

EUROPE AND ITS IMMIGRANTS IN THE 21ST CENTURY

A NEW DEAL OR A CONTINUING DIALOGUE OF THE DEAF?

EDITED BY DEMETRIOS G. PAPADEMETRIOU



 **mpi**
MIGRATION POLICY INSTITUTE

LUSO-AMERICAN
FOUNDATION

EUROPE AND ITS IMMIGRANTS IN THE 21ST CENTURY

A NEW DEAL OR A CONTINUING DIALOGUE OF THE DEAF?

EDITED BY DEMETRIOS G. PAPADEMETRIOU

CONTENTS

FOREWORD

v

PREFACE AND PLAN OF THE BOOK

ix

INTRODUCTION

MANAGING INTERNATIONAL MIGRATION
BETTER: PRINCIPLES AND PERSPECTIVES FOR
GAINING MORE FROM MIGRATION

Demetrios G. Papademetriou

xiii

INTEGRATION

THE CHALLENGE OF INTEGRATION IN EUROPE

Sarah Spencer

1

INTEGRATION PROCESSES OF MIGRANTS:
RESEARCH FINDINGS AND POLICY LESSONS

Rinus Penninx

31

CITIZENSHIP

T. Alexander Aleinikoff and

Patrick Weil

53

BUILDING SUCCESSFUL URBAN POLICY
IN THE NEW ERA OF MIGRATION

Jorge Gaspar and

Maria Lucinda Fonseca

71

PRACTICES AND POLICIES FOR IMMIGRANT
INTEGRATION IN THE UNITED STATES

Maia Jachimowicz and

Kevin O'Neil

89

ECONOMICS AND LABOR MIGRATION

MIGRANTS AND THE EUROPEAN
LABOR MARKET

Rainer Münz and Thomas Straubhaar

121

IS IMMIGRATION AN ENEMY
OF THE WELFARE STATE?

Grete Brochmann and Jon Erik Dölvik

155

THE NEW ROLE OF MIGRANTS IN THE RURAL
ECONOMIES OF SOUTHERN EUROPE

Charalambos Kasimis

179

FUTURE DEMOGRAPHIC CHANGE IN EUROPE:
THE CONTRIBUTION OF MIGRATION

Wolfgang Lutz and Sergei Scherbov

207

SELECTING ECONOMIC MIGRANTS

Demetrios G. Papademetriou and

Kevin O'Neil

223

ABOUT THE AUTHORS

257

ABOUT THE EDITOR

265

ABOUT THE LUSO-AMERICAN FOUNDATION

267

ABOUT THE MIGRATION POLICY INSTITUTE

271

ACKNOWLEDGEMENTS

275

FOREWORD

RUI MACHETE
PRESIDENT, EXECUTIVE COUNCIL
LUSO-AMERICAN FOUNDATION

Few issues are likely to prove more consequential for the economic health and social and cultural well-being of an increasing number of developed countries than international migration. In fact, it may be only a slight exaggeration to argue that what we do on international migration, and how we do it, will help define how well we do as societies in the years and decades ahead. This includes how we regulate migration's size and composition and how wisely we balance the interests and manage the concerns of the broader society that increasingly feels that "their" jobs, culture, and value systems are eroded by the presence of large numbers of immigrants. But the challenge goes well beyond that to issues of how well we incorporate both newcomers and those who by now have become ethnic minorities into our economic, social, and political institutions; how we work side-by-side with these communities in a common effort to build socially robust and economically viable societies; how intelligently and honestly we work with immigrant-sending and transit countries; and, perhaps most tellingly, how we replace illegality and the social chaos that runaway immigration fuels with thoughtful and progressive rules that we are able and willing to enforce.

This is neither to say that all is lost nor to encourage the view, all too common among many in the democratic west, that the issue is so complex that addressing it effectively is beyond our governance capabilities as they stand today — and that we thus need to

resort to increasingly illiberal tactics that curtail the rights and liberties of all who live under our states' sovereign protection. Rather, this is a call to thoughtful and informed action.

This is a call to the research community in and out of government for better data and better analyses. This is a call to our governments for greater introspection and truth about the role that immigration plays and will play in our demographically challenged societies in the years ahead. This is a call for much greater and far-sighted leadership including much larger investments in public education. This is a call for a more tough-minded approach to "horizontal" policymaking and execution, in which all government agencies with competencies that affect or are affected by different aspects of migration, such as labor, social protection, education, foreign affairs, international development, and border and interior police agencies, work closely together to devise and deliver policies that serve host societies' interests and priorities best. And this is a call for Europe's institutions — the Council, the Commission, the Parliament, and the Court of Justice — to begin in earnest to give this issue the centrality it commands.

This is also a call to our social institutions to reflect on how open and inclusive they really are, and how to be more so, and to civil society to be ever more imaginative in strengthening and, when needed, repairing the social fabric that diversity strains — and, many will say, threatens. Finally, this is a call to all of us, citizens and

immigrants (new and “old” ones) alike, to engage in what amounts to nothing less than “national projects” whose express and noble aim is to build the effective and cohesive multi-ethnic societies in which many of us already live and the rest of us are fast approaching.

Europe and Its Immigrants in the 21st Century: A New Deal or a Continuing Dialogue of the Deaf?

moves us further towards these objectives than any other volume to date. Its chapters top the list of issues that we must address head-on and on which we must make measurable progress. Its authors, the leading researchers in their disciplines, are those upon whom policymakers are increasingly relying as they try to come to terms with international migration. Although most authors, and in many ways, the book’s “topics” are “European,” the analyses and recommendations are transatlantic in their essence and are addressed to all immigrant-receiving societies. In fact, in many ways, the book is a worthy “read” for both migrant-sending and transit countries, as well as for informed readers and thoughtful observers wherever they are. The volume’s editor, Demetrios G. Papademetriou, is a widely known and respected analyst who regularly advises senior government officials on migration across the developed world. His judgment and expertise, as well as his ability to tap into the most talented pool of writers and policy advisors, is clearly demonstrated in the book’s collection of essays.

Finally, this volume is both a culminating activity and the beginning of a new phase in the relationship between the two institutions that have sponsored it: The Luso-American Foundation (FLAD) and the Migration Policy Institute (MPI). The relationship is nearly ten years old and goes back to when MPI’s principals were the leaders of the International Migration Policy Program of the Carnegie Endowment for International Peace. During this decade, the two institutions have co-sponsored nearly a dozen seminars, workshops, and conferences on various aspects of international migration and have co-produced and co-published a number of books and reports, most notably, a three-volume study on citizenship thought and practice across a dozen states. The present volume completes that phase of the relationship.

With this as a background, FLAD and MPI now enter into a new phase in their relationship — that of a *strategic partnership*. Accordingly, FLAD becomes MPI’s strategic partner in all of MPI’s European work on migration and related issues, while MPI minds FLAD’s analytical and research interests on Portuguese and more broadly Lusophone communities and their concerns in the United States. This transatlantic cooperation is expected to add value to important interests within each organization’s priorities and enhance the effectiveness of their work on both sides of the Atlantic.

Rui Machete
Lisbon, 2006

PREFACE AND
PLAN OF THE BOOK

This volume, which focuses on the current state of immigration in Europe and suggests a way forward, is the product of a unique transatlantic collaboration among experts, policymakers, and a pathbreaking foundation.

The collaboration has its roots in an initiative of the former Greek Foreign Minister, George A. Papandreou, who was determined to use his country's 2003 EU Presidency to offer Europe a thoughtful, progressive blueprint for immigration reform. Papandreou gathered together some of Europe's and America's leading immigration experts under the aegis of the Athens Migration Policy Initiative (AMPI). Led by the Migration Policy Institute and coordinated by MPI Senior Fellow Gregory A. Maniatis, AMPI's experts worked closely with the Greek government and the European Commission to develop a comprehensive vision for managing migration and integration in Europe.

The first result of these efforts was inscribed in the European Council's Thessaloniki conclusions, which placed a heavy emphasis on immigrant integration. The conclusions called for the development of Common Basic Principles on integration and of an Annual Report on Migration and Integration in Europe. The Greek Presidency also shepherded through the first-ever EU legislation governing legal migration, in the form of directives on family reunification and long-term residents.

In the years that followed, the AMPI team worked with successive EU Presidencies on their immigration-related efforts. Its most fruitful partnership was with the Dutch government, leading to the adoption by the European Council in December 2004 of the Common Basic Principles on integration and the Hague Programme. AMPI, which has evolved into an ad hoc global think tank, continues its work on a variety of projects that involve the European Commission, the European Parliament, EU Member State governments, and international organizations.

As a longtime partner of MPI and its predecessor, the International Migration Policy Program at the Carnegie Endowment for International Peace, the Fundação Luso-Americana (FLAD) was involved from the beginning with the effort to advise governments and policymakers, and supported the group's efforts and insights. This book is the result of FLAD's commitment to this important work.

In his opening chapter, Demetrios G. Papademetriou discusses the dimensions of the international migration system and offers a global overview of what drives it, where it is going, and the major trends he sees in it. He then focuses on why governments (and societies) find international migration so difficult to tackle effectively and uses that discussion to launch into a treatise on migration management fundamentals. He concludes with a discussion about the complex relationship between

demography and immigration and hazards a look ahead to 2020.

Sarah Spencer offers an overview of how the European Union's policies related to immigrant integration have developed since the 1990s, as well as a compelling vision for how these can be enhanced in coming years. Rinus Penninx, while summarizing the insights gleaned from the research on integration policies, argues that the Union is handicapped by the ambivalence of Member States towards working collectively on integration; in going forward, he underscores the need for comprehensive efforts that weave together the contributions of all levels of government and civil society.

T. Alexander Aleinikoff and Patrick Weil then tackle the issue that is arguably at the heart of integration, the question of citizenship; they systematically address concerns revolving around access to citizenship, dual nationality, political integration, and economic and social rights.

Jorge Gaspar and Maria Lucinda Fonseca discuss how urbanization and immigration interact, and what the implications of this interaction are for European cities. We then cross the Atlantic, where Maia Jachimowicz and Kevin O'Neil offer a valuable overview and assessment of US integration practices, while also elaborating on current integration trends, challenges, and controversies.

Rainer Münz and Thomas Straubhaar open the economic section of this

volume with a unique analysis of the European Labor Force Survey that compares the labor-market performance of foreign-born residents with that of native-born ones; they conclude with recommendations for how European countries can better recruit migrants who match their labor-market needs. Grete Brochmann and Jon Erik Dølvik then address the vexing political question of whether immigration subverts the welfare state; they shed light on the complex game of labor-market and welfare-regime competition among states, in which each is trying to strike a balance among attracting needed workers, fending off welfare seekers, and protecting national working conditions. Charalambos Kasimis shifts the focus to the countryside, summarizing the findings from his multi-year research on the impact of immigration on Greek rural areas and agriculture.

Wolfgang Lutz and Sergei Scherbov offer a look into the future, exploring Europe's demographic dynamics, the role immigration will play in them during the coming decades, and the policy options available to governments for addressing the demographic deficit.

Finally, in the volume's concluding chapter, Demetrios G. Papademetriou and Kevin O'Neil drill down into the question of how governments currently select economic immigrants, dissecting the US selection mechanisms and the point systems of Canada, Australia, and the UK, before concluding with a series of recommendations for how such selection can be improved.

MANAGING INTERNATIONAL
MIGRATION BETTER: PRINCIPLES
AND PERSPECTIVES FOR GAINING
MORE FROM MIGRATION

DEMETRIOS G. PAPADEMETRIOU

INTRODUCTION AND BACKGROUND

For nearly two decades now, capital and the market for goods, services and workers of many types have weaved an ever more intricate web of global economic and, increasingly, social interdependence.¹ In the last few years, however, such “globalization”-fueled interdependence seems to be on the defensive as governments and publics alike across the globe begin to reexamine some of the phenomenon’s main principles and practices and look more carefully at its effects.

No component of this introspection has fared more poorly than the labor market effects of deeper interdependence — effects that had long been posited to be positive across the board. Evidence is mounting that substantial segments of the population of rich and poor countries alike are indeed affected adversely by the reigning form of interdependence — at least in the short-to-medium term — and that governments along the development continuum have been caught unprepared to help them adjust to the new competitive environment. Concerns that openness could also be facilitating the financing of terrorist movement and activity have added to the sense of skepticism about further openness along the lines promoted by

the World Trade Organization (WTO), which has itself become a lightning rod for anti-globalization animus. As a result, and rather suddenly and in many ways unexpectedly, the road to deeper global interdependence has developed enough bumps, diversions, and detours to make predictions about the timing and direction of the next big “breakthrough” in internationalization uncertain.

Few by-products of globalization are pricklier for the publics of the advanced industrial societies than the movement of people. Such movement, of course, also preoccupies the less developed countries, albeit from different perspectives. For them, movement is an essential lifeline to both their citizens and to their economies — because of their emigrants’ financial remittances, now estimated by the World Bank at well over \$200 billion per year.² (This sum is more than three times the amount of overall development assistance.)

Their preoccupation does not stop there, however. They are deeply concerned about three additional issues. First, that some of the behavior of the authorities and the people in the countries in which their citizens live and work borders on a gross disregard for their citizens’ human, labor, and other basic rights. Second, that the trafficking industry that has

1 The “Uruguay Round” of global trade negotiations and the various regional trade accords (particularly the North American trade agreements) — all starting in the late 1980s — are somewhat arbitrarily chosen as the beginning points of the newest and most intense phase of globalization.

2 The World Bank had estimated the amount at \$111 billion for 2001. The growth reflects primarily more “daring” assumptions and better estimation techniques.

grown around the unauthorized movement of their nationals endangers their citizens' lives. (At the same time, and by virtue of the fact that such syndicates operate in so many less developed countries with near impunity, they undermine the legitimacy of these countries' public institutions and complicate their relationships with migrant transit and destination country governments.) Third, that increasingly selective immigration policies of advanced industrial societies may be tapping too deeply into their human capital pool, whose upbringing and education has been paid for by scarce public funds.

At the root of these sets of contradictory interests and reactions to international migration is the plain fact that the phenomenon's reach is now nearly universal. Migration today touches the lives of more people and looms larger in the politics and economics of more states than at any other time in the modern era. With the United Nations (UN) estimating the immigrant stock to be as high as 200 million,³ almost no country is untouched by international migration or is immune to its effects. This reality alone guarantees that migration will remain a top agenda item in national, regional, and "global" conversations for the foreseeable future.

Few social phenomena in recorded human history are as consequential for civilizations as migration. History is in fact dotted with "ages of

migration" — from the establishment of the Greek colonies and the Roman conquests, through the Byzantine, Arabic, Ottoman, and the various Asian empires, and from the European colonizations to the great migrations of the 19th and early and late 20th centuries. Furthermore, few other large social phenomena are as entwined with human progress or have been as deeply implicated in the rise and decline of organized political entities as migration.

Remarkably, however, such long-standing human experience with migration does not seem to have translated into models of good management practices that can be readily adapted to and then applied effectively in different settings. A large part of the explanation for this anomaly lies with the fact that large-scale migration, by challenging the receiving society's sense of identity and exposing the weaknesses of its social and economic model of governance — as well as its capacity to enforce its laws — quickly leads to political contentiousness. Deeply fractured politics, in turn, interfere with the ability of governments to pursue domestic and foreign policies that deal with the phenomenon thoughtfully and, more importantly, to the systematic advantage of most of those involved in or affected by migration.

Furthermore, when support for immigration collapses (something that

3 There are immense definitional and measurement issues associated with such grand estimates. See also the discussion later in the text about the relative lack of robustness of such estimates.

occurs with pendulum-like regularity), the duration and depth of a society's engagement with the process does not seem to inoculate it against excessive reactions to it. This is as close to a "law" of migration as anyone might posit. And, as with most laws, it seems to hold independently of such factors as the size of organized immigration's imprint on a society's evolution and economic progress or the benefits and experience that a society has gained from immigration.

A. THE PLAN OF THE CHAPTER

This introduction is written primarily with policymakers in mind and is addressed mostly to the advanced industrial world.⁴ As a result, at times it moves too quickly over issues that are best discussed in the context of specific migration relationships or seemingly papers over (by over-generalizing about) the circumstances and perspectives of the less developed world, whose nationals are migration's protagonists. This choice results in a regrettable loss in the precision that comes from focusing on a single case or the comprehensiveness that comes from a truly global perspective.

The discussion dwells briefly on some of migration's key causes, paints a broad picture of the phenomenon's size and likely evolution over the next two decades, and then bores deeply into the issues of migration management — the chapter's principal focus. In this

regard, it outlines and explores some of the philosophical and practical issues that policymakers must understand and address better as they search for more effective policy interventions. The chapter admonishes both reader and policymaker to be mindful of the limitations in the capacity of government to change important and deeply embedded social processes exclusively through tougher domestic regulations and other unilateral policies in an increasingly interdependent world. It concludes by making the case for more thoughtful policies that work *with* both the market and human nature, as well as in cooperation with countries from and through which immigrants — and particularly irregular or unauthorized ones — get to advanced industrial democracies.

The chapter sets the policy target at drawing out the benefits of immigration better and more systematically for all principals in the process while controlling for its most negative and perverse consequences. Managing international migration to collective advantage, the chapter argues, can be done best through laws and regulations grounded in a realistic policy vision, a sensitivity to domestic requirements (itself a balancing act of the first order), and clarity about international obligations and objectives. The ambitiousness of these requirements suggests that managing

4 The terms "advanced industrial countries/democracies/societies/economies," "industrial countries," "first world," "developed world," "advanced West," "North," "wealthy nations" and OECD countries are all referring to the 24 states that were members of the Organization for Economic Cooperation and Development in the early 1990s, before Mexico and some other developing states also became members.

uncertainty and learning to deal with imperfection may be absolute requirements to, and the only realistic policy goals in, a policy domain as complex as international migration.

THE INTERNATIONAL MIGRATION SYSTEM: MEASURING THE INEXACT

The international migration system binds together sending, receiving, and transit countries in increasingly complex wholes. Altogether, more than half of all the world's states "play" in this system in significant ways, and, increasingly, more countries play multiple roles simultaneously — as places from and through which immigrants come and as places in which immigrants settle or, increasingly, may just work for a period of time. One also notes an almost symbiotic coincidence of parties interested in migration. In addition to the immigrants, they include employers, consumers of all goods and services, families, transnational networks of all types (including criminal syndicates), and a variety of local, state, and national-level social and even public institutions.

IMMIGRANT STOCKS

As noted, the UN Population Division estimates the *stock* of those currently living outside their country of birth for a minimum of one year (its definition of an immigrant) at about 200 million. This estimate would put the immigrant stock at about 3.2 percent of the world's population. Among this

estimate's many limitations, the most prominent is that the base data are government statistics. Such statistics are subject to political determinations about what to collect or not collect and, more importantly, what to report or not report.

For instance, the UN figure includes the roughly 30 million persons (most of them ethnic Russians) who had been internal migrants until the early 1990s but were reclassified as international migrants when the Soviet Union collapsed and broke up into a large number of independent states. At the same time, most temporary immigrants whose visas last more than a year, plus half or more of all unauthorized immigrants, are typically not included in these estimates, because government data systems do not include them.

There are important exceptions to this "rule." For instance, the US and several South American countries either produce themselves or otherwise do not contest unauthorized population estimates by reputable analysts. Another group of countries produces estimates but does not report them for political reasons. For instance, a closely held British estimate of about half-a-million unauthorized immigrants was leaked in 2005 and caused great embarrassment to the government. A third category of countries has "working guesstimates" — Canada's is somewhat lower but otherwise in the same range as the British one. The overall lesson? It is important both to disaggregate

“global” estimates and to look at their component parts as carefully as possible before making anything other than the most approximate of judgments.

Yet approximations are important if one is to make observations about the overall scale, distribution, and direction of immigration flows. For instance, of the UN Population Division’s total estimated number of immigrants, about 30 percent are found in the Americas; Canada and the US account for about 42 million of that share. (The Western Hemisphere’s numbers may be among the most robust because many key immigration players in the region include the largest proportions of irregular immigrants in their statistics.) Continental Europe’s share is in the low-to-mid 20 percent range. The uncertainty level is higher in that continent because of the reasons articulated earlier. The other half or so of the total is found in the rest of the world, with Asia having the largest number of immigrants of all world regions.

Illegal/irregular/unauthorized/undocumented migration has been by far the fastest rising single form of migration during the past ten years. A rough estimate about the size of unauthorized immigrants in the world’s true immigrant stock might put it at between 30 and 40 million immigrants. Among them, the US has the largest absolute number of irregular immigrants (about 11 million — about 30 percent of its total foreign-born population). South Africa and Russia also have

several million irregular immigrants each, but estimates vary wildly. Finally, continental Europe also has a large number of unauthorized immigrants, with the southern parts of the European Union (EU) accounting for the largest numbers. Altogether, continental Europe probably “hosts” between 6 and 8 million unauthorized immigrants, although that number fluctuates in accordance with the “latest” regularization program. (Such programs typically offer temporary legal status while the “legalization” programs in the Americas have tended to offer permanent legal status). These fluctuations, however, are more cyclical than one might think because large proportions of those who regularize typically fall back into irregular status when they cannot meet the conditions that would allow them to maintain their legal status.

Nor is illegal immigration the exclusive domain of rich- or middle-income countries. Mexico, the world’s most consistently proficient source of unauthorized (and legal) immigrants, may also be hosting close to a million irregular immigrants of its own, many of them American retirees who have settled in Mexico without official permission.

MIGRANT FLOWS

Estimates about migration *flows* reinforce this picture. Although annual migration flows are even harder to estimate than stocks — as parts of them amount to a snapshot in an otherwise incomplete migration journey — a best guess may be that

they stand at between 10 and 15 million. That number is again very sensitive to who does the counting, as it determines who is counted. The broad range used has three component parts: (a) legal permanent and longer-term temporary stays, which can be counted with some (only some) confidence; (b) unauthorized entries and stays, which are extremely difficult to count (discussed in a later section); and (c) asylum seekers who are relatively easy to count but particularly hard to classify.

Among the key components of the first part are the following groups:

- Family immigration and work and skills' related streams;
- Most all international students (language students attending a course of study that lasts three months or less might be excluded);
- Temporary workers at all skill levels (except those performing short duration and truly seasonal jobs⁵);
- Business executives who have the right to stay in another country for more than one year; and
- Investors and entrepreneurs of all types.

Counting asylum seekers is more complicated. A possible way to do that is to count those asylum seekers whose applications are successful during the course of the year in question in the

stock part of the estimate. Asylum seekers who stay in the countries in which they have made claims, pending the outcome of those claims, could be reported as part of the flow estimate. Finally, those asylum seekers who stay on regardless of the outcome of that adjudication would be counted under the "unauthorized entries and stays" part of the estimate.

The United States, Canada, Australia, and New Zealand — the so-called traditional countries of immigration — probably account for about 40 percent of all such annual flows. The other advanced industrial societies combined probably take another one-quarter of that total, with the UK having been by far the most active player on international migration in that group in recent years. (Within this same group, a large proportion of entrants enter through the asylum route.) The remainder is distributed among growing regional economies in the top quintile of the developing world and countries adjacent to advanced industrial countries. It is in this last grouping of countries where many irregular immigrants are often stranded (or "temporarily deposited" by their traffickers/smugglers) for more or less extended periods of time waiting for an opportunity to reach their desired destinations. Few among those are thought to be interested in

5 In this classification, many "holiday-makers," a one or two year tourism/work visa that is found mostly in some countries of the British Commonwealth, would be counted, as would most agricultural workers in the US because they follow a nearly year-long growing "season" by moving from area to area and crop to crop. Most seasonal agricultural workers in Europe would not be counted because the seasons in any one country tend to be highly defined and short and there is no single European Union wide agricultural worker visa.

returning to their home countries or in staying there if they are forcibly returned.

MIGRATION COMPOSITION

In terms of gender composition, the immigrant stock is probably roughly equally divided between men and women. Some international organizations, such as the International Labor Office (ILO), suggest that women have exceeded men in the overall immigrant stock in recent years, in large part because some Asian flows are dominated by women and several classes of movers (see immediately below) are now majority women. The fastest rising immigrant cohorts, however, both in terms of the stock but particularly in terms of the flow, are those of children, followed by women. (The number of children is still small but the development is a troubling one nonetheless.)

IMMIGRANT ENTRY CLASSES

In terms of immigrant entry classes, the largest category by far has been and continues to be that of *families*. Family (re)unification remains the basic unit and building block, the key multiplier, of every immigration system. In fact, even in the most highly selective immigration systems, such as that of Canada with its highly emulated points-based immigrant selection system, families remain the formula's principal pillar. That is because even the skills-based part of the Canadian point system, which accounts for about half of that country's total permanent immigrant admissions ("landings"), only tests

the principal immigrant for skills. This means that less than a quarter of all foreigners admitted to Canada for permanent residence in any given year are skills tested.

The rest of the class-of-entry sequence stands as follows. Family immigrants are followed in overall size by *those entering with work visas*, whether temporary or permanent. With the exception of unauthorized entries, this is the fastest rising entry class. Many in the legal-worker group enter with their immediate family while others are able to (re)unify with their families some time after entry. (The administrative definition of "immediate family" varies from place to place.)

Asylum seekers and refugees are the third basic entry stream but represent a small proportion of the overall stock. The Office of the UN High Commissioner for Refugees (UNHCR) estimates that less than 10 million persons have gained legal entry through the refugee resettlement and asylum routes since 1980. Overall, less than 10 percent of the total immigrant stock is thought to be composed of asylum seekers or refugees at most points in time.

One last category is of particular interest (and is discussed separately below): illegal migration. As noted, this migration form has been by far the fastest rising single form of migration during the past ten years.

FORMS AND DEFINITIONS OF ILLEGAL IMMIGRATION

As the preceding discussion has already suggested, illegal immigration takes several forms, four of which are the most common.

Undocumented/unauthorized entrants.

These are nationals of one state who enter another state clandestinely. Most such entrants cross land borders, but sea routes are also employed regularly, and, wherever inspection regimes are permeable, so are air routes. In all instances, the entrant manages to avoid detection and hence, inspection. (In the US, where persons who use this type of entry account for about two-thirds of all illegally resident immigrants, the category is called “entry without inspection,” or “EWI.”) Increasing proportions of such clandestine immigrants are smuggled or trafficked.

Individuals who are inspected upon entry into another state but gain admission by using fraudulent documents. The fraud in question may involve the person’s identity and/or the documentation in support of admission. A variant of this class of entry involves the making of fraudulent asylum claims where issues of identity and the documentation and the narrative in support of the asylum claim may be falsified.

Violators of the duration of a visa.

Individuals who enter another state properly but “willfully” (see below) overstay their period of legal stay, thus lapsing into illegal status.

Violators of the terms and conditions of a visa. Nationals of one state who enter another state with the proper documents and procedures but at some point violate the terms of their visa. The most frequent such violation is the acceptance of employment. In a nearly institutionalized variant of this violation, language schools in some countries, such as Japan, have become notorious for admitting students whose course of study becomes the nominal activity while (often full-time) employment, a commonly allowed ancillary activity to studying, is in fact the principal activity. Another variant of this class of violation is when persons with special visa privileges — such as holders of “border crosser visas” that allow border residents from an adjacent country to reside and be employed in the other country within strictly prescribed time and geographic parameters — systematically abuse these parameters.

While these four classes of illegal entries and stays capture the overwhelming majority of all immigration violations, it is important to note that many foreigners may also find themselves in brief temporary violation of the host nation’s immigration laws in what are otherwise legal entries and fundamentally legal stays. For instance:

- A tourist may exceed his or her duration of stay pending a decision on the application for an extension of that term;

- A business visitor may engage in a business activity that may require a different visa classification;
- A student may work for short intervals of time in violation of the terms of his or her visa, either by working more than the maximum allowed while attending school or working in an unapproved occupation during the practical training part of his or her education;
- Workers on temporary work visas may change employers (or even employment sectors) without obtaining the proper authorization from the immigration authorities.

While these sorts of violations of immigration laws happen with considerable frequency, and some are important, most are relatively “innocent,” that is, they are not systematic and are of short duration. In fact, most statistical systems either ignore these infractions or are otherwise incapable of capturing and counting them. Furthermore, in administrative and regulatory terms, many of these violations are typically the result of inflexible rules and understaffed (and thus overworked) immigration bureaucracies that do not have the resources to adjudicate immigration petitions in timely fashions.

For instance, more than 6 million immigration petitions — many of them requests for a change in immigration status — were pending in the US in 2004. (More recent data are difficult to reconcile with this figure because the US Department of

Homeland Security (DHS) has since changed the way it reports these data.) Many of these petitioners will typically lapse into illegality during lengthy adjudication delays.

DISTRIBUTION OF THE IMMIGRANT STOCK

The distribution of the immigrant stock stands roughly as follows. The political space occupied by the North American Free Trade Agreement (NAFTA), that is, the United States, Canada, and Mexico, probably accounts for about 43 million immigrants out of the world’s entire immigrant stock and about 3.5 million of the annual immigrant flow. The EU 25 plus the European Economic Area (EEA) host a slightly lower proportion of the total immigrant stock in a population base that is roughly equal to NAFTA’s at about 440 million. This makes Europe, broadly defined, a remarkably significant (if much newer) destination area for immigrants.

Yet, and as noted, both the largest absolute number of immigrants and the largest proportion of the immigrant stock are in Asia. In fact, Asia has held that preeminent position for each of the last four decades. Asia is also the most likely locus of large-scale migration activities in the decades ahead as the largest continent (by far) and the space with the two largest multistate/ethnic countries poised for an economic take-off: China and India. Instability in South Asia, the Middle East, and the Gulf states only adds to the region’s volatility — and hence to its potential for large-scale migration flows.

IMMIGRANT DENSITY

Finally, in terms of per capita immigrant density (here I use the broadest and most politically neutral measurement for “immigrants” — the foreign born), the leading advanced industrial countries in terms of the foreign born as a proportion of those born in the country of immigrant destination are as follows. The top tier is composed of Luxembourg, with a rate of between 35 and 40 percent, Australia with somewhat more than 25 percent, and Switzerland with a bit less than 25 percent. The second tier is led by Canada, at about 17 percent, Germany at about 13 percent, and the United States at a little more than 12 percent. These two sets of countries are followed by a third tier of countries with foreign-born density levels of between 8 and 11 percent. Among them, one finds Sweden, France, the Netherlands, Belgium, Russia, and Greece.

SUMMARY

By way of summary, three observations may be worth reiterating here. First, countries include widely different populations in their immigration statistics. For instance, some countries report all foreign-born persons with permanent residence permits in their immigration statistics. The US also includes in its estimates most of the 11 million unauthorized immigrants and about 1.6 million of its longer-term temporary residents. France excludes from its official immigration statistics foreigners who have naturalized. Germany will not report the millions of *Aussiedler* — returning ethnic

Germans, virtually all of whom have been born and have lived in other countries for many generations — in its immigration statistics. Many European countries include the locally born children of their immigrants in their statistics on “foreigners,” and none of them include estimates of unauthorized immigrants.

Second, if one takes out of the total stock of immigrants the approximately 30 million, mostly Russians, who became international migrants under rather “technical” circumstances (state borders moved, not the people), the immigrant stock today stands at about 2.7 or 2.8 percent of the earth’s population. This is a proportion that is only marginally higher (by about 15 to 20 percent) than that for the 1960s, 1970s, 1980s and much of the 1990s. It is only since the second half of the 1990s that migration seems to have spiraled higher, led by increasingly organized flows of unauthorized entries.

Third, although there are a number of trends in international migration that are more or less valid for most advanced industrial societies, there is only one that is truly global in character. Much of the growth in and maintenance of high levels of international migration is as much the result of market realities in advanced industrial societies as of “them” (migrants) somehow crashing the North’s gates and “imposing” themselves on it. This point goes to the root of an analytical perspective that provocatively and controversially incorporates fully the fact that

receiving countries are deeply implicated in international migration of all forms. Receiving countries provide conditions and circumstances in which immigration survives and thrives — a perspective that is often missing or, more frequently, underemphasized in many governmental analyses. It is not a surprise, then, that the resulting policies are ineffective.

TRIGGERS, DRIVERS, AND FACILITATORS OF INTERNATIONAL MIGRATION

Wars and large-scale disasters, whether natural or man-made, are obvious migration triggers as people flee for their lives. The triggers of international migration can also be found in the quest to protect oneself and one's family from sustained physical and economic jeopardy and to escape dramatic and persistent declines in economic opportunities. (Colombian and Argentinean emigration during the last few years are both examples of this phenomenon.) This migration cause is qualitatively different than the search for economic improvement, which is one of the migration constants.

Two elements within those broad causes are likely to remain important migration drivers in the next two decades. The first is political, social, and cultural intolerance or, at the extreme, group-based gross violations of human rights. The second is the systematic failure (some will say willful indifference) of governments to redress

issues of cumulative disadvantage — meaning the various forms of economic exclusion and ethno-racial, religious, or linguistic discrimination that systematically disadvantage certain segments of a population.

Both of these migration drivers are always more or less in evidence. In most instances, however, they are not sufficient either to start a large new migration flow or to suddenly expand substantially an existing one. For that to happen, a number of preconditions (“facilitators”) must be in place. The following are among the most notable facilitators.

A. A TRADITION OF MIGRATION

The preexistence of a long-term political, social, and economic relationship between a sending and destination society that includes a tradition of migration is a most potent facilitator of migration. When such a tradition exists, it simply leads to more migration until either a significant new variable enters the picture or the value of one of the existing variables changes decisively. An example of the former would be a dramatic and regime-wide change in attitudes towards some or all immigrants at the receiving-society end. Terrorism concerns that prove real and sustained may in fact act in such a way, as might ethnic or religious violence that is thought to be exacerbated by migration. (In this regard, it will be worth watching in the years ahead the acceptance of immigrants and other entrants from predominantly Muslim and Arab

countries throughout the industrial West.) An example of the latter would be the persistent reduction in the economic, but especially the opportunity, differential between countries. The story of the dramatic decline in West European immigration to the United States and the rest of the traditional countries of immigration that began in the 1960s or the stabilization of intra-EU migration since the 1980s are instances of this phenomenon.

B. ECONOMIC AND INTERNATIONALIST ELITES

When receiving-society elites are convinced of the economic benefits of legally authorized and orderly migration (and, within certain parameters, even of unauthorized migration) they can typically organize themselves to open the immigration valve further. In this scenario, migration's benefits will have to be thought of as being substantial enough — and government policies as inadequate in meeting perceived labor market and other needs — to motivate economic and internationalist (what Immanuel Kant referred to as “cosmopolitan”) elites and their political allies to support significant openings to immigration flows. Canada's sustained interest in immigration is an example of such elite-driven legal opening, as are recent openings to migration in the UK and elsewhere in the EU. The United States' glaring tolerance of unauthorized immigration is an example of how far some pro-immigration elites may go when

adequate legal openings to immigration are politically unachievable.

In general, the twin forces most responsible for the growth in irregular migration can be found in two actions. The first is the developed world's pronounced bias *against* low-skilled migration in the face of market forces that strongly value it (and broad classes of people who need and avail themselves liberally of such migrant labor.) The second is what broad segments of the developed world's non-governmental sector view as extreme parsimony towards various forms of social and humanitarian immigration.

The former is most obvious when a variety of personal and low-value-added service jobs go begging. Among these jobs are assistants and child- and elder-caretakers, hospitality industry staff that goes beyond the more visible restaurant kitchen and waiting staff, some retail service providers, as well as seasonal and other types of difficult and low-wage work — work to which first-worlders no longer aspire or are interested in accepting. The latter plays itself out in Europe's intense arguments about the asylum system and in much of the developed world's unease about the growth in family immigration.

C. COMMUNITIES OF COETHNICS

Mature and influential “anchor” ethnic communities in the country of destination can and do mobilize to become “enablers” of substantial migration flows when faced with a

sharp deterioration in the circumstances of their coethnics/coreligionists in another country. This enabling function often includes offering to assist with the initial integration of the newcomers. Much of post-1970 Jewish emigration to the United States and elsewhere in the West fits well under this model.

“Enablers,” however, do not stop there. If the receiving society is unresponsive to their advocacy, they will often provide the essential “lubricants” for the unauthorized migration of their brethren. These may include the commitment of the necessary capital for their travel and entry and the provision of an incubating social and economic environment within their own community upon arrival. Examples of such “network” migration behavior abound throughout the advanced industrial world, although the role of the Mexican and Mexican-American communities in the United States may be classified as archetypical.

D. CIVIL SOCIETY

When key civil society institutions in the prospective destination country, such as religious and human rights organizations, stand in strong philosophical opposition to the circumstances migrants are attempting to escape — and are willing to use their political capital in support of a migration “solution” to the problem — they are often at least partially successful. The examples of the

resettlement of many Southeast Asians in the 1970s and 1980s throughout much of the West or the admission of those who manage to leave such places as Afghanistan, Iran, and much of the Middle East in the last two decades are good examples of such “success.” (Foreign policy elites are ready civil society allies in many of these instances.)

Civil society institutions typically pursue their pro-“protection” and, secondarily, pro-immigration work in alliance and through coalitions with ethnic, ideology-driven, and economic interests. In doing so, they and their allies quickly become key stakeholders in the effort to sustain and widen an opening to migration to the point where it becomes a permanent feature of a society. Once such coalitions mature, unilateral efforts by state bureaucracies to change the migration status quo stand low probabilities of success — particularly when other important societal actors, such as certain progressive or self-interested⁶ trade unions, also join in. The support of many labor unions in the US for offering illegally resident immigrants legal permanent status, and their countenance of most forms of immigration, are examples of alliances that cross interests in ways that have earned them the name “strange bedfellows.”

6 That is, unions that see in immigrants the prospect for expanding their membership rosters.

TRENDS TO WATCH FOR IN INTERNATIONAL MIGRATION

At the dawn of the 21st century, and looking ahead to the next two decades, three types of situations require separate mention because they have recently gained in both virulence and migration-importance.

- The first one is outright ethno-racial and/or religious conflict in which forcing a targeted group to abandon the contested area is a major policy objective (the many variants of so-called ethnic cleansing). Examples from Rwanda, the Caucasus region, Sudan, and the former Yugoslavia make this point all too obvious.
- The second form involves the deterioration of ecosystems to the point where life becomes almost unsustainable — with access to water and extensive degradation in water quality, the contamination of basic foodstuffs, and the consequences of desertification being prime concerns in this regard. The long conflict in Sudan may be a classic example of this migration cause, while the Middle East may become even more of a cauldron of instability because of it.
- The third type of situation concerns flight from various forms of natural and man-made disasters. (This situation is often related to the one immediately above in that climactic change and the deterioration of the ecosystem

can affect both the frequency and catastrophic potential of natural disasters.) A series of recent disasters in Central America have brought that topic “home” to US policymakers, while concerns about nuclear power plant safety in the western parts of the former Soviet Union is (or should be) of intense interest to Europe.

These three types of situations are not the only forces that analysts and policymakers must mind on an ongoing basis. A number of additional trends also affect the size, direction, and type of international migration, if at smaller scales. Among them one finds the following.

The first, and perhaps most troubling, trend is the refusal to adjust immigration policies to better reflect market realities. By so doing, governments surrender ever-larger proportions of their immigration decisions to smuggling syndicates and their human cargo.

The second major trend has two dimensions and focuses on the emerging “competition” for immigrants of many different types and skill levels. Competition for skilled immigrants is by now a well-established fact and includes students, engineers, persons with often advanced technical and communications skills, as well as medical professionals of all types. Such competition stems in large part from the widespread recognition that individual initiative, education, and

talent are now among the most valuable resources a society (and an economy) can “possess.” Guaranteeing those who have these attributes nearly unimpeded immigration access has become a priority across much of the developed world — hence creating the palpable sense of competition one observes among the would-be hosts for talented and well-qualified foreigners.⁷ Less appreciated (and more politically controversial) is a trend that is only slowly coming to the surface and still struggles with political acceptance. This trend focuses on the entry of immigrants who are willing to play by the rules and work hard in jobs that many of the citizens of the developed world find increasingly unappealing. This is the one form of migration that is expected to grow most robustly in the next two decades; it is also likely to be the most contested.

The third trend presents the world community with a governance and ethical challenge of the first order: the growth in “false promises” and “indentured servitude” migration. These two often-related phenomena go far beyond the sex trade that has become such a “fashionable” topic of conversation in some advanced industrial countries to incorporate the large segments of total immigration that are now systematically “trafficked” by increasingly sophisticated (and well-financed) smugglers and profiteers.

This chapter will return to these three themes repeatedly as they are critical

pieces in the analytical jigsaw puzzle that the (more) successful management of international migration requires.

WHY GOVERNMENTS (AND SOCIETIES) FIND INTERNATIONAL MIGRATION SO DIFFICULT TO TACKLE EFFECTIVELY

Four sets of mutually reinforcing factors seem to be at the root of the difficulty governments and, more generally, societies, have in dealing well with large-scale immigration’s effects. The first is found in immigration’s relationship to relatively sudden and deep social and cultural change. The second has to do with the fact that immigration requires the making of tough policy (and politically painful) trade-offs. The third stems from the issue’s deeply uneven distributional effects. The fourth and final set of factors can be found in immigration’s deepening relationship with economic interdependence and globalization. All four sets of factors require governments to engage in delicate balancing acts in which the cost of failure is often measured both in severe social (and at times even economic) consequences but also in political ruin.

A. MANAGING CHANGE

Living organisms evolve at leisurely, almost glacial, rates. Societies, which are first and foremost living organisms, are no exception. Large-scale

7 D. Papademetriou and S. Yale-Loehr, *Balancing Interests: Rethinking the U.S. Selection of Skilled Immigrants* (Washington, DC: Carnegie Endowment for International Peace, 1996).

immigration accelerates that pace and deepens its effect while its ethnic/racial/cultural “visibility” makes it more difficult to ignore — making change, rather than constancy, the rule. While social and cultural change are often identified as undergirding much of the public’s concern with immigration, one form of change may be underestimated in analyses about the reaction to immigration. Large-scale immigration compels societies to continually re-negotiate the formulas according to which their social, economic, and political power are allocated — formulas over which most societies have often invested enormous energy, passion, and even blood.

Put differently, most modern societies are built around the notion of near immutability. Nation-building symbols and myths typically reinforce that sense by emphasizing commonness and often invent “facts” that support it — and reinterpret and otherwise dismiss nonconforming facts. Deep and profound change, by challenging the very foundations of that commonness, carries within it the seeds of instability.

Certain “facts on the ground” about international migration further reinforce many otherwise understandable popular and governance concerns about it. Migration to the advanced industrial North has grown since the mid-1990s at a measurably higher rate than before and has spread throughout the advanced industrial world. At the same time, its national, ethnic, racial, and cultural composition

has also widened enormously, while the manner in which it has grown (often in ways that are unexpected and seem to defy attempts at regulation) fuels discomfort and anxiety — and contributes further to the issue’s prominence as a governance “problem” of the first order.

The manner through which a plurality of immigrants reach their destinations has given rise to a new industry — that of the organized smuggling of people. Two challenges appear to be particularly daunting about this development. The first is that these syndicates use constantly shifting organizational frameworks to protect themselves from being penetrated and dissolved by the authorities. The second is much more consequential. Illegal immigration controls have spawned lucrative black markets for all types of products and services that can defeat regulation, in part by corrupting officials along the entire route to a destination. This challenge points to the need for smarter enforcement. It also identifies a basic weakness in regulatory practices that stubbornly deny labor market realities and the power of human nature and seek to alter behavior by focusing almost exclusively on policing responses.

This is a theme to which this chapter will return again in the pages ahead.

B. NEGOTIATING DIFFICULT TRADE-OFFS
If sudden and deep change is tough to manage, an additional set of forces makes managing immigration

even more difficult by forcing governments to make choices that require tough policy trade-offs. Many trade-offs have political consequences that can be best described as classic “Hobson’s choices.” Two examples of such trade-offs — one from an economic/labor market and social policy perspective, the second through a broader international cooperation lens — offer a sense of that complexity.

1. Trade liberalization, training and education adjustments, and social protections

Openness to migration can juxtapose a “just-in-time” philosophy of economic competitiveness, which seeks forever greater access to the global labor pool, with a social democracy’s more fundamental interests in training its own workers and maintaining generous social and labor protections. In such a binary framework, the economic interests that support immigration are seemingly put on a collision course with the interests of the broader society. Obviously, as posited, a large part of this tension is intentionally artificial, even simplistic. Yet, it is important to make the larger point as clear as possible. Policymakers are asked to make virtually instant calculations about complex cost-benefit ratios across a maddening array of policy domains with grossly inadequate information and crude policy tools.

An example from international trade might make this point clearer. Trade liberalization is a policy priority that has been pursued relentlessly by the

advanced industrial states. The global competitive forces that trade openings unleash can make waiting for a society’s education and training regimes to adjust to changing demands in education and skill-sets akin to economic suicide. Waiting for the attitudes of one’s workers about work and associated social protections to adapt to the realities of international competition is an even larger challenge and will likely take even longer. In fact, even under the best of circumstances, such adjustments require atypical amounts of astuteness, good judgment, and political courage — attributes that always seem to be in short supply.

As noted earlier, the reasons go beyond the fact that products produced more efficiently and cheaply elsewhere are now imported with few or no duties, quotas, or licenses, thus forcing uncompetitive industries and social policies that are out of line with an economy’s ability to afford them, into a corner. Two additional factors are that (a) the developed North has also pursued vigorously (and very effectively) the liberalization of capital markets and the stabilization of foreign investment environments, and (b) many middle-income and even less-developed countries have increasingly well-prepared, competent (and pliant) workforces. Hence, unless access to immigrant workers is also liberalized, and social policy regimes become more aligned with the economic facts on the ground (especially productivity), some of a country’s most competitive firms may well decide to “outsource” some of their activities and expand their

operations mostly abroad, or even relocate entirely. This is not a theoretical proposition as the (re)emerging debates about these reemerging issues in the United States, Germany, and elsewhere make clear. This is indeed one of the largest policy dilemmas trade liberalization and global interdependence pose for advanced social democracies and demonstrates the need for uncharacteristic wisdom in making the right trade-offs across policy domains.

2. International cooperation in controlling irregular migration

A second example of difficult trade-offs comes from the area of international cooperation. The example focuses on the challenge of engaging key sending countries in sharing in the management of international migration deeply enough to, in effect, assume *co-responsibility* for achieving mutually agreed-upon policy outcomes. Accomplishing such a “joint management” objective will require both parties to make tough choices during negotiations.

In order for advanced industrial democracies to engage key immigrant-sending and transit states in serious negotiations about a common front against organized forms of illegal migration, the former must place on the table items of high value to the latter in exchange for their “organic” cooperation. Among the items receiving countries must put on offer are liberalizing trade in such low valued-added areas as agriculture, textiles, and garments (sectors highly protected by all rich countries),

as well as some physical and social infrastructure assistance. One more element, however, is also essential: *far* greater access to the advanced world’s labor markets. While the policy objective sought in this trade off is an important one, the cost of such a “deal” is measured not only in jobs and at least some economic pain for some of the advanced economies’ societal segments, but also in adverse popular reaction and electoral retribution. The pain will in fact be felt twice: first, when affected domestic constituencies organize in opposition to such a bargain, and second, when they retaliate against the government at the polls.

3. Migration’s distributional effects

The third part of the issue’s complexity can be traced to its distributional effects. Migration’s economic and social effects are distributed unevenly across otherwise discrete policy domains (such as various components of human resources policies, trade policies, tax policies, etc.) and among a society’s constituent segments (such as investors, producers, consumers, workers, etc.) These effects, as well as those of a government’s responses to migration, unless managed well, create distinct categories of “winners” and “losers” and sow the seeds for negative political reactions to migration. Failure to address these reactions quickly and decisively can and does lead to political contentiousness about immigration one is observing in many parts of the advanced industrial world.

4. Migration and economic interdependence

The near-free movement of capital, production, and markets has meant that well-capitalized and highly competitive global firms have been able to exploit global opportunities with greater ease and fewer risks. This minimization of obstacles and risk has been enshrined in trade and investment liberalization regimes pursued through the World Trade Organization's ongoing negotiations, as well as in bilateral and regional trade and investment accords. In very limited instances, some regional "integration" negotiations are also moving forward, if slowly (e.g., the Southern African Development Community — SADC). These instruments clearly advance the objectives of the business sectors that promote them, and, as a result, most producers and consumers benefit from them.

At the same time, and as noted briefly earlier in this chapter, such agreements also blur the lines between opportunities and risks for some segments of the societies that are parties to them. Opening foreign markets, for instance, creates clear opportunities for Western businesses to exploit their advantages in endeavors that "contain" higher value-added and greater technological content. Hence, both those directly employed in these businesses and those employed up and down the economic stream in those and related sectors also benefit through the so-called ripple effects.

The opening of foreign markets, however, requires roughly commensurate concessions by advanced industrial societies — a reality that is naturally not highlighted until an agreement is reached and the text becomes public. (Few public processes are less transparent than trade negotiations.) The opening up of protected sectors in advanced industrial countries typically has substantial adverse consequences for businesses in these sectors and their associated workforces — just as the opening of the less advanced countries' markets does for them. Thus, for nearly every opportunity that trade accords create, some social and economic sectors "win" while others are asked to absorb a significant amount of risk and pain.

The adverse effects of increasing economic interdependence and globalization-dictated restructuring impact most directly noncompetitive industries and the holders of uncompetitive skill sets — wherever these are found. More important for this analysis, however, may be the social consequences of this restructuring. These consequences are at the root of the popular uncertainty and fear that globalization forces have created. Refocusing on the advanced industrial societies once more, these same social consequences are also the root causes of much of the reaction to immigration.

MANAGING A GLOBAL SOCIAL AND ECONOMIC PROCESS

Economic and other forms of interdependence noted earlier place countries and entire geographic regions in the grasp of an increasingly global migration system in which economic and sociopolitical events have direct migration consequences. Recall, for example, US fears in the mid-1990s that the failure to “rescue” the Mexican peso would greatly increase immigration pressures from that country, or Europeans’ concerns that the latest EU enlargement would have substantial migration consequences for the EU 15.⁸

At the root of the immigration management quandary, which virtually all advanced industrial societies now find themselves in, lies the myriad of economic, political, social, and other calculations and actions (or, more notably, *inactions*) these societies have made on this issue over the years. These decisions and “non-decisions” have invited or subtly encouraged various types of migrants to enter the international migration stream. This process, in turn, has given rise to a governance challenge of the first order — a challenge that since September 11, 2001, has acquired a very distinctive public-security component. The issue has thus become how to (a) regain the

public’s confidence that government can *and will* manage immigration competently (and protect the homeland), (b) address the array of public grievances relating to immigration and its consequences, and, in doing so, (c) defuse growing xenophobia and reduce the stigmatization of various ethnic, religious, and immigrant communities.

These concerns make clear the depth of the migration management challenge and point to one of this chapter’s major lines of argument: *that international migration has reached a management “tipping point” where single-country solutions are no longer capable of addressing it effectively and to mutual advantage.*⁹ Managing immigration more effectively in the years ahead, whether unilaterally, bilaterally, regionally, or multilaterally (even globally), thus requires that policymakers understand much better the following issues:

- The differences between factors that cause or at least substantially affect migration and those that merely mediate it — and the policy levers policymakers can pull and the sequence in which to pull them to bring about a desired outcome.
- The reasons some people react to certain events by emigrating while so many others facing similar or worse circumstances

⁸ The EU 15 countries made different interim provisions about such migration. They placed no restrictions on the movement of Cypriots and Maltese. Some of the EU 15 offered liberal entry and work privileges to the nationals of the new Member States, but a subset restricted access to the social benefits for such immigrants. The rest have continued to restrict movement for part or all of the seven-year transition period the accession treaty provides.

⁹ This line of reasoning, however, does not absolve countries involved in the migration process from making their own tough but smart governance and management choices.

stay put — and how governments can intervene in each instance to steer the outcomes towards the preferred direction.

- The role of organized people-smuggling syndicates in the growth of unwanted migration (they are now a critical factor) and the need to reallocate resources and shift detection and enforcement paradigms in order to tackle them systematically and aggressively.
- The relationship (“fundamental difference” may be a more appropriate construction) between immigration decisions and opportunities for terrorists — and particularly the role that a country’s foreign political and economic decisions, and its ability to integrate its immigrants effectively, play in the growth of this era’s clash with nihilistic violence.
- The limits of unilateralism (or of *de facto* unilateralism¹⁰) in responding to unwanted migration.

The reality is clear: Migration ties sending, transit, and receiving countries — as well as immigrants, their families, and their employers — into often reinforcing intricate systems of complex interdependence. It takes the cooperation of virtually all these actors — plus smart policy decisions, thoughtful regulation, and sustained enforcement — to make real progress

in limiting the effects of migration’s challenges enough so as to draw out even more of its benefits.

Failure to understand the types of issues outlined above much better and to work *with* key societal actors in drawing out migration’s benefits will place governments further behind in the migration management effort. This is especially the case when taking into account the ongoing adaptations unwanted migrants make to their entry and labor-market assimilation strategies. Making things worse are the public’s impatience with experimentation and its intolerance for anything but almost-immediate results. The obsession with controlling international migration through unilateral law-and-order measures and the distorting effect of this approach on the public debate simply complicates matters further. All these factors allow governments precious little leeway to demonstrate the following key points:

- First, that immigration is not at the root of the North’s major problems (although it exposes those problems and subjects them to public scrutiny).
- Second, that problems to which migration contributes can in fact be managed.
- Third, that immigration, properly managed, can provide important answers to some of the North’s

10 The term “de facto unilateralism” refers to individual or groupings of advanced industrial societies “negotiating” with sending or transit countries with very little to offer them beyond lectures and stern warnings, technical assistance designed to advance the destination countries’ purposes of immigration control and trade “concessions” that are typically both less meaningful than they may appear and have a double-edged sword character in their requirements.

most intractable longer-term economic, social protection, and demographic dilemmas.

MIGRATION MANAGEMENT FUNDAMENTALS

Single-purpose policies, just as single-cause explanations, are poor guides in developing successful responses to intricate and politically sensitive issues. Decisions that relate to immigration cut across policy domains and administrative responsibilities and thus require extraordinary amounts and forms of coordination in both planning and execution. (A partial list must include border management, public order, social welfare, education and training, and foreign, trade, and development policies.) Yet, government competencies are almost always single-issue focused, and bureaucracies are typically organized vertically in order to deliver the necessary function.

This need not be always the case. For instance, the creation of DHS had the opportunity to begin to chip away at this public-sector agency management paradigm. So far, it is failing badly. (The July 2005 attacks on London led some to call for a similar consolidation of key functions under a single new agency.) Furthermore, the subsequent reorganizations of both Canadian, and, to a lesser degree, Mexican federal agencies to “match” some DHS functions may create an opening for thinking and acting “horizontally” on the increasing number

of issues that cut across issue portfolios (the jargon one hears more regularly now is about “policy coherence” and “mainstreaming”). In another example, the EU Commission seems to be learning how to cooperate more across “competencies” although it seems to be doing so slowly and painfully. If some of these experiments succeed, managing immigration’s benefits and consequences could become an archetype of how policy decisions can be made jointly with and implemented across several line agencies.

Another matter also detracts from the opportunity to manage migration issues more effectively: the extreme tendency to compound and conflate. In fact, the tendency to conflate both concepts about and responses to migration has become endemic. Conflation denies public servants and politicians alike space for identifying what works well (and should be encouraged) from what may be broken about migration — and thus plays into the hands of those intent on “tarring and feathering” the entire system. For instance, to use just elementary examples, not all immigration is boon (or bane), not all temporary worker programs are bad (or good), not all immigrants are a burden to social welfare systems (although many are), not all immigrants refuse to commit to integrating into the communities in which they live (although many do), and not all asylum claims are bogus (but far too many are). In the public discourse about these and similar issues, opponents behave as if

everything about immigration is negative while proponents in turn argue that all is well. The overall point remains simple but compelling: conflation ultimately denies governments the space they need to identify, experiment with, and promote responsible management practices.

