(Im)migration, local, regional and uneven development

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Introduction

Migration has a long and intimate relationship with local and regional development. On the one hand, policy-makers may use (im)migration as a means to develop a geographical area, seeking to attract desirable migrants as a means to fill labour shortages, foster economic growth and promote competitiveness. On the other hand, policy-makers may seek to promote emigration as a way of tackling under- and unemployment and raising additional capital in the form of remittances sent home by overseas workers. In the first case, migration provides a new source of labour and in the latter, the capital required for economic development. This chapter starts by exploring these twin development strategies focusing first on emerging policy frameworks that are designed to attract international migrants and then those that seek to promote the export of labour for economic development. In both cases, labour is positioned as the key agent in local and regional development even if that labour is not always physically present. Once these foundations are laid, the chapter then goes on to explore the consequences of labour migration in relation to uneven development. It is argued that there is a tendency for migration to both reflect and perpetuate uneven development at a number of scales. As such, this chapter seeks to explore the difficult issues that lie at the heart of the intersection between labour migration and local and/or regional development. To do so, the chapter draws on current research in London and the UK, as well as secondary evidence about development in the rest of the world.

Changing immigration regimes

Structural shifts in global political economy have served to increase rates of population movement in recent years. The IOM (2008: 2) estimate that in 2005 some 191 million people were living outside their country of birth, a figure two and a half times the number in 1965, with these trends looking set to continue. International migration is now recognised as being one of the most critical challenges facing the world as well as one of its most crucial resources. Yet while international migration continues to increase as workers move to avoid conflict and/or take up employment, politicians remain accountable to national electorates. Internal divisions over the issue of immigration inevitably pull politicians two ways both in favour of, and
against, immigration controls (Hollifield 1992; Freeman 1995). Politicians rarely adopt the pure political liberalism that would abandon any immigration controls and in the present period, most are adopting some form of hierarchical and stratified types of control.

As an example, the British government has recently sought to adapt its immigration regime. Recognising the economic advantages posed by certain forms of immigration – particularly in relation to skilled workers and those able to fill labour market shortages – new legislation has sought to create a hierarchical immigration regime that attracts the desirable and excludes the unwanted. In her speech to the Institute for Public Policy Research (IPPR) in September 2000, the Immigration Minister Barbara Roche signalled what has been a dramatic shift in policy by declaring: “We are in competition for the brightest and best talents. The market for skilled labour is a global market and not necessarily a buyers’ market.” Drawing parallels with the effective use of immigration as a strategy for economic development in countries like the USA, Canada and Australia, Roche anticipated a torrent of future legislation enacted by New Labour in the following years. In a scaled-up version of Richard Florida’s (2002) arguments about the role of the ‘creative class’ in the dynamism of conurbations, the UK government has sought to open its borders to those who are seen as sufficiently highly skilled and entrepreneurial that they can contribute to the wealth of the nation. Rather than limiting immigration per se, the government has sought to manage it for economic advantage (Favell and Hansen 2002; see also Flynn 2005). As a result, and in contrast to the previous century, the UK has become a country of net immigration.

