or exceptional leave to remain; by 2003 this figure had fallen to 17%. Asylum seekers are not permitted to work while their claims are being processed, although the government does have the discretionary right to waive this after 12 months. Those granted refugee status are permitted to work.

Integration of the refugee population benefits local communities as well as the economy and employment. However, refugees as a group have a high unemployment rate; a recent survey shows that over 46% of refugees and asylum seekers looking for work have been doing so for more than six months, and 17% for over two years.¹⁸ Underemployment is also a serious problem, with people regularly working in jobs that do not utilise their skills.¹⁹

Employers have much to gain from fully utilising the skills and experience of refugees and asylum seekers. Active policies could help refugees into employment – this may include English classes for the 80% of refugees who have little or no English when they arrive in the UK.²⁰ Certification of skills gained abroad should also be a priority; over 30% of refugees have been degree educated and over 60% previously employed.²¹ Access to such highly skilled workers would benefit business and help to integrate refugees.

17 *Migrants in the UK: Their Characteristics & Labour Market Outcomes & Impacts* (Home Office, 2002).

18 Bloch et al *Refugees' Opportunities & Barriers in Employment & Training* (2002).

19 *Ibid.*

20 *Ibid.*

21 *The Untapped Workforce* (Employability Forum).

Cutting down on illegal working

Illegal working by migrants who have no right to be in the UK is a problem firms want addressed. Government estimates have put the figure of illegal workers in the UK as high as the hundreds of thousands.²² The tragic case of Chinese migrants working on Morecambe Bay, who drowned while picking cockles in February 2004, is just one example of the dangers illegal workers face.

The new regulations on illegal working, introduced in May 2004, have placed a requirement on employers to check employees' right to work. The new gang master legislation will help to restrict illegal working and protect workers in key sectors. Employers support strong action against illegal employers – who undercut legitimate firms – but action should be focused on those sectors where there had been most abuse, and on repeat offenders in the employer community. A balanced approach is needed: schemes like the sector-based scheme and seasonal agricultural workers scheme must be accompanied by well-targeted enforcement of existing legislation.

Undermining poorer countries

Immigration does not only affect the host state – immigration from poorer countries can damage growth potential and services in the home state. This is not necessarily so: working in the UK helps people to develop their skills, which they can take home with them, and it is not only human capital that flows back to home nations – monetary capital can also return. For example, money spent in Bangladesh by members of the Bangladeshi community in the UK can help develop the consumer markets in that nation.

As the Institute for Public Policy Research recognises, developed nations cannot avoid competing in global labour markets. For both developed and developing nations, migration at a managed level can be beneficial – although this should not be at the expense of skill development in the home workforce of either nation. CBI members accept that outflows of key workers from poorer states, especially into public services such as health, can be damaging and they agree that governments should not rely on migrant workers to deliver key services.

Raising employment levels of the existing ethnic minority workforce

The debate on immigration can spill over into discussion of race and diversity issues. Discrimination on grounds of race is an issue for UK society; underemployment among

²² *Prevention of Illegal Working* (Home Office, 2003).

immigrant and minority ethnic groups continues to be a problem, and business has been working with the government to implement the recommendations of the Cabinet Office Strategy Unit's 2003 report on ethnic minorities and the labour market.²³ Businesses recognise the need to promote equal opportunities for minority ethnic groups; this is best achieved by providing expert advice and support for employers, and enforcement should always be a last resort.

A new joint CBI-TUC statement on ethnic minority underemployment underlines the seriousness with which business and unions take this issue.²⁴ The CBI and the TUC have a shared concern that some ethnic minority groups face substantial disadvantage in the labour market. Our recent joint statement outlines four key actions: improving skills; widening recruitment; improving support for employers; and improving partnership working with other stakeholders. Such steps will boost the integration of migrant and minority ethnic workers into the labour market and help to reduce the problems of discrimination.

Managed immigration is good for business and good for the UK

In summary, the UK has long benefited economically and culturally from immigration. With increasing globalisation, these advantages will become more and more important. Immigration can help ease short-term skill and labour shortages and EU migration is to be positively encouraged. But immigration can only be a short-term answer to the UK's skills problem; our primary objective should be improving the employability of Britain's workforce.

We must recognise that there can be challenges in integrating immigrants into the UK, and that damaging the economies of poorer countries is not an acceptable price to pay for filling skills gaps in the UK.

Managed migration policy is part of a strategic approach. A targeted, strategic immigration policy will help business. But this is a charged and emotive issue and managed migration should be balanced with tough, targeted enforcement to ensure that only legal migrants are allowed to stay here. Business does not want an underclass of workers exploited by unscrupulous firms.

Employers want to work with government and engage with other stakeholders to tackle problem areas – but as part of a debate based on facts and proper analysis, not misinformation and emotive hysteria.

²³ *Ethnic Minorities & the Labour Market – Final Report* (Cabinet Office Strategy Unit, March 2003).

²⁴ *Joint Statement on Ethnic Minority Underemployment* (CBI-TUC, November 2004).

Chapter 4

Migration and migrant workers

Gloria Mills, Director of Equalities at UNISON

Migration and migrant workers

Gloria Mills

This chapter looks at the role of trade unions in the UK and public-sector unions in campaigning for the rights for migrant workers. It makes the case for migration to remain a political and organisational priority for trade unions and argues that unions are key stakeholders, not only in the debate on migration but also in helping to find solutions on managing the complex and competing tensions between migrants, settled workers and local communities.

Migration plays a major role in national economic and social interests. The contribution of migrant workers should not be overlooked in discussions on promoting these interests, nor should the boundaries of the national interest be drawn in a parochial way. Indeed, it is argued here that migration makes an enormous contribution towards the national interest.

The chapter is intended to contribute to the debate on migration and highlights trade union action to win a better deal for migrant workers. It calls for a co-ordinated approach to campaign for effective employment rights for migrant workers and for the regulation of employment agencies to help migrant workers achieve redress through enforceable employment rights and protection.

It concludes that the role of the Migration Alliance is crucial in challenging the myths of migration and in promoting the positive contribution migrants have made to improving Britain's economic performance. Fostering better relations with communities and achieving better community cohesion, and working with local authorities and public institutions, are important measures needed to change the national political and cultural paradigm that portrays migration as a cost rather than a benefit to Britain.

For the purposes of this chapter, the term "migrant workers" has been used to describe the vast majority of workers from an immigrant background who are in the UK as settled workers with indefinite leave to remain, even if they are not UK citizens. However, for a smaller group, and in particular those who have arrived more recently, their immigration status can significantly affect their right to work.

The term "migrant workers" refers to people who come to work in the UK. "Immigrants" refers to people who come to settle in the UK or come to this country under a number of

lawful schemes. "Refugees" refers to people who flee persecution or a well-founded fear of persecution. It should be noted that the government defines migrant workers as those who come to the UK intending to stay for at least a year, and whose main purpose in coming is to work. An "asylum seeker" is someone who claims the protection of Article 1 of the 1951 UN Convention.

A brief background to contemporary migration in Britain

Migration has been a key feature in the making of contemporary Britain. Britain has always been a nation of migrants and dependant on the contribution of migrants. The law and history of immigration can be charted towards the beginning of the 20th century, when the 1905 Aliens Act was introduced in direct response to the entry of Jewish immigrants.

The aftermath of the Second World War left the UK and other Western governments with a huge challenge to rebuild their economies. The British economy was expanding rapidly in the late 1940s and 1950s. It was at this time that the British government actively encouraged immigration, to reduce the labour shortage experienced after the war.

Government ministers and politicians toured the former colonies encouraging immigration to the UK. However, the economy began to slow in the early 1960s and the number of jobs began to decline. Labour shortages were no longer a problem and the government at the time introduced measures, for example the 1962 and 1968 Commonwealth Immigration Acts, to curtail the numbers of immigrants coming to the UK and limit immigration from non-white Commonwealth citizens.

Migration is not a new issue for Britain. The Trades Union Congress guide on migrant workers provides an account of the important contribution of migrants and migrant labour to both the British economy and the development of the British trade union movement. For example, it highlights the fact that Irish labour was a prominent feature of the industrial revolution, and notes immigrants' active involvement in the labour movement as long ago as 1839, when Caribbean-born William Cuffay, one of the Chartist leaders, played a key role in founding the garment workers' union.

After the Second World War, migrants from Italy, Eastern Europe, Ireland and the Commonwealth – particularly the new Commonwealth countries such as Africa, India and the Caribbean – were instrumental in filling gaps in the labour force. This trend in migration continued during the 1960s and the early 1970s until further legislation in

1973 was introduced and removed rights from most Commonwealth citizens. At the same time, migrants were often exposed to overt, pervasive racism and discrimination in employment and in other areas of society.