A. FOUR ELEMENTS OF BETTER MIGRATION MANAGEMENT

The approach to better managing all migration — and not just its illegal variant — has four organically interdependent parts that must be pursued in concert if the management objective is to succeed.

First, legal immigration channels of various forms must be widened and deepened. Greater legal access by immigrants does not translate, *ipso facto*, into the silver-bullet solution to migration's challenges that some immigration advocates may argue. Without it, however, governments will always find themselves in untenable positions both in regard to their control efforts and public perceptions about their overall governance skills. Perversely, such criticism will likely come both from those who feel they are not doing enough to produce results and those who argue that they are doing too much of the wrong things.

Second, internal controls must be systematically and regularly reviewed with an eye to reducing opportunities for unauthorized immigrants to gain footholds in the destination country. There are at least two tracks to

internal controls. One must focus on the labor market while the other must be mindful of the increasingly complicated array of law-and-order issues, particularly terrorism. In the first track, regulators will find their task easier if they work *with* the market and civil society. The second track demands a reorientation of law enforcement priorities, the development of additional law enforcement methodologies, and greater resources. Both tracks also require something else that few analyses emphasize and hardly any government has tried consistently: sparing no effort to convert key societal stakeholders into partners in what should be conceived of and carried out as “national projects.” Such partnerships will require exquisite listening skills and the willingness of both parties to make compromises — attributes that neither side has demonstrated that it has in adequate supply.

Third, the state's border control stance must be reviewed frequently with an eye to continuing to make only investments that both make sense and bear fruit. Agreements between major countries of origin and destination that focus on sharing responsibility for the management of migration flows should be pursued simultaneously with robust border policing. Such agreements must be truly bilateral and balanced in terms of what each party gives and receives. A good rule of thumb upon entering such negotiations is that the benefits to each party must be substantial enough

to alter behavior while the costs do not undermine either party's fundamental legitimacy to the point where delivering policy outcomes in accordance with agreed-upon terms becomes impossible.

Fourth, the task of solving the immigration and intergroup relations puzzle must be engaged with uncharacteristic imagination and vigor. Nothing a country does on immigration will be more consequential in the long term than creating level playing fields for the economic, social, and political incorporation of immigrants — new and old. The new security imperative amplifies that point a hundredfold. But the effort should go much further. As relationships between host societies and immigrants evolve, an emphasis on mutuality and on creating common space and developing an inclusive community identity can help a society move forward. Collaborative integration efforts that engage government, the private sector, civil society, and the philanthropic community can leverage scarce resources and establish agendas that recognize immigrants not only as long-term contributors to the community but also as future constituents. Ultimately, integration efforts succeed best when they reconcile the immigrants' needs and interests with those of the broader community in a dynamic process that weaves a new social fabric.

Marginalization and stigmatization of immigrants and their ethno-cultural communities, whether willful, inadvertent, or the consequence of inattentiveness, will likely fuel various forms of anomie and prove to be the source of hard-to-repair damage to long-term social cohesion. Nor is there a shortage of division-promoting issues. The domestic phase of the United States', and, increasingly, the Western world's emerging "war on terrorism" is likely to become the latest and arguably most potent instrument through which such stigmatization is occurring. Unless it is handled wisely, this "war," while perhaps making us safer in some ways, can also set the cause of immigrant integration and social cohesion back for a generation or longer — and thus undermine domestic security in the longer run.

B. THINKING BEYOND THE ADVANCED INDUSTRIAL COUNTRIES' PERSPECTIVE

These four observations are obviously made from the rather narrow perspective of developed countries. The overall objective must remain, however, to enhance migration's role as a critical resource for greater human progress. This is a goal that is made easier through migrant remittances of various forms, the gaining and dissemination of new ideas, and the transfer of economic and noneconomic skills.¹¹

The dilemma is sharper than usual at this point in time because interest in

11 The role and value of "social" and "political" remittances are often underestimated as they occur in the long shadow of the far more commonly referenced financial remittances.

and reliance on migration by the less developed world is intensifying. This intensification, however, is taking place simultaneously with the struggle of many industrial societies to find a balance among reflexive restriction, enlightened self-interest, and an admittedly weak but nonetheless existing sense of solidarity with the less developed countries from which most immigrants come. Nowhere are these dilemmas playing themselves out more powerfully than in the EU/EEA.

Not all immigrants are following “south-to-north” trajectories. Very substantial intradeveloped world migration also occurs but there is virtually no discussion about it. This is only in some part because the movement is treaty-based or otherwise reciprocal. The largest part of the relative equanimity wealthy nations show towards such migration is that, by and large, such migration is socially, culturally, and ethno-racially acceptable.

Finally, there are also significant north-to-south movements, primarily of business persons, aid and development experts, and, increasingly, retirees. These movements also occur beyond the radar screens of most analysts and certainly those of the “worried” classes that often turn issues into problems.

These realities point not only to the complications associated with senseless restriction but also to the possibility that such restriction, if carried to the extreme, can affect persons and processes whose

movement is mostly beneficial and may in fact be desirable. A decided turn to mindless restriction will thus threaten international migration’s historic role as an instrument for individual freedom and personal growth, as a force for the development of source countries, and as a strategic factor in the continuing growth of destination countries.

C. THE ELEMENTS OF BETTER MANAGEMENT PRACTICES

Considering this wider analytical lens, what might the advanced industrial world be doing differently on migration that is more “development-friendly” and captures and maximizes its many benefits? Mindful that policy prescriptions are always easier to offer the further one sits from the “real” world of policy and, even more so, politics, the following ideas are offered with the necessary amount of care. The discussion is organized along two broad categories: (1) setting the stage, and (2) basic management rules. The overall management objective sounds simple but is extremely difficult when managing complex social processes: to regulate international migration in ways that avoid the vicious circle of failed unilateral and single-purpose controls and move state actors towards cooperative policies that promote the virtuous cycles of disciplined pragmatism and good governance.

1. Setting the stage

a. Recapturing control of the portrayal of the migration process

Two mutually reinforcing trends pose the most imminent and clearest threat

to continuing to draw benefits from the global migration system: demagoguery and illegality. Demagogues, irrespective of party affiliation and regardless of whether they are in or out of government, ride the issue for political advantage with abandon. As a result, they often define the parameters of the public debate. In the typical scenario, governments do not address why immigration is important, what is valuable about it, and how to maximize its gains and minimize its costs until a crisis erupts. By that time, however, they are on the defensive and their actions typically reinforce the case of the demagogues. The result is that public perceptions about migration become further distorted, and the discourse moves even further away from responsible ideas.

The second obstacle is illegality, particularly the perception that most migration is unauthorized. The apparent ubiquity and brazenness of the international trafficking syndicates and the publicity of their “exploits” reinforce that impression and undermine the prospects for deliberate action. In addition to frequently mistreating the migrants they traffic, these syndicates also harm the social order and rule-of-law interests of the societies in which their “cargos” end up. Recapturing the process from both demagogues and syndicates — in the first instance, symbolically, in the second one, literally — is a good governance imperative of the highest order.

b. Practicing far greater transparency
Migration is full of myths, missing and

unreliable data, biased analyses, and (almost purposefully) obtuse administrative terms of art. For instance, what is a “working holiday maker” when a visa can last for a year or more, and what is “temporary” about multiyear foreign-worker visas that allow their holder to readily adjust status to a permanent one? Furthermore, migration suffers from too much passion on both sides of the issue. Practicing far greater truth-in-immigration might thus be supported as a policy objective that can stand comfortably on its own merits.

Two areas shout the loudest for greater transparency and political introspection, as well as for more thoughtful discussion: (1) exploring further the reasons for the increasing demand for the work that immigrants do in industrial countries, at all skill levels and across all economic sectors; and (2) the relationship between migration and social democracy/the welfare state (see the chapter by Brochmann and Dolvic in this volume). The policy complexity of both issues (and the intensity of the associated politics) requires treatises for each. This chapter will simply raise some of the issues.

With regard to the first issue, the United States and all advanced industrial societies have to think harder about whether and how shortcomings in systemic education and training failures are linked to greater immigration. Additional effort should be invested in exploring systematically the relationship of immigration to the persistent unwillingness of first-world

workers to move to where the jobs are and their shunning of what the Japanese call “3-D” jobs — demanding, dirty, and dangerous. And as if those issues are not incendiary enough in a political sense, a real discourse must also delve deeply and honestly into the relationship among immigration (legal and unauthorized), unemployment rates, and the availability of relatively generous unemployment and welfare benefits.

In addition, and related to this last set of issues, the question must also be asked whether it is still feasible to pay “high” wages for low-skilled, low-value-added jobs in the face of international competition that dictates that wage and nonwage costs for tradable goods and services better reflect a worker’s productivity. Finally, and putting it even more directly, the question is whether 3-D jobs can continue to be rewarded at the level they used to be when protectionism ensured domestic products were able to count on several forms of subsidies and incentives relative to foreign products. The latter could either be kept virtually out of a country outright through quotas or otherwise be made much more expensive through a Byzantine system of high duties and taxes, restrictive licensing, and other forms of “regulation.”

The second issue may be even more politically explosive and thus requires even greater care and honesty. On the

one hand, post-World War II baby boomers now have a set of expectations from social democracy that makes even modest changes in labor market and social protection policies extremely contentious. Former German Chancellor Gerhard Schroeder’s experience in making a number of rather modest labor market and social protection reforms late in 2003 attests to that difficulty, as can the experiences of a succession of French political leaders.¹² On the other hand, advanced industrial countries’ failure to adjust their education and training systems to compete globally prior to, or at least simultaneously with, their deep and sharp opening to trade liberalization, has contributed to high levels of structural unemployment in many sectors. The reason is simple. With globalization forces galloping on, those without the requisite bundles of skills, those who are unwilling to adapt to the rules of global competition, and those with ready access to more or less substantial government incentives not to do so (in the form of social protections), find themselves among globalization’s “losers.” Decisions by many of the advanced world’s firms to move investments and, increasingly, jobs abroad — for many of the same kinds of reasons and under a similar imperative to compete successfully and draw out additional profits — contribute to the unemployment conundrum further.

12 Although the examples are European to emphasize the political difficulties of changing deeply rooted practices, they are no less valid for the United States or Canada.

These and associated issues seem to have some policymakers and most politicians stymied and even intimidated, while they present others with the ancient Greek theater's *deus ex machina* opportunity for opposing immigration. A possible roadmap out of this quagmire might start not by denying or dismissing the present (admittedly complicated) relationship between immigration and social democracy, but by thinking harder and investing more of all forms of capital in turning immigration into an ally of and contributor both to competitiveness *and* social democracy.¹³ Some experiments in that regard have been suggested in the section on “controls plus” below.

In sum, all governments use facts and truth much more sparingly than they should on politically sensitive issues. On immigration matters, however, willful distortions and outright lies play directly into the hands of immigration's detractors and interfere with the more successful management of the issue.

c. The imperative of public education

A sustained public education effort is essential to making real progress towards recapturing the initiative on migration. Specifically, governments will likely find their public education task both easier and more amenable if they move gradually but firmly away from the rhetoric of just keeping immigrants out and towards a stance

that points to the benefits of pursuing immigration policies that address key policy priorities directly. It is then far more productive, and in some ways easier, to encourage all relevant societal actors to participate in a public debate that deals with the facts and to conduct such a debate from a stronger position. In doing so, the debate and subsequent enforcement actions stand a chance to move from the enforcing of typically arbitrary rules to sharing responsibility for implementing mutually agreed upon bargains across a variety of policy domains.

A simple rule of thumb may be the most basic point here. If the political leadership cannot or is not willing to articulate clearly to its electors why the country is or should be in the immigration “game” in the first place, that country should not be in it. Everything else is a potentially explosive mix of high-handedness and political cowardice. It is not uncommon for leaders to be punished in the polls when they are perceived to engage in such behavior — whether on immigration or other divisive but unavoidable issues. Electorates in several European countries in recent years, as well as in Canada in the early 1990s, have handed sitting governments stinging defeats in significant part because of such perceptions.

An alternative model exists when it comes to immigration. The Canadian

13 D. Papademetriou and K. O'Neil, “Reflections on Immigration and the Welfare State” (Washington, DC: Migration Policy Institute, 2004).

government “speaks” with Canadians about its immigration policies regularly and has found this avoids the “feast-or-famine” cycles with public opinion on immigration that the US experiences, the deep skepticism and reaction to immigration with which virtually all European governments have to contend.

2. Basic management rules

a. The importance of clear rules

Clear rules are an essential part of any sound management system. In fact, the greater the complexity of the management challenge, the greater the need for clear and consistent rules.

Consistent rules, however, are not enough. Complex management systems also require that rules be applied steadily and reliably across the board. Put differently, a management system that is rules-based should also deliver consistent — and hence predictable — outcomes. It is predictability in outcomes, in turn, that is the essential precondition to building public confidence on complex and often divisive policy issues.

Predictability in outcomes is very elusive in all countries that engage the immigration system — although some states seem to do better in that regard than others. Differential outcomes are most pronounced, and perhaps most troubling from a governance perspective, in two areas: enforcement and naturalization. And both of these seem to be more troublesome in federal, rather than unitary, states.

b. Building and maintaining management capacity

Building robust management systems and funding them properly are essential preconditions to a sound immigration regime. Instead, “frail” management systems and insufficient resources for the immigration function have become endemic across most advanced industrial countries. But the requirements do not stop there. Implementation methodologies and strategies must be reviewed regularly and adjusted frequently so that they are always aligned with policy objectives, and the delivery of the function must be evaluated constantly. The reason is compelling: it is in implementation that even the most well thought-out systems stumble.

Building and maintaining effective capacity in the management of migration should thus become and remain a policy priority of the first order for all immigrant destination countries. Yet, among countries that engage in migration in substantial ways, only Australia, New Zealand, and Canada come somewhat close to the management robustness called for here.

c. Working with the market and civil society

Finally, if most who engage the migration system are to get greater value out of their “investments” in migration, two of the most powerful and determined critics of migration policy and systems — the market and most of organized civil society — must be converted into partners if the effort

to create and take advantage of win-win situations is to stand a chance to succeed. Working against, rather than with, the market is often an exercise in futility; working without the benefit of close cooperation with civil society — a system's main stakeholders — makes the task of governance on complex issues tougher than necessary. There is another, extremely important, benefit to working with one's critics on difficult issues that is often discounted or even ignored: the two sides can share responsibility for what succeeds rather than always blaming each other for the many things that will inevitably fail.

THE "WARS" AGAINST ILLEGAL IMMIGRATION AND TERRORISM

Even if governments are diligent in observing the management fundamentals outlined above, perfection cannot become the policy goal when dealing with the complex social and economic issues associated with economic immigration. The standards perfection demands are too high, and any policy designed to meet them will ultimately be judged a failure.

In no policy field has the rhetorical pursuit of perfection led to more governance (and political) dead ends, than in "defeating" illegal immigration exclusively through law-and-order responses. This premise remains valid

even if such responses are coordinated to include much tougher border controls, ever greater labor market regulation, the enhanced intrusiveness associated with high-energy interior policing, and persistent efforts to reduce the demand for asylum by making it more difficult both to launch applications and succeed in the adjudication process. The facts in the United States and throughout much of Europe speak for themselves.

Four reasons make the point obvious.

- First, the enforcement of exclusion, that is, law-and-order measures without concomitant rules that also admit people along a variety of criteria¹⁴ and engage them in common projects towards building up the communities in which they live, cannot be effective — that is, not unless (some analysts will say "even if") a society is willing to militarize its response to immigration and invest always larger resources in it. The United States has been moving in these directions, initially in its border control efforts. Yet, net illegal immigration has been rising by an average of more than 500,000 persons per year¹⁵ for nearly a decade now despite massive total expenditures on control measures. The effort's perverse effects do not stop there. Several hundred would-be immigrants die

14 The criteria will include employment needs, humanitarian responsibilities, and legal obligations.

15 J. Passell, *Unauthorized Migrants: Numbers and Characteristics* (Washington, DC: Pew Hispanic Center, 2005), <http://www.pewhispanic.org/files/reports/46.pdf>.

each year as they attempt to cross into the United States illegally from Mexico. Furthermore, many Mexicans who used to follow a migration rhythm of back-and-forth movement (what many analysts call “circularity”), now find themselves locked in once they make the much higher investments (in smuggler fees and personal risk) necessary to defeat US border controls.

- Second, immigration systems create their own self-feeding dynamics that encourage even more migration. These dynamics include both “push” and “pull” forces (see also immediately below.) Flexibility, then, and smart and clear rules that a state can enforce firmly, are better policy goals than mere denial.
- Third, unless a state buries itself in isolation, a proposition that is absurd on its face, all transnational contacts (economic, political, social, and cultural) have at least some migration consequences. Globalization, however one defines it, is thus also a major migration lubricant. If a state believes it can draw important benefits from the openness globalization institutionalizes and regulates, working with it also on migration is smarter than working against it.
- Fourth, people fleeing circumstances they consider intolerable will enter the illegal migration stream and test various receiving states’ defenses again and again. They will do so

regardless of whether they must risk their own lives, pay exorbitant fees, or subvert the asylum system or any other available means of entry. Then they will insert themselves deeply into the underground economy.

This is not to propose “going soft” on illegal immigration. In addition to undermining a society’s legal order, illegal immigration can also hide persons who wish the targeted society ill and confound or pervert a variety of that society’s domestic and foreign policy priorities. Terrorist issues temporarily aside, one of the most significant consequences of illegal immigration may in fact stem from the reality that the traffickers’ “cargo” — most illegal immigration is increasingly well organized — consists of desperate people. Such people are willing to work long hours under virtually any conditions to pay passage fees that range from the low thousands of dollars for crossing a single border to many tens of thousands of dollars for “full-service” contracts that include delivery to specific destinations.

Smuggling networks increasingly get only part of their fees up front — a function of the reality that few prospective immigrants (and their households) can amass the funds needed to prepay for passage or otherwise pay in full upon successful completion of the journey. As a result, increasing numbers of unauthorized immigrants mortgage their very lives and futures to their smugglers — turning themselves into

peons at the mercy of unscrupulous syndicates and their clients. This class of modern-day indentured servants weakens the receiving society's system of wage and working conditions, its social contributions' schemes, its legal and social order, the well-being of communities in which such immigrants settle, and, conceivably, its security interests — while diluting and undermining support for all immigration.

Nonetheless, as with many other lucrative illegal activities, the global “war” on trafficking in people is not winnable under the current rules of engagement. One of the key reasons focuses on the differences in the fundamental organizational dynamics of the contestants. These dynamics favor the agile, transnational, and relatively small trafficking networks over the much larger, slower, and more bureaucratized government agencies based in a single state.

Relative to the fluidity that characterizes illegal syndicates, government agencies are also hampered by three additional forces. The first is implied immediately above and focuses on the fact that governments are at their worst when they must act across borders. The second is that, relative to their opponents, government agencies tend to be grossly underresourced (at least in terms of being resourced in a timely fashion) both in terms of funds and access to technology. Finally, governments typically have to observe rules and conduct that hamper their ability to respond “in kind” — rules that are

meaningless to the transnational criminal syndicates that run the trafficking networks.

What may be the governments' greatest disadvantage, however, is that, as they line up against market forces, they must fight a war in which their efforts are resisted from within their own state. These resisters include economic interests, archaic and overburdened labor market and social protection rules, humanitarians who feel that protecting those who flee is the highest order of responsibility (a near “calling”) of a wealthy liberal-democratic society, and many of a society's other public and private sector forces that are more committed to openness than the politics of the day may allow.

The lesson? Instead of engaging in battles the government cannot win, a smarter way is to let the market find its own equilibrium but within rules set by society and enforced jointly by government and key stakeholders from the civil society.

In no field of endeavor is the control effort more complicated than in fighting terrorism. Many opponents of immigration have latched on to the terrorism challenge opportunistically in an effort to promote their anti-immigration agendas. Yet, some of the concerns they articulate are legitimate. The attacks on the United States, Spain, and the United Kingdom make clear that some foreigners were able to take advantage of these countries' entry management systems and, to a

much lesser extent, their immigration systems proper, and launch their attacks from within. Furthermore, there is now little doubt that the terrorists' cause has active sympathizers in the immigrant and ethnic communities of which the terrorists were nominal members — and that such sympathies have aided and abetted terrorist acts.

The policy question then becomes how to protect oneself and one's country from the threat terrorism presents. This is not an easy thing. Intelligence and police work will have to be the frontlines of protection, as will much deeper international cooperation than is either the case today or appears likely in the immediate future. The effort must also include a thorough review of the developed North's foreign political and economic relations with an eye towards identifying policies that fuel hatred towards it.

A parallel track must also be fashioned, however, and followed with equal diligence. This track must involve developing and implementing a plan for winning the hearts and minds of ethnic and immigrant communities. In doing so, and by systematically promoting inclusion, participation, and engagement, such communities can be turned into key allies in the fight against terrorism, rather than incubators and protectors of the next wave of terrorists.

The calculus is as clear as it is compelling. In many ways, terrorist

sympathizers and terrorists are even more of a threat to the well-being of the communities of their coethnics in advanced democracies than they are to the society targeted for a terror attack. This reality must serve as a wake-up call to these communities or they will find themselves further marginalized and stigmatized. Similarly, the broader society's self-interest dictates that inclusive policies be devised and implemented with vigor so as not to marginalize the immigrants in its midst. But the effort must not stop there. Positive steps must also be taken so that such immigrants are made into essential parts in solving the antiterrorism puzzle.

CONTROLS "PLUS" AND THE IMPORTANCE OF MOVING BEYOND UNILATERALISM

Regulation is a critical part of any robust management system. In fact, regulation is the ultimate guarantor of a system's integrity. On complex and constantly evolving regulatory systems, such as migration management, setting the right goals is absolutely essential. In that regard, instead of seeking perfection with its predictable disappointments, immigration policies might proceed from the premise that uncertainty and imperfection will be a way of life. They should also be compatible with a people's sense of themselves and with a country's social, economic, labor market, and demographic realities. Immigration policy will nonetheless be always partly an exercise in the inexact.

Channeling it is thus a better and more realistic course than either denying its existence or articulating policy goals that seek total control or exclusion — goals that tend to create unrealistic public expectations and fuel further climates of intolerance.

The international environment also shapes what is and what is not possible. Consequently, countries (or regional state groupings) should invest in some modest experiments in smart regulation — a learning-by-doing approach — that are continuously evaluated. These experiments might test a variety of market-based responses and introduce ideas that go beyond simply building better mousetraps. The following is a sampling.¹⁶

1. Requiring bonds from migrants and their employers (any activity/behavior can be bonded at no cost to, and with little effort on, the part of the public sector). Austria, Australia, and New Zealand, among others, use such bonds as incentives to shape certain forms of behavior in a number of immigration-related issues, and several other countries are also considering them. Language training and ensuring the return of temporary workers are the policy areas most frequently targeted by such bonding schemes.
2. Charging employers an initial fee that goes beyond recovering the cost of the typical administrative

service and dedicating such fees to training and similar policy initiatives focused on the domestic workforce. The United States employs such a fee in one of its entry categories for foreign-born professionals and uses it for precisely such purposes — as do Singapore and some other countries. Fees that might be dedicated to building a modest social safety net for immigrants and their immediate families (in health and transitional educational services, for instance) might also prove to be important investments towards the better acceptance and integration of immigrants.

3. Experimenting with allowing employers to offer marginally lower minimum wages for entry-level, low-skilled jobs to permanently resident newcomers for a short period of time — say, six months. This might encourage firms to hire and invest in training legally permanent immigrants with few or no skills, and to do so in the formal, rather than the underground, economy.
4. Reducing the social contributions of temporary workers to induce them to invest in tax-protected personal savings accounts that they would access only upon return to their home countries. Such an approach would provide an additional incentive for such workers to return home and gain access to their nest egg that they then might invest in an economic

16 These responses can be tested individually or in pairs and groupings. The important thing is to test *and evaluate* novel ideas that, if successful, may allow governments to move beyond the tried-and-failed routine of simply doing more of the same.

activity there. Together with bonds and with sending countries' efforts to help their workers abroad remain engaged with their families and communities back home (for instance, by providing emigrants' families with modest social protections during the bread winner's absence), such schemes may offer a real test to the proposition that circular migration that treats all concerned properly can be successfully implemented.

5. Requiring family sponsors to absorb some of the protection costs — and risks — associated with the (re)unification of their families by pooling insurance-like premiums into special funds that can underwrite a number of unforeseen changes in the newcomers' circumstances. Considering that several countries now hold sponsors financially accountable for those whom they sponsor, and the increasingly widespread concern about the social insurance costs of many forms of immigration, experimentation in this area holds the promise of beginning to attenuate one of immigration's major "image" problems.
6. Mandating the establishment of migrant-funded trust funds that could provide part of the transitional educational costs immigrants and their families may need in the early years of migration. These funds might be independent of, alternatives to, or in addition to the concepts discussed in items 2 and 5 above.
7. Experimenting with granting a

sample of asylum seekers and a sample of family immigrants work permits immediately upon entry, then observing and measuring labor-market attachment and related outcomes over time. Such an experiment would allow the making of informed judgments about the implications of alternative policy decisions. This would be particularly relevant for European countries that practice a poorly thought-out policy whereby most newcomers are not allowed to work — and thus instill in them a culture of dependence on the state that often spills over into the newcomers' lives after they are allowed to work.

By thus systematically setting up and assessing the performance of new policies, testing the durability of new regulatory frameworks, and laying out menus of policy alternatives, initiatives on migration management stand a better chance of bearing the desired policy fruit than they do now. Nor can the importance of demonstrating success in migration management be emphasized enough. So far, dealing with migration has taught most advanced industrial democracies how to deal with failure. It is now time to look to the future and consider how to achieve better outcomes for the greatest number of actors on international migration and how to measure success.

The more important point here, however, may be neither to dwell, Cassandra-like, on doom-and-gloom

scenarios nor to be unrealistic about how much success to expect. Rather, it is to recognize that policy coherence is a process, not an event; to understand what policymakers are up against when they talk about “reining-in” illegal immigration and managing legal immigration more effectively; and to set realistic benchmarks against which to measure progress, rather than “success.”

Many countries have had considerable success with different types of legal, organized immigration. Furthermore, the past decade has shown that good management practices can prevent immigration from becoming a runaway policy and political “problem” that requires extreme measures to contain. For instance, US actions in the mid-1990s in support of Mexico’s currency showed a particularly sophisticated understanding of the complex linkages between economic and political stability and unwanted migration, while pointing to the mutual obligations and liabilities that NAFTA-like relationships impose on all the parties involved. Similarly, the Bush administration’s negotiations with Mexico on sharing responsibility for managing the bilateral migration relationship has shown promise towards developing a new bilateral regulatory paradigm with implications well beyond North America. (These negotiations started in February 2001, less than a month into the Bush presidency, but stalled after the September 11, 2001 terrorist attack on the United States.) The willingness of the United Kingdom (in the past decade or so), Australia, and Canada

to adjust their policies regularly and to invest systematically in policy research and evaluation has allowed them to derive substantial benefits from immigration while controlling its downsides.

Mr. Bush’s intermittent commitment to work through the issues of illegal immigration and a spate of bills introduced in the US Congress in 2005 point to the increasingly sophisticated understanding among some US governmental circles of the relationship between larger numbers of permanent and temporary legal visas and the curtailment of illegal immigration. Although perhaps less ambitious, Italian and Greek bilateral efforts to stem, in the largest part through regulation of work visas, illegal migration from Albania and other Balkan states is also thought to have borne very substantial public-order and labor-market gains. Similar agreements and less formal understandings with Turkey and certain other Mediterranean countries are also thought to have been beneficial, if to a lesser extent. Finally, the most recent agreement between Spain and Morocco, as well as sustained but not yet fruitful negotiations between the EU Commission and a variety of migrant-sending and transit countries, are important to note and observe as they unfold although it is too early to assess their effectiveness.

These and similar responses, while probably the exceptions in a sea of rhetoric and action that emphasizes unilateral controls, do represent an

important ray of hope that advanced industrial democracies can begin to acknowledge publicly what their actions have hinted at (“advertised” may be a more appropriate word) for several decades now: namely, that most types of migrants, including many unauthorized ones, have been essential to their prosperity. It does not behoove them now to forget that migrants have basic human, social, economic, and legal rights, and that these rights should not be violated or withdrawn unilaterally. More importantly, it verges on irresponsibility for advanced nations to deny themselves the benefits of smartly regulated international mobility (in which their own nationals are also major players) or to ignore migration’s very positive, if long-term, developmental effects for sending societies and for the world community as a whole.

MANAGING FLOWS BETTER

The overall thrust of this chapter suggests that in terms of effectiveness if not in fact, the “age of unilateralism” of migration management is in sharp retreat, if not already over. This proposition implies that, in the migration-flow management area,

bilateral negotiations and, much more gradually, regional and global regimes will play increasingly prominent roles. Of course, the precise roles and the pace of their evolution will be different in various geographic and geopolitical settings.

A good rule of thumb at the dawn of the 21st century may be that the closer a state is to, and the more influence it can exert over, a supranational process and its institutions, the more likely it is to show significant deference to it on migration management issues. According to this logic, bilateral efforts are likely to be preferred over regional ones, and both will be thought of as far superior (in terms of a nation state’s willingness to negotiate and abide by a set of rules) to global ones.¹⁷

Of course, such a broad statement hides substantial degrees of variation within it. The advantages of bilateralism are obvious. For instance, if the United States wishes to address its Mexican immigration problem (nearly three-fifths of its undocumented population is estimated to be Mexican and an additional one-fifth enters through Mexico), working together with Mexico makes eminent sense. And the United States is doing so, if slowly. Similarly, in the early 1990s,

17 The content of the rules in question is very important in this respect. “Norm-setting” exercises may be useful first efforts at developing and nurturing the sense that a “code of conduct” on migration with which most nations can identify is indeed possible. The Global Commission on International Migration, led by Jan Karlsson, the former Swedish Minister of International Development and Migration, and World Bank former Managing Director Mamphela Ramphele, has just completed such an exercise. The Commission, which presented its report to the UN Secretary General in the fall of 2005, had an opportunity to be the catalyst for starting a multilateral conversation on migration in subsequent years. The rather cool reaction to the report by Mr. Annan, and the disinterest in it by most advanced immigrant receiving governments, point to the political ground that must be covered before the conversation that the Commission had hoped to initiate can be engaged.

Germany created a special visa relationship with Poland as a first step towards managing its migration relationship from and through that country better and, some will argue, as a down payment to Poland's entry into the EU in May 2004. (Of course, Germany's strategic policy aims had even stronger geopolitical and economic rationales, as do those of the United States *vis à vis* both Mexico and Canada.) Finally, and as noted, Italy's and Greece's migration "deals" with Albania, or Spain's with Morocco, fit under similar explanatory frameworks.

To recap, the advantages of bilateral negotiations lie principally in the ability to agree on and implement reciprocal obligations whose observance can be measured (and for which adjustments can be made accordingly) and enforced. Regional processes may offer the prospect of even greater opportunities for cooperation, but adjustments will be, by definition, more difficult to make. Furthermore, it is infinitely more complicated to act efficiently and effectively in regional settings when noncompliance occurs. And in any event, at this time at least, all but one regional process — that of the EU — are little more than "talk-shop" exercises without the institutional mechanisms to reach binding agreements and, more importantly, the power levers to enforce compliance in meaningful ways.

The EU fulfills most — but by no means all — of the requirements that make bilateral conversations the instrument of choice for migration-flow management. For the Union to move closer to meeting more of these requirements, and especially that of enforcing compliance, it will have to "communitarize" migration well beyond where it is today or is envisioned under the proposed EU Constitution. Put differently, the greater the reliance on intergovernmental mechanisms for the purposes of managing migration flows, the less likely it is that meaningful¹⁸ agreements with countries of unauthorized migrant origin and transit can be negotiated and observed. Specifically, unless the Commission is given authority to negotiate migration accords with third countries that include work visas, and unless it and/or the Member States are willing to commit to honor and enforce the terms of such agreements, Brussels may be in only a slightly more advantageous position relative to the Babel of regional dialogues in negotiating true migration management agreements.

One may be tempted to argue that this is too severe a judgment, particularly given the EU's common visa regime and the Commission's ability to negotiate these and similar matters on behalf of the Member States. The judgment becomes less harsh, however, and more accurate, if the analytical observations regarding the nature of international migration contained

18 The term is used here to underline the importance of engaging in negotiations where both parties give up something of value in order to achieve a result of higher significance for each.

herein are endorsed. If they are, it follows that more fruitful negotiations on migration flows require a broader approach. This approach must include putting work visas of various kinds on the negotiating table. Simultaneously, the ability to strengthen compliance with the terms of any resulting agreement through the withholding of other “public” goods (such as certain forms of development aid) must also be enhanced.

Notwithstanding a spate of activism in the last months of 2005, the Commission does not have these authorities now. Furthermore, a last-minute German reservation on the proposed (but now moribund?) EU Constitution would deny the Commission any authority with regard to such visas. Finally, the sensitivities of several Member States (especially with regard to tying foreign and development aid to a party’s obligations under a migration agreement) withhold from the Commission the basic governance power of safeguarding the integrity of such agreements by enforcing full compliance with their terms.

IMMIGRANT INTEGRATION AND SOCIAL COHESION

If flow-management issues become more complicated the further one moves from bilateral negotiations, the integration issue is in many ways more complex yet. Here, subnational and local levels of government, as well as the “soft” but crucial power of the nongovernmental (civil society) sector, must and do play the most

critical roles. As noted earlier, “code of conduct” exercises may indeed develop important dos and don’ts on international migration. And these codes might include compelling ideas on how to more successfully integrate immigrants and build more cohesive multicultural societies in the 21st century.

By its very nature, however, integration/cohesion will always be first and foremost a local affair. This is because it is at the local level that critical interactions between newcomers and the larger community occur and where successes and failures — and hence the possibility of policy innovation and gains — happen most naturally. Localities, in other words, are the terrain where governmental decisions and nondecisions with regard to all aspects of international migration play themselves out. To be sure, national governments and, in the case of federal and confederal states, state and provincial ones will typically provide both the resources and the enabling legal environments within which experiments will be possible, and where performance will be measured.

This reality does not devalue the integration role of EU-like regional levels of governance. These roles are essential and are likely to grow in importance. Their effectiveness, however, will fluctuate with the maturity and robustness of the supranational mechanism and the thoughtfulness and quality of its intervention.

Both conditions, in turn, will be influenced greatly by four interrelated factors. First, the sensitivity supranational institutions display towards the issue, especially with regard to what is expected both of Member State publics and of newcomers. Second, the authority these institutions have to initiate policy interventions in this area and the courage they display by speaking clearly when Member States fail to make progress on integration (this refers to the eternal issues of competence and deference to Member State sensitivities). Third, how deeply civil society will be engaged and intervene at the supranational level and the quality of its intervention. Fourth, the resources that will be available to this level of governance so that it might seed new ideas and initiatives, as well as fund “corrective” region-wide policies. (Most of these policies will naturally fall in the social affairs and employment policy areas.)

LOOKING AHEAD TO 2020

Projecting how international migration is likely to evolve in the next 15 years is both easier and more difficult than it may appear at first. It is easier because we understand the phenomenon’s behavior well enough now, both from what might be called the supply side but, increasingly, also from the demand side. We now also understand better the triggers, drivers, and facilitators of migration. It is more difficult because of two factors whose effect is akin to that of wild cards in a game of chance:

security (terrorism) and the socio-cultural reaction to migration. Both of these factors have been discussed already.

For the next 15 years, the supply — the so-called migration pipeline — will remain robust. There is nothing within this rather short horizon that will change dramatically for the better to affect the major developing-country suppliers of immigrants in ways that will lead to a pronounced drop in the interest to emigrate. If anything, a number of still relatively small migration “players” are likely to grow in importance, while China and the Indian Subcontinent could well become massive players in the international migration system with relatively little notice.

While the supply is thus expected to remain near infinite, the demand for immigrants will also grow substantially, though arithmetically. Three factors will account for the lion’s share of that growth. First, demography, especially the one-two punch of the birth dearth and the growth in the population share of the old and the very old in the North and China — with these groups’ health, pensions and personal services’ needs topping the list of priorities (introduced in this chapter’s next section and analyzed extensively by Lutz and Scherbov in this volume). Second, increases in skill and more general labor shortages (including skill and geographic demand and supply mismatches) that will be fueled in large part by the birth dearth. Third, the sheer

momentum of the process itself, whereby pro-immigration coalitions form in support of immigration while formulaic, legal, and “rights-based” openings to migration — such as family (re)unification, refugee resettlement, and asylum grants — continue to build ever stronger immigration streams.

Of course, terrorist attacks may yet play a bigger role than they have to date on reshaping the environment in which international migration has thrived in recent decades. In that regard, terrorism and the “war” against it have introduced a degree of uncertainty into the calculus that underlies this chapter. That uncertainty raises the possibility, if not yet the likelihood, of extreme state reactions to most migration. If, however, we are on the brink of a new era of nihilistic conflict rooted in resurgent nationalism (centered not only in the developing world), politically expressed religious fundamentalism, and various other nearly forgotten “isms,” and if the casualties on both sides grow at rates commensurate with the capabilities of our era’s instruments of destruction, the scenario outlined herein may indeed be nullified. And if such a conflict and chaos scenario comes to pass, the only reasonable projection is that national security will trump all other policy priorities with regard to migration for an indeterminate period — and that most forms of international migration to the developed world will be cut dramatically.

Otherwise, migration’s reach during the next 15 years will expand and go beyond the advanced industrial West — to Japan and the “Asian Tigers” — as well as to emerging market societies everywhere. Initially, the government-led or government-assisted part of this expansion will most likely take the form of regulated temporary entry by needed high- and low-skilled foreign workers. But it will not stop there. “Front-gate” provisions for converting valued “temporary” legal immigrants into permanent ones will also proliferate, turning temporary admission streams into transition and filtration systems for selecting permanent immigrants. In addition, opportunities for admitting better-skilled foreigners outright as permanent immigrants will also increase, particularly when the world economy rebounds and global competition for talented foreigners intensifies.

At the same time, pressure from unauthorized migration is also likely to remain robust, and managing it will continue to be a major preoccupation of governments. Changing the status quo, however, will require moving beyond the “tried and failed” paradigms of simply applying always greater resources to border and interior controls. It will also require interventions that are as nimble and multifaceted as the phenomenon itself, as well as unaccustomed discipline, unusual degrees of coordination across policy competencies, and new models of cooperation between countries of origin and destination.

DEMOGRAPHICS, LABOR MARKETS AND MIGRATION TO 2020

Low rates of native-population growth across the advanced industrial world have meant migration is already a large demographic force there. For instance, between 1985 and 1990, international migrants accounted for about one-quarter of the developed world's population growth; that figure grew to about 45 percent during the 1990-1995 period — a function of both increased immigration and relentlessly low fertility — and likely stands at about two-thirds of growth today. Of course, averages typically hide enormous regional, subregional, and national variations. For instance, international migration now probably accounts for all of the EU's overall population growth. But what will the future bring?

The demographic facts are not in dispute. Most of the advanced industrial world has failed to reproduce itself for a generation now. As the post-World War II baby boomers (there was a baby-boom echo in the late 1960s and early 1970s) pass from the economic scene over the next decade or so, most Western democracies will experience substantial indigenous working-age population gaps. It is the bulge in the retirement age population, however, that is of special interest to this analysis. The number of retirees will reach absolute and relative sizes unlike anything we have witnessed. With people living much longer than ever before, the taxes of fewer and

fewer workers will have to support ever larger numbers of retirees — a ratio known as the old-age support (or *dependency*) ratio.

The evidence is nothing less than compelling. By the year 2020, the Organization for Economic Cooperation and Development (OECD) estimates that most of its Member States will have old-age support ratios that range from a low of about 30 percent for some of the traditional countries of immigration to about 42 percent for Japan. (More recent reports from the European Commission, as well as a 2000 and a 2003 report by the UN's Population Division, validate these findings completely.) This means that for states with tax-supported, pay-as-you-go retirement systems, the taxes of between 3.3 and 2.4 workers, respectively, will have to support a retired person's costs to the public purse. For the relatively few countries where tax-financed pensions are supplemented by private pensions, mandatory occupational retirement schemes, and/or so-called (and much rarer) capitalized schemes (where each population cohort saves for its own retirement), the picture is slightly improved because it balances risks better. However, and as the OECD pointed out in 2001, although a fully capitalized system may be *less* vulnerable to demographic forces, it is *more* vulnerable to risks associated with investment rates of return. The recent performance of stock markets makes that point extremely relevant.

The data become more troubling when *total* support ratios are examined, that is, the ratio of the number of persons in the workforce relative to the sum of those who are already retired *and* those who are too young to be working. Nor does the bad news for the next two decades stop here. Most estimation models assume that young people enter the workforce in their mid-teenage years and that retirement occurs at age 65. Both of these conventions are at gross variance with actual behavior in advanced industrial countries and bias the estimates systematically in favor of greater optimism — and complacency. The gravity of the situation increases further when considering that, unlike long-term projections about fertility, which come closer to educated guesses in their “out” years, the aging numbers are pretty well known for the next two decades. More to the point, even if fertility were to increase dramatically and immediately, it would have little effect on old-age support ratios during the next two decades because of the time it takes most young persons in the advanced world to enter the labor force full-time.

How, then, does migration fit into all this? No reasonable analyst believes that immigration can somehow “solve” the demographic policy conundrum. One example of the immigration numbers that might be required to maintain reasonable old-age support ratios might suffice to make this point. Maintaining 2010-level old-age support ratios in 2020 through immigration would require intakes that are several times the size

of most states’ actual immigration intakes for the 1985-1995 period. Such intakes are clearly neither socially nor politically viable. More to the point, perhaps, the analytical evidence suggests that the *permanent* immigration “solution” is complicated in another key respect: unless a state admits primarily very young immigrants, it would need always larger foreign-born populations to maintain reasonable old-age support ratios. An alternative “immigration” option, admitting larger numbers of temporary workers, is thus likely to become more popular for many advanced industrial societies and gain in significance relative to permanent immigration. Introducing age biases in permanent-immigration formulas — as do some of the countries that have point selection systems — may also become more common.

RESPONDING TO THE CHALLENGE OF THE GRAYING OF THE ADVANCED INDUSTRIAL WORLD

The aging of the baby boomers and higher life expectancies are leading to an unprecedented growth in the developed world’s elderly populations. But this is only half the “problem.” At the same time, improved birth control technologies and numerous powerful and, by now, deeply embedded social, cultural, and economic forces seemingly conspire to keep the number of its youth at historically low levels. Together, these twin realities will cause immense economic, social, and political dilemmas that will gradually come to dominate the West’s political and policy agendas.

While the timing and severity of the challenge will vary among developed states, the trend is unmistakable and, for the next 20 years, the outcome practically predetermined. The powerful forces that drive it include often stunning improvements in medical science, almost limitless access to state-supported or subsidized medical care, affluence (which improves access to more advanced medical services *and* depresses fertility), and ever higher rates of female participation in the labor force.

These realities pose three policy challenges of the first order; they also suggest three key areas for policy intervention. The first regards the *timing* of retirement and targets initially the slowing down and gradually the reversal of the growing imbalance between the time a demographic cohort spends in the labor market relative to the time it spends in retirement. The second addresses the *quality* of retirement and targets the sustaining of retirement income and health maintenance systems while tending to the needs and (most of the) expectations of the elderly and similarly situated populations (the infirm, the disabled, the needy, etc.). The third challenge focuses on the mix of retirement-income forms and on how to expand such a mix — an area being explored systematically by the OECD but one that is well beyond the scope of this chapter.

By 2020, with longer life expectancies and the post-World War II baby boomers in their 70s, one will witness

an explosion in the size of that age cohort. Even with total fertility rates (TFR, that is, the number of live births per woman during her lifetime) increasing modestly, the first two policy dilemmas above will only become more pronounced. (The population replacement level is a TFR of about 2.1.) Nor is the TFR for the advanced world likely to increase substantially, especially considering that the total fertility for Europe's southern and eastern flanks will continue to decline. And although some project Europe's TFR to increase from the present 1.4 to about 1.55, this is an unlikely feat given that the continent's demographic momentum continues to point downward.

The challenges this scenario poses are as follows. The greatest may be securing adequate living standards for pensioners without putting crushing tax burdens on workers — a challenge that will worsen every decade. In 1998, the OECD projected that by 2020, its members would experience substantial but wide-ranging increases for pension expenditures as a percentage of GDP — from 2.9 percent for Australia to more than 12 percent for Germany and Japan. More significantly, estimates of the developed world's size of unfunded pension liabilities stand at tens of *trillions* of dollars while paying for elderly medical care adds an equally immense amount to the total. Both expenditures will increase at first geometrically and later exponentially as the aged cohort bulges and medical consumption patterns explode. (Those

over 65 are estimated to consume several times as much medical care as the rest of the population.)

These are not the only implications. The median age of the population will also rise while the relative size of the native-born population in most of the developed world will decline. Changes in the ethnic composition and age distribution of European populations, as well as actual population declines (even with reasonable amounts of immigration), will give rise to additional policy challenges ranging from the threat of deflationary pricing (as goods chase fewer domestic consumers and competition for foreign customers intensifies) to numerous labor-market distortions. The latter includes increasingly severe labor shortages that will go beyond the mismatches between needed and available skills that define many labor markets today. At a minimum, these anomalies will redefine the world of work in most advanced industrial societies — although not during this chapter's time frame.

The labor market implications of this demographic conundrum will be felt most directly in economic sectors of particular interest to the aged. Among the most vulnerable sectors are those in which, while demand is already strong and will continue to grow robustly, the nature, social standing, and wage structure of the jobs make them unappealing to native workers. These jobs include caregiving to the elderly and tending to the personal services needs of affluent first-worlders.

This will not be the only set of worker shortages. More workers will also be needed to help keep retirement and public health systems afloat through their taxes, and, in many cases, to keep both production and consumption systems humming.

This analysis suggests that societies that address these demographically centered challenges sooner and more definitively will enhance their prospects for economic stability and growth. Those that do not can expect greater economic instability and, under certain extreme scenarios, economic decline. Both scenarios also imagine a spillover into *social* instability; accordingly, responses must factor in the requirement of social cohesion.

Among the most critical issues governments will have to address effectively is the effect of the widespread phenomenon of two-earner households on fertility behavior (including the fertility-reducing but increasingly popular and necessary delays in childbearing). But the policy quest cannot stop there. Child- and elder-care issues (especially increasing demands for elder care), and the public policy issues associated with intergenerational responsibilities both with regard to elder care and income-transfer programs, must also be addressed. In short, what may be required may be nothing short of a new social governance paradigm.

Is such a paradigmatic shift likely? One way to begin to address this question is

by breaking the current paradigm into its major components and assessing each part's amenability (or resistance) to change. If one looks at pensions and health benefits, for instance, it is clear the public purse cannot maintain its current responsibilities over the long term, let alone enhance coverage, under present tax *and productivity* models. However, increasing tax burdens on individuals, small businesses, or corporations will be resisted strongly. European taxpayers already feel over-taxed, and politicians must tread softly if they are interested in being reelected. Similarly, business owners cannot be realistically expected to accept higher taxes when the twin forces of globalization and trade liberalization demand they keep their costs down and their productivity up to remain competitive — and hence in business.

These difficulties, however, should not be understood as a judgment that the developed world has no ammunition with which to combat them. It does. However, every policy response entails significant pain for important societal segments — suggesting that governments will likely attempt first to prolong the status quo and postpone more aggressive initiatives. This tactic will prove both inadequate and harmful in the longer run.

Among the stop-gap measures that are certain to be relied upon will be the following:

- Mandating longer work lives (Japan, the United States, and several other countries

are already moving in this direction).

- Reducing retirement benefits.
- Experimenting with greater efficiencies in state-supported, health-care delivery systems (including the introduction of competition from private sector care providers in publicly funded health systems).
- Encouraging the development of additional forms of retirement systems (“pay-as-you-go” systems will become unsustainable in the absence of a set of coordinated policies that include more immigration *and* extraordinary and sustained growth in productivity).
- Engaging in a new and vastly more severe round of fundamental economic restructuring — this one mandated by the political realities of the new demographics.

Most states are already experimenting with several of these approaches, and a list of “best practices” is beginning to emerge. However, the political push-back for the most obvious routes is already strong and will intensify as the service cuts that most initiatives also include begin to be felt by ever larger population cohorts. It is the judgment of this chapter that only three long-term solutions are truly salient: (a) gradual changes in retirement age, (b) significant and long-term changes in fertility, and (c) far larger immigration.

The first will pit the government against retirees and those nearing

retirement, two groups that hold a disproportionate share of a country's wealth *and* political power. The government may not be able to win that battle except at the margins — and even that may take much longer than the crisis can allow.

The second one, changes in fertility, implies a reversal in long-term trends and will require nothing less than a revolution in prevailing social norms and economic logic. Nonetheless, some governments (such as Japan and France) already offer enormous incentives for having more children, and more governments are expected to follow that route.

The final one, far larger immigration intakes, will require even sharper attitudinal changes to overcome the age-old resistance to large-scale immigration and the social and cultural changes it implies. Can societies that appear to value tradition and continuity virtually above all else, as Europeans and ancient Asian societies do, make the leap that larger immigration levels require? Will traditional immigration countries start preparing the political ground for the larger temporary immigration intakes they will need in the future — as they must also do? Will both types of societies be able to manage the social and political reactions this solution will generate? These are difficult adjustments indeed. Yet these societies cannot remain meaningful international players if they fail to address the demographic issues outlined here

or if they attempt to address them without the required wisdom.

CONCLUSION

Categories of social analysis do not develop *sui generis*; they are developed by analysts trying to get a handle on “a problem.” Once established, however, such categories are very difficult to change. The complex, shifting terrain of international migration; the growing complexity of its causes, processes, and consequences; and the radically new global context in which it takes place all demand that we review constantly both the usefulness of our conceptual and analytical tools and the resulting administrative categories and management structures in this area.

Even the most cursory review of the advanced industrial world's dominant administrative-management models and accompanying data and policies reveals that the current international migration system is organized around ideal constructs that are both dated and disturbingly binary. Regrettably, much of the analytical literature reinforces these tendencies. For instance, states are designated as either sending or receiving; people who move are classified as either permanent settlers or temporary residents; and reasons for flight are catalogued either as the improvement of one's economic condition or protection from various forms of disaster and persecution. Such gross dichotomies and the

administrative structures and data systems that have been built around them shed little light on the reality of today's migration patterns. Today, people move for a variety of reasons simultaneously. Furthermore, most states both send and receive substantial numbers of migrants and may also act as areas of migrant transit. Increasing proportions of "permanent" immigrants leave or move beyond their adopted country of residence. And temporary residents, such as students and professionals, often settle in their host countries.

Failing to understand these behaviors better and adapt flow-management models and data systems accordingly adds to the overall migration management challenges that have been the focus of this chapter. Clearly, since states and individuals participate simultaneously in multiple "systems" of movement, managing what amounts to complex transnational processes through archaic and unresponsive policies will be of diminishing value in the years ahead.

Preparing better for the future is essential given the significant migration that economic, political, human rights, and demographic needs and differentials imply. The fact that migration is an increasingly essential ingredient to the developed North's economic success, means that policies and administrative structures designed within such naïve frameworks are destined to fall short of even relative long-term success.

A more insightful set of policies would take into account the variety of experiences across advanced industrial societies and their different levels of success while appreciating that "success" is overwhelmingly a function of effort, resources, commitment, flexibility, and adaptability in responses, as well as consonance with a state's culture and history. This is true both for the control of illegal flows and for the broader management of legal flows. Greater success in solving the immigration puzzle also requires confidence, sure-footedness, leadership, and vision in the public arena. Although surely precious commodities, they are well within the realm of realistic possibility in the advanced democratic world.

There is clear agreement that reform all along the migration-management complex is long overdue. What is far less clear is whether such reform will be the product of a judicious effort to address all of a nation's interests, as well as balance those interests with international obligations, or be little more than the typical knee-jerk yank on the control levers.

This chapter is partly based on a much briefer and narrower text that appeared under the heading "Managing Rapid and Deep Change in the New Era of Migration," In The Politics of Migration: Managing Opportunity, Conflict and Change, edited by Sarah Spencer, 39-58. Oxford: Blackwell Publishing, 2003.

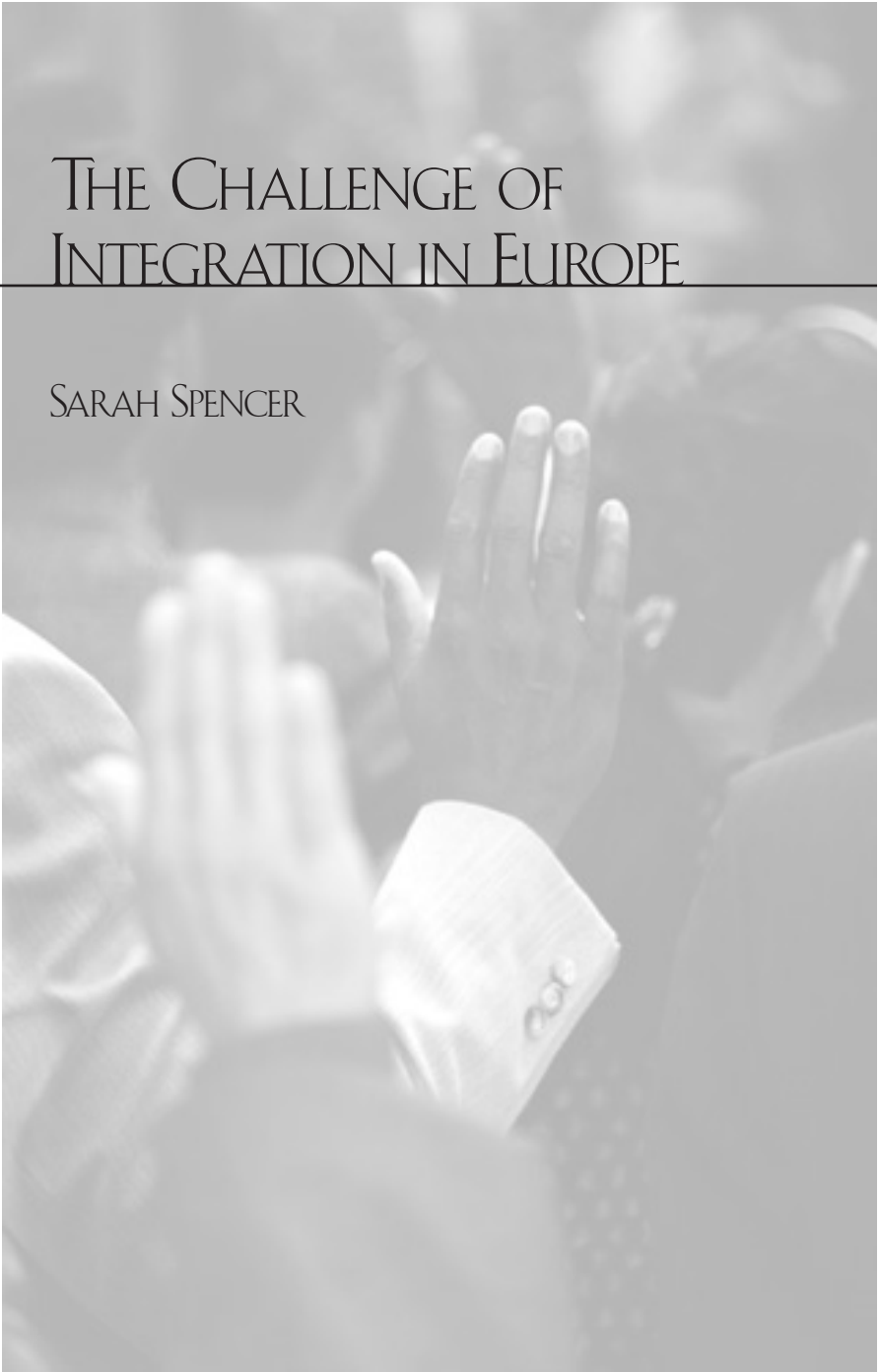
SUGGESTED READINGS

- Aleinikoff, A. and D. Klusmeyer. *Citizenship Policies for an Age of Migration*. Washington, DC: Carnegie Endowment for International Peace, 2002.
- Athens Migration Policy Initiative. *Proceedings, July 2002 – May 2003*. Washington, DC: Migration Policy Institute, 2003.
- Bilborrow, R. E., G. Hugo, A. S. Oberai, and H. Zlotnik. *International Migration Statistics: Guidelines for Improving Data Collection Systems*. Geneva: International Labor Office, 1997.
- Chishti, M., D. Meissner, D. Papademetriou, J. Peterzell, M. Wishnie, and S. Yale-Loehr. *America's Challenge: Domestic Security, Civil Liberties, and National Unity After September 11*. Washington, DC: Migration Policy Institute, 2003.
- Cohen, R., ed. *The Cambridge Survey of World Migration*. Cambridge: Cambridge University Press, 1995.
- Commission of the European Communities. *Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions on Immigration, Integration, and Employment*. Brussels, June 2003.
- European Commission. *Communication on Immigration, Integration, and Employment*. COM (2003) 336 final, 2003.
- European Commission. *An EU Approach to Managing Economic Migration*. COM (2004) 811 final, 2004.
- European Commission. *Confronting Demographic Change: A New Solidarity Between the Generations*. COM (2005) 94 final, 2005.
- Global Commission on International Migration (GCIM). *Migration in an Interconnected World: New Directions for Action*. Report of the Global Commission on International Migration, October 2005.
- International Organization for Migration. *World Migration 2003: Managing Migration: Challenges and Responses for People on the Move*. Vol. 2 – IOM World Migration Series. Geneva: International Organization for Migration, 2003.
- Migration Information Source. *Special Issue: Integration and Immigrants*. Washington, DC: Migration Policy Institute, October 2003, http://www.migrationinformation.org/special_integration.cfm.
- Migration Information Source. *Special Issue: US-Mexico Migration*. Washington, DC: Migration Policy Institute, March 2004, http://www.migrationinformation.org/special_mexico.cfm.
- Niessen, J. and Y. Schibel. *EU and US Approaches to the Management of Immigration: Comparative Perspectives*. Brussels: Migration Policy Group, 2003.
- OECD Continuous Reporting System on Migration (SOPEMI). *Trends in International Migration*. Paris: Organisation for Economic Cooperation and Development. Annual.
- Papademetriou, D. "Alles eine Frage der Ausgewogenheit: Zur Verbesserung der Wettbewerbsfähigkeit durch eine besonnene Steuerung der Zuwanderung – eine grundsätzliche Betrachtung aus amerikansicher Perspektive." In *Arbeitsmarktsteuerung der Zuwanderung – neuere deutsche Ansätze und internationale Erfahrungen*, Ullrich Heilemann and Hans Dietrich von Loeffelholz, Eds. Essen: Rheinisch – Westfälisches Institut für Wirtschaftsforschung, 2003.
- Papademetriou, D. "The Global Struggle with Illegal Migration: No End in Sight." *Migration Information Source*. Washington, DC: Migration Policy Institute, September 1, 2005, <http://www.migrationinformation.org/Feature/display.cfm?ID=336>.
- Papademetriou, D. "International Migration and US Security Interests: An Overview and Assessment." Prepared for the US National Intelligence Council, 1999.

