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Buying into Myths: Free Movement of People and Immigration
Eiko Thielemann and Daniel Schade

Abstract:
The way in which free movement of people has become the central issue of the British government’s renegotiation and referendum campaign on the UK’s relationship with the EU risks obfuscating at least three central issues: why immigrants are coming to the UK; what impact EU migrants are having on the UK; and what can be done to effectively regulate such inflows. It is, however, not just the Eurosceptics and the British government but also ‘in campaigners’ and other EU member states who risk perpetuating a number of widely-held misconceptions about free movement and immigration for political reasons. Buying into such myths risks to undermine attempts to have a more honest and more evidence-based debate about immigration and migrant integration.

Keywords: freedom of movement of people, immigration, Brexit, push factors, pull factors, UK

Introduction
The issue of immigration has dominated much of the political debate in Europe over recent years. In most EU Member States that debate has focused on the challenges posed by immigrants and asylum-seekers from outside the EU. Contrary to that a lot of the discussion in the UK has been about intra-EU migration. When David Cameron announced his pledge to hold an in-out referendum on Britain’s European Union membership in a speech in January 2013, the issue of the free movement of European Union (EU) citizens appeared nowhere on the prime minister’s list of priorities. Indeed, in that speech the issue of immigration was not even mentioned.

However, only two months later David Cameron declared immigration, including that from inside the EU a top priority: ‘Net migration needs to come down radically from hundreds of thousands a year, to just tens of thousands’, thereby responding to the rise of the country’s Eurosceptic and anti-immigration United Kingdom Independence Party (UKIP).

It is from this point on that the issue of intra-EU migration to the UK started to become a significant issue in the context of the country’s EU referendum. There is indeed an underlying incompatibility between the EU’s free movement of citizens rules, which allow for EU citizens and their family members to move and reside freely within the territory of the Member States, and a governmental policy that aims to develop policies to constrain immigration.

A number of YouGov polls suggest that this is not only a concern for the country’s government, but equally for its citizens. Migration is constantly listed as the most important issue facing the nation, and the issue of intra-EU border control and EU access to benefits were the most important issues that citizens wanted to see addressed in the renegotiation of the UK’s relationship with the EU and it has been shown that skeptical attitudes towards immigration and toward the EU are closer linked than ever.
The issue of migration, and particularly restrictions of so-called in-work benefits for EU migrants, has become the central issue of the British government’s EU renegotiation and referendum campaign. Yet, the current debate across Europe, but particularly in Britain, revolves around a number of myths, the propagation of which will make it increasingly harder for governments to be responsive to public demands about immigration, while at the same time pursue responsible policies on migrant integration.

Some of the most relevant of these myths are: (1) that migrants choose destination countries predominantly because of their generous welfare benefits; (2) that countries like the UK are uniquely and significantly adversely affected by immigration; and (3) that restrictive measures can easily and substantially reduce the number of migrants.

While a referendum renegotiation deal based on these assumptions provides some necessary but probably not sufficient reassurance for Eurosceptics, it is nonetheless a pivotal element for pro-EU campaigners. Supporting the UK/EU deal might secure a continued British membership in the EU, but buying into its entailed myths about EU migration to the UK, it will be at the cost of continuing an often ill-informed and misconceived debate, negatively influencing future political contestation over migration. This could provide particularly harmful, as the governance of migration is an issue that will continue to be relevant for all developed countries in the future.

In the following, this article provides an overview of migration patterns to the UK and to countries with comparable economies. This is followed by a discussion of different push and pull factors that lead migrants to come to the UK before outlining why none of the proposals currently discussed to restrict immigration are likely to make an impact on the numbers arriving. Lastly, the article elaborates on why these scenarios may nonetheless determine the outcome of the Brexit referendum.

1. EU Migration in Context: How Unique is the UK?

In order to address the commonly-held concern that the UK finds itself in a particular strain due to the arrival of intra-EU migrants, a closer look at the available data is necessary. While its usage has proven to be a bone of contention in the past, one equally needs to note that accurately capturing EU migration figures is difficult. In the absence of detailed censuses data collection is mainly survey-based and struggles to distinguish between different kinds of EU migrants, be they students, workers who are temporary posted elsewhere, or permanent migrants.

