

4 | MIGRATION: A SOCIAL DEMOCRATIC RESPONSE

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With high levels of inward migration likely to continue for the foreseeable future, regaining trust on immigration is a crucial task for the left. Not only for electoral reasons but because ever-rising immigration brings real challenges – around social integration, solidarity and fairness – that should matter to social democrats. While the left has struggled with the issue, the basis for a new position on immigration is clear: ‘pro-migration, but less of it, with greater emphasis on social integration’.

Increased migration has been a defining trend of the past decade, changing both the economic structure and social fabric of our country. It has also been one which the left in general, and the Labour party in particular, has struggled to articulate a response to.

For many years, the standard response of social democrats has been to argue that public concern about immigration is not actually about immigration at all, but is simply a function of a broader sense of economic insecurity. According to this view, immigration just happens to be the most visible symptom of that insecurity: that the things people are *really* worried about relate to the way our economy works – low pay, poor quality jobs, lack of housing and so on. Fix those problems and concern about immigration would wither away.

But the last decade has taught us that this is wishful thinking. For one thing, it doesn't make sense to separate the economic model we have from the system of mass migration that currently exists: they are inextricably linked. Moreover, concern about migration is about more than just economic insecurity (though that remains important). It speaks to a less tangible, but nonetheless real, fear that the communities in which we live will no longer be 'ours'; a sense that the pace of change is too fast and that our 'way of life' is somehow under threat.

With today's high levels of inward migration likely to continue for the foreseeable future, regaining trust on immigration is a crucial task for the left. Not only for electoral reasons but because ever-rising immigration brings real challenges – around social integration, solidarity and fairness – that should matter to social democrats. So how have we got to where we are? And what would a principled and politically viable approach to immigration in the UK look like?

A defining trend of our time

It is sometimes suggested that immigration (and public concern about it) is neither new, nor unique.¹ Of course it is true that immigration did not start with New Labour: it dates back hundreds of years, from the arrival of the Huguenots in the 17th century right up to the great post-war migrations of former Commonwealth subjects. At the time, people worried about the impact these new migrants would have on Britain (just as they do today), but over several generations, we have come to accept them as part of our shared national story.

1 When asked about whether current levels of migration were 'sustainable' in a '5live' hustings in September 2015, the current Labour leader Jeremy Corbyn said 'there is net immigration at the moment; in some years there is net migration outwards'

Historical perspective is important, but the idea that there is nothing special about current levels of immigration is not supported by the weight of evidence. For a start, immigration numbers during the last decade are, by any standard, extraordinary. Net migration is currently above 300,000, with gross inward migration pushing 620,000 a year: the highest ever recorded. Between 1993 and 2014, the number of foreign born people more than doubled from 3.8 million to around 8.3 million. During the same period, the number of foreign citizens living in the UK increased from nearly 2 million to more than 5 million.

At the same time, the migrant population within the UK has become more diverse and more dispersed. 20 years ago, immigration originated mainly from the countries of the Commonwealth and was concentrated in London, the south east and urban centres in the midlands and the north. Since the mid-2000s, the various waves of economic migration resulting from EU expansion have seen large numbers of people arrive from eastern Europe and the former Soviet Union. Conflict and instability in Africa and the Middle East have also led to growing numbers coming here to claim asylum (and family reunion) from Somalia, Iraq, Afghanistan and Syria.

Many places in Britain previously virtually untouched by immigration, including rural counties and market towns, now host significant migrant communities. Towns like Boston in Lincolnshire, have gone from being over 95 per cent white British, to having the highest proportion of east European residents of any town in Britain, over the course of a decade. In addition to London, Birmingham, Manchester, Cardiff and Glasgow have undergone huge demographic change, becoming super-diverse global cities.

Winners and losers

The impact of these changes is contested, requiring a clear eyed assessment of what the evidence tells us. So let's start with what we know. Most meta-studies of the evidence suggest that the net economic impact of recent immigration has been marginally positive overall (if measured in terms of GDP²), but that those benefits have not been evenly distributed. The main winners have been migrants themselves and the top 10 per cent of earners. The main losers have tended to be people with low skills, working in the lowest paid sectors, some of whom have seen their wages squeezed.