- Papademetriou, D. "Migration Trends in Russia and the CIS and their Potential Consequences for Europe (Migrationstendenzen in Russland und den GUS – Staaten und ihre potenziellen Folgen fuer Europa)." in *Illegal Migration* (Illegale Migration). Bonn: Varus Verlag, 2000.
- Papademetriou, D. "Reflections on Restoring Integrity to the United States Immigration System: A Personal Vision." *Insight V*. Washington, DC: Migration Policy Institute, September 2005.
- Papademetriou, D. "'The Regularization' Option in Managing Illegal Migration More Effectively: A Comparative Perspective." Policy Brief IV. Washington, DC: Migration Policy Institute, September 2005.
- Papademetriou, D., ed. *Managing Migration: A Policy Agenda for Economic Progress and Social Cohesion*. Migration Policy Institute, forthcoming.
- Papademetriou, D., J. Audley, S. Polaski, and S. Vaughan. *NAFTA's Promise and Reality: Lessons from Mexico for the Hemisphere*. Washington, DC: Carnegie Endowment for International Peace, 2004.
- Papademetriou, D. and K. Hamilton. "La inmigración entre México y Estados Unidos: lo que está en juego." *Economía Exterior* 28 (Spring 2004): 59-66.
- Papademetriou, D. and K. O'Neil. "Efficient Practices for the Selection of Economic Migrants." Report prepared for the European Commission (DG Employment and Social Affairs), May 2004.
- Papademetriou, D. and K. O'Neil. "Reflections on Immigration and the Welfare State." Washington, DC: Migration Policy Institute, 2004.
- Papademetriou, D. and S. Yale-Loehr. *Balancing Interests: Rethinking the U.S. Selection of Skilled Immigrants*. Washington, DC: Carnegie Endowment for International Peace, 1996.
- Pedersen, P., M. Pytlikova, and N. Smith. "Selection or Network Effects? Migration Flows into 27 OECD Countries, 1990-2000." Institute for the Study of Labor (IZA), Discussion Paper No. 1104. Bonn: IZA, 2004.
- Ratha, D. "Workers' Remittances: An Important and Stable Source of External Development Finance." In *Global Development Finance 2003*. Washington, DC: World Bank, 2003.
- Ray, B. "Practices to Promote the Integration of Migrants into Labour Markets." Report prepared for the European Commission (DG Employment and Social Affairs), March 2004.
- Smith, J. and B. Edmonston, eds. *The New Americans: Economic, Demographic, and Fiscal Effects of Immigration*. Washington, DC: National Academy Press, 1997.
- Spencer, S., ed. *The Politics of Migration: Managing Opportunity, Conflict and Change*. Oxford: Blackwell Publishing, 2003.
- Tribalat, M., J. P. Garson, Y. Moulrier-Boutang, and Roxane Silberman. *Cent Ans D'Immigration, Étrangers d'Hier Français d'Aujourd'Hui*. Paris: Presses Universitaires de France, Institut National d'Etudes Démographiques, 1991.
- United Nations Department of Economic and Social Affairs, Population Division. *World Population Ageing 1950-2050*. New York: United Nations, 2002.
- United Nations Department of Economic and Social Affairs, Population Division. *World Population Prospects: The 2000 Revision, Highlights*. New York: United Nations, 2001.
- United Nations Department of Economic and Social Affairs, Population Division. *World Population Prospects: The 2002 Revision Population Database*. United Nations, 2003. <http://esa.un.org/unpp/index.asp?panel=1>.
- US-Mexico Migration Panel. *Mexico-US Migration: A Shared Responsibility*. Convened by the Carnegie Endowment for International Peace and the Instituto Tecnológico Autónomo de México. Washington, DC: Carnegie Endowment for International Peace, 2001.

THE CHALLENGE OF INTEGRATION IN EUROPE

SARAH SPENCER



Integration is now central to the European Union's agenda. It is recognized that migration — at different levels and in differing forms — is here to stay and that the successful integration of immigrants cannot be taken for granted.

Migration can bring significant benefits. For generations, migrants from across the world have settled and prospered in Europe, making a significant economic and cultural contribution. Migration contributes to the prosperity of European societies and to that of migrants themselves.

Migration, however, also brings challenges. Integration requires investment. There are many migrants who overcome the barriers to integration without assistance. Some, like Indians in the United Kingdom (UK), perform better than other residents in education and in the labor market. Nevertheless, on each pathway to inclusion, economic and social, migrants face barriers. And by whichever indices we choose to measure it — language acquisition, education outcomes, labor market performance, social segregation, health, living conditions, civic participation — there is cause for concern across the European Union (EU) states.

Moreover, the presence of migrants, the most visible evidence of globalization and the rapid social change it engenders, has also become the focus of tension in some local communities and of mobilization by the far right,

spreading the politics of exclusion where communities need trust, cooperation, and mutual respect. Tensions are compounded by the involvement of a small minority of migrants in political violence and European leaders fear a growing radicalization of migrant youth. Concern focuses most acutely, though not exclusively, on Muslims. The alleged perpetrators of some high-profile acts of terrorism, including the September 11 attacks in 2001, the Madrid bombings of March 2004, and the killing of film director Theo Van Gogh in the Netherlands in November 2004, were Muslims.¹ There is a perception that certain beliefs associated with Islam are not compatible with “Western values.”

The fear of radicalization dominates public and political debate on this issue. The possible accession to the EU of a predominantly Muslim country, Turkey, has raised the political stakes. While fear of radicalization sets a narrow and negative context for the debate, overshadowing the parallel agenda on economic inclusion, it has extended the political space for policy development across a broader integration canvas.

The European Union recognized the imperative to change gears on this agenda at the conclusion of the Greek EU presidency in Thessaloniki in June 2003. The foundations of a new approach had been set out in a European Commission Communication on Immigration, Integration, and

1 This text of this chapter was completed in April of 2005.

Employment earlier that month. Primary responsibility for action on integration would remain at the national and local level. Yet the Dutch Presidency, in the winter of 2004, was able to secure agreement on Common Basic Principles on integration across the 25 Member States, and Justice, Freedom, and Security Commissioner Franco Frattini stated his intention to develop a broader European policy framework. The question is what form the EU's developing strategy should take, and how assertive the Commission can afford to be in setting the direction for Member States to follow.

Many Member States, particularly the original EU 15, have already shifted their domestic attention to the integration agenda. The focus and approach each has taken differs, reflecting contrasting views on the meaning and objectives of integration and the strategies that should be adopted to achieve it. In some states in Northern Europe (e.g., Denmark, the Netherlands) there has been an increasing emphasis on programs of language instruction and social orientation for new migrants, often with an element of compulsion, in targeted programs. Others (e.g., Spain, Ireland) have looked to mainstream services and/or civil society to provide support, or focused less on migrants' needs than on the barriers they face, including discrimination (e.g., the UK).

There is, however, some convergence in approach. In particular, there is recognition that integration is a two-

way process, requiring adaptation by the migrant but also by the institutions and public of the host country, and that to be successful it must take place in four spheres of life: economic, social, cultural, and political.

Differing views on the goals of integration and appropriate strategies to achieve it, coupled with Member States' insistence that decisions should, wherever possible, be taken at the national level, not in Brussels, have in the past inhibited the EU using the unique levers at its disposal to make an effective contribution. The fact that integration is necessarily a cross-cutting policy agenda, in particular engaging the Commission directorates on Justice, Freedom, and Security and on Employment and Social Affairs (with commensurate committees in the European Parliament) has not been conducive to progress. The imperative to address integration issues more effectively could now provide the political momentum to challenge those barriers.

The aim of this chapter is, first, to identify the barriers to integration and the target groups of any integration strategy. It considers the responsibility of the state, migrants, and civil society in the integration process before reviewing recent EU developments and setting out a forward policy agenda. It looks first, however, at the nature of the challenge.

THE CHALLENGE

Net migration into Europe is increasing, and is now the largest component of

population change. Internal mobility within the EU was also enhanced by enlargement in May 2004, including mobility to work in those states (UK, Ireland, and Sweden) that did not impose a transition period. Some European states have long experience with immigration but others, like Ireland and Spain, have become countries of immigration only within the last ten years. Eastern European states in particular have little experience with the social and economic impact of immigration and the need for strategies to manage it effectively.

Migrants now come to EU Member States from a far wider range of countries, and bring a greater diversity of languages and cultures than in the past. School children in London speak more than 200 different first languages; in a Swedish city, Malmo, Mohammed is now the most popular name for a newborn son.

Migrants also bear differing immigration statuses. They may enter as business or labor migrants, on short- or long-term permits. Alternatively, they may come as asylum seekers and subsequently secure, or fail to secure, refugee status. They may enter as family members, as students, or within a vast array of categories from minister of religion to *au pair*. The significance of each of these legal categories differs across Member States: In one state family reunification may be the largest category, in another entry for work. Migrants' status may, alternatively, be irregular. They may arrive legally but work without permission or overstay their visa, or their

entry itself may be illegal. Migrants' immigration status, crucially, will determine their right of access to work, public services, and welfare benefits.

Migrants' legal status also determines, in part, whether they remain in the EU permanently or reside for only a few months or years. If free to travel, they may retain strong transnational links with their country of origin and remit some of their earnings to dependants who remain there. Nevertheless, they may not return but move on to another part of Europe or elsewhere. Whereas Member States once made the mistake of assuming that all migrants would eventually leave, it would now be equally mistaken to assume that all will stay. Yet those who reside temporarily need a level of integration, both economically and socially. An integration strategy needs to accommodate these different migration trajectories.

Fourteen million third-country nationals lived in the EU 15 in 2001: less than 4 percent of the population. But their concentration in particular regions and cities, their vulnerability to exclusion even after they and the second generation have become nationals, and the fact that EU nationals themselves can face barriers to integration, make the issue more significant than that statistic would suggest.

While many are successful in the labor market and enjoy positive relations with other residents, there is substantial evidence of disadvantage and exclusion. In education, there is disproportionate under-achievement at school, in which

poor language skills are one factor, as they are in the disproportionate unemployment and underemployment in the labor market. The employment rate for non-EU nationals in the EU 15, at 52.7 percent, is much lower than that of 64.4 percent for EU nationals (2001). The gap is particularly significant for women. In housing, migrants experience homelessness, excessive segregation in poor neighborhoods, and unacceptable housing conditions. Evidence suggests some migrants' health declines after arrival; and in local communities they can face hostility and victimization by other residents.

Patterns of disadvantage and exclusion are complex: There are substantial differences in levels of economic, social, and cultural integration between and within migrant communities. Integration, as Portes and Zhou among others have shown, can be "segmented." Migrants, and the second generation, can become integrated not into the middle class but into an underclass, sharing its economic prospects and modes of behavior. Class and geographic location can thus be more significant as determinants of life chances than ethnicity or length of residence. Moreover, migrants and the second generation can be well integrated on one index (e.g., high rates of intermarriage) but not on others (e.g., low rates of employment). Others can achieve success in the labor market while remaining culturally distinct, maintaining the values of and solidarity within their ethnic group, demonstrating that cultural assimilation is not

necessary for economic integration. Alternatively, migrants can become "acculturated" while no other forms of integration take place.

This situation translates into economic and political pressures for more effective integration strategies. Europe needs an educated, trained workforce to fill skill shortages in an evolving labor market. Member States cannot afford to neglect the talents of migrants already in the workforce and, if states are to compete for the "brightest and the best," potential migrants must be confident that they will not face discrimination and exclusion. Despite high levels of unemployment in parts of Europe, there are also shortages of workers for some low-wage jobs for which it is evident that migrants will come with or without permission. Political leaders cannot allow their presence to lead to resentment among long-term residents unable to find work. Most salient are the needs to avoid the eruption of community tensions into violence or increased support for far right parties, and the EU-wide need to re-engage migrants whose alienation may lead to their support for religious and political extremism.

INTEGRATION: THE GOAL

All Member States would now acknowledge that integration is a two-way process: that there is a need to address the barriers that migrants face as well as adaptation by migrants themselves. This approach reflects academic analysis that has established

that the outcome of the integration process depends on the interaction between factors in the host society and the characteristics of migrants. Yet states have differed markedly in the emphasis they have placed on the two poles of this process. Germany, for instance, has traditionally focused on increasing the employability of migrant workers by ensuring that they have the skills needed to get a job and prosper. In the UK, in contrast, while settled migrants have had access to mainstream employability programs, the emphasis has been on addressing the race discrimination barriers faced by ethnic minority immigrants and subsequent generations in employment, housing, and services. Despite continuing differences in approach across the EU, there is nevertheless some evidence of convergence on which an EU strategy can build.

It is also significant that integration is seen as a process, not an end state. Although states are increasingly identifying indices to measure progress on integration — e.g., migrant employment rates — with the implication that integration is achieved when there is parity with long-term residents, this is a reversible process. In an economic downturn, former migrants are more likely to be unemployed. And there is evidence that the second generation, despite having necessary language skills and nationality status, can be less integrated socially than their parents' generation.

States have also differed in the emphasis they have placed on integration into the labor market, or on social

integration and cultural assimilation. To avoid segmented integration, however, the strategy needs to be multi-tiered to achieve:

- Integration into the labor market — and at a level matching the migrants' qualifications and experience;
- Social inclusion within the mainstream institutions and activities that meet individual and societal needs — education, health and social care, housing;
- Inclusion in civic life — active participation in the institutions and obligations of civic society, particularly for those remaining in the long term; and
- “Bridging capital,” trust and good relations with neighbors and the wider community.

Is the concept of “inclusion” actually more helpful than that of integration? Many resist “integration” because of associations not with a two-way process of mutual adaptation, but with assimilation. Inclusion, in contrast, emphasizes the responsibility of society to open up to the excluded, and is the goal identified for long-term residents. The EU has national action plans on social inclusion for the population as a whole — why not use the same term for migrants?

BARRIERS TO INTEGRATION

BARRIERS IN LAW

A distinction in terminology may need to be maintained for migrants (though not the second generation)

for a significant reason: because the level of economic and social inclusion permitted by law to non-nationals is less than that for nationals. Depending on their immigration status, non-nationals can be subject to restrictions on access to jobs (or be restricted to certain kinds of employment); on whether family reunion is permitted; on access to public services and welfare benefits; and on the length of residence itself.

These legal restrictions on integration, whether in the conditions attached to immigration status or in the rules governing access to public services and benefits, are rarely the focus of policy debate, and their impact is under-researched. Their purpose is to protect the public purse and jobs for the resident labor force. It is arguable that the migrant who arrives in Copenhagen or Dublin, who steps on to the tarmac at Heathrow or Charles de Gaulle, should not immediately be able to access the full range of social benefits and public services to which long-term residents have contributed. But states need to recognize that these restrictions can be a barrier to integration, and the balance may need to be reweighed between exclusion of migrants from public services (to limit public expenditure, deter welfare tourists, and perhaps appease public opinion) and allowing access to services that promote inclusion. For an effective integration strategy, it is thus necessary to consider which services and benefits migrants should, over time, have access to, because it is in the interests of society — promoting

self-sufficiency and social inclusion — as well as in the interests of the migrant.

DISCRIMINATION

Second, there is the barrier of discrimination — discrimination on grounds of race and, increasingly it appears, of religion. Discrimination can be overt, but is more often unintended and systemic in the way staff are recruited and services are organized to meet the needs of the majority. When not tuned to the differing needs of new communities, lacking interpreters or materials in minority languages, even services intended for migrants can fail to meet their needs or exclude them entirely.

Discrimination is a barrier to inclusion not just because it excludes migrants from the jobs they are eager to do and the services they need, but because of the resentment it fosters. Why go on trying if you keep getting knocked back? As Trevor Phillips, Chairman of the Commission for Racial Equality in the UK, said in 2004:

Feelings of resentment based on discrimination, or the sense of rejection, can drive migrants into the arms of the minority who would like to retreat to the village instead of joining the world — into the arms of the people who support forced marriages, the folk who will not allow their wives to work or speak English, and the people who will back any kind of conduct on the ground that it is justified by cultural difference.

Action to address discrimination can be seen, therefore, not simply as a

matter of individual rights, as a separate project in a separate department from work on integration — but as one central, essential component of the integration agenda.

PUBLIC ATTITUDES

The third and related barrier is public attitudes. In some local communities, migrants are warmly received, reflecting Europe's best traditions of hospitality; but in others they are met with suspicion and hostility. Such attitudes can breed discrimination. But they can also lead to a breakdown in trust, tension, and even disorder. For the migrant, no lessons in citizenship or encouragement to identify with the collective "we" will override a negative message from the neighbors that "you do not belong." An integration strategy that focuses only on migrants and not on their neighbors will not address this powerful force for exclusion.

INTEGRATION: THE TARGET

It is often assumed that an integration strategy need target only sections of Europe's migrant communities: only those who are from outside the European Union; only those who intend to stay in the long term; or only refugees. EU documents consistently refer, narrowly, to "legally resident third-country nationals" as the target, assuming that it is this legal status, rather than the experience of transnational mobility, that is the basis of their need for support.

States themselves require migrants to enter through a particular channel and acquire a label — "seasonal worker," "refugee," "highly skilled permit holder," or "dependant." They can then assume that their needs differ, or that it is only worth investing in those who will remain in the long term, or that European citizens, as holders of equal rights, are by definition integrated from day one.

Yet we know that, even within the EU 15, EU citizens exercising their free movement rights can face language barriers, non-recognition of qualifications, or resentment from the public. We call their arrival "mobility," not "immigration," but they are newcomers, facing barriers to integration, nevertheless. Their need for access to language courses, social orientation, advice, and even protection from exploitation by employers is often no less because they enjoy the status of EU citizen. Will the EU's integration strategy recognize their needs, or will they be expected to fend for themselves?

Among third-country nationals, those whose residence is temporary may be the least likely to have families to whom they can turn for support. They may have the fewest incentives to learn the language or to build good relationships with their neighbors, while having greater susceptibility to exploitation. They may thus need assistance to ensure that they have a level of inclusion matching their own, and society's, best interests. The question arises whether the EU integration strategy identifies these temporary residents as

a priority, or whether their temporary status, or simple budget constraints, will leave them out in the cold?

Moreover, within each category of migrants, women may have different needs from men, and the young from those who have greater experience in life. This suggests that, in practice, the strategy needs to be based on:

- An understanding of the barriers experienced by different groups of migrants;
- Clarity of objectives for each group; and
- A portfolio of interventions, recognizing that one-size-fits-all will not deliver for this disparate group of people any more than it would for the population as a whole.

IRREGULAR MIGRANTS

Last on the list is the most difficult group to mention in the context of integration — irregular migrants, such as those who came legally but overstayed their visas. It is certain that a significant number of people are in this position, and undoubtedly many are doing jobs that legal residents are unwilling to do. Privately, some officials acknowledge that it is unrealistic for the authorities to detect and remove them all, and that it would have damaging economic and social consequences if they did. Moreover, while these migrants remain, it is in society's interests that they have access to essential services such as medical care and education for children.

There will be concern in some Member States about general

amnesties for irregular migrants. Could the European Commission nevertheless initiate a dialogue among Member States on devising a pathway for some irregular migrants to legal status? It could perhaps be the kind of “earned legalization” scheme that Papademetriou advocates as part of a broader package of measures, which could bring this group of migrants out of exclusion without attracting future migrants to stay when their visas have expired.

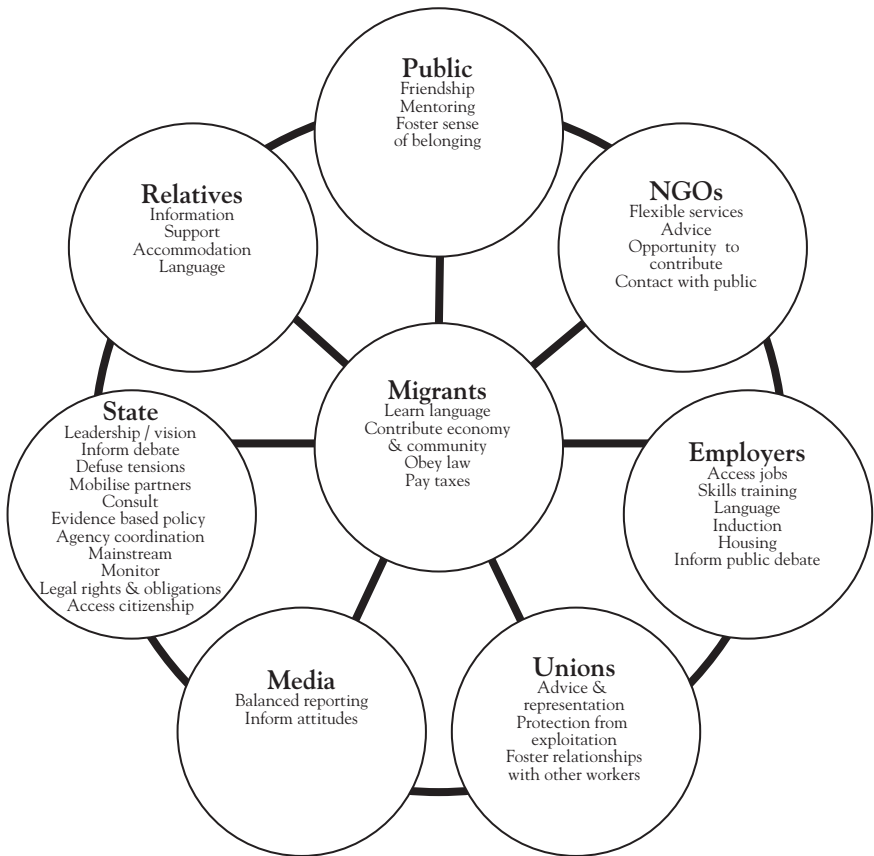
INTEGRATION: WHOSE RESPONSIBILITY?

Whose responsibility is it to promote the integration of migrants, other than migrants themselves? Increasingly, particularly in Northern Europe, national governments are taking responsibility for devising programs, often delivered by municipalities. Many large municipalities, like Frankfurt and Rotterdam, already have their own programs, developed in response to evident need at the local level. Others support initiatives developed outside of the public sector.

There is a plethora of initiatives at the local level in operation or development, among employers, unions, community groups, and the public, to provide language support, mentoring, advice, access to jobs, and means of participation in civic society. This suggests that we should see integration not as a state responsibility, but as a shared responsibility among a series of actors, including but not exclusively the migrant and the state.

INTEGRATION NEXUS: SHARED RESPONSIBILITY FOR THE INCLUSION OF NEW MIGRANTS

© Sarah Spencer 2004



There is scope for debate on the responsibilities of each player, as reflected in the diagram at left.

MIGRANTS

The most contentious issue is perhaps the extent to which the migrant has a responsibility to adapt, and consequently the degree of adaptation it is legitimate for the host society to expect. Few would question migrants' obligation to obey the law and to pay taxes along with other residents. Nor is it unreasonable to expect migrants, like other residents, to make every effort to be self-sufficient and avoid reliance on the state (and hence reliance on other taxpayers).

Beyond those requirements, it is known that language acquisition considerably enhances the migrant's probability of getting a job. The question has thus arisen whether it is legitimate to require migrants to take language courses. Where there is no evidence that migrants are unwilling to take such courses, this would seem premature. In some regions there are long waiting lists for courses or they are offered at a cost or on schedules that are not feasible for migrants. It would seem appropriate for states to ensure, first, that migrants have the opportunity to study. Should there be reluctance, incentives could be considered before considering sanctions for non-attendance.

CORE VALUES

Should migrants be required to adopt the values and norms of the host society, to assimilate rather than integrate?

Should Member States, at one extreme, allow migrants to maintain any religious or cultural practice, or at the other ban any practice that arouses disapproval in any section of the public? Where should states draw the line?

Before addressing this question, it is important to remember that the vast majority of migrants do not engage in extreme practices or hold values inconsistent with those of European citizens. It has also been shown that the security provided by inclusion within an ethnic culture is a form of social capital that can be of both psychological and economic importance in enabling individuals to overcome the isolation of the migration experience.

It is also necessary to acknowledge that the nationals of each Member State are themselves diverse, not only with regard to ethnicity and mother tongue, but also in terms of class, gender, age, religion, and other characteristics. Values and social norms not only differ between groups, but have evolved significantly in recent decades and will continue to do so, influenced in some respects by those of migrants themselves.

Moreover, while the majority of Europeans would identify themselves with human rights and democratic values, commitment in practice (e.g., levels of voting) and standards of social responsibility (e.g., levels of criminality and other forms of anti-social behavior) suggest that we can not hold up Europeans per se as models to which third-country nationals should aspire.

Rather, the common principles on integration adopted under the Dutch Presidency framed the aspiration more appropriately in affirming that every person resident in the EU must adhere to the basic values of the European Union. It cites the European Treaties and the Charter of Fundamental Rights as the source of those values and respect for human rights and the rule of law in particular.

In the UK, ministers have highlighted the importance of human rights as core values that can unite a diverse society. Speaking to civil servants in 1999 on the Act of Parliament that would bring the European Convention on Human Rights into UK law, the then Home Secretary Jack Straw MP said:

Consider the nature of modern British society. It's a society enriched by different cultures and different faiths. It needs a formal shared understanding of what is fundamentally right and fundamentally wrong if it is to work together in unity and confidence ... The Human Rights Act provides that formal shared understanding.

Human rights are, in most cases, not absolute standards. With exceptions such as freedom from torture, an individual's human rights may be limited to protect the rights of others and of the community as a whole, for instance from crime. International human rights standards set down the terms in which these restrictions are allowed and provide the most valuable

tool for determining whether, in particular circumstances, restrictions are acceptable: the test of proportionality. When considering whether it is legitimate for the law to ban a particular cultural or religious practice, it requires us to consider: Is this ban to achieve a legitimate aim, and is it proportional to the harm it is designed to prevent? Human rights standards do not necessarily provide direct answers to the questions raised by cultural practices — they do not always tell us whether the practice is right or wrong — but they do provide a framework to resolve the conflicting rights which the practice has posed.

GOVERNMENT AND MUNICIPALITIES

The state and its agencies at the national and local levels are responsible, first and foremost, for leadership. They must deliver clarity of vision on the kind of society that the integration strategy is designed to achieve, while explaining to the public the rationale of the strategy and promoting an informed, balanced public debate. The state, particularly at the local level, must take responsibility for promoting good relations among communities, including preparing residents for new arrivals. And it should exercise leadership in mobilizing the partners it needs in civil society to make the strategy work.

An effective strategy needs a sound evidence base. The state can conduct or sponsor research, consult others, and evaluate “what works.” It can prioritize effective interagency coordination. And it can ensure that integration

objectives are built into its mainstream employment, housing, education, health, and urban renewal programs.

National governments can ensure that post-entry immigration controls do not pose an unnecessary barrier to integration, and that there is clarity (for migrants, employers, and service providers) on the rights and responsibilities of migrants. All Member States have a responsibility to ensure that there is effective anti-discrimination legislation. They may also take direct responsibility for delivery of services to migrants: introductory programs, language and skills training, and so forth. Finally, national states determine the conditions under which migrants may become nationals and entitled to the rights and obligations, and equality of opportunity, which citizenship status confers.

CIVIL SOCIETY

The state's responsibility is extensive, but the integration process happens in daily life, and here the agencies of civil society — employers, trade unions, community and voluntary organizations, and faith groups — have key roles to play.

Employers, for instance, do not only provide employment. Some are also providing language courses for new migrants or allowing time off from work to attend courses off-site. Trade unions have taken responsibility for ensuring that migrants have access to information on health and safety and employment rights. Their role in addressing exploitation of low-wage

migrants by rogue employers is vital. Membership in a union is also an important way for migrants to engage with non-migrants in circumstances where they have a common interest.

Voluntary organizations play a significant role in many countries by providing services to migrants that meet their particular needs, from health, education, and housing to specialist advice on immigration rules. Governments acknowledge that they do not themselves always have the detailed knowledge of migrants' diverse needs and that those needs are better met by organizations and groups in this sector.

Beyond services, community and faith groups play another key role in building bridges between migrants, with other members of their ethnic or faith group, and with the wider community. They provide a means of access for governments to consult migrants, and can provide migrants with ways not only to access mainstream jobs and services, but also to contribute to the community in a voluntary capacity.

INDIVIDUALS IN THE LOCAL COMMUNITY

Members of the public can offer a vital ingredient in the integration process that no government can provide: the welcome and understanding that can foster a sense of belonging and security. Their openness to new people and ideas, their willingness to engage in conversation and invite newcomers into their homes, can be the most important source of information and advice to migrants on local services

and social norms, as it is to anyone who moves into a new neighborhood within their own country. Through a friendly neighbor, migrants can meet other members of the community, hear about vacant jobs and accommodation, learn how to register with a local doctor, and where to leave rubbish for collection. Neighbors, in turn, learn about migrants and can contribute in their conversations with others to a more informed public debate.

MEDIA

The media has a responsibility to ensure that coverage of incidents involving migrants is balanced and that information on numbers of migrants or data on use of services, for instance, is accurate. In some states there are voluntary codes of conduct providing guidance to journalists. Governments can ensure access to accurate information and that misconceptions are actively redressed.

STATE OF PLAY AT THE EU LEVEL

The EU has long recognized that integration is a necessary part of a comprehensive immigration and refugee strategy; but only recently accorded it any priority. The European Commission sought to push integration farther up the agenda in its Communication on Immigration in 1994, and the integration of third-country nationals formally reached the agenda at the European Council in Tampere in 1999 as one of four themes of a new, comprehensive migration strategy.

Primary responsibility for integration remains at the national and local levels.

But it is now recognized that EU goals in relation to immigration, economic growth, and social cohesion all necessitate a focus on integration. The EU has no specific legal competence in relation to the integration of migrants. It does, however, have competence to address many issues central to it, including the regulation of migrants' rights post-entry (e.g., the Directive on Family Reunification); targeted programs for ethnic minorities like Equal; and mainstream strategies on employment, social inclusion, and health.

Since the Amsterdam Treaty (1999), the EU has in particular had a mandate to require antidiscrimination legislation. Directives (2000/43/EC and 2000/78/EC) now require Member States to legislate against discrimination on grounds of race (in employment, goods, and services); to establish a statutory race body to provide assistance to individual victims; and to ban discrimination in employment on grounds of religion or belief (since December 2003).

THESSALONIKI

The Justice and Home Affairs (JHA) Council in October 2002 asked the Commission to come forward with proposals for a more comprehensive integration strategy, and the conclusions of the Greek Presidency in Thessaloniki in June 2003 confirmed that, "The European Council deems it necessary to elaborate a comprehensive and multidimensional policy on the integration of legally residing third-country nationals who should be

granted rights and obligations comparable to those of EU citizens.”

It was agreed at Thessaloniki that the policy should cover employment, economic participation, education and language training, health and social services, housing and urban issues, as well as culture and participation in social life, and should take into account the particularities of different migrants, e.g., children and refugees. It noted approvingly that agreement had now been reached on the directives on family reunification and long-term resident status, which it recognized as essential instruments for integration.

The Thessaloniki conclusions saw integration as a “continuous, two-way process based on mutual rights and corresponding obligations of legally residing third-country nationals and the host societies.” While primary responsibility remained that of Member States, it argued that policies to achieve integration should be developed within a coherent European framework, taking into account the legal, political, economic, social, and cultural diversity of Member States. The development of such a framework would be assisted by defining some common basic principles. It would also be necessary to share knowledge and experiences, and to that end, the recently established group of officials as “national contact points” on integration would facilitate coordination. The Commission was invited to present an Annual Report on Migration and Integration in Europe, mapping data, policies, and practice, as an aid

to developing “policy initiatives for more effective management of migration in Europe.” Integration was thus clearly seen as one part of a broader migration management agenda. Finally, it was acknowledged that the success of an integration policy relies on the involvement of a wide range of actors including not only state agencies, but also trade unions, employers, NGOs, migrant organizations, and organizations engaged in cultural, social, and sporting activities.

COMMISSION COMMUNICATION 2003

The communication from the Commission on Immigration, Integration, and Employment had been published earlier, on June 3. It set out the approach to integration, endorsed at Thessaloniki, which is now being developed and is therefore worth mentioning in some detail.

The communication set integration within the context of both the Tampere (migration) and Lisbon (economic prosperity) agendas, seeing successful integration of new and settled migrants as a matter of social cohesion and economic efficiency. It emphasized participation: the need for states to create the conditions in which it is possible for the immigrant to participate in economic, social, cultural, and civil life; while “immigrants respect the fundamental norms and values of the host society and participate actively in the integration process, without having to relinquish their own identity.” The Commission foresaw migrants acquiring more rights and

obligations depending on their length of residence, with integration measures available to them soon after arrival. It recognized that asylum seekers might also need integration measures but noted that, as migrants without the right to remain, they were outside of the scope of the communication. In relation to irregular migrants, while endorsing the need for an effective policy of return, the communication went so far as to acknowledge that “integration policies cannot be fully successful unless the issues arising from the presence of this group of people are adequately and reasonably addressed.”

The communication established a number of important principles: that the approach should be holistic (embracing economic and social integration, addressing cultural and religious diversity, citizenship, and political rights); should reflect the varying needs of different categories of migrants; should engage a wide range of non-state stakeholders; and should require investment of resources. It argued that immigrants should themselves participate in the design and evaluation of the programs and policies that affect them. Significantly, it argued that while special programs were necessary in the initial phase of integration, in the long term it was important that migrants access mainstream services, which must take account of their specific needs.

In relation to integration into the labor market, the communication cited the need to recognize migrants’ existing qualifications, to remove

unnecessary barriers such as disproportional language requirements, to address discrimination, and to upgrade migrants’ occupational and language skills. The goal should be to reduce by half the unemployment gap between non-nationals and nationals by 2010. Social partners needed to ensure that migrants receive equal pay and working conditions, and employers that diversity in the workplace is well managed.

The communication also covered the importance of education for language acquisition, social orientation, and bridge-building across communities. It suggested that diversity should be reflected in the curriculum, that schools should work closely with parents, and that problems — which it identifies only in relation to large numbers of immigrants concentrated in one school — should be addressed. It noted the factors that lead to housing segregation, the lack of affordable housing, and the barriers posed to migrants’ sense of belonging and participation by racism and xenophobia. Regional planning strategies to address segregation were cited as one area for policy development. Access to health and social services was a further area where it was suggested that existing policies could be adapted to address migrants’ particular needs. Information for migrants and training for service providers, with migrant participation in planning services, was recommended.

Migrant participation was emphasized not only to ensure the cultural sensitivity of services, but also as a broader path towards social mixing

and development of mutual respect across communities. The Commission stressed the need to ensure that the public has accurate information about the contributions migrants make in order to challenge negative attitudes. Politicians and the media should, it suggested, set an example for civil society.

The Tampere conclusions (1999) had already endorsed the value of naturalization for third-country nationals in fostering a sense of belonging and according important legal rights. The Commission had itself proposed a concept of “civic citizenship” under which non-nationals would acquire a certain level of rights over a period of years, including some rights of participation in elections. It now saw the Charter on Fundamental Rights as central to making these rights a reality.

Turning to policy levers, the communication proposed faster progress on pending directives, for instance on recognition of qualifications, and full implementation of the directives on race and religious discrimination. It recommended that Member States go beyond the minimum and give public bodies a duty to promote equal treatment. A major publicity campaign was anticipated, focusing on employers and employees, and an annual report published on equality and discrimination in the EU.

The national contact points, mostly officials from Member State governments, would be a means of sharing information and strengthening

coordination of policies at the national level, while ensuring synergy with related EU policies on employment, social inclusion, and antidiscrimination. The first priorities identified by the Commission for the contact group were to identify optimal models for introduction programs for new arrivals; extend access to language training; and increase participation in civil, cultural, and political life.

In relation to the European Employment Strategy, the Communication urged Member States to:

- Increase migrants’ access to training and employment services to reduce unemployment;
- Develop a mix of sanctions and preventative measures to tackle undeclared labor;
- Monitor the needs of the labor market and the role of immigration within it;
- Share information on good practice; and
- Implement a series of other measures including fast-track language training for professionals.

Member States have also been required since 2001 to report on National Action Plans for Social Inclusion, and the Commission asked that subsequent reports on measures to promote the social integration of individuals at particular risk of exclusion should pay greater attention to immigrants.

In addition to the existing European Refugee Fund, 12 million Euros over three years would fund pilot projects (“INTI” projects) on sharing information

and good practice in order to develop greater consistency of practice across the EU. Separately, the Commission is exploring the potential for developing a series of indicators for measuring integration, for comparative purposes, as part of an action plan for the collection and analysis of community statistics in the migration field.

PROGRESS IN 2004

The Commission's first, brief annual report on migration and integration was published in July 2004. Summarizing migration trends and evidence on fiscal and labor market impacts, the report on integration was drawn from the national contact points and from the National Action Plans on Employment and on Social Inclusion. In those plans, the Commission found greater priority being accorded to integration issues. However, at EU and national levels, in some major policy fields the mainstreaming of integration issues remained slow. At the national level, in relation to employment, it found limited participation by social partners, and scant evaluation of the effectiveness of policies on the ground. Many occupations remain restricted to nationals. Provision of language tuition for new arrivals was increasing, as had provision of civic education (or "social orientation").

The report found that many Member States had little analysis of the reasons why immigrants are particularly at risk of poverty and exclusion, and were experiencing difficulties addressing residential segregation and poor housing. Action on discrimination and racism was often not connected to strategies

on integration, and it had been made more difficult by negative stereotyping of migrants in the media and the rise in support for the far right.

The Commission found it "difficult to assess whether there has been progress in developing comprehensive integration strategies at a national level," while acknowledging the increase in specific measures and at least awareness of the importance of including immigration objectives in mainstream policies and programs. Gender considerations had not yet been taken on board, in policy or data. Nor had the directives on discrimination been transposed into national legislation in some Member States, a situation on which the Commission intended to act.

The national contact points were engaged in developing a handbook for practitioners and policymakers and this was duly published later in the year. It covers good practice on introduction programs, civic participation, and indicators for measuring progress.

The report stressed the importance of developing networks for dialogue with migrant organizations, and emphasized that it would monitor the legal framework of rights accorded to migrants within Member States. It would also take forward the proposals to establish a set of common principles on integration as the basis for subsequently identifying common objectives across the policy fields. It foresaw the national contact points playing a significant role in these subsequent developments. But the Commission would also consider

the need for a more formal basis for the exchange of information on integration alongside the existing EU mechanisms on employment and inclusion.

Finally, the annual report stated that the Commission's budget for 2007-2013 would provide specific support for a common policy on immigration, including incentives to Member States to promote integration, but without further clarity on what form this provision might take. (In practice, it may prove appropriate to bring the Refugee Fund into a broader integration fund in order to help overcome the institutional barriers between provision for refugees and that for other immigrants whose needs are, in many respects, the same).

There are also mainstream funding streams such as the European Social Fund which in 2000-2006, for instance, will spend one-fifth of its budget promoting equal opportunities in the labor market, with some funds directed specifically at migrants. This is also true of the Socrates education program, the program supporting vocational training, and the Entrepreneurship Action Plan. This demonstrates the importance of mainstreaming relative to targeted initiatives that cannot attract equivalent funding.

COMMON BASIC PRINCIPLES

The Dutch Presidency (July-December 2004) subsequently gave considerable priority to progress on the integration agenda, arguing that, "The long term well-being of many of our societies is

probably more contingent upon solving the immigration and inter-group relations puzzle than some of us may acknowledge publicly."

Its goal was not to harmonize policies across the EU, but to reach agreement on the key elements of the common EU framework that Thessaloniki had endorsed. Its achievement was agreement by all 25 Member States on Common Basic Principles for immigrant integration policy at the EU Justice and Home Affairs Council in November 2004.² The preamble to the Common Basic Principles establishes the rationale for action at the EU level by stating that, "The failure of an individual Member State to develop and implement a successful integration policy can have in different ways adverse implications for other Member States and the European Union."

It cites the potential impact of this failure on the economy, on fulfillment of international human rights obligations, and on tensions within society. The preamble suggests, on this basis, that it is in the common interest of all Member States that each is encouraged to pursue effective integration strategies.

The Common Basic Principles are non-binding but intended to provide guidance on developing goals and priorities and on measuring progress, both for states with experience with immigration as well as for those which have only recently become migrant

2 Council of the European Union Document 14615/04, 19 November 2004.

destinations. They are also intended “to assist the Council to reflect upon and, over time, agree on EU-level mechanisms and policies needed to support national and local-level integration policy efforts, particularly through EU-wide learning and knowledge-sharing.”

This is clearly seen as a first step towards greater EU intervention in ensuring that adequate steps are taken in each Member State to promote integration, in the interests of the EU as a whole.

The eleven principles adopted after much debate largely reflect the holistic approach the Commission had taken in its earlier communication: that integration is a two-way, multi-dimensional process of mutual accommodation, with recognition of the need for host societies to remove the barriers to integration, including discrimination; and a process that must respect the rights of migrants as well as their obligations. The Common Basic Principles emphasize the importance of employment, language acquisition, education, living environment, opportunities for social mixing, and migrant participation in decision-making. They assert that everybody in the EU must “adhere closely to the basic values of the EU,” not only migrants, and that the practice of diverse cultures and religions are guaranteed by the Charter of Fundamental Rights and must be safeguarded unless particular practices conflict with other inviolable European rights or with national law. Reference is made, in that context, to the freedom

of women to choose whether to practice a particular religion. The Common Basic Principles emphasize the importance of mainstreaming integration measures into all relevant policy portfolios. They stress the value of engaging non-state actors and of coordinating their contributions. Looking ahead, they talk of developing clear goals and indicators at the EU level and evaluation mechanisms to learn from experience and from each other.

The Common Basic Principles are less comprehensive than the earlier Commission communication and their understanding of integration less nuanced: They imply, for instance, that integration is a uni-directional process that will reach completion. Temporary and irregular migrants are not included within the target group. An inclusive, positive vision gives way, in places, to a more negative tone (references to “law-abiding” immigrants and “migrant youth delinquency”), with somewhat greater emphasis on migrants’ responsibility to integrate than on the responsibility of the receiving society to provide opportunities for them to do so. The goal is to overcome a deficit of migrant integration rather than to build a more cohesive, inclusive society. The strength of the Common Basic Principles, however, is in adding the endorsement of all Member States to a holistic integration strategy that focuses not only on migrants, but also on dismantling the barriers to integration that they face.

The Dutch Presidency brought the government ministers responsible for integration together for the first time.

At a conference in Groningen, focusing on introductory programs and on measures relating to youth, it was evident that Member States would value greater coordination and information-sharing but did not agree on the extent to which the EU should take the lead or have significant financial responsibility. While some supported the creation of a European Fund for Integration, others thought all funding for integration should remain within the competence of Member States. They did ask that the European Commission, with the national contact points, create a dedicated website on integration to provide access to information on good practices in and beyond Member States.

The European Council in early November 2004 approved the Common Basic Principles in its forward agenda for the EU, “The Hague Program.” Adopted at a time of heightened awareness of security issues, the Hague Program situates integration within the security and justice issues on the EU agenda. Throughout the program there is a sense of urgency about implementation, outcomes, and evaluation. On integration, it reiterates the need for greater coordination of national policies and EU initiatives and states that “a framework, based on these common basic principles, will form the foundation for future initiatives in the EU, relying on clear goals and means of evaluation.” The establishment of the dedicated integration website that the ministers had proposed would support the exchange of information.

After his appointment as Commissioner for Justice and Home Affairs, Franco Frattini announced that he would launch a communication on a coherent framework for integration during 2005 to implement the integration dimension of the Hague Program; this communication was released in September 2005.

CONCLUSION AND WAY FORWARD

The alienation of a small minority of immigrants, and evidence of broader economic and social exclusion, has forced the issue of integration on to the EU’s agenda. On each index of integration — employment, education, health, living standards, civic participation, and community relations — migrants are often disproportionately disadvantaged even in the second and third generations. The strong focus on integration could now provide the momentum for addressing the barriers faced by migrants. But public concern, some open hostility, and support for the far right, have set up a political Catch-22: Integration measures are needed yet the allocation of resources to services that migrants need can be contentious when resources for the population as a whole are limited.

Member States recognize that migration will be a continuing and evolving feature of Europe’s future and that the integration of migrants requires policy intervention. The need to ensure social cohesion is matched by the need to ensure the integration of migrants into Europe’s labor markets, in which

their skills and labor will continue to be essential to its prosperity. Even in those states with long experience with immigration, integration measures are limited and have not been based on a comprehensive understanding of the barriers to integration. States have differed in the extent to which they have focused on foreigners or ethnic minorities, on newcomers or second generation, on economic integration or cultural assimilation. In addition, in the northern, southern, and eastern regions of Europe, states have differed in the extent to which there is an expectation that the state or civil society will take responsibility for integration initiatives. There are signs of some convergence, but huge differences remain in emphasis and approach.

The Greek and Dutch presidencies of the EU in 2003-2004 oversaw progress towards acceptance by Member States that the EU has a role to play in advancing the integration agenda, even while primary responsibility remains at the national and local levels. It is accepted that there should be a common framework for integration policies and the first step, a document on Common Basic Principles, has been agreed upon.

Despite a heavy emphasis within some states on the perceived failure of migrants to adapt, and elements of compulsion in language and social orientation programs, Member States have signed up to a more balanced, multi-dimensional analysis. There is, moreover, agreement on some concrete steps:

- Implementation of anti-discrimination legislation (albeit contentious in practice in some states);
- Mainstreaming of integration into the EU employment and social inclusion strategies;
- Sharing of good practice through national contact points, with further editions of the handbook and a dedicated website; and
- A small budget for pilot initiatives with potentially a more significant budget from 2007, and
- An annual report on integration to monitor progress.

The next step is thus to take the existing agenda forward, and for the Commission to act in those areas where it has a clear mandate, for instance in enforcing the discrimination directives.

CROSS-CUTTING GOVERNANCE ARRANGEMENTS

The Commission will need to develop a stronger basis for cooperation across directorates for this quintessential cross-cutting agenda. This is particularly important between Justice, Freedom and Security (known as "JLS," formerly Justice and Home Affairs) which leads on migration, integration, and fundamental rights, and Employment and Social Affairs, which leads on employment, social inclusion, and discrimination. It is no secret that differences of emphasis exist between these two directorates, and that each insists that it should lead on integration. This has made agreement on a common agenda a difficult process.

It remains unclear how the Commission can develop a consistent integration strategy mainstreamed across policy fields unless this division is overcome. At the national level there is equally a challenge for ministers responsible for integration, wherever located, to ensure that this issue is given some priority within the departments that lead on employment, education, health, international development (for cooperation with source countries), and other crucial policy areas. Mechanisms are thus needed for dialogue with stakeholders within and across governments, and within the Commission, not only to secure cooperation in mainstreaming integration objectives across policy portfolios, but also to develop a common understanding of the strategy's multiple objectives.

MAINSTREAMING

Integration objectives need to be built into all of the Commission's relevant mainstream programs and budgets, as has already begun in employment and social inclusion. There is more capacity in those programs to achieve change, not least those requiring regular reporting on national action plans, than in any additional projects targeted only at the migrant community. Targets and performance indicators required in the guidelines of the action plans should specifically require reporting on indices that measure the inclusion of immigrants alongside those of the rest of the population. Where relevant, data reported should reflect gender, and not mask differences between and within the main immigrant communities.

The Commission could carry out a review to identify which Community policies, programs, budgets, and policy levers are most relevant to integration, to inform its mainstreaming approach. It could also lead by example, reviewing its own staffing procedures to increase the number of ethnic minority staff at all levels — both to ensure equal opportunities and to guarantee that policymaking benefits from their experience. It could reconsider the bar on employment of resident third-country nationals, while encouraging a review within Member States of the impact of occupational barriers to non-nationals.

RESEARCH, MONITORING, AND EVALUATION

There is a role for the Commission in developing a broader evidence base for integration policies, through research, monitoring, and evaluation. The fact that we know that language proficiency has a significant, measurable impact on labor-market performance, for instance, is a powerful reason for providing access to language classes. But we do not have an equal understanding of the impact of other integration policy levers. An approach that “works” in one Member State may not be entirely suitable for another, but it may offer insights from which others can learn. The Commission is committed to disseminating information on good practice through its proposed dedicated website. What constitutes “good practice,” however, depends on criteria for measuring outcomes, and the evaluation itself should be conducted with independence and rigor. The work being carried out to identify indicators to

measure national progress is valuable, but the Commission could also ensure that resources and guidance are available to monitor and evaluate individual programs according to agreed-upon criteria that would make comparison with programs in other Member States more meaningful.

Research is also needed on the barriers to integration within and beyond the labor market. Results should be disseminated in a form accessible to policymakers to address assumptions and misconceptions on which policy initiatives can otherwise be based.

REVIEW LEGAL CONTROLS

It is recognized that admission policies have an impact on the capacity to integrate, but little attention has been paid to the impact of post-entry controls on migrants' access to jobs, services, and participation. At the EU and national levels, there is a need to review the impact of immigration controls to ensure that those restrictions that remain are no more than necessary to achieve competing objectives. The rights and responsibilities accorded to migrants should reflect their temporary or permanent status, with maximum possible access to the rights that promote integration — including work, family reunification, public services, and participation in the democratic system. Understanding the impact of these controls — for instance on the lifestyle of male migrant workers not permitted family reunification, or the implications of permits that tie the migrant to a named employer — could be a further topic of research.

The Commission could also endeavor to give substance to the notion of civic citizenship by developing a framework of minimum civil, political, social, and economic rights and responsibilities that apply to all migrants within the EU, some on arrival and others after an agreed-upon residence period. It can, and has given, substance to some of these rights through directives such as that on family reunification and the rights of third-country national migrant workers.

In developing a framework of minimum rights, the Commission should at least initiate a debate on the position of irregular migrants who, regardless of legal status, have some civil rights. Moreover, excluding irregular migrants from basic health care, or their children from education, has social consequences which should be taken into account. Some Member States (e.g., Italy) protect the access of irregular migrants at least to emergency health care. The Commission could initiate research on the impact of this approach in order to inform policy development.

TACKLE DISCRIMINATION

On discrimination, the Commission has the authority to monitor implementation of the directives and to take action against any of the 25 Member States that fail to give them force in domestic law, including the establishment of a specialized “race” body to promote compliance. The Commission may need to be tough on Member States that drag their feet. Migrants who are treated unfairly on grounds of race or religion, denied the opportunity

to prosper and participate, will never feel the sense of belonging and commitment to their new country which integration programs, however well designed, cannot deliver. In practice, discrimination legislation is itself only the first step: Subsequent action is needed to ensure that employers (and in the case of race, service providers) have the knowledge and incentive to comply.

The Commission suggested in its communication that Member States could go beyond minimal compliance and put a statutory duty on public bodies to promote equality. The Council of Europe has recommended this to its broader European membership since 2003.³ The UK is currently implementing this for race, and this new approach has shifted the debate from an emphasis on victims and litigation to a focus on outcomes. Are ethnic minorities securing access to jobs and services, and achieving education, employment, and health outcomes, in the same way as the rest of the population? By requiring public bodies, from health and education providers to the police and housing authorities, to identify barriers to equality in their services and take steps to deliver change, the new law is taking equality from the margins towards the mainstream of each organization's service planning. The Commission could play a role in ensuring that this and broader experience in implementing discrimination legislation is shared among policymakers,

social partners, specialized bodies, NGOs, and migrant organizations.

EU law currently requires protection from racial discrimination in employment and services, but only in employment if discrimination is on grounds of religion or belief. Given current levels of hostility towards Muslims, we may expect to find evidence of discrimination in services on grounds of religion, for instance by landlords or education providers. In parts of Europe, e.g., Northern Ireland, discrimination on grounds of religion has been well proven. The Commission could ensure that research evidence on current experiences with religious discrimination is collated and, if necessary, new research undertaken, with a view to extending the Directive on religious discrimination in employment to cover goods and services. If the desired outcome is for religious minorities to feel and be included, an effective integration strategy should ensure that they are not treated less favorably when seeking access to housing, health, or education services.

INFORMATION AND ADVICE TO MIGRANTS

Member States are increasingly seeing the need to provide migrants with information on their rights and responsibilities, on the practicalities of life such as finding a local doctor and opening a bank account, and on social expectations for behavior. The manual for new members of Danish society, for

3 ECRI General Policy Recommendation No 7 on National Legislation to Combat Racism and Racial Discrimination adopted on 13 December 2002. CRI (2003) 8.

instance, in addition to practical information, advises migrants not to take offense if a colleague's use of irony in humor seems rude.

Migrants may fail to take up essential services if they do not know that they are entitled to use them, e.g., to register with a local doctor. Equally, tensions can be caused by inflated expectations of a service or by lack of knowledge of social expectations.