Thus, in tandem with developments elsewhere in the world, British immigration policy is being developed in the interests of the economy with: “borders that are open to those who bring skills, talent, business and creativity that boost our economy, yet closed to those who might cause us harm or seek to enter illegally” (Home Office and Commonwealth Office 2007: 2). The new points-based immigration regime is the centrepiece of this new approach to migration (Home Office 2006). Highly skilled migrants are positioned at the top of the hierarchy (in Tier 1) with full rights to the labour market and the benefit system. Those who are granted access to work for a particular employer in an identified shortage sector (that depends on research and analysis conducted by the Migration Advisory Committee) have to have a requisite level of English language skills to fulfil the terms of Tier 2. While this tier does not grant access to the benefit system it does afford migrants some possibility of applying for citizenship when they have been in the UK for as long as five years. In contrast, Tier 3 – covering so-called unskilled migration – has no such route to belonging. Ministers now expect all unskilled vacancies to be filled by migrants from the wider EU – and while full labour market access was granted to would-be immigrants from the first wave of EU succession states (Cyprus, Malta, Estonia, Croatia, Czech Republic, Hungary, Lithuania, Poland, Slovakia and Slovenia) from May 2004, any further vacancies are to be filled through time-limited quotas of Bulgarians and Romanians (the countries of the so-called A2). As in the past, those classified as unskilled from outside the EU can only gain access to the UK’s labour market through family reunification, as international students or as refugees. But while student visas were once a relatively easy route for would-be migrants from the global South to enter the UK and stay despite immigration controls, educational providers (who are to be registered under Tier 4) are now expected to sponsor and monitor the activities of their students for violations of immigration control. Indeed, the UK government has renewed its efforts to control and monitor all international immigrants. Those who don’t meet the terms of the points-based immigration regime are
now subject to identification, detention and deportation back home.

The implementation of this new immigration regime has significant implications for local and regional development within the UK. Recent experience suggests that the policy-makers responsible for economic development in different parts of the country have had to develop a twin-track approach towards immigration reform. In the short term, policy-makers have had to try and attract – or repel – the migrants they need – or don’t need – to underpin local and regional development strategies. In the longer term, they also have an obvious interest in influencing the trajectory of national policy developments as they unfold. This is often difficult, however, as local policy-makers tend to find themselves in a relatively weak position with regards to national immigration reform (Ellis 2006). Although sub-national localities are profoundly affected by changes in the rules governing the recruitment of international students and/or access to the labour market, for example, such rules are created and enforced by bodies operating beyond the regional and/or local scale. Policy-makers are thus entangled in the spatial politics of immigration policy whereby the interests of the nation may undermine local and regional interests. In addition, policy-makers often have to work through the intermediaries of the immigration regime, such as employers or educational establishments, if they are to influence rates of local migration.

Thus, in relation to the UK’s new points-based regime, migrants granted access under Tiers 2, 3 and 4, as well as those being processed by the asylum system are spatially constrained once they arrive within the UK. Their terms of entry are tied to having a particular job, studying in a particular place or securing state support by living in a particular location (Phillimore and Goodson 2006). Attracting or repelling migrants depends upon the actions of those given authority by the national regime. Even in cases where migrants have free movement – such as those under Tier 1 and those from the wider EU (including the so-called A8 migrants) – policy-makers are left to deal with the impact of the market itself. Thus the post-2004 arrivals from Eastern Europe have taken up low-waged employment across the UK in response to local labour market demand. Local and regional policy-makers have been left to deal with the impact of local in-flows, but they have little if any control over the nature of labour supply. Indeed, the A8 migrants have caused something of a policy crisis by settling in areas where local authorities and related agencies have little experience of responding to the needs of new populations or the challenges posed to community cohesion (McKay and Winkelman-Gleed 2005; Stenning and Dawley 2009). While migrant workers have generally been very beneficial for these economies they have also brought challenges in terms of service delivery. Local policy-makers have had to react to the impact of national-level policy and market forces (IPPR-CRE 2007).

In this context, different regions will tend to develop differentiated responses to the national immigration regime, seeking to secure local interests in relation to policy and its implications for regional and local development. In the UK, Scotland and London provide the most obvious examples of this locally-specific and differentiated response. The Scottish Parliament and associated policy-makers have been unusual in trail-blazing a very positive public policy agenda in relation to immigration. These bodies have seen immigration as a way to increase the size and skills of the local population, and to promote economic activity. Until it was superseded by the national points-based system, the Scottish Parliament sought to attract international graduates to Scotland after their studies. In what was called the Fresh Talent Scotland initiative, the Parliament provided funding for advisory staff and resources to attract skilled workers to the region. In this case, migrant workers were characterised as an asset to
local and regional economic development and they have been encouraged to make Scotland their home (Houston et al. 2008).