The economic impact of immigration is not only felt in terms of wages, it is likely to be structural too, since it encourages firms to pursue business models based on the creation of short-term, low value jobs, rather than investing for the long-term. Historically, these effects have been most evident in the lowest paid sectors of the UK economy, such as social care, hospitality and food processing, where the ready supply of cheap migrant labour, combined with flexible labour standards, has contributed to a deterioration in workers' terms and conditions and, in some cases, outright exploitation. More recently though, there is evidence of similar effects in higher skilled sectors, such as tech, where the number of foreign workers recruited via 'intra-company transfers' (a faster, less bureaucratic route for richer firms to hire workers from outside the EU) has risen at the same time as government figures show the

2 The government's advisory body, the Migration Advisory Committee (MAC) concluded in 2012 that GDP was no longer a useful measure of migration's impact, since the most likely beneficiaries of migration were likely to be migrants themselves. The MAC concluded a better measure of migration's impact would be the living standards of people already here.

number of apprenticeships being offered to young people has fallen off a cliff.

Another major source of public angst has been migrants' ability to access benefits. Here the evidence is pretty clear-cut: the vast majority of migrants come to the UK to work. There is very little evidence migrants are lured to Britain by the generosity of our benefits system, whether in relation to in-work or out of work benefits. And once here, migrants are less likely to claim out of work benefits than native workers (though we know from attitudinal data that it is the fact such claims are allowed to happen at all, rather than the volume of claims that irritates the public).

These are all things we can be fairly certain about because we have the empirical data to back them up. There are other effects that are harder to quantify, such as the impact of migration on local infrastructure and public services, where data is harder to come by. What we do know is that settlement patterns are not uniform – migrants tend to cluster in areas where other migrants are already settled – thus meaning that particular communities are likely to bear a disproportionate burden of the pressure on scarce resources.

Similarly, it is too early to say what the impact of the current wave of migration will be on levels of social integration. Within a UK context, we know that many ethnic groups, for example, Jews, Indians, Chinese, Black Caribbean, have integrated relatively successfully, as measured by educational attainment, occupation, rates of inter-marriage. Others, such as Pakistani and Somali groups, have been disproportionately more likely to be marginalised economically and geographically segregated. But we do not yet know what the social and cultural impact of current migration, including from within the EU, will be on the Britain of tomorrow.

All part of the plan?

Lurking at the more hysterical fringes of the migration debate are those who claim that this huge social change was the result of a conspiracy by the last Labour government to alter the demographic map of Britain to its own electoral advantage or to deliberately hold down wages in order to sustain the economic boom. But if anything, the opposite is true. If we look back at the last 10 to 20 years we find that, far from having a grand plan to transform the country, there was often no plan at all. In which case, how did we end up where we are today?

Partly the explanation is structural: New Labour came to power in the middle of an immigration hurricane, caused by the acceleration of globalisation in the 1990s and 2000s. In particular, the dramatically lowered cost of travel, which brought the countries of western Europe within easy reach for hundreds of millions of people; and a booming economy, which meant there were plenty of jobs for the migrants who could get here. In these conditions, immigration would almost certainly have increased, whatever the government's intentions.

Alongside this though, the last Labour government made some deliberate policy decisions which helped accelerate such changes. These included the liberalisation of non-EU work permits and the opening up of our labour market to the new EU states of eastern and central Europe in 2004 – seven years before most other EU countries.

These decisions were underpinned by a deep-rooted assumption on the left: that immigration was an unalloyed 'good', with negligible risks or downsides. This had its basis in a powerful fusion of two strands of thought within the Labour movement: the anti-racism struggles of the 1970s and 80s, which resulted in a blurring of the lines between the politics of immigration and race; and the commitment to economic liberalism and internationalism

amongst those at the top of the Labour party, for whom a more permissive approach to immigration symbolised confidence and modernisation.

