POPULIST HYSTERIA AND EASTERN EUROPEAN ECONOMIC MIGRATION. THE IMPACT OF ROMANIAN MIGRATION ON THE UK LABOR MARKET

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Abstract

This paper focuses on the impact of Eastern European economic migration on the UK labor-market, such as to offer an analysis of the British populist hysteria against Romanians in the context of the lifting of labor-market restrictions for A2 nationals in January 2014. Instead of focusing on the deconstruction of the reactionary and xenophobic populist discourse against Romanian and Bulgarian immigrants, our choice was to focus on structural determinants of economic migration and to link such an approach with a discussion of the European economic and political structures of asymmetry between states, on the one hand, and labor and capital, on the other.

Keywords: populism, economic migration, labor, asymmetry

"We asked for workers, but human beings came"

Max Frisch

Introduction

On 23 June 2016 British citizens were invited to cast their vote in the national referendum, in order to decide whether or not UK should leave the European Union, and their decision was to leave the Union. Among the points of contention between UK and EU, the social and economic situation (the problem of in-work benefits and the debate on the impact of migrant labor force on the labor market) of (Eastern) European immigrants (in UK)

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represented one of the major topics of disagreement. The centrality of the migration issue for the problem of the vote on Brexit appears to have marked a turning point in its recent history, if we take into account that UK was one of the member states that has advocated for the widest possible extension of EU towards the East. Historically, this decision was motivated by UK's two objectives: a weak supranational authority of the EU and the economic need for competitively priced immigrant labor force. According to Perry Anderson, "Britain has pressed not only for rapid integration of the Visegrad countries into the EU, but also for the most extensive embrace beyond it", therefore the Union would evolve into a mere free-trade area, with less real supranational power of control. Such a widening of the EU would also generate enough social deregulation and institutional dilution, while "the prospect of including vast reserve armies of cheap labor in the East, exerting downward pressure on wages costs in the West, is a further bonus in this British scenario"2. Clearly the motivation behind UK's initial relaxed policy towards European immigrants was motivated by the necessity for enlarging its labor force pool such as to cater the needs of an improving and more competitive economy and to encourage enterprise³. In this context, as in general, it becomes apparent that the problem of migration should be addressed as a political economy issue, meaning that the changes in the social structure that migration generates, and the impact that is has on the national economy (within a globalized⁴ capitalist system)

¹ Perry Anderson, *The New Old World*, Verso, London 2009, p. 39.

² Ibidem.

³ For a more comprehensive discussion about the argument that correlates change in immigration policies under the pressure of economic competitiveness see Otto Köppe, "The Leviathan of Competitiveness: How And Why do Liberal States (not) Accept Unwanted Immigration?", in *Journal of Ethnic and Migration Studies*, vol. 29, no. 3, 2003, pp. 431-448; P. G. Cerny, "Paradoxes of the Competition State: The Dynamics of Political Globalization", in *Government and Opposition*, vol. 32, no. 2, 1997, pp. 251-274.

⁴ We use here the term globalized and globalization in a simple sense, where globalization represents "the widening, deepening and speeding up of worldwide interconnectedness in all aspects of contemporary social life" (According to D. Held, A, Mcgrew, D. Goldblatt and J. Perraton (eds.), *Global Transformation: Politics, Economics and Culture,* Polity Press, Cambridge 1999, p. 2). We will return later to the problem of globalization and the way it shapes and it is shaped by the global mobility of labor. Then, we will discus the particular political and economic aspects of globalization relevant for understanding the social process of migration and the way it impacts labor commodification and structurally changes it.

would necessarily acquire a political form of social elaboration. Our treatment of economic migration will be inside a paradigm that situates this phenomenon in the larger context of political economy such as to crystallize into a refutation of populist, hence unscientific argument against migration and hatred against (economic migrants). But, even if the political tension created by migration appears at a supra-national EU level with the force to break monetary and trade alliances, its roots are primarily to be found in the particular deadlock of the European nation states that are torn between the structural necessity for large pools (as cheap as possible) of labor force (especially in the post-recession context) and the internal functioning of the process of political representation, namely the need to satisfy the political demands of the citizens that constitute the basis of their electorate. We will address this situation later in detail, suffice to say for now that the dialectical relation between migration, the state and the native population surpasses the limits of the labor market structure, although the subjective internalization - by native and immigrants alike - of its structure takes a specific form of social stratification and political practice. The working hypothesis of our paper is that the populist backlash in UK against Eastern European economic migration is merely the symptom and a form of political instrumentation of a non-materialist and non-historical understanding of the structural causes of labor mobility at a global level. Moreover, populist reaction in UK against migration and immigrants is merely the ideological externalization of deeper structural social and political objective contradiction, inside the European deadlock of labor and maximization of profit extraction.

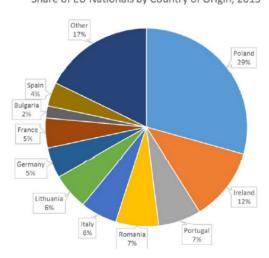
The Romanians are coming!