Recognizing the need for this information does not, however, necessarily translate into a political priority to allocate resources to provide it. This can be exacerbated where integration is the responsibility of a department that currently has significant competing claims on resources, e.g., for dealing with crime and national security. The EU could help to overcome this with its dedicated integration budget, for which one category of expenditure could be information and advice provision for new arrivals.

Migrants need access to independent advice so that they can access the opportunities that are open to them and avoid exploitation, for example, by unscrupulous employers or landlords. Evidence suggests that many do not join trade unions in the early period after arrival, and rely for advice on migrant community organizations that may not be well equipped to provide the information and advice needed. Language barriers may inhibit migrants seeking advice elsewhere, so that increasing the capacity of migrant organizations as a first port of call may be one way forward.

MOBILIZATION OF CIVIL SOCIETY

It is agreed that there is a need for dialogue to inform, engage, and mobilize civil society partners in the integration process. While for governments the agencies in civil society are an under-utilized resource, they are also an important counterweight to a state-driven agenda tending to focus too narrowly on language and employability. Integration happens at the local level and it is local employers, trade unions, and voluntary and community organizations that, along with families and neighbors, will be central to the integration process, whether governments engage them within a formal strategy or not.

The social partners are, however, only vaguely aware of the key role they play and the responsibility they share for its success or failure. They are, with other players in civil society such as faith groups and community organizations, scarcely recognized as partners in the integration process. Discussions could be initiated at an early stage to establish what would be the most effective means to develop and disseminate ideas on the roles that these partners could play and to monitor their impact.

The question arises whether the European Commission itself can contribute directly to this exercise, or should provide a framework of ideas, guidance, and funding to enable it to happen. This could be a topic the national contact points include in their agenda for policy development and guidance in 2006. If local partners are to play a significant role, they will

also need to have a voice in policy development. Eurocities, a network of large cities in Europe, recently called for an explicit partnership on integration and a role in policy design.

BUILD BRIDGES ACROSS COMMUNITIES

There are many examples of local initiatives to build bridges between migrants and their neighbors, bringing people together in circumstances in which they develop shared interests, common understanding, and positive relations. Neighborhood welcoming committees, mentoring, and engaging migrants as volunteers in community projects are some of the schemes that have delivered results. Yet there is little coordination within or across Member States and scant evaluation or shared learning. Nor are there ample resources to enable such initiatives to be developed in all of the areas where they are most needed.

Public hostility can reflect racism or xenophobia. It can also reflect fears about competition for jobs or public services, or personal security, and such fears need to be addressed. Where good practice exists, it has often been initiated by community organizations or municipalities in response to an immediate local need. The Commission could encourage such initiatives by making available matching funds, by disseminating information on successful initiatives on the proposed integration website, and by suggesting that these initiatives have some priority within the work program of the national contact points. Major questions, such as ways in which faith groups can play

a significant role in building bridges across communities, need to be the focus of research, to put more information and analysis into the public domain.

UNDERSTANDING AND ACCEPTANCE OF HUMAN RIGHTS STANDARDS

The Common Basic Principles assert that all those in Europe need to adhere to some unifying common values. Each Member State is a signatory to the European Convention on Human Rights (ECHR), which not only sets down minimum standards on how the state treats people within its borders but also provides an ethical code for how we treat each other. The convention teaches respect for privacy, equality, and family life, while challenging intolerance and degrading treatment. The Charter of Fundamental Rights builds on those standards. The EU public does not, in its diversity, need to agree on everything. There was huge diversity of values in Europe before post-war migration added to that cultural mix. But Europe needs a common code that overrides unacceptable extremes. The ECHR and broader international human rights standards provide that, and the EU needs to consider what steps should be taken to promote understanding and acceptance of those standards among people and institutions.

Where states have established Human Rights Commissions or equality commissions with a broader human rights mandate, those institutions can play a significant role in raising awareness (a process in which the Council of Europe should continue to play an

important part). At the EU level, the European Monitoring Center on Racism and Xenophobia is to be developed into a broader human rights agency that could be given a role in building awareness and understanding of human rights, as well as of monitoring abuse. There is a place here, too, for interfaith dialogue to clarify the broad areas of agreement on fundamental values and those areas where differing interpretations among the majority or a minority within a faith group, need to be resolved.

PUBLIC DEBATE

Bridge-building initiatives, and human-rights awareness, could be part of a wider attempt to foster a more positive, balanced public debate. There is an urgent need for leadership of that debate at the EU, national, and local levels by politicians who could help to ensure that the public has accurate information, presented in a way that builds confidence in migration management and addresses misinformation and misconceptions. The public has had little explanation of the rationale for migration policies and has not accepted that migration is a necessary part of Europe's future and that it can bring benefits. There is little recognition by Member States of their immigration history and the lessons that can be learned from it, for instance through support for immigration museums. The Commission framework could address the terms in which national and local governments could help bring the facts about migration into the public domain, explain the rationale for policies, and avoid contributing to negative media

coverage. The Commission could itself make public EU-wide data.

If the Commission were to embrace and implement this broad integration agenda, its role would develop from that of legislator, regulator, and monitor, to one of leader and mobilizer, under the watchful eye of Member States and the European Parliament. The urgency of this agenda, and the value in developing a common framework that encompasses labor market, social, cultural, and political engagement, suggests that the European Commission should be encouraged and given the resources to do so.

The danger inherent in an EU-led approach is that it develops as a top-down strategy. Integration happens at the local level. Moreover, it is not something that is done to migrants, but a process in which they are but one significant player. The EU can provide a framework, legal minimum standards, and resources. It can help to mobilize the stakeholders. But the Commission and Member States must ensure that the voices of migrants and of agencies at the local level are heard when the goals and policy levers of the integration process are chosen. Migrants will be a permanent part of Europe's future and, in the final analysis, new residents and old will need to negotiate their future together.

REFERENCES

- Cabinet Office. *Ethnic Minorities in the Labour Market*. Final Report, Prime Minister's Strategy Unit, 2003.
- European Commission. *Communication on Immigration, Integration, and Employment*, COM (2003) 336 final, 2003.
- European Commission. *Handbook on Integration for Policy-Makers and Practitioners*. 2004, http://europa.eu.int/comm/justice_home/.
- European Commission. *First Annual Report on Migration and Integration*, COM (2004) 508 final, 2004.
- European Policy Centre/King Baudouin Foundation. *Beyond the Common Basic Principles on Integration: The Next Steps*, Issue Paper 27, April 6, 2005.
- EU Presidency Conclusions Thessaloniki European Council June 2003. Council of the EU, Brussels, October 1, 2003. 11638/03. Polgen 55, 2003.
- Frazer, H. "The National Action Plans on Poverty and Social Exclusion and Provision for Migrants." Presentation at the Irish Presidency Conference "Reconciling Mobility and Social Inclusion: The Role of Employment and Social Policy." Bundoran, April 1, 2004.
- Parekh, B. *Rethinking Multiculturalism, Cultural Diversity and Political Theory*. London: MacMillan, 2000.
- Portes, A. and M. Zhou. "The New Second Generation: Segmented Assimilation and its Variants." ANNALS, AAPSS, 530, November 1993.
- Rudiger, A. and S. Spencer. "Social Integration of Immigrants and Ethnic Minorities." Presentation and paper to the OECD/European Commission conference on *The Economic and Social Aspects of Migration*, Brussels, January 21-22, 2003, <http://www.compas.ox.ac.uk/about/publications/Sarah/OECDpaper03.pdf>.
- Spencer, S. and A. di Mattia. "Introductory Programmes and Initiatives for New Migrants," Paper for the *Ministerial Conference on Integration*, Groningen, November 2004, <http://www.compas.ox.ac.uk/publications/Integration%20report%20summary.html>.
- Weil, P. and J. Crowley. "Integration in Theory and Practice: A comparison of France and Britain." In *Migration and Social Cohesion*, edited by S. Vertovec. United Kingdom/United States: Edward Elgar, 1999.

INTEGRATION PROCESSES OF MIGRANTS : RESEARCH FINDINGS AND POLICY LESSONS

RINUS PENNINX



Immigrant integration is now a hotly debated topic across Europe, but the history and nature of these discussions differ from country to country. In some states, the debate started as a reaction to the perceived failure of integration policies. In Sweden and the Netherlands, for example, longstanding integration policies have come under fire in a politically polarized climate. In other northwestern European countries, however, the topic of immigrants became politicized much earlier, preventing even the establishment of integration policies. Germany, for example, only recently reached a political compromise on a new law on immigration and integration.

This ambiguous stance of most European countries on integration policies is reflected at the European Union (EU) level, where attempts to establish such policies are quite recent. This relative newness comes despite a longer history of trying to frame a common immigration policy that reaches back to the Amsterdam Treaty of 1997, which laid the legal foundation for a harmonization of asylum and communitarian immigration policies in the EU. Later, the Tampere Summit in 1999 developed a political program and work plan to gradually build a harmonized, common immigration policy. The Communication on a Community Immigration Policy (November 22, 2000) set the framework for such policies, and in the first four

years since the enactment of the Amsterdam Treaty, twenty-three binding regulations have been accepted. Eleven of these relate to borders and visas, six to illegal immigration and expulsion, five to asylum, and one to legal migration.¹ The topics reflect the still-dominant preoccupation with restrictive and control-oriented migration regulation at the EU level.

It is exactly this ambivalent attitude of European countries towards immigration that makes integration policies problematic. In contrast with classical immigration countries like Canada, Australia, and the United States, European states do not regard themselves as immigrant receivers, despite the large numbers crossing their borders. That is why integration has appeared as a topic on the EU agenda only since the Communication on Immigration, Integration and Employment was published on June 3, 2003. Under the EU's Greek Presidency at the Thessaloniki Summit of June 2003, this document was accepted as a basis for developing an EU-wide integration policy. It was not, however, conceived as a communitarian policy. Instead it was a "Third Pillar" policy, meaning that any common initiative can only be implemented by the unanimous decision of the Council of Ministers. A further step towards such a consensus-driven policy was recently taken at the Ministerial Conference responsible for integration under the Dutch Presidency, where eleven

1 C.A. Groenendijk and P.E. Minderhoud, "De Nederlandse invloed op nieuwe Europese regels betreffende migratie en asyl," in *Immigratie en asiel in Europa. Een lange weg naar gemeenschappelĳkheid*, ed. W.A. Brusse, D. Broeders, and R. Griffith (Utrecht: Lemma BV, 2004), 137-162; J. Niessen, *Five years of EU migration and asylum policymaking under the Amsterdam and Tampere mandates* (Brussels: MPG, 2004).

common basic principles for integration policies were discussed and accepted.

The topic of integration processes and policies has thus been neglected in the past, but it is now on its way to the top of the political agenda at the local, national, and EU levels. This chapter will develop a conceptual framework and draw lessons from past experiences. The groundwork will be laid by making basic observations on the logic of integration processes then on the often distinct logic of policymaking and implementation. This will be followed by exploring answers to these questions: if we have a sound knowledge of integration processes, and if we have managed to formulate adequate policies to steer these processes, who must implement policies and at what level? Furthermore, how do policies at the local, national, and EU levels relate to one another?

Finally, this chapter will examine what strategies can or should be followed in implementing policies to be successful and draw conclusions about the kinds of fundamentals involved in integration policies and which dilemmas should be solved.

THE LOGIC OF INTEGRATION

The moment immigrants settle in a country, they have to acquire a place in that new society. This is true not only for physical needs such as housing, but also in the social and cultural sense.

Integration is the process by which immigrants become accepted into society, both as individuals and as groups. This definition of integration is deliberately left open, because the particular requirements for acceptance by a receiving society vary greatly from country to country. The openness of this definition also reflects the fact that the responsibility for integration rests not with one particular group, but rather with many actors — immigrants themselves, the host government, institutions, and communities, to name a few.

There are two parties involved in integration processes: the immigrants, with their characteristics, efforts and adaptation, and the receiving society, with its interactions with these newcomers and their institutions. It is the interaction between the two that determines the direction and the ultimate outcome of the integration process. These two, however, are unequal partners. The receiving society, in terms of its institutional structure and the way it reacts to newcomers, has much more say in the outcome of the process.

The process of integration of immigrants is thus not — as is often supposed — only taking place at the level of the *individual immigrant*, whose integration is then measured in terms of housing, employment, education, and social and cultural adaptation to the new society. It also takes place at the *collective level* of the immigrant group. Organizations of immigrants are the expression of mobilized resources

and ambitions and also at this level, mechanisms of the integration process apply.

In addition, there is the level of *institutions*, which come in two broad types. The first are general public institutions of receiving societies or cities, such as the education system or institutional arrangements in the labor market. Laws, regulations, and executive organizations, along with unwritten rules and practices, are part of such institutions. These, however, may hinder access or equal outcome for newcomers, or even completely exclude them. The functioning of these general public institutions (and the possible adjustment of them in view of growing diversity) is thus of paramount importance. It is on this level that integration and exclusion are mirrored concepts.

The second kind of institution belongs to specific types of immigrant groups themselves, such as religious or cultural institutions. These specific institutions and their possible integration can be viewed in the same way as immigrant organizations: they may become an accepted part of society on the same level as comparable institutions of native groups, or they may isolate themselves or remain unrecognized and excluded.

The mechanisms working at the individual, group, and institutional levels are different, but the results on each of these levels are clearly interrelated. Institutional arrangements determine the opportunities and scope for action

of organizations. Institutions and organizations together create the structure of opportunities and/or limitations for individuals. Conversely, individuals may mobilize and change the landscape of organizations and ultimately even contribute to significant changes in institutional arrangements.

The interconnectedness of integration processes on different levels can be illustrated by comparing Turkish Muslims in the Netherlands to those in Germany. These immigrants came in the same period, for the same reasons, and with roughly the same characteristics, but policy reactions to Islam and the Turkish group differed markedly in the two countries. The Netherlands introduced an “ethnic minorities policy” in the early 1980s, which implied among other things an official recognition of Islam on the same footing as other religions. This opened opportunities for its public manifestation. It also entailed recognition of organizations as potential partners in integration policies, including religious ones. In turn, this implied ongoing relations and negotiations between these organizations and authorities both for the public regulation of specific Muslim activities in the Netherlands (mosque building, the public call to prayer, Islamic public broadcasting, state-funded Islamic schools, etc.) and for integration activities by Islamic organizations for their rank and file. In contrast, Germany, with some local-level exceptions, has been much less engaging.

The result of these diverging policies relating to specific institutional

arrangements for Islam and to Islamic organizations is that on the individual level, attitudes towards the receiving country and towards integration, particularly as measured among young and second-generation Turks, seem to differ markedly in the two countries. Some research in Germany found inward-oriented and even fundamentalist attitudes among Turkish youngsters on a large scale. In the Netherlands, in contrast, researchers found a much more positive attitude towards integration, involvement, and participation, particularly in local society. This goes together with more critical and independent views of youngsters on established Islamic umbrella organizations.²

One final, critically important element of the logic of integration processes is the time factor. Integration of newcomers is a long-term process. At the individual level, an adult immigrant may adapt, learning how things are done, by whom, etc., for the pragmatic purpose of earning immediate rewards. However, individual feelings and likings, as well as their evaluations of right and wrong, are persistent within an individual's lifetime. This is a general rule for

mankind, but it becomes more evident in those who change environments through migration.

Generally speaking, the descendants of this "first generation" of migrants differ from their elders in this respect. Through primary relations within their family and other immigrants, they are familiarized with the immigrant community, and possibly with its roots elsewhere. At the same time, however, they become thoroughly acquainted with the culture and language of the receiving society through informal contacts. These occur in the neighborhood starting in early childhood, and further contacts take place through participation in general institutions, primarily the school system. If such a double process of socialization takes place under favorable conditions (in which policies play a major role), this second generation develops a way of life in which they combine the roles, identities, and loyalties of these different worlds and situations. They accomplish this balancing act in many different ways, which makes for more and more differentiation within the original immigrant group. At the group level, this means that the litmus test for

2 K. Canatan et al., *De maatschappelijke rol van de Rotterdamse moskeeën* (Rotterdam: COS, 2003); J. Doomernik, *Turkse moskeeën en maatschappelijke participatie: De institutionalisering van de Turkse islam in Nederland en de Duitse Bondsrepubliek*, (Amsterdam: Instituut voor Sociale Geografie, 1991); W.J. Heitmeyer et al., *Verlockender Fundamentalismus. Türkische Jugendliche in Deutschland*, (Frankfurt am Main: Suhrkamp, 1997); Y. Karakasolu and S. Koray, *Islam and Islamic organizations in the Federal Republic of Germany. A short summary of study of the Zentrum für Türkeistudien on Islamic organizations in Germany*, (Birmingham: Centre for the Study of Islam and Christian-Muslim relations, 1996); N. Landman, *Van mat tot minaret. De institutionalisering van de islam in Nederland*, (Amsterdam: VU-uitgeverij, 1992); Y. Özbeek and S. Koray, *Muslim voices. A stranger within?* Section on Germany, Part I and II, (Essen: Zentrum für Türkeistudien, 1998); N. Ogelman, "Documenting and Explaining the Persistence of Homeland Politics Among Germany's Turks," *International Migration Review* 37 (2003): 163-193; Th. Sunier, *Islam in beweging. Turke jongeren en islamitische organisaties*, (Amsterdam: Het Spinhuis, 1996); Th. Sunier, "Niederländisch-Islamische Staatsbürgerschaft? Ansichten über Islam, Bürgerschaft und Bürgerrechte unter türkische Jugendlichen in den Niederlanden," in *Der Fundamentalismus-verdacht. Plädoyer für eine Neorientierung der Forschung im Umgang mit allochtonen Jugendlichen*, ed. W.D. Bukow and M. Ottersbach (Opladen: Láske und Budrich, 1999).

integration, and for the success or failure of policies in this field, is the position of the second generation.³

If the integration process results from the interaction of two parties that takes place at different levels, what can be expected in terms of outcomes, taking into account the differentiating effect of time and generations?

Comparative studies indicate that a plurality of outcomes is the rule.

A first category of studies compares the integration process of different immigrant groups in the same institutional and policy context of a nation or a city. Two major messages transpire from such studies. First, long-term studies in the United Kingdom (UK), Germany, France, the Netherlands, and Belgium reveal that as a general rule, immigrant groups disappear after one or two generations as specific groups because they have become an accepted part of society. Policies are by definition selective, in that only those immigrants are defined as relevant groups who are not (yet) an accepted part of society. In the Netherlands, for example, this means that the large group of Eurasians that “repatriated” from the Dutch East Indies since 1945 were not included as target groups in the ethnic minorities policies of the early 1980s. This indicates that such immigrants had, by then, acquired an accepted place in society.

Second, other studies reveal that immigrant groups follow different patterns of integration or incorporation. For the Dutch case, for example, research has shown that Moluccan, Surinamese, Antillean, Southern European, Turkish, and Moroccan immigrants — all target groups of the ethnic minorities policies — differ in the speed of their integration and in the tracks of social mobility they tend to follow.⁴ For reasons that flow from the design of the studies themselves — namely, that these immigrants are living in the same national or city contexts — such differences are primarily ascribed to characteristics of particular immigrant groups.

A second category of cross-national comparative studies looks at the integration of the same immigrant group in different national contexts. Such studies have exactly the opposite explanatory scheme: they also find differences in outcome, but these are primarily ascribed to the differential functioning of the context in which the group is integrated. Differences also turn out to be significant in this arena, as noted above in the example of Turkish Muslims in Germany and the Netherlands. Other studies have found markedly different outcomes as a consequence of varying institutional arrangements and traditions of public acceptance of religions in Belgium, the Netherlands,

3 M. Crul and H. Vermeulen, “The second generation in Europe, Introduction” *International Migration Review* 379 (2003): 965-986.

4 H. Vermeulen and R. Penninx, *Het democratisch ongeduld. De emancipatie en integratie van zes doelgroepen van het minderhedenbeleid* (Amsterdam: Het Spinhuis, 1994); H. Vermeulen and R. Penninx, *Immigrant integration. The Dutch case* (Amsterdam: Het Spinhuis, 2000).

and the UK.⁵ Research on the attitudes and actions of trade unions in relation to immigration and the position of immigrants in society in seven European countries also indicates such differences. For example, the high degree of union membership of Turkish immigrants in Sweden (above 90 percent) and the low degree of this same group in France (around 15 percent) appears to be a consequence of how trade unions are organized, as well as whether or not they are incorporated into socio-economic decision-making at the national level.⁶

A recent empirical research project on multicultural policies and modes of citizenship in seventeen European cities shows the heterogeneity of both immigrants and the receiving local societies.⁷ The study looked at immigrants first, showing that the background of their migration is very diverse, both in time and space. Some migration movements towards Europe's cities reflect colonial relations with the country of destination, a fact clearly visible in cities like Amsterdam, Birmingham, Lisbon, and Marseille. Another driver of this migration goes back to (very selective) demand-driven migration, mainly of low-skilled workers, some of it with a long history as in Swiss, Belgian, and French cities,

some of a more recent origin in the post-war decades.

The study also indicates that over the last three decades, European countries and cities received a varying share of mixed immigrant flows, i.e., significant supply-driven movements of refugees, asylum seekers, and unauthorized immigrants, often along with high-skilled cosmopolitan professionals and company-linked migrants. The overall picture emerging from this project is one of significant growth in diversity of immigrant origins, from mainly European to more and more global. In addition, there are marked differences in the social and cultural capital that immigrants bring with them and/or have developed during their stay.

Variability is also strong among the other partners, the receiving cities. The seventeen urban areas show great variety in their institutional settings and policies, as well as reactions to immigrants. Some of this variance can be explained by differences in the national institutional systems in which cities are embedded, but there are a great many local factors and circumstances that add to the variability of local reactions and policies. These include an area's political constellations and coalitions, which may work for inclusion or exclusion; the physical

5 J. Rath, et al., *Western Europe and its Islam* (Leiden/Boston/Köln: Brill, 2001).

6 R. Penninx and J. Roosblad (eds.), *Trade Unions, Immigration, and Immigrants in Europe, 1960-1993. A Comparative Study of the Attitudes and Actions of Trade Unions in Seven West European Countries* (New York/Oxford: Berghahn Books, 2000).

7 A. Rogers and J. Tillie, *Multicultural Policies and Modes of Citizenship in European Cities* (Aldershot: Ashgate, 2001); R. Penninx et al., *Citizenship in European Cities: Immigrants, Local Politics and Integration Policies* (Aldershot: Ashgate, 2004).

layout of the city and its relation to neighboring areas; historical experiences with earlier immigration and diversity; and the concrete instruments and resources available to local policymakers to steer processes in the vital domains of housing and urban renewal, labor market and entrepreneurship, education and health, and so on.

THE LOGIC OF POLICYMAKING

Formulating and implementing effective integration policies requires more than just insight into the logic of integration processes. It also demands an understanding of how to secure political approval and popular support. The logic of politics and policymaking, however, is often problematic in relation to immigrants.

As noted, a key condition for effective policies is that long-term residence should be expressed in an adequate legal status for immigrants and in opportunities for them to participate in politics and policymaking. However, existing political systems often do not provide such conditions.

The conundrum here is that decisions on the content and orientation of integration policies are taken in a political system decided by the majority vote. In such a system, majority-minority relations and the actual or perceived clash of interests connected to them are played out. This happens on both the national level and in cities, and it

may lead to outright exclusion of some immigrants (e.g., aliens) from the formal political system. Even if they are included, it may also marginalize their voices. The way immigrants are perceived by the receiving society turns out to be important in such a process, often more so than facts. This tendency increases if immigration and the status of immigrants become politicized questions. This mechanism can lead either to an absence of integration policies and an avoidance of issues related to immigrants or to lopsided and patronizing policies reflecting mainly majority interests and disregarding immigrant needs and voices.

Although this has been the rule in Europe, exceptions exist at both the local and national levels. Certain British cities may serve as local examples. Since most of their immigrants are of ex-colonial origin and have UK citizenship, the political system is basically open to them from beginning. This does not prevent significant polarization of majority-minority relations, as a wealth of literature testifies. But over time, the significant concentration of immigrants in certain districts, combined with political coalitions with powerful parties, may lead to substantial immigrant political participation in cities. Crises in such cities have reinforced this process. Thus, cities may play a prominent role in establishing new practices of political participation and integration.

A different trajectory appears in Sweden and the Netherlands, where

society and cities show more political participation and inclusive integration policies. In both of these countries, fairly comprehensive integration policies were introduced at the national level in a period in which immigration and immigrant integration was much less politicized. In Sweden in the mid-1970s and the Netherlands at the beginning of the 1980s, there also existed an active and fruitful relationship between research and policy in this field. These conditions promoted the early establishment of liberal and inclusive measures and policies in these countries, leading, among other things, to the early introduction of local voting rights for aliens (Sweden in 1976, the Netherlands in 1985) and easier access to naturalization. These measures, all novelties at the time, were introduced with the conviction that forces within migrant groups must be mobilized to secure the acceptance and implementation of policies and to foster social cohesion. Naturalization and local voting rights were seen as means to promote integration, rather than as final testimony of acquired integration.

The trajectories and achievements described above for cities in the UK, Sweden, and the Netherlands, however, do seem to be exceptions to the standard pattern. In most other cases of the seventeen-city project discussed above, the stimulating factors mentioned above have been absent. The question of what kinds of policies are developed in these cities, and when, seems closely related to the

urgency of the situation. In practice, crisis situations often lead to actions and policies that strongly and lopsidedly reflect perceptions and interests of locally dominant groups.

An additional aspect of the logic of policymaking emerges when policies win the approval of politicians. In contrast with the long-term nature of the integration processes discussed above, political mechanisms in democratic societies require policies to bear fruit within much shorter terms: between elections. Unrealistic promises and demands derived from this “democratic impatience” — that is, the political desire to have quick solutions for problems and processes of a long-term character — often lead to backlashes. The recent vigorous debate on the (supposed) failure of integration policies in the Netherlands is a shining example.

More difficult than democratic impatience, however, is the situation in which the political climate of anti-immigration and anti-immigrant sentiments, when translated into political movements and the politicization of immigration and integration matters, prevent well-argued policy proposals from being accepted. This means that much more attention should be given to the question of how to frame immigration and integration policies in such a way that these are politically acceptable and embraced by the ruling political system, political parties, and their rank and file.

All of the foregoing observations relate to the political process that may facilitate — or block — the establishment of explicit integration policies. An important next step is to examine the form and content of such policies, once established.

First of all, integration policies are by necessity context-bound. Systematic attention has been paid to the different ideologies and practical models through which countries incorporate immigrants.

This context-bound nature is illustrated by Hans Vermeulen, whose 1997 study compares immigrant policies in five European countries since the 1960s.⁸ The research looks specifically at integration and labor market policies, policies relating to immigrant languages, and policies in relation to religious systems introduced by immigrants. Vermeulen's study shows that the actual content of integration policies is to a great extent dependent on, or inspired by, the pre-existing institutional arrangements in these areas within the different countries. For a country that traditionally has had different recognized languages within its territory (or religions, for that matter), it is in principle easier to make additional provisions for newcomers. In the same vein, a 2003 analysis by Vermeulen and Boris Slijper examines multicultural policies in Canada, Australia, and the United States.⁹ The "multiculturalism" of these countries differs not only in

terms of its historical development; in addition, the practice of it turns out to be clearly context-bound. Both of these examples pertain at the national level of states, but studies indicate that the same rule holds true for the level of cities.

Local variations in institutional arrangements, as well as opportunities for integration policies and participation of immigrants, may to an extent be explained by diverging national policies, institutional settings, and their underlying conceptions. Embedded as cities are in their national contexts, they necessarily reflect national policies and conceptions. This can be demonstrated by comparing political "problem definitions" of immigrants and their integration on the national level and the ensuing strategies to be applied in these policies.

A first prototypical definition is the one that defines the immigrant principally as an alien and outsider. A society that employs such a definition is emphatically not defining itself as an immigration country and migrants are therefore temporary "guests." At best, measures may be taken to make that temporary stay comfortable and profitable for both parties and to facilitate migrants' anticipated return; there are no logical grounds for inclusive policies that would incorporate these immigrants as full citizens or political actors. Such an *exclusionary definition*

8 H. Vermeulen (ed.), *Immigrant policy for a multicultural society. A comparative study of integration, language and religious policy in five Western European countries* (Brussels/Amsterdam: MPG/IMES, 1997).

9 H. Vermeulen and B. Slijper, *Multiculturalisme in Canada, Australië en de Verenigde Staten. Ideologie en Beleid, 1950-2000* (Amsterdam: Aksant, 2003).

leads to the kind of policies that Michael Alexander in his typology calls either “non-policy” or “guestworker policy.”¹⁰ Forms and instruments of such policies are variable and haphazard, being mostly ad hoc reactions to concrete problems.

In contrast with such exclusionary policies, there are definitions that in principle include immigrants over the course of time. The way this inclusion is envisaged, however, two distinct political definitions of immigrants and their integration can be discerned. The first one is prototypically formulated in the French-republican vision. As a consequence of this vision of the state, its relation to citizens, the resulting political system, and institutional arrangements in the public sphere, the distinction between citizens and aliens is crucial. Alien immigrants should preferably become citizens and thus become recognized as individual political actors. Immigrant collectivities are not recognized as such. French republican terminology avoids notions like ethnicity, ethnic minorities, and multiculturalism that suggest collectiveness and institutionalized difference of any sort, be it origin, culture, religion, or class. The overriding political principle is (formal) equality on the individual level. In this sense, this definition principally depoliticizes the issue of immigrants and their integration (which in reality does not prevent immigration from becoming an overriding issue for established parties).

The second prototypical inclusive vision is the *Anglo-American* one, in which immigrants are supposed to take up citizenship individually. Once they have done so, the political system leaves them ample room for collective manifestation and action. Ethnicity and ethnic minorities are perceived as relevant notions, even to the extent that the total population, e.g., in censuses, is officially registered as such. Although equality is also an important principle in this political vision, there is the additional notion that substantive equality may in practice be related to membership in cultural, ethnic, immigrant, or disadvantaged groups. Political struggle between groups on issues of multiculturalism is thus an explicit part of politics (irrespective of the outcomes of such political struggles).

The internal logic of these prototypical inclusive visions leads to different strategies employed in integration policies. The French-republican system leads principally to strategies that select for the following general policies: equality within the given system as priority; avoidance of designating fixed target groups; and non-recognition of collective manifestations and organizations as important actors. The inherent problem of such a definition is that of mobilizing and engaging forces from within immigrant groups (who are feared to counteract integration) in the implementation of policies. The second vision tends to designate target groups and formulate group-specific

10 M. Alexander, *Comparing local policies toward migrants as an expression of Host-Stranger relations*, PhD-thesis (Universiteit van Amsterdam, 2003).

policies, even to the extent that positive discrimination or affirmative action may be part of such policies. It is more prone to recognize, if not stimulate, forms of representation of such groups, for example by extending subsidies directly to immigrant organizations, or indirectly by subsidizing certain activities of such groups. This vision is also more inclined to combine equality with cultural difference, implying recognition of cultural and religious aspects of integration processes.

This chapter has deliberately outlined these two models of inclusion as prototypical and contrasting, in order to illustrate their internal logic. In practice, there are many variations and eclectic assemblages that incorporate elements of both visions in the definitions and instruments of policies. This is the case on both the national and the city level. The elements of this assemblage, moreover, may also change over the course of time.

DIVERGENCE VERSUS CONVERGENCE

The argument presented in the preceding section is that differences in (national and local) contexts lead to divergence of integration policies. But the picture is different when evidence and arguments for *convergence* are compiled.

Several cross-national studies indicate forms of convergence, albeit hesitant and partial ones. Vermeulen has listed a number of issues that show at least some convergence.¹¹ First, in immigration policy (particularly the part of the residential status regulations for immigrants of non EU-countries) the European Union has in recent years issued a number of directives that partially harmonize Member State policies. Second, some convergence has also occurred in naturalization policies. For example, the wide disparities between French and German legislation and practice in this field have narrowed: the *jus sanguinis* element in German legislation is thus being relaxed and the *jus soli* principle has been introduced to enable children of immigrants to gain citizenship more easily. In France, meanwhile, the *jus soli* principle has lost ground in recent years. Recent studies on methods of adjudicating nationality to aliens confirm the convergence tendency on a wider scale in Europe.¹² Third, Vermeulen also sees some convergence in the use of a common terminology that is particularly encouraged by supranational organizations. He warns, however, that such common vocabulary of “integration” and “multiculturalism” may not necessarily mean that people agree in their ideas, potentially even leading to illusory agreements.

11 Vermeulen, *Immigrant policy*. (see n. 8.)

12 R. Bauböck (ed.), *From Aliens to Citizens: Redefining the Status of Immigrants in Europe* (Aldershot: Avebury, 1994); V. Guiraudon, “Citizenship Rights for Non-Citizens: France, Germany and the Netherlands,” in *Challenge to the Nation-State: Immigration in Western Europe and the United States*, ed. C. Joppke (Oxford: Oxford University Press, 1998); R. Hansen and P. Weil, *Towards a European Nationality. Citizenship, Immigration and Nationality Law in the EU* (Houndmills/New York: Palgrave, 2001); P. Weil, “Access to Citizenship: A Comparison of Twenty-Five Nationality Laws,” in: *From Migrants to Citizens: Membership in a Changing World*, ed. A. Aleinikoff and D. Klusmeyer (Washington, DC: Carnegie Foundation, 2000).

Apart from these convergence tendencies that stem from national or even supra-national levels of policy action, there are specific forces at work at the local level that lead to convergence. It seems that the strong local character of the settlement process of immigrants itself acts as a major force towards convergence of policies. Whatever the institutional arrangement is, local authorities have to find answers to the same questions, such as how to provide immigrants with adequate housing and jobs, how to make educational and health facilities available to them, and how to react to their demands to fulfill religious obligations and teach their mother tongues. Furthermore, they have to deal with the native population's very similar reactions to immigrants, as well as processes of discrimination and social exclusion. Neglecting and avoiding these questions is easier at the more distant level of national policies, but in cities these questions make themselves even more concretely felt, particularly if the number of immigrants and their concentration in certain parts of the city increase. If city authorities do not address such questions on their own initiative, they may be forced to do so by emerging crises. "Inner city riots," as they are often called in the UK, or the *banlieu-problématique* (problem neighborhoods in the suburbs) in France are illustrations of triggers that may lead to (new) policies for and of cities. In this sense, such crises may be seen as "bottom-up" forces for convergence.

A logical consequence of such area-specific manifestations as triggers for policies is that these policies are often framed as space-specific policies in which housing, concentration, and segregation are central issues. The "Inner City Policies" in the UK since 1968 and the "Politique de la Ville" in France since the 1990s illustrates this.

These forces do not simply stimulate the emergence of policies and influence their content; they also tend to encourage, in the end, similar strategies in their implementation. In some cases, consultation of immigrants and engagement of individuals and organizations in the implementation is part of policies from the beginning. If this is not the case, however, it often soon becomes clear that it is impossible to effectively implement immigrant policies without linking up with immigrant groups themselves and engaging them in policy formulation and implementation.¹³ Many studies suggest that conditions for effective implementation lead to a certain convergence in the strategy used, although the forms may differ.

LEVELS OF INTEGRATION: POLICIES AND ACTORS

Integration processes, from the point of view of immigrants themselves, take place primarily at a local level. Because circumstances there may vary

13 D. Moore, *Ethnicité et Politique de la Ville en France et en Grande-Bretagne* (Paris: L'Harmattan, 2001).

significantly, local policies for integration should have the highest priority. Also, from the perspective of the city, there is an argument for prioritization. The city receives newcomers of all different origins who bring with them different cultures, religions, and lifestyles. Their integration into the social fabric of the city is not a natural process: social segregation, social exclusion, and marginalization of (certain of these) immigrant groups may threaten the social cohesion in these cities. Cities and their neighborhoods are the places where important events happen that affect the daily lives of all residents, including immigrants. It is also the level where the loyalty of newcomers and old residents can be gained, or for that matter, lost.

Proceeding from this evidence-based starting point, it also follows that such local policymakers should be given tools and room to act in locally adequate ways. National policies, and by implication also European integration policies, should primarily facilitate the work of local actors, from both the government and civil society, by creating general frameworks, rules, and instruments.

NATIONAL AND LOCAL POLICIES

In practice, however, relations between national and local levels of policy are not always so smooth and complementary. In the European context, tensions between the national and local levels have developed

according to two different patterns. The first pattern is visible in countries such as Switzerland, Germany, and Austria, where national integration policies have been piecemeal or absent, and where pressures to formulate adequate policies and claims for competence and resources have come from large cities. The cities of Zurich, Bern, and Basel in Switzerland, for example, took — in the complete absence of such policies at the national level — the initiative of developing local policies in the late 1990s.¹⁴ Berlin, Frankfurt, and Vienna developed such policies even earlier under the same conditions: an absence of national policies and resources.

In countries where integration policies were started rather early on the national level, such as the Netherlands and Sweden, such tension has taken a different form. The major cities in these countries have been confronted with immigration on a scale quite different from the country's average. This has been expressed in high pressure on essential institutions like the housing system (segregation and degeneration of neighborhoods), the labor market (disproportionate unemployment, high levels of social benefit costs), the educational system (concentration of pupils of immigrant origin in certain sectors and spaces) and public order (racial harassment, crime, and tensions between groups). To cope with such developments, these big cities have joined forces to

14 J. D'Amato and B. Gerber (eds.), *Herausforderung Integration. Städtische Migrationspolitik in der Schweiz und in Europa* (Zurich: Seismo Verlag, 2005).

claim more executive power and resources from the national government. In the Netherlands and Sweden, general policies for urban areas and integration policies for immigrants have in recent years been brought together — at least in the formal sense — in one framework, in principle creating new and more comprehensive possibilities.

Common to all these cases is that such tensions often lead to a critical dialogue between large cities and national governments on topics where national and local policies work out contradictorily. Cities will not always win these battles on principle. At the same time, however, city authorities may use their discretionary power to gain more room to maneuver in favor of (certain) immigrants. What such examples make clear, broadly speaking, is that the interests at stake in integration policies and their execution at the local level of cities may be substantially different, or perceived differently at the local and national levels. At the city level, the confrontation with the day-to-day consequences of immigration is much more direct. Any serious attempt to cope with related problems, or — in a positive formulation — to get the best gains out of the presence of newcomers, will put pressure on the higher and more abstract national level.

EU INTEGRATION POLICIES

In view of the ideal division of tasks outlined above, and taking into account the political will of the EC in the field of EU integration policies as

expressed in the Communication of 2003, the consent of the Thessaloniki Summit (June 2003) and the recent Ministerial Conference in Groningen (November 2004), what can be expected from EU policies? What special tasks could the EU/EC take on in favor of policies at the national and local levels? These can be listed briefly as follows.

A first task of the EU is “framesetting.” The EC could frame both (im)migration and integration and the nexus between the two differently than it is now commonly done at the national level in most EU countries. The shift would be from a defensive and mainly control-centered policy to: 1) a proactive, future-oriented, comprehensive approach; 2) a balance between (realistic) problem-orientation and possible present and future gains of immigration, thus furthering acceptance of immigration; and 3) emphasis on the necessity of common action in both the immigration and integration domains. In principle, the EU is in a position to bend negative competition and “burden shifting” practices among EU Member States towards an approach that focuses on common interests.

The framesetting task has to be done within the political and bureaucratic setting of the EU/EC and between “Brussels” and the national authorities and policymakers, which implies long and tough negotiations. But, as Sarah Spencer expressed it, the EC/EU should also take “active responsibility for leading a balanced, informed,

public debate about the reasons migrants are in Europe by putting into the public domain information about the contribution they make and barriers they experience, acknowledging public fears, and correcting misinformation.”¹⁵ This wider task is of great importance, because it prepares the ground for policymaking in civil society and among the population at large and mobilizes a counterforce against populist anti-immigrant political exploitation. The two communications from the EC in 2000 and 2003 mentioned earlier can be regarded as important first steps in the efforts of the EC to establish a sound framework for policy action.

A second function or task that follows from framesetting is “normsetting.” The abovementioned general frame should be worked out in a number of normsetting regulations, directives, or even laws that pinpoint basic starting points for integration policies. Such norms pertain to:

1) The definition of the target group of integration policies. Important normsetting regulations could be developed, including those related to the following questions:

- Which immigrants are regarded, and at what particular point in time, as a residents for whom comprehensive integration policies are applicable? (Immigration/admission policies and integration policies should clearly be coordinated.)

- How should admission policies distinguish between temporary migrants and long-term residents, and if migrants are initially admitted temporarily, when does “temporariness” end?
- What status should be accorded to family members and marriage partners of established immigrants?

2) The scope of integration policies. If the ultimate aim is in principle *full access of long-term residents to all public institutions and facilities of the society of settlement*, then in the course of time, a system of norms could be developed systematically (through political negotiation) for the three basic dimensions of citizenship: socio-economic, legal-political, and cultural/religious.

3) Antidiscrimination policies. In fact, this is the negative corollary of positive normsetting. It is a necessary element in policies, but it also has severe limitations. Any anti-discrimination norm assumes positive normsetting in the first place, which in turn is being trampled upon by discrimination. Since, and as long as, positive normsetting differs in national contexts, the practical use of anti-discrimination norms also differs between countries.

Third, apart from framesetting and normsetting, the EC has practical instruments to promote activities related to the development of integration policies. Specific budget lines of General Directorates in charge

¹⁵ S. Spencer, “The Challenges of Integration for the EU,” *Migration Information Source*. (Washington, DC: Migration Policy Institute, October 1, 2003), <http://www.migrationinformation.org>.

of certain policy domains (Justice and Home Affairs for immigration, asylum, and reception of asylum seekers and refugees; Social Affairs and Employment for integration and anti-discrimination) can be used to mobilize forces. These mobilizations could include, for example, setting up systems for systematically collecting information (both internally and externally), having certain policy questions researched externally, etc. Also, the European Refugee Fund has been created to involve nongovernmental agencies in reception of asylum seekers and refugees. In 2003, an effort to promote integration projects and the dissemination of their good practices was started under the so-called INTI program. This program is expected to expand significantly in the coming years.

The significance of such EC-financed activity for the development of integration policies can be high, if such activities enable local actors to develop and implement strategic projects, if successful pilot projects are analyzed and reported systematically, and if these results are disseminated as examples of good practices.

STRATEGIES AND INSTRUMENTS FOR LOCAL POLICIES

Evaluations of local policies point at a number of important strategic

and tactical aspects of such policies. In the first place, in order to become effective, such policies have to engage partners in the integration process at different levels. First of all, that means engaging immigrants at the individual, organizational, and institutional levels. Too much policy conception is “top-down,” addressing individual immigrants, while much of the policy implementation has to rely on mobilizing forces within immigrant groups to be successful. A number of good examples of using the potential within groups have been developed and are developing. One example is mentoring projects in which immigrant students monitor younger co-ethnics during their secondary education.¹⁶ Other examples include immigrant organizations mobilizing their rank and file for training and language courses or for labor market projects.¹⁷

But local policies should involve important institutional actors in the receiving society as well, such as churches, trade unions, employer organizations, political parties, and the media. In brief, the whole of civil society should be involved. Such nongovernmental partners are important in two ways. First, they play a key role as direct partners in the implementation of policies. But they may be even more important as political actors, influencing the political climate and contributing to the framing of policy

16 M. Crul, “Turkish and Moroccan Sibling Support and School Achievement Levels: An Optimistic View” *Netherlands Journal of Social Sciences* 35 (1999): 110-128; M. Crul, “Success Breeds Success. Moroccan and Turkish Student Mentors in the Netherlands,” *International Journal for the Advancement of Counselling* 24 (2002): 275-287.

17 A. Zolberg and A. J. Clarkin, *Sharing Integration Experiences: Innovative Community Practices on Two Continents* (New York: International Center for Migration, Ethnicity and Citizenship, New School University, 2003).

questions in such a way that adequate policies are accepted. They may be important agents in combating exclusion, discrimination, and xenophobia. In the Swiss case, for example, institutional agents like churches, trade unions, and employer organizations have often helped to avert the danger of anti-immigrant referenda. In the German case, trade unions and churches have been — in the absence of government integration policies — the most important actors and promoters in the integration process of foreign workers.

Second, local integration policies should define clear priorities for action in a number of domains. For long-term immigrants, priority should be given to domains in which local authorities have effective and generally accepted instruments with which to promote integration (and prevent exclusion): the economic domain of work and the social domain, particularly education, health, and housing. In the long term, policies in the political and cultural domain (including religion) are crucial for integrating immigrants. The initial forms of policies in the latter domains may depend, to a great extent, on existing institutional arrangements in receiving societies and cities. In the long run, however, gradual changes towards more inclusive policies are indispensable.

On the more concrete level of strategic instruments, evaluations suggest that an important strategy is that of monitoring outcomes of both general public institutions and specific

integration policies. Monitoring is a device for developing awareness and establishing an empirically based diagnosis and thereby creating an instrument for steering policies. The basic assumption here is that the position of newcomers in a society is determined to a great extent by the (mostly unintended) differential impact of general public institutions. Because of the socio-economic status, their immigration-related characteristics, and sometimes their cultural/religious characteristics, the outcomes for immigrants may be unequal. Such unintended outcomes may include higher unemployment and thus (if access is permitted) overrepresentation on social welfare benefit regulations. Other outcomes may include lower educational attainment of immigrant children or concentration/segregation through housing policies and regulations.

Turning this reasoning around means that monitoring outcomes can lead to awareness of how general public institutions function for immigrants. When the procedures through which the unequal outcomes come into being are scrutinized, a clear diagnosis should result. At the EU level, the *Annual Report of States* — a regular report established by the Thessaloniki Summit in June 2003 — is intended to have this same function as an instrument for progressive policymaking.

A second important element for local policies is to provide newcomers with the basic tools they need to acquire a place in society independently:

a toolkit for training in the language of the society of settlement, basic knowledge of that society, civic training, etc. The basic idea here (and the lesson from earlier policies related to temporary migrants and guest workers) is that immigrants should be given the necessary tools to prepare them for full participation in society. Several countries and cities are developing policies in this field. It is important, however, to look at such efforts as primarily facilitating the beginning of an integration process (and thus avoid normative claims of adaptation or assimilation). Preferably such activities should take place in connection with trajectories for labor market integration or further education.

POLICY FUNDAMENTALS AND DILEMMAS

There are many lessons to be drawn from the foregoing general observations on integration processes and related policies. Three fundamentals (which may sometimes present themselves for policymakers as dilemmas) can be derived from the logic of integration processes.

The first is that a key condition for effective integration policies is transparency of admission of immigrants and their residential and legal status (the immigration-integration nexus). Expectations of long-term residence, and how such expectations are handled in reality, should be expressed in an adequate legal position and opportunities to participate in

politics and policymaking, especially in policies that affect immigrants' positions. Local policies in this legal-political domain are, to a great extent, dependent on immigration, integration, and naturalization policies at the national level. But this dependence has its limits. First of all, local policymakers have discretionary power in the implementation of national regulations. Furthermore, they may develop effective alternative channels for participation, thereby creating a city-related form of inclusion and citizenship.

Second, integration policies should be comprehensive in the dimensions and domains covered, thereby signifying that they represent not only the concerns of the native majority, but are also built on needs as defined by immigrants. The economic and social domains should take priority, with the understanding that in the long term, policies in the political and cultural domains are indispensable for integration. The forms that such policies may take depend in practice on the existing institutional arrangements in receiving societies and cities, and on the political willingness to change these to become gradually more inclusive.

Third, local integration policies should follow strategies and tactics that engage different partners in the integration process at various levels. They should combine "top down" activation elements with "bottom up" mobilization. They should define the process of integration as "open,"

within the rules of liberal-democratic societies, leaving room for a more diverse, but cohesive, society as a result.

majority population. It could also result in an inclusive process in which immigrants feel recognized.

The preceding observations on the logic of policymaking give rise to some additional fundamentals or dilemmas. The first is that establishing policies requires not only solid scientific knowledge of the logic of integration processes, but also an adequate political definition that makes such policies politically acceptable and endorsed. What is needed is a balanced framework that does not hide problems to be solved, but primarily stresses the common interests of all. There is much to be gained here: not only the avoidance of crises that would become inevitable if problems were consistently neglected, but also the restoration and promotion of cohesiveness in cities and states that makes it possible to reap the potential fruits of immigration. Acceptance of immigrants and their active participation is an essential condition in such a framework. New forms of negotiated diversity will result from it. On this front there is still much work to do for all actors, but primarily for politicians.

A second lesson is that the viability of integration policies in the long term depends heavily on realistic targets to be attained, as well as on adequate analysis of the institutional setting and the options it can support. Such a practical (and less ideology-driven) approach, when combined with the active participation of immigrants and their organizations, could head off potential backlashes among the

REFERENCES

- Alexander, M. *Comparing local policies toward migrants as an expression of Host-Stranger relations*. PhD Thesis, Universiteit van Amsterdam, 2003.
- Bauböck, R., ed. *From Aliens to Citizens: Redefining the Status of Immigrants in Europe*. Aldershot: Avebury, 1994.
- Canatan, K., C.H. Oudijk, and A Ljamai. *De maatschappelijke rol van de Rotterdamse moskeeën*. Rotterdam: COS, June 2003.
- Crul, M. "Turkish and Moroccan Sibling Support and School Achievement Levels: An optimistic View." *Netherlands Journal of Social Sciences* 35, no. 2 (1999): 110-128.
- Crul, M. "Success breeds success. Moroccan and Turkish student mentors in the Netherlands." *International Journal for the advancement of Counselling* 24 (2002): 275-287.
- Crul, M. and H. Vermeulen. "The second generation in Europe, Introduction." *International Migration Review* 37, no. 3 (2003): 965-986. (Special Issue of the IMR on "The future of the second generation: the integration of migrant youth in six European Countries," edited by Crul and Vermeulen).
- D'Amato, J. and B. Gerber, eds. *Herausforderung Integration. Städtische Migrationspolitik in der Schweiz und in Europa*. Zurich: Seismo Verlag, 2005.
- Doomernik, J. *Turkse moskeeën en maatschappelijke participatie. De institutionalisering van de Turkse islam in Nederland en de Duitse Bondsrepubliek*. Amsterdam: Instituut voor Sociale Geografie, 1991.
- European Commission. *Communication on a Community Immigration Policy*. November 22, 2000.
- European Commission. *Communication on Immigration, Integration and Employment*. June 3, 2003.
- Groenendijk, C.A. and P.E. Minderhoud. "De Nederlandse invloed op nieuwe Europese regels betreffende migratie en asyl." In *Immigratie en asiel in Europa. Een lange weg naar gemeenschappelijkheid*, edited by W.A. Brusse, D. Broeders, and R. Griffith, 137-162. Utrecht: Lemma BV, 1991.
- Guiraudon, V. "Citizenship Rights for Non-Citizens: France, Germany and the Netherlands." In *Challenge to the Nation-State: Immigration in Western Europe and the United States*, edited by C. Joppke. Oxford: Oxford University Press, 1998.
- Hansen, R. and P. Weil. *Towards a European Nationality. Citizenship, Immigration and Nationality Law in the EU*. Houndmills/New York: Palgrave, 2001.
- Heitmeyer, W., J. Müller, and H. Schröder. *Verlockender Fundamentalismus. Türkische Jugendliche in Deutschland*. Frankfurt am Main: Suhrkamp, 1997.
- Karakasoglu, Y. *Türkische Muslime in Nordrhein Westfalen*. Duisburg: Ministerium für Arbeit, Gesundheit und Soziales NRW, 1997.
- Karakasoglu, Y. and S. Koray. *Islam and Islamic organizations in the Federal Republic of Germany. A short summary of study of the Zentrum für Türkeistudien on Islamic organizations in Germany*. Birmingham: Centre for the Study of Islam and Christian-Muslim Relations, 1996.
- Landman, N. Van mat tot minaret. *De institutionalisering van de islam in Nederland*. Amsterdam: VU-uitgeverij, 1992.
- Moore, D. *Ethnicité et Politique de la Ville en France et en Grande-Bretagne*. Paris: L'Harmattan, 2001.
- Niessen, J. *Five years of EU migration and asylum policymaking under the Amsterdam and Tampere mandates*. Brussels: Migration Policy Group, 2004.
- Oezbek, Y. and S. Koray. *Muslim voices. A stranger within? Section on Germany, Part I and II*. Essen: Zentrum für Türkeistudien, 1998.

- Ögelman, N. Documenting and Explaining the Persistence of Homeland Politics Among Germany's Turks. *International Migration Review* 37, no. 1 (2003): 163-193.
- Penninx, R., K. Kraal, M. Martiniello, and S. Vertovec. *Citizenship in European Cities: Immigrants, Local Politics and Integration Policies*. Aldershot: Ashgate, 2004.
- Penninx, R. and J. Roosblad, eds. *Trade Unions, Immigration, and Immigrants in Europe, 1960-1993. A Comparative Study of the Attitudes and Actions of Trade Unions in Seven West European Countries*. New York/Oxford: Berghahn Books, 2000.
- Rath, J., R. Penninx, K. Groenendijk, and A. Meyer. *Western Europe and its Islam*. Leiden/Boston/Köln: Brill, 2001.
- Rogers A. and J. Tillie. *Multicultural Policies and Modes of Citizenship in European Cities*. Aldershot: Ashgate, 2001.
- Spencer, S. "The Challenges of Integration for the EU." *Migration Information Source*. Washington, DC: Migration Policy Institute, October 1, 2003, <http://www.migrationinformation.org>.
- Sunier, Th. *Islam in beweging. Turkse jongeren en islamitische organisaties*. Amsterdam: Het Spinhuis, 1996.
- Sunier, Th. "Niederländisch-Islamische Staatsbürgerschaft? Ansichten über Islam, Bürgerschaft und Bürgerrechte unter türkische Jugendlichen in den Niederlanden," *Der Fundamentalismus-verdacht. Plädoyer für eine Neuorientierung der Forschung im Umgang mit allochtonen Jugendlichen*, edited by W.D. Bukow and M. Ottersbach, 85-97. Opladen: Leske und Budrich, 1999.
- Vermeulen, H., ed. *Immigrant policy for a multicultural society. A comparative study of integration, language and religious policy in five Western European countries*. Brussels/Amsterdam: MPG/IMES, 1997.
- Vermeulen, H. and R. Penninx, eds. *Het democratisch ongeduld. De emancipatie en integratie van zes doelgroepen van het minderhedenbeleid*. Amsterdam: Het Spinhuis, 1994.
- Vermeulen, H. and R. Penninx, eds. *Immigrant Integration: The Dutch Case*. Amsterdam: Het Spinhuis, 2000.
- Vermeulen, H. and B. Slijper. *Multiculturalisme in Canada, Australië en de Verenigde Staten. Ideologie en Beleid, 1950-2000*. Amsterdam: Aksant, 2003.
- Weil, P. "Access to Citizenship: A Comparison of Twenty-Five Nationality Laws." In: *From Migrants to Citizens: Membership in a Changing World*, edited by A. Aleinikoff and D. Klusmeyer. Washington, DC: Carnegie Endowment for International Peace, 2000.
- Zolberg, A. and A. J. Clarkin, eds. *Sharing Integration Experiences: Innovative Community Practices on Two Continents*. New York: International Center for Migration, Ethnicity and Citizenship, New School University, 2003.



CITIZENSHIP

T. ALEXANDER ALENIKOFF AND
PATRICK WEIL

Recent decades have witnessed a remarkable resurgence of interest in issues of citizenship among policy-makers, academics, and the public. An important aspect of the public debate has been the challenge posed by large-scale immigration. For any state, the arrival and settlement of large numbers of newcomers raises important citizenship questions.

For modern liberal-democratic states, citizenship is fundamentally a legal status that designates full membership in that state. As a legal status, citizenship carries significant rights and duties that establish nowadays a formal basis of equality for all of its bearers in a particular state. Large-scale immigration presents a challenge for states to the extent it produces a settled population of less-than-full members with less-than-full rights and duties.