Tensions within communities surfaced, often stoked by those hostile to immigration and to immigrants, and to changes in the local composition of communities. Against this backdrop, the Labour governments took action to limit immigration while at the same time introducing legislation to promote racial equality with the 1965 and 1968 Race Relations Acts. These were followed by further legislation to restrict and control immigration and migrant flows, in addition to other legal measures, leading to the 1976 Race Relations Act and more recently the Race Relations (Amendment) Act 2000, which introduced the new positive duty on public authorities to promote race equality.

During this period until the early 1990s, more workers left Britain each year than entered. However, from 1994 onwards, immigration to seek work has continued to increase and to exceed the numbers leaving the UK.

The working population born outside the UK has increased from 7% of those in work in 1995 (1.8 million workers) to 9% in 2002 (2.6 million) workers. About half of these are UK citizens. What is important to note is that there has been a steady trend in migration flow into the labour market during this period and that these figures, derived from the labour force survey, may not reflect the full picture because of short spells in labour migration and unauthorised working in the labour market.

The contribution of migrants to Britain's economy

Britain's economic, social and cultural life has been enormously enriched by successive generations of migrants, and Britain's economy has traditionally relied and continues to rely heavily on the contribution of migrant workers and immigrant labour to grow and develop.

The general view that migrant workers take jobs from existing UK workers is often mentioned as a reason for curtailing migration. This, however, is not the case since many migrants take on jobs that remain unfilled or are unable to be filled by the indigenous labour force. There is little evidence that native workers are displaced by migration, as many work in areas where there are serious labour market shortages. According to Home Office research, the migration of workers into a particular sector "allows that sector to expand". This research also found that migrants created jobs and filled gaps in the labour

market, rather than taking jobs.

The Home Office estimated that migrants in the UK contributed 10% more in revenue than they received in benefits. According to one report, “if there were no foreign-born people in the UK taxes would have to rise or expenditure would have to be cut”. Migrant labour is also a net contributor to the economy. The Trades Union Congress, in its guide on migrant workers, put this in the very stark terms that every UK taxpayer would have to pay an extra one penny in the pound if there were no migrant workers, just to make up the extra that they contribute in taxes over benefits received.

Migrant workers cost the economy less because they are already past their schooling when they arrive to work and are a long way from retirement. This makes them net contributors rather than beneficiaries. There is also a higher level of educational achievement than in the population overall. Around 18% of migrant workers are educated to degree level, compared with 13% of the UK-born.

Throughout its history and economic development, Britain’s labour force has been augmented by inflows of migrant labour. After the Second World War, significant inflows of immigrants from Commonwealth countries ensured that the UK was able to compete with the rest of the world and to rebuild the country’s infrastructure and public services.

The UK economy has depended on access to immigrant workers ever since the earliest days of the Industrial Revolution and before. Many sectors of industry and services continue today only because they are able to recruit migrant workers, for example in areas such as agriculture, construction, textiles, clothing, retailing, and hotels and catering.

The sector of the economy that has been most dependent on immigrant and migrant workers is the public sector, notably the National Health Service, teaching, social welfare provision and transport. Immigrants have a long history of representation in the NHS, in particular.

Migrant and immigrant workers have made a huge contribution towards building the UK’s economy and have been a mainstay in filling the gaps posed by labour and skill shortages in key sectors of the economy.

The contribution of migrants and immigrants can be seen in the rich cultural and social development that has enriched and transformed British society. Migration enriches many

aspects of our lives and many migrants have given more than their work by contributing to wider society through culture, food, sports, music and the arts, for example. The contribution made has been highlighted in national achievements (for example, in the recent Athens Olympics) and through the individual achievements of Kelly Holmes, Amir Khan and others.

As Nicholas Serota, the first director of Tate Modern – the most successful gallery of the 21st century so far – has said: “Culture here is much richer than we could define by those who have simply been born in this country.” Many UK citizens recognise this contribution, and the British social attitudes surveys have consistently shown that a majority of those asked regard migration as having had a positive effect on British culture.

The changing political context of migration

The nature and focus of the political debate on migration is constantly changing. Immigration and migration have often been used as a source of political advantage and electoral gain, particularly by rightwing and far-right political parties during national and local elections.

The debate changed after the Second World War, following the inflow of substantial migration to bolster the booming economy and fill gaps in labour shortages. Migrants from the new Commonwealth were encouraged to come to Britain by the then Conservative governments of the 1950s. The health minister at the time, Enoch Powell, encouraged the recruitment of nurses from the Caribbean.

Measures to stem the inward flow of migration have included a raft of legislation enacted by successive governments over the past four decades. The 1971 Immigration Act changed the concept of immigration laws. The aim of the legislation was to restrict the numbers settling permanently and to end what was called “primary immigration” by those without any family ties or special skills entering the UK. Up to this point, there was no after-entry control for people on British soil. This was changed with the 1971 Immigration Act, which introduced the concept of internal controls and more rigorous checks, resulting in workplace raids, deportations, visa controls, and stronger enforcement measures to stop illegal working.

Immigration and migration have always been a feature of the national political discourse that has generated negative views and feeling towards almost every group of new arrivals. Far-right political parties and the media have been instrumental in changing national

public and political opinion on migration – for example, Enoch Powell's "rivers of blood" speech and Margaret Thatcher's "swamping" speech in the 1979 general election.

However, the political context in both the UK and Europe has shifted remarkably in the last two decades. Work towards a common policy on external borders of some EU member states led to the 1985 Schengen agreement.

Changes in the global economy and in demography in EU states have produced imbalances in sectors of the labour market that have increased demand for workers, especially in areas of public services such as healthcare and nursing and in areas like agriculture and construction. While this demand for workers continues, employers have become more vocal in demanding proactive immigration policy that can facilitate the recruitment and mobility of temporary or permanent workers through a single and simplified procedure. The UK, Finland, Austria, Germany and Portugal have reformed their system of work permits to allow for more flexible recruitment of foreign workers for certain occupations and sectors of labour shortages.

The continuing failure to distinguish between refused asylum seekers, illegal working, illegal entry and criminal activity such as trafficking has not only led to a blurring of the distinction between asylum and migration, but also contributes to increased suspicion and stereotyping of all migrants and those who look foreign.

The contribution of migrants to national interests

There is a common view in public policy discourse that immigration policy must protect and promote the national interest both economically and socially. However, the benefits of migration and the work of migrants in contributing towards the national interest are often overlooked and ignored by policy makers and the media. It is imperative that there is balance in the debate on the role of migrants in order to promote a fairer society and to respect and recognise the contribution made by migrants.

The issue of migration is back on the political agenda, with a shift in focus linking migration to issues of crime and national security. The focus on the benefits of migration and immigration, for a mixture of socioeconomic, labour market and demographic reasons, has been submerged into the bigger question of national security.

Migrants' contribution to the wider national interest tends to be undervalued and marginalised in other aspects of discussions on public policy. Where this is discussed, the

focus tends to be on competition by local communities for public services and resources in the context of social housing allocations, competition for schools, and healthcare. This shift towards competition for local services has been a key factor in the distorted view of migration that has become prevalent today. The emerging fractures in communities and tensions associated with managing local competition slow progress towards achieving better community cohesion.

A practical example of action to foster community cohesion is a joint project between UNISON and the Blackburn and Darwin local authorities to build more cohesive communities, by strengthening citizenship and rejecting racism, prejudice and intolerance.

An important area of national interest is the provision of high-quality public services. The UK is now part of a global market, in competition with other industrialised countries in Europe and North America for healthcare workers and nurses.

Many areas of the public sector would be unable to function without the contribution of migrant workers. In the health sector, migrant workers play a key role. Nearly one in three doctors (31%) and more than one in 10 nurses (13%) are migrant workers. In London, the figure for nurses is significantly higher. Nearly half of all London nurses (47%) came to the UK as migrant workers, according to statistics published by Labour Market Trends in October 2001.

Education is another sector that has benefited from the contribution of migrant workers. More than one in eight (12.5%) academic and research staff in the universities and colleges came from abroad. Teaching too has benefited. The shortage of teachers for primary and secondary schools has, in the short term, been met in some areas through the recruitment of trained teachers from abroad. It is, however, in the area of nursing that these shortages are most pronounced.

Since 1997 a raft of new legislation has been introduced to tighten controls on the number and categories of people allowed to enter, settle and work in the UK.

UK government policy to introduce a managed migration policy has been largely welcomed as an important initiative to respond to new challenges and changes in the global economy and movement of people. Another important development was that when the EU was enlarged to include 10 new member states, the treaties of accession included the option for the existing members to opt to restrict the right of Europe's new

citizens to seek and take jobs in their labour market. Unlike other EU states (with the exception of Ireland and Sweden), the UK government decided not to prevent workers from the 10 new accession countries to the EU on 1 May 2004 from seeking and taking up employment in the UK.

Although workers from two new states, Malta and Cyprus, are not subject to any restrictions, the UK government did opt to restrict the right of nationals from the eight Central and Eastern European countries to claim out-of-work benefits before they had worked for a complete year in the UK. This was widely interpreted as responding to growing media speculation that migration flow was out of control, with the spectre of more than 73 million new citizens descending on the UK. Such hysterical headlines have been shown to be far from the reality.