On the 1st of January 2014 UK's labor market restrictions imposed to Bulgaria and Romania were lifted. These restrictions were imposed on these two countries immediately after they joined the EU in 2007, with the purpose of reducing and controlling the migration flux towards UK. The restrictions regarded the limited access to benefits and the necessity to obtain a valid work permit. This change has triggered a major public debate (heated and frequently fueled by nationalist and anti-EU widespread attitudes combined with racial and xenophobic stereotyping of Romanians and Bulgarians) around economic considerations connected to

the impact of A2 immigrants upon the labor market, and the political implications that such a change might bring about⁵. The focus of this article regards the re-situating of the issue of Eastern European economic migration into the larger context of European economic and political asymmetries, overdetermined by social contradictions and economic dependence, can help surmount the ideological and reactionary-idealist populist discourse upon the issue of economic migration.Our choice to focus on this moment is motivated by a strange disparity, or incongruity, between the small actual number of Romanians and Bulgarians living and working in the UK in 2014, and the disproportionate political and social reaction directed against these two groups of immigrants. The A2 potential migration to UK was presented as an imminent invasion, with press and politicians present in the airport on the 1st of January 2014 to await the possible 'invaders'. This gesture was a proof in itself of the political and social gravity of migration issues in UK. However, the data seems to tell a different story, one that challenges the perceived high gravity and significance of A2 migration in UK. In 2013 UK was ranked second (after Germany) with a total number of new immigrants of 526 thousand, while Italy was ranked fourth with 307.5 thousand new immigrants. Regarding UK, The Office of National Statistics (ONS) estimates that in 2014 were 8.4 million people (13% of the total population) born abroad residing in UK, out of which around 3 million have EU citizenship⁶. After the lifting of labor market restrictions for EU2 nationals ONS estimated that in 2014 there were 128 thousand Romanians immigrants in UK, while it also

⁵ The Romanians are Coming! is the title of a documentary aired by the BBC in February 2015. The documentary follows the story of three Romanian immigrants in UK and has stirred different reactions and it is centered on the perspective of the immigrants themselves that narrate their story of the arrival in UK and the reasons that pushed them to come. The Romanian community in Bristol has issued a joint statement saying that it finds the documentary "humiliating" and "offensive". This documentary was but one of the media events dedicated to Romanians and Bulgarians. In 2013, UK wanted also to start a campaign in Romania in order to discourage migration from the Carpathians. The campaign was never launched because it suffered a backlash from the part of the international community and European media that have cataloged the initiative negatively as racist and disrespectful. ⁶ Data available in the EUROSTAT database regarding Population and Population change sectors and can be consulted here: [http://ec.europa.eu/eurostat/statistics-explained/index.php/Population_and_population_change_statistics]. The numbers presented here coincide with the official numbers on the site.

counted around 53 thousand Bulgarians⁷. We will look in more detail at the data available later in this article, but enough to say for now that the heterogeneity and the magnitude of migration in the UK seems to confirm Steven Vertovec's term of "super-diversity", connected to the diversity of social, national and economic backgrounds of the immigrants residing in UK – this argument thus adding to the apparent irrational character of the public hysteria directed against Bulgarians and Romanians. As Vertovec puts it "new, small, and scattered, multiple-origin, trans-nationally socioeconomically differentiated and legally immigrants"8 now form a part of the complex British labor force and society – a diversified pool of foreign labor force, of which the A2 nationals are but a small fraction. Below (Figure 1) we have a graphic representation of the distribution of European migrant population in UK according to nationality.



Share of EU Nationals by Country of Origin, 2015

Figure 1. European migration in UK, decomposition by nationality. Source: CEP Analysis of Labor Force Survey

⁷ According to the official ONS statistics. The data is available here: [http://webarchive.nationalarchives.gov.uk/20160105160709/http://www.ons.gov.uk/ons/rel/migration1/migration-statistics-quarterly-report/february-2015/sty-bulgarian-and-romanian-migration-to-the-uk.html], accessed July 2017.

⁸ Steven Vertovec, "Super-Diversity and Its Implications", in *Ethnic and Racial Studies*, 30(6), 2007, p. 1024.

The invasive character of Romanian migration has been purposely sold to British citizens via media coverage, right-wing xenophobic political discourses and a general climate that aimed to criminalize poverty and depict Romania's and Bulgaria's economic retard as a cause for alarm. For example, a quantitative big-data methodologically based research regarding the media coverage of Romania and Bulgaria in 2013, conducted by The Migration Observatory at the University of Oxford, shows the biased and negative media coverage of the countries mentioned above. Their findings permit us to advance a first argument in favor of the political instrumentation of the migration debate regarding A2 migration into UK (a hypothesis that we will further explore in our paper). In the year previous to the 2014 Romanian and Bulgarian migration "hysteria", the report shows that tabloid press mainly discussed "crime and anti-social behavior", using verbs such as "flood and flock" (the demeaning intention is completely transparent). The report also focused on a type of pattern called "collocation", that corroborated with analysis of differential usage of target words like "Romanian" or "Bulgarian", allowed corpus linguists to "attach extra-information called meta-data to parts of the corpus"10, and enabled them to manage the significant amount of utterances of target words like "Immigrant", "Romanian", or "Bulgarian". The results of the study showed a different portrayal of Romanian and Bulgarian when considered separately, migration being the situation in which most often the two terms appear together, but also that "Romanians were more frequently linked to criminality and economic poverty, compared to Bulgaria and Bulgarians. References to gangs, crime, and economic hardship, such as 'sleeping rough' were associated with mentions of Romanians"11.

⁹ Collocation refers to the scientific and research related relevance of certain signifiers/words that appear together in a context/situation where intention is a more likely cause than mere coincidence, and thus their collocation acquires a particular meaning. For an extended discussion of collocation see John Sinclair, *Corpus, Concordance, Collocation*, Oxford: Oxford University Press, 1991.

¹⁰ "Report: Bulgarians & Romanians in the British National Press. 1 December 2012 – 1 December 2013", in *Compas. The Migration Observatory at the University of Oxford*, August 2014, p. 5, available at [http://www.migrationobservatory.ox.ac.uk/wp-content/uploads/2016/04/Report-Bulgarians_Romanians_Press_0.pdf], accessed August 2017.