Migration makes host societies more culturally and socially diverse. It can bring new talent and energy, expand the creative horizons of all members, and enhance the domestic labor pool. But migration can also be a source of tension and anxiety. Citizenship policy can be an effective tool for promoting the smooth inclusion of new members. Any sound citizenship policy must weigh a variety of complex factors, and it must consider deep questions of belonging, commitment, and social and political integration. In liberal-democratic states, citizenship policy must also be closely guided by the norms of fairness and justice that are fundamental to modern liberal-democratic ideals.

This chapter considers four “baskets” of citizenship issues: access to citizenship, dual nationality, political integration, and social and economic rights. Each section presents policy recommendations.

ACCESS TO CITIZENSHIP

BIRTHRIGHT CITIZENSHIP

The traditional approach to classifying how states endow citizenship has been to contrast regimes based on *jus soli* (making birth on the state’s territory the crucial determinant) with those based on *jus sanguinis* (making descent from a parent with nationality the key determinant). It has been common to characterize *jus soli* regimes as inclusive — more “immigrant-friendly” — because they endow full membership on the children of immigrants at birth; *jus sanguinis* regimes, in contrast, have been portrayed as exclusive, ethnicity-based policies, sometimes leaving second- and third-generation persons without the citizenship of the state in which they are born. These characterizations are not accurate as an historical matter and the modern practice of states is dramatically undercutting the workability of the categorization.

In 18th century Europe, *jus soli* was the dominant criterion of nationality law. The practice derived from feudal concepts in which human beings were linked to the lord who held the land where they were born. The French Revolution broke from this feudal tradition and allegiance. The Civil Code of 1804 granted French nationality at

birth only to a child born to a French father, either in France or abroad. This policy of *jus sanguinis*, representing a modern innovation, was not ethnically motivated; it simply meant that individual rights and family had become more important than subjecthood and state power. This innovation was extensively borrowed and became the law of Austria (1811), Belgium (1831), Spain (1837), Prussia (1842), Italy (1865), Russia (1864), the Netherlands (1888), Norway (1892), and Sweden (1894).

The British tradition of *jus soli* was transplanted unaltered to its colonies in Europe (Ireland), Africa (South Africa), North America (the US and Canada), and Australia. Most of these states were countries of immigration, and the legal tradition fulfilled state interest in terms of the integration of immigrants' children.

For most continental European countries that were countries of emigration, *jus sanguinis* allowed the maintenance of links with citizens abroad. Recent decades have brought large-scale immigration to these states, and most have adopted *jus soli* provisions that permit second or third-generation immigrants to access citizenship at birth or later on. At the same time, some traditional *jus soli* countries (such as the UK, Portugal, and South Africa) have adopted restrictive rules, such as limiting birthright citizenship to children born to lawfully admitted and settled immigrants.

Strict adherence to either system fails to generate fully appropriate citizenship

policies. *Jus soli* rules appear *overinclusive* to the extent they recognize the citizenship of children born to immigrants with but slight ties to their country of residence — such as short-term visitors or immigrants in an irregular status who have been in the country a short period of time. *Jus soli* principles also appear *underinclusive* as regards children born to citizens traveling or residing outside their state. It is not surprising that virtually all *jus soli* states recognize the citizenship of some classes of children born to citizens beyond state borders. *Jus sanguinis* rules frequently appear *underinclusive*, denying citizenship to children and grandchildren of immigrants who are fully socialized in their country of birth and may not have citizenship in their parents' or grandparents' country of origin.

These developments lead to questions about the viability of the *jus soli/jus sanguinis* analysis. A more penetrating and useful analysis of citizenship policies would — considering immigration — adopt *generations* as the category for examination. This approach more accurately reflects the social realities of the immigration process by linking acquisition rules to differences in the stages of settlement. It would also reflect legal changes in states that have blurred the traditional lines between *jus soli* and *jus sanguinis*.

This analysis is premised on the idea that it is desirable that immigrants and their descendants become citizens and have the right to become citizens. This premise may be defended as a matter of morality (i.e., the importance to the

individual of state membership in a world of nation-states), as a necessary implication of a state's commitment to democratic norms (i.e., that persons have a right to participate in political systems that rule them), and as a socially advantageous public policy (to the extent that citizenship aids in the process of integration). It may even be justified in terms of protecting the sovereignty of the state, which can be perceived as challenged by the development of large foreign populations born in the country but dependent legally on a foreign state.

The first generation consists of people born and raised in another country who immigrate to a new country as adults. The second generation consists of the children of the first generation who are born in the host society. In a deviation from traditional categorization, this chapter also includes in the second generation those who were born in a foreign country but immigrated at an early age and were primarily socialized in the host society. The third generation comprises the grandchildren of the first generation, who are presumed to have been born and raised in the host society.

A “generations approach” yields important results for citizenship policy.

As a first recommendation:

- Third-generation immigrants should automatically acquire the citizenship of their parent's host society at birth.

As a sociological matter, the vast majority of the third generation will make their lives in their country of birth, and their ties to their grandparents' country of origin may well be slight. Because their parents have been socialized in the country of immigration, there is no justification for requiring them to wait until majority to naturalize. A number of *jus sanguinis* states have rules that confer citizenship on third-generation children at birth, such as France (since 1889), the Netherlands (since 1953), Spain (since 1990), and Belgium (since 1992).

Another implication of a “generations approach” pertains to the second generation. Specifically:

- In *jus sanguinis* states, a child born to immigrants on national territory should be entitled to citizenship if the child or one of the child's parents has lawfully resided there for a period of years.

For the second generation, socialization will take place in their country of birth. They are, for all practical purposes, members of the society in which they reside. In *jus soli* states, of course, such children will be citizens at birth. But the authors recognize that the traditions and values of *jus sanguinis* states may vary from state to state. Accordingly, a range of policies may be acceptable so long as this underlying principle is honored: citizenship for the second generation should follow as a matter of course if either they or a parent has attained and maintained lawful status in the host country for some period of years. France, Belgium,

Finland, Sweden, Denmark, the Netherlands, and Italy attribute citizenship to children born in their country to foreign parents after a number of years of the child's residence (e.g., a period of time linked to primary education). In Germany, citizenship is attributed at birth to children of foreign parents who are permanent residents. If these children possess another citizenship they have to choose between their different citizenships at the age of 23.

Neither an automatic *jus soli* rule nor a birth-plus-lawful-residence approach provides citizenship to the foreign-born children of immigrants who arrive in a host country at an early age. Traditionally, these children have been compelled to go through the naturalization process (whether they have settled in a *jus soli* or *jus sanguinis* state) despite the fact that they are largely indistinguishable from second-generation children or children of citizens. The authors believe that the strong likelihood of socialization in the state of residence combined with a goal of effective integration of immigrants supports policies recognizing citizenship for these children, provided that they have received significant social or educational formation in their country of settlement. Such socialization could be established by long-term residence (perhaps 10 years) or a significant period of schooling (perhaps six years). Accordingly, a further recommendation is that:

- Foreign-born children who immigrate at an early age and who meet specified residency or educational requirements should be entitled to citizenship.

NATURALIZATION

Naturalization is the process by which members of the first generation attain citizenship in a host country. Consistent with an approach that focuses on the growing ties of immigrants to their countries of settlement, the requirements for naturalization should decrease with lengthy residence. Standards may require that an immigrant provide some proof of integration, but the criteria for naturalization should be clear, limited, precise, and objective. Conditions that are not consistent with liberal-democratic citizenship norms should be reconsidered. Specifically:

- States may reasonably require a period of residence and knowledge of the language; and they may also take into account a criminal record.

A required period of residence should not exceed five years. Language requirements should be related to the circumstances of the applicant. A criminal record should not be a permanent barrier to citizenship where it is not a ground of deportation. If knowledge of history and/or culture is required, the standards should be related to the circumstances of the applicant.

- Overly broad or vague conditions for citizenship, such as requirements of "good moral character" or "evidence of integration with society," should be avoided.

In this regard, official discretion should be limited and subject to judicial review.

- Naturalization fees should be reasonable and not deter access to citizenship.

Individuals lacking adequate resources should be exempted from

a naturalization fee. States should ensure that adequate resources are devoted to naturalization.

MANAGING DUAL NATIONALITY

In today's world, dual citizenship is increasingly common, despite international legal norms formally opposed to such a status. Because this opposition is increasingly at odds with modern needs and realities, actual state policies against dual nationality have been widely but unevenly eroded. The old stance of some states (Germany, Japan, United States) against dual nationality appears increasingly inappropriate and, in fact, has been undermined by legal changes in many sending and receiving states. More appropriate for today's world would be policies that seek to manage, rather than prevent, the incidence of dual nationality.

The principal reason for the proliferation of dual (and multiple) nationality is now treated as commonplace: The world has become progressively more interconnected through technologies that greatly facilitate communications, travel, and commerce, and through political changes that are increasingly receptive to cross-border trade and investment. More people, at all levels of the economic and social ladder, live outside their countries of origin. Cross-national marriages have proliferated, and the children in these families typically obtain both parents' nationalities. Even among couples of the same nationality, residence outside their

countries of origin may produce dual nationality via naturalization or through *jus soli* citizenship rules.

Despite common assertions that dual nationality weakens commitments to states or causes irreconcilable conflicts for individuals, there is no convincing empirical evidence to support these claims. Opponents of dual nationality often treat national allegiance as inherently exclusive and indivisible. But whatever force this argument may have had in the 19th or 20th centuries in the US or Germany, it carries far less weight today. Modern nations in overwhelming proportions tolerate or encourage a wide range of competing loyalties and affirmations in civil society — to family, business, local community, religious denominations, non-governmental organizations promoting political and nonpolitical causes — and do not treat such allegiances (even when they have an international dimension) as incompatible with a healthy level of loyalty to the nation-state. Dual nationals also may feel strong ties to two nation-states without ordinarily sensing that the commitment to one compromises or clashes with their loyalty to the other. This is not to say that allegiance to the nation-state is not important. The contrary is true: It calls forth the engagement in politics that democracies need. But such commitment to a democratic polity is certainly possible in the modern world even if one holds two or more nationalities.

The weakened case for mono-nationality is complemented by increasingly persuasive reasons for

modern liberal-democratic states to accept dual nationality. Accepting the legitimacy of dual nationality is justified as a matter of respect for a migrant's connections and affiliations with the country of origin. In wishing to deepen ties with the country of settlement, immigrants frequently neither wish, nor see the need, to cast off completely their links to another country. And many immigrants who are otherwise eligible for citizenship may not apply if attaining citizenship requires them to sever their legal ties to their original country.

The central premise, then, is this: In the conditions of the modern world, dual nationality often reflects the reality of complex loyalties and allegiances in an increasingly interconnected world. The status of dual nationality should no longer be suppressed, but rather it should be expressly accepted and managed more thoughtfully. The following specific guiding principles are relevant:

- States should accept the legitimacy of dual or multiple nationality when it reflects an individual's genuine link to the countries concerned.

States should repeal legal provisions that require renunciation of former nationalities upon naturalization or that impose the loss of nationality on citizens who naturalize elsewhere. States should sustain gender-neutral rules that allow children to inherit the nationality of both parents, and they should not require dual-national children to choose among nationalities upon attaining majority.

- States should readily permit the renunciation of a nationality by dual nationals as long as the decision would not leave them stateless.

The procedures followed by states should assure a citizen's full deliberation and free choice.

- Where laws, obligations, or entitlements conflict, primacy should be given to the country of principal residence.

In the private-law realm, conflict-of-law issues once resolved by reference to the law of the country of nationality should come to be governed by the law of the country of principal or habitual residence. Similarly, military obligations should be primarily to the country of principal residence. A corollary to these conclusions is that a dual national should look first to the country of principal residence for rights and entitlements.

- To ensure a genuine link between a state and a citizen, citizenship should not be perpetuated to distant generations after the family has lost all real contact with the state involved.

The authors' analysis is based on the view that a person can maintain effective and affective ties to two states, and that conflicts between obligations to two states can be managed. But dual nationality should not follow as a matter of course or right when a person has no real stake in a country whose citizenship was held by a distant relative. Rather, states should require some lifetime link by a parent with the country of nationality before that parent may transmit citizenship *jure sanguinis*.

Furthermore, states may condition the continuation of the citizenship of a child born abroad on some later reasonable period of actual residence or to some concrete link to the country of origin.

- Upon taking an elected position in a national government, a dual national should generally be expected to surrender the other nationality.

Dual status, however, should not be considered a bar to civil-service jobs.

CITIZENSHIP POLICIES AND POLITICAL INTEGRATION

Citizenship has forever been closely linked to political participation. In modern democratic states, many social and economic rights previously enjoyed only by citizens are now granted to noncitizens on the basis of legal residence and employment or as universal human rights. But nationality still remains a significant dividing line when it comes to political participation. For immigrants, then, acquiring the nationality of the host society has therefore always been the most important step towards political integration. But formal citizenship is not a sufficient condition for political integration, nor need it be a necessary condition for enjoying certain political rights.

Promoting political participation of settled immigrants recognizes that they are, in the main, fully functioning members of the social and economic life of a society, that they have an interest in their communities, and that

they frequently have perspectives on issues that enhance the consideration of public policies. Participation is important training for the kind of engaged citizenship that most liberal democracies seek to foster. It can familiarize noncitizens with the political culture and imbue them with a sense of belonging that can make the decision to naturalize more attractive. From this perspective, state policies that restrict political liberties of noncitizens residents seem counterproductive, and a persuasive case can be made for granting settled immigrants a local franchise.

POLITICAL LIBERTIES AND CITIZENSHIP

Liberal democracies guarantee all their citizens' basic liberties such as freedom of opinion, expression, peaceful assembly, and association. Citizens participate in political life not only by casting their votes but also by debating politics in private and public arenas, by joining political parties, and by demonstrating in the streets. Today these liberties are no longer the rights of citizens only; they have been recognized as universal human rights.

Many democratic states have in the past generally prohibited political activity by noncitizens. A number of countries still have special constraints on the liberties of expression, assembly, and association for noncitizens. Even where the political liberties of noncitizens are not formally restricted, they may be curtailed in practice by wide-ranging and discretionary powers of deportation. States have legitimate interests in removing persons who pose imminent threats to national security or public

safety. But to permit deportations for the exercise of political liberties has an obvious chilling effect on political participation. Accordingly, in the absence of a clear and present danger for national security, only those political activities that are punishable under criminal law should lead to deportations.

Institutions of receiving states can encourage and promote forms of political activity that are conducive to integration. By forming their own associations and making their voices heard in political debates, immigrants become familiar with the political culture of the country and insert themselves into its political institutions. The freedom to engage in political activities has several integrative effects. It permits immigrants to organize themselves, to articulate their interests, and to set their demands on the political agenda; it also helps to avoid or counterbalance paternalistic representation by organizations that promote the interests of immigrants but are run exclusively by native citizens. Furthermore, it allows for a free articulation of differences of ideology, interests, and identities among migrants and undermines the perception that they are a homogenous group of outsiders. The experience and practice of democratic freedoms may also have an educational effect for those immigrants who come from less democratic countries. It shapes their outlook towards their country of origin and often turns emigrants into a force supporting democratic reform there.

Based on these considerations, it is suggested that:

- The basic liberties of freedom of thought and expression, association, and assembly are universal human rights, whose exercise should not be dependent on nationality tests.

CITIZENSHIP AND THE FRANCHISE

Although voting rights for noncitizens are rather uncommon, there are several significant examples of such arrangements. In New Zealand, all permanent legal residents have enjoyed general suffrage in all elections since 1975 (although not the right to be elected). In Britain, citizens from Commonwealth countries and Ireland can not only vote but also run as candidates in elections at all levels. Ireland responded in 1985 by granting the national franchise to British citizens. It has also had local suffrage rights for all foreign residents since 1963 and eligibility for office since 1974. In 1975, Sweden introduced the vote in local and regional elections and in referenda for all noncitizens with three years of legal residence. Denmark, Norway, and Finland have similarly extended local voting rights that were originally only granted to citizens of Nordic countries. In 1985, the Netherlands adopted a local franchise independent of nationality after five years of residence. Thus, a franchise for noncitizens is not a utopian goal; it has become a democratic norm in several countries. There is no evidence that it undermines the integrity of the democratic process, and none of the countries that have introduced it since World War II have seriously considered abolishing it.

Any discussion of the franchise for immigrants must consider the basic democratic premise that what concerns all should be decided by all. More specifically, persons who are subject to the laws of the state, who are currently informed about the issues at stake, and who will be affected by future legislation should not be excluded from electing representatives or running as candidates. Together, these considerations disqualify short-term visitors but not long-term residents. Most laws of democratic states apply not only to their citizens, but to all who live in the territory. noncitizens immigrants pay taxes, but if they are disenfranchised they have no say over how the money is spent. Voters should also be well informed about candidates and issues on the political agenda. Permanent residents are generally just as much exposed to mass media and party campaigns as citizens are. Finally, most permanent residents will also have to bear the future consequences of political decisions in which they participate and are therefore likely to vote responsibly.

Opponents of an immigrant franchise raise a number of other objections that refer to potential abuse, conflicts of loyalty, or a lack of corresponding obligations. The first concern is that newcomers, who are unfamiliar with the political system and democratic norms, can be easily mobilized to cast their votes collectively and without proper consideration. This argument does not hold if a sufficient time of residence is required before the franchise can be exercised. The second objection is that foreign nationals may

use their vote to promote the interests of their state of origin or to import its political conflicts. However, this applies just as well to dual nationals and even to those who have renounced their previous nationality. A third objection is raised in those countries where foreign nationals are exempted from citizenship obligations such as military or jury service. While conscription has indeed been an important historic element of citizenship, this is no longer the case. The general duty to obey the laws and the duty to pay taxes is the same for citizens and noncitizens. Other legal obligations such as military conscription or jury service are not imposed on all citizens but only on specific groups or allow for numerous exemptions. If many citizens can vote while being exempted from these obligations, the argument from inequality of duties provides only weak support for rules that exclude noncitizens from the franchise.

There are two routes towards equal political rights for immigrants and the native population. One is to extend the franchise, the other is to facilitate and promote access to citizenship. The question is then: Should foreign nationals be represented in political decisions even if they themselves choose not to become formal members of the political community? In states where naturalization is encouraged and offered on fair terms and where second and third generations are included through *jus soli* rules, the case for a noncitizens franchise loses much of its urgency. Facilitating access to citizenship and granting noncitizens

immigrants secure residence, full liberties, and welfare benefits are equally important tasks. If both are carried out, an extension of the general franchise is not an essential requirement.

A general franchise for noncitizens, then, should not be seen as an imperative but rather as a legitimate political option. Different constitutional traditions and historic conceptions of citizenship may justify, as well as explain, policy differences in this area. The authors therefore conclude that:

- In those states with open access to citizenship through naturalization and automatic acquisition, core political rights, such as access to high public office or the right to vote in national elections, may be reserved for their nationals.

The discussion so far has concerned voting in national elections. Significantly different considerations are relevant at the local level. Immigrants have specific interests in local politics and develop local identities. Most contemporary migrants are attracted to big cities and the economic and cultural opportunities they offer. In receiving countries, immigrants tend to develop an urban identity that can be easily combined with an ongoing national affiliation to their countries of origin. Even those who are not ready to join the wider political community of their host country feel that they have a stake in the city. This sense of belonging to the city can be expressed by participating in local elections. As members of low-income groups, immigrants are also particularly affected by

policy areas, such as public housing, health services, and education, where municipal authorities tend to have strong competencies. Granting them the franchise at a local level may thus provide political representation in decisions that affect their most immediate interests.

Second, some reasons for excluding noncitizens from the national elections do not apply at the local level. In contrast with a national polity, local political communities have no immigration controls that distinguish between citizens and noncitizens. The right of free movement within the territory of a democratic state is not tied to nationality. Membership in a municipality or federal province shifts automatically with a change of residence. Furthermore, the argument that foreign nationals are exempted from some obligations of citizenship does not apply at the municipal level. In the main, local citizenship has no specific legal duties that are exclusively imposed on citizens.

Therefore:

- In contrast to elections for national offices, citizenship should not be used as a relevant criterion for democratic representation in local political communities. Settled immigrants should be granted a local franchise after some years of legal residence.

PROMOTING POLITICAL PARTICIPATION AMONG GROUPS OF IMMIGRANT ORIGIN

Communities of immigrant origin include citizens as well as noncitizens

residents. The political integration of these ethnic minorities depends not only on their individual rights (which are formally equal for those among their members who are citizens) but also on opportunities and incentives for their participation in political life.

It is neither necessary nor reasonable to expect communities of immigrant origin to participate or to be elected in proportion to their population numbers, given the distinctive characteristics and priorities of immigrants settling in a new country. Where these groups have high percentages of recent arrivals, or of people who plan to return to their country of origin, or of people who come from countries with no tradition of democratic participation, it is highly likely that they will have lower rates of participation, even where the host society enables and encourages their participation.

Nonetheless, the persistent under-representation of immigrant-origin communities is a concern. Such under-representation may indicate structural barriers to participation and social marginalization of ethnic minorities, particularly where it exists for long-settled populations. The goal, therefore, should not be to guarantee proportional representation of groups of immigrant origin, but rather to identify and remove structural and social barriers to effective participation. Political participation depends not only on the socioeconomic position of individuals within the group, but also on the internal structure of minority communities and their

interaction with the native population. Participation in civil society prepares immigrants for political participation and provides them with influence in the policymaking process. Integration into civil society is not a one-way street of assimilation into the institutions of mainstream society, but also offers opportunities for groups of immigrant origin to organize around their specific interests and identities as ethnic minorities. Both forms of participation will generally contribute to political integration. Empirical research confirms that rates of voting rise significantly with the membership of groups of immigrant origin in associations of mainstream society such as churches, sports and leisure clubs, trade unions, and neighborhood committees.

The lesson for public policy is that municipal and national administrations should support the formation of associational networks and consult them regularly on immigration and integration policies, as well as on general issues affecting all citizens. Formal or informal consultation mechanisms can be important instruments for political integration, creating relations of trust between public administrations and spokespersons of immigrant communities. They also serve as two-way transmission belts for integration policies: Immigrant groups can voice grievances and suggest policy reforms in a low-confrontation setting; public administrators can obtain information and foster cooperation in the implementation of their programs.

Many European cities have established consultative bodies on immigrant policies. The members of these committees are appointed by municipal authorities, designated by immigrant associations, or elected by the immigrant communities themselves. While democratic elections for consultative committees obviously strengthen the mandate of representatives, they should not be accepted as a surrogate for the local franchise. Such consultative bodies are special arrangements for making a public administration more responsive to a particular group, whereas a local franchise for noncitizens establishes a common local citizenship shared by all residents.

These arguments suggest:

- Equal formal rights are not enough to achieve effective political participation of groups of immigrant origin.

Electoral systems should be scrutinized for overt and hidden barriers that diminish opportunities for members of such groups to vote, run for office, or be elected. Public policies should encourage the participation of groups of immigrant origin in civil society. Political authorities should establish mechanisms of cooperation and consultation that involve associations of these groups in processes of policy formation and implementation.

Furthermore:

- Democratic political parties should list candidates of immigrant origins on local and regional primary ballots and should refrain

from campaigns that stigmatize ethnic minorities and from alliances with other parties that incite ethnic prejudice and racial hatred.

SOCIAL AND ECONOMIC RIGHTS AND CITIZENSHIP

BENEFIT PROGRAMS

A number of arguments may be offered in support of limiting noncitizens' access to public benefits. First, income disparities between developed and developing countries are so wide that benefits offered by the host country can exceed income opportunities in the sending countries. As a result, nations that offer immigrants generous benefits may serve as a magnet for poor immigrants who would qualify for subsidies and may repel higher-earning immigrants who would contribute taxes to pay for benefits. Thus, welfare's availability changes the composition of the immigration flow and enables some unintegrated immigrants to stay who would have otherwise returned.

Second, immigrants are said to represent a disproportionately large share of welfare users, imposing high costs on taxpayers. This drain on state resources may jeopardize the social contract that maintains the welfare state and turn public opinion against more inclusive immigration policies. It might also be argued that an immigrant's support should fall to his or her sponsor, who benefits from being able to unite with a family member or by obtaining a new employee (or both, in some instances).

Finally, it is suggested that restricting benefits to citizens provides an incentive to naturalize. The naturalization process, in turn, has an independent integrating effect produced by requirements to learn the language and to develop at least a rudimentary historical, political, and cultural understanding of the host country.

But the rationing of benefits by citizenship raises substantial concerns as well. In the first instance, such schemes discriminate against settled residents by putting them in the position of having to contribute to the state without receiving the reciprocal benefits that flow to other members.

Second, restrictions on rights may give citizenship an increasingly instrumental value as immigrants naturalize to obtain safety-net or work-support services or to relieve their sponsors of a binding support contract. The resulting conception of citizenship may be viewed as being at odds with the nation-building goal of promoting durable and wholehearted civic engagement.

Third, restrictions on noncitizens' access to non-contributory benefits imposed by Austria, the US, and Britain raise integration concerns. In the US, the families that have been cut off from social benefits by new citizenship restrictions are among the neediest. Immigrant children in the US are more likely to be poor, to live in overcrowded housing, and to report being in poor health than children of natives. Not surprisingly, they are far less likely to be insured or to have a

usual source of care than their counterparts in families headed by a citizen. Similar results, presumably, would obtain in the other industrialized countries that have introduced benefit restrictions. Restricted access to public health insurance, coupled with the diminished medical care that results, therefore, can lead to poor and declining health outcomes for children. It is also likely that limiting access to publicly subsidized work supports such as childcare, transportation assistance, and job and language training will slow immigrants' labor-force mobility. Furthermore, policies that bar immigrants from cash transfers also generally bar them from a range of work supports such as job and language training, transportation assistance, childcare subsidies, and health insurance. Denying noncitizens these basic work supports can only slow economic integration.

Fourth, restricting legal noncitizens' access to public benefits — especially in *jus soli* nations — has unintended and arguably discriminatory spillover effects on citizen children. In the US, three-quarters of all children in immigrant families (i.e., with one or more foreign-born parents) are citizens. Since enactment of the 1996 welfare legislation in the US, there has been a reduction in benefits use not just among the noncitizens' adults who were the policies' targets, but also among the citizen children who live in their families and within the same, typically constrained, family budget.

Fifth, federal benefit restrictions decouple the national government's role

as gatekeeper from its responsibility for paying the costs of newcomers' settlement. These costs, then, fall disproportionately on the receiving community. To the extent that state and local governments follow the national government's lead in erecting eligibility restrictions, noncitizens are likely to suffer more limited freedom of movement than their citizen counterparts. As the decision to grant or deny health and other benefits falls increasingly to subnational units of government, levels of food insecurity, health-care access, and outcomes among immigrants may vary more widely than among citizens.

Finally, the symbolic message that such exclusions send to established immigrant populations can be alienating, effectively discouraging the sentiments of membership that would promote citizenship.

These concerns substantially outweigh the arguments offered in support of exclusion of presumptively permanent immigrants from social benefits. Thus, citizenship status should not be the gatekeeper to access to social benefits and the labor market. Rather, immigrants who have a status that authorizes or presumes settlement in the state should be guaranteed eligibility on terms similar to those established for citizens. Adopting this broader understanding of membership complements and supports the institution of citizenship in liberal democracies.

Specifically:

- Citizenship should not be used to ration access to welfare and other

social benefits. Settled immigrant status rather than citizenship should suffice for access to most benefits made available under the welfare state.

At the same time, however, immigrants' sponsors should carry a time-limited support obligation for at least some cash and other benefit programs. But such obligations should not impose an open-ended fiscal liability on immigrants' sponsors, and they should not lead to gross disparities between the obligations imposed on the families of legal immigrants and those imposed on citizens. Thus:

- Sponsor support obligations should not impose an open-ended fiscal liability on immigrants' sponsors.

LABOR MARKET ACCESS AND CITIZENSHIP

Citizenship matters in the rationing of public-sector jobs across most states. While blanket exclusions of noncitizens from civil-service jobs have been invalidated by the courts in the US, specific restrictions regarding positions deemed to be related to the exercise of state power have been upheld. Along similar lines, France restricts all railway, postal, and hospital jobs to EU citizens. Germany bars third-country nationals from all jobs in government service, including employment in public transportation and kindergarten. In countries where major economic sectors are administered by the government, the implications of reserving public-sector jobs for citizens are more far reaching.

Two widely accepted rationales for restricting public sector employment are commonly advanced. Such policies are said to promote national security and to limit public-policy decision-making to full members of the state. There are, however, other rationales for limiting noncitizens' access to public employment that sweep far more broadly. These include giving noncitizens an incentive to naturalize or simply reserving a valuable public good for the citizenry.

There are strong reasons to adopt more inclusionary policies regarding noncitizens' access to public-sector jobs. From an instrumental perspective, it could be argued that immigrants represent an expanding share of the total labor force and that their exclusion from the public sector restricts governments' access to a potentially rich labor pool. In an era of demographic change, it makes sense to include members of language and other minorities in the public service to promote better communication between communities of immigrant origin and police forces, public-school faculties, licensing offices, and the like. Further, an inclusionary approach to public employment can promote a shared identity of immigrants with the state and the nation, rather than their withdrawal or exclusion from it. In some cases, this may require not only liberal hiring policies, but also special accommodations by mainstream institutions.

From an equity perspective, an argument made in support of immigrant

eligibility for public benefits applies to public-sector employment as well: Because noncitizens assume most of the societal obligations required of citizens, they should be eligible for most of the social and economic opportunities afforded by states to their citizens.

On balance, therefore, states that have blanket exclusions of noncitizens from public-service jobs should rethink such policies. While it is reasonable to make exceptions for positions that implicate national-security or high-level policymaking positions — just as it may be reasonable to ask high-level government officials to relinquish citizenship in another state — such exceptions should be closely circumscribed. Scant justification, for example, exists for limiting teaching positions in public schools to citizens.

Settled immigrants frequently enjoy the same access to the private labor market as citizens. Furthermore, national policies generally do not encourage private employers to discriminate in favor of citizens, and some states have express prohibitions on such discrimination.

Australia, Britain, Canada, and the US offer striking examples of open access from the time of admission to both the labor market and self-employment. This access exceeds some of the most progressive, inclusionary proposals contemplated for the EU. As in the area of social welfare, these progressive policies in English-speaking states may be largely a function of immigration rules, which admit immigrants as

permanent residents on track for citizenship rather than as temporary labor migrants.

There are, however, important exceptions to this overall pattern of comparatively inclusionary labor-market policies. While citizens from EU countries enjoy free movement and open access to the labor markets in other EU countries, third-country nationals do not benefit from such rights; their rights to residence and employment are generally defined by and limited to the EU state that authorized their admission. In Germany, for example, family members of third-country nationals who do not hold unrestricted residence or work permits can be refused a labor permit if a German or EU citizen is available for the job. In some German regions these family members — who will likely become long-term, if not permanent, residents — can be excluded from all employment. Moreover, access to the permanent-residence status needed for free labor movement within Germany is limited by requirements that the applicant pass language tests and have a long employment record.

Extensive restrictions on established noncitizens' access to employment also exist in Austria. Family members of third-country nationals can be excluded from the labor market for a period of four to eight years. And the employment rights of many established third-country nationals remain insecure, as they must periodically renew their work permits and can be turned down depending on patterns of

labor-market demand. Access to more secure jobs in the large, semi-public sector is heavily influenced by political patronage, strong trade-union control, and citizenship requirements, which, taken together, virtually exclude immigrant workers.

Plainly, policies that facilitate the acquisition of nationality would open access to employment for third-country nationals within the EU. But other policies may also hold promise. In spring 2001, the European Commission issued a directive proposing that after five years, third-country nationals be allowed to work in EU states other than their country of residence.

These considerations suggest:

- Employment policies, like welfare rules, should be constructed to promote integration of settled immigrants. Citizenship should not be erected as a barrier to the labor market.
- Citizenship should not be a condition for the granting of professional licenses, for apprenticeships, or for entry into the civil service or the great majority of public-sector jobs.
- States should implement anti-discrimination policies, which, when coupled with an enforcement system that is carefully designed and adequately funded, can be an important tool in ensuring that immigrant rights to access to private employment are protected.

This chapter is adapted from Citizenship Policies for an Age of Migration (2001), T. A. Aleinikoff & D. Klusmeyer, eds., a volume which represents the capstone of a multi-year study conducted by the International Migration Policy Program of the Carnegie Endowment for International Peace.

REFERENCES

- Aleinikoff, A. and D. Klusmeyer, eds. *From Migrants to Citizens: Membership in a Changing World*. Washington, DC: Carnegie Endowment for International Peace, 2000.
- Aleinikoff, A. and D. Klusmeyer, eds. *Citizenship Today: Global Perspectives and Practices*. Washington, DC: Carnegie Endowment for International Peace, 2001.
- Castles, S. and A. Davidson. *Citizenship and Migration: Globalization and the Politics of Belonging*. New York: Routledge, 2000.
- Hansen, R. and P. Weil. *Towards a European Nationality: Citizenship, Immigration and Nationality Law in the EU*. Hampshire: Palgrave, 2001.
- Hansen, R. and P. Weil. *Dual Nationality, Social Rights and Federal Citizenship in the U.S. and Europe, The Reinvention of Citizenship*. New York/Oxford: Bergham Press, 2002.
- Rubio-Marin, R. *Immigration as a Democratic Challenge: Citizenship and Inclusion in Germany and the United States*. Cambridge: Cambridge University Press, 2000.
- Weil, P. *Qu'est ce qu'un français ? Histoire de la nationalité française depuis la Révolution*. Paris: Grasset, 2002.



BUILDING SUCCESSFUL
URBAN POLICY IN THE
NEW ERA OF MIGRATION

JORGE GASPAR AND MARIA LUCINDA FONSECA

The world has entered a new age of migration, with unprecedented numbers of migrants embarking on international journeys. As such, migration is affecting many sending and receiving countries to such an extent that some analysts have defined the passage into the millennium as the “era of migration.”

Today, these migrants’ most frequent destination is a city: a complex structure characterized by diversity, where varied economic, social, and cultural forces create synergies and increase the sense of identity, belonging, and inclusion. As cities become home to greater numbers of immigrants, the interface between urban policy and the politics of immigration is becoming ever more critical.

While international migration increases the presence of immigrants in the world’s largest cities, their dispersal to mid-sized, “peripheral” cities is also accelerating. This has already been observed in the United States, and in the European Union the joint forces of EU enlargement and political change in Eastern Europe will make this change even more pronounced. A ring of new migrant destinations will stretch from Glasgow and Helsinki in the north, through Copenhagen and the Baltic states, to Warsaw, Prague, Bratislava, and Budapest in the east, to Nicosia in the south. In many cases, these cities will receive large numbers of migrants from a particular sending region, creating important transnational ties.

Understanding what is at stake for both cities and immigrants at this pivotal moment requires examining, first, the historic role of cities in relation to migration, and second, the recent eras of international migration. This will set the stage for a more detailed analysis of how urbanization and immigration now interact, followed by an examination of the implications for European cities in general and the abovementioned cities in particular. This chapter will conclude with a range of recommendations for urban policymakers struggling to optimize the gains offered by well-managed immigration, while minimizing the potential tensions.

BACKGROUND: URBANIZATION, IMMIGRANTS, AND CYCLES OF RENEWAL

For centuries, cities have been places of interaction and exchange for people of different geographical, social, professional, and cultural backgrounds. Cities have served as bastions of ideals, symbols of identity, and refuges from oppression and enemies. But the *raison d’être* of cities has been their residents’ quest to make the best use of their skills, most importantly by connecting with one another.

Beyond the individual level, on the scale of societies, cities have long been places of contact, juxtaposition, cooperation, and conflict between different cultures. This has sometimes, but not always, led to ethnic diversity. Cities have often hosted coexisting, culturally diverse communities, each with specific

functions and sometimes enjoying administrative or judicial autonomy. This phenomenon is well illustrated by the diversity of some medieval Christian and Islamic cities but can also be observed across continents from Africa to America. Cities can thus aptly be described as *communities of communities*.

At the dawn of the 21st century, cities and migration have become even more tightly intertwined. The city has emerged as a privileged actor in the economic, social, political, and cultural organization of countries, macro-regions, and the entire planet. Certain cities have replaced regions and even countries as cultural, socio-political, and economic points of reference both for immigrants and natives. The literature of various diasporas, whose writing has been a major influence on cities' transnational heritage in recent years, accurately portrays cities as both decisive actors and arenas. Cities are the places where immigrants can most quickly find points of reference around which to build new ways of life. Identification can be made with the strongest and most typical local reference points — the soccer team, the river, the neighborhood.

At the same time, the reality with which an immigrant comes into contact does not always correspond to his/her hopes and expectations. In large cities in particular, immigrants are often at risk, confronted with hostile spaces that have oftentimes already been abandoned by others. Yet these spaces can re-instill faith in and

the will to create the “promised” city imagined before emigrating, provided that there is work, food, and shelter available. The will to construct the promised city is strong, facilitating the recycling of urban space and turning the city once only dreamed of into a desired reality.

In different eras, and clearly in the 21st century, the obsolescence of certain urban functions and of their respective spaces and infrastructures has created conditions for people to return to the city, producing new patterns of work, housing, and leisure. Overall, this process has provided opportunities at different levels and for various functions among immigrant communities. As a result, these communities have become increasingly complex and functional, both socially and culturally. This evolution has also translated into new urban forms when partnered with native-born populations' tendencies towards particular ways of organizing space and society. The frequent contribution of immigrant communities has been to renew life in obsolete spaces, such as declining residential areas, allowing for the reinvigoration of the city as a whole.

Large metropolises and national capitals comprise privileged spaces of interaction, putting different parts of the world in contact with one another and emerging as leading places in the world economy. Despite the growing mobility of capital and the labor force, urban centers have held tenaciously to their place and prestige. Even in times of crisis, permanent capital invested in

property and infrastructure networks (i.e. highways, railways, ports, airports, water and electricity supply networks, sewage networks, telecommunications) have assured cities' connections to other places, solidifying their grip on landscapes and power. These factors ensure that urbanization, in its diversified forms and contents, is both shaping and being shaped by globalization.

Above all, as in other historical moments for humanity, the contribution of immigration has been largely to provide continuity to urban life and its diversity, filling in gaps left by new and spread-out forms of urbanization and creating conditions for cities — renovated and modernized — to escape cycles of decay and return to their worldly ways.

ERAS OF MIGRATION

Over spans of decades, cities have been the site of continuity and discontinuity between successive waves of immigration and the communities they have helped to build. Different periods have seen global migration ebb and flow from one region and country to the next, with far-reaching implications for urban policy.

The 1960s marked a turning point for international migration, and it is the watershed at which it is most useful to begin a discussion of modern immigration and urban policy. Before 1925, 85 percent of international migration came from Europe. By the 1960s, the weight of European emigrants in world

immigrant flows had declined drastically (Massey *et al.* 1998: 2) and emigration out of Africa, Asia, and Latin America had risen along with an increase in the variety of countries receiving immigrants. In general, this diversification of sending countries came about because of a variety of factors, including post-colonial migration, increasing need for laborers in the so-called 3D's jobs (dirty, dangerous, and difficult), multinational and bilateral agreements, recruitment of foreign labor by oil-rich countries, the transition of Southern European countries from countries of emigration to countries of immigration, new migratory movements connected with economic and social change in the "newly industrializing countries," development of mass movements of refugees and asylum seekers, and the increasing international mobility of high-skilled personnel in both temporary and permanent flows (Castles and Miller 2003).

By the 1990s, global migration flows to developed countries were dominated by people from a wide variety of communities of origin that were quite different from those observable up to the early 1970s. The restructuring of the global economy, the diffusion of competitive mechanisms throughout the world, and the worsening asymmetry in regional development increased migration from developing countries in Africa, Asia, and Latin America.

Immigrants from these two periods thus differed in their ethnic, social, and professional composition, patterns of urban and economic integration,

and attitudes toward their host societies and their societies of origin. In the period before 1973, links between communities of the same cultural and geographical origins were maintained in a more or less organized manner, both in the country of destination and with their homeland. Urban spaces were restored by a succession of immigrant communities with cultural and geographic similarities or simply by those casually connected by their emigration experiences. The underlying links, transmitted experiences, and continuities that existed throughout this period have important implications for successful integration and the strengthening of links between countries of destination and origin.

The immigrants of the 1990s differed from their counterparts in previous decades not only in terms of their ethnic and social composition, but also with regard to the dynamics of their integration into urban spaces. For example, some researchers noted how increasing racial and ethnic diversity rendered some traditional conceptions of residential segregation obsolete, such as the assumption that living with whites was the main or only basis for cultural integration and assimilation. Some researchers proposed that integration should be considered a multi-ethnic process, shunning the use of white populations as the only legitimate reference points (Reardon and Firebaugh 2002; Wong 1998).

Other notable aspects of urban immigration in the 1990s were economic, ranging from ethnic business districts

to particular ways of entering the urban labor market. In this period, cities saw the development of very ethnically and racially diverse situations among communities, cities, and sectors of economic activity. For example, businesses like banks often became associated with residential areas dominated by particular ethnic communities, based on linguistic accessibility, trustworthiness, and relationships back in the country of origin. For different economic reasons, groceries and restaurants came to be dispersed throughout areas in which an immigrant owner's community was hardly represented.

The transformation of global migration between the early 1970s and the 1990s, particularly with regard to cities, did not come about in a simple way. Underlying recent changes to migration patterns, in everything from settlement patterns to workforce integration, have been interactions between migration and urbanization.

THREE DRIVING FORCES: GLOBALIZATION, URBANIZATION, AND MIGRATION

Over the last 30 years, the daily life of most people — not least immigrants themselves — has increasingly been shaped by economic, political, and cultural activities on a global scale. Connected to this globalization are urbanization and the expanding influence of global cities — poles of population and centers of economic, political,

and cultural power. These cities form a hierarchical network connecting countries, regions, companies, organizations, communities, and individuals worldwide. It is to these poles that migrants are increasingly drawn.

In the context of the various types of interplay that occur among globalization, urbanization, and migration, the most important for the purposes of this analysis is the relationship between urbanization and migration. Only by understanding this relationship can policymakers hope to maximize the gains from immigration, while minimizing frictions. The following are some key aspects of the interplay between urbanization and international migration.

Continuity. The growth of cities has always been fed by migration, whether directly from rural areas, or in successive stages of migration from one large urban center to another more distant one. This phenomenon is not uniquely European, having also taken place in the Americas, Africa, and Oceania, creating various strands of historical continuity with the phenomenon of urbanization today. According to the United Nations Population Division, the world's urban population reached 2.9 billion in 2000 and is predicted to grow to five billion by 2030. In terms of percentages, the urban population grew from 30 percent in 1950 to 47 percent in 2000, with 60 percent projected to live in cities by 2030.

Concentrations of Diversity. Because of the growth and increasing complexity of international migratory systems

that began to emerge in the last quarter of the 20th century, large cities are increasingly more multi-ethnic and multi-racial. All indications point to these differences increasing in the future. Although patterns vary, the geographic distributions of the foreign-born population in industrialized receiving countries uniformly show the largest concentrations in urban areas.

In European cities, whether those of Northwestern Europe with a longer history of immigration (such as Paris, Brussels, Frankfurt, Munich, Geneva, Rotterdam, and Stockholm) or those of Southern Europe (such as Athens, Naples, Rome, Barcelona, Madrid, and Lisbon), the percentage of foreigners is always much higher than their respective national percentages. This trend can also be observed in the United States, Canada, Australia, and in certain major Asian cities. Furthermore, globalization's facilitation of commerce — with lowering trade barriers, reduction in transportation costs, and new product-preservation techniques — allows for the “cross-breeding” of cultural practices, thereby contributing to greater cultural diversity in cities.

Varying Urbanization Patterns. It is important to note that urbanization manifests itself differently in developed and developing countries. In the former, the number of urban dwellers doubled and their proportion of the total population grew from 54.9 percent to 75.4 percent during the second half of the 20th century. At the same time, in developing countries, the urban population grew without precedent,

multiplying by more than six times, and leading to a change from 17 percent in 1950 to 40.4 percent in 2000. However, even this is still not anywhere near the 75.4 percent figure in the developed world.

Moreover, levels of urbanization and urban growth vary greatly among developing countries. In Latin America and the Caribbean, the part of the population that resides in urban areas (75 percent) is twice that of Africa and Asia and slightly greater than that of Europe (73 percent). Despite all of these differences, the statistics correctly reflect the speed at which a once predominantly rural world is becoming much more urban.

Transnationalism. Progress in transportation and communications has brought sending and receiving countries closer together and forged connections between different places of settlement for populations belonging to the same national or ethnic community. As such, today's international migrations increasingly encompass more "nodes of circulation," defined by a complex network of information, people, goods, and capital that connect communities of migrants throughout the world.

Researchers have noted the strong social networks, institutions, and bonds between first-generation immigrants and their countries of origin. These immigrants often travel to their homeland, send remittances to relatives, keep up on their country's politics and crises, and generally cultivate cultural

ties. This type of transnational identity is a feature of many cities in the developed world, where the means of exchange — of goods, of cultural developments, of information about the homeland — is accessible. In the 1990s, as noted earlier, this access was increased by the rise of niche economic businesses run by and targeting immigrants.

Chain Migration. On the international level, urban areas are most recognized for their role in facilitating contact between immigrants and their country of origin, while offering greater employment opportunities and social mobility. Furthermore, following the settlement of "pioneering" immigrants, networking mechanisms tend to develop that attract their compatriots, thus reinforcing immigrant concentrations in the receiving countries. In this way, contact networks play a decisive role in the migratory process and serve to explain both the strong urbanization of international migration and the formation of migratory links between particular sending and receiving areas.

Revitalization of Public Space. In cities and other urban centers in receiving countries, the middle classes are abandoning traditional urban public spaces (i.e. squares, public parks, and sidewalks), with the exception of public consumption and class-oriented spaces such as theaters, cinemas, museums, stadiums, and gyms.

At the same time, many lower-income immigrants are living in overcrowded and poor-quality houses or apartments, and are feeling cultural isolation

brought on by residing in anonymous buildings with people who speak other languages and have unfamiliar behaviors and habits. As a consequence, many immigrants are *seeking out* public spaces and traditional gathering places (i.e., cafés) to gather and to complement their living space. Thus, the new inhabitants gain the status of belonging to a city and replicate the uses of time and city space once typical of other eras.

In Northern Europe, revitalization of this type is observable in Berlin, particularly in Kreuzberg, where the Turkish community has regenerated the urban environment's vibrancy and richness. Another example is Södertälje, an average-sized Swedish city once gripped by post-industrial crisis, where citizens well-versed in urban history have rebuilt with the participation of immigrants such as Assyrian Christians.

In Southern Europe, though immigration is a recent phenomenon, immigrants have left numerous marks on the urban landscape. In the case of Lisbon, the Martim Moniz area is an important multi-ethnic commercial enclave that has greatly contributed to turning around the economic decline, urban decay, and social marginality of this area located on the fringe of Lisbon's traditional downtown. Besides animating this area during the day, the progressive appropriation of this area by immigrants and ethnic minorities has proved to be key to its rehabilitation and collective re-appropriation, thus making it a symbolic space that displays the multi-ethnic

character of the Lisbon Metropolitan Area (Fonseca 2002).

In Barcelona, non-EU immigrants who began to arrive in the 1970s are also changing the look of the Old City. Ethnic businesses fill this older quarter with life and color along the Corders-Carders-Portal Nou axis and Carrer de la Princesa. The neighborhood is broken up into a series of subunits that have been appropriated by diverse immigrant and ethnic minority groups. Carrer Corders, next to Plaça de la Lana, recreates an African atmosphere; Carrer Carders has a Dominican feel; and, from Plaça S. Agustí Vell to Portal Nou, North African influences emerge (Monet 2000).

In Marseille, the Belsunce neighborhood, located in the city center between the Vieux Port and Canebière, has long been a point of arrival for immigrants and a focal point for specialized services. It has hosted successive waves of immigrants from the Mediterranean (Italians, Spanish, Lebanese, Turks, and Egyptians, as well as Armenians and the first wave of Algerians starting in World War I). During World War II, it attracted a number of Jews and, starting in the 1950s, it became a host for people in transit, port workers, and a new wave of North African laborers, many of whom were undocumented. Before the tourist visa was set up for entry into France in 1986, Marseille was a marketplace patronized by many North Africans. The urban economy benefited a great deal from this shopping tourism from the other side of the Mediterranean.

The Belsunce neighborhood had elements of an Arab city that were locally known as the “Casbah” or “Little Algiers.” In the 1980s, the neighborhood began to undergo major urban renewal efforts that, associated with the decline in North African tourism, may threaten the local economy and displace the immigrants. The success or failure of this city-center renewal project will depend on Marseille’s ability to preserve and attach value to the area’s cultural uniqueness and history, finding solutions adapted to the diverse population that lives there and frequents it.

The Role of Urban Policies. These examples typify different effects of immigration on the changing use of urban space and in the dynamics of socio-spatial integration of immigrants in cities. Urban policies and spatial planning have an essential role to play in both the economic and social regeneration of cities and in the socio-spatial integration of immigrants and poor ethnic minorities, because efforts to improve living conditions in deprived neighborhoods and better use public space must be anchored in a broader urban context that includes long-term planning.

The process may differ from place to place. These differences reflect the importance of local contexts: history, urban form, the mixing and specific concentrations of housing, the quality of the environment and the public space, the number and diversity of immigrants and ethnic minorities, and the economic, social, and political structure. That is why place is impor-

tant and why urban government and governance can make a difference.

Depending on local contexts, three different situations can come about. First, there is the possibility of total obsolescence of public space. This can induce rejuvenation or reconstruction, with its content totally reconstructed but for the same purpose as before (i.e., social housing projects, traditional businesses, cottage industry, etc.) and its new users’ identities recognized, creating significant ethno-cultural polarization. Second, total reconstruction for new uses is possible — in the past, in fact, solutions that ended up pushing out both immigrant users and nearby native-born residents were common. Third, there is the possibility of the promotion of a gradual large-scale or even privatized regeneration, in which stratification and gentrification can be managed and inspire a new type of urban *integration/mix*.

This same process may only wind down when improved socio-economic conditions lead immigrants to abandon their use of public space and instead seek out better housing and greater comforts, which naturally contribute to more individualistic behavior.

EUROPE’S EXPERIENCE WITH URBANIZATION AND MIGRATION

During Europe’s reconstruction following World War II, economic expansion and the end of the demographic transition (which involved a decline of the

natural population growth rate) led to the mass immigration of laborers, primarily to France, Germany, the United Kingdom, the Netherlands, and Switzerland. To a certain extent, there was also mass immigration of this type to the industrialized Nordic countries: First from Finland and certain Baltic countries and then, starting in the 1960s, from Yugoslavia and Greece, particularly to Sweden.

At first, these workers came from the poorest and geographically closest countries, including Italy, Ireland, and Finland. They also arrived from the collapsing British, French, and Belgian colonial empires. Later, especially during the 1960s, this flow expanded to include migrants from countries along the Mediterranean, including Spain, Portugal, Greece, Yugoslavia, and Turkey. Of those arriving from the former colonies, many were seeking safety and economic betterment for their children and hoped to return home one day. Others were refugees: Initially, the most fervent supporters of the colonizers of their respective countries, and later, those threatened by power struggles in newly de-colonized countries.

Southern Europe's Profile. Southern Europe's experience with migration has been quite different from that of Northwestern Europe, because the transition for Greece, Italy, Portugal, and Spain from countries of mass emigration to countries of mass immigration only began in the late 1970s.

There have been three major immigration flows into Southern European

countries. First, Southern Europe has become, since the 1980s, a new portal for entry to the European Union for many Africans, Asians, and South Americans. Most of this immigration has been clandestine. Second, there has been an increase in the number of foreigners from developed countries, chiefly Western Europe. These migrants fill highly qualified positions, mainly in multinational enterprises. Third, the coastal regions of Southern Portugal and Spain have attracted many retired foreigners, particularly British and Germans. In the Portuguese case, it is also important to note that, between 1975 and 1976, more than a half a million Portuguese returnees, mostly from Angola and Mozambique, came to Portugal following the independence of the African colonies.

East-West migration increased in the 1990s following the fall of communism in Eastern Europe and the former USSR. This new wave of migration first affected neighboring countries, such as Germany and Austria, but quickly spread to Southern European countries. The current numerical significance of Eastern European migrants in Southern Europe is based on both formal and informal networks active at both ends of the migration path. This has given rise to some quite unbalanced flows (e.g., Ukrainian males migrate mainly to Portugal, while Ukrainian women largely go to Italy). This new flow of Eastern Europeans to Southern Europe differs from that of laborers coming from the Southern and Eastern Mediterranean, Sub-Saharan Africa, Asia, and Latin

American, as it is comprised of a large number of skilled migrants. Despite their skills, however, they are mainly incorporated into low-paying and socially undervalued jobs, such as construction (men) and professional cleaning and domestic work (women) (Baganha and Fonseca 2004).

Migration and Urban Growth of European Metropolises. Even in the period when Southern European cities were still growing mainly as a result of an exodus from rural areas (starting in the 1950s and 1960s, though earlier or later in different areas), large urban-industrial centers in Northwestern Europe began to grow as a result of international migration. The percentage of foreigners in the total population of the most important cities tended to be higher than that of the country in which they were situated.

The cumulative results of these developments are increasingly clear, at least in terms of settlement patterns. Immigrants and ethnic minorities tend to be concentrated in the most important urban areas in each receiving country. For example, in 1999, while 5.6 percent of the population in France was foreign, foreigners represented 14.5 percent of the population in Paris and 12.9 percent of the population in Marseille. In Germany, foreigners made up 8.9 percent of the total population in 2000, though the same statistics in Munich and Frankfurt were much higher (22.8 and 27.8 percent, respectively). The concentration of immigrants in cities can also be seen in Belgium. In 2004, 26.3 percent of

people living in the Brussels region were foreign, while the corresponding national rate was only 8.3 percent.

Though immigration is rather recent, the same phenomenon can still be observed in Southern Europe. According to the 2001 Population Census, 55.5 percent of foreigners lived in the Lisbon Metropolitan Area, representing 4.7 percent of the total LMA population, while immigrants represented only 2.2 percent of the total population in Portugal. In Italy, Spain, and Greece, the largest concentrations of immigrants can be found in the main cities. In Italy, more than one-half of all immigrants live in the northern part of the country. According to an estimate by the Regional Observatory of Lombardy, 6.1 percent of the population living in the Milan Metropolitan Area in 2002 was immigrants from developing countries and Eastern Europe, equivalent to 50.7 percent of immigrants living in the Lombardy region (Blangiarlo et al. 2003). In Spain, foreigners made up 3.8 percent of the country's population in 2001, while 38.4 percent of all foreigners lived around Madrid and Barcelona. Consequently, the percentage of foreigners in these two cities was higher than the national average, with 4.8 percent living in Barcelona and 6.8 percent in Madrid. In Greece, the concentration of immigrants in the Athens Metropolitan Area (AMA) can be seen by examining the results of the regularization campaigns for undocumented foreigners in 1998 and 2000. Around 40 percent of regularization requests made in 1998 and renewal

requests for permanence permits made in 2000 corresponded to individuals living and working in the AMA (Sintès 2002).

Housing and Segregation in European Metropolises.

The emergence of residential segregation based on ethnicity is another new feature of the contemporary development cycle of Southern European cities. However, authors such as J.M. Leontidou (1993) and Jorge Malheiros (2002) describe Southern European cities as having fewer levels of socio-spatial segregation than their Northern European counterparts. Delayed industrialization, the inexistence of a culture of formal urban planning, the nature of the welfare system (particularly in the domain of housing), a dualistic housing regime, the recent character of international migration, and the great geographic, ethnic, and social diversity of immigrants and ethnic minorities of immigrant origin are the main factors that help explain the differences observed in Southern European countries (Arbaci 2002). However, in more recent years, the increase in the growth of immigrant populations and their descendants in Southern European metropolises has been associated with the trend towards greater standardization of urban and social policies in the European Union, attenuating the differences observed between Northern and Southern European cities.

