

MIGRATION IN EUROPE AND THE ECONOMIC CRISIS – FACTS AND POLICIES

Speaking notes for Mr Arcadio Diaz Tejera

Chairman,
Distinguished participants,

Allow me to start by thanking you for this invitation to the Parliamentary Assembly of the Council of Europe to participate in today's conference. I would like to convey you the apologies of my colleague and friend Mr Pedro Agramunt, Rapporteur of our Assembly's report on the impact of the economic crisis on migration last year, who could unfortunately not travel here today because of emergency meetings in his own constituency in Valencia.

We have all been profoundly touched by the economic crisis and subsequent jobs crises. Whereas some European countries are coming out of the recession, others – including my own - are still struggling with economic turmoil and stringent austerity plans, which has pushed many policymakers to review and reevaluate their approach towards immigration, amid tightening public budgets and growing public sentiment against immigration.

From the outset of the financial crisis and economic downturn in 2008, it has been clear that the economic and social ramifications of the crisis would have a significant impact on the future configuration of international migration, even if uncertainty about the shape of future recovery makes it difficult to foresee clearly the effects of the crisis on migration, especially from a long-term perspective. Nevertheless, it is possible to discern certain evolutions and policy trends and practices triggered by the recession.

First of all, quite unsurprisingly, **the economic crisis has had a significant impact on immigration flows**, especially to the traditionally migrant-receiving EU countries, where the economic downturn has stifled, and in some cases even reverted, what had once been a seemingly ever-growing stream of immigrants.

According to Eurostat, the number of immigrants arriving in the EU has dropped significantly in recent years. In 2009, 857,000 immigrants arrived in the EU, compared with 1,5 million in 2007 and over two million in 2006. Member states that were especially hard hit by the crisis early on saw the most spectacular decrease. Ireland, for example, welcomed around 66,000 immigrants in 2006, but only 17,900 in 2008. By 2009 the migration flow was reversed as 40,000 people left Ireland. Meanwhile, Spain went from receiving half a million newcomers in 2008 to a mere 58,000 in 2009. EU countries that have traditionally been associated with emigration, such as our host country Romania, Bulgaria and Poland, saw their

emigration rate drop to almost zero - even though recent UK statistics indicate that many Eastern Europeans, notably the Poles, who left at the outset of the crisis, returned in 2010.

All in all, we cannot talk about any Europe-wide tendencies. For instance, according to the OECD, countries such as Austria, Denmark or Portugal showed increase in net migration of over 40% in 2009.

We can also observe that the global economic crisis has not had much impact on asylum claims. The total number of asylum seekers has remained virtually unchanged.

Secondly, **the crisis has had a disproportionate impact on immigrant workers**, especially on immigrant men and youth. In 2010, foreign-born youth experienced unemployment rates of 41 percent in Spain, 37 percent in Sweden and 15 percent in the United States.

Part of the disproportionate impact on migrant workers is due to their concentration in certain sectors which particularly suffered during the downturn – such as construction, food processing, hospitality or wholesale -, but it also relates to their lower seniority and less stable contracts. Far from having disappeared, discrimination on the job market also continues to play a role

But again, statistics vary among countries: while in 2008-2009 unemployment increased by more than 10 percentage points in Spain and by 8.6 points in Ireland, it increased by less than 1 percentage point in Belgium, Norway or Poland and decreased by half a percentage point in Germany. These cross-country differences should be kept in mind when reflecting on the consequences of the economic crisis on migrant workers.

Similarly, contrary to general perceptions, in several European countries, the crisis has even encouraged employment rates among immigrant women, who have taken jobs to compensate for loss of income by male members of their families.

This is linked to the third observation I would like to make. That is that **migrant sending countries have not seen a massive return of migrant workers as was initially predicted**. On the contrary, migrants who have lost their jobs have preferred to stay in their host country because it is more difficult for them to return when employment conditions improve. Government incentives to encourage returns to the home country have not met with success. For example, out of the 137,000 unemployed immigrants eligible for the Spanish return programme in 2009, only

10,000 persons and 3,600 family members applied. Thus we may say that “fortress Europe” not only locks migrants out, but it locks them in as well.