The simple task of attempting to provide estimates for the number of EU citizens residing in the UK and British citizens living in the rest of the European Union proves difficult. While Eurostat provides an estimate of 2.6 million EU citizens residing in the UK on 1 January 2014, comparable data for UK citizens abroad is not fully available.

Accordingly, a very conservative estimate, using data from Eurostat, the OECD, as well as a number of member state statistical agencies would place the number of UK residents living in the rest of the EU at about 0.9 million. This compares with an
estimate of 1.4 million Britons mentioned by David Cameron in his 2013 speech on migration, as well as estimates from IPPR. The latter suggest in a 2010 report that there may be up to 0.8 million Britons permanently residing in Spain alone, an estimate which rises to more than 1 million if one is to include those residing there for part of the year.

Given the use of a comparable methodology, Graph 1 provides an overview of the proportion of resident migrants compared to the total population in a selected number of member states on January 1st 2014 based on Eurostat figures.

With about 8% of its population holding foreign passports, just under half of which are EU citizens, the United Kingdom finds itself in a relatively similar position to that of other large member states such as Germany or Spain.

Luxembourg, on the other hand, provides for a more extreme case, with 39% of its residents holding EU passports. One should of course keep in mind that the relative number of foreigners across different Member States are not just determined by the relative scale of immigration inflows but also by how liberal or restrictive countries’ naturalisation policies are. Some EU member states such as Sweden have significantly higher levels of naturalisations (as a proportion of its foreign population) than say Luxembourg, with the UK levels at a four per cent average being somewhere in between.

**Graph 1:** Foreigners as a percentage of the total population in select EU countries in 2014 (Source: Eurostat)

The present debate on EU migration to the UK doesn’t only consider the absolute stock of migrants, but equally the rise in the number of EU migrants over time. When considering Eurostat data detailing the increase of foreign populations across different
EU countries since the EU’s 2004 enlargement round (specific data for intra-EU migration is not readily available), it is clear that the UK has seen a marked increase in the proportion of foreigners in its total population.

Nonetheless, the UK is part of a broader trend of such increases, with countries like Belgium and Sweden equally affected. Nonetheless, none of this does compare to a very rapid rise in the proportion of foreigners that Spain has experienced in only five years until the height of the Eurocrisis.

Furthermore, as UN Population Division data suggests, the development in the UK is very similar to that experienced by other developed English-speaking countries like Canada, Australia and the US.

When considering more specific UK migration data from the Office of National Statistics (based on International Passenger Surveys) that allows to distinguish between different categories of migrants, it is important to note that the rise in the UK’s foreign population already began in the mid-1990s. Until 2004 non-EU immigrants were responsible for virtually all of the increase of the foreign population. While there has been a significant rise in the number of EU immigrants to the UK since 2004, the non-EU immigrant group is still larger than that from the EU.

It should equally be noted that Germany has experienced an even more pronounced rise of EU-immigration since 2008 (according to the German Statistical Office). When 2015 data becomes available, its intake of refugees will likely make the country stand out further in terms of its foreign population when compared to the UK.

Even when considering the UK as a case apart, there is little evidence for a negative impact on the UK’s economy or welfare systems as a result of intra-EU migration.

While a recent study by the Bank of England suggests that immigration into the UK’s highly flexible labour market has a small negative impact on overall wage levels with this effect being more pronounced for unskilled workers—the bulk of the evidence shows that the effects of EU migrants on a number of indicators are either negligible or indeed beneficial.

For instance, a study by Dustmann and Frattini found that EEA migrants (EU countries plus an additional few members of the so called European Economic Area)—and unlike non-EU immigrants—have consistently contributed more to the UK’s public coffer than they have taken out. The effect was particularly strong when only looking at immigration from countries that have joined the EU since 2004.

A 2014 IPPR report assesses a variety of literature on the impact of EU migration on the UK’s welfare system and public housing, concluding ‘that public services have been able to “cope” with, and even benefit from, high net migration’. While the same report suggests that an increased population will necessarily impact the housing market, EU migrants appear to be less likely to require social housing. Other factors, such as the overall development of welfare funding should hence equally be considered when trying to account for a strain on the UK’s welfare system.
Overall, while it is indeed the case that the UK has seen a considerable increase in the number of foreigners, including EU migrants, living in the country, its situation is by no means unique. Furthermore, the weight of the evidence suggests that EU migrants contribute more to the UK’s public coffers than they take out. Any suggestions that the migration patterns to the UK are unique, or that such migration is creating unsustainable pressures for the UK welfare system need to be treated with caution.