In fact, as large-scale urban problems involving basic infrastructure, housing, and accessibility have been resolved in

Southern Europe and as the middle class expands, there has been a progressive urban “harmonization” throughout Europe. Differences between Southern European cities are increasingly based upon their landscapes, heritage, and traditions, and decreasingly based upon their functional and social structure. For this reason, it is important to note the rejuvenation of historical city centers, suburban renewal, de-population of the city center, and the emergence of new urban centralities, as well as processes of gentrification.

From the 1950s to the 1980s, there was little awareness among policymakers that the clustering of the most disadvantaged social classes (which include the vast majority of immigrants) in neighborhoods in and around large European cities would lead to so many social problems in the future. Prominent among these problems were immigrants’ frustrations with climbing the economic ladder, as well as the clash of cultures, growing difficulties with finding employment, and the dissatisfaction and revolt of the generation born in Europe.

The oil crisis at the end of 1973 marked a turning point — a chronological and symbolic wake-up call at the end of a period of economic euphoria. It corresponded to a crisis for cities manifested in rising unemployment, economic recession, demographic decline, and anti-urbanization movements. Overcoming the shock of the 1970s economic crisis, European cities and the European urban system underwent

a profound social and economic transformation. The development of a heavily internationalized service economy, structured by a network of cities positioned in different parts of the global urban hierarchy, reflected the social polarization of labor markets, with the simultaneous demand for highly skilled professionals and low-skilled service-sector workers (cleaning and domestic work, caring for the elderly, security, commerce, hotels, and catering).

In this way, the reconstruction of cities and the restructuring of Europe's economic base generated much more fragmented urban spaces from a socio-economic point of view. These spaces are associated with the rise in social inequality and increasing unemployment, as can be seen in the emergence of new situations of exclusion in which immigrants and their descendants are potentially overrepresented (Musterd and Ostendorf 1998).

During the 1970s, many emigrants from Southern European countries who had contributed decisively to Northern Europe's reconstruction returned to their countries of origin. Some returned simply to retire and live off of their pensions; others built important support structures for the development of the poorest areas of Southern Europe, from Greece to Portugal. The integration of Greece, Spain, and Portugal into the European Union contributed to the recognition not only of the knowledge of the migrants that returned home, but also of the webs of relationships they had developed throughout Europe.

In addition, the European integration process, associated with greater ease in transport and communication, has led to the development of a come-and-go type of migration for many former emigrants who have already retired. These migrants travel between their countries of origin and their former receiving countries in order to visit children and grandchildren who stayed on in the receiving country, to benefit from social services to which they may not have access or that are better than those in their countries of origin, or to provide informal temporary assistance to a family member (e.g., to care for an ailing person or a child, etc.). Similarly, movements in the opposite direction have increased during vacation periods, with second- and third-generation descendants living in the receiving country going to visit family members in the country of origin.

CONCLUSIONS AND RECOMMENDATIONS

The rebirth and restructuring of the European urban system under the influence of globalization, urbanization, and a new era of international migration is shaping the structure of the Europe of the future. The dynamics of urban growth are closely related to the dynamics of migration. Immigrants and ethnic minorities in the urban space of Southern European cities are dispersed to a far greater extent than those in Northern Europe. The two regions also differ in terms of the types of spatial segregation that generally emerge at the micro-level.

These differences are the products of the more recent nature of immigration to Southern Europe, the continent's demographic transition, the later onset of the processes of industrialization and suburbanization in Southern Europe, and the weak public-housing sector in the region's metropolises. These factors come in association with rudimentary welfare-state systems and an urban planning system developed very late and without a consistent all-encompassing urban policy.

Political and policy measures directed towards the necessary marriage between migratory flows and urban development are badly needed. Without them, social and economic cohesion, the complementary relationships of the European Union and cities, and social and spatial equality will all suffer.

The rapid economic growth of various European countries, dating back for decades but in the South only in recent years, has only been possible because of successive flows of immigration. Immigrants have filled primarily low-wage, low-skill jobs, particularly in construction, agriculture, tourism, and low-skill services, where the local labor supply has been limited.

Despite this largely positive role, immigrants have faced negative reactions from sectors of the political leadership and the public in both the North and the South. The emergence of immigration as a political issue in Southern Europe happened much later and under substantially different

conditions from those between World War II and the 1970s in Northwestern European countries. The politicization of immigration in the Northern Mediterranean is closely associated with the European integration process and, unlike other more-developed European countries with deeper-rooted immigration traditions, ultra-nationalist movements with xenophobic or racist features are still quite marginal in Southern Europe. However, there are some signs of increasing racial tension, which is cause for growing concern among politicians and citizens alike (Fonseca, Caldeira and Esteves, 2002).

It is also clear that the EU faces migratory pressures from North Africa, the Middle East, and the Balkans, all reinforced by the political instability of these regions. Coping with these simultaneous pressures will require greater coordination and harmonization of EU migration policies. It will also demand increased cooperation between sending and receiving countries in order to promote the development of the former and to curb illegal migration.

As with similar growth in the past, the enlargements of the European Union in 2004 and beyond will have consequences both for urban systems in general and migration flows in particular. These changes will greatly facilitate movement among economically unequal countries and develop new forms of interaction (economic, social, and cultural) between the cities where immigrants live and their regions of origin. These flows will become increasingly complex, both in terms

of the levels of qualifications of the migrants and in terms of migratory patterns, which will in turn create new urban forms, and potentially accelerate the polarization of the urban systems in the new member states. This, in turn, will translate into increasing spatial disparities between the dominant capital cities in countries such as those in the Baltic area, Hungary, and the Czech Republic.

More specifically, the 2004 enlargement can be expected to maintain migratory pressure on the cities of the western core or heartland of the European Union, which will continue to attract immigrants. Several factors support this potential trend. First growth rates in the new Member States are above the EU-15 average, but there is only limited real economic convergence. Second, the service sector there is growing, but the unemployment rate remains very high.

However, coupled with political change in Eastern Europe, the enlargement will also give dynamism to a vast ring of peripheral European cities. These will become increasingly attractive destinations for migrants. One reason for this attraction is that anti-immigration movements tend to be smaller in traditional cities of immigration. Consequently, control over the entry of new immigrants tends to be tighter, potentially sending migrants towards less restricted urban areas. These alternative destinations, though less attractive from an economic point of view, constitute less hostile atmospheres for their integration. The ring

of new “peripheral” destinations stretches from Glasgow and Helsinki in the north, through Copenhagen and the Baltic states, to Warsaw, Prague, Bratislava, and Budapest in the east, to Nicosia in the south.

For the same reason, major cities that were formerly on the eastern border of the European Union, such as Berlin and Vienna, may become relatively less attractive in comparison with the new peripheral ring of cities. Finally, Romania and Bulgaria will likely continue to lose population and remain economically depressed. As such, it is likely that migration flows from this region to Southwestern Europe (Italy, Spain, and Portugal), which began in the 1990s, will continue.

The development of long-distance social relations due to the developments in communication and information technologies, combined with the increasingly greater socio-cultural differences of the population of the European cities, will accelerate the trend of the decline in neighborhood relations and solidarity. That is why diversity and increasing population turnover in urban centers has the potential to create new tensions in areas previously characterized by a certain homogeneity.

At the same time, new economic opportunities are likely to arise because of the progressive development of transnational communities anchored in the circulation strategies of immigrants with multiple spatial belongings. These communities represent great

potential innovations for both places of origin and of destination, due to their high density of social capital, the interchanges they promote, and the challenges they pose to traditional regulation systems. In this context, immigrants have an important role to play in the process of economic restructuring and secondary internationalization of the metropolises. This stands in contrast with the hegemonic internationalization process associated with transnational corporations and their strategies (Fonseca and Malheiros 2004).

In light of the need for the European Union to develop a comprehensive strategy to address the dual issues of urbanization and immigration, the following set of recommendations can be made. They are addressed to resolving problems on the ground and are initially directed at Southern European cities.

1. Each city or metropolitan area should develop, as a component of strategic planning, a strategy to address the insertion of immigration into urban economic, social, and cultural policies. The way in which the welfare state adopts and adapts to the new migration flows is of central importance.
2. Housing must be given absolute priority and must be treated as a broad concept, including not only shelter and accommodation, but also community services and their connection with the workplace.
3. At the metropolitan and intra-metropolitan scale, planning should aim, where feasible, to ensure that critical demographic dimensions are reached for

immigrant communities that have the same cultural identity or a common set of values, traditions, and behaviors. This creates better conditions for the provision of services, both public and private, and is key to the successful implantation of immigrant groups. Otherwise, specific measures should be directed at the integration of smaller groups.

4. Policies should aim to create conditions to facilitate and stimulate the growth of immigrant businesses.
5. Social and physical infrastructure related to the use of immigrants' leisure time, directed at different age groups, gender groups, and time intervals (daily, weekly, monthly) should be developed. There are some examples of success in this area, such as sports (especially soccer), crafts, gardening, and the use of information and communications technology.
6. Immigrant communities must be allowed to participate in the design of urban policies on the same footing as national citizens. In this respect, local authorities should take residence, not nationality, as the main criteria of local citizenship.

Urban authorities have an essential role to play in this framework. A bottom-up approach, supported by the empowerment of civil society at the local level, is probably the key to avoiding social exclusion mechanisms. However, any local initiative must be anchored in a broader urban context that includes long-term planning.

REFERENCES

- Arbaci, S. "Patterns of Ethnic and Socio-spatial Segregation in European Cities: Are Welfare Regimes Making a Difference?" In *Immigration and Place in Mediterranean Metropolises*, edited by M.L. Fonseca, J. Malheiros, N. Ribas-Mateos, P. White, and A. Esteves, 83-115. Lisbon: Luso-American Foundation, 2002.
- Baganha, M.I. and M.L. Fonseca, eds. *New Waves: Migration from Eastern to Southern Europe*, Lisbon: Luso-American Foundation, 2004.
- Blangiarlo, G.C. and V. Cesareo. "Foreign immigration in Lombardy: An overview." In *The Eighth Italian Report on Migrations*, 181-210. Milan: Fondazione ISMU Iniziative e Studi Sulla Multietnicità, 2003.
- Castles, S. and M.J. Miller. *The Age of Migration: International Population Movements in the Modern World* (Third Edition). Hampshire/New York: Palgrave Macmillan, 2003.
- Fonseca, M.L. "Immigration and spatial change: The Lisbon experience." *Studi Emigrazione* XXXIX, 145, Marzo (2002): 49-76.
- Fonseca, M.L., M.J. Caldeira, and A. Esteves. "New forms of migration into the European South: Challenges for citizenship and governance: the Portuguese case." *International Journal of Population Geography* 8, no. 2 (2002): 135-152.
- Fonseca, M.L. and J.M. Malheiros. "Immigration and globalisation from below: The example of ethnic restaurants in Lisbon." *Finisterra. Revista Portuguesa de Geografia* XXXIX, 77 (2004): 153-181.
- Gaspar, J. "Developing cohesive cities: A perspective from the ground." In *Immigration and Place in Mediterranean Metropolises*, edited by M.L. Fonseca, J. Malheiros, N. Ribas-Mateos, P. White, and A. Esteves, 67-82. Lisbon: Luso-American Foundation, 2002.
- Hohenberg, P.M. "The Historical Geography of European Cities: An interpretative essay." Presentation at the *Cities and Geography* Workshop. Paris, Centre for Economic Policy Research, December 12-14, 2002, <http://www.core.ucl.ac.be/staff/thisseHandbook/Hohenberg.pdf>.
- Leontidou, L. "Postmodernism and the City: Mediterranean versions." *Urban Studies* 30, no. 6 (1993): 949-965.
- Malheiros, J.M. "Ethni-cities: residential patterns in Northern European and Mediterranean Metropolis - implications in policy design." *International Journal of Population Geography* 8 (2002): 107-134.
- Massey, D, J. Arango, G. Hugo, A. Kouaouci, A. Pellegrino and J.E. Taylor. *Worlds in Motion: Understanding International Migration at the End of the Millennium*. Oxford: Oxford University Press, 1998.
- Monet, N. "El uso del espacio público por parte de los nuevos habitantes del Casc Antic de Barcelona: Continuidade e innovaciones." *Scripta Nova. Revista Electrónica de Geografía y Ciencias Sociales* 69, no. 48 (2000).
- Reardon, S.F. and G. Firebaugh. "Measures of multigroup segregation." *Sociological Methodology* 32, no. 1 (2002): 33-67.
- Sintès, P. "Immigration, réseaux et espace métropolitain – le cas Athenien." *Cahiers de la Méditerranée* 64 (2002).
- Wong, D.W.S. "Measuring Multiethnic spatial segregation." *Urban Geography* 19 (1998): 77-87.



PRACTICES AND POLICIES FOR
IMMIGRANT INTEGRATION IN THE
UNITED STATES

MAIA JACHIMOWICZ AND KEVIN O'NEIL

The United States has a history of immigration and of integrating immigrants that is as long and successful as that of any country. Yet, the United States has no national immigrant integration policy per se. Of the approximately one million immigrants granted permanent residency annually, only resettled refugees — a group typically numbering fewer than 100,000 people per year and that totaled only 28,000 in 2003 — receive integration assistance from the federal government. Otherwise, the United States has a largely uncoordinated set of policies and programs, stitched together across policy domains, that promote the integration of “permanent” immigrants and in some ways many of the assorted other “temporary” and unauthorized immigrants.

The US immigrant admissions system grants foreigners residency rights primarily based on work or family ties. At some time after immigrants are admitted to the US, a network of rights guarantees them: the opportunity to obtain citizenship through a well-developed naturalization process; access to an educational system that makes including and educating immigrant children a priority; and some (if modest) federal support for language and training programs. Most significantly perhaps, their children, when born in the US, are automatically citizens. The remaining integration services are carried out by a robust civil society sector that includes co-ethnic and conational organizations, a vigorous and flexible economy that has proven capable of employing even low-skilled immigrants, and a fed-

eral-state governance structure that puts much of the responsibility for the relevant social programs in the hands of local and state governments.

This chapter seeks to give a general picture of how these structures and processes work and, where possible, to what extent they succeed. It also seeks to identify current trends, challenges, and controversies in integration.

Important trends include: the continued migration of many immigrants who have low skill levels relative to natives (along with many who have extensive skill sets); a change in the distribution of where immigrants settle away from the traditional cities and states of settlement towards mid-sized cities, suburbs, and new regions; and the growth of a few regions and one country — Mexico — in the origin of immigrants to the US.

The associated importance of newcomers’ low English-language proficiency, especially in the context of labor-market integration and mobility, and the success of immigrant children and children of immigrants in public schools, highlights some of the challenges of immigrant integration. At the same time, the significance of Hispanics in the evolving process through which immigrants and their descendants emerge as important constituencies for marketers, unions, employers, and political parties helps explain how related policies and politics emerge.

Controversies and policy developments within the past 10 years include the

elimination of some welfare benefits for many legal permanent residents, a re-thinking of bilingual education for children, and the restructuring of the federal administration responsible for immigration and naturalization. Yet, the most important challenges lie in the presence of an estimated 9.3 million unauthorized immigrants and in the growing struggle of low-skilled workers to earn a decent income and obtain health insurance.

Many of these forces will continue to exist in the immediate future, but a few other emerging trends and issues are likely to shape immigrant integration in America in years to come. Among the most interesting of these is the role of sending countries in immigrant integration; among the most important are the uncertain impact of security concerns and the possibility of immigration reform. However, none of these trends seems likely to alter fundamentally the generally “hands-off” approach of American integration policy. A long tradition of immigration insulates the United States neither from anxieties about cultural identity nor problems of exclusion and poverty among immigrants. Yet, the United States appears content to entrust integration largely to migrants and their initiative and hard work, and to civil society, employment opportunities, and local actors.

This chapter explains the current framework, including a general description of practices and policies, for immigrant integration in the United States. An overview of the

institutional framework for integration in the US and a brief demographic overview of the size, composition, and general characteristics of the foreign-born population set the stage for a discussion detailing how integration is achieved through an open, undefined structure that combines broad national practices with targeted state and local initiatives. Administrative and admissions policies related to immigration, national anti-discrimination legislation, as well as how integration is framed with regard to employment, housing, and education and children are addressed. Taking into account current immigration trends, we highlight the role, or lack thereof, of the government in integrating foreign-born residents in the US.

The chapter also seeks to examine some of the recent trends affecting immigrant integration and integration policy in the United States. In some policy areas such as employment and the immigrant admissions system there has been little change, but growing political pressure to reform the immigration system could radically alter the outlook within the next five years. In others, such as education and welfare, there has been more action. Still other trends — such as the changing settlement pattern of immigrants, the growing political power of immigrants, and the growing outreach of foreign countries to their emigrants in the United States — are not completely within the control of public policy, but are shaped by it.

INSTITUTIONAL OVERVIEW OF INTEGRATION INITIATIVES

In the largest reorganization of its government since 1947, the United States on January 24, 2003, formally created the Department of Homeland Security (DHS) to bring many of its security-related agencies under a single administrative umbrella. The Immigration and Naturalization Service, previously responsible for the vast majority of US immigration-related tasks, was moved from the Department of Justice into DHS and simultaneously split into three agencies. The admission of immigrants, naturalization, and citizenship now reside within one bureau of DHS — US Citizenship and Immigration Services (USCIS). The other immigration-related apparatuses within DHS are the Bureau of Immigration and Customs Enforcement and the Bureau of Customs and Border Protection, responsible for enforcing immigration law and protecting US borders, respectively.

Certain other functions related to immigration, and whatever federal integration functions do exist, are distributed among several government departments. For example, the Department of State continues to maintain authority over visa issuance (although visa policy resides with DHS), and judicial review under the Board of Immigration Appeals remains under the Department of Justice, while most employment-based immigration functions reside with the US Department of Labor. The Department of Health and Human Services is

responsible for unaccompanied minors who enter the country, in addition to housing the Office of Refugee Resettlement — the federal entity tasked with assisting refugees and successful asylum seekers.

In matters having to do with immigrant integration, programmatic decisions are made across levels and divisions of government while much of the implementation is left to the non-governmental sector. Nongovernmental organizations (NGOs) develop their own assistance schemes, some of which end up being funded by government agencies. The resettlement and integration of refugees is administered largely by State Refugee Coordinators and private organizations, called “Voluntary Agencies,” under contract with the Office of Refugee Resettlement. The departments of Labor and Education also have important portfolios related to immigrant integration efforts, respectively: assisting migrant workers (especially agricultural workers), and offering immigrants access to training programs and language-training initiatives. A brief overview of the government components involved in immigrant integration follows.

US Citizenship and Immigration Services

USCIS deals primarily with administering immigration benefits and providing immigration-related information. The agency has a network of local field offices throughout the United States to process immigration-benefit requests. USCIS, among other

things, maintains a 24-hour free call line in English and Spanish where automated service information can be gathered and live representatives answer immigrants' questions during regular business hours. USCIS has recently upgraded its efforts to provide, via the internet, information and immigration forms, as well as appointment scheduling and individual case status information. Efforts to revise the citizenship oath and naturalization test to make them more "relevant" are also under way.

Office of Citizenship

The primary goal of the new Office of Citizenship, created as part of the Department of Homeland Security, is "to support [the] integration and participation [of immigrants] in American civic culture." The office announced in November 2003 plans to provide new immigrants with information packets upon arrival through a web of community groups and non-profit organizations devoted to the cause. In addition, the Office of Citizenship has established Community Liaison Officers in seventeen cities to facilitate its mandate where it matters most: at the local level.

State and Local Governments

Immigrant integration at the community level is most often delivered by state and local governments, which provide their own programs, create laws relevant to integration, and facilitate partnerships between relevant public and private actors. From driver's license authorization and policing methods, to in-state university tuition

determination, access to and participation in formal public-sector activities (such as those related to school governance), and many welfare benefits decisions, local and state governments play an influential role in immigrant integration.

Office of Refugee Resettlement

The Office of Refugee Resettlement assists most individuals who enter the United States on humanitarian grounds. In doing so, ORR funds and facilitates numerous programs such as employment preparation, job and language training, social adjustment and placement, and direct aid. ORR has just completed a multi-year effort, the Building the New American Community Initiative, designed to foster the successful integration of refugees and immigrants at the local level through community coalition-building exercises.

US REFUGEE RESETTLEMENT

People processed through the US Refugee Resettlement program are the only newcomers eligible for the most complete integration benefits the US government offers. The resettlement procedure includes integration services abroad, reception upon arrival, and post-settlement short- and long-term integration initiatives at the local level. Through a proactive resettlement program dedicated to serving those refugees identified abroad through a set of "refugee processing priorities," the US government works with a network of governmental, international, and private organizations, at various stages of the program, to provide

individuals and their families with support and services.

The President, in consultation with Congress, establishes annual refugee admission levels. In fiscal year 2004, the total refugee resettlement ceiling was set at 70,000. These ceilings are frequently not met, however, and shortfalls have ranged from a few thousand in most years to a shortfall of more than 50 percent of the limit for each year since September 11, 2001.

Various government departments (e.g., the Departments of State and Homeland Security), the United Nations High Commissioner for Refugees, and a network of NGOs help identify refugee groups eligible for resettlement according to pre-established priorities. Eligibility for refugee status is then decided on a case-by-case basis, a process that includes individual interviews, medical examinations, and security background checks.

Upon positive determination of an application and prior to departure, refugees receive cultural orientation sessions administered by the International Organization for Migration and the Voluntary Agencies. Each refugee is then assigned to a Voluntary Agency responsible for initial resettlement services at the time of arrival, including airport reception, initial accommodations, basic necessities, and targeted orientation. Individuals are also able to participate in longer-term integration programs, which include modest job and English-language training, and cash and medical

assistance. The latter form of assistance is administered under regular US social protection schemes. After five years of residence, resettled refugees are eligible for naturalization. These programs are under the general supervision and authority of the Office of Refugee Resettlement.

Generally speaking, refugees are resettled throughout the United States, although distinct national and ethnic origin settlement patterns emerge. Resettlement agencies prefer to place refugees in areas where they are most likely to benefit from existing ethnic communities and networks. For example, in fiscal year 2000 Florida resettled more Cubans than all other states combined.

DEMOGRAPHIC OVERVIEW OF THE FOREIGN BORN IN THE US

Immigration has been in an upward climb since the mid-1960s, although measured as a percentage of the total population, US immigrant stock and flow numbers are still below historical highs set in the 19th and early 20th centuries. According to the Current Population Survey, in 2002 the foreign-born population totaled 32.5 million, representing over 11 percent of the total population. The foreign-born population is comprised primarily of naturalized citizens and lawful permanent residents (see Figure 1). However, unauthorized immigrants — most thought to be residing on a long-term basis — make up an estimated quarter of the foreign-born population.

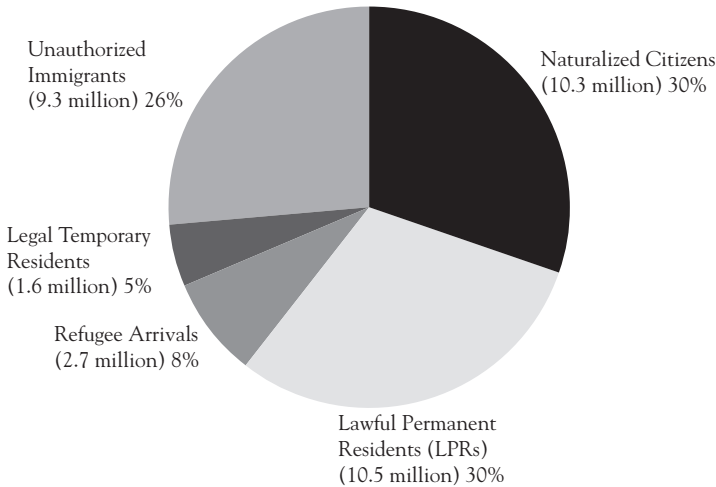
Unauthorized immigrants do manage to become integrated over time despite their inability to access public services other than emergency medical and related benefits and *de facto* education. The lack of strong government participation in integration initiatives, the relative openness of basic schooling and employment to the unauthorized, and a *jus solis* tradition that grants citizenship to almost all children born in US territory may help explain why unauthorized status in the US amounts to less of a disadvantage in integration than might otherwise be expected.

Trends over the past four decades show a massive rise in immigrants born in Latin America, most significantly from Mexico, and Asia (see Figure 2). From

1960 to 2000, the foreign-born population from these two regions grew from 1.4 million to 24.3 million, an increase from 14.3 percent to 78.1 percent of the total foreign-born population. The source country with the largest population living in the US is Mexico with 9.2 million people, representing 29.5 percent of the foreign-born population. Following Mexico, the other most significant source countries are the Philippines (1.4 million people), India (1 million), China (988,857) and Vietnam (988,174). And yet, immigrants in the United States represent an increasingly diverse set of countries.

As shown in recent Census data, immigrants are also more geographically dispersed in their settlement in the US

FIGURE I. LEGAL STATUS OF THE FOREIGN-BORN POPULATION, 2002

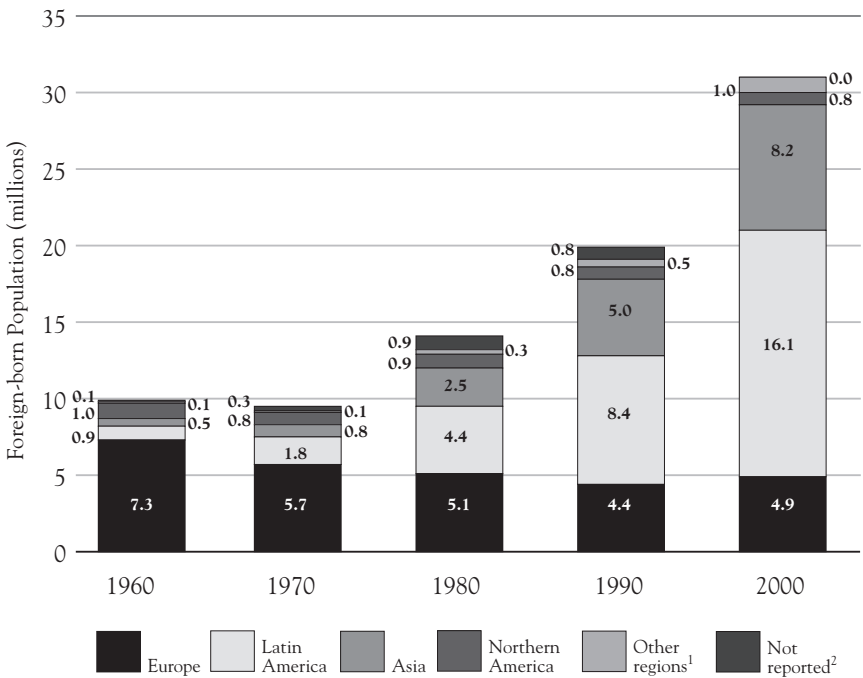


Source: Graph reproduced from Jeffery S. Passel, Randolph Capps and Michael Fix. 2004. "Undocumented Immigrants: Facts and Figures." Washington, DC: Urban Institute.

than any time since World War II. Whereas in 1990 approximately 75 percent of all immigrants were located in just six states (California, New York, Texas, Florida, Illinois, and New Jersey), over the past decade that figure has decreased to 68 percent. Furthermore, the foreign-born population in many other states has more than doubled — examples include Georgia, Arizona, North Carolina, Colorado, Nevada, Utah, and

Tennessee. Due to a lack of strong historical immigration flows, these “new growth” states often times do not have resources such as professionally organized ethnic associations or immigrant communities that assist newcomers with language, housing, and educational needs. In addition to settling in new regions across the country, immigrants are also increasingly choosing to live in suburban areas, where employment and

FIGURE 2. FOREIGN-BORN POPULATION BY REGION OF BIRTH, FOR THE UNITED STATES: 1960 - 2000



Notes: 1. The “Other regions” category includes Africa and Oceania. 2. In 2000, in contrast to 1990, non-response on country or region of birth was allocated. For 2000, the “Not reported” category only includes those born at sea.

Source: Figure reproduced from “US Historical Trends: Region of Birth of the Foreign Born” Data Tools. Migration Information Source. <http://www.migrationinformation.org>.

educational opportunities are now often stronger than in central cities.

Generally speaking, the foreign born are more likely than natives to be young, work, live in poverty, and be of Latino origin. There are significantly more immigrants who fall within the working-age range than native US residents. For instance, immigrants made up 13.5 percent of the total population aged 15 to 64 in 2002, while composing 11.1 percent of the total resident population that same year. The foreign born comprise about 14 percent of the US labor force, due in part to their disproportionate presence among working-age residents and higher proportion of men to women (relative to the total US population). In addition, as a result of their relatively low educational and occupational status and difficulties in credential and work-experience recognition, immigrants make up about 20 percent of low-wage workers. Immigrant integration in the United States takes place within this broad context of a foreign-born population that is relatively large and increasingly diverse in terms of legal status, country of origin, location of destination, and demographic and human-capital characteristics.

ADMITTING IMMIGRANTS

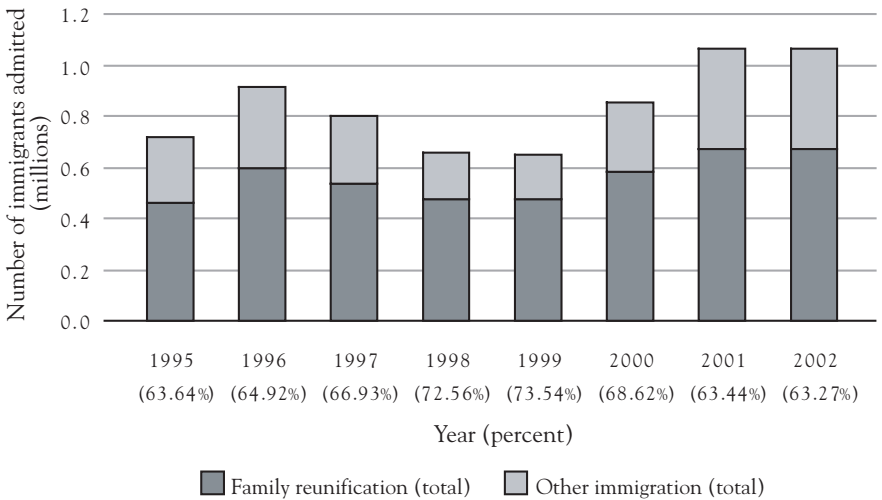
The United States does not select immigrants according to their “integration prospects,” nor does it require evidence of language or other qualifications prior to entry — qualifications that might ease the process of “integration.”

Yet the way immigrants are admitted does influence their prospects for integration. The bulk — some 63 percent in fiscal year 2002 — of permanent immigrants are admitted in order to reunite with family members (see Figure 3). About three-quarters of these are the family members of US citizens. Thus, the majority of incoming immigrants have family ties to someone in the United States, and most of these have family ties to someone who is already well advanced in the integration process, as indicated by citizenship.

Reuniting families enhances the integration prospects for US residents as well as for their newly admitted family members. Social and civic participation in the host society can increase significantly with the presence of children and spouses, through, for example, participation in school-related activities. Residents are also more likely to buy a home, a powerful indicator of integration, when living with their family. Family reunification recipients are granted work authorization upon entry to the US and are able therefore to contribute to the household’s income, and thus reduce the risk of poverty, and often develop additional ties to the community through employment.

The second-largest “stream” of US immigrants is people who are admitted in order to fill specific jobs. With a few exceptions, they must be “sponsored” by an employer. The vast majority of such immigrants are required to be high-skilled, with a college education

FIGURE 3. FAMILY REUNIFICATION AS A PROPORTION OF TOTAL IMMIGRATION, FISCAL YEARS 1995-2002



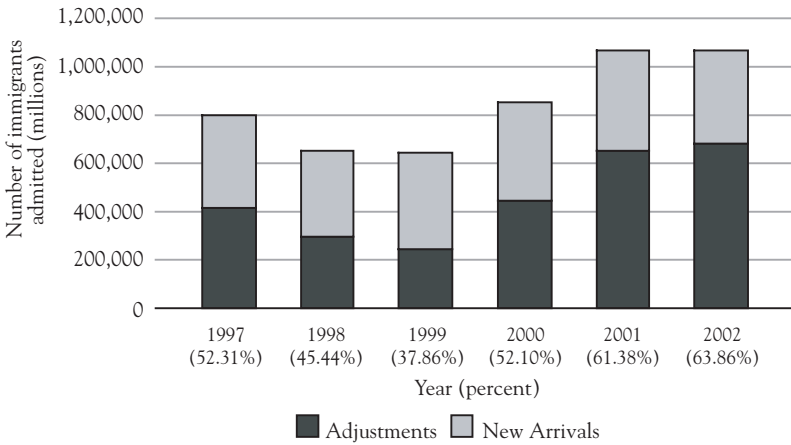
Source: Chart reproduced and updated from Ramah McKay. "Family Reunification." *Migration Information Source* (May 2003). <http://www.migrationinformation.org/Feature/display.cfm?ID=122>.

or the equivalent. Thus, these immigrants have personal characteristics that make them more likely to succeed economically, and thus to become better integrated. Additionally, they are funneled directly into the workplace, the most important arena for integration in America.

The interaction between temporary and permanent immigration statuses may also serve as a vehicle that facilitates integration. A significant number of immigrants admitted either as family reunification migrants or as workers have spent time in the United States with a temporary work permit (many have even adjusted directly from tempo-

rary to permanent status). In many instances, that time is as long as five or six years. In some cases, the US formally acknowledges certain types of temporary status as a system for admitting future permanent immigrants — many high-skilled temporary visa holders are not required to prove that they intend to return to their home country, as recipients of other visas must prior to being admitted to the US for multi-year stays. In fiscal year 2002, approximately 64 percent of all admitted immigrants were adjusting from a temporary status, a trend that has been increasing over time (see Figure 4). These people have thus had extensive US labor-market experience, and, in cases of those who

FIGURE 4. ADJUSTMENTS AS A PROPORTION OF TOTAL IMMIGRATION, FISCAL YEARS 1997-2002



Source: USCIS. *Yearbook of Immigration Statistics*, various years.

are later sponsored for permanent residence by employers, have apparently demonstrated their ability to succeed economically in the United States.

This admission structure means that, of all immigrants formally admitted to the United States as permanent residents, only two small groups — those entering for humanitarian reasons and those admitted under the diversity lottery (numbering 126,084 and 42,829, respectively, in fiscal year 2002) — enter without some family or work connection to the United States.

The United States' unique experience with unauthorized migration — the

stock of unauthorized immigrants is estimated to have increased by 500,000 individuals annually over most of the past decade — is another, although informal, admission stream. Strong US labor demand, high unemployment, and continuing economic uncertainty in source countries (particularly Mexico), as well as an immigration enforcement system that focuses efforts on border control instead of interior enforcement, makes living and working in the United States illegally a viable option. Most unauthorized immigrants come to the US using strong social, often family, networks that facilitate employment, housing, and other “essentials.”

The unauthorized immigrant population exhibits extremely strong labor-force participation rates — for unauthorized male immigrants the rate is estimated at 96 percent. Aside from employment, unauthorized immigrants and children (who are often US citizens) participate in society in many of the same ways as their legal counterparts. Many of the unauthorized pay federal and state taxes and file annual tax returns, their children attend public schools and, increasingly, they have access to savings accounts and in some instances, credit.

In what can be seen as a bow to integration, the United States has opted to enact opportunities for unauthorized immigrants to obtain legal permanent status. Of course, the principal reason for legalization was an attempt to reduce the size of the unauthorized population and allow all residents to enjoy basic protections and benefits. The legalization program of 1986 under the Immigration Reform and Control Act (IRCA), under which 2.8 million foreigners were legalized, has been the only large-scale regularization program. (Other ways of legalizing immigrants, typically as individuals, involve either administrative or judicial processes.) Successful applicants under IRCA were given language and civics courses to support their integration.

A LEGAL FRAMEWORK FOR INTEGRATION

The second set of policies shaping immigrant integration in America is

the various legal statuses granted to immigrants and the process of naturalization. Immigrants are afforded varying benefits depending on their legal status, which can facilitate their integration. Benefits are granted along a continuum of presence in the US, ranging from unauthorized immigrants to US citizens.

LAWFUL PERMANENT RESIDENTS

The status of “lawful permanent resident” (LPR) is the cornerstone of American immigration. According to estimates, about 30 percent, or 10.5 million, of foreign-born residents in the US are LPRs. LPR status confers residence and work authorization. This status and the accompanying rights can only be withdrawn if 1) an individual has been absent from the US for over a year; 2) an individual is convicted of a felony; or 3) it is found that false information was provided during the application process. After five years of LPR status immigrants are eligible for citizenship. This waiting period is reduced to three years for immigrants who are married to US citizens.

In many important respects, LPR status confers rights approaching those of citizenship. Like US citizens, LPRs are able to serve in the US armed forces and, if they do so, are granted expedited citizenship. In fact, as of 2002, there was no waiting period required before applying for citizenship for all active-duty and recently discharged non-citizens. LPRs may also obtain public employment and, in a few cities, certain limited local voting rights. The ability to receive family reunifica-

tion privileges under US immigration law is also granted to LPRs, although these benefits are less generous than those for US citizens. While a permanent resident can petition for their spouse or unmarried children, only citizens can also petition for parents and siblings. Furthermore, petitions from LPRs are capped annually and are restricted by country-specific limits, while immediate-relative petitions from US citizens are not subject to numerical limitations. In effect, although LPRs may seek family reunification for immediate relatives, individuals may need to wait years before being granted a visa due to country-specific limits. Family reunification is especially important for immigrants from some countries — for Mexico, the Dominican Republic, and Jamaica, 95 percent, 98 percent, and 94 percent, respectively, of those immigrants admitted in fiscal year 2001 did so under family reunification categories.

As stated previously, LPR status confers work authorization and all labor-market rights as well as in-state tuition subsidies for higher education equal to that of US citizens. In other aspects, however, LPR status is inferior to citizenship. Most notably, LPRs are barred from voting in federal and most state and local elections and holding most public offices. They are also unable to make contributions to political campaigns.

In most items related to international movement and the possibility of removal, LPRs are also at a disadvantage. Legal permanent residents cannot travel or live abroad for more

than a year and they are not entitled to a US passport or US government protection and assistance while abroad. In some exceptional cases LPRs may be subject to removal (deportation). While removal of LPRs remains an exceptional practice, laws implemented in 1996 have expanded the grounds for removal and the post-September 11 heightened security environment appears to have placed legal permanent residents in precarious circumstances.

Furthermore, while permanent residents are eligible for certain federal welfare benefits (most notably housing assistance and subsidies to earned income) their access to many of the most important social-support systems is now restricted. In 1996, welfare legislation broke with the tradition of treating LPRs nearly equally to citizens in terms of public benefits. That law instituted complex eligibility requirements that barred most LPRs from receiving most “means-tested” federally funded benefits for low-income people for the first five years of their stay in the United States. In addition, access by newly arriving immigrants to these benefits was made conditional on having worked 40 calendar quarters in the US (refugees and asylees and the families of military personnel were important exceptions to this rule). The law also formalized a broad bar on unauthorized immigrants receiving federally funded benefits. States were given the flexibility to provide their own benefits to LPRs. Many chose to do so. These changes mean that eligibility for benefits now

varies more from state to state for immigrants than it does for citizens.

A few of these public benefits have been reinstated since 1996 — particularly for children and the elderly — but the principle remains that LPRs generally have a greatly inferior claim to certain social protections and welfare benefits. The 1996 welfare reforms led civil society organizations to conduct extensive naturalization drives that are thought to have contributed to a surge in naturalization applications in the 1990s.

CITIZENSHIP AND NATURALIZATION

Perhaps the United States' greatest success is the rate at which immigrants acquire citizenship. In 2003, about 49 percent of the legal foreign-born population in the United States were naturalized citizens — a figure that, in recent decades, has ranged as high as 64 percent (in 1970) and as low as 39 percent (in 1996). Further, the United States' *jus solis* policy grants citizenship to all children born in US territory (with the exception of the children of some senior diplomatic staff). Citizenship has many important practical effects, such as eligibility for all social programs, protection from arbitrary government actions (especially deportation), and preference in family reunification. Naturalization, however, also has an important symbolic role, with naturalization ceremonies being festive, flag-waving events in which participants break with their previous allegiances and embrace the United States.

To become a naturalized citizen, legal permanent residents must meet certain eligibility requirements and, through this process, accomplish a number of tasks. In addition to a series of physical-presence requirements, naturalization requires the applicant to be at least 18 years of age, be of good moral character (i.e., have no criminal record), have an elementary level of facility in English, and have a basic knowledge of US civics and history. Upon a positive decision from immigration officials, immigrants must take the Oath of Allegiance before being granted a certificate of naturalization.

Permanent residents must take their own steps to become naturalized citizens, as the US government does not notify individuals when they are eligible to apply. Delays in granting naturalization caused by administrative backlogs have frustrated many immigrants and could deter future applicants, particularly because continuous presence within the US is required of all applicants from the date of petition to the date of naturalization. In 2003, there were 702,152 naturalization applications pending a final determination (including some applications from previous fiscal years).

Currently, an estimated 7.9 million legal residents are eligible to naturalize, and although naturalization rates are rising, certain groups tend to be less likely to become citizens than others. Asians, Europeans, and refugees are among those immigrants most likely to naturalize. Latin Americans, immigrants with limited English skills, and those

with income under the federal poverty level are less like to naturalize. In the case of Latin Americans (the vast majority of whom are of Mexican origin), naturalization rates have been steadily rising over the past years. Changes in 1998 to Mexican law allowing for dual citizenship may invigorate this trend.

The United States' *jus solis* policies create some interesting opportunities and challenges for integration. For example, 85 percent of immigrant families are of "mixed status," where one or more children are US citizens while the others, as well as the parents, may be non-citizens. In such cases, the parent may be ineligible for some or all public benefits, but one or more of the children are eligible — yet the parent may not realize this. The parent of a minor child who is a citizen has no legal right to remain in the United States — although enforcement is inconsistent.

Another effect of the United States' strong tradition of naturalization and *jus solis* has been the growth in the proportion of immigrants and their immediate descendants in the US electorate. Most significant is the perceived "Hispanic vote"— a "bloc" that is composed of naturalized immigrants and native-born citizens of Latino descent. In the 2000 national elections, about 5.9 million Hispanics participated, accounting for about 5 percent of the total voting public. Their ranks had been swelled by many of the immigrants regularized under the 1986 Immigration Reform and

Control Act. However, the true power of the Hispanic vote is yet to come: 12 million Hispanics are not yet of voting age and nine million more do not have citizenship, but may yet receive it.

TEMPORARY MIGRANTS

The US also admits large numbers of temporary immigrants. The bulk of temporary entrants to the US are foreign visitors and those entering for business purposes. Other temporary immigrants include students and exchange visitors and foreign workers of varying skill levels. Due to their restricted legal status, temporary immigrants enjoy more limited rights than all other legal foreign-born residents in the country. In fact, temporary immigrants are not eligible for any social benefits, except for housing assistance in certain extremely limited cases (primarily for agricultural workers). Some temporary workers may also earn credits that they can use in the pension system of their country of origin. This is the result of bilateral agreements that allow workers to combine time spent working in both countries to meet minimum standards for retirement, disability, and survivor's benefits in their country of origin.

UNAUTHORIZED IMMIGRANTS AND UNIVERSAL RIGHTS

Unauthorized immigrants, who make up nearly 30 percent of the foreign-born population, live in extremely precarious circumstances in the United States. If apprehended, they may be deported (the process is not automatic) and they enjoy almost no right to access federally funded public services. Yet

there are many areas in which they do enjoy certain rights. Unauthorized immigrant children, for example, are entitled to basic education regardless of their or their parents' legal status, and emergency health care is provided without regard to legal status.

Unauthorized immigrants enjoy significant protections in employment. Labor standards and minimum wages apply without regard to legal status and unauthorized migrants may join unions. Furthermore, employers are not allowed to fire an unauthorized worker or to report them to immigration enforcement officials in retaliation for a labor complaint, dispute, or unionization activities.

In certain other economic aspects, unauthorized immigrants find government regulations have uncharacteristic flexibility. Investment and business activities by foreigners have, thus far, survived increased concerns about security, terrorism, and money laundering. For example, the US Treasury Department allows banks to permit foreign nationals to use identity cards issued by their consulates in order to open accounts and conduct other transactions. These cards are most often used by unauthorized immigrants who often have no other form of identification. The most notable of them is the Mexican *matrícula consular*; over four million are thought to be carried in the United States. The Internal Revenue Service, too, issues "Individual Taxpayer Identification Numbers" (ITINs) to foreigners who are not authorized to work in the US

(and thus cannot obtain a Social Security number). These identifier numbers can be used to pay taxes, open bank accounts, and for most other transactions not directly related to employment.

Much of the ability of unauthorized immigrants to integrate is due to the fact that governments below the federal level typically ignore immigration status. US law places immigration policy and enforcement clearly within the competency of the federal government, giving state and local governments the option of ignoring immigration status, and, in some cases, requiring them to do so. For instance, about eleven states issue driver's licenses without regard to legal status — a number that has dropped since the terrorist attacks of September 11, 2001, and continues to fluctuate as debate over the issue continues. Furthermore, local and state police have been reluctant to detain people solely on immigration violations and are restricted by federal policy in the length of time and circumstances under which they may do so. In general, local officials consider their neutrality towards immigration status to be a critical aspect of building trust with, and policing, communities with immigrants and, in particular, large numbers of unauthorized immigrants. In other situations, such as buying or renting a home or, in some cases, applying for a business license, people are not required to prove legal status.

UNIVERSAL PROTECTIONS

A number of basic rights, such as the right to a fair trial by jury and access to legal representation, are guaranteed to immigrants regardless of legal status. Guarantees of freedom of expression and freedom of religion, for example, protect the display of immigrants' cultural and religious symbols in both public and private forums, regardless of legal status. Yet, the precise scope of these rights is evolving, sometimes in seemingly contradictory ways. For example, recent civil rights lawsuits have resulted in outcomes that support the right of Muslim girls to wear the *hijab* in public schools, but that leave in place requirements for Muslim women to bare their faces for identification photos and in other security-related situations.

Of these "universal" protections, however, the most relevant to immigrant integration may be anti-discrimination protections. The United States' rather well-developed anti-discrimination legislation, jurisprudence, and enforcement administration prohibit discrimination based on "national origin." As applied, however, these laws also prohibit discrimination based on *nationality*, so long as the immigrant has proper legal status. Citizenship status may serve as a "tiebreaker" between a citizen applicant and an "authorized alien" applicant in hiring, but this provision is rarely used by employers. In general, anti-discrimination laws have a rather broad sweep: Requirements that an employee speak English must be justified by the requirements of

the job and English-only rules are broadly prohibited.

In effect, the prohibition against discrimination on the basis of national origin extends some protection to those without proper legal authorization as well. Although immigration law requires employers to request cursory proof of employment authorization, anti-discrimination law prohibits employers from targeting the foreign born with more extensive inquiries about their legal status. In other areas as well, such as in housing, inquiries about legal status are forbidden.

EMPLOYMENT AND INCOME

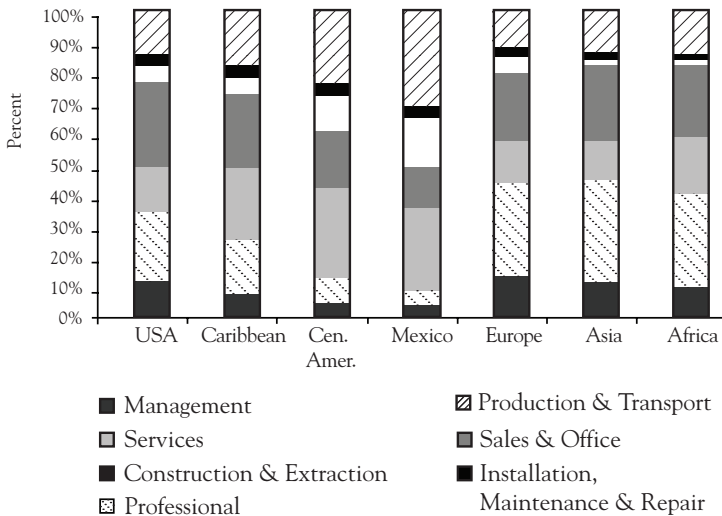
Legal permanent residents in the United States enjoy unfettered access to the job market. The continuing gap between immigrants' skills and those that are well rewarded in the US job market remains the most important factor limiting the labor-market success of immigrants. Low returns to and lack of recognition of foreign credentials and work experience are significant secondary factors. Permanent residents and, in some limited cases, persons with work authorization may also access federal, state, and locally funded job-training programs. How well these programs serve their needs is another matter, however.

Immigrants to the United States are over-represented relative to natives at both ends of the skill spectrum. Generally speaking, high-skilled immigrants enter primarily through the

employment stream and low-skilled immigrants arrive principally through family reunification and unauthorized immigration. There is great variation in skills, employment success, and income according to country of origin. Mexican and Central American immigrants, in particular, are disproportionately found in such low-skill sectors as construction, maintenance, production, transportation, and service occupations (see Figure 5). They have lower rates of labor-force participation (see Figure 6), lower household incomes, and higher rates of unemployment relative to both native populations and other immigrant groups. Immigrants from Europe,

Canada, Africa, and much of Asia, on the other hand, are more likely to be employed in professional, “white collar” sectors. European-born and Canadian-born immigrants also have higher rates of labor-force participation, lower unemployment rates, and higher household incomes than natives. Each of these indicators is, of course, influenced by a host of factors — the labor-force-participation rate alone is determined by the age and family structure of the population concerned, skill levels and success in the job market, and cultural factors such as attitudes towards women working, just to name a few.

FIGURE 5. OCCUPATIONS OF FOREIGN- AND US-BORN GROUPS, 2000



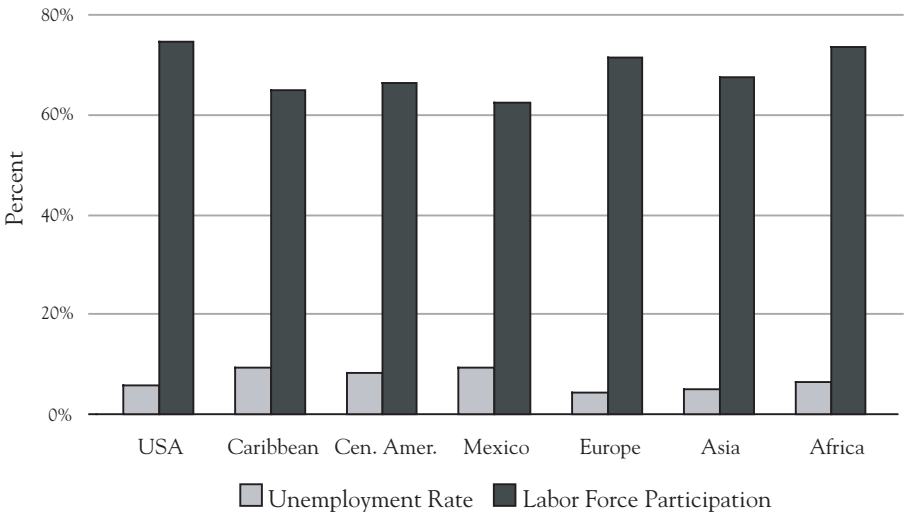
Source: Brian Ray. 2004. “Practices to Promote the Integration of Migrants into Labour Markets.” Brussels: European Commission DG Labour and Social Affairs.

Looking at these indicators over time, one of the most important factors governing the labor-market integration of immigrants is the overall state of the economy. The sustained economic growth of the late 1990s, for example, saw the unemployment rates of immigrants fall faster than those of natives, with foreign-born Hispanic males achieving particular gains. In 1996, the gap between the unemployment rate of natives and the foreign born was 2 percent, that between all natives and foreign-born Hispanic men was 3.7 percent, and the gap between all natives and foreign-born Hispanic females was 5 percent.

In 1999 these figures had dropped to 1.2 percent, 1.1 percent, and 3.6 percent, respectively, as the economy boomed. However, wages rose more slowly for immigrants than for natives in the same period, with natives seeing a 7 percent rise in the hourly wage, but the foreign born only a 1.6 percent rise.

This snapshot may demonstrate a larger truth about the integration of immigrants in the American workforce: Low-skilled workers can easily find work in the US economy; their work, however, is not well rewarded. With 30 percent of foreign-born workers

FIGURE 6. LABOR FORCE PARTICIPATION & UNEMPLOYMENT RATES, FOREIGN- AND US-BORN GROUPS, 2000



Source: Brian Ray, 2004. "Practices to Promote the Integration of Migrants into Labour Markets." Brussels: European Commission DG Labour and Social Affairs.

without a high-school diploma, and 46 percent having limited English proficiency, it is not surprising that the earnings of the foreign born trail those of natives, and that 17.9 percent of the US foreign born live in poverty.

With little longitudinal evidence available, it is difficult to determine the effect of increased time in the US on progress immigrants make in the workforce. This becomes particularly problematic when cohort effects are considered. There are signs of occupational mobility. For example, in 2000, the proportion of Southeast Asian and Caribbean immigrants who arrived during the 1990s and were employed in professional occupations was 15.9 and 9.1 percent, respectively. Those of the same two groups who arrived in the 1980s recorded rates of 18.4 and 11.9 percent in 2000. Likewise, the proportion of Mexicans and Central Americans employed in construction and maintenance, services, and production and transportation occupations also decreased between cohorts over time (Ray, 2004).

There are also signs of gains in earnings among immigrants over time — but for the least-skilled immigrants much of the past two decades has been an uphill battle in terms of earnings relative to natives (see Figure 7 for household-income distributions of foreign- and native-born groups in 2000). The earnings of both groups were affected by economy-wide changes in returns to education. College graduates earned 43 percent more than high school graduates in

1979, but 84 percent more in 1995. Both immigrant and native workers without a high school degree (which describes an especially large portion of unauthorized migrants) have fallen even further behind.

Yet, there are signs that while the handicap of low skills matters strongly at entry, immigrants do succeed in making gains once in the United States. Immigrants entering the US as legal permanent residents after 1988 had an average household income of \$44,000 in 1997, while those entering before 1988 had an average household income of \$50,400. This latter figure was slightly higher than that of native households, although this is due to a higher average number of earners per family. Unauthorized immigrants who entered before 1988, on the other hand, reported household incomes slightly lower than the unauthorized who entered later. These figures, however, like those immediately above, ignore important cohort effects.

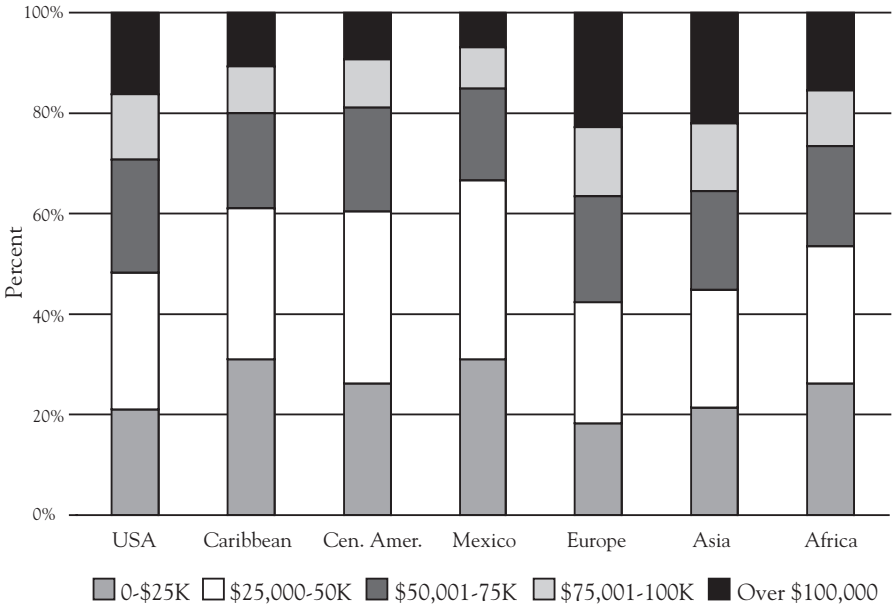
Longitudinal analysis offers a more useful picture. One study of historical data found that the wage gap between immigrants and natives tended to narrow by about 10 percent (as measured by mean earnings of immigrants as a percentage of mean earnings of natives) over two decades. Another longitudinal study found that while immigrants earn less than natives at entry, and this gap has widened over time, immigrants continue to make strong gains with time, particularly after 10 years in the United States. The earnings gap between immigrants

and natives closes by 21 percentage points for men and 13 points for women in the second decade of residence (Orcutt, 2004, Orcutt and Dowhan, 1999).