A TUC report published in November 2004 found that migrant workers from the New Europe (the eight new EU member states in Eastern Europe) were propping up rural and small-town Britain. The report found that the government's new workers registration scheme, while having some shortcomings, had given workers the confidence to raise work-related problems and to approach trade unions for advice. It has also enabled information on basic employment rights to be distributed to the workers, opening up a valuable communication route with them.

The report raises the need for better information on tax, national insurance and benefits for workers who are confused by the system and vulnerable to abuses.

Is migration out of control?

The issue of migration has become one of the most heated, corrosive and divisive issues to captivate the media and nation's attention in the past few years. The UK has a proud record of welcoming people fleeing persecution. However, in recent years, there has been a noticeable strain in the public's tolerance to any new influx of asylum seekers and refugees.

This growing hostility and negative attitude towards asylum seekers have in the main been fuelled by heightened and hysterical media reporting of asylum cases. The media has sought to portray migration as a problem that is out of control and poses a major threat to the UK and to the British way of life.

The perception that migration is out of control is demonstrated by surveys that show there is greater public awareness and by concerns being raised on migration, primarily in terms of negative views towards asylum seekers and refugees.

The reality is that migration is not out of control. Indeed, the measures introduced by successive governments over the past four decades have been aimed at strengthening measures to restrict migration and entry to the UK.

The debate on migration has become polarised and obscured by the growing hostility to asylum seekers and refugees that has transfixed the British media since 1997. This has been compounded by the tendency to confuse and often conflate the issues of immigration, migration, asylum and refugees. The *Daily Mail* on 19 June 2003, for example, in its coverage of the EU enlargement, ran the headline: "EU's 73 million new citizens can claim benefit here".

A recent opinion poll listed asylum seekers and refugees as the third most important national political issue after the war in Iraq and the EU constitution. Perhaps it could be argued that concerns over these issues ahead of education and health may owe much to the influence of the rightwing media's prominent coverage of these issues, and may also represent a manifestation of growing xenophobia.

TUC and trade union action

Trade unions have been active in campaigning for the rights of migrant workers, in providing a forum for their concerns to be raised, and in enabling migrants to have a voice in the workplace. Over the years, the TUC has adopted many motions campaigning for employment protection to be extended to protect migrant workers from abuse and exploitation in the workplace.

The Transport & General Workers Union has played an important role in exposing the exploitation of migrant workers in the agricultural sector and cleaning services and, more significantly, the role of gang masters in the areas of agriculture and construction has been exposed by the Union of Construction, Allied Trades & Technicians. The tragic death by drowning of 22 Chinese cockle pickers in Morecambe Bay brought to public attention the dangerous nature of this exploitation and has resulted in new legislation to regulate gang masters.

The TGWU also took action when local stewards discovered the problems faced by Polish agency workers in a meat processing company in Exeter. These workers had worse employment conditions than British workers and poor housing, with 10 workers living in a two-bedroom property and paying rent of £40 per head to the agency. With the assistance of a local Polish speaker contacted via the Federation of Poles in Britain, the TGWU intervened on behalf of the workers, and the contract with the agency was terminated and resulted in the workers being employed directly.

UNISON, the public services union, has been instrumental in taking up cases on behalf of overseas nurses recruited to the UK. One particularly successful story is set out below.

Like many of the overseas nurses coming to the UK each year, Jovita Deluna was lured by the promise of a decent wage and the chance to support her family financially. The opportunity to leave the Philippines to begin working in a private nursing home in England cost her £5,000 – paid to a recruitment agency in her home country. But when she arrived it soon became apparent that her working conditions were not as promised. “We were asked to do 48 hours per week rather than 37.5 hours, for example,” says Deluna.

The strain of excessive hours was made worse by the lack of sick pay. Not only did the nurses have their wages deducted when sick but also their housing arrangements made it extremely difficult for them to stay home – they lived within the nursing home. The situation was made worse by their salary of £14,000 pa for the 48-hour week – less than that usually paid for 37.5 hours. They were also told that their overtime rate was to be dropped from £8 to £6 an hour, even though they were now registered as nurses in the UK.

Through contacts within the Filipino community, Deluna and her colleagues were put in touch with UNISON. The union launched a rescue mission and enabled them to find new jobs in the NHS. Deluna found work at Old Church Hospital in Romford, where she was appointed to an E grade and has recently been encouraged to apply for an F grade junior sister post, as well as taking an accident and emergency course to help further her career. Her husband and children joined her in the UK last year.

The cases herein highlight some of the dubious practices of unscrupulous agencies. Nursing homes and the independent sector often use recruitment companies in countries such as the Philippines, India and South Africa to attract nurses. While nurses fulfil a vital function in our health system, there is a danger that they are exposed to exploitation

unless there is proper regulation of recruitment agencies and of employment and recruitment practices in the private sector.

The Nursing & Midwifery Council is the body that registers all nurses, midwives and health visitors and sets standards for the education and training of those on the register. The NMC, despite its best efforts, has no control over the abuses of overseas nurses. When overseas nurses sign in with the NMC they can either be declined, accepted or, as is the case with most overseas applicants, put through a period of supervised practice, which is usually between three and six months and which they have two years to complete.

The NMC and unions, in particular UNISON, have been trying to close some of the loopholes. Recruitment by private companies has led to an increasing amount of exploitation. A significant number of private nursing and residential homes take advantage of this – for example, paying overseas nurses a care assistant wage for 18 months before putting them through their period of supervised practice.

There has been a rapid increase in the number of nurses and other healthcare professionals migrating overseas for a range of reasons, in search of better terms and conditions of work or to increase professional development opportunities and fill gaps in existing labour markets.

There has been a particularly dramatic growth in the level of international recruitment of nurses to the UK, Canada and the US in the last four years. Nearly half of the newly registered nurses in the UK in 2001-02 came from countries outside the UK, including the Philippines, India and South Africa. Nursing shortages and a variety of other factors drive this migration. The NHS, for example, estimated a shortage of more than 20,000 nurses by 2004 (Buchan, 2002). Competition to recruit and retain nurses has recently been highlighted through the targeted recruitment of UK nurses by US recruitment companies.

Internationally recruited nurses make a vital contribution to the NHS. It is important that they see the UK as a safe and welcoming place for their skills and qualifications.

In 2000, TUC Congress adopted a resolution calling for restoration of the right of trade unions to be consulted on matters relating to the granting of work permits to enable non-EU nationals to work in the UK.

The TUC recently published the leaflet *Working in the UK: Your Rights*, aimed at people coming to work in the UK from the eight new EU member countries in Eastern Europe

(the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, the Slovak Republic and Slovenia).

The intention of the work by the TUC and trades unions is to ensure that there is clear public awareness of the different categories and to promote a rational and reasoned debate on migration, its benefits and its challenges for the UK.

The TUC, in its guide on migrant workers, argues that migrant labour is in no way a new phenomenon, either in the UK or in other industrialised states. These states have always relied on migrants to build and develop their economy. There was more migration in the 20th century – for example, between 1901 and 1910 more than 8 million Europeans emigrated to the US.

Migrant workers have always played a key role in the development of the UK economy. Many migrant workers have also played an important role in the development of the trade union movement. For example, in 1839, when the first workers' organisation, the Chartist movement, was formed, one of its leading members was a tailor called William Cuffay from St Kitts in the Caribbean, who was also a founder of the Metropolitan Tailors' Association.

In looking at the issue of migrant workers it is essential to mention the important role trade unions have played in campaigning on the issue of immigration and for fair treatment for immigrants and migrant workers. For the past three decades the issue of immigration and rights for migrant workers has played a key role in British trade unions' campaigns for fair treatment.

Research from the Home Office gives four main reasons why people choose to migrate to the UK. These reasons are:

- the strength of the UK labour market;
- globalisation and, in particular, the success and growth of the City of London as a financial centre;
- EU integration, which has encouraged greater labour mobility; and
- increased political instability around the world.

Migrant workers organising in trade unions

Trade unions recognise that unions are stronger where all workers are unionised. British

unions continue to highlight the importance and value of migrant workers organising in the workplace. Unlike many trade unions in Europe that have been slower to deal with the issue of migrant worker organisation, British trade unions have been in the forefront of articulating an inclusive model of workplace organisation.

Migrant workers continue to play a crucial role in trade unions. Many unions have taken specific action to organise migrant workers and to provide assistance with employment and immigration-related matters. Migrant workers remain a key source of union recruitment in the UK, both to stop their exploitation from unscrupulous employers and to ensure that they have the support and strength of the union in asserting their employment rights.

In 2002, UNISON in Scotland set up the Overseas Nurses Network – a networking forum offering practical assistance for overseas nurses in Glasgow – including a forum where they can receive legal and immigration advice and share and learn from each other's experiences. The success of the network has led to this initiative being extended to the rest of Scotland and beyond.