There was thus little serious discussion at the time about the pros and cons of opening up UK labour markets to a greatly expanded pool of cheap, low skilled labour and certainly no democratic mandate to do it. To compound matters, when the numbers arriving from central and eastern Europe hugely exceeded initial expectations (initial modelling had suggested numbers in the region of 20,000) and public concern began to grow, the response of Labour politicians sounded at best tin eared, at worst dismissive. The Gillian Duffy incident in 2010 was so damaging precisely because it revealed a 'truth' that people believed: that Labour politicians privately believed voter anxiety about immigration was a form of soft bigotry.

It would be wrong to pretend that these problems have been confined to the left. The Conservatives face an equally sizable credibility gap when it comes to immigration. David Cameron's 2010 pledge to bring net migration down to the tens of thousands – has proved a spectacular hostage to fortune, with net migration now higher than when the Conservatives walked into office. However, for Conservatives, the problem stems from scepticism about their ability to achieve what they promise. Highly damaging for sure, but of a different order to Labour, whose very motivations are mistrusted by the electorate.

A job half done

Between 2010 and 2015, Labour, under the leadership of Ed Miliband, attempted to directly address its migration credibility problem in two ways. First, a conscious decision was made to talk about immigration more: to admit past mistakes, to acknowledge people's fears and try to build

a long overdue mainstream position around the notion of managed migration.

Second, Labour formulated policies which sought to directly address people's anxieties, whilst being rooted in social democratic values. This included a series of pledges focused on stronger regulation of labour markets – as a way to drive out the forced exploitation which undercuts the wages and conditions of British workers.

Throughout the period, Miliband was conscious of the need to craft a position that spoke to the more socially conservative voters he knew he needed to woo in order to win power (generally hostile to immigration), without alienating his liberal metropolitan base (overwhelmingly pro-immigration). Every policy had to be carefully calibrated, which sometimes meant the final presentation of the position was so heavily caveated and nuanced that the public were left confused. Of course this is a balancing act that is familiar to social democratic parties across Europe, from the Netherlands to Spain, where the left has struggled to reconcile competing priorities on immigration. But it arguably also highlighted a wider problem with Labour's approach to such problems. Too often, the solution to political challenges was sought almost exclusively through policy, rather than finding ways to tell a broader story about the country.

Miliband was also keen to avoid the same mistake David Cameron had made as leader of the Conservative opposition: of making a promise he wasn't going to be able to keep. That all but ruled up being able to set a target for reducing immigration, or being able to radically reform the rules surrounding EU free movement, however tempting. As a result, Labour went into the 2015 election lacking a 'big bold offer' on immigration and instead had to settle for a series of more modest, practical pledges.

Yet even leaving aside these electoral challenges, the repositioning on immigration undertaken during the last

parliament was a job only half done. Addressing the economic dimension of anxiety about immigration was not enough – Labour could and should have said more about the cultural dimension to people’s anxiety; those aspects that relate to who ‘we’ are and how we live together. There were any number of potential talking points, from the nearly one million people who struggle to speak English to the increasing social segregation of our schools, where Labour could have talked about the need for change and the importance of building a shared future together, without pandering to people’s fears. But the territory was left largely vacated.

Talking about ‘integration’ has traditionally been challenging territory for the left, partly because of a general tendency toward economic reductionism and partly because of a concern (unsupported by the data) that doing so would upset ethnic minorities. But when the left refuses to engage in so-called ‘identity’ issues, it leaves a vacuum for exploitation by those who prefer to sow fear and division, as Nigel Farage did to such startling effect during the run up to the 2015 election.

Looking to the future

The basis for a new mainstream social democratic position on immigration is actually pretty clear. In broad terms it could be summarised as ‘pro-migration, but less of it, with rights and responsibilities more clearly enforced’.

The central elements would be three-fold.

