

The Tories' barmiest policy

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Britain's immigration policy is crippling business and the economy. Wake up, Mr Cameron



THE prime minister's speech at the Conservative Party conference on October 10th contained a thumping statement of the obvious. Britain might never recover its former glory, David Cameron admitted. The country is running a global race against much nimbler competitors. Its only hope is to slice regulations so that innovative, entrepreneurial folk can thrive, and trade furiously. Splendid stuff. So why is Mr Cameron's government pursuing an immigration policy that is creating red tape, stifling entrepreneurs and hobbling Britain?

The country has, in effect, installed a "keep out" sign over the white cliffs of Dover. Even as Mr Cameron defends the City of London as a global financial centre, and takes planeloads of business folk on foreign trips, his government ratchets up measures that would turn an entrepôt into a fortress. In the past two years the Tories have made it much harder for students and foreign workers and family members to enter and settle in the country. Britain is not only losing the war for global talent, it is scarcely competing. More people now leave to take up job offers in other countries than come the other way.

Little England trumps Great Britain

Businesses everywhere complain about immigration systems. But Britain's is comprehensively bad, in three ways. First, the policy itself. In opposition, Mr Cameron promised to bring net migration—immigration minus emigration—to below 100,000 a year by 2015. Since the latest tally stands at 216,000, this is hard, perhaps impossible. Britons and Europeans can come and go as they wish. Human-rights laws protect asylum-seekers. So Theresa May, the home secretary, has squeezed migrant workers and students—the very people who are most likely to boost Britain's economy, as well as the most likely to leave soon. The number of study visas handed out has plunged by 21% in a year. The government has made it harder to move from study to work, which in turn will deter foreign students from applying. International education, one of the country's most important export industries and an area where Britain should have a huge competitive advantage, is being starved.

In theory, Britain's door is open to the most highly skilled, as well as to the very rich. In practice it is not, because of the second disastrous aspect of the immigration system: its bureaucracy. It takes far too long to process visa applications. Big firms can generally put up with the hassle involved in transferring a worker from Delhi. Smaller ones cannot. Fast-growing technology firms are in the worst position because they compete for a flighty, global pool of talent (see page 31). Workers who navigate the maze are tied to a firm, sapping their productivity. Britain fails to hand out even its meagre allocation of work visas. One category, for people of exceptional talent, has an annual cap of 1,000. Last year 37 such visas were granted.

Third, British politicians, led by the Conservatives, do their utmost to signal hostility and mislead the public. Last month Parliament approved a motion to take "all necessary steps" to

keep the country's population below 70m. Ed Miliband, Labour's leader, has apologised on behalf of his party for the migration of east Europeans to Britain in the middle of the last decade (never mind that the Poles, like most people who migrate for work, claimed few benefits and contributed far more to the public purse). Mr Cameron has promised to review the rules guaranteeing freedom of movement within the EU. This right probably cannot be withdrawn unless Britain leaves the union, which it is not about to do. The only thing achieved by bringing it up is to add neon lights to the "keep out" sign. Talented folk, who can go elsewhere, will get the message.

The paradox of populism

Some senior politicians admit privately that Britain's immigration policy is disastrous. A few business-minded Conservative MPs have begun to complain that the country's immigration strategy is undermining its growth strategy. Boris Johnson, London's ambitious, liberal-minded mayor, is egging them on. But what can be done, they ask? Britons, they shudder, will not wear a relaxation of the immigration rules. The government must stick to its promises.

The simple answer is that if a policy is doing as much harm to your country's prospects as the net-migration target, then you should drop it entirely—and explain why. Mr Cameron is sadly unlikely to make such a bold U-turn, but he has some political room for smaller manoeuvres.

Immigration is certainly unpopular. Britons are more opposed to it than are the inhabitants of any other large European country. Fully 62% think immigrants make it harder for natives to get jobs, compared with a European average of 45%. Three-quarters argue that immigrants put too much pressure on public services. But the natives are not as xenophobic as their leaders suppose. Britons dislike skilled workers and students less than other immigrants. (Indeed, by European standards, they are exceptionally keen to discriminate between such desirable arrivals and the rest.) More important, they know the government's policies aren't working: immigration scores even lower than health, a Tory disaster area. If the net migration target is missed they will become angrier.

Even if Mr Cameron cannot scrap that foolish target, the government could take a few useful steps. Some groups, such as workers on company transfers and students, could be exempted from the target. The government should make it easier to move from study to work, at least for students at the best institutions. Somebody who can make it to a leading university will almost certainly prove an asset to Britain. The government should also speed and simplify the visa system. It has hacked back much of the red tape that binds business, and should do the same to immigration rules.

As emerging countries grow, the enthusiasm of young, talented foreigners to get an education in a British university or to sell their wares to Britain's relatively prosperous consumers is likely to diminish. For now, though, the country's global popularity gives it a huge advantage, which the government is squandering. The world is a competitive place. Britain is trying to run with its shoelaces tied together. ■

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- Rendre l'article à l'examinateur avant de quitter la salle