In many ways, London has been similarly positioned in relation to the national immigration regime. Here, policy-makers have also recognised the extent to which the regional economy and its prosperity have come to depend upon supplies of foreign-born workers. In contrast to Scotland, however, London has had little difficulty in attracting new migrants such that recent statistics indicate that as many as 35 per cent of the working age population were foreign-born by the mid-2000s, with much greater concentrations among the low paid (see May et al. 2007; Wills et al. 2009a). In this regard, policymakers have been more concerned about the implications of national legislation for local patterns of growth. In their response to the government’s consultation about the case for managed migration outlined in the White Paper Secure Borders, Safe Haven, for example, the Greater London Authority (GLA 2002) opposed the proposed limits on numbers, reduced access to the asylum system and new barriers to citizenship. Indeed, it is significant that such concerns have persisted beyond the dramatic change in the leadership at the Authority following elections in 2008, with the Conservative Mayor, Boris Johnson, also championing London’s particular interests in regards to the national immigration regime. Having agreed to explore the need to turn ‘Strangers into Citizens’ in a public dialogue with the broad-based community organisation London Citizens in the run-up to the election, Mayor Johnson has since commissioned research into the issue of irregular migration and has recently made the case for reform (LSE 2009). As he put it in a press release advocating a one-off regularisation of migrants issued in March 2009:

[Irregular migration is a] huge issue for the capital … London is disproportionately affected with more irregular migrants … than anywhere else in the UK. I believe it is perverse, particularly given the current economic climate that illegal immigrants can use public services such as the NHS and schools but are actually prevented from paying the taxes that fund these services … I believe we should carefully consider the merits of an earned amnesty for long-term migrants to maximise the economic potential of these people so they can pay their way. I do not want to be the Mayor of two categories of people in our great city, one group who live normally and another who live in the shadows unable to contribute fully to [the] rest of society.

(GLA 2009)

Thus the national management of migration poses a range of challenges to actors positioned at local and regional scales. While some parts of a nation may have a policy commitment to increase in-migration (both domestic and international) as a means to support economic development, other regions may not. Moreover, different groups within any local community will also be differentially positioned in regard to the debate about immigration reform. Although (im)migration may be viewed as a route to increased competitiveness and economic growth by some, others are likely to see migrants as potential competitors for work, housing and resources. Indeed, those communities already facing the challenge of surviving in a subcontracted deflationary economy with poor employment prospects and diminishing public service provision have understandably been the most likely to view immigration with the greatest concern. In this regard, research exploring the reception and integration of new migrant communities in different localities across the UK has found a clear link between attitudes towards immigration and economic status (IPPR-CRE 2007). Those living in relatively affluent areas, with tight labour markets and above-average levels of skills (in this case, Edinburgh, Perth
and Kinross in Scotland) tended not to see migrants as a threat to their lives. In contrast, those living in relatively poor areas, with high rates of unemployment, high levels of homelessness and/or overcrowding and below-average levels of skills (in this case Birmingham, and Barking and Dagenham in London) were likely to be much more concerned about increased rates of migration.

The prevailing political-economic geography of a nation – its uneven development – will thus underlie differential approaches to immigration in relation to strategies for local and regional development. Moreover, locally based policy-makers will inevitably have a different view to those determining the laws of the state. Such challenges are further magnified at the transnational scale, as we outline further below.

Remittance-sending for development?

Governments in the global South have increasingly come to view their workers as a resource to be exploited either in situ (via local economic development strategies and state-sponsored Export Processing Zones) or by moving abroad. The government of the Philippines has been something of a pioneer in this respect, promoting the export of labour. Developed over several generations, the country now has a strong culture of international labour migration in which official policies facilitate the out-migration of workers at all skill levels in the expectation that these ‘bagong bayani’ or ‘new heroes’ will send money back home. Such remittances now amount to greater sums than those sent in overseas development assistance from the global North to many parts of the global South (Datta et al. 2007). Recent figures available from the World Bank suggest that worldwide remittances exceeded US$ 305 billion in 2008, up from just US$ 2 billion in 1970 (Ratha 2007; World Bank 2006). This money is now critical to local and regional development in large parts of the world. Our recent research to explore the labour market experiences and prospects of migrant workers in low-paid employment in London revealed very high levels of remitting, and given the diversity of the population, this practice impacted on many parts of the world. As illustrated in Figure 37.1, our interview survey of more than 400 migrants identified people from 63 different countries of origin and as many as 73 per cent were sending money back home (see also Datta et al. 2007; Wills et al. 2009a).