Federal employment policy has not focused extensively on immigrants. Although employment assistance is available to permanent residents, advocates for immigrants charge that it does not meet the needs of those immigrants facing the most serious integration obstacles. The “one-stop shop” assistance program set up under

the Workforce Investment Act of 1998 was aimed primarily at people with a 9th grade education or better and had few provisions for English-language training. Provisions to increase accountability, and to tie assistance programs to employment, aggravated the situation, according to critics of the act, by encouraging education providers to set high entry requirements and by discouraging immigrants from seeking service in the first place. The reauthorization of the Workforce Investment Act, which is being considered by Congress as of this writing,

FIGURE 7. HOUSEHOLD INCOME FOR FOREIGN- AND US-BORN GROUPS, 2000



Source: Brian Ray. 2004. “Practices to Promote the Integration of Migrants into Labour Markets.” Brussels: European Commission DG Labour and Social Affairs.

will direct more attention to extremely low-skilled and low-English-proficiency populations. The US Department of Labor also runs an assistance program targeted at migrant farmworkers, which includes English and job-skills training. In 2002, 36,222 workers received assistance through this program. Beyond these efforts, the burden of basic education and language learning for immigrant workers is still borne largely by private organizations and migrants themselves.

At the moment, there is little political drive to change the status quo on employment policy towards immigrants. The more significant change in integration in the workforce — and its feedback into national politics and policy — may be the continuing growth of the importance of immigrants to labor unions. From 1996 to 2003, a period in which overall union membership declined, the number of foreign-born members of labor unions increased 24 percent, to 1.8 million people. This period also saw unions take up issues of importance to immigrants: The highest priority of those involved is changes to immigration policy, particularly the regularization of unauthorized workers, rather than issues of training, benefits, or discrimination.

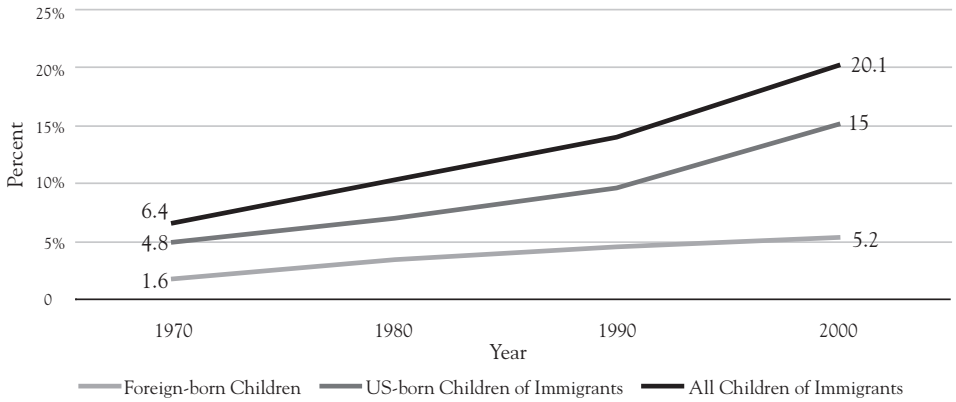
However, immigrants are not only wooed by organized labor, but also by business. Services to immigrants — such as remittance-sending — that had long been the province of niche companies now attract major banking institutions. Citibank and Bank of America are among the largest of

many banks and credit unions that have used remittance-sending services as a way to draw in customers from one of the last untapped demographics for retail banking: the estimated 53 percent of Mexican immigrant households that do not use banking services. This both influences and is encouraged by public policy. In the case of the *matricula consular*, the Treasury Department's decision to allow the use of consular identification cards for opening accounts helped banks reach that market. The banks, in turn, added an influential voice of support for the Treasury's decision when it came under political fire. This mutual reinforcement has influenced other areas of policy: Banks now receive credit under the Community Reinvestment Act (which gives banks an incentive to serve underserved populations) for providing remittance services. Businesses are also recognizing the value of immigrants as workers and have added many voices to the call for regularization and immigration reform.

EDUCATION AND CHILDREN

Although the training of immigrant adults receives little political attention, and has been characterized more by policy stasis than by change, the education of immigrant children has received increasing attention and has been subject to waves of change in recent years. This is due, primarily, to the rising presence of immigrants and children of immigrants in the public school system over the past few decades (see Figure 8). Of the 55

FIGURE 8. SHARE OF IMMIGRANT CHILDREN ENROLLED IN GRADES K-12, 1970-2000



Source: Jennifer Van Hook and Michael Fix. 2000. "A Profile of Immigrant Students in US Schools." In J. R. DeVelasco, M. Fix and T. Clewell (Eds.), *Overlooked and Underserved: Immigrant Children in U.S. Secondary Schools*. Washington, DC: Urban Institute.

million children enrolled in kindergarten through the 12th grade in 2000, 10.5 million, or one out of five, are immigrants or children of immigrants.

All children resident in the United States under the age of 18 are entitled to basic public education. The educational system makes a genuine effort to make good on this promise through such programs as a \$393 million federal program funding state-level programs for the education of the children of migrant workers (who are primarily immigrants or temporary foreign workers). The program also supports joint efforts with the Mexican government, including a teacher-exchange program.

The education of immigrant children, particularly language learning, has also occupied a more mainstream position in education policy debates. The "No Child Left Behind Act," a general, national education-reform bill signed in 2002, requires schools to teach and test children in English within three years of their entry to the school. It also compels the annual testing of children with limited English proficiency for English, reading, science, and mathematics skills. Schools not achieving specific benchmarks can be sanctioned and those students may then be eligible to transfer schools and receive special services, such as tutoring. In addition, the law removes a

requirement that a portion of the program's \$477 million (in fiscal year 2003) in grants for programs targeting limited English proficiency students go towards bilingual education and gives parents the explicit right to move their child to "mainstream" courses. The act has been hailed for focusing on the achievement of disadvantaged students in public education, yet criticized for imposing unrealistic and poorly designed standards and for providing inadequate general funding.

The No Child Left Behind Act followed a trend of re-examining the education of immigrant children whose beginning was marked by the success of Proposition 227 in California in 1998. That ballot initiative essentially ended bilingual education — in which children with limited English proficiency received subject-area instruction in their native language — in the state. Although it was opposed by many immigrant advocacy organizations as damaging to the education of immigrant children, legitimate concerns about not only the costs but also the educational effectiveness of bilingual education have brought the issue to states where immigration is less of a hot-button issue, such as Massachusetts.

A second new debate on the national political scene centers on the access of unauthorized immigrants to publicly funded higher education. Legislation currently pending before Congress, for example, would allow states to determine whether to offer tuition subsidies to unauthorized immigrants and would regularize certain young immigrants

who entered the United States before the age of 16.

The well-being of immigrant children, too, is greatly influenced by US welfare policies (most welfare programs in the United States are intended to benefit families). A disproportionate number of children living in poor families are the children of immigrants. Although, as observed earlier, many of these children are US citizens, their parents may not be citizens, or even legal residents.

Poverty among immigrant families has slightly different causes than among native families. Immigrant families are more likely to be poor because the heads of these households work in poorly paid jobs; unemployment and single-parent households are the more significant factors in poverty among natives. Thus, the 1996 welfare-reform provisions that cut benefits to LPRs impacted citizen children as well as non-citizen children. Between 1994 and 1998, food-stamp (food subsidies) use fell by 53 percent among citizen children in immigrant families. However, this type of response was not observed for all social programs: Use of health care coverage by citizen children remained relatively stable no matter what the status of their parents. Such differing impacts might be partially explained by the varying efforts that were put into outreach to raise awareness among immigrants that their children were eligible for certain programs, given indications that welfare reform had a chilling effect on use of welfare by otherwise eligible immigrants.

HOMEOWNERSHIP AND SETTLEMENT

The large majority of the foreign-born population in the United States is eligible for federal housing assistance because they are permanent residents or naturalized citizens (see Figure 1). Compared to most other indicators of integration, however, immigrants are slow to integrate into the homeownership market. Currently, immigrants comprise 8 percent of all homeowners in the United States — although they represent over 11 percent of the total resident population — and the average immigrant buys his first home after residing in the country for 11 years. Nevertheless, the foreign born are disproportionately represented (at 14 percent) among recent first-time homebuyers, indicating the potential of immigrants to play a key role in the future growth of the homeownership market. In fact, the Joint Center for Housing Studies projects that minorities, of which immigrants make up 30 percent, will account for 64 percent of household growth from 2000 to 2010, creating a 39 percent increase in the share of total homes owned by minorities over that time span.

There are many factors that influence immigrant homeownership and several broader trends, most notably immigrant dispersion throughout the United States in the past decade, are particularly relevant. Individuals in general are more likely to own a home if they are white, highly educated, middle aged, married, have children, and have high incomes or intergenerational wealth assets.

These same factors also influence the propensity for homeownership among immigrants, in addition to several other immigrant-specific ones. Legal status, country of origin, English language proficiency, and length of time in the country also affect immigrants' access to, views about, and likelihood of owning a home. As an indication that immigrants do integrate fully, although late, into the homeownership market, the Research Group of the National Association of Realtors found nearly identical homeownership rates between those immigrants who had resided in the US for 20 years or more and the native-born population, 67.5 percent and 68 percent, respectively.

One of the most recent and telling findings about immigrants and homeownership came as a result of new settlement patterns among the foreign born. With more immigrants settling within the last decade in states that have not traditionally received large numbers of immigrants, a relationship between location and homeownership rates has developed. An analysis of the top 100 metropolitan areas in the US from 1990 to 2000 points to varying rates of homeownership success for immigrants, with the proportion of immigrants living in the area and the rate of immigrant growth being important factors. As expected, homeownership rates are lowest for those foreign born living in the traditional immigrant gateways due, primarily, to limited availability of affordable housing in these major urban areas.

Barriers to immigrant homeownership are many, but recent efforts at the federal, state, and local levels are working to overcome them. Proven obstacles to homeownership include a lack of affordable housing (especially in central cities where immigrants are most heavily concentrated) and the lack of credit history among the foreign born (a result of cultural norms and, for some, limited residence and participation in formal financial institutions). Perhaps one of the largest barriers, however, is the paucity of housing information and education directed at immigrants — particularly since some foreign born come from regions where rental housing is the norm and mortgages are not an option.

A promising example of increasing immigrant homeownership through a community coalition has taken place in northwest Arkansas through a lender-employer-immigrant partnership. In the early 1990s the North Arkansas Poultry company was experiencing ongoing labor shortages. In an effort to create stable conditions, the company partnered with First National Bank and Trust of Rogers to initiate Spanish-language financial-literacy workshops, including homebuyer education. The employer provided classroom space and permitted workers to attend classes for free during regular work hours. As a result of the initiative, over 700 immigrant families purchased homes between 1994 and 2000, of which no loans have been in default. Furthermore, the bank succeeded in capturing a new market, and what was once a 200 percent worker-turnover rate at the poultry

company became a 15 to 20 percent turnover rate in 1995. This type of creative partnership is an example of the crucial role of the private sector in integration in America.

CONCLUSION: TRENDS AND CHALLENGES

Several trends and debates seem likely to continue to shape US integration policy for some time to come. Of course, it is not possible to discuss immigration policy in the United States today without mentioning the new focus on security and terrorism. Post-September 11 detentions of people with immigration violations, registration programs focused on foreign visitors from predominantly Muslim countries, interviews of immigrants by law enforcement authorities, and other aspects of the “War on Terror” have decreased the sense of comfort felt by many immigrants and visitors (Chisti, et al, 2003). Yet, despite these tensions, the total entry of long-term permanent residents has not been disrupted, although certain types of entries have been slowed. Most notably, administrative delays caused by security concerns have led to a massive slowdown in refugee admissions and have played a role in decreasing student admissions. The ongoing political, social, and institutional responses to terrorism and security preoccupations will undoubtedly be important factors in immigrant integration, but are among the most difficult to predict. Meanwhile, the separation of the immigration bureaucracy into two enforcement divisions

and one benefits division in response to security concerns — although they all remain within one, security-oriented department — has created an opportunity to “rebrand” and re-energize the services division. The establishment of an Office of Citizenship is one positive development in the services division, but recent budget allocations and slow progress in reducing the backlog of applications for immigration benefits and naturalization indicate that radical change is unlikely to happen quickly.

As fits an integration framework that is largely shaped by private actors and “organic” processes, many of the more interesting trends are not primarily guided by the federal government. One such trend is the continued dominance of Mexico, South and Central America, and Asia in migration flows. The fact that such a large portion of US immigrants comes from Mexico and that this national group trails many others in integration as measured by many criteria (income levels, naturalization rates, language acquisition in the first generation) has led some observers to conclude that the national-origin mix of incoming immigrants is itself an integration and economic challenge (Borjas, 1999, Huntington, 2004). However, the dominance of Mexican (and, more broadly, Latin American) immigrants also creates a critical mass that generates opportunities. Community agencies can cross the language barrier of the majority of recent immigrants by providing Spanish language services (itself a controversial practice in some locales); Hispanic immigrants are a

target market of great significance to media, business, and politicians alike; and Mexican and Hispanic cultures have influenced American popular culture and politics arguably more than any other “foreign” influence in recent years. This growing influence is perhaps the most obvious evidence that integration in the United States is a dynamic two-way process, in which the broader society also adapts to immigrants.

Less obviously, national origin plays a role in another possible trend: the growing interest of sending countries in playing an active role in the lives of their nationals in the United States. In part, this is motivated by the rising awareness of the economic importance of migrant remittances to many source countries, and reflects the desire of source countries to preserve these flows. But it has also emerged from political pressure to do more for compatriots abroad. Arguably, the relatively recent willingness of Mexico, the source of the United States’ greatest immigration wave, to engage in open dialogue — even lobbying — on migration issues reflects this new context. Most notably, the Mexican government has engaged the US government on the issues of regularization and labor immigration, but it has also expanded the services it provides to immigrants.

The *matrícula consular*, discussed above, is the most high profile of these expanded services provided by the Mexican government to its nationals abroad. The true significance of the *matrícula* lies arguably not in what the

identification card can enable Mexican immigrants to do (which is nonetheless important), but in the way the Mexican government recognized a need of its citizens abroad, offered a solution, and then educated its citizens, US businesses, and local US governments about it through its network of 45 consulates and nearly 700 employees. In doing so, the Mexican Government demonstrated its capability to touch the lives of literally millions of immigrants — a capability matched only, on the US side, by the federal and a few state governments.

The *matrícula* campaign was one of several new initiatives designed to reach out to Mexicans in the US. Another such initiative was the creation of an "Institute for Mexicans Abroad" that established a committee of Mexican expatriates to advise the Mexican Government on issues of concern to them. In many jurisdictions, local businesses, police, and government officials have welcomed the *matrícula* and the involvement of the consulates; in others, the effort was seen as an unwanted interference in local policy. At the national level, too, the issue has provoked debate. The relationship between consular officials and local and state governments is thus likely to be a factor of growing importance in integration. Although no other country has the sheer numbers of nationals in the US, or such extensive consular resources, other countries seem to be interested in following the Mexican example of increasing outreach to expatriates and to actors in the communities where they live. The trend is

also raising the profile of migration in the international development policy of the US, making remittances a particularly hot issue.

Perhaps the most important current and future issue in integration, however, is the critical importance of dealing with the unauthorized immigrant population and the possibility of immigration reform. The unauthorized population is possibly the greatest integration challenge that the United States faces. Although the level of integration that many unauthorized immigrants achieve is remarkable considering their precarious legal status, their level of economic and social success lags far behind immigrant groups with other legal statuses. The number of unauthorized immigrants is simply too great to make removals a realistic option, creating pressure for some sort of regularization program.

Unauthorized immigration may also have spillover effects on legal immigrants: Although several arguments to this effect can be made, one hypothesis holds that the lawlessness of illegal migration leads the American public to be more skeptical of immigration and immigrants more generally, thus inhibiting integration of all immigrants. Immigration reform would likely attempt to reduce the size of the unauthorized population through some sort of regularization program and try to head off future unauthorized immigration by expanding legal-migration inflows and improving enforcement. Both President Bush and Democratic leaders in Congress have called for reform that would include some type

of regularization and expanded migration pathways, but they differ on a number of specific points. The pressure for immigration reform comes from a broad spectrum of interests, including employers, labor unions, immigrant and ethnic organizations, and human rights advocacy groups, that agree strongly on the need for reform but differ as to what specific measures they would most like to see taken. Notably, no mainstream reform proposal calls for a restriction of immigration. This broad political coalition, however loose, and the fact that mainstream politicians of both parties speak of immigration and immigrants in overwhelmingly positive terms, are welcome developments in the political integration of immigrants.

Thus, the possibility of immigration reform is itself a product of today's integration successes and problems; if it came to pass, it would create an entirely new set of integration challenges. Whether expanded immigration pathways and regularizations are permanent or temporary and whether they are focused on family reunification or employment, they would have significant integration implications. Both regularization and expanded admissions, at least as currently being discussed, would likely strengthen existing trends in the geographical focus and skill mix of legal immigrants. Reform, depending on the form it would take, would likely exacerbate some problems (such as demands on those who administer immigration and naturalization benefits) while helping others (such as the delay in reunifying families due to

annual caps or the fear that prevents some immigrants from seeking social benefits for citizen children).

Interestingly, there has been little discussion of integration policy in the debate about immigration reform, nor have expanded integration efforts been a major component of any reform proposal. In part, this may be indicative of the infancy of the dialogue. It may also reflect, however, the confidence Americans have in the capacity of employment and private and local processes to integrate people who already have roots in the United States and are largely perceived, in the words of President Bush, as "willing workers" in a country with a large number of "willing employers."

RECOMMENDATIONS FOR THE US AND EUROPE

■ Unauthorized immigration presents an integration problem of the first degree. In the United States, unauthorized immigration is *the* dominant issue in immigration, preventing political progress on other matters important to integration and straining social acceptance of immigrants. Any attempt to deal with unauthorized immigration, in the US or elsewhere, however, must acknowledge the extent to which unauthorized immigrants are *already integrated*. This means recognizing the importance of their labor and the degree to which they have social and family ties in the host country.

Furthermore, this means that removal of the majority of the existing unauthorized population is not an option for most countries.

- The United States' blend of a minimal social safety net, relatively high employment rates, and a federalized system creates an environment for immigrant integration that is quite different from that of many European countries. Yet aspects of this system — the importance of schools and workplaces as venues for integration and the importance of intervention by local or municipal governments — could enhance integration in other environments. Schools, workplaces, and the local civic sphere are the places where integration happens for most immigrants and should be the focus of most resources dedicated to integration.
- Not all good immigrant integration policies are targeted at immigrants. Policy changes that are informed by integration needs but affect larger populations (such as low-income people) often have great beneficial effects on immigrant integration. Conversely, policy changes that target immigrants for cuts in support may have extreme adverse effects on both immigrant and non-immigrant populations, particularly the native-born children of immigrants.
- Naturalization and citizenship are important steps in immigrant integration. The United States' success with immigrant naturalization as both a symbolic and practical measure is one of the best aspects of its integration policy. There are further ways that naturalization can be streamlined and encouraged in the United States, but other countries would do well to look to elements of the US system that have assured broad access for immigrants to citizenship and have engendered confidence, and even affection, for the process among the native population.
- The recredentialing of immigrants is an important facilitator of labor-market success though it is a process with which no country succeeds completely. Public-private partnerships may be a particularly appropriate way to deal with this problem.
- Access to financial services, particularly checking and savings accounts and mortgages, is a crucial factor in enabling the upward mobility of immigrants. The government has a role to play in creating a regulatory environment that encourages banks to seek out immigrants as customers and perhaps in promoting financial literacy among immigrants.
- Delays in the unification of immediate family members and confusing immigration regulations have integration consequences and may fuel unauthorized immigration. Progress on cutting backlogs and in streamlining the immigration process should be a priority in any country.
- Immigration and security threats should be distinguished from each

other in the public mind and in bureaucratic priorities. Since 2001, the United States has experienced a sometimes painful evolution from blanket security measures (that imposed more requirements on, or targeted, large groups of immigrants) towards intelligence-based security measures that are both more effective at identifying individuals who pose threats and less disruptive to immigrant integration. The separation of the immigration services and immigration enforcement bureaucracies in the US is a possible positive development in this regard, but the low priority of the former in funding allocation will hamper progress.

- The success of the second and “one-and-a half” generation (people who immigrated as children) is an important test of integration policy. The strength of the US school system so far in teaching immigrant children is the product of both an adequate allocation of resources and a healthy public debate as to the appropriate methods of teaching such children. Any effort to make education policy part of immigration enforcement efforts can have serious negative integration consequences and must be avoided.

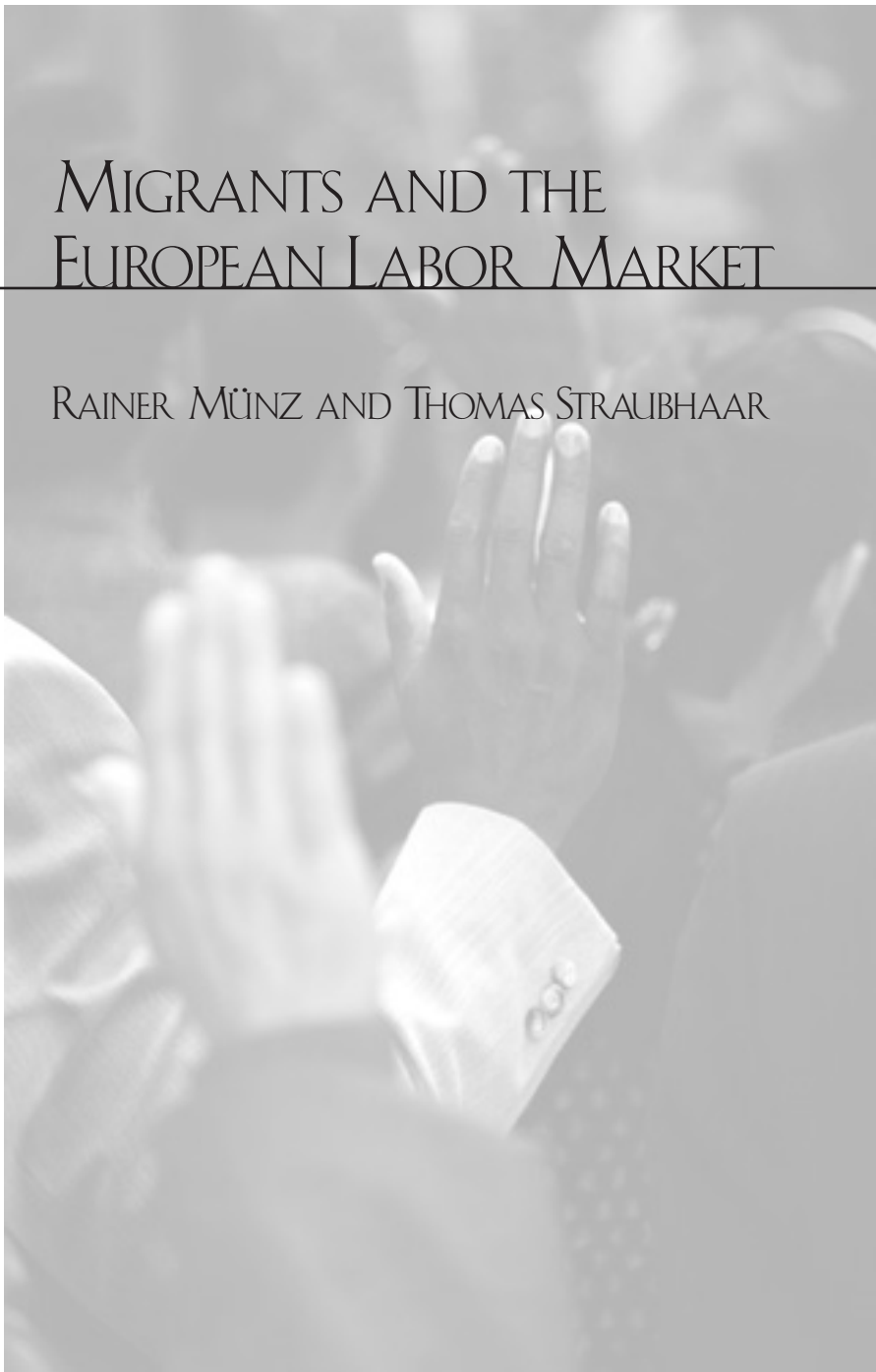
REFERENCES

- Aleinikoff, A. and D. Klusmeyer. *Citizenship Policies for an Age of Migration*. Washington, DC: Carnegie Endowment for International Peace, 2002.
- Borjas, G. *Heaven's door: Immigration policy and the American economy*. Princeton: Princeton University Press, 1999.
- Capps, R., M. Fix, J. Ost, J. Passel, and D. Perez-Lopez. “A Profile of the Low-Wage Immigrant Workforce.” *Immigrant Families and Workers Brief*, no. 4. Washington, DC: Urban Institute, 2003.
- Chishti, M., D. Meissner, D. Papademetriou, J. Peterzell, M. Wishnie, and S. Yale-Loeher. *America's Challenge: Domestic Security, Civil Liberties and National Unity After September 11*. Washington, DC: Migration Policy Institute, 2003.
- Drew, R. B. “New Americans, new homeowners: The role and relevance of foreign-born first-time homebuyers in the US housing market.” *Joint Center for Housing Studies Research Notes Series*, no. 2-2. Cambridge: Harvard University, 2002.
- Duleep, H. O. “Insights from longitudinal data on the earnings growth of US foreign-born men.” *Demography* 39, no. 3 (2002): 485-506.
- Duleep, H. O. and D. Dowhan. “Analyzing immigrant economic assimilation with matched social security longitudinal data on individuals.” Paper presented at the annual meeting of the Population Association of America, 1999.
- Fix, M., J. Passel, and K. Sucher. “Trends in Naturalization.” *Immigrant Families and Workers Brief*, no. 3. Washington, DC: Urban Institute, 2003.
- Fix, M. and J. Passel. “The scope and impact of welfare reform’s immigrant provisions.” *Assessing the New Federalism Discussion Paper*. Washington, DC: Urban Institute, 2002.
- Fix, M., J. Passel, and W. Zimmerman. “The Integration of Immigrant Families in the US.” Washington, DC: Urban Institute, 2001.

- Fix, M. and W. Zimmerman. "All Under One Roof: Mixed-Status Families in an Era of Reform." Washington, DC: Urban Institute, 1999.
- Grieco, E. "Immigrant Union Members: Numbers and Trends." Fact Sheet Series, no. 7. Washington, DC: Migration Policy Institute, 2004.
- Grieco, E. "Characteristics of the Foreign Born in the US: Results from Census 2000." *Migration Information Source*. Washington, DC: Migration Policy Institute, December 1, 2002, <http://www.migrationinformation.org/Feature/display.cfm?ID=71>.
- Huntington, S. *Who Are We: The Challenges to America's National Identity*. New York: Simon & Schuster, 2004.
- Instituto de los Mexicanos en el Exterior. "Most frequently asked questions regarding the *matricula consular*." Fact Sheet. Mexico City: IME, 2004, <http://portal.sre.gob.mx/ime/pdf/mcas.pdf>
- Joint Center for Housing Studies. *The State of the Nation's Housing*. Cambridge: Harvard University Joint Center for Housing Studies, 2003.
- Katz, L. and D. Autor. "Changes in the wage structure and earnings inequality." In *Handbook of Labor Economics*, edited by O. Ashenfelter and D. Card. Amsterdam: North-Holland, 1999.
- O'Neil, K. "Consular ID Cards: Mexico and Beyond." *Migration Information Source*. Washington, DC: Migration Policy Institute, April 1, 2003, <http://www.migrationinformation.com/Feature/display.cfm?ID=115>.
- Passel, J., R. Capps, and M. Fix. "Undocumented immigrants: Facts and figures." Fact Sheet. Washington, DC: Urban Institute, 2004.
- Patrick, E. "The US Refugee Resettlement Program." *Migration Information Source*. Washington, DC: Migration Policy Institute, June 1, 2004, <http://www.migrationinformation.org/Feature/display.cfm?ID=229>.
- Pew Hispanic Center. "The Latino Population and the Latino Electorate: The Numbers Differ." Fact Sheet. Washington, DC: Pew Hispanic Center, 2002.
- Ray, B. "Practices to promote the integration of migrants into labour markets." Brussels: European Commission DG Labour and Social Affairs, 2004.
- Ray, B., D. Papademetriou, and M. Jachimowicz. *Immigrants and Homeownership in Urban America: An Examination of Nativity, Socio-economic Status and Place*. Washington, DC: Migration Policy Institute, 2004.
- Research Group of the National Association of Realtors. "Housing Opportunities in the Foreign-born Market." Chicago: National Association of Realtors, 2002.
- Schmidley, D. "The foreign born population in the United States: March 2002." *Current Population Reports*, no. P20-539. Washington, DC: US Census Bureau, 2003.
- Schoenholtz, A. and K. Stanton. *Reaching the immigrant market: Creating homeownership opportunities for new Americans*. Washington, DC: Fannie Mae Foundation, 2001.
- Singer, A. "Welfare reform and immigrants: A policy review." In *Immigrants, Welfare Reform, and the Poverty of Policy*, edited by P. Kretsedemans and A. Aparicio. Westport, CT: Praeger Publishers, 2004.
- US Citizenship and Immigration Services. *2002 Yearbook of Immigration Statistics*. Washington, DC: Department of Homeland Security, US Citizenship and Immigration Services, Office of Immigration Statistics, 2003.

MIGRANTS AND THE EUROPEAN LABOR MARKET

RAINER MÜNZ AND THOMAS STRAUBHAAR



As Europe heads into the 21st century, it appears set to recruit considerable numbers of third-country nationals as a main way of meeting its foreseeable demand for medium- and high-skilled labor. The reasons for this expected trend are both demographic and economic. Europe's aging native-born workforce — a pool already stagnating in many countries due to low birth rates — has for the most part already been tapped of its skilled workers by European employers. For these reasons, all of the present 25 Member States of the European Union (EU 25) as well as the other members of the European Economic Area (EEA; Iceland, Norway, Liechtenstein) and non-aligned Switzerland will either remain or soon become countries of immigration.

As demographic aging will intensify after 2010, many European countries will have to develop proactive migration policies to meet their burgeoning demographic and economic needs. For a relatively short period of time, European East-West migration, spurred by factors such as higher wages and work opportunities in Western Europe, will continue to play a role. But in the medium and long term, potential migrants will inevitably be recruited from other regions of the world. Because Europe will have to compete with traditional countries of immigration — in particular Australia, Canada, and the US — for qualified migrants to fill labor gaps, a discussion of labor migration and its effects on employment structure is not only helpful, but necessary. The same is true at

the national level, as in most Member States, certain sectors of the economy (e.g., agriculture, health care, food processing, tourism) heavily rely on migrant workers and employees.

Analysis based on the European Labour Force Survey reveals that migrants in Europe experience low employment rates and higher unemployment than the native-born, and that there is a concentration of immigrants and foreign nationals from middle- and low-income countries in certain sectors of the economy and in low-paying jobs. Such an analysis comparing foreign-born and native-born populations had not been carried out before.

The analysis reveals that the employment picture is somewhat better when looking at the foreign-born population (as opposed to the foreign-national population), as it includes naturalized citizens of EU Member States, who on average are economically better integrated than those who remain third country nationals. In this chapter, the term “immigrants” refers to the broader “foreign-born” population, not the “foreign national” population (see text box). Immigrants from high-income countries residing in the EU (including intra-EU migrants), in particular, experience above-average employment rates and, on average, are employed in better positions than legal foreign residents.

This suggests the following: The process of integration of immigrants differs to a lesser degree from that of traditional countries of immigration such as the US, Canada, and Australia

than has been previously assumed, although labor market outcomes remain disappointing for migrants from low- and middle-income countries, and in particular those from Northern Africa and Turkey. This leads us to conclude that further sustained efforts to enhance the integration of immigrants and their children and to provide equal opportunities are necessary.

The main challenge for European policymakers will be to position their countries to recruit migrants matching their labor needs, while still sustaining economic growth and supporting their public pension systems. Given those goals, a common European approach to immigration can play a crucial role in tackling shortages of labor and skills, provided the qualifications of immigrants are appropriate. This chapter concludes with recommendations for the best courses of action available to policymakers.

IDENTIFYING EUROPE'S MIGRANTS

Understanding the interplay of migration and Europe's labor-market dynamics requires quantitative information on the foreign-born population and their socio-economic position. However, collecting such information is easier said than done. To begin with, one of the most important pieces of data — the size and composition of Europe's migrant population — is unknown. This is partly due to the fact that many European countries — in contrast to Canada and the US — use

nationality, but not place or country of birth, as a standard criterion in their demographic, economic, and social statistics. To date, European administrative practice basically distinguishes citizens of the country in question from legal (and irregular) foreign residents, but does not distinguish native-born from foreign-born residents. Available statistics reflect this basic distinction (see text box). Beyond this, differences in the ways migrants are defined and data on immigration/emigration is collected remain despite ongoing efforts by the European Commission (EC) to bring about standardization in this field.

Keeping in mind these variations, the best estimate of the number of migrants living in Western and Central Europe (EU 25+), as of 2001-2, is 36 to 39 million people. Among them, as of 2002, some 33 to 36 million were living in the fifteen countries that constituted the European Union until 2004 (EU 15). Another 1.7 million immigrants live in the other EEA states and Switzerland, and some 1.5 million immigrants live in the new EU Member States in Central Europe.

The overall estimate of 36 to 39 million covers both legal immigrants — whether foreign nationals or citizens — and irregular migrants. Available official statistics underestimate both foreign immigrants with a *short* duration of stay and/or irregular status, as well as naturalized immigrants with a fairly *long* duration of stay. This is particularly true for immigrants who receive settlement privileges because

they share ethnicity with the dominant majority of the receiving country (e.g., ethnic German *Aussiedler*, *Pontian* Greeks), those returning to the historical “homeland,” and people being repatriated from former overseas colonial possessions (e.g., French *Pieds Noir* from Algeria, British settlers from Zimbabwe).

In Italy, Greece, Portugal, and Spain, the number of irregular migrants was apparently above 10 percent of the total foreign-born population prior to recent regularization programs. For the United Kingdom (UK), a good estimate might be that 10 percent of the foreign born are in an irregular status; figures for Denmark, Sweden, and Finland could be lower than 10 percent. It is

possible to estimate such differences both from recent regularization programs and from discrepancies between local registers and general census results (see the case of Spain; Table 1).

RECENT FLOWS

In 2003, the twenty-eight EEA countries and Switzerland had an overall net migration rate of +3.7 per 1,000 inhabitants. The net gain from migration was 1.7 million people. This accounted for almost 90 percent of Europe’s total population growth of 1.9 million people in that year.

In absolute numbers, gross immigration was largest in Germany, the UK, and Italy. Relative to population size, Cyprus had the largest positive

HOW EUROPE COUNTS “FOREIGN NATIONALS” VS. “FOREIGN BORN”

The “foreign nationals” who are traditionally counted in European statistics are legal residents of EU Member States (or other countries of Europe) not holding citizenship of these countries. This includes both immigrants still holding foreign citizenship (usually citizens of their country of origin) and children of immigrants who were born in an EU Member State, but only received the foreign nationality of their parents. The category “foreign nationals” does not include people who have acquired the citizenship of their country of residence. The “foreign born,” on the other hand, are all people with place of birth outside of a particular European country, regardless of their current citizenship. Thus, the definition “foreign born” includes immigrants who have acquired the nationality of the county where they reside. The number of foreign born in a given state can be much greater than the number of foreign nationals. This mainly has to do with the fact that from 1992 to 2001, some 5.8 million people were naturalized in the EU 15.

In many documents of both the European Community (EC) and the EU Member States, the number of legal foreign residents or third-country nationals has been used as “proxy” for the number of immigrants.

migration balance, followed by Ireland, Portugal, Switzerland, Liechtenstein, and Spain. Only Lithuania, Iceland, Poland, Latvia, and Estonia recorded a negative migration balance (Table 2). In the Baltics this is due to the outflow of ethnic Russians and other minorities, while in Poland emigration for economic reasons prevails.

ENTRY CHANNELS IN RELATION TO LABOR MIGRATION

In many European countries for which data are available, recent regular immigration is dominated by family reunification and migration related to the formation of new families, by the inflow of coethnic "return" migrants

TABLE I. TOTAL, FOREIGN RESIDENT, AND IMMIGRANT POPULATION (EU 15), 2000 - 2002, DIFFERENT DATA SOURCES COMPARED

EU 15	Total Population, Eurostat (1)	Foreign Resident Population, Eurostat, Chronos DB for 2000	Foreign Resident Population, OECD/Sopemi for 2001	Foreign Resident Population with Nationality Known, LFS (2)	Immigrant / Foreign Resident Population, UN for 2000 (3)	Immigrant Population According to National Sources for 2001 (4)	Immigrant Population with Country of Birth Known, LFS (5)	Immigrant Population with Duration of Stay Known, LFS
Belgium	10,356	853	847	784	879	n.a.	974	1,034
Denmark	5,384	256	267	166	304	322	225	227
Germany	82,537	7,344	7,319	5,444	7,349	9,700	n.a.	8,915
Greece	11,018	161	762	362	534	n.a.	489	480
Spain	40,683	801	1,109	450	1,259	2,664	858	664
France (6)	59,629	3,263	3,263	2,724	6,277	5,868	4,605	1,327
Ireland	3,964	127	151	118	310	n.a.	232	263
Italy	57,321	1,271	1,363	n.a.	1,634	2,500	n.a.	511
Luxembourg	448	148	167	161	162	145	127	119
Netherlands	16,193	652	690	555	1,576	1,675	1,179	1,593
Austria	8,067	754	764	695	756	893	899	798
Portugal	10,408	191	224	106	233	n.a.	1,119	1,313
Finland	5,206	88	99	50	134	145	81	86
Sweden	8,941	487	476	295	993	1,028	681	933
UK	59,329	2,298	2,587	2,026	4,029	n.a.	3,307	4,467
Total (N)	379,484	18,692	20,088	13,936	26,429	24,940	14,776	22,730

(1) Eurostat, year-end population 2002; (2) European Labor Force Survey (LFS) 2002 (data for Italy not available); (3) UN Population Division, data for 2000 or latest available year (see UN 2002); (4) Data for Denmark, the Netherlands, Finland, and Sweden are from national population registers; data for Austria, France, Luxembourg, and the Netherlands are from the most recent national censuses; data for Spain (2003) are from local municipalities' registers; data for Germany are rough estimates based on foreigners' registers, naturalization statistics and an Allbus survey estimate for ethnic German Aussiedler taking only immigration after 1950 into account (see Münz and Ulrich 2003); data for Italy are based on the number of residency permits (2003, various categories) and an estimate for foreign-born children not required to hold residency permits (see Einaudi 2004); (5) European Labor Force Survey (LFS) 2002 (data for Germany and Italy not available); (6) Chronos data, Sopemi data and Census data for France are from 1999.

Sources: Münz and Fassmann (2004), Eurostat Chronos DB and European Labor Force Survey, OECD/Sopemi (2004), UN Population Division (2002), various national sources.

TABLE 2: INDICATORS OF POPULATION CHANGE IN EUROPE, 2003

Country	Population January 2003 in 1,000s	Change per 1,000 Population					Population January 2004 in 1,000s
		Births	Deaths	National Population Decrease/ Increase	Net Migration	Total Population Change	
EU-25							
Germany	82,537	8.6	10.4	-1.8	1.8	0.0	82,539
France	59,635	12.7	9.2	3.5	0.9	4.4	59,901
UK	59,329	11.6	10.2	1.4	1.7	3.1	59,516
Italy	57,321	9.5	10.0	-0.5	8.9	8.4	57,804
Spain	41,551	10.4	9.1	1.3	14.2	15.5	42,198
Poland	38,219	9.2	9.5	-0.3	-0.4	-0.7	38,191
Netherlands	16,193	12.4	8.7	3.7	0.2	3.8	16,255
Greece	11,006	9.3	9.4	-0.1	3.2	3.1	11,255
Portugal	10,408	10.9	10.5	0.4	6.1	6.5	10,475
Belgium	10,356	10.7	10.2	0.5	3.4	3.9	10,396
Czech Rep.	10,203	9.2	10.9	-1.7	2.5	0.8	10,212
Hungary	10,142	9.4	13.5	-4.1	1.5	-2.5	10,117
Sweden	8,941	11.0	10.4	0.6	3.2	3.8	8,976
Austria	8,082	9.5	9.5	-0.0	4.0	4.0	8,114
Denmark	5,384	12.0	10.7	1.3	1.3	2.6	5,398
Slovakia	5,379	9.6	9.7	-0.1	0.3	0.2	5,380
Finland	5,206	10.9	9.4	1.5	1.1	2.6	5,220
Ireland	3,964	15.5	7.3	8.2	7.1	15.3	4,025
Lithuania	3,463	8.8	11.8	-3.0	-1.8	-4.8	3,446
Latvia	2,332	9.0	13.9	-4.9	-0.4	-5.3	2,319
Slovenia	1,995	8.6	9.6	-1.0	1.7	0.7	1,996
Estonia	1,356	9.6	13.3	-3.7	-0.2	-4.0	1,351
Cyprus*	715	11.3	7.7	3.6	17.9	21.5	731
Luxembourg	448	11.8	9.1	2.7	4.6	7.3	452
Malta	397	10.1	8.0	2.2	4.3	6.5	400
Total EU 25	454,560	10.4	10.0	0.4	3.7	4.1	456,449
EEA, non EU 25							
Iceland	289	14.2	6.2	8.0	-0.8	7.2	291
Liechtenstein	34	8.8	5.0	3.8	10.0	13.8	34
Norway	4,552	12.0	9.4	3.1	2.4	5.5	4,578
Total EEA	459,435	10.4	10.0	0.4	3.7	4.1	461,352
Switzerland	7,318	9.7	8.5	1.2	5.6	6.8	7,368
EU Accession Countries							
Croatia	4,442	9.0	11.4	-2.4	2.0	-0.4	n.a.
Bulgaria	7,846	8.4	14.3	-5.7	-	-5.7	7,799
Romania	21,773	9.6	12.2	-2.5	-0.3	-2.8	21,716
Turkey	70,173	21.0	7.1	13.9	1.4	15.3	71,254

Source: Eurostat.

such as the abovementioned *Aussiedler* and their dependent family members, and by the arrival of asylum seekers (412,000 applications in the EU 25 in 2002).

In other EU Member States — namely in Ireland and several countries of Southern Europe — regular and irregular economic migration still plays a dominant role.

The data show that family reunification/formation visas' share of total visas granted by a particular country varied from as much as 70 percent (e.g., Sweden in 2001) to as little as 20 to 30 percent in countries such as Austria, Finland, Greece, Italy, and Spain in 2000 to 2002.

In terms of migration for employment, admission for work accounted for 61 percent of all entries into Italy in 2000, while this number was as low as 27 percent for the UK.

These differences reflect legal barriers (e.g., Denmark, UK) or quotas (e.g., Austria) restricting family reunion or family formation of immigrants in the receiving country. They also reflect the country's history of immigration as family reunification usually is a product of past labor migration (which explains smaller shares of family reunion in Finland and Southern Europe). Finally they reflect current openness to labor migration (e.g., Ireland, Italy, Greece).

Looking at the EU 15 overall, nearly 40 percent of all residence permits were granted for the purpose of employment,

while 30 percent were granted for the purpose of family reunification. These figures, however, do not give the full picture, because in several EU countries, economic migration on a larger scale takes place in the form of seasonal and temporary labor migration (529,000 people admitted temporarily to the EU 15 in 2001), as well as in the form of irregular labor migration of at least the same magnitude. Statistically, the latter phenomenon only becomes visible on the occasion of regularization programs. During the period 1995 to 2005, some 4 million migrants were regularized in the EU 15.

LABOR MIGRATION IN THE NEW EU MEMBER STATES

In most new EU Member States, migrant workers and employees (who have come since the opening of the borders in 1990) represent a relatively small segment of the work force. For example, in the new EU states in Central Europe (Estonia, the Czech Republic, Hungary, Latvia, Lithuania, Poland, Slovakia, and Slovenia), current labor migration is still relatively small. Only in the Greek part of Cyprus has the share of foreign labor been above the EU average and continuously growing.

Despite the fact that many new Member States have seen net emigration in recent years, they, too, receive immigrants. In Poland, the total number of work permits for labor migrants fluctuated between 15,000 and 18,000 per year (1997 to 2002), and irregular labor

TABLE 3: FOREIGN LABOR FORCE IN SELECTED EUROPEAN COUNTRIES IN 2000 - 2001

	Foreign Labor Force (percent of total labor force)	Foreign Labor Force, total
Austria	10.5	398,622
Belgium	8.9	378,243
Czech Republic	2.0	115,431
Denmark	3.4	100,076
Finland (1)	1.5	39,109
France	6.0	1,603,185
Germany	8.8	3,599,877
Hungary (3)	2.3	115,000
Ireland	3.7	59,619
Italy	3.6	926,271
Luxembourg	57.3	107,091
Netherlands (2)	3.4	248,452
Norway	4.9	114,431
Portugal	2.0	101,681
Slovak Republic (3)	0.3	9,100
Spain (1)	1.2	211,736
Sweden	5.0	239,951
Switzerland	18.3	707,294
United Kingdom	4.4	1,293,649
Total	6.5	10,368,817

(1) 1999 values; (2) 1998 values; (3) 2002 estimates.

Source: World Bank, World Development Indicators database.

TABLE 4: EDUCATION OF THE 15+ YEARS OLD IMMIGRANT POPULATION WITH COUNTRY OF BIRTH KNOWN, EU 15

EU 15	Mig. EU West (2)	Mig. EU South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral.	Latin America, Carib.	Asia	Total Foreign- born	EU 15 average
Low (5)	30.9	76.8	40.8	69.2	58.6	11.6	33.9	41.0	51.8	43.4
Medium (6)	37.8	15.6	39.5	22.5	24.5	34.7	33.0	31.5	28.2	39.4
High (7)	31.3	7.6	19.7	8.4	17.0	53.8	33.0	27.5	20.0	17.2
Total (percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	2,774	2,801	1,628	766	3,084	346	224	966	12,589	

(1) LFS 2002, data for Germany and Italy not available; (2) EU 15 (except Italy, Greece, Portugal, Spain) + Iceland, Liechtenstein, Norway, Switzerland; (3) Italy, Greece, Portugal, Spain; (4) New EU Member States, accession countries, other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia; (5) primary/lower secondary school completed/not completed; (6) higher secondary school completed; (7) tertiary education.

migration has become visible (with an estimated size of 300,000 people, mostly from Ukraine). In Slovenia, the number of work permits fluctuated between 34,000 and 40,000. In 2001, the Czech Republic counted 104,000 non-nationals legally working. When adding so-called trade licenses (i.e., business visas for particular economic activities), the number of economic migrants could be estimated at around 168,000 in 2001. In Slovakia, this number was 9,000 in 2002. Relative to work force and population size, Hungary has had the largest number of legal foreign workers and employees: 115,000 in 2002, or 2.3 percent of the work force (Table 3).

In the new EU Member States, the great majority of migrant workers come from neighboring countries and regions. In Slovenia, more than 90 percent of the foreign workers and employees come from other successor states to the former Yugoslavia. Foreign workers from Ukraine, Belarus, and the Russian Federation represent the majority in Poland and some 30 percent in the Czech Republic. In Hungary, 43 percent of the legal foreign residents were Romanian citizens, followed by citizens of Serbia (11 percent) and Ukraine (8 percent). Many of them were ethnic Hungarians. Around 10 percent had come from other EU Member States.

The Czech Republic and Poland also have a sizeable share of migrant workers from Asian countries, notably Vietnam, whereas Hungary hosts the largest Chinese diaspora community in

Central Europe, making up 6 percent of all foreign residents in Hungary (data for 2001-03).

EDUCATION AND SKILLS

To understand the impact of migration on Europe's labor market, it is crucial to map out the relationship between education/skill levels and employment patterns. For the purposes of this analysis, "high-skilled" means completion of tertiary education, "medium-skilled" indicates completion of lower or higher secondary education, and "low-skilled" indicates that no secondary education has been completed.

In 2002, 32.6 percent of the EU population ages 25 to 64 had a "low" level of education, 46.7 percent had a "middle" level education, and 21.8 percent had a "high" level (see Figure 1). Within the EU, there are strong differences in the education levels. In most of the countries, the share of the population with a "low" education level ranges from 12 to 40 percent. The less-educated half of the expanded EU is composed primarily of the Southern European members of the EU 15 and several Eastern European new Member States. These countries have the lowest proportion of highly educated people (10 percent in the case of Italy and Portugal) and highest proportions of people of "low" education (reaching 80 percent in the case of Portugal).

The skills profile of the foreign-born population is markedly different from

that of the total EU population. Both people with low skills (immigrants: 52 percent; EU 15 average: 48 percent) and with high skills (immigrants: 20 percent; EU 15 average: 17 percent) are overrepresented among immigrants. People with medium skills are underrepresented among migrants (immigrants: 28 percent; EU 15 average: 39 percent). This is mainly a result of labor markets primarily creating demand for high- and low-skilled migrants.

Migrants from Southern Europe living in another EU country, as well as those from Turkey, North Africa/Middle East, and sub-Saharan Africa residing in the EU, have relatively high proportions of people with low skills. In contrast, immigrants from Northwestern Europe living in another EU country, and in particular immigrants from other industrialized world regions (North America, Australia, and New Zealand), have higher proportions of highly skilled people (Table 4).

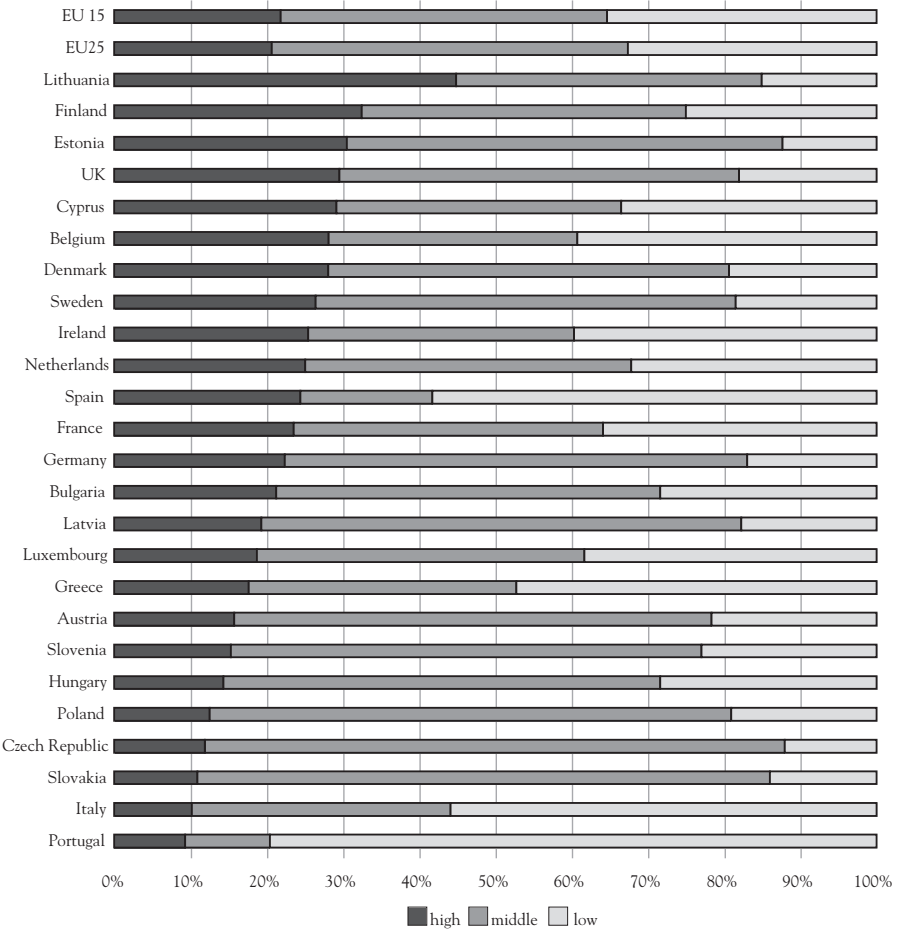
LABOR MARKET DYNAMICS AND COMPOSITION

In 2002, some 290 million people living in the EU 15 were of working age (15 to 65). Of these, 62.8 percent were actually employed. Labor force participation rates ranged from 51.5 percent in Poland to 75.9 percent in Denmark. Of the EU 15, Italy had the lowest participation rate (55.5 percent). These differences largely reflect variations in female labor force participation and age at retirement.

Most of the EU 25 countries achieved employment gains in the period from 1997 to 2002. However, some of the new EU Member States, especially Poland and Lithuania, had to face enormous employment losses over the same period (see Figure 2). Luxembourg and Ireland had employment growth rates of 25 percent, exhibiting the best labor market performance. Spain's economic development during this period was also favorable from the perspective of employment opportunities (+15.5 percent employment growth). On the other hand, employment growth rates of several EU countries clearly fell short of the EU average (e.g., in Greece, Austria, Germany, and Denmark). These countries performed even worse than some new EU Member States (e.g., Hungary and Cyprus).

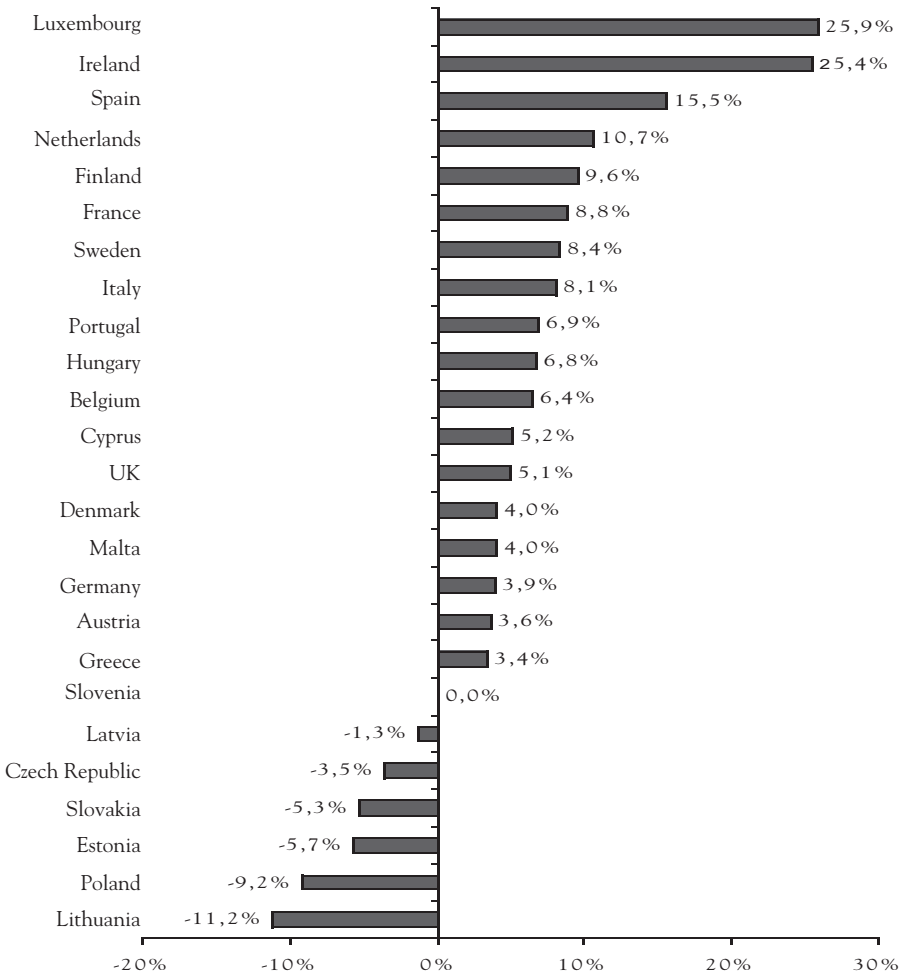
In 1997, the employment rates of EU nationals already had reached 79 percent for the medium-skilled and 88 percent for the high-skilled. By 2002, they had further risen to 82 percent and 89 percent, respectively. A similar development took place for legal foreign residents in the EU 15. The number of medium-skilled increased by 50 percent, while the number of high-skilled doubled, amounting to more than 60 percent of the total increase in their employment. This reflected cyclical growth in employment and the migrants' disproportionately large contribution to this increase during the period 1997 to 2002, which was characterized by economic and employment growth. The situation for the low-skilled was less favorable, with a much more modest employment

FIGURE I: EDUCATION LEVEL OF THE 25-TO-64 AGE GROUP, PERCENTAGES OF TOTAL EDUCATION, 2002



Source: European Commission (2004), authors' calculations.