In Northern Ireland, the UNISON region has played a major role in providing support for overseas nurses from health trusts in the Belfast area. A meeting held as part of its action to deal with increasing levels of racist attacks heard from 25 nurses who had all been the victims of racist attacks. The region has set up a forum for regular meetings with nurses to discuss employment and other issues.

This is not just an issue for nurses and the NHS. As the government expands its managed migration programme, problems are emerging in other sectors. Shortages of skills in public services and the increasing use of overseas casual workers by contractors pose challenges for trade unions, not least in terms of organising overseas workers. As part of its work on immigration and asylum, UNISON is working with the TUC, Public Services International, the Joint Council for the Welfare of Immigrants, charities including Anti-Slavery International, the United Nations Association and other organisations in a coalition for overseas workers' rights. At present, although workers have rights, there is no way of enforcing them.

UNISON has been lobbying the government to:

- be more proactive in prosecuting employers who exploit overseas workers, rather than treating those who have suffered as illegal workers;

- regulate employment agencies so they cannot exploit overseas workers;
- pass legislation that makes it an offence for employers or agencies to keep people's passports and documents;
- introduce a green card system and abolish the present work permit system, which allows employers to exploit workers because they have total control over their legal status in the UK; and
- balance the managed migration programme by introducing effective and enforceable employment rights and redress for migrant workers.

Other measures the government could take include strategic planning and mapping of the extent of labour and skill shortages by region and by sector, in order to forecast changes and to facilitate the planning and implementation of measures to fill gaps in areas of the economy.

The Migration Alliance

To promote an effective and co-ordinated voice on migration, UNISON in conjunction with a range of other bodies has supported the creation of the Migration Alliance.

The mission statement of the alliance says: "The Migration Alliance – the collective voice on migration – brings together in one body like-minded organisations with an interest in migration policy. It strives to co-ordinate and disseminate reliable information on the positive economic and social benefits made by migrants in the UK. The Migration Alliance stimulates and informs public debate on the totality of migration issues, providing a forum to generate ideas and best practice on future migration that are in the best interest of the UK."

The Migration Alliance brings together a wide variety of organisations to engage in an alliance to counter the negative perceptions of migrant workers, and demonstrate best practice in policy. The alliance enables its member organisations to show not only that they are at the forefront of the migration debate and actively communicate with government, the public sector, the private sector and voluntary sectors over migration issues, but also that they are determined to recognise and promote the benefits of migration to UK policy makers and the general public.

Demonstrating the positive impact migration has had on Britain, the Migration Alliance has developed a programme of work that it intends to undertake in order to counter the misplaced negativity surrounding migration in the media and to promote the benefits migration has brought to our public services, culture and economy.

Chapter 5

The politics of migration

Sukhvinder Stubbs, Director of the Barrow Cadbury Trust, a grant-making foundation that seeks to encourage a just, peaceful and democratic society

The politics of migration

Sukhvinder Stubbs

Can it be right that people who migrate in search of work are allowed to live in voluntarily segregated communities, refusing to learn the local language, clinging on to their quaint traditions, women often in subservient positions to the men, and all making very little effort to socialise with their host communities?

In my travels across Asia, Africa and Latin America, I have come across many such groups. Invariably they are English, sometimes Scottish too, and they refer to themselves as “expats”. No one seems to mind them much and they are allowed to keep themselves to themselves.

Under the circumstances, our own attitudes to migrants who come to seek work in Britain seem rather bizarre. We appear to recognise that migration is a facet of the broader phenomenon of globalisation and quite reasonably assert a desire to balance the rights of the individuals with the rights of society. However, we fail to offer fair treatment or provide protection to those fleeing persecution.

A hierarchy of migrant rights

People from certain countries like Australia, New Zealand and Canada – the old Commonwealth – are offered privileges denied to those from the new Commonwealth. Coming from relatively prosperous countries, with cultures not too dissimilar to white, Christian Brits, they are allowed to meld easily into British society. Their wealth enables them to purchase enough of the conveniences of life and to buy into the globally homogenised habits of the better off. We don’t worry too much about how they will “fit in” and as a result, don’t put up too many barriers for them to overcome.

We also give preference to skilled migrants over unskilled. Doctors, nurses and technicians are welcomed, while potential cleaners and fruit pickers are shunned. Highly skilled workers are often recruited directly by companies and multinationals based in the UK, and have the support of immigration lawyers retained by their employers. Low-skilled workers, even those here legally, have little access to legal advice and protection, are not aware of their rights, and are often exploited by employers.

By contrast, asylum seekers – people who come here for refuge – find themselves hounded, criminalised and incarcerated for months in detention centres; not just the adults, but

children too. Presumed guilty of illegal entry from the outset, they are not allowed to work, have no access to welfare and are, in effect, left destitute. Those finally given refugee status and the right to remain are then subject to rigorous efforts to “integrate” them - a sort of compulsory enthusiasm for becoming British citizens.

The government’s recent emphasis on managed migration²⁵ has further de-legitimised the asylum system. Their anxiety to provide legal routes for migrants has been paralleled by more punitive and sceptical responses to those seeking asylum. Not only does this create a system of “deserving” and “undeserving” migrants, it establishes a hierarchy of migrant rights.

Writing for the Joint Council for the Welfare of Immigrants, Lydia Morris talks about a system of “civic stratification”.²⁶ She describes the 20 different routes into the labour market for migrants as constituting a sliding scale of rights. For any category of migrant, rights such as family union, support, settlement or citizenship are dependent on a combination of skill level, nationality, gender and the original route of entry. Asylum seekers are particularly hard hit and undocumented migrants are driven into the underground economy by the denial of benefits.

Forced migration

Managed migration policies accept the economic benefits from migrants working in the UK. For highly skilled workers, and indeed those Brits choosing to work abroad, the term “economic migrant” is a positive one, emphasising a self-motivated and enterprising spirit. Asylum seekers, however, are castigated as “economic migrants” and in this case, the term is loaded with implications of abuse.

Under the circumstances even the 1951 Convention, which affords protection to individuals facing persecution, is of limited use. Although the principles are sound, it was geared towards those suffering Soviet-sponsored persecution in the old Eastern Bloc and fails to take into account the circumstances of those fleeing the sort of conflicts we have seen over the past 20 years. The lack of international instruments to protect those facing adversity has given rise to a national discourse in Britain and other European countries that encourages legal economic migration but requires asylum seekers to go back to where they came from (or at least to a neighbouring country that isn’t in Europe). It polarises the

²⁵ *Effectively Managed Migration is Good for Britain*, Home Secretary (reference: 309/2003), 12 November 2003.

²⁶ Morris, L. *The Control of Rights: the Rights of Workers & Asylum Seekers Under Managed Migration* (Joint Council for the Welfare of Immigrants, 2003).

rich and poor countries of the world and undermines the positive attributes of globalisation.

Framing policy in terms of the economics of migration tends to exclude asylum seekers and refugees. It views people as economic units and allocates rights proportionate to their worth. Why should someone from the US coming here for employment be treated with respect, while a Sudanese looking for work is at best expected to be a grateful victim and at worst considered to be abusing the asylum system? Refuge and the need to work are not mutually exclusive. The economic case for work should apply equally to all people.²⁷

An alternative policy option is to consider migrants according to the pressures and challenges that bring them here – forced migration. Migration is not an easy option under any circumstances. Significant push factors, such as war, poverty or limited prospects, are required before people uproot themselves and/or their family to alien shores. Forced migration, for whatever reasons, provides a more powerful analysis of need and motivation and a fairer and more socially just basis for controlling entry.

Deterrence does not work

One of the main reasons given for imposing less liberal migration policies is to ensure that the pull factors to Britain are not perceived as being too attractive. Across Europe, the position of asylum seekers has dropped so low that they have only those rights deemed necessary to keep them from starvation. The EC Directive on Minimum Standards on the Reception of Applicants for Asylum,²⁸ for example, sets minimum standards determined by basic subsistence levels.

Commenting on the standards, the Immigration Law Practitioners Association highlights the way in which they undermine human rights:

... the efforts of some Member States to use detention as a form of dissuasion for asylum applicants and to make asylum applicants "disappear" from public view (even at unreasonable cost) is already resulting in condemnations from the European Court of Human Rights ... At the heart of any measure concerning the conditions in which an asylum applicant awaits the outcome of his or her claim for refugee status should be the need to provide [information on procedures and support to] often vulnerable persons who may have fled their own home countries in difficult if not impossible circumstances ... Too

27 From notes provided by Katharine Jones, senior policy analyst and researcher, Barrow Cadbury Trust (2004).

28 EU Directive, May 2001.

often in the recent past Member States have sought to restrict access to employment, social security and other forms of social support in the belief that such benefits may act as pull factors to asylum seekers who are without genuine asylum claims.