As might be expected, this, and other research, has illuminated the extent to which remittances appear to function as crucial safety nets for households in situations where cash-strapped national governments are unable or unwilling to provide any ongoing relief (de Haas 2005; Van Hear and Sørensen 2003). In a country like Zimbabwe, for example, extreme economic deprivation has meant that nearly half of all households are heavily dependent upon migrant remittances for their everyday needs (Styan 2007). Migration can thus underpin life itself, being essential to survival (and thereby sometimes referred to as ‘subsistence remittances’) as well as bringing more lasting development. Indeed, a certain level of development is usually necessary before remittances are able to generate more general growth and activity beyond the household scale. In this regard, researchers have documented a potential continuum between so-called ‘unproductive’ and ‘productive’ investments. In the case of the former, remittances are used for essential household expenditure. In the latter, remittances have proved important in the purchase of land and housing, and in the development of local businesses which can then impact on local development rates (de Haas 2006).

This nexus between remittances and development is being increasingly recognised by governments, banks and public officials. As an example, Peru has recently pioneered the Quinto Suyo programme to tap the ambitions of Peruvian migrants resident in the
US, Spain, Italy and Japan, allowing them directly to purchase housing in Peru through collaboration between Peruvian banks and foreign intermediaries (Conthe and García 2007). Governments have similarly started to support the collective development efforts of migrants themselves. In circumstances in which migrants are already working together to foster development – via informal connections, charitable work and hometown associations (Mohan 2008) – some governments are reinforcing this work. In the Mexican tres-por-uno (three for one) programme, for example, each ‘migradollar’ sent from abroad is complemented by three dollars from various governmental levels to be spent on local development work (Faist 2008).

Such examples illustrate the ways in which policy-makers in migrant-sending countries are beginning to recognise the potential development gains to be made from the money migrants are earning abroad. Indeed, by providing additional financial and physical infrastructure, local policy-makers can facilitate the developmental impact of the money being remitted back home (see also Taylor et al. 1996). Yet remittances also have dangers for development in the poorest parts of the globe. Most obviously, there is evidence that remittances can intensify inequalities between migrant and non-migrant households with attendant implications for community relations (Osella and Osella 2000). In addition, there is a tendency to become increasingly reliant on foreign-earned cash. While domestic industries such as construction may flourish due to migrant investment in housing, for example, such activities simultaneously become highly dependent upon migrant remittances (Portes 2001). Such so-called ‘productive’ investments can also result in land and housing booms and consequent inflation in sending areas, which further marginalises non-migrant households without remittance income supporting their household (Ballard 2003). A dependency on remittances may thus ‘infect’ entire communities with particularly detrimental consequences for local economic development, engendering dependency, a withdrawal from broader livelihood opportunities and the neglect of

**Figure 37.1** Remittance flows from London to the rest of the world.
Source: Authors’ survey
any indigenous potential for growth. There is no certainty that remittances will facilitate sustainable development or that they will fuel greater equality at local, regional, national or international scales. Moreover, in providing a potential source of development funding, remittances can provide fodder for neoliberal ideologues who are eager to shift responsibility for development from the state to the poor, with migrants in host countries making huge sacrifices in order to bolster ailing economies back home (Datta et al. 2007).

