

A forecast fulfilled

Anthony Scholefield

Speaking in Berlin on the 13th November about the costs of immigration, John Major said he noticed the downward effect on the wages of the lowest British wage earners, and the effects of crowding in more people with no capital.

"But the sheer scale of the influx has put strains on our health, housing and education services that we struggle to meet – and has held down wages."

"But I do recognise, reluctantly, that one small island cannot absorb the present and projected numbers at the current speed. It is not physically or politically possible without huge public disquiet."

He is, therefore, fulfilling the forecast I made in 2007 following the warning of Professor Borjas, the Harvard professor and expert on immigration.

As Professor Borjas, the famous US writer on immigration, concludes in his discussion of the US situation:

The dangers also arise because there are powerful interest groups that gain substantially from current immigration policy. And these groups seem unable – or are unwilling – to see the cost the immigration imposes on other segments of society, and have considerable financial incentives and resources to influence the course of

debate and to ensure that the current policy remains in place.

The adverse effects of the second Great Migration will not go away simply because some people do not wish to see them. They will continue to accumulate. In the short run, these interest groups will likely succeed in delaying the day of reckoning. In the long run, their impact is much more perilous.

[George J. Borjas, *Heaven's Door*, Princeton, NJ: Princeton University Press, 1999, p.212]

The effects of immigration on wages are, therefore, not likely to trouble the elite and the political classes, because they are insulated from them.

No British analysis of the distribution of the depressing effects of immigration on different categories of income earners or wealth holders has been attempted. It is, however, harder for the elites to insulate themselves from the impact of immigration on wealth. One can, therefore, forecast that there will be a response from the elites to crowding-in – from which they cannot insulate themselves. Areas that could trigger a change in sentiment would include public transport, crowding, road congestion, water shortages, overcrowding in housing, the impact of new housing on the

environment, and the appropriation by the state of higher taxes to fund more schools, hospitals, etc.

Even if the elites are not personally too affected, the impact on wealth is spread much more widely among voters than is the effect of wage depression, so this is likely to produce more reaction from politicians.

[Anthony Scholefield, *Warning: Immigration can seriously damage your wealth*, The Social Affairs Unit, pp.9/10 – available from the June Press £6 each]

John Mayor has accepted the basic accounting and economic truths of immigration, even if he 'hates' to do so. Immigration drives down the wages of competing labour to the benefit of capitalists and complementary labour and it also has enormous capital costs which are paid for by natives.

To fully equip one average immigrant with his appropriate share of assets – as at 2004 values – to operate in Britain requires the savings of that immigrant for the next 150 years (exclusive of interest effects). But, of course, in those 150 years natives will dramatically increase their assets per head so immigrants can never catch up.

This is all extremely basic accounting. Why did it take Major so long to recognise reality?

Power supply

National Grid has warned that its capacity to supply electricity this winter will be at a seven-year low due to generator closures and breakdowns.

According to National Grid, spare electrical capacity which was 17%

only three years ago, ran at about 5% over last winter but will be nearer 4% this year.

However, they have a contingency plan in place to manage supply, this plan will include paying big firms to

switch off on cold winter evenings.

The cost to UK business is not mentioned, let alone the ever increasing EU restrictions as to why so many electrical supply plants are no longer available for use in the UK.

Renegotiation almost

It appears from a recent survey that most British businesses want the UK to renegotiate its relationship with the EU.

The survey carried out by the British Chamber of Commerce (BCC) said that 60% of the 3,200 firms polled

believed in returning some powers back to Britain would help the economy.

However, there is a down side, in that most said they wanted to stay in the EU, with a majority saying leaving would damage UK business prospects.

The survey did not say how many members were only trading in the EU.

In other words just like David Cameron who wants to stay in the EU, they want to negotiate with their hands tied. Meanwhile, Labour and Lib-Dems just want to stay in.