¹¹ *Ibidem*, p. 20.

However, it is our hypothesis that the spike in migration debate in 2014, occasioned by the lifting of labor market restriction for A2 nationals, cannot be interpreted as a mere popular backlash against Eastern Europeans (we are convinced that such a narrow angle of interpretation will ultimately rend this debate unintelligible and put it to rest unresolved) - as the data and the numbers do not corroborate the invasion version, nor the mass labor market displacement of native workers by Romanians and Bulgarians. We contend that there were other factors and causes at play that fueled the migration debate, and used the anti-Romanian and anti-Bulgarian momentum to externalize their contradictions and unresolved character, by pushing for a political scapegoat that should hold the bag filled with deeper, structural elements that indeed had and have the force to break the labor consensus and the political stability built on top of it. It is our understanding that the backlash against Eastern European (A2 nationals, mainly) immigrants in 2014 should be understood as a symptom of the deeper, structural crisis of labor in UK, that manifests doubly as an economic crisis in the post-recession labor market landscape, with higher levels of labor flexibility, precarity, and insecurity, and a political representation crisis depicting historical low levels of labor unionization within a general context of Labor Parties' inability to defend and advance the rights and the interests of the British workforce. Moreover, the years following the economic crisis have trapped UK in what it is called the "productivity puzzle", an issue rarely discussed in relation with Eastern European migration, but one which we retain significant as labor force dynamics is determined also by macro-economic factors, inasmuch as crisis and contradiction at a macro-level will result in tension and conflict on the labor market.

The productivity puzzle and labor flexibility

Apparently, UK has not managed to recover the levels of labor productivity - defined as "the quantity of goods and services produced per unit of labor input" - prior to the recession although capital inputs in production, technical efficiency in combining capital and labor, and the

¹² According to the definition offered by Alina Barnett, Sandra Batten, Adrian Chiu, Jeremy Franklin, and Maria Sebastla-Barrlel, "The UK Productivity Puzzle", in *Quarterly Bulletin Bank of England*, Q2, 2014, p. 115.

degree of intensity in utilizing labor and capital has returned to levels normal for non-crisis periods. The report issued in 2014 by the Bank of England's members from the Monetary Analysis Directorate states that "since the onset of the 2007-08 financial crisis, labor productivity in the United Kingdom has been exceptionally weak; while labor productivity measured by whole-economy output per hour worked - started to improve in 2013 alongside the recovery in output that was taking place at this time, it is still some 16 percent below the level implied by a simple continuation of its pre-crisis trend"13. The level of unemployment had not risen, as firms tend to retain workers in crisis periods, because firing them could later result in higher costs of re-employment, as the demand for labor increases in economic periods of growth. But, as Toby Nangle argues, labor hoarding does not offer a way out of the productivity puzzle, as "after a sharp downturn that was not matched by a spike in unemployment, employment growth has been exceptionally strong during a period of relatively modest economic growth – suggesting that labor hoarding does not provide all the answers to UK's productivity puzzle"14. However, the social cost of labor was high as the increased flexibility of real wages - partially caused by the decline in labor unionization - allowed firms to play on their spare capacity and shift the cost of the crisis on the shoulders of the workforce (blue and middle-white collars alike). The economic recession has caught labor in an inferior bargaining position, left to bear the costs of its low productivity. Pessoa and Van Reen also speak of a "large fall in real wages associated with an increase in the cost of capital"15, but caught as they are in a cyclical explanation of the productivity puzzle, remain confident that the problems created by this unbalanced ratio between capital and labor will return to normal as demand for services and goods will pick up the pace. The second perspective (remaining also within the neoclassical model of political economy) on the productivity puzzle points to larger, deeper structural

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¹⁴ Toby Nangle, "Does the Productivity Puzzle Pose a Threat to Investors' Goldilocks Environment?", in *Productivity Viewpoint Multi-Asset*, August 2015, p. 2.

¹⁵ João Paulo Pessoa and Johm Van Reen, "Decoupling of Wage Growth and Productivity Growth? Myth and Reality?", in *CEP Discussion Paper*, No. 1246, 2013, available at [http://cep.lse.ac.uk/pubs/download/dp1246.pdf], accessed July 2017.

causes that could explain the disruption of economic capacity through inefficient allocation of resources or under-investment.

The discussion about the productivity puzzle becomes relevant for the issue of migration when it is placed in the context of labor market flexibility in the UK and the manner in which employers can set the level of wages and adjust the workforce composition taking advantage of this flexibility and the available immigrant labor force pool. As Devlin et all argue, "the flexibility of the UK labor market implies the UK might be more able than other countries to adapt swiftly to labor supply shocks that result from immigration; however, the same lower level of regulation could allow migrants to undercut native workers by agreeing to work for a lower wage"16. In our opinion, this low regulation and high flexibilization of the labor market increases the levels of threat perception of the native population regarding immigrants. In this context, migration is perceived as being yet another factor that tips the balance in the favor of employers. The impact on non-EEA migration on the wage bargaining power workers has been stressed also by Alex Bryson who argued that in the post recession low productivity period "the probability of a pay freeze or cut for the largest non-managerial occupational group in the last pay settlement rose with the proportion of non-EEA national employed by the workplace"17. Bryson also states that the impact of EEA migrants on wage cuts and freezes was statistically irrelevant. This argument that brings us back to the question of migration hysteria directed against Romanians and Bulgarians and its empirically unfounded character. Moreover, when we will discuss the impact of A2 migration upon the labor market, and connect this argument with the recent report on migration occasioned by the Brexit debate, it will become clear that anti-immigration widespread attitudes cannot be sustained by the data about natives' job displacement by A2 nationals, nor by significant wage cuts, but rather by individual and

¹⁶ Ciaran Devlin, Olivia Bolt, Dhiren Patel, David Harding, Ishtiaq Hussain, "Impacts of migration on UK native employment: An analytical review of the evidence", in *Occasional Paper 109*, Home Office. Department for Business Inovation & Skills, March 2014, p. 15, available at [http://www.statewatch.org/news/2014/mar/uk-ho-res-migration-effect.pdf], accessed June 2017.