Moreover, there is no evidence that deterrence works. Even the rightwing group Migration Watch states that the drop in asylum claims actually correlates with levels of unrest across the world rather than choices exercised by applicants.

The truth is that people come to Britain for historical reasons. Links with the Empire, notions of Britain as a socially just and equitable land, and English as the predominant language, are the chief draws. Among potential migrants, information about destination countries is not up to date and channels of communication are not strong enough to reflect recent changes in policy.

Windows for Sudan is a group based in Birmingham. It represents one of the largest refugee communities in the city and undertakes a great deal of work with disaffected teenagers. Its leader, Betty Achan Ogwara, explains why she and her associates chose to come here.

... Britain was actually the country which colonised Sudan. So when people think of leaving their country, Britain is seen as an obvious choice as they are taught about the history within their schools and there is some level of familiarity.

Messages about deterrence are therefore essentially a sop for the British public and our tabloids to give the illusion that the government is being tough on immigrants. Not only does this pander to racist hyperbole about refugees and asylum seekers, but also it undermines efforts at integration.

Not allowing asylum seekers to work is a political decision designed to deter future claimants by being punitive to present ones. Once here, unless forcibly removed, asylum seekers do not generally leave the country because they are not legally allowed to work. Instead, they retreat underground, suffer exploitation and lose the skills that they arrived with. In the process, they are criminalised and their human dignity is undermined. The policy contributes to the impression of asylum seekers being scroungers and the Treasury loses out. Yet it would be easy to issue temporary work permits alongside the application registration card issued to all applicants.

Patrick Wintour from the Employability Forum describes the absurd nature of the present system.

The evidence shows that many of those who come to the UK seeking asylum are well educated and bring relevant skills and experience with them. Although initial decisions are now being taken much faster, the majority of applicants are refused and therefore not allowed to work. But applicants who appeal against the initial refusal continue to be excluded from the labour market and, during the inevitable delay, their skills start to atrophy while they are reluctantly forced to depend on the state instead of supporting themselves and their families. The level of successful appeals suggests that asylum seekers are often unfairly excluded from the labour market and require higher levels of advice and support before becoming economically independent.

Considerable resource is spent on large-scale refugee integration programmes. The new Sunrise pilots, for example, involve considerable investment. They provide intensive support to those granted refugee status, helping them to find a home, a job and to contribute to their communities. By this time, refugees have often already been in the country for months. A far more efficient and effective way of facilitating integration would be to start at the point of arrival.

Selim Zolmuzica of the Bosnia and Herzegovina Network talks knowledgeably about the problems caused by the delays in providing support:

Refugees and asylum seekers, because of their personal experiences, often have undergone a great deal of trauma and persecution. Not having a job results in a perpetual cycle of losing self-confidence and increased mental illness, as there is little to distract them.

He goes on to talk about the culture of work and how intrinsic it is to most people:

Most of the refugees and asylum seekers who come to this country are not accustomed to, or did not have access to, the type of welfare and benefit system that exists in Britain. People know they have to work to support themselves and their families; it is part of their culture. Refugees and asylum seekers therefore have a great deal of experience and qualifications.

Zolmuzica is adamant that the quickest way to ensure integration is to get people into jobs immediately.

This helps the integration process because they are meeting new people and increasing their networks, they learn the language while they work, they learn the culture [and it] assists in dispelling myths about refugees and asylum seekers as being scroungers and encourages a culture where positive images are promoted.

If refugees and asylum seekers are not supported into jobs as soon as possible they are often left with no choice but to turn to the black market, where they are exploited and given a few pounds for hours of labour.

Rather than treating asylum seekers as people who target Britain to steal our jobs or steal our place in the dole queue, we could just accept that circumstances force people to move. There are no deserving or undeserving migrants. All have the right to move and each one that chooses Britain is a potential asset to our society.

Free movement of labour

It could be argued that no type of immigration policy can ever be equitably constructed. Organisations such as the No One is Illegal Group²⁹ assert that defining who can enter the country necessarily excludes others. Controls are invariably set as a deterrent to future migrants but end up punishing those already in the system. As a result, they call for the abolition of all immigration controls and the closing down of detention centres. They fight every deportation order on the grounds that there is no such thing as illegal immigration.

While such thinking might be considered ludicrously idealistic and dangerously naive, it is worth reviewing the genesis of our existing policies. We have become so accustomed to immigration controls that we take their necessity for granted. However, there were no immigration controls in this country before 1905. They were introduced then to guard our shores from Jews displaced from Russia. The regime has actually only become strict since 1962. This is true for other European countries, too. In Italy, for example, there were no controls until 1998.

An unintended consequence of stricter control is a greater emphasis on residency. During the 1950s and 1960s, when it became clear to people in the new Commonwealth that entry would become more limited, it encouraged a mass migration of people and gradually their families. All along, migration policies limped behind, becoming ever more restrictive but too late to intervene or curb the initial impetus. Were it not for the prospect

²⁹ See manifesto of No One is Illegal Group, September 2003.

of tighter controls, migrant labour might have remained fluid and mobile, coming and going as it suited workers. Instead, anticipated changes in legislation encouraged migrants to settle and to bring their families over.

Tighter controls also lead to adverse effects on personal safety. The United Nations High Commissioner for Refugees³⁰ points to some of the deficiencies in EU policy:

... as a result of States' increasingly restrictive immigration policies, resorting to the services of smugglers has often become the only viable option for many genuine asylum seekers who seek sanctuary in the European Union.

Unless it is accompanied by a policy of enhancing legal means for asylum seekers, any "crackdown" on smugglers necessarily means a crackdown on asylum seekers' ability to enter the country. More particularly, a successful crackdown is likely to reduce the number of smugglers who are willing to assist and thereby increase the price charged by the smugglers.

Perhaps it is time to accept that we are not about to be overwhelmed by migrants. A report from the International Labour Organisation³¹ estimates that only about 1.5 million people emigrate each year permanently and a further 1 million seek temporary asylum abroad. Such numbers are minuscule compared with the overall populations of receiving countries around the world. Furthermore, migration does not suppress wages. American research³² shows that an influx of 125,000 migrants to Miami (an instantaneous increase of 7% of the population) had virtually no effect on wages or employment levels. It is well known that factors such as advances in technology have a far more profound impact. Could our policies, therefore, be more proportionate to demand? Do we really have any idea of potential risk?

It is ironic in this era of globalisation, where we readily accept and indeed welcome the free movement of goods and capital, that the free movement of people is denied. Unfortunately, the British and indeed European attitude to immigrants is based on emotional rather than rational responses.³³

30 Global Consultations on *International Protection: Asylum Processes* (UNHCR, 31 May 2001).

31 Stalker, P *The Work of Strangers* (International Labour Office, 1994).

32 Cline, W *Trade & Income Distribution* (1997).

33 Stubbs, S *Fear & Loathing Across the EU* (Federal Trust, 2000).

Speaking truth to power

Politicians appear neutered in their efforts to promulgate or even consider more effective policies. They blame the media and the general public for harbouring such hostility and state that they are powerless to change such entrenched mindsets. A climate of fear and loathing is thus allowed to persist.

Under public pressure in 2002, politicians forced the National Lottery to review its commitment to the National Anti-Deportation Campaign. Although it eventually made good its pledge, it was left to independent funders like Barrow Cadbury to keep the campaign going while controversy and vilification raged around them. Against such a backdrop, the integrity of political representation has to be questioned. It could be argued that the only voices worth trusting are those of the voluntary and community organisations and refugee-led groups that work on a daily basis with the victims of our migration policies and the communities within which they find themselves.

Asylum Aid has first-hand experience of the effects of dwindling levels of legal aid and the effects this has on refugees and asylum seekers. Its chief executive, Maurice Wren, is aware that the difficulties that asylum seekers face in obtaining specialist advice and representation leads to many going underground – either pre-application or after they have been rejected – and that this is the key factor in the recent fall in the overall number of applications:

More people making initial applications or lodging and pursuing appeals without any legal advice or representation ... means fewer people winning their cases, a development reflected in the recent decline in the number of people given protection.

This ends up generating more “fresh claims” submitted on behalf of people who have had poor or no representation. Maurice Wren sees the need for a better way to treat vulnerable people.

Fresh claims add substantial costs to the system that could be better targeted at the provision of quality advice at the initial stage.

ASIRT, based in Birmingham, highlights the dwindling morale of the legal services sector and the additional pressures that this places on small, voluntary-sector agencies like itself. In Handsworth, one of the 88 most deprived wards in Britain, community leaders like Father Daniel Bowen of Holy Trinity Church are left to resolve the local problems when

dispossessed refugees and asylum seekers are placed in such a poor and disadvantaged area.

A better and fairer way

There are different and better ways of managing migration. As it stands, British migration policies are preferential, unfair and intrinsically racist. They pander to xenophobic instincts and contradict the notion of Britain as a fair and just society, rendering the cherished and revered image of justice as a blindfolded woman carrying scales just a myth after all.