First, a clear and unambiguous aspiration to bring down immigration, particularly low skilled immigration, from current levels. Setting a target would be dishonest and self-defeating, since around half of inward migration comes from within the European Union and nobody can predict with any certainty what convulsions in the eurozone will do to migration flows over the next five

to 10 years. But there is nothing dishonest about setting an overall direction for the country, even if there are no obvious Whitehall levers available to pull (at least for the time being). Of course, many of Labour's most popular immigration policies – clamping down on rogue recruitment agencies, enforcing the minimum wage, tackling unregulated housing – were designed to do exactly this (though the aim of lower immigration was rarely made explicit). A clearer stance on overall numbers would also create the political space for Labour to make the moral case for Britain taking in more refugees. Unless the public believes Labour is serious about reducing immigration, it will become increasingly difficult to separate out questions of asylum and questions of economic migration.

Second, radical reform of the UK labour market to make it less migrant-dependent. This goes with the grain of Labour's policies over the last five years, but would necessarily extend into new areas, such as the way people are hired and trained. In sectors such as construction, for example, which seem to suffer from persistent skill shortages, a cultural shift is required to refocus the workforce away from a dependence on cheap foreign labour, towards the training and hiring of local workers. The Labour party should put itself at the forefront of efforts to drive change. Similarly, the left can afford to adopt a less passive posture to reform of the EU; free movement is a system worth defending, but the quid pro quo should be tougher rules to ensure labour standards are properly enforced.

Third, and perhaps most important, embracing a positive social integration agenda. The left should not be frightened to argue that new migrants need to knit more closely with the communities in which they settle, and that while migrant rights are important, these need to fit alongside a clear set of obligations and responsibilities. A good start would be how we communicate. According to the last census, there are 863,000 people living in Britain

who speak little or no English, the majority of whom are economically inactive or work in low paid jobs. That is bad for those migrants' life chances, bad for the communities in which they live and bad for our country. How can we share a life together if we can't even have a conversation? If David Cameron wants to reverse his earlier decision to cut funding for English classes, good. But let's go further and commit to ensuring that within 10 years, nobody will be left unable to speak the language, without an opportunity to learn it.

Across all three areas, achieving credibility will involve not just new policy ideas but the development of a more convincing narrative and language of change. Rather than giving speeches referring to other people's concerns about immigration and how politics must do more to address 'them', social democrats need to talk more about 'us' and what 'we' can do to solve problems together. They must articulate a clear vision for the future; in which the UK retains its historic openness to the world, including providing a safe haven for those fleeing persecution, whilst recognising that our capacity to absorb new immigration cannot be limitless and that with higher migration, we are going to have to invest more in the collective bonds that tie us together.

Doing so is essential, not only in order to chart a route back to power, but because it is important for the future of social democratic politics, which depend on principles of collectivism and social solidarity. The prize is great if we have the will to see it through.

EUROPEAN PERSPECTIVE: MIGRATION

The EU refugee, asylum and migration crisis has left political leaders floundering in a dangerous quicksand. As they undertake desperate and directionless efforts to regain firm ground, it is not just the future of asylum and migration policy that is at stake, but the EU itself.

To ensure its survival, the EU must quickly regain its ability to manage and shape asylum and migration flows to and inside Europe. This includes increasing the absorptive capacities of local communities in times of crisis, accompanied by the promotion of universal and European values against demagoguery, racism and xenophobia. At the EU level, the Dublin system (that the EU member state of first arrival is responsible) is broken. A quota system based on solidarity and burden sharing needs to be operationalised and agreed upon as a basis for a future EU common asylum and migration policy. At an international level, the EU must reorient incentives so that refugees stay in places where they are safe from persecution. This requires a major effort by the EU and its member states to define and deploy a tailor-made set of initiatives and instruments, which can only succeed by enhancing the governance and effectiveness of the Common Foreign Security Policy.

Solidarity and burden sharing must be consistently promoted as the foundation of a future European asylum and migration policy which can provide a realistic perspective to prevent the EU from collapsing. However, in light of the realities of neighborhood conflicts and globalisation, chances for successful reform have diminished considerably recently. As member states cannot agree on the way ahead, systemic failure has become a real possibility. Therefore, it is high time to build a coalition of the willing that is on the one hand ready to do the necessary to defuse the acute crisis and, on the other, can strengthen the nucleus of the EU by engaging in fundamental multi-sectoral reform that matches up to the real challenges that lie ahead.

Sönke Schmidt