



# Britain's populist arms race over immigration

by John Springford and Simon Tilford

Britain's immigration debate is damaging the country's economic and political interests. It will also make it harder for David Cameron to renegotiate the terms of Britain's EU membership in a way that satisfies Tory eurosceptics. While seeking reform in the name of opening Europe to the rest of the world and boosting its competitiveness, the UK government is pushing for limits on immigration from other member-states. This confirms the worst stereotypes about the British in other capitals: that they are not committed to the founding principles of the EU; have a tendency towards nationalism; and preach free enterprise, but are selective about what enterprise should be free and what should be limited. Britain's stance on EU migration risks alienating countries – such as Poland – that might otherwise support its suggestions for reform. Somehow, Cameron will have to bridge the gap between anti-immigrant populism at home and realism abroad.

Why has EU immigration become such a toxic issue in Britain? According to conventional wisdom, it is because of the unexpectedly large numbers of Central and Eastern Europeans that migrated to the UK following the lifting of restrictions in 2004: there are now around 650,000 Poles living in Britain. But the EU estimates that there are over 900,000 Romanians living in Italy and approximately 750,000 in Spain (both countries opened up their labour markets to Bulgaria and Romania in 2007). Indeed, the number of people from other EU countries living in the UK (excluding the Irish) stands at around 1.8 million, a lower figure than in France, Germany or

Spain in absolute terms and proportionately lower than in many other EU member-states. And there is scant reason for the UK to expect large numbers of Bulgarians and Romanians now that it has fully opened its labour market to these member-states, for the simple reason that many that want to move elsewhere have already done so. So far, only a small number have moved to Britain.

At first sight, Britain's nervous breakdown over EU immigration is therefore puzzling: why is it a bigger issue in Britain than in Spain, which is suffering from mass unemployment? The British public's hostility to immigration has been on

the rise for a decade: according to the British Social Attitudes Survey, the proportion of Britons advocating a large reduction in immigration has grown by more than 40 percentage points since the EU's 2004 enlargement. For years, politicians responded by competing to look tough on the issue, but eschewing any attempt to clamp down on immigration. But now politicians have moved from sounding tough on the issue to acting tough.

David Cameron believes that calling for limits on free movement will help convince Britons to stay in the EU, soothe British hostility to free movement, and head off UKIP, a populist nationalist party, which is threatening to deprive the Conservatives of a majority at the 2015 general election.

But the arms race British politicians are contesting to scapegoat immigrants is upsetting Cameron's balancing act. Both left-leaning as well as right-leaning voters are hostile to immigration, and the opposition Labour Party is trying to compete with the Tories by taking an increasingly hard line. Politicians have fallen over themselves to stress what a huge mistake it was to open up the UK's labour market to the new member-states in 2004 – it is now difficult to find a Labour or Conservative politician willing to defend this move.

Until recently, politicians competed to look toughest on immigrants' benefits and other entitlements, to divert attention from the fact that all three main political parties want to safeguard the free movement of labour. The economic evidence politicians receive from civil servants, academics and think tanks is almost all positive about the benefits of EU immigration for public finances, for filling holes in Britain's patchy skills base and thus for the country's productivity. There is little evidence that low-skilled immigration from the EU has any effect on wage levels or the availability of jobs for Britons. So politicians have tended to focus on migrants' access to benefits, and hope that it can act as a pressure valve.

But in a second, much more worrying phase of the debate, politicians have started to call for limits to the free movement of labour, not just EU migrants' access to benefits. David Cameron has called for restrictions on the rights of workers from countries that join the EU in the future to migrate to other member-states in search of work. Labour's business spokesman, Chukka Umunna, recently said that his party was considering reforms to prevent workers from entering Britain unless they had a job offer – although he later retracted, under pressure from his party. Theresa May, the home secretary, has delayed the publication of a government review of EU migration, because the evidence within it is too positive on the benefits.

Inevitably, political populism is further inflaming anti-immigrant sentiment.

The danger should be obvious: public hostility to EU migration may be aroused to such an extent that it becomes difficult for Britain to stay in the Union. If Britain's politicians promise reforms to free movement that are impossible to negotiate with the European partners, they may return to London empty-handed.

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David Cameron no doubt derives some consolation from the supportive noises he has received from the Netherlands, France and Germany on restricting access to benefits. But the German government will not compromise on the rights of workers to move freely across the EU; indeed, Germany's dire demographics mean that the German authorities are working hard to attract more immigrants, not repel them. Frank-Walter Steinmeier, the new German foreign minister, has already made clear that Germany would not support attempts to limit the rights of workers from future accession countries to migrate. The Polish foreign minister, Radosław Sikorski, has reacted furiously to British plans to tighten benefit criteria in the UK, pointing out that Cameron is happy for Polish workers to pay taxes in the UK but unhappy about paying child benefits for their children left in Poland. For their part, Bulgarian and Romanian politicians have been angered by British politicians and newspapers, and an array of senior EU figures, including Martin Schulz, the possible next head of the Commission, have expressed frustration.

The British government is vague about what reforms of the EU it wants, but if a deeper single market, less regulation, and more free trade agreements are among them, many of its natural allies are the very countries it is currently antagonising. The distance between what other member-states will accept and what the British public want is widening. If Cameron tries to close it by escalating his demands on migration policy, he will fail. Instead, he must try to shift public opinion at home by coming clean on the economic benefits of free movement.

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