¹⁷ Alex Bryson, "The UK's Productivity Puzzle", *IZA Discussion Paper No. 9097*, June 2015, p. 50, available at [https://www.econstor.eu/bitstream/10419/111549/1/dp9097.pdf], accessed June 2017.

collective system of distorted/constructed non-materialist based representations about them. Where from and why such types of representation? We will try to answer this question after looking at the data and integrating into our analysis our necessary bodies of theory. After presenting this general tableau of the complex and contradictory social elaboration of the A2 migration problem, we will proceed now by looking at the data and its elaboration.

Data analysis and assessment of the impact of Eastern European migration on the UK labor market

In January 2015 the population of EU numbered 508. 2 million people (out of which 242.3 million people are also part of the general EU labor force - total number of employed and unemployed), 1.3 million people more that the year before¹⁸. More than half of the total population (54%) resides in Germany, Italy, France and UK. Regarding migration, EUROSTAT data shows that "the contribution of net migration plus statistical adjustment to total population growth in the EU-28 has exceeded the share of natural increase since 1992, peaking in 2003 (95% of the total population growth), decreasing to 58% in 2009 and returning to its peak of 95% again in 2013. The share of net migration in total population change was 85.5% in 2014"19. Regarding EU's labor market share of immigrants (both EU nationals and non-EU), in 2014 there were approximately 15.2 million people working in a member state of the EU of which he or she was not a citizen. The composition of this migrant labor force is 7.3 million EU citizens and 7.9 million without EU citizenship. Taking into consideration the total magnitude of the EU labor-force (242.3 million), the quota of migrating labor force is around 7% of the total²⁰. This number alone should be sufficient to refute the case of "invasion". According to statistics there were 28.09 million UK nationals working in UK in 2015, whereas the labor

¹⁸ Data available in the EUROSTAT database regarding population and population change sectors and can be consulted here: [http://ec.europa.eu/eurostat/statistics-explained/index.php/Population_and_population_change_statistics], accessed June 2017.

¹⁹ *Ibidem*.

²⁰ Data regarding foreign workers in EU is available here: [http://ec.europa.eu/eurostat/statistics-explained/index.php/Labour_market_and_Labour_force_survey_(LFS)_statistics# Labour_force_in_the_EU], accessed July 2017.

market share of non-UK born workers was around 3.22 million. The migrant labor force is composed of 1.20 million non-EU migrants and 2.02 million EU migrants²¹. In the case of the UK the employment rate of foreign citizens was higher than that of nationals (77.9%), although consistently the level of wages was lower, a situation similar to that of other 17 member states. Romanians occupy a significant place among the European community of economic migrants given that "they are ranked first in the EU region concerning their number as mobile workers"22, scattered in different proportions around Europe (1.081 million in Italy, 728 thousand in Spain, 245 thousand in Germany, to give just the most relevant examples). However, in order for the data to be significant it is necessary to situate it in a historical context. The table given below (Figure 2) shows the evolution of non-European and European non-national on the UK labor market from 1997 to 2015, showing indeed the Europeanization of migration into UK in the recent years, however an ulterior decomposition according to nationality of this European labor force will show that the number of Romanians present in UK is one of the lowest among other Eastern European counterparts.

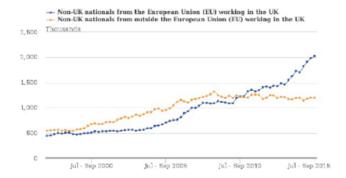


Figure 2. European and Non-European non-nationals working on the UK labor market. Source: Statistical Bulletin: UK Labor Market, November 2015

²¹ According to the "UK Labor Market: November 2015", in the *Office for National Statistics* (ONS), p. 19, available at [https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/2015-11-11], accessed June 2017. Manuela Sofia Stănculescu and Victoria Stoiciu, *The Impact of Economic Crisis on the Romanian Workforce*, București: Paideia, 2012, p. 12.

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²² Manuela Sofia Stănculescu and Victoria Stoiciu, op. cit., p. 12.

The nineties marked a turning point as the fall of Communism in Eastern Europe liberated a great number of people from the restrictions to travel and migrate abroad. Therefore, between 1990-2000 migration to Britain increased, especially after 2004 with the A8 (Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, and Slovenia) countries' access to the UK labor market, experts calling this inflow migration "utterly unprecedented in the country's history, dwarfing the scale of anything that went before"23. During the recession economic migration fell to one fifth. For the year ending in September 2015, the general net migration was 323.000, while net migration for UK citizens was -40.000. Regarding EU2 nationals, net migration was 172.000²⁴. Currently there are 3. 34 million non-UK national working in UK, out of which 2.15 million are EU citizens. The total number²⁵ of Bulgarians and Romanians working in the UK as late as May 2016 is 232 thousand, whereas the accumulated number of A8 national working in UK is 974 thousand26. Thus we have, using the criteria of nationality 2.6 million migrants in UK, while by country of birth 4.3 million migrants. In 2014 the number of EU2 nationals in UK barely surpassed the 200 thousand benchmark, while, for example, the number of Polish immigrants stood at approximately 800 thousand. The relevance of this comparison lies in determining impact on the labor market of the previous EU8 nationals migration to UK and see if we can establish a relation of causality, or at least, correlation with the

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²³ "A Summary History of Migration to UK", in *Briefing Paper 6.1*, *Migration Watch UK*, p. 7 available at [https://www.migrationwatchuk.org/pdfs/BP6_1.pdf], accessed May 2017.