Another paradox is that while legal joblessness has pushed many well-integrated migrants into an irregular situation, irregular migrants have not been the hardest hit by the economic crisis but have – in some cases – even benefited by the crisis, as employers prefer them as cheap labour force. Many migrant women, especially domestic workers, fall in this category. A true danger here is the “normalisation of irregularity”. Also, migrants who lose their legal status are often forced to accept extremely bad conditions for fear of unemployment and destitution. Their situation also makes them prey for smuggling and trafficking networks.

So, what has been the reaction of European states and populations to the crisis?

Mostly we’ve seen states tightening control over immigration, but the policy approaches vary to a large extent. Sweden, for example, decided to liberalise its migration policies in December 2008 and to follow a demand-driven labour migration model while the majority of other European states are implementing or considering more restrictive policies towards migrant workers in order to reduce the inflow of new migrants, including by:

- cutting the numbers of work permits for foreigners, mainly in low-skilled sectors (Greece, Spain, Italy, Russia, United Kingdom);
- offering incentives for migrants to return including one-way tickets and lump-sum payments (Spain and the Czech Republic);
- reducing shortage occupation lists and reinforcing labour market tests (France, Spain, United Kingdom);
- introducing changes in visa levels and entry requirements (that is, minimum salary) (Italy);
- limiting possibilities to change status and/or renew work permits (Russia);
- tightened controls on family and humanitarian inflows (Portugal, Spain).

In addition, an increasing number of countries are on the way to criminalise illegal immigration, which curbs access to minimum social services for unlawfully present migrants. Several European Union countries are pushing for tightening border patrolling, particularly along the Mediterranean Sea.

May I recall here the past experience, which has proved that the tightening of entry requirements and “turning off the tap” will only serve to increase the numbers of irregular and therefore unprotected migrants and place increasing numbers of migrants into the hands of human traffickers.

Several institutions have also warned that adopting very strict policies now could

prove to be a nuisance when the economy flourishes again. Although Britain's Prime Minister David Cameron recently declared that he believed immigration to be one of the causes of the crisis, it is undeniable that it was one of the motors for the preceding growth. Construction businesses, drawing heavily on foreign labourers, boomed for years. Shortage jobs were filled by workers from the new EU or non-EU countries and immigrants from the new member states were more entrepreneurial than natives. When the economy booms again, hardliners will be confronted with a shortage of labour anew. The side effects are likely to be even more palpable considering that the crisis also slowed down natural population growth, again underscoring Europe's demographic problems.

Another worrisome side-effect already heavily felt in many parts of Europe, is the growingly inhospitable attitude towards migrants in political rhetoric, public opinion and media. Widespread resentment of foreigners and xenophobia are on the rise with fears that immigrants take away scarce jobs. This, if not tackled properly, could sow the seeds of social conflict and tension in inter-state relations.

Ladies and gentlemen,

What are the desired policies to follow?

One thing is clear: restrictive immigration climate and dwindled legal entry for migrants are no answers. Immigration policies should be sufficiently responsive to short-term changes but long-term considerations should also be taken into account.

The current economic difficulties are temporary. They will not alter the fundamental push and pull factors or change long-term demographic trends, and should not be used as an excuse to overly restrict immigration. Rather the reverse, what Europe needs is the adoption of flexible immigration policies congruent with current and anticipated labour needs. In particular, countries should maintain intakes of foreign workers in sectors where labour skills remain necessary and will be required for recovery.

Measures should also be applied that are as inclusive as possible to help the unemployed in the labour market. Regular migrants who are currently without work should be given the same opportunities as native-born unemployed to develop their skills and to re-integrate into the ranks of the employed during the recovery.

Employment is the best insurance against social exclusion and marginalisation of migrants and their children. It also has an effect on public opinion towards immigration. Therefore special emphasis should be laid on direct job creation.

Countries of origin should anticipate and prepare for an increase in return migration, by establishing programmes for those who wish to resettle at home, as well as for those who seek to be redeployed when recovery begins. Receiving countries, on

their part, should ensure that migrants are treated with dignity and given proper reintegration assistance upon return. Re-entry restrictions should be kept to a minimum as these act as a disincentive to persons who might otherwise wish to return to their home country.

Finally, in the current context of growing populism in Europe, governments should avoid inward-looking policies and deliver clear messages about the benefits of migration. A realistic and responsible discussion on the benefits and costs of migration are in the long-run interest of both states and migrants. Thus it is essential to work to prevent attitudes of hostility to migration and immigrants and take positive measures to combat marginalisation of migrants.

Thank you for your attention.