2. Why migrants come to the UK: push and pull factors

One of the key underlying questions of the debate about free movement and immigration in the UK context is why migrants come to the country and what could be done to better manage, control or reduce migrant inflows. One often hears that migrants are attracted by the UK’s generous welfare system and that curbing this ‘magnet effect’ of welfare benefits is key to any effort to effectively regulate immigration. In his letter to Donald Tusk of 10 November 2015, David Cameron made it clear that his government wanted to reduce the numbers of migrants coming to the UK and he stated that:

‘we can reduce the flow of people coming from within the EU by reducing the draw that our welfare system can exert across Europe’.

Academic research, however, has shown that migration dynamics are highly complex and that the impact of welfare benefits is often exaggerated. Informing some of the most prominent theories of international migration is the so-called ‘push–pull model’. It is a conceptual framework that emphasizes the interaction of ‘push factors’ in countries of origin that cause people to leave their country, and ‘pull factors’ that attract migrants to certain receiving countries.

The importance of push factors is particularly clear in the case of forced migration, with driving forces ranging from political persecution, poverty, environmental factors to natural disasters. It can be shown that the peaks of humanitarian migration inflows to Europe in the post-war period have been the direct consequence of the major refugee producing conflicts in the Balkans, Afghanistan, Iraq and more recently Syria.

To explain over-time variation of intra EU migration flows, economic push-factors have played a key role. Labour market disruptions in Eastern Europe after the fall of the Iron Curtain or more recently high levels of unemployment in Southern Europe in the wake of the global financial crisis are examples of economic push factors that have led EU citizens to leave their countries of origin to seek better opportunities elsewhere.

This can be expected to be due to two distinct factors that affect economies in Southern Europe and those in Eastern Europe in different ways. On the one hand, unemployment rates, and specifically youth unemployment have spiraled in Southern Europe since the beginning of the financial crisis (Graph 2). This has greatly increased incentives for emigration from countries affected in such ways. In 2014, more Spanish citizen arrived in the UK than came from Poland that year. While the phenomenon does not exist to the same extent in the EU’s new member states, the
continuity of low-income levels continues to be a strong push factor in those economies.

**Graph 2:** Youth unemployment rate in the 15-29 years age range in select EU countries over time (Source: Eurostat)

Such push factors can have a powerful impact on a destination country’s immigration system. Their strength will often overwhelm efforts by governments to halt an increase in the numbers of arrivals.

While push factors are often crucial for a migrant’s decision to leave their home country, it is the variation in pull factors that is widely seen as determining the direction of migration flows, i.e. influencing a migrant’s choice of destination country.

Structural pull factors often provide powerful explanations of the relative attractiveness of destination countries. Some of the most important factors explaining the direction of migration flows relate to network effects and economic factors. Historical connections, colonial links, language ties or cultural networks between countries of origin and destination facilitate transport, trade and communication links between countries. In addition, economic migration models explain the decision to migrate as one of income maximisation in which wealth differentials and differences in employment opportunities constitute important pull factors. Therefore, international migration is expected to be determined by geographic differences in the supply and demand of labour. On this account, it is wage differentials and employment opportunities, which explain movements from low-wage countries to higher-wage countries. Taking these two important structural pull factors together, they go a long way in explaining why the UK with its significant historical stocks of European migrants from across the continent, its flexible (and English speaking)
labour market, low unemployment and relatively high wages would constitute an attractive destination for EU migrants, in particular for those from southern and eastern Europe.

Moreover, studies have found that that the impact of differentials in policy restrictions relative to variations in structural pull factors, like the ones discussed above, is more limited than has sometimes been assumed. A country’s relative restrictiveness in terms of its migration relevant policies does not automatically go hand in hand with small inflows. Countries can experience high migrant inflows, despite being among the countries with the most restrictive policies in Europe. Powerful structural pull factors often trump the effects of restrictive deterrence policies.

3. Restricting Free Movement: Policy Scenarios and their Effectiveness

The question thus arises as to whether the options currently being discussed to address the UK’s concerns over high levels of intra-EU migration would be able to significantly reduce the UK’s pull factors, and decrease migration levels from the EU. Three broad scenarios can be distinguished. The first scenario is the Brexit option under which the UK would find itself having to redefine its relations with the rest of Europe, the second a British exit from the European Union while remaining part of the European Economic Area (EEA), and the third scenario which covers the implementation of the reforms resulting from the renegotiations.