²⁴ According to "Net Migration Statistics", in *Migration Watch UK*, available at [http://www.migrationwatchuk.org/statistics-net-migration-statistics], accessed May 2017.

²⁵ There are three methodological categories when presenting the number regarding migration, namely employed, unemployed, inactive. Starting from this, the employment rate (16-64) is calculated by: working-age employed/working-age population; unemployment rate (16+): unemployed/employed + unemployed; inactivity rate (16-64): working-age inactive/working-age population. In addition, we must differentiate between nationality and country of birth when discussing migration.

²⁶ The numbers quoted in the text are taken from the statistical bulletin, "UK Labour Market: May 2016. Estimates of Employment, Unemployment, Economic Inactivity and Other Employment Related Statistics for UK", in *Office for National Statistics (ONS)*, 18 May 2016, available at [http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/may2016#toc], accessed May 2017.

violent racist, nationalist and xenophobic reactions observable in the UK after the lifting of labor market restrictions in January 2014 for the EU2 nationals. Below we have a graphic that presents the evolution of immigration to UK concerning A2, A8, and total European immigration to UK ranging from 1991 to 2016 (Figure 3). Again, the data reveals the relative small size of A2 migration in relation to A8 migration history and magnitude.

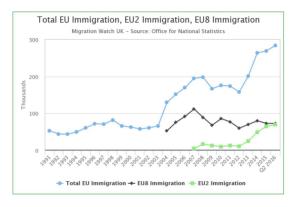


Figure 3. Total EU, EU2, EU8 immigration to UK, Source: ONS

Since 1993 the employment rate for migrants has been lower than that of UK-born individuals, although in the recent years the difference has narrowed for men. The professional clustering of immigrants shows that "male migrants are concentrated in the two lowest paid occupational categories (elementary and processing categories) and in one of the highest occupational categories (professional), while female migrants are more concentrated in professional jobs, elementary, and personal service work"²⁷. Taking out the professional job sectors, we can also say that in the lower sectors of the economy, immigrant labor is also marked by the gender difference, showing different professional trajectories for men and women. The data relative to the employment rates for migrants in UK show that "since 2008 the employment rate of male migrants (79 % for 2014) has been similar to that of UK-born males (77% in 2014), while those of female migrants (69% in 2014) has remained lower than that of UK-born females

²⁷ Cinzia Rienzo, "Characteristics and Outcomes of Migrants in the UK Labour Market", in *Compas. The Migration Observatory at the University of Oxford*, 01/01/2016, p. 2.

(72% for 2014)"28. It also relevant to note that the employment rate for A8 male migrants is the highest (90%), the same for goes for females (75%). However, there is a downside to this high rate of employment and it has do with the mismatch between skills and job performed. Data shows that "specific groups of foreign born workers (recent migrants from the A8 countries) are know to be frequently employed in jobs that do not correspond with their education and skills"29, therefore allowing us to deduce that at least on the short or medium term migration represents for a specific group of migrants a downward mobility on the labor market. For instance, in 2014, data showed that recent migrant tend to concentrate in the low skilled sectors, such as manufacture of food products (14% share of the total employment in the sector), accommodation (11%), manufacture or domestic personnel (11%)30. Moreover, even their average earnings per months seems to distinguish them among the general migrant population as having "the lowest average wages among different groups of migrants considered"31. Looking at this, a first question comes to mind, namely is there an Eastern European penalty? If yes, how much of this penalty can be culturally codified?

Labor-penalty - hidden cost of economic migration

The hypothesis of "labor penalty" presupposes the existence of an asymmetric labor market, where natives and immigrant workers are hierarchically distributed, a place where economic relations become socially significant. The concept of '(migrant) labor penalty' captures what Bonefeld describes as the "process of inversion of the social relations into seemingly self-moving economic forces"³². In this sense, we are speaking about a labor penalty that cannot merely by codified in ethnic or national terms, but is rather determined by the global process of socialization of the

²⁸ *Ibidem*, p. 3

²⁹ *Ibidem*, p. 5

³⁰ *Idem,* "Migrants in the UK Labor Market: An Overview", in *Compas. The Migration Observatory at the University of Oxford,* December 1, 2017, available at [http://www.migrationobservatory.ox.ac.uk/briefings/migrants-uk-labour-market-overview], accessed June 2017.

³¹ *Idem*, "Characteristics and Outcomes of Migrants ...", p. 8.

³² Werner Bonefeld, "Negative Dialectics and the Critique of Economic Objectivity", in *History of Human Sciences*, Vol. 29, No. 2, 2016, pp. 62-63.

commodification of labor and the form it assumes when dealing specifically with migrant labor. As we have seen in the sub-section connected with the presentation and analysis of data regarding Eastern European migration to UK, most of the A2 nationals are still concentrated in the primary labor intensive sectors of the economy, and more than a third of the total Eastern European migration occupies the same position. A magnitude that is relevant only in comparison to the relatively small number of indigenous workers situated in the same condition. Rather than being the exception, this inferiority of position on the labor market is the norm in what concerns migrant laborers in host societies. The analysis of this situation can start from the classical theoretical models of the "dual labor market". problem of labor penalty is connected to the theory of the split labor market and the inferior position that immigrants tend to occupy on the foreign labor markets. For example, describing the jobs, Piore argues that "they tend to be unskilled, generally, but not always low paying, and to carry and connote inferior social status; highly personalistic relationship between supervisor and subordinate"33. From this introductory description we can immediately deduce that the "migration penalty" does not only signify a specific labor market position, but we can also assert the existence of a "social penalty" associated with the position occupied by migrants on the labor market. Moreover, the emphasis on the personalistic, quasiauthoritarian relationship between employer and employed also denoted the existence and the interference of non-economic factors in the work relation, a situation that is in blunt contradiction with the norm among modern, civilized, purely economic work contractual relations.