Recent developments suggest that the government does recognise that present policies are flawed and ineffective. The Gateway Pilots enable immigration officials to go to refugee camps and offer refugee status to people right at the point of need. They are progressive in that they target areas of strife and provide safe passage and support from the very beginning. The stress, anxiety and hardship that asylum seekers in Britain suffer is overcome. But there are concerns that such approaches might lead to “cherry picking” – providing refuge only to the most highly skilled or those with a good grasp of English – once again perpetuating a hierarchy of rights for the more educated and the relatively privileged.

The Universal Declaration of Human Rights, adopted in 1948, is a statement of the basic rights and fundamental freedoms owed to all human beings. As a declaration, it does not have binding force, but it is internationally recognised as a cornerstone of human rights protection. Article 14.1 states: “Everyone has the right to seek and to enjoy in other countries asylum from persecution.” This principle is at the root of refugee rights worldwide. At a time when our standards of living in the West are as high as they have ever been, we should be looking to reinforce and extend rather than undermine such basic principles.

Chapter 6

The role of government and the European Union

Barbara Roche, MP for Hornsey and Wood Green and former Home Office Minister for Immigration and Asylum, and Claude Moraes, MEP for London – one of the first Asian MEPs ever elected to the European parliament – and former Director of national immigration and refugee charity the Joint Council for the Welfare of Immigrants

The role of government and the European Union

Barbara Roche MP and Claude Moraes MEP

The politics of immigration has always been difficult. In the past few years, it has arguably become even more so. As Sarah Spencer has argued, the problem in the UK and other European states is that the debate on the subject is “so polarised between those unwilling to acknowledge that migration brings benefits and those unwilling to acknowledge that it brings costs, that there is little political space for debate on the real choices facing policy makers and on the decisions they are taking”.³⁴

Much of this is due to the interchangeable use of the terms ‘asylum-seeker’, ‘refugee’, ‘immigrant’ and ‘illegal immigrant’ as if they are synonymous, when they are in fact different concepts. The rise in asylum applications to the West following the fall of the Berlin Wall and the collapse of communism has helped to confuse the debate on migration. So too has the fact that interpretations of the Geneva Convention vary between member states of the EU. As a consequence, asylum is perceived in some quarters as just another route for migration to the UK, rather than as an honourable international and moral obligation.

So government has to respond, and be seen to respond, to a plethora of competing concerns. It is neither an easy nor enviable position. Faced with the massive increases in labour movements that have characterised the continuing globalisation of the world economy, government more often than not is caught between a rock and a hard place: between being too tough or being too soft. It has to lead the national debate in a difficult and often highly charged environment that has local, national and European dimensions.

Strides forward have been made in the past few years – especially in bringing down the backlog of decisions to be made on asylum applications; the government’s recognition that immigration is good for Britain, with the expansion of the work permit scheme; and the move towards co-operation on asylum at a European level. Despite this, key issues still need to be addressed. The British public remains sympathetic to those genuinely at risk – as responses to the humanitarian evacuation programme from Kosovo clearly showed – but there is sometimes a negative perception about the accuracy of Home Office decision making by the public and applicants alike. As Raekha Prasad has said in *The Guardian*:

34 Introduction to *The Politics of Migration* (ed S Spencer), special issue of *The Political Quarterly* (2003).

*Home Office officials glean official information from press briefings, as well as UN, US state department and NGO reports. They work hard and honestly, experts point out, at a job they should never have been asked to do.*³⁵

Asylum and immigration have emerged as a key issue facing government. Clearly, then, government policies in this area have to be reassessed with such concerns in mind.

But our immigration policies also need to be formed in the context of developments at EU level, where moves towards greater co-operation have proceeded increasingly through formal EU structures, as was demonstrated at the Tampere European Council meeting in October 1999. Tampere was important because it was the first time the council had been explicit, both in calling for the EU to work formally towards a binding common EU policy, and in setting out a blueprint for a common policy that could be described as comprehensive. It contained all the headings for such a strategy: common entry and post-entry standards for asylum seekers; the management of immigration policy, as well as the integration of third-country nationals; and the need to address the causes and push factors of migration, leading to partnerships with source countries.

The purpose of this chapter, therefore, is to put forward a comprehensive package of reforms that we think can rebuild public confidence in the system, can adhere to quintessential British values of tolerance, justice and fairness, and can reflect to a greater extent the diverse nature of what it means to be British. It aims to put forward a strategy that can honour Britain's international obligations, and which can lay the foundations for a national and European policy framework.

A comprehensive UK green card system

The global movement of labour affects all countries (both source and recipient ones) and government must not be afraid to make the argument that there are potentially huge economic benefits for Britain if it is able to take advantage of this wide pool of labour. Britain has, after all, always been a country of migration. Given the contribution that migrants have made to our economy – from Marks & Spencer and Joe Bloggs to Thorn Electrical – immigration is something that we should embrace. Indeed, the Scottish Executive has called for immigration into Scotland to satisfy labour shortages.

35 Prasad, R "The Asylum Lottery" in *The Guardian* (25 January 2002).

There are a plethora of schemes designed to attract people from overseas to the UK. The Home Office's "Working in the UK" website lists more than 20 different schemes for entry, ranging from the highly skilled migrant programme to the seasonal agricultural workers scheme, to the film crews on set scheme. Clearly, the system needs a universally recognised identity if we are to make it accessible and transparent.

The American green card model is instructive: a rational system split into three distinct areas of employment-based criteria, family member criteria, and a diversity visa lottery open to 50,000 successful applicants from countries that do not send large numbers of immigrants to America. One of the strong points of the American system is its symbolism. The green card is a symbolic and sought-after status symbol signifying the right to live and work in the US. There is no such singular cultural and administrative symbol in Britain.

We believe that the introduction of a comprehensive green card could help Britain to seize the opportunities of globalisation, and address some of the emerging labour shortages in key areas of our economy. As in America, it would be possible to be granted a green card as a priority worker or a skilled worker or for family reunion reasons, among other categories. A comprehensive green card would provide transparency and clarity in an otherwise complicated system, making it less intimidating to apply. It would also provide protection against unscrupulous employers who seek to exploit migrant workers.

Given increasing moves toward co-operation at an EU level, we do not think it is unrealistic to imagine a time when there will be support for a comprehensive EU-wide green card system to meet the requirements of those member states that may need more skilled and unskilled workers from outside the EU. The commission, and many in the European parliament, believe that if EU member states worked towards comparable rules, more transparency would result in the way in which member states competed for the "brightest and best" workers from non-EU countries.

Aiding the process of integration

It is clear that migrants have made a positive contribution to our economy and our society, as both Robert Winder and Susan Anderson demonstrate in their contributions to this pamphlet. But we must not be complacent. Considerable disparities still remain between the employment and earnings levels of ethnic minority migrant workers and their white counterparts.

Part of the problem involves language fluency. Yet provision to teach adults English as a second language remains patchy. We need to ensure that the financing is in place for such provision to help speed up the process of adaptation.

Integration is also an essential element of any comprehensive EU policy, especially since migration will almost certainly be a permanent feature of Europe (particularly after enlargement) and because of the perceived failure of member states to deal adequately with the issue. New discussions on EU co-ordination of integration policy should be encouraged and developed, including ensuring implementation of the directives addressing racial and religious discrimination. These measures should provide protection in the labour market and beyond for new migrants of ethnic minority background, and for settled ethnic minorities who continue to suffer race or religious discrimination. Britain has already taken considerable strides towards implementing those directives; other member states must follow suit.

Asylum

It is asylum, however, that has emerged in recent years as the most politically charged issue. And not just in Britain, either. From the 1980s onwards, asylum began to register as a key priority in most EU member states, as a result of the relatively large historical increase in asylum numbers. Both those unsympathetic and those sympathetic to the plight of these migrants have come to realise that existing bilateral and intergovernmental action by member states has often failed, and that more formal EU-wide action may provide better solutions. This was the driving force behind the pledge at the Justice and Home Affairs summit in November 2004 to create a common asylum policy by 2010. We believe that Britain should take a lead in determining such a common policy.

Uniform refugee status

The concept of asylum has been undermined in recent years. In part, this has been due to the fact that interpretations of the 1951 Geneva Convention vary between member states. Thus Britain recognises people fleeing non-state persecution, while Germany does not. Some member states are now trying to re-interpret the Geneva Convention in a way that appears to water down the guarantee that those fleeing persecution will be granted refuge. EU governments need to establish a uniform refugee status and a common procedure for qualification.

Once a common standard has been established, the EU should devise a system for sharing the responsibility for refugees. Indeed, a positive example of managed "burden

sharing" was seen after the intervention by NATO in Kosovo, where refugees were housed throughout member states by the UNHCR and the EU, with subsequent levels of return to Kosovo being relatively high. More humane than distributing people among EU countries, however, would be to establish a system of financial compensation whereby countries that receive disproportionate numbers would receive money from a central EU fund.

