

LABOUR MOVEMENT AND THE FREE MARKET



For once a national newspaper caught the issue perfectly. The right wing think tank “Civitas” were holding a conference on migrant workers in Britain . Reluctantly, they had conceded a case for highly skilled workers being recruited for jobs in the UK – whether that was in industry, finance or medicine. The incredulity and anger of delegates was focussed on low-skill immigration into the UK .

No one at the conference appeared to notice that if their indignation was fuelled by a caffeine boost from the coffee they were drinking, the coffee itself was being served up by the army of migrant workers who now underpin the London catering industry.

It reminded me of a conference I had been to in Italy about the rights of migrant workers in Europe . After a tirade from one of the anti-immigration Liga Norda representatives, one of Italy 's migrant workers got called to speak. He made the far right an offer: all migrant workers would leave Italy if the Italians guaranteed they would pick their own tomatoes, clean their own streets, wash their own toilets, catch their own fish and collect and process their own food crops. Everyone knew that that neither he nor the Italian government could deliver on the deal, but it made a point.

Cockle picking on Morecambe Bay is never advertised in government New Deal training programmes: nor are the jobs of flower picking, fruit picking or food processing that gang masters recruit migrant labour to carry out. These are the underbelly of the ‘ free market’ economy; the jobs people want done for next to nothing and which they are reluctant to do themselves.

The far right makes a pitch to disaffected white communities about migrants taking their jobs, but it never says “These are crap jobs and the crap jobs ought to be yours”. We constantly hide from a recognition that globalisation cheapens us all. The decent employer is always threatened by the rogue trader. The living wage is always undermined by the Enron economy; an economy that moves costs offshore or off balance sheets in order to be ‘internationally competitive’. So we create scapegoats and create myths rather than politically analysing what is going wrong.

Let us put some of the migration figures in place. For the last year that details are available (2002) there was a net inward migration to the UK of 153,000 people. Some 360,000 had left Britain and 513,000 had come in. We are not experiencing a ‘brain drain’. More highly skilled workers came to Britain than left. Of those coming with professional skills, 25% came to work in health care, 17% in computers and 13% in business services. The heart of Britain 's financial services industry – the City of London - is foreign owned and is staffed by a global elite of economic migrants.

If you focus only on those who came to Britain as migrant workers (rather as family dependants) some 60% of the 250,000 workers arriving last year did so either on employer sponsored, work permit schemes, or as EU citizens. The treasury and the CBI put the net value of this as £2.5 billion p.a. to the

British economy. Such gain also ignores the fact that legal workers, paying tax and NI in the economy, also cover the costs of larger number of workers taking early retirement and living longer.

The challenge of the 'immigration debate' is to reach beyond the surface issues of prejudice and scapegoating. There are legitimate fears amongst working people and the poor that the left has to engage with. Global capitalism has lost interest in the nation state and no longer wants to contribute to the welfare state. As all constraints on the movement of capital are removed, people know that real jobs and real wages are under threat. In such a world, capital is much more likely to re-locate than to re-invest, and to poach rather than to train.

Civitas might balk at the number of mid-skilled labour migrants coming to Britain, but I bet none of their supporters would prefer to do without a plumber rather than find one who has been trained in Eastern Europe or elsewhere in the EU. Across the whole of the manufacturing and building industries skill training has collapsed along with disappearance of the industrial training boards. The great strength of the levy system that underpinned such training was that all firms had to pay into the training fund. Companies that didn't train had to pay the companies who did. To create a level playing field for goods produced abroad, you can easily impose a tariff equal to the domestic training levy.

This isn't rocket science, but it does breach existing rules of the World Trade Organisation (WTO) and this is what we should be arguing for. Bush and Blair may not even talk about it, but climate change is set to redefine the economics of survival.

How we produce for today and train for tomorrow will become a central plank of domestic as well as international politics. This cannot ignore the vacuum of skill training in the UK.

Industry moans that today's youngsters can barely read or write, have little interest in manufacturing or skill training... and do not want the jobs anyway. In challenging this we have to challenge the jobs themselves. A world full of McJobs and McWages relies on alienated and exploited labour. The wealth divide that New Labour has presided over defines increasing numbers of people as peripheral to the core stability of the economy and has constructed a new Welfare state for the wealthy. Senior executives now have earnings five times the size of their salaries. Pension packages and share options cushion their every move. Meanwhile the state pension gets eroded to insignificance, the working poor gets mean tested to death, and increasing numbers find it easier to survive in the cash economy than in the formal (legal) economy.

If Britain faces a crisis it is not driven by Chinese cockle pickers. African catering staff, Bulgarian builders, Filipino sandwich makers or Polish farm labour. The crisis is that globalisation – the world driven by insatiable demands of finance capital – makes us all cheap and disposable. The challenge must be the colour of your politics, not the colour of your skin.