When we look at skill interaction on the labor market, data seems to sustain the thesis that migrants complement natives, doing jobs that the latter are not willing, or qualified themselves to do, thus reinforcing the hypothesis of a dual labor market. Moreover, immigrants and native-born workers are not close substitutes. On average existing migrants are closer substitutes for new migrants. Given the complementarity of skills the less skilled workers are closer substitutes for immigrants than the highly skilled, so any pressures from increased competition for jobs is more likely to be found among the group of low skilled laborers. Manacorda et all.

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³³ Michael J. Piore, *Birds of Passage. Migrant Labor and Industrial Societies*, Cambridge: Cambridge University Press, 1979, p. 17.

discussed this "imperfect substitution between natives and migrants", arguing that "the rise in immigration experienced in Britain over the last decade does seem to have affected the wage structure; it seems that immigration depresses the earnings of immigrants relative to native-born, suggesting imperfect substitution between natives and immigrants in production"34. This situation complicates further the dynamics of labor market competition, because there is not only the major division between natives and migrants, but there is also the internal pressure and tension inside the migrant community itself. Also the available data also suggests that "there is no evidence that EU migrants affect the labor market performance of native born workers"35, because of the imperfect skill substitution between native and migrants mentioned above. However, at the level of low skilled labor, in the lower sectors of the labor market, there is a higher degree of skill substitution between the two categories of workers, therefore increased job competition and higher levels of threat perception.

Globalized connected structures of asymmetry

The key issue in the debate of cultural-political-economic transformation is a problem of degree, namely the establishing of a turning point, where accumulated quantitative changes may result in a qualitative difference. And this is a case in point of how transnational migrant practices explain how certain migration related practices can come to "modify the value systems and everyday social life of people across entire regions"³⁶. Of course, this is also a site of tension, given the propensity of host society towards the reproduction of their systems of values, of the *status quo*, an immobility rooted in the security and predictability that a certain configuration of social forces and social value confer, and the

³⁴ Marco Manacorda, Alan Manning, Jonathan Wadsworth, "The Impact of Immigration on the Structure of Male Wages. Theory and Evidence from Britain", in *CEP Discussion Paper No.* 754, October, 2006, available at [http://cep.lse.ac.uk/pubs/download/dp0754.pdf], accessed May 2017.

³⁵ "Immigration and the UK Labor Market: The Latest Evidence From Economic Research", in *Center of Economic Performance London School of Economics & Political Science*, June, 2012, p. 4

³⁶ Steven Vertovec, "Migrant Transanationalism and Modes of Transformation", in *International Migration Review*, Vol. 38, No. 3, 2004, p. 973.

inestimable force of change that migration sets in motion within and through every individual migrant.

However, it is our hypothesis that transnationalism as a model of analysis cannot by itself shed light on the deeper structural causes of migration processes and migration related conflicts, as it focuses more on the phenomenology of already existent and established migration process (although its theoretical strength in explaining the process of the reproduction of migration is indisputable), and not on the origin and global causes of labor mobility. This limitation justifies our choice to integrate and combine the theory of transnational migration practices with a theory of globalization that complements the transnational approach with a historical and structural dimension. Critical theories of globalization serve the broader scope of investigating the global divisions of labor, and the economic and power asymmetries between states, of which they are expression of. For instance, Kees van der Pijl connects transnationalism with globalization starting from the "general determinants of capitalist development", namely the way in which labor mobility and capital mobility is determined by the process of commodification and the process of socialization³⁷. The first process refers to the expansion at a global level of the market relations and the commodification of goodS and human beings alike. The global process of commodification precedes, historically and abstractly, the creation of transnational labor networks, practices, communities. The second process refers to the manner in which the logic of commodity is socially elaborated and diffused in a manner that changes the social function of knowledge, technology and intersubjective interactions, such as to mold them to fit the form imposed by market relations. Pijl's account of the processes of commodification and socialization is profoundly indebted to the (Neo)Marxist tradition. Moreover, as we will see later, Pijl also develops a transnational theory of class formation that seeks to explain the international structures of power, allegiance and capital, highly relevant for understanding labor mobility and its determinants.

The origin of the structural relation between migration and globalization resides in the unequal economic and social development

³⁷ Kees van der Pijl, *Transnational Classes and International Relations*, London and New York: Routledge, 1998, p. 9.

