



## Global Migration Unrealities

In November 2010 the New Economics Foundation published a short paper entitled "[Why the cap won't fit: Global migration realities 2010 to 2050](#)". The paper argued that UK immigration policy should take account of world trends in migration. Immigration needed to be effectively managed against this background and government "rhetoric" should reflect the "real long term interests of the country, rather than reinforce misinformed public perceptions for short term political gain".

The paper's thesis was remarkably weak. It argued, on the basis of the theoretical relationship between migration and development that immigration **pressures** in the third world would decline after reaching a peak in 2035. They acknowledged, however, that "the myriad of possible domestic and international policy changes make it impossible to be sure about how many people will actually move".

The next stage of the argument was even weaker. The authors pointed to the Government Actuary's Department's projected rise in the dependency ratio - the ratio of children and those of state pension age to those of working age - which suggests an increase from 61% in 2007 to 74% by 2056. This is based on net long term migration of 147,000 per year. If net immigration is reduced below this level, the dependency ratio will rise further. They go on to argue that even with a change to the retirement age, there will still be considerable pressure on public finances that only an increase in the working age population through inward migration will be able to address.

This central claim flies in the face of all serious studies of the issue. The most recent was the Turner Commission on Pensions<sup>1</sup> which dismissed such arguments in their first report in the following terms:

*"Only high immigration can produce more than a trivial reduction in the projected dependency ratio over the next 50 years. Net inward immigration at +300,000 a year could bring the 2040 old age dependency ratio down from 47.3% to 42.1%. But it is important to realise that this would only be a temporary effect unless still higher levels of immigration continued in later years, or unless immigrants maintained a higher birth rate than the existing population, since immigrants themselves grow old and become pensioners who need workers to support them".*

The report then argued that this alleged need for immigrants would coincide with a decline in their availability and growing demand in other parts of the world.

It is hard to think of a less convincing and relevant basis for considering immigration policy.

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### NOTES

<sup>1</sup> Pensions: Challenges and Choices: The first report of the Pensions Commission. October 2004