Moreover, the EU needs to develop further common rules on asylum, including the reception of asylum applicants. A directive proposed by the European Commission in 2001 would lay down minimum standards for the humane treatment of asylum seekers, covering aspects from rights to information on immigration procedures, to access to healthcare.

A move towards independent decision making in the UK

But as part of overall reform, we need to be radical about our own procedures. The Home Office's decision-making record has been especially highlighted.

As the Refugee Council has argued, it is vital that initial decisions are correct and are confidently believed to be correct.³⁶ It is noticeable that in Canada, where high-quality information about source countries is made available by a research directorate to the independent Immigration & Refugee Board, that only 39% of applicants appeal against the initial decision. In Britain, the figure is 77% and a worrying number of the Home Office's initial decisions (around 20%)³⁷ are overturned on appeal.

It is neither efficient nor politically acceptable to have a process where so many decisions are challenged and where so many decisions are overturned. The best way to change perceptions of the asylum and immigration system and to restore confidence is to make the whole system independent of government from the beginning. Urgent consideration should be given to establishing a fully independent refugee board to rule on asylum applications. As Professor Guy Goodwin-Gill of Oxford University has argued, such a body should be "front-loaded" with trained decision makers who would decide the cases of those who come before them, properly advised and represented.³⁸

³⁶ See *Refugees: Renewing the Vision* (an NGO working paper on improving the asylum system) (Refugee Council, June 2004).

³⁷ See www.amnesty.org.uk

³⁸ Professor Guy Goodwin-Gill, speech to United Nations Association, Oxford Town Hall, 2 December 2003.

Both Canada and Denmark operate systems that contain an element of independence in the decision-making process. In Canada, claims for protection are handed in to a Canada Immigration Centre, where CIC officers decide whether or not that claim is eligible for referral to the independent Immigration & Refugee Board according to established criteria (for example, that the claimant has not been recognised by another country, a previous claim has not already been rejected by the IRB, the claimant has not arrived from a safe third country, the person is not considered a danger to national security).³⁹ Cases are then heard by the refugee protection division of the Immigration & Refugee Board, whose members are specialists in refugee law and are well informed about conditions and events in other countries. Hearings are usually held in private and conducted in an informal and non-adversarial manner. Unsuccessful claimants have 15 days to apply to have their cases heard by a federal court. In most cases, claimants can stay in Canada while the federal court is hearing their case.

In Denmark, the system is slightly different. It is also extremely efficient. Of those applications lodged after 1 January 2003, 50% were processed within 24 days and 100% were processed within 63 days (both figures were well inside the government's published targets). All claims are initially heard by the government immigration service. Only if a case is rejected by the Danish Immigration Service is it referred to the Refugee Board – an independent court-like body whose most important task is to process appeal cases. Decisions made by the Refugee Board are final. As a totally independent body, it is not dependent at all on the political process and hence not subject to any government or parliamentary directives.

These are only explored as illustrative examples, not as flawless paradigms. Indeed, in Canada a backlog of over 52,000 cases (March 2003) caused similar controversy to our own national experience a few years ago. Nevertheless, there is generally a high level of confidence in the decisions that are taken by these independent bodies, and this is borne out in the much lower level of appeals. Investing in a system that incorporates independent elements could also lead to financial savings over the long term.

Updating the system

One of the major issues in asylum decision making is the accuracy of information on source countries. Despite efforts over the years to improve information, some Home Office Country Information Policy Unit reports remain highly contentious. We believe, therefore,

39 www.cic.gc.ca/english/refugees/asylum-1.html

that it is vital that we establish an independent immigration and asylum commission, appointed by and accountable to parliament, that would perform three main functions:

- provide impartial and verified up-to-date country information and evaluations, thereby giving first decisions added credibility;
- supply authoritative up-to-date statistics on immigration and asylum in Britain by working with research bodies such as the European Migration Information Network; and
- act as a source of advice for government, highlighting areas for improvement in the system and spreading models of best practice.

The Electoral Commission could serve as a useful template for this new commission. We would hope that the work of this new organisation could result in a much more informed debate on migration and asylum.

Embracing our past

Given Britain's history of migration, it is surprising that there is little awareness of the part that immigrants have played in the development of our national history. Whereas America has a cultural beacon in Ellis Island, Britain lacks any equivalent well-resourced national museum of migration that comprehends and embraces our past as a nation of immigrants. As Robert Winder argues, we instead prefer "to construct mythologies of the national character as something stable ... a white page to which, [only] in the last few decades, a few multicoloured flourishes have been added".⁴⁰ It is now time for that to change.

The way that we deal with immigration and asylum is important not just in itself, but also in answering broader questions about our identity. A fully resourced national museum of migration that helps explain why people came here, who came here and how they came, what they brought with them, and the effect that immigration has had on those already living here, could help build and sustain a shared national purpose. Like the South Australia Migration Museum, there could be a space for temporary exhibitions that allow community groups to tell their own stories and share their experiences. But above all, it would say once and for all that we acknowledge, as part of our British identity, that we are truly a nation of migrants. As Gordon Brown has said, "a Great Britain where people say with pride, 'This is our country, Great Britain; we built it generation to generation upon the foundation of liberty, duty and fairness.'"⁴¹

40 Winder, R *Bloody Foreigners: The Story of Immigration to Britain* (2004) p1.

41 Gordon Brown, speech to Labour Party Conference, 27 September 2004.

Globalisation, better communications, cheaper travel, and rising individual aspirations mean the 21st century will be another century of migration. These are forces that flow across national boundaries; it would be foolish to believe that the UK can pursue a successful immigration and asylum policy in isolation. Instead, our policies must meet real expectations and emerging needs at both a national and European level; if they do, we can be confident that Britain can face a new century of migration with confidence.

Chapter 7

What's to be done about immigration? Some tentative thoughts

Dr Irwin Stelzer, Director of Economic Studies at the Hudson Institute

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Dr Irwin Stelzer

Economists have long contended that the free movement of goods and capital adds to the wealth of nations. There is no need to repeat that argument here. But even the freest of free traders never meant *all* goods and *all* capital. No one, with the possible exception of a few dyed-in-the-wool libertarians, favours the unrestrained movement of drugs, or of weapons of mass destruction. And no one quarrels with efforts to prevent the international movement of capital earned illicitly and seeking a “laundry” to make such funds clean and respectable, or of capital intended to finance the operation of terrorists.

That sounds like a rather simple and easy distinction, but in practice it is not. In the case of goods, we have dual-use products, capable of fertilising fields or being turned into lethal chemical weapons, tubes that can be used in legitimate production activities or as parts in the manufacture of offensive weapons. In the case of capital, it is often difficult to separate money intended for humanitarian and charitable uses from that headed for the coffers of terrorist organisations.

The problem becomes even more difficult when it comes to the movement of people. Theoretically, the free movement of individuals should add to international efficiency every bit as much as does the free movement of capital and goods. But just as there are goods that no decent society would want to see freely imported, and corrupt capital that nations attempt to track down and exclude, so there are people that nations feel it in their interests to exclude.

Terrorists are the most obvious example. But what if the only way that such potential threats to national security can be excluded is by identifying a class of likely perpetrators, and excluding all of its members, with regrets for the innocent kept out with the guilty? And what about people who want to join the mass migration now under way with the hope of changing the culture of the countries they intend to settle in, rather than adapting to it? And what if the potential immigrants come in pursuit not of opportunity and work, but of the generous benefits of the rich countries' welfare systems – of a handout, rather than a hand up?

It is in the hope of providing a frame of reference in which these questions can be considered, calmly, that I offer the following ideas.

Immigration incentives, problems and policy options

I start with a few hard facts of life.

So long as there are huge disparities of income between rich and poor nations, large numbers of workers will have an incentive to move to the richer countries. Since these disparities are likely to persist, even if slightly ameliorated by all of the antipoverty programmes that politicians now find so attractive, we must take them as a given in formulating policy towards immigration. Those who want to better their circumstances, and those of their children, will have an enormous incentive to pull up stakes and head for better-paying jobs.

So long as there are huge disparities between the wages at which potential immigrants will work, and the wages demanded by the indigenous workforce, employers will have a substantial incentive to seek out immigrants.

So long as governments erect barriers to prevent the willing sellers and buyers of labour from coming together, there will be a substantial incentive for criminal gangs to organise the movement of workers seeking work at wages they find attractive to employers willing to hire them. These so-called “snakehead gangs” make their money by claiming a portion of the savings that employers seek, and a portion of the income increment that prompts immigrants to move from their home countries. The UK government estimates that the people traffickers move some 30 million people annually across international borders, in a trade worth between \$12 billion and \$30 billion. This trade is susceptible to policy adaptation – free and open immigration, for example, would eliminate the source of the people traffickers’ profits, with the exception of their movement of people into illegal occupations such as prostitution or drug distribution. (Libertarians would argue that legalisation of these occupations would eliminate that problem as well.)