between states, and the differences in the price of labor between peripheric and core countries. As Robert Wade bluntly puts it "migration is a function of inequality"38, determining poor low skilled and high skilled workers to migrate to better conditions of living, even if "migration/refugee/asylum is the single most emotional, most atavistic issue in Western politics; pools show that more than two thirds of respondents agree that there should be fewer foreigners living in their country"39. The issue of inequality affects not only the international relations between states, but also the social structure of a certain state, as social and economic inequality configure the (class) structure of a certain society. In the case of UK, Wade notes that "its income distribution grew more unequal more quickly than even the United States during the 1980's, and it is now the most unequal of the big European countries"40. This structural inequality has a long lasting impact on the interaction between the native population and the migrant one. The migrants are perceived as a threat, even if, and in some cases, especially because their market integration has proven successful, a situation particularly true about those natives that have an unsecured labor market position themselves. Our hypothesis about the existent correlation between threat perception/negative attitude towards immigrants and (security) of labor market position of natives is also corroborated by a study that aimed to asses the relationship between labor market policies and attitudes of natives towards immigrants. Careja et al. have asserted that "the less secure a person's labor market position is (blue-collar or unemployed), the less he or she would agree that migrants can contribute to the economy and the more he or she would perceive threats"41. The relevance of this connection resides in fact that it helps to refute the idea of a purely arbitrary originating anti-migration attitudes, and the fact that they can be more often than not traced back to an objective social condition that triggers them. As we will see, the labor market structure of Western economy tends to be a conflict generating one, whilst its efficiency and profitability comes

³⁸ Robert Hunter Wade, "Is Globalization Reducing Poverty and Inequality?", in *World Development Journal*, Vol. 32, No. 4, 2004, p. 583

³⁹ Ibidem.

⁴⁰ *Ibidem*, p. 578.

⁴¹ Romana Careja and Hans-Jurgen Andreß, "Needed but Not Liked - The Impact of Labor Market Policies on Natives' Opinion About Immigrants", in *International Migration Review*, Vol. 47, No. 2, 2013, p. 391.

at the price of fostering antagonist relation between indigenous and migrant workers.

One of the most tenuous issues in the theory of the globalization of migration⁴² is that the global migration processes and trajectories seem to enforce the "asymmetric nature of the globalization processes in general" as it has become evident that "migrants from an increasingly diverse array of (non)-European-origin countries are concentrating in a shrinking pool of prime destination countries"43, therefore displaying a skewed pattern. This allows us to theorize that some regions of the world-economy have mainly become exporters of labor, whereas a small sample of Western countries has become the place of the concentration of capital, with high levels of productivity. However, the predicament of peripheral sending countries cannot be merely resolved through the export of (cheap) labor force abroad, thus keeping in check unemployment rates and possible political tensions resulting from this at home, but they are also, in a globalized capitalist system, caught in what Arghiri Emmanuel, in his classical study about inequality and trade, has defined as the paradigm of an "unequal exchange" understood as "the (unfair) exchange between a large amount of their (under/semi-developed countries) national labor for a smaller amount of foreign labor"44. The differences in incomes among states are also a result of an asymmetrical global distribution of capital and resources. In this context, the tendency of non-equalization of wages is a direct consequence of this unequal exchange, that make it so as "the notion of the subsistence minimum is sufficiently elastic for no tendency to automatic equalization downward to be possible, and national frontiers sufficiently tight for equalization through international competition among the workers to be quite out of the question"45. From this perspective, borders seem also to exist in order to keep systems of inequality and (under)development intact.

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⁴² The globalization of migration can be defined as "the global diffusion of migration experiences and a concomitant level of equalization of access to international migration". See Mathias Czaika and Hein de Haas, "The Globalization of Migration: Has the World Become More Migratory?", in *International Migration Review*, Vol. 48, No. 2, 2014, p. 288.

⁴³ Ibidem, p. 283.

⁴⁴ Emmanuel Arghiri, *Unequal Exchange. A Study of the Imperialism of Trade*, London: NLB Press, 1972, p. xxxi.

⁴⁵ *Ibidem*, p. 60.

The globalization of migration reflects the asymmetric nature of the globalization of labor market and the world economy in general, while also conditioning what Nicholas van Hear and Ninna Nyberg Sorensen call the "migration development nexus". Although the question of the relationship between economic development and migration has received extensive attention in migration studies, the "classic theoretical accounts still ignore the substantial balancing role played by international migration in the economic development of Europe"46, a role fulfilled under circumstances of an efficient use of capital and its subsequent spatial concentration in certain countries or regions. The argument of migration/development nexus is four-fold: 1) unequal (under)development generates migration; 2) in the context of "increasing labor precariousness and social exclusion" immigrants contribute to economic development in the receiving countries; 3) for the sending countries, emigrants' contribution (remittances, networks, health care, insurances, essential for the socioeconomic stability; 4) a model of alternative (fairer) of social transformation in the sending countries can downsize the magnitude of migration⁴⁷. Our choice to focus on the issue of asymmetry, rather than simply on the general trends of global migration is motivated by the scope of our paper, namely to identify and problematize the structural and interpersonal, the objective and the subjective causes of migration related conflicts and the subsequent populist backlash, and the issue of asymmetry helps us to shed some light on the matter from a supra-structural perspective. Moreover, this pattern of global asymmetry of migration flows and its underlying tendencies are the primary causes behind the constitution of dual labor markets and of the social inferior connotation associated with job performed by migrants. Unfortunately, the continuous unidirectional character of migration flows attests that the issue of underdevelopment remains unresolved at a global level, while inside the EU has the force of questioning the principles and the result of the process of European integration of poor states.

 ⁴⁶ Douglas S. Massey, "Economic Development and International Migration in Comparative Perspective", in *Population and Development Review*, Vol. 14, No. 3, September, 1988, p. 383.
 ⁴⁷ Raul Delgado Wise, Humberto Marquez Covarrubias, Ruben Puentes, "Reframing the Debate on Migration, Development, and Human Rights: Fundamental Elements", in *Working Paper, International Network of Migration and Development*, October 2010, pp. 17-18.