The scenario of a British exit from both the EU and the EEA would in theory allow the UK to redefine its immigration system. Ultimately, however, the UK’s policy choices would nonetheless be heavily constrained not only by business demands for both skilled and unskilled labour in a UK labour market that is already characterised by very low unemployment. It would also be limited by the fact that there are large numbers of UK citizens who will continue to reside in other member states and for whom bilateral (and presumably reciprocal) arrangements would have to be found. Taking similar considerations into account, Portes has argued that while the UK’s immigration policy outside of a continued EU or EEA membership would likely look somewhat different to today’s—with migration from the EU being partially replaced by migrants from elsewhere—overall net migration levels are unlikely to change.

The second scenario under which the UK would leave the European Union but remain part of the European Economic Area would not provide for a very different situation to the current status quo. Just like EEA countries such as Norway, the UK would be expected to continue to accept the EU’s freedom of movement rules, albeit losing its influence to shape future reforms. This scenario would place the UK in a worse situation to the one it finds itself now, where it would have little ability to create discrimination between British workers and those from the EEA, nor be able to influence the underlying legislation.

The most likely third scenario—which would come into effect if the UK decided to remain in the EU—relates to the renegotiation reform package on free movement which has focused on three provisions that aim to reduce the UK’s welfare-related pull factors:
(1) provisions rendering it more difficult for EU citizens to reunite with their non-EU national spouses in the UK;
(2) measures to reduce the amount of child benefits paid to children of EU citizens living outside the UK;
(3) a system that would allow for the temporary restriction of access to in-work benefits for newly arriving EU citizen workers.

The first and second provisions are expected to have a limited effect. For instance, the answer to a parliamentary question revealed that as of 31 March 2015 only 19,579 children living in the EEA were receiving UK child benefits. Expectations as to the third proposal have been portrayed as likely to have a larger impact. Officially described as an ‘alert and safeguard mechanism’ for high levels of intra-EU migration, it has been nicknamed an ‘emergency brake’ by policy makers and the media alike.

As it was agreed ahead of the referendum, a member state would be able to trigger this mechanism if there is an ‘inflow of workers from other member States of an exceptional magnitude over an extended period of time’, affecting ‘essential aspects of its [a member state’s] social security system’ or public services as the underlying criteria. While the question remains as to how one would define any of those factors, official EU documents suggest that in the case of the deal with the UK this would be avoided altogether by simply declaring that such a situation has arisen. This leaves a further concern voiced by Steve Peers as to the likelihood of the measure being struck down by the European Court of Justice.

But even when ignoring these potential pitfalls, would the mechanism, once triggered, actually be able to influence the UK’s pull factors? In its agreed form the UK would be allowed to restrict access to its in-work benefits for newly arrived workers from the EU for a limited period of time, but not for those already residing in the country.

The mechanism hence would not change the incentive structure for the more than 2.6 million EU citizens who already reside in the UK ahead of the proposed policy change, but only for those who may come to seek work in the UK in the future. Nor would the mechanism influence new EU migrants’ abilities to seek employment in the country as such. Rather, it would only have an effect on their total earnings through denying them access to tax- and child benefits. For migrants choosing between unemployment at home or work abroad, even reduced benefits might still be expected to be a secondary consideration.

When considering the likely effects of restricting access to such benefits, it should be noted that for low-income EU workers in the UK without children already at present these benefits already only have a small impact on their total incomes. When combining this with the low minimum wage in the UK, the overall income potential for such workers does not compare favourably to that in several other EU countries.

Furthermore, given that in-work benefits most significantly affect income levels of low-paid migrants, it would have less of a potential to alter income-based incentives for other categories of EU workers seeking to take up employment in the UK. Any direct effect of income-related pull factors for EU-migration to the UK under the emergency brake can therefore be expected to be small.
Considering the discussion of push and pull factors above, one hence should not expect that limited restrictions in the access to benefits will significantly affect intra-EU migration to the UK. Not only will the measures be largely inconsequential for the large number of EU citizens who come to the UK for other reasons, e.g. to study. It is also unlikely to be an important determinant of a migrant’s decision to leave their country of origin or their choice of destination country in which they want to work. The effects of elements like the overall earnings differential between the UK and Eastern European countries, as well as the absence of job prospects across large portions of Southern Europe is likely to continue being a more significant determinant for those coming to work in the UK. Or, as one the participants at the LSE’s hearing on free movement put it: ‘For free market economies the only effective way to reduce immigration is to wrack your economy and throw it into recession’.