(Im)migration and uneven development

Thus far, this chapter has argued that there are potential synergies between migration and local and/or regional development, but also that these synergies are by no means easy to sustain on the ground. While it is clear that migrants can provide the labour power and skills needed to underpin growth, and can generate the capital to support economic activities in the global South, it is also very difficult to ensure such positive feedback in practice. As we have seen, policy developed at one spatial scale may not suit development plans and needs at another; one group of people may be well served by migration while others are not; one place may benefit from migration while another is plunged into further decline. Any positive nexus between migration and development is thus fraught with potential pitfalls and problems.

In this section we argue that there is a tendency for migration to both reflect and perpetuate uneven development at a number of scales. Moreover, we suggest that despite recent arguments about the role of ‘brain circulation’ (Saxenian 2006) in local and regional development, much migration still involves the deskilling of migrants that then further undermines the potential benefits of labour migration for the economic development of both home and host locations. It is also clear that migration can erode the space for ‘high road’ strategies of local and regional development in destination locations, again reinforcing uneven development at the sub-national scale.

Most obviously, migration is a product of uneven development. People are more likely to move when they are unable to support themselves in sustainable ways in their place of origin, and migrant flows often (although by no means always) reflect the uneven landscape of economic activity. If some poor localities and regions lose their labour power through (domestic or international) migration, it can then further reinforce their decline. In their explication of the so-called ‘brain drain’, for example, scholars and activists have highlighted the way in which skilled workers in one place are enticed elsewhere, further eroding the skills base of their home-nation. Given the low skills base in many African countries, it is not surprising that they have taken the lead in voicing these concerns, especially with regard to health workers. While the largest global suppliers of health personnel are from middle-income countries like India, the loss of doctors and nurses from poorer countries like Zimbabwe, Guinea-Bissau and Uganda is deleterious to wider development goals (Skeldon 2008). As many as three-quarters of all native-born doctors emigrate from Zimbabwe within a few years of qualifying (Farrant et al. 2006) and more generally, about one-third of all African graduates now reside outside their country of birth – rising to as many as 42 per cent of skilled Ghanaians, and 36 per cent of skilled Nigerians (Grillo and Mazzucato 2008). Migration tends to suck the wealthiest and best-educated citizens from their homes in the South only to see them work in often inferior conditions in low or unskilled jobs in the lands of the North – thus contributing not only to a ‘brain drain’ but also to ‘brain wastage’. Rather than being a positive cycle, and despite the impact of remittances, migration can thus be deleterious to local and economic development in the poorest parts
of the world. There is a danger that migration reinforces the uneven development it could otherwise do so much to reduce.

There is also a danger that the potential development impact of migration in host countries can also be undermined by the terms of migration itself, which often leads to ‘brain wastage’. A combination of immigration control, labour market conditions, language skills and the non-transferability of professional qualifications means that many skilled workers are progressively deskillled and de-professionalised when they cross international borders for work.

Research in London, for example, has found many graduates working in low-wage employment in cleaning, catering and hospitality, facing significant barriers to progression in the labour market (Wills et al. 2009a). The low wages on offer mean that workers are often struggling to survive and are unable to remit large sums of money back home. It also implies that their skills are not fully exploited in relation to economic growth and success. Unless they are properly recognised, the resources proffered by migrant labour tend to be degraded as cheap labour, anddeskilling means that valuable skills are lost.

On the other hand, recent evidence from Silicon Valley in the USA suggests that there is nothing inevitable about the ‘brain drain’ or ‘brain wastage’ of skilled migrants as they move across borders. Instead, the nature of the immigration regime, the actions of employers and the state can all help to foster what Saxenian (2006) refers to as ‘brain circulation’. Her research among highly skilled information and communication technological (ICT) workers exposes the way in which such migrants can act as conduits to development in both host and home-nations; taking skills from one place to another, and augmenting the scope for innovation and valorisation in both (Saxenian, 2006). Indeed, such logic has underpinned the recent changes in the UK’s immigration regime, outlined above, with priority access for highly skilled workers now advocated on the basis of the economic needs of the nation.