As we have stated previously, the circulation of labor cannot be understood separately from the axes of development North/South and West/East as the analysis of the circulation patterns proves the existence of power relations and the concentration of capital on one side of the divide. Moreover, this asymmetric pattern of globalized migration does not naturally spring out of the expansion of communication networks or technological change, but it is rather the outcome of "political and economic shifts". As Richard Florida argues, globalization has changed the economic playing field, but it has not leveled it and the world has remained invariably spiky, with most economic activities concentrated in a relatively low number of countries⁴⁸. However, there is another factor that needs to be taken into account when discussing the emigration from "poor" countries to Western rich and civilized countries, namely that, as research shows "emigration rates from really poor countries are very low, while they are much higher out of moderately poor countries"49, a possible explanation of this paradox being that in the early stages of industrialization, the structural and demographic changes generate more outward migration, that in later stages. This appears to have been also the case of Romania and other Eastern European countries that have experienced massive waves of migration after the modernization, privatization and the replacement of older technologies of production during the decade after the fall of communism and through the integration into the European capitalist system.

As the previous analysis of our reports regarding the impact of migration on the UK economy have showed, these impacts seems to have been mainly positive, thus leaving unexplained the discursive violence and the political and social negative reception of the role of migrants. At this point, the theory of the asymmetric globalization of migration can come to our aid in clarifying the origin of this paradox. Among the contributing factors to this alarmist vision about migration we can identify the

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⁴⁸ Richard Florida, "The World Is Spiky: Globalization Has Changed the Economic Field, But It has Not Leveled It", in *The Atlantic*, October, 2005, pp. 48-51, available at [https://www.theatlantic.com/past/docs/images/issues/200510/world-is-spiky.pdf], accessed June 2017.

⁴⁹ Timothy J. Hatton and Jeffrey G. Williamson, "What Fundamentals Drive World Migration?", in George J. Borjas and Jeff Crisp (eds.), *Poverty, International Migration and Asylum*, Basingstoke: Palgrave Macmillan Press, 2005, p. 18.

transformation of global tendencies that can offer a partial explanation to this phenomenon. The liberalization of the circulation of people from the post-colonial South combined with the fall of communism in the East of Europe has contributed to the creation of a "greater awareness of growing disparities in life chances between rich and poor countries"50, bringing to the fore on the both sides of the globe the imbalance between countries, regions and communities, also generating "further differentiation of migrants in terms of ethnic and class backgrounds"51. The globalization of migration, the circulation of capital and people give rise to forms that span out of the asymmetry discussed above, such as the creation of what Kees van Der Pijl calls "the transnational capitalist class", but also of a "transnational class of mobile labor". The process of transnational formation of class denotes the "growth of social forces and the discovery of a route to maintaining and reinforcing the hegemony of a ruling class in post-war Europe that allows going beyond the reliance on the mobilization of national unity"52. The role of transnational ruling classes, in Kijl's opinion, is to maintain and reproduce the "comprehensive control" it has over the process of capital accumulation and on the labor relations.

Corroborating this hypothesis and situating the issue of migration within the theory of globalization, Nicholas Hear stresses the importance of taking into account the class dimension/issue that the migration process entails and is shaped by, given that "international migration requires the accumulation or possession of amounts of economic, social, cultural, and other forms of capital in various combinations"⁵³. The macro theory of the inequality of economic development between states must be complemented by an analysis of the asymmetric social structure within the confines of

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⁵⁰ Ninna Nyberg Sorensen, Nicholas van Hear, Poul Engberg-Pedersen, "Migration, Development and Conflict: State-of-the-Art Overview", in Nicholas van Hear and Ninna Nyberg Sorensen (eds.), *The Migration-Development Nexus*, (eds.), International Organization of Migration (IOM) and United nations (UN), 2003, p. 8, available at [http://publications.iom.int/system/files/pdf/migration_dev_nexus.pdf], accessed June 2017. ⁵¹ *Ibidem*, p. 8.

⁵² Kees van der Pijl, Otto Holman, "Structure and Process in Transnational European Business", in Alan W. Carfuny and Magnus Ryner (eds.), *A Ruined Fortress? Neoliberal Hegemony and Transformation in Europe*, Oxford: Rowman and Littlefield Publishers, 2003, p. 76.

⁵³ Nicholas van Hear, "Reconsidering Migration and Class", in *International Migration Review*, Vol. 48, No. 1, 2014, p. 111.

each state. Migrant labor (and herein resides its particularity) traverses various regimes of asymmetry and comes to occupy a specific position in the host and sending countries as a direct effect of this particularity. The social position (s)he manages to secure in the labor market is but the first observable phenomenon of the general tendencies presented above as pertaining to transnational globalist logic. It is our interpretation that the asymmetric structure of Western labor markets is merely the manifestation within a nationally determined context of the larger patterns of asymmetry discussed above.

Conclusions

As the data, the theories and the arguments put forward in this paper have shown that the issue of economic migration cannot be separated from a larger reflection on the contradictions of the global political economy of labor and the significant differences of economic development between states. In this context, it becomes apparent that the populist backlash against migration (in UK) is rooted in the national and supra-national deadlocks and contradiction of labor and capital. Focusing merely on the deconstruction of populist discourse starting from a neoliberal perspective of human rights, albeit valid and legitimate deconstruction, does not advance our understanding of the social conflict generated by migration in both sending and receiving countries, nor does it point to the structural causes of economic migration social related conflicts. What we have tried to demonstrate in our paper is that a reflection on economic migration must take into account the global political and social asymmetries between states and capital concentration and distribution, and, the (trans)national conflicts that appear at the level of mixed labor forces, which themselves are overdetermined by the global trend of labor flexibilization and decline of unionization, resulting in a historical observable and objective trend of power loss on the side of labor.

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