None of the above scenarios should be expected to be able to significantly help the UK government reach its declared net immigration target; while all of them simultaneously raise a significant number of practical and economic issues.

4. The UK’s migration debate: Short-term politics & long-term risks

The fact that the most likely of the scenarios discussed in the context of Britain’s upcoming referendum on EU-membership are not going to significantly change migration trends to the UK does not mean that the free movement issue has lost its relevance in the wider debate about immigration and Britain’s role in the EU.

With EU immigration and migrant’s access to benefits being the most salient renegotiation issues for British citizens, these remain the ones that could ultimately determine Britain’s future in the EU. As evidenced by the survey cited at the beginning of this article, the question arises whether a renegotiation deal taking into account only the discussed elements could actually help determine the outcome of the referendum. While opinion polls on the referendum currently see the in-votes and the out-votes closely tied, polls have suggested that those numbers could be influenced significantly by how the outcome of the renegotiation deal is presented.

A debate that focuses on immigration restrictions (irrespective of how desirable or feasible those are) is politically convenient for both, supporters of Brexit, as well as those hoping for a continued British membership in the EU. Those favouring Brexit can argue that the proposed restrictions for EU migrants are too little too late to effectively curb such migration to the UK as demanded in David Cameron’s original letter to Donald Tusk.

On the other side, pro-EU campaigners are able to claim that the right kind of package of restrictions will allow the government to address key concerns about EU migration, namely to limit EU migrants’ access to benefits and stop what the Prime Minister has referred to as the problem of ‘benefit tourism’. This is in line with a body of literature that suggests that rather than following public opinion or scientific evidence, immigration policy is often based on a tough rhetoric and symbolic reforms to appease the general public, while ultimately following other policy goals.
However, there is a pressing need for a more honest and more evidence-based debate about immigration in the UK. Politicians from across the political spectrum as well as a large part of the media share a certain responsibility for muddying the waters of the migration debate. The UK’s misguided debate has been fuelled in particular by those who have indulged in alarmist rhetoric about the threats of immigration to population growth, who have set arbitrary and unachievable objectives (such as the UK’s net immigration target) and who have made the case for immigration restrictions on the basis of questionable figures (e.g. the government’s claims on the proportion of EU citizens claiming welfare benefits) that were subsequently criticised by the Government’s own watchdog, the UK Statistics Authority which referred to the way these figures were released as ‘disappointing’, ‘unsatisfactory’ and at risk of undermining public confidence.\textsuperscript{xv}

The current debate risks perpetuating a number of myths about free movement and immigration: the myth that that welfare benefits are the principal attraction for migrants’ choice of destination country and that EU migrants constitute a drain on the UK’s benefits system; that the UK would be better off with significantly less migration from other parts of the EU; or that restrictive policy measures can act like a tap to increase or decrease immigration.

Moreover, the often highly emotive debate on immigration in the UK has also resulted in the fact that there is a wide gap between the public’s general concerns about migration, which does not correlate with individuals’ personal concerns. While immigration is perceived as the most important issue facing the nation, when asked what issues are relevant for oneself and ones’ family, immigration comes in fourth, after the economy and health, and at a similar level as pensions in YouGov polls. As Dannison and Goodwin have pointed out, while there is a long-established anti-immigration feeling, the perceived importance of the issue is highly volatile in the British context in the long term\textsuperscript{xvi}. This is not to say that public concerns about migration should be ignored. To the contrary, a continued mismatch between unrealistic immigration policies and public concerns that are not effectively addressed is likely to further erode public confidence.

A more honest and more evidence-based debate about immigration is clearly needed. A first step in that direction would be to recognize the political expediencies of the current debate that frequently acts as a convenient distraction from other issues such as wider concerns about the loss of national sovereignty. The alternative is to continue the current debate that risks vilifying migrants, that often misrepresents their motivations for leaving their home countries, while also undermining their prospect for integration. And at the same time to continue fueling the smoke screen of exaggerated concerns about intra-EU migration while we continue to stand on the sidelines of urgent efforts to deal with Europe’s wider migration challenges.