Yet in practice, the UK government has provided very little access for the highly skilled from the poorest parts of the world who are often unable to meet the points threshold in relation to their qualifications, previous salary and English language proficiency, forcing them to take up less qualified work. In addition, Saxenian herself highlights the importance of the local regional context into which migrants return. While she documents the traditions of entrepreneurialism and efforts to foster a business culture in countries like Taiwan, such local conditions are often absent in poorer parts of the world. Moreover, as Gertler (2008: 107) suggests, the wider geo-political context in which economic activity takes place is also critical to the transplantation of business energy and ideas. Thus, while brain circulation is certainly possible, thus far at least, it has been characterised by the flows of workers between relatively developed economies (such as India and Taiwan) and the global North only in very particular conditions and contexts.

There are also dangers that immigration can distort development trajectories in host country states. In recent years, ‘high road’ strategies have been advocated as a means to foster sustainable local and regional economic development through skills, training and increased productivity that generate increased profits for employers and better wages for workers in a locally ‘Fordist’ platform for growth. It is argued that state-led investment in human capital can raise productivity and sustain the wage increases that can generate increased wealth to be shared (Malecki 2004; see also Pike et al. 2006). Yet given a supply of cheap workers, there is less incentive for policy-makers to pursue the high road rather than the low road to growth. Indeed, in conditions of the oversupply of cheap labour, there is no labour market pressure for employers to raise wages, improve training and raise productivity as a means
to survive. The free hand of the market tends to reinforce a ‘race to the bottom’ in labour standards. Thus, despite its great wealth, a city like London has witnessed a sharp deterioration in the wages and conditions on offer to the low paid during the past twenty years. At a time when the city has had both high rates of local unemployment and high rates of labour in-migration, low-skilled labour has been in oversupply. In conditions in which there are as many as three low-skilled workers for each low-skilled job, wages have stagnated and even fallen for those doing the lowest paid jobs (see Wills et al. 2009a, 2009b).

Moreover, given the low wages and poor conditions of work for those at the bottom of the labour market, those who are able to claim benefits have often proved unwilling to engage in the labour market at all. In reviewing the evidence of the economic impact of immigration on the UK, the House of Lords’ Select Committee on Economic Affairs (2008) has been particularly exercised by these long-term effects of migration. As they put it:

Immigration, encouraged as a ‘quick fix’ in response to perceived labour and skills shortages reduces employers’ incentives to consider and invest in alternatives. It will also reduce domestic workers’ incentives to acquire the training and skills necessary to do certain jobs. Consequently, immigration designed to address short term shortages may have the unintended consequences of creating the conditions that encourage shortages of local workers in the longer term.

(House of Lords 2008: 39)

There is thus a danger that (im)migration can undermine the labour market position of the most marginalised and their communities in destination locations, again reinforcing uneven development rather than contributing to its demise.

Conclusions

This short overview has explored the relationships between (im)migration and local and regional development at a number of different spatial scales. While there is scope for a positive relationship between immigration and development, there are also many reasons that negative change can occur. In this context it is important to highlight the growth of ‘bottom-up’ community efforts to challenge this negative cycle. In London, for example, migrant workers have sought to work with a wide alliance of local people to tackle this situation through efforts to generate ‘high-end’ roads to development through living wages, and associated increases in training, productivity and labour market reform (see Wills et al. 2009c; Pattison 2008). Irregular migrants are also organising to demand regularisation, giving them the chance to improve their conditions of work (Wills et al. 2009a). Such organisation is replicated in migrant-sending locations where workers and their community bodies are trying to create sustainable employment opportunities, to win living wages from international corporations and to influence the migration process itself (Hale and Wills 2005). There is also a role for government and other agencies in the global South to realise the potential development gains from remittances – and returning migrants – with efforts to provide the physical and financial infrastructure needed to stimulate new economic activity and reduce the uneven impact of migration itself. As such, community-led strategies have the potential to ensure a more positive relationship between migration and local and regional development, North and South.

References


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Further reading