So long as there are huge disparities between the welfare and other benefits programmes on offer in rich as compared with poor countries, the richer countries will serve as magnets for those who seek an improvement in their economic circumstance without working to achieve that objective. This differential could, of course, be eliminated, were the potential host countries to deny benefits to new immigrants – a step that would involve a willingness to take on those who argue that human rights include the right to housing, medical care, food and other necessities (not to mention mobile phones and satellite television), whether or not the recipient has contributed in the past to the funding of those benefits, or is willing to work in the future to contribute to their

funding. Still, policy makers have to include the denial of welfare benefits as an option available to them.

It is possible for sovereign states to control their borders. This might involve measures that many policy makers find unattractive, but they cannot reasonably argue that they have no control of their borders. If illegal immigrants were turned back at airports and ports – and if, should the exporting country refuse to accept them, they were shipped to a remote, unpleasant but non-deadly internment location – the flow would certainly be diminished. True, some would always arrive by clandestine means, but this would be a minor problem compared with the present situation, where being detained means a relatively comfortable existence, and, for the host nation, the cost of providing access to a host of benefits. So rigorous control of borders is an option available to policy makers.

It is impossible to separate “bogus” from legitimate “asylum seekers” – and I say this with great reluctance, coming from a Jewish family. This inability to distinguish between the two stems from the difference between the situation in the 1930s, when Germany made quite clear its intention to exterminate the Jews, and the situation today. Authorities simply have no way of checking individual tales of persecution, especially when related by a person with an incentive to embroider the truth, who has destroyed his papers.

Besides, the definition of persecution is not always clearcut. Must the asylum seeker's life be threatened? Or his or her genitals threatened with mutilation? Or should he be granted asylum merely if his ability to earn a living is circumscribed in his home country for reasons of race, religion or sexual orientation? Those who generally oppose immigration contend that asylum status should be reserved for those threatened with, say, ethnic cleansing, and should be denied to those merely suffering economic persecution. Sounds sensible, until one remembers the early days of Germany's assault on its Jewish population, when a progressive tightening of the economic noose was taken by many Jews as a warning to get out; but they found no nation willing to accept them, leaving them to become victims of Germany's Final Solution.

So confusion reigns: the American government has the bizarre policy of returning to Fidel Castro's tender mercies those Cubans unlucky enough to be caught by the US coastguard while still in their rafts and boats, but offering sanctuary to those who make it to the beaches; women's groups argue that asylum should be granted to females threatened with genital mutilation or forced marriages in their native country; and the British wonder whether gypsies are sufficiently at risk of harm in their native Romania to

warrant granting them the right to stay in Great Britain, where their aggressive begging and widespread calls upon the country's welfare system are causing a storm of protest from the middle class.

What to do?

The stakes are real: unless immigration policy can be made coherent, popular dissatisfaction with present policy will harden into opposition to all immigration, and that would be disastrous for the countries now exporting workers, for those increasingly reliant on an intake of younger workers, and for the individuals who genuinely want to contribute to their adopted countries by working hard and assimilating into the cultures of their new homelands.

Here are the policy choices.

Choice number one⁴² would be an open door, humanitarian policy. But such a policy is not without difficulties. When the then President Jimmy Carter urged China's vice-premier Deng Xiaoping to respect human rights, among them the right of the Chinese regime's subjects to emigrate, Deng responded, "Well, Mr President, how many Chinese nationals do you want? Ten million? Twenty million? Thirty million?" Had Carter picked a number – which he wisely did not – Deng might then have asked him which of the billions of Chinese he would like to welcome to American citizenship. So much for the wide-open door.

Choice number two is a slammed door policy. This would be based on the notion that a nation cannot allow any significant immigration without diluting its values, customs and mores, and becoming a multicultural hodgepodge of groups with such varied approaches to life and public policy as to become ungovernable. This slammed door policy has its advocates in all countries, from historically liberal America to historically, well, less liberal Austria and France.

Choice number three might be called one that is based on economic self-interest. Such a policy would be designed to admit only, or primarily, those immigrants likely to maximise the wealth of the native population. In earlier times, it was possible to argue that this goal of enriching the host nation was served by an open door policy, which also served humanitarian purposes. After all, the tempest-tossed immigrants who were seeking

42 Here I draw on a talk delivered at the Institute of Economic Affairs.

better lives were willing to work hard at menial tasks and did not seek aid from the state, relying instead on their own efforts and a bit of help from voluntary agencies and their families. They and their offspring were destined in the end to enrich the nation that received them. So a nation could benefit economically from its humanitarianism.

But then came the welfare state, creating the possibility that the immigrant might be seeking a handout rather than a hand up. The emergence of the welfare state in industrialised countries made it impossible to continue to argue that a nation could do well by doing good – that by adopting a relatively open immigration policy for humanitarian purposes, it also served its economic interests by attracting only a valuable stream of eager new workers. So closing the doors to all who might be a burden on the state came to be regarded by pragmatists as the unambiguously correct policy.

Yet it is arguably no easier to distinguish immigrants who might add to national wealth from those who will be a drain on it, than it is to distinguish legitimate from bogus asylum seekers. For one thing, nations with declining populations need younger workers – workers whose prospective contributions to society over their working lives it is difficult to estimate at the time they seek to immigrate – to carry the burden of the welfare benefits that have been promised to retirees.

Indeed, even an informal policy of turning a blind eye towards poor illegal immigrants – which has a certain appeal to those who think that immigration policy should be based on humanitarian considerations – has clear economic advantages. In America, for example, there is no question that without the five or six million illegal immigrants estimated to be in the labour market, upward pressure on wages and hence on inflation would be greater, interest rates would have to be higher, and economic growth slower.

Britain is another case in point. It does not take a very keen observer of the social and economic scene to notice that London's hotels would be hard hit were unskilled immigrants not present to make the beds and empty the trash cans, that many construction projects would screech to a halt if every Eastern European were deported, and that the availability of groceries and newspapers would be sharply reduced if all the Patels were sent packing.

This is not the place to discuss just how a policy of economic self-interest might be implemented – Canada, Australia and other countries have a variety of methods that are worthy of study. But before adopting any such policy we must be aware that the bureaucrats who implement the programme have a tendency to stretch admissions

standards to accommodate the applicant; an understandable position since it is the admitting officer who is faced, in person, with the pleading potential immigrant.

Unfortunately, the policy dilemma does not end with the identification of those immigrants who might add to the wealth of the receiving nation. Immigration policy cannot be manufactured out of even the most precise study of costs and benefits, and not only because neither of those variables is susceptible of precise quantification. In Britain, there is fear that present levels of immigration threaten this green and pleasant land with overcrowding, and with a destruction of the nation's culture. In America, there is worry that immigrants are depressing wages in some lower-paid occupations: pool owners benefit from immigration, pool cleaners do not. In Germany, immigration of Jews has been restricted so that they do not become so numerous as to trigger anti-Semitism (!) – the more humane of the policies that the Germans have historically adopted to restrict the number of Jews living there.

Approaching a solution

How, then, to accommodate the economic goal of the most efficient allocation of the world's workforce, while at the same time meeting the legitimate social goals that are so important to so many in the receiving countries? Some ideas worthy of consideration, subject to amendment as the debate develops:

- First, end the attempt to separate bogus from legitimate asylum seekers. It cannot be done.
- Second, take every step possible, including rapid deportation to the home country or some remote location, to discourage illegal immigration – if this pains human rights lawyers, so be it. Such a policy of rapid deportation quickly becomes known to potential illegal immigrants.
- Third, deny welfare benefits to immigrants to discourage the lazy and the incompetent from seeking entry, and to reduce some of the opposition to immigration by those who bear the cost of immigrants unwilling or unable to work.
- Fourth, develop criteria that do as good a job as is possible to identify those immigrants that are likely to make a net addition to the wealth of the nation. It is possible that a system of bidding for immigration visas will prove more efficient in identifying those who will make such a contribution to their new country than will even the most refined point system.

- Fifth, meet the objections of the vast middle class by abandoning multiculturalism and insisting on assimilation. English is essential to citizenship in the English-speaking nations, and fluency in the language of any host country is essential to citizenship in those countries. Respect for ethnic origins and traditions must not be allowed to destroy the cultures of the countries that receive immigrants fleeing from less attractive places. The tendency of immigrants to concentrate geographically in what Harvard professor George Borjas calls “barrios, ghettos, and enclaves”, and to adhere to many of the customs and mannerisms of their country of origin, frightens the native population into believing that theirs is becoming a strange and alien land. Social and legal pressures to require assimilation and, eventually, citizenship, might – just might – ease these fears.
- Sixth, adopt something between the open door and the slammed door – perhaps the ajar door – so that in the case of true humanitarian disasters such as the Holocaust, policy makers can make exceptions to rules one to five.

I conclude with a disclaimer – these ideas are intended to be in keeping with the Smith Institute's admirable policy of stimulating debate. As such, they are subject to immediate and substantial change in the face of superior arguments.