FIGURE 2: TOTAL EMPLOYMENT GROWTH RATE 1997 - 2002*



Source: Eurostat, <http://europa.eu.int/comm/eurostat/newcronos>.

For Cyprus 1997-2001, Lithuania 2000-2002, Malta 1998-2002, Slovakia 2000-2002.

increase, but still stronger for third-country nationals than for EU nationals.

European Unemployment Rates. In 2002, the average unemployment rate in the EU 25 was 8.9 percent.

Currently, unemployment rates vary significantly among EU states (see Table 5). In 2002, Poland had an unemployment rate of 19.8 percent, while the unemployment rate in the Netherlands was 2.7 percent.

However, in terms of unemployment, there is no clear pattern that would distinguish EU 15 states from new Member States. Some of the new Member States, such as Slovenia, Cyprus, Hungary, and the Czech Republic, exhibit unemployment rates below the EU average. Others, such as Poland and Slovakia, face unemployment rates that are clearly above the EU average.

In terms of North-South differences, unemployment is relatively high in some Southern European countries (Greece and Spain), and distinctly low in Portugal (5 percent). Most countries in Northern Europe have relatively low unemployment compared to the EU average, for example Denmark (4.6 percent), Ireland (4.3 percent), Sweden (4.9 percent), and the UK (5.1 percent).

In all EU countries, the labor force participation rate of men exceeds that of women. The biggest difference between male and female participation rates can be found in Southern Europe, namely in Greece, Italy, Malta, and Spain — the countries

(except Malta) with the highest unemployment rates for women. Labor force participation of women is significantly above average in countries in Northern Europe (i.e., Denmark, Finland, and Sweden).

In seventeen of the EU 25 countries, more women than men are unemployed, although in some of these countries, these unemployment rates differ only slightly. This holds true especially for countries with relatively low unemployment rates (Austria, Denmark, Hungary, Ireland, the Netherlands, Slovenia, and the UK). But in addition, in some of the countries with high unemployment — such as Latvia, Lithuania, and Poland — such gender-related disparities in unemployment are rare. In Finland, there is no difference between male and female unemployment rates. By contrast, unemployment is distinctly higher for the female populations in Greece, Spain, and Italy.

Between 1997 and 2002, the number of people employed in the EU 15 increased by about 12 million (+8.1 percent), out of which 9.5 million were EU nationals and more than 2.5 million were third-country nationals. While third-country nationals' share of total EU employment was 3.6 percent in 2002, they accounted for 13 percent of employment growth during the period 1997 to 2002. Taking into account foreign-born naturalized EU citizens, immigrants contributed 20 percent of employment growth. (Table 7).

Immigrant Employment. The employ-

ment rate of the foreign-born population ages 15 to 65 is lower (61 percent) than the EU 15 average (64 percent; Table 8). This rate varies according to place of origin. Western and Southern Europeans living in another EU 15 country and immigrants from other industrialized countries have higher employment rates than other immigrants and the EU average. They also have lower unemployment rates

than the total EU population, which had an unemployment rate of 7.8 percent in 2002.

The opposite is true for immigrants from other parts of the world. Employment is particularly low and unemployment correspondingly high among immigrants from Turkey, whose rate of employment stands at 50 percent, and unemployment at 15.5 percent.

TABLE 5: UNEMPLOYMENT RATES IN EU 15, 2002, TOTAL, MALE, AND FEMALE, IN PERCENT (ORDERED BY SIZE)

	Unemployment Rate		
	total	male	female
Poland	19.8	19.0	20.7
Slovakia	18.7	18.6	18.9
Lithuania	13.6	13.7	13.4
Latvia	12.6	13.6	11.4
Spain	11.3	8.0	16.4
Greece	10.0	6.6	15.0
Estonia	9.5	10.1	8.9
Finland	9.1	9.1	9.1
Italy	9.0	7.0	12.2
France	8.9	7.9	10.0
Germany	8.7	8.8	8.4
Malta	7.5	6.5	9.6
Belgium	7.3	6.7	8.2
Czech Republic	7.3	6.0	9.0
Slovenia	6.1	5.8	6.5
Hungary	5.6	6.0	5.1
UK	5.1	5.6	4.5
Portugal	5.0	4.2	6.0
Sweden	4.9	5.3	4.6
Denmark	4.6	4.4	4.7
Ireland	4.3	4.6	4.0
Austria	4.2	3.9	4.4
Cyprus	3.9	3.0	4.9
Luxembourg	2.8	2.1	3.9
Netherlands	2.7	2.5	3.0
EU 25	8.9	8.1	9.8

Source: <http://europa.eu.int/comm/eurostat/newcronos>.

TABLE 6: EMPLOYMENT RATE IN EU 25, 2002, TOTAL, MALE, AND FEMALE, IN PERCENT (ORDERED BY SIZE)

	Unemployment Rate		
	total	male	female
Denmark	75.9	80.0	71.7
Netherlands	74.4	82.4	66.2
Sweden	73.6	74.9	72.2
UK	71.7	78.0	65.3
Austria	69.2	75.9	62.5
Cyprus	68.6	78.9	59.1
Portugal	68.2	75.9	60.8
Finland	68.1	70.0	66.2
Ireland	65.6	75.5	55.6
Czech Republic	65.4	73.9	57.0
Germany	65.4	71.8	59.0
Luxembourg	63.4	75.1	51.6
Slovenia	63.4	68.2	58.6
France	63.0	69.5	56.7
Estonia	62.0	66.5	57.9
Latvia	60.4	64.3	56.8
Belgium	59.9	68.3	51.4
Lithuania	59.9	62.7	57.2
Spain	58.4	72.6	44.1
Slovakia	56.8	62.4	51.4
Greece	56.7	71.4	42.5
Hungary	56.2	62.9	49.8
Italy	55.5	69.1	42.0
Malta	54.4	74.7	33.9
Poland	51.5	56.9	46.2
EU 25	62.8	71.0	54.7

Source: <http://europa.eu.int/comm/eurostat/newcronos>.

TABLE 7: DISTRIBUTION OF EMPLOYMENT GROWTH (1997-2003) EU 15

Nationality/Country of birth	Male	Male	Female	Female	total	total
	foreign national	foreign born	foreign national	foreign born	foreign national	foreign born
Other EU 15	1.3	2.2	1.8	3.2	1.8	2.6
CEE	3.9	2.7	5.6	4.1	3.3	4.8
Other Europe	0.1	0.1	1.4	0.6	0.1	1.0
North Africa	0.3	0.4	0.6	1.2	0.3	0.9
North Am., Austral.	0.4	0.2	0.3	-0.2	0.3	0.0
Other	7.3	5.5	13.4	10.1	6.3	11.6
Nationals/Natives	85.9	88.4	78.1	81.8	87.3	80.1
Unknown	0.7	0.5	-1.2	-0.7	0.6	-1.0
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0

(1) Data for Germany and Italy not available.

For those from the Middle East/Africa, the employment rate is 51 percent, while the rate of unemployment is 16 percent. For immigrants from Asia, the corresponding percentages are 58 and 8.2 percent, respectively. Immigrants from the new EU Member States, the Balkans, Eastern Europe, and Latin America have almost the same employment rate as the EU 15 average, 63 percent, respectively, but higher unemployment (11 percent for the Balkans and Eastern Europe, and 11.7 percent for Latin America; Table 8).

Foreign-born men only have a slightly lower employment rate (71 percent) and higher unemployment (9.3 percent) than the EU 15 average for the male population (employment: 73 percent; unemployment: 6.9 percent; Table 8). Employment is high among male immigrants from other EU Member States, the Americas, and Australia. Only male immigrants from Turkey, Africa, and the Middle East have significantly lower employment rates and much higher unemployment (Table 8).

These differences are larger among women. Foreign-born women have a lower employment rate (52 percent) and higher unemployment rate (10.3 percent) than the EU 15 average for the female population (employment: 56 percent; unemployment: 8.7 percent; Table 8). Female immigrants from Turkey, Africa, and the Middle East have particularly low employment and high unemployment, while women from Asia have particularly low employment but average unem-

ployment rates. Women from Latin America have average employment rates but particularly high unemployment rates. The opposite is true for women from Western EU countries and from other Western countries living in the EU 15.

Because employment and unemployment rates vary to a considerable degree with acquired skill levels, lower employment rates among certain immigrant groups are partly the result of differences in skills compositions. Employment rates of male migrants moving within EU 15 countries do not differ much from the EU average, while lower-skilled women from other EU 15 countries have higher employment rates. This is particularly true for women from Southern EU 15 countries. In contrast, immigrants from Turkey and North Africa/Middle East at all skill levels have lower employment and higher unemployment rates than the EU average. The employment rates of immigrants from new EU Member States, Eastern Europe, and the Balkans are below the EU 15 average for high-skilled men and women, but above the EU average for low-skilled women (Table 8).

The analysis presented here describes employment rates of the foreign-born population in the EU 15, an analysis that more accurately represents the economic status of "immigrants" than the so far dominant approach that has only looked at legal foreign residents (i.e., citizens of other EU Member States and third-country nationals; see the text box earlier in this chapter).

TABLE 8. IMMIGRANT (FOREIGN-BORN) POPULATION OF WORKING AGE (15-64) AND KNOWN ORIGIN BY LABOR FORCE STATUS, GENDER, AND COUNTRY OF BIRTH, EU 15, 2002¹

	Labor Force Status	Immigrant Population by Country of Birth								EU 15 Total Population	
		EU-West ²	EU-South ³	EU 8 + CEE ⁴	Turkey	Africa, Middle East	USA, Canada, Austral.	Latin America, Carib.	Asia		Total Immigrants
Total	Employed	67.1	67.3	63.2	50.0	51.4	76.3	62.7	58.6	61.3	64.2
	Unemployed	4.7	4.2	7.8	9.2	9.8	3.5	8.3	5.2	6.6	5.4
	Inactive	28.1	28.4	29.0	40.8	38.7	20.2	29.0	36.2	32.1	30.4
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Active (%)	71.8	71.5	71.0	59.2	61.2	79.8	71.0	63.8	67.9	69.6
	Unemployment Rate (%)	6.5	5.9	11.0	15.5	16.0	4.4	11.7	8.2	9.7	7.8
	Total (in 1,000s)	2,587	2,145	1,516	772	2,706	456	217	1,166	11,565	250,433
	Employed	75.0	75.3	72.7	65.1	62.6	86.0	73.9	73.2	71.2	72.9
	Unemployed	5.2	4.1	7.6	11.6	11.4	3.2	5.4	6.0	7.3	5.4
	Inactive	19.9	20.5	19.7	23.4	25.9	10.9	20.7	20.8	21.5	21.7
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
Active (%)	80.2	79.4	80.3	76.7	74.0	89.2	79.3	79.2	78.5	78.3	
Unemployment Rate (%)	6.5	5.2	9.5	15.1	15.4	3.6	6.8	7.6	9.3	6.9	
Total (in 1,000s)	1,182	1,135	696	398	1,442	221	92	548	5,714	125,441	
Female	Employed	60.5	58.3	55.1	33.9	38.7	67.5	54.0	45.6	51.5	55.5
	Unemployed	4.3	4.4	7.9	6.9	8.0	3.4	11.1	4.7	5.9	5.3
	Inactive	35.2	37.3	37.0	59.2	53.3	29.1	34.9	49.8	42.5	39.2
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Active (%)	64.8	62.7	63.0	40.8	46.7	70.9	65.1	50.3	57.4	60.8
	Unemployment Rate (%)	6.6	7.0	12.5	16.9	17.1	4.8	17.1	9.3	10.3	8.7
	Total (in 1,000s)	1,405	1,010	820	375	1,264	234	126	619	5,853	124,993

(1) LFS 2002, Data for Germany and Italy not available; (2) EU 15 residents born in another EU 15 country (except Italy, Greece, Portugal, or Spain) or born in Iceland, Liechtenstein, Norway, or Switzerland; (3) EU 15 residents born in Italy, Greece, Portugal, or Spain but living in another EU 15 country; (4) EU 15 residents born in new EU Member States, accession countries, other countries (except Turkey), other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

Source: Labor Force Survey 2003.

TABLE 9: LEGAL FOREIGN RESIDENT POPULATION OF WORKING AGE (15-64) BY LABOR FORCE STATUS, GENDER, AND COUNTRY OF NATIONALITY, EU 15, 2002¹

Labor Force Status	Legal Foreign Resident Population by Nationality									EU 15	
	EU-West ²	EU-South ³	EU 8 + CEE ⁴	Turkey	Africa, Middle East	USA, Canada, Australia	Latin America, Carib.	Asia	Total LFRs	Total Population	
Employed	67.5	66.9	60.7	47.5	41.5	76.8	62.6	56.6	58.6	64.2	
Unemployed	4.0	5.9	8.9	10.1	12.8	3.1	9.6	5.9	7.7	5.4	
Inactive	28.5	27.1	30.4	42.4	45.7	20.1	27.8	37.5	33.6	30.4	
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
Active (%)	71.5	72.8	69.6	57.6	54.3	79.9	72.2	62.5	66.3	69.6	
Unemployment Rate (%)	5.6	8.1	12.8	17.5	23.6	3.9	13.3	9.4	11.6	7.8	
Total (in 1,000s)	2,027	2,310	1,861	2,121	1,373	383	115	525	10,715	250,433	
Total	Employed	75.5	73.9	70.3	61.3	55.3	85.9	77.1	74.1	68.9	72.9
	Unemployed	4.6	6.4	9.4	13.0	15.6	3.6	4.2	7.5	9.1	5.4
	Inactive	19.9	19.7	20.3	25.7	29.0	10.4	18.8	18.4	22.0	21.7
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Active (%)	80.1	80.3	79.7	74.3	70.9	89.5	81.3	81.6	78.0	78.3
	Unemployment Rate (%)	5.7	8.0	11.8	17.5	22.0	4.0	5.2	9.2	11.7	6.9
	Total (in 1,000s)	975	1,293	842	1,131	748	192	48	239	5,468	125,441
Male	Employed	60.1	58.1	52.8	31.6	24.8	67.5	52.2	42.0	47.9	55.5
	Unemployed	3.5	5.3	8.4	6.9	9.5	2.6	13.4	4.5	6.3	5.3
	Inactive	36.4	36.6	38.7	61.5	65.7	29.8	34.3	53.5	45.8	39.2
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Active (%)	63.6	63.4	61.2	38.5	34.3	70.1	65.6	46.5	54.2	60.8
	Unemployment Rate (%)	5.5	8.4	13.7	17.9	27.7	3.7	20.4	9.7	11.6	8.7
	Total (in 1,000s)	1,052	1,016	1,018	989	624	191	67	286	5,243	124,993
Female	Employed	60.1	58.1	52.8	31.6	24.8	67.5	52.2	42.0	47.9	55.5
	Unemployed	3.5	5.3	8.4	6.9	9.5	2.6	13.4	4.5	6.3	5.3
	Inactive	36.4	36.6	38.7	61.5	65.7	29.8	34.3	53.5	45.8	39.2
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Active (%)	63.6	63.4	61.2	38.5	34.3	70.1	65.6	46.5	54.2	60.8
	Unemployment Rate (%)	5.5	8.4	13.7	17.9	27.7	3.7	20.4	9.7	11.6	8.7
	Total (in 1,000s)	1,052	1,016	1,018	989	624	191	67	286	5,243	124,993

(1) LFS 2002, Data for Italy not available; (2) EU 15 nationals (except Italy, Greece, Portugal, Spain) and nationals of Iceland, Liechtenstein, Norway, or Switzerland living in (another) EU 15 country; (3) Nationals of Italy, Greece, Portugal, or Spain living in another EU 15 country; (4) Nationals of new EU Member States, accession countries (except Turkey), other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, or Central Asia living in an EU 15 country.

A comparison between the foreign-born population and the legal foreign resident population reveals additional insights about the labor market situation of migrants (Tables 8, 9, 10).

Discrepancies in employment and unemployment rates are clearly visible when comparing high-skilled male and female immigrants from new EU Member States, the Balkans, and Eastern Europe, with foreign nationals of these countries and areas residing in the EU 15 (Table 11). Such discrepancies are visible at all skill levels when comparing female immigrants from Turkey with female Turkish nationals, and male and female immigrants from North Africa/Middle East with nationals of these countries (both men and women) residing in the EU 15. Such discrepancies do not appear when comparing high-skilled and unskilled male immigrants from Turkey with male Turkish nationals of the same skill level.

Occupational Structure, Industry Structure. On the whole, the occupational structure of the foreign-born population in Europe is different from the EU 15 average (Tables 12, 13). Economically active immigrants are underrepresented in medium-skilled non-manual positions and overrepresented in non-skilled manual positions. Immigrants from Northwestern Europe living in another EU country as well as immigrants from other industrialized countries (North America, Australia/New Zealand) predominantly occupy high-skilled non-manual positions. Immigrants from Southern Europe liv-

ing in another EU country as well as immigrants from the Balkans, Central and Eastern Europe, and Turkey are over-proportionally active in skilled and unskilled occupations. Asians have an average representation in highly skilled non-manual positions but are over-proportionally active in unskilled manual positions.

Economic Inclusion and Exclusion of Migrants. In Europe, over the last decade, third-country nationals' unemployment has remained higher than EU nationals' unemployment (Table 9). In a majority of Member States, the former is twice as high as the latter. The difference is less marked when domestic populations are compared to the foreign-born population, rather than foreign nationals (Tables 8 and 9). Third-country nationals also have much lower employment rates than EU nationals (14 percent lower in 2002), in particular in the prime working age group (20 percent lower) and for the high-skilled. The gap is on average wider for women than for men within all working-age groups.

In more than half of the EU 15, this gap has been shrinking over the last decade. From 1994 to 2002, the employment rates of non-EU nationals improved significantly in Portugal (+28 percentage points), Spain, (+22 percentage points), Denmark (+18 percentage points), the Netherlands (+16 percentage points), Ireland (+13 percentage points), and Finland (+12 percentage points). Smaller increases were recorded in the United Kingdom, Sweden, and Greece.

TABLE IO: ACTIVITY RATE (AGE GROUPS 15-65) OF THE IMMIGRANT POPULATION FROM THE MAGHREB AND TURKEY AND THE FOREIGN RESIDENT POPULATION (CITIZENSHIP OF MAGHREB COUNTRIES AND TURKEY), SELECTED EU COUNTRIES¹

	Immigrants from Maghreb Countries (2)	Maghreb nationals (2)	Immigrants from Turkey	Turkish nationals
Belgium	34.5	21.6	31.9	26.2
Denmark	43.5	36.4	46.7	30.8
Germany	—	47.1	—	48.5
Greece	63.2	75.0	57.1	57.1
Spain	56.3	57.0	—	37.9
France	50.8	39.1	42.2	50.6
The Netherlands	53.2	41.9	55.9	57.0
Austria	55.6	42.9	59.8	33.3
Sweden	44.3	34.5	50.0	44.4
UK	65.3	60.4	55.9	26.2

(1) LFS 2002; (2) Algeria, Morocco, Tunisia.

TABLE II: EMPLOYMENT RATES OF WORKING-AGE LEGAL FOREIGN RESIDENTS AND IMMIGRANTS OF KNOWN ORIGIN BY NATIONALITY OR COUNTRY OF BIRTH, GENDER, AND EDUCATIONAL ATTAINMENT, EU 15, 2002

Nationality	Foreign Nationals (LFRs) ¹					
	Male			Female		
	Low education ²	Medium education ³	High education ⁴	Low education ²	Medium education ³	High education ⁴
Turkey	55.5	73.3	—	27.9	49.7	—
North Africa	49.3	65.0	67.5	18.9	32.7	49.1
North America	—	79.6	87.3	—	60.6	76.9
EU 8 + CEE	61.3	76.1	77.8	45.7	60.2	53.3
EU-West ⁵	59.5	78.5	87.8	35.0	61.3	78.0
EU-South ⁵	66.9	80.3	84.3	52.3	67.8	69.8
EU 15 average	60.9	76.3	85.8	36.9	63.3	78.6

Nationality	Foreign Born (Immigrants) ⁶					
	Male			Female		
	Low education ²	Medium education ³	High education ⁴	Low education ²	Medium education ³	High education ⁴
Turkey	58.4	75.3	—	25.5	49.3	76.9
North Africa	51.6	68.4	79.9	25.1	48.5	66.0
North America	—	82.3	87.6	—	58.9	78.5
EU 8 + CEE	64.5	77.1	80.5	46.5	59.9	63.1
EU-West ⁷	59.7	74.4	86.1	41.7	61.6	76.8
EU-South ⁷	71.6	76.2	85.6	53.4	62.4	77.4
EU 15 average	60.9	76.3	85.8	36.9	63.3	78.6

(1) LFS 2002, data on foreign nationals for Italy not available; (2) Primary education only; (3) Lower or upper secondary education completed; (4) Tertiary education completed; (5) EU 15 nationals living in EU 15 but outside their country of citizenship; (6) LFS 2002, data on foreign born for Germany and Italy not available; (7) People born in EU 15 but living in EU 15 outside their country of birth.

The employment rates for non-EU nationals remained below average in France and Belgium, and there was a decline in the employment rates of non-EU nationals in Austria (-3.5 percentage points), Luxembourg (-3.1 percentage points), and Germany (-2.0 percentage points).

Migrant workers and employees originating from non-Western and non-EU countries are concentrated in a few sectors of the economy, and within them, in the lower-skilled segments. A growing number of them are employed

in the health and domestic caretaking sectors, as well as in education. Domestic services also play an important role, though this is not always visible in available statistics due to the high proportion of irregular migrants working in this sector. In contrast, young people of foreign origin increasingly tend to have an occupational profile closer to that of natives.

Whether or not these changes mean a better starting point for migrants' longer-term integration into the labor market is debatable, as they still tend

TABLE 12: INTERNATIONAL STANDARD CLASSIFICATION OF OCCUPATIONS (ISCO) OF THE IMMIGRANT POPULATION WITH COUNTRY OF BIRTH KNOWN, EU 15¹

EU 15	EU West (2)	EU South (3)	CEEC (4)	Turkey (others)	Africa, Middle East	USA, Canada, Austral. America, Carib.	Latin America, Carib.	Asia	Total	EU 15
Highly skilled non-man.	49.9	20.9	20.1	21.4	35.8	64.7	36.5	38.8	34.9	36.8
Medium skilled non-man.	11.7	6.9	5.4	6.6	11.1	12.6	12.4	9.4	9.3	12.9
Low skilled non-man.	13.0	13.1	16.0	14.2	12.5	7.5	20.4	17.5	13.7	14.0
Skilled manual	10.4	32.0	22.1	22.6	15.7	5.8	11.7	6.5	17.7	17.7
Non-skilled manual	14.5	27.0	36.4	34.7	24.2	7.5	19.0	27.6	24.0	17.9
Armed forces	0.5	—	—	0.5	0.7	2.0	—	—	0.4	0.7
Total (percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1,758	1,527	959	380	1,391	348	137	691	7,191	161,906

(1) LFS 2002, data for Germany and Italy not available; (2) EU 15 (except Italy, Greece, Portugal, Spain) + Iceland, Liechtenstein, Norway, Switzerland; (3) Italy, Greece, Portugal, Spain; (4) New EU Member States, accession countries, other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

TABLE 13. ECONOMICALLY ACTIVE IMMIGRANT POPULATION WITH COUNTRY OF BIRTH KNOWN, BY SECTOR/INDUSTRY, EU 15¹

EU 15	EU West (2)	EU South (3)	CEEC (4)	Turkey	Africa, Middle East	USA, Canada, Austral.	Latin Am., Caribb.	Asia	Total	EU 15
Agric, fish., mining	0.4	0.4	0.3	—	0.2	0.9	—	—	0.3	0.3
Manufact.	16.4	18.2	19.4	25.3	15.6	11.2	14.9	18.1	17.4	20.9
Construct.	6.4	18.8	15.7	12.3	8.8	3.3	7.5	2.2	10.4	8.2
Wholesale, retail trade	13.5	13.0	11.8	16.6	14.7	9.1	11.9	16.2	13.6	15.2
Hotels, restaurants	5.9	7.8	10.1	10.4	5.9	3.6	15.7	13.5	7.9	4.4
Transport, storage, communic.	6.2	5.1	5.0	5.7	7.1	3.9	6.0	9.4	6.2	6.5
Financial intermed.	4.3	1.7	1.1	1.4	2.3	7.3	2.2	3.1	2.8	3.5
Real est., renting,	14.4	9.8	12.1	10.4	13.2	22.7	14.2	10.9	12.8	9.7
Public adm.	4.8	4.1	1.6	2.7	8.1	5.7	3.0	3.7	4.7	7.9
Education	8.9	4.3	3.9	4.9	7.8	11.8	5.2	5.6	6.6	7.2
Health, social work	12.8	6.5	9.2	6.0	10.7	10.6	8.2	12.7	10.1	10.2
Personal services	5.6	3.7	4.0	3.5	4.2	9.7	8.2	3.5	4.6	5.0
Private households	0.5	6.6	5.9	0.5	1.7	—	3.0	1.0	2.8	1.1
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1,706	1,365	933	367	1,351	331	134	680	6,867	155,470

(1) LFS 2002, data for Germany and Italy not available; (2) EU 15 (without Italy, Greece, Portugal, Spain) + Iceland, Liechtenstein, Norway, Switzerland; (3) Italy, Greece, Portugal, Spain; (4) new EU Member States, accession countries, other countries in Central/Eastern Europe and the Balkans, Russia, Belarus, Ukraine, Caucasus, Central Asia.

to remain concentrated in low-quality service jobs offering little room in terms of adaptability and mobility.

The picture, however, tends to improve when comparing native-born with foreign-born workers and employees, rather than contrasting third-country nationals with EU nationals. This is to be expected, as naturalized

citizens tend to be better integrated than legal foreign residents. However, even in the first comparison, differences between immigrants from non-industrialized countries and Europe's majority populations remain strong. Third-country nationals who entered the EU in recent years tend on average to have higher skill levels than those already established in the EU for a

decade or longer. The activity rates of the newcomers are lower, however, and their unemployment rates higher than those of longer-established immigrants. In 2002, the 45 percent employment rate of migrants from non-EU countries who arrived in 2001 was nearly 20 points below that of those who had arrived 10 years earlier.

Differences in employment, economic performances, and integration of third-country nationals are strongly correlated with the country of origin. The employment rate of legal foreign residents from North Africa and Turkey is consistently lower than for EU nationals at every skill level. This gap is more marked for women (Table 10). Again, the differences are somewhat less pronounced if native-born vs. foreign-born populations are compared (instead of EU citizens vs. legal foreign residents). In contrast, citizens of Balkan countries have employment rates at or above EU nationals' levels both for men and women. The same is true for North Americans and Australians residing in Europe, as well as for citizens of Northwestern Europe residing in another EU member state (Table 9).

In the decade 1992 to 2001, some 5,855,000 legal foreign residents were naturalized in the EU 15, marking a considerable increase in comparison with previous decades. Sweden, the Netherlands, and Denmark had the highest ratio of non-nationals acquiring citizenship; Luxembourg and Greece showed the lowest relative numbers. In this period, the sub-segment of foreign nationals became much less represen-

tative of the migrant population. As a result, the average economic position of the foreign-born population in the EU 15 differs less from Europe's population as a whole than it does from the economic position of the foreign resident population. The latter are in a less favorable economic position.

Looking at foreign nationals only, instead of immigrants with or without citizenship of the receiving country, paints an overly negative picture. An incomplete examination of the available data leaves the impression that the economic position of migrants is deteriorating, particularly in EU countries with a longer tradition of immigration and higher naturalization rates.

Analysis of European Labor Force Survey (LFS) data for 2002 shows that immigrants in Europe are more successful than surveys and data exclusively focused on foreign nationals would suggest. Thus, differences between traditional countries of immigration — such as Australia, Canada, and the United States — and many European countries are apparently smaller than assumed. Nevertheless, for certain immigrant groups — in particular those coming from middle- and low-income countries — considerable employment gaps remain.

Analysis of LFS data also makes clear that immigrants who do not naturalize within their first 10 to 15 years in the receiving country are more likely to remain in low-skilled and low-paid employment. This sectoral concentration of legal (and irregular) foreign res-

idents can partly be explained by labor shortages and lower requirements in terms of specific skills. Such circumstance may provide immigrants and their children with better opportunities to enter the labor market. At the same time, relatively large numbers of non-EU nationals in some sectors with limited rights or scope for mobility within the labor market will not be in a strong position regarding wages and job quality.

In this context, the integration of third-country nationals newly arriving and residing in Europe remains an important issue for the EU, its Member States, and European civil society. In fact, in recent years, a growing number of EU Member States have introduced integration programs ranging from language-training courses to civic education.

While Europe's situation clearly shows the importance of citizenship for the process of integration, there is, however, no simple causality. It is true that, on the one hand, naturalization may help reduce discrimination and boost immigrants' access to certain segments of the labor market, particularly in the public sector. On the other hand, it is evident that successful economic integration of immigrants makes it more likely that they will become citizens of the receiving country. Naturalization may therefore be both a cause and a consequence of integration. In any case, the results clearly show that sustained efforts toward the economic and civic integration of immigrants and their native-born children (the so-called second generation) are necessary.

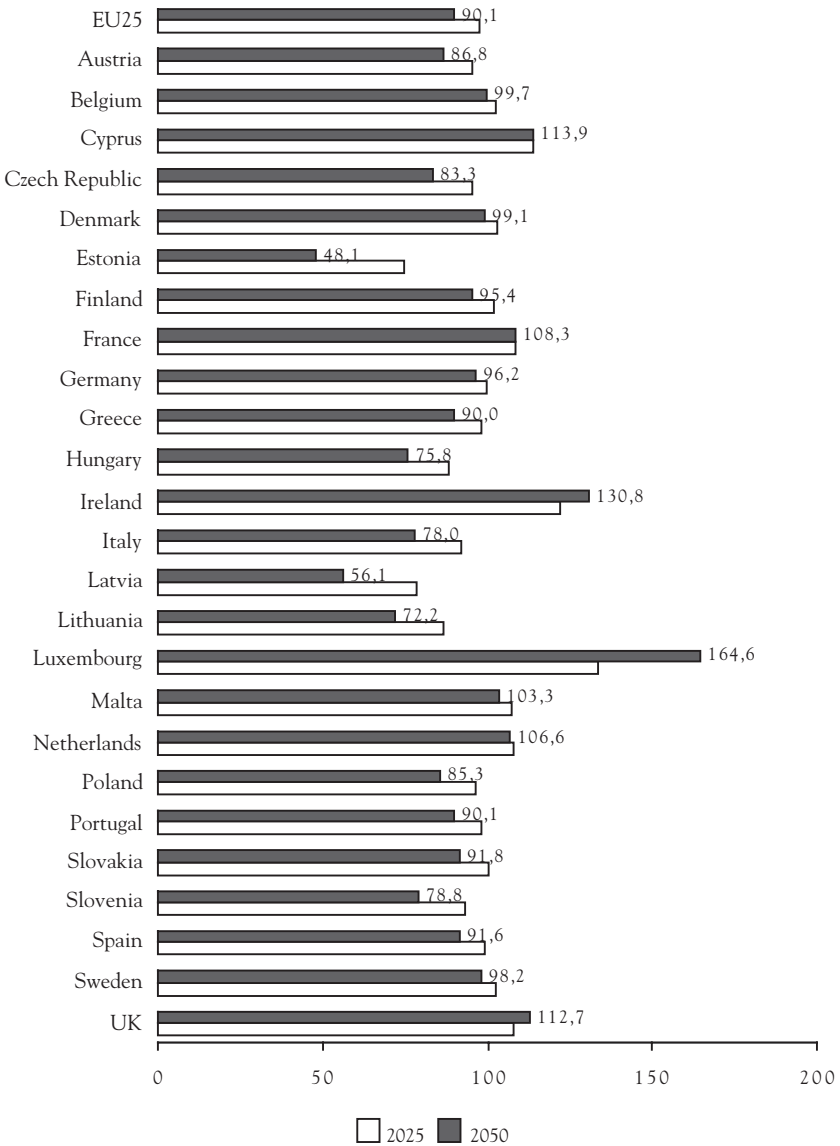
DEMOGRAPHIC IMBALANCES

Low fertility and increasing life expectancy in Europe reverse the age pyramid, leading to a shrinking number of younger people, an aging work force, and an increasing number and share of older people. According to available data and projections, the size of Western and Central Europe's total population will remain stable during the next 20 years and start to decline after 2025 (see Figure 3; see also the chapter by Wolfgang Lutz and Sergei Scherbov). More important than the overall trend is the expected change in the age group 15 to 65 defining the employable part of the population. In the absence of massive recruitment of economically active migrants, the number of people ages 15 to 65 will decrease by 4 percent from 306 million (2005) to 295 million by 2025 and to 245 million (-61 million = -20 percent) by 2050 (Figure 4).

During the same period, the old-age dependency ratio — the population of people past retirement age expressed as a percentage of the population of working age people — is likely to increase from 23 percent in 2000, to 35 percent in 2025, and between 45 and 50 percent in 2050.

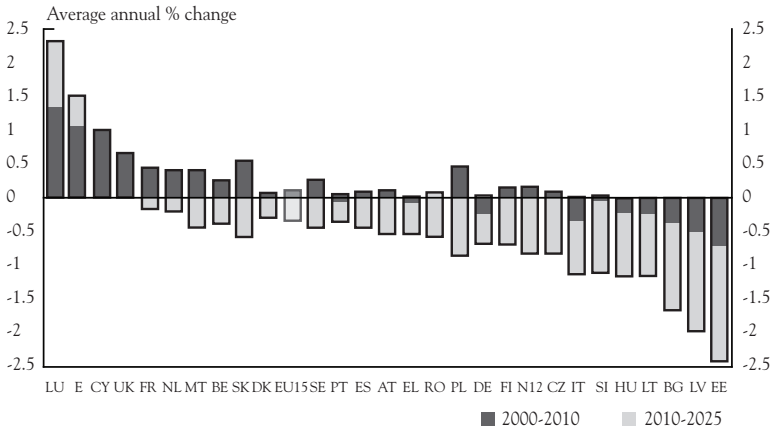
We can assume that European societies will respond to this demographic trend by raising retirement ages, by trying to increase female labor force participation rates (which is an option in Southern Europe, Germany, Austria, and Poland in particular) and by recruiting migrants.

FIGURE 3. POPULATION FORECASTS UNTIL 2025 AND 2050, 2000=100, EU 25



Sources: UN (2004), <http://esa.un.org/unpp/>; authors' calculations.

FIGURE 4. PROJECTED DECLINE IN WORKING-AGE POPULATION, 2000 - 2025



Source: UN demographic projections.

The data for 2003 already show that on one hand, the number of countries with a shrinking native-born population is growing; on the other, the number of countries with a negative migration balance has become very small (Table 2). This contrasts with the situation in neighboring regions to the south and southeast, where fertility is much higher, albeit declining, life expectancy is increasing, and the overall population is projected to continue to grow at a rapid pace.

Even more worrisome is the change in the ratio between economically active and retired persons. With an employment rate of 70 percent, the number of people employed per person aged 65 and over will decline from 2.7 in 2010, to some 2.2 in 2020, 1.8 in 2030, and

1.5 in 2040. If EU Member States were to achieve the goal of 75 percent employment set by the Lisbon European Council between 2010 and 2020, the decline in this ratio would be attenuated, reaching 2.4 in 2020.

LABOR FORCE STRUCTURE

Large changes in the size of Europe's labor force are expected for the decades to come. However, the changes in the economically active population will be smaller than the projected changes for the "active" 15 to 65 age group, because only 60 to 80 percent of this group is currently employed or self-employed. After 2010, the EU 25 can expect a decrease in this active population. By 2025, this

age group is projected to shrink by 16 million. In European countries not belonging to EU 25, such as Bulgaria, Moldavia, Romania, and Serbia and Montenegro, the active or job-seeking population is already shrinking.

In addition to shortages due to demographic changes, significant skills shortages or qualitative mismatches are on the horizon due to structural change and innovation.

In terms of structural change, European countries can expect a decrease in the employment share of the manufacturing and agricultural sectors, and an increase in the service sector's share. These structural changes will be accompanied by changing qualifications requirements. While the share of the service sector in EU 15 countries is already relatively high, significant structural changes will take place in the new EU Member States. In these countries, a relatively high share of the labor force is still employed in the agricultural sector, while the service sector is underdeveloped compared to the EU average.

With regard to finding the appropriate migrants to fill empty jobs, there are substantial mismatches dating back to post-communist economic transformations of these countries, which brought about a decline in the oversized public sector. Further structural changes in new EU Member States and EU accession countries may mean continuing labor market problems. Low-skilled workers will lose their jobs in the agricultural sector, while parts of the

expanding service sector will probably have to cope with skills shortages. These problems will become even more acute if brain drain within the EU 25 and to traditional countries of immigration becomes a quantitatively significant phenomenon.

In the years to come, trends toward the service society and changing production processes imply a qualitative change in labor demand (i.e., changing demand for particular occupations or skills). If the labor supply fails to keep pace with these changes, there are likely to be serious skills shortages in EU markets. This type of qualitative mismatch of labor demand and supply could in turn become a serious problem for economic growth throughout Europe.

However, an analysis by the OECD implies that labor supply is expected to adjust to increasing demand for a well-educated labor force (Table 14). For their part, students seem to be anticipating the impending structural change, resulting in a higher share of white-collar jobs in total employment (Table 15). Compared to current employment patterns, the figures presented in Table 14 imply that a much higher share of the EU population will occupy high-skilled jobs than is the case today. However, it remains unclear whether or not the growing number of EU residents participating in tertiary education and aspiring to white-collar jobs will be enough to compensate for the expected increase in demand for highly qualified labor.

TABLE 14. SCHOOL EXPECTANCY (2001) — EXPECTED YEARS OF SCHOOLING UNDER CURRENT CONDITIONS, EXCLUDING EDUCATION FOR CHILDREN UNDER THE AGE OF FIVE

	full-time and part-time* All levels of education combined		Upper secondary education		Post-secondary non- tertiary education		Tertiary education		Part-time: of educa- tion combined		Index of change in school expectancy for all levels of education (1995=100)	
	total		male	female	tertiary education		non combined		All levels of educa- tion combined		non combined	
Austria	16.3	16.2	16.3	8.2	3.8	0.5	2.4	16.3	N	104		
Belgium	19.2	18.6	19.8	9.3	5.7	0.4	2.8	16.2	3.0	107		
Czech Rep.	16.0	15.9	16.1	9.1	3.6	0.2	1.6	15.8	0.2	112		
Denmark	18.0	17.5	18.5	9.6	3.9	n	2.6	18.0	N	106		
Finland	19.2	18.5	20.0	9.1	4.5	0.1	4.2	19.2	N	112		
France	16.6	16.4	16.8	9.5	3.3	n	2.6	16.6	N	10		
Germany	17.3	17.5	17.2	10.1	3.0	0.5	2.1	17.3	0.1	106		
Greece	16.1	15.9	16.4	9.0	2.8	0.3	3.1	15.9	0.2	116		
Hungary	16.4	16.2	16.7	8.1	3.8	0.7	2.2	14.8	1.6	115		
Ireland	16.3	15.8	16.8	10.8	2.2	0.7	2.5	15.3	1.0	106		
Italy	16.1	15.7	16.4	8.2	4.4	0.1	2.4	16.0	0.1	m		
Luxembourg	m	m	m	9.1	3.6	0.1	m	m	m	m		
Netherlands	17.3	17.5	17.2	10.5	3.3	0.1	2.5	16.5	0.8	m		
Poland	16.7	16.2	17.2	8.0	4.1	0.3	2.9	14.6	2.1	116		
Portugal	17.1	16.7	17.6	10.8	2.9	n	2.5	13.8	3.3	104		
Slovakia	14.9	14.8	15.0	9.0	3.0	0.1	1.6	14.2	0.6	m		
Spain	17.3	16.9	17.7	10.9	2.3	0.1	3.0	16.7	0.6	102		
Sweden	20.0	18.5	21.6	9.7	5.2	0.1	3.2	16.5	3.5	m		
UK	18.9	17.9	19.9	8.9	7.4	x(5)	2.6	14.6	4.3	110		

Note: m - data not available; n - data value nil
Source: OECD, 2003b, p. 257.

*Part-time student: students enrolled in primary and secondary-level educational programs are considered to participate part-time if they attend school for less than 75 percent of the school day or week (as locally defined) and would normally be expected to be in the program for the entire academic year. At the tertiary level, an individual is considered part-time if he or she is taking a course load or educational program that requires less than 75 percent of a full-time commitment of time and resources.

Full-time student: students enrolled in primary and secondary-level educational programs are considered to participate full-time if they attend school for at least 75 percent of the school day or week (as locally defined) and would normally be expected to be in the program for the entire academic year. This includes the work-based component in combined school and work-based program. At the tertiary level, an individual is considered full-time if he or she is taking a course load or educational program considered requiring at least 75 percent of a full-time commitment of time and resources. Additionally, it is expected that the student will remain in the program for the entire year.

TABLE 15: 15-YEAR-OLDS' OCCUPATIONAL EXPECTATIONS BY AGE 30, BY GENDER; PERCENTAGE OF 15-YEAR-OLDS EXPECTING TO HAVE A WHITE- OR BLUE-COLLAR OCCUPATION, BY GENDER (2000)

White/blue	Total		Male				Female					
	w	w	b	b	w	w	b	b	w	w	b	b
High/low	high	Low	High	low	High	low	high	low	high	low	High	low
Austria	55.3	17.2	11.7	15.8	56.3	8.6	21.9	13.3	54.8	25.1	2.2	17.9
Belgium	65.6	14.2	15.4	4.9	58.5	7.6	27.9	6.0	73.1	21.3	1.8	3.7
Czech Republic	44.5	22.0	16.2	17.3	41.1	11.9	28.3	18.7	47.6	31.1	5.3	16.0
Denmark	58.5	17.5	19.6	4.3	50.5	10.9	34.1	4.5	67.7	25.1	2.9	4.2
Finland	60.4	15.8	12.2	11.5	55.5	9.1	21.4	14.0	65.0	22.0	3.7	9.2
France	48.9	14.7	9.9	26.5	44.1	8.5	18.7	28.7	53.4	20.5	1.7	24.4
Germany	48.8	20.9	17.2	13.2	44.7	13.3	30.1	11.9	53.1	28.0	4.6	14.3
Greece	72.3	11.7	9.4	6.6	66.0	8.6	17.9	7.6	78.5	14.6	1.3	5.6
Hungary	52.7	19.0	16.6	11.7	50.3	9.5	28.0	12.2	55.3	28.5	5.1	11.1
Ireland	64.1	12.2	11.7	12.1	57.5	7.2	22.6	12.7	70.3	16.9	1.3	11.5
Italy	69.1	15.2	5.8	9.9	66.6	11.9	10.6	10.9	71.6	18.7	0.9	8.8
Luxembourg	59.6	14.3	8.7	17.4	55.7	11.3	15.4	17.6	63.0	16.9	2.8	17.2
Poland	68.8	15.4	14.2	1.7	63.3	9.4	24.4	2.9	74.5	21.7	3.5	0.4
Portugal	76.5	9.5	5.1	9.0	72.7	7.0	9.8	10.5	79.8	11.7	0.8	7.7
Spain	66.6	12.2	8.2	13.1	61.2	7.7	16.1	15.0	71.7	16.6	0.7	11.0
Sweden	63.2	10.3	8.1	18.5	62.0	5.8	13.6	18.6	64.5	14.8	2.4	18.3
UK	57.1	16.3	7.6	19.0	51.0	14.0	14.5	20.5	63.0	18.6	0.8	17.6

Source: OECD, 2003b, p. 137.

Relatively robust demographic projections clearly indicate a decline in Europe's working-age population for the foreseeable future (Figure 4). There are, however, significant obstacles to deriving accurate projections to help with the middle- and long-term planning of policies to meet labor supply requirements. This is partly linked to problems with predicting phenomena that are influenced by complex, often volatile economic factors, and which may also be significantly affected by unforeseeable policy developments. Analysts attempting to make accurate projections are confronted with further problems when attempting to make

predictions about specific occupations and skills requirements. In any case, while demographic projections give a clear picture for the next 40 years, projections of emerging skills gaps cannot realistically cover more than a 15-year timeframe. More accurate projections, or ones broken down into more specific categories, may not be possible even within that 15-year span.

The migrants most likely to help meet shortages of labor and skills, and with the best chances to integrate, are probably those most able to adapt to changing conditions, in view of their qualifications, experience, and personal

abilities. Selection mechanisms must be incorporated into future migration and admission policies in order to assess both the qualifications and adaptability of potential immigrants.

At the same time, given the political sensitivity of immigration, it is likely that governments will find it difficult to justify introducing programs in the absence of already existing acute labor shortages. Even if projections might highlight quantitative and qualitative shortages with a sufficient degree of certainty, governments may require more tangible “proof” in order to convince their electorates of the need for additional foreign labor. This implies that while projections may provide a basis for policy planning in the areas of education, labor market, welfare, or social reforms, because of the special political sensitivity of immigration, it is likely that migration policy will remain subject to more short-term, ad hoc planning. In this context, the EU is better positioned to develop medium- and long-term migration policies able to cope with Europe’s looming demographic and economic challenges than to make short-term adjustments.

CONCLUSIONS AND RECOMMENDATIONS

Both demographic and economic trends point to Europe’s future need to recruit increasing numbers of third-country nationals as a main way of meeting its rising demand for low-, medium-, and high-skilled labor. In this context, all of the EEA states will

either remain or become countries of immigration.

The main challenge for European policymakers in the decades ahead will be to position their countries to recruit migrants matching their labor needs, while still sustaining economic growth and supporting their public pension systems. In the medium and long term, potential migrants will need to be recruited from regions of the world beyond Europe. At that point, Europe will have to compete with the world’s other traditional countries of immigration for qualified migrants to fill labor gaps.

Given those goals, European policymakers have several options to maximize the opportunities migration presents, specifically, to meet labor demand:

- **Develop common European medium- and long-term migration policies.** This approach can play a crucial role in tackling shortages of labor and skills, provided the qualifications of immigrants are appropriate. A common approach will be an advantage as all EU Member States will face competition from traditional countries of immigration and emerging immigration countries such as Russia.
- **Refine selection mechanisms.** Future migration and admission policies must be modified in order to better assess both the qualifications and adaptability of potential immigrants. This will pay dividends as the pace of socio-economic

integration largely depends upon qualifications of migrants matching labor market needs in receiving countries.

- **Incorporate gender analysis into policies.** With several EU states reporting wide gaps in the employment rates of men and women, labor market (and family) policies that address the causes and consequences of such differences can contribute to higher labor force participation rates of native and foreign-born women.
- **Address brain drain.** The prospect of investing in an educated population, only to watch them emigrate, has policymakers in many parts of the world struggling to either retain their nationals or exploit benefits such as remittances. Europe's common policy should help develop skills in other parts of the world before starting selective recruitment.
- **Expand public education on labor/immigration.** Policymakers' planning will come to naught if policies are not politically viable. Governments need improved communication with their electorates to convince them that the facts and data support the need for additional foreign labor.

and integration policies. But the way forward requires thoughtful planning based not only on the available data, but also on public perceptions and careful weighing of political costs.

In the end, the interaction of Europe's labor markets and migration flows can have positive outcomes for both natives and the foreign born; in particular, if more emphasis is given to admission

REFERENCES

- Apap, J., Ph. de Bruycker, and C. Schmitter. "Regularisation of Illegal Aliens in the European Union. Summary Report of a Comparative Study." *European Journal of Migration and Law* 2 (2000): 3-4.
- Bade, K., M. Bommers, and R. Münz, eds. *Migrationsreport 2004*. Frankfurt/New York: Campus, 2004.
- Bevelander, P. *Immigrant Employment Integration and Structural Change in Sweden: 1970-1995*. Lund Studies in Economic History 15. Lund: University Press, 2000.
- Boswell, Ch., S. Stiller, and Th. Straubhaar. "Forecasting Labor and Skills Shortages: How Can Projections Better Inform Labor Migration Policies?" Paper prepared for the European Commission, DG Employment and Social Affairs. Brussels: European Commission; Hamburg: HWWA, 2004.
- DeVorez, D. and S. Pivnenko. "The Economics of Canadian Citizenship." Presentation at the *Immigrant Ascension to Citizenship, Recent Policies and Economic and Social Consequences Workshop*, Malmö University, Malmö: IMER, 2004.
- Einaudi, L. "Historical Approaches to Legal and Illegal Migration for Employment in Italy and France." Paper presented at the 2nd *Stockholm Workshop on Global Mobility Regimes*. Stockholm: IFS, 2004.
- European Commission. *Communication from the Commission to the Council and the European Parliament on a Community Integration Policy*. COM (2000) 757 final. Brussels, 2000.
- European Commission/Eurostat. *The Social Situation in the European Union 2002*. Luxembourg, 2002(a).
- European Commission. *Communication from the Commission to the Council and the European Parliament on Integrating Migration Issues in the European Union's Relations with Third Countries*. COM (2002) 703 final. Brussels, 2002(b).
- European Commission. *Communication from the Commission to the Council and the European Parliament on Immigration, Integration and Employment*. COM (2003) 336 final. Brussels, 2003(a).
- European Commission. *Employment in Europe 2003*. Luxembourg, 2003(b).
- European Commission. *Communication from the Commission to the Council and the European Parliament to Present an Action Plan for the Collection and Analysis of Community Statistics in the Field of Migration*. COM (2003) 179 final. Brussels, 2003(c).
- European Commission. *Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions. First Annual Report on Migration and Asylum*. COM (2004) 508 final. Brussels, 2004(a).
- European Commission. *Communication from the Commission to the Council and the European Parliament. First Annual Report on Migration and Integration*. COM (2004) 508 final. Brussels, 2004(b).
- European Commission. *Third Report on Economic and Social Cohesion*. Brussels, 2004(c).
- European Monitoring Centre on Racism and Xenophobia (EUMC). *Anti-discrimination Legislation in EU Member States*. Vienna: European Monitoring Centre on Racism and Xenophobia, 2002.
- European Monitoring Centre on Racism and Xenophobia (EUMC), ed. *Migrants, Minorities and Employment: Exclusion, Discrimination and Anti-Discrimination in 15 Member States of the European Union*. Report prepared by the International Centre for Migration Policy Development (ICMPD). Luxembourg: EC, 2003.
- Eurostat. *Statistics in Focus, Population and Living Conditions*, Theme 3 – 3. Luxembourg, 2004.

- Fassmann, H. and R. Münz. "EU Enlargement and Future East-West Migration." In *New Challenges for Migration Policy in Central and Eastern Europe*, edited by F. Laczko, I. Stacher, and A. Klekowski von Koppenfels. Geneva: TMC Asser Press, 2002.
- Heckmann, F. and D. Schnapper, eds. *The Integration of Immigrants in European Societies: National Differences and Trends of Convergence*. Stuttgart: Lucius & Lucius, 2003.
- Holzmann, R. and R. Münz. *Challenges and Opportunities of International Migration for the EU, Its Member States, Neighboring Countries and Regions: A Policy Note*. Washington, DC: World Bank; Stockholm: Institute for Futures Studies, 2004.
- Independent High-Level Study Group. *An Agenda for a Growing Europe. Making the EU Economic System Deliver*. Report of an Independent High-Level Study Group initiated by the President of the European Commission. Brussels, 2003.
- International Organization for Migration. *Migration Trends in Selected EU Applicant Countries*. Vienna: International Organization for Migration, 2004.
- Krieger, H. *Migration Trends in an Enlarged Europe*. Dublin: European Foundation for the Improvement of Living and Working Conditions, 2004.
- Laczko, F. and R. Münz. "International Labor Migration and Demographic Change in Europe." In *World Migration 2003*. Geneva: International Organization for Migration, 2003.
- Lowell, B. L. "Immigrant Labor Market Assimilation in the United States: A critique of Census data and Longitudinal Outcomes." Paper prepared for the US-EU Seminar on *Integrating Immigrants into the Workforce*. Washington, DC, June 28-29, 2004.
- Mosisa, A.T. "The role of foreign-born workers in the US economy." *Monthly Labor Review* 125, May 2002.
- Münz, R. and H. Fassmann. "Migrants in Europe and their Economic Position: Evidence from the European Labor Force Survey and from Other Sources." Paper prepared for the European Commission, DG Employment and Social Affairs. Brussels: European Commission; Hamburg: HWWA, 2004.
- Münz, R. and R. Ulrich. "The ethnic and demographic structure of foreigner and immigrants in Germany." In *Germans or Foreigners?*, edited by R. Alba, P. Schmidt, and M. Wasmer. New York/Basingstoke: Palgrave-Macmillan, 2003.
- Neuackens, D. *Regularization Campaigns in Europe*. Brussels: Platform for International Cooperation on Undocumented Migrants (PICUM), 2001.
- Organization for Economic Co-operation and Development. *Trends in International Migration: Sopemi 2002*. Paris: OECD, 2003(a).
- Organization for Economic Co-operation and Development. *Education at a Glance: OECD Indicators 2003*. Paris: OECD, 2003(b).
- Organization for Economic Co-operation and Development. *Trends in International Migration: Sopemi 2003*. Paris: OECD, 2004.
- Papademetriou, D. and K. O'Neil. "Efficient Practices for the Selection of Economic Migrants." Paper prepared for the European Commission, DG Employment and Social Affairs. Brussels: European Commission; Hamburg: HWWA, 2004.
- Papademetriou, D., K. O'Neil, and M. Jachimowicz. "Observations on Regularization and the Labor Market Performance of Unauthorized and Regularized Immigrants." Paper prepared for the European Commission, DG Employment and Social Affairs. Brussels: European Commission; Hamburg: HWWA, 2004.
- Ray, B. 2004. "Practices to Promote the Integration of Migrants into Labor Markets." Paper prepared for the European Commission, DG Employment and Social Affairs. Brussels: European Commission; Hamburg: HWWA, 2004.

Tijdelijke Commissie onderzoek Integratiebeleid.
*Onderzoek integratiebeleid, Rapport Bruggen
bouwen*. Eindrapport, 28689, nr. 9,
Kammerstuk 2003-2004. Amsterdam: Tweede
Kamer, 2004.

United Nations Population Division. *International
Migration Report 2002*. New York: United
Nations, 2002.

United Nations Population Division. *World
Population Prospects: The 2002 Revision*. New
York: United Nations, 2003.

United Nations. *World Population Prospects: The
2004 Revision*. New York: United Nations,
2004, <http://esa.un.org/unpp/> (last recall
August 16, 2004).



IS IMMIGRATION AN ENEMY
OF THE WELFARE STATE?

BETWEEN HUMAN RIGHTS AND
REALPOLITIK IN EUROPEAN
IMMIGRATION POLICIES

GRETE BROCHMANN AND
JON ERIK DÖLVIK

The welfare state is a central element in explaining the approach to immigration policies in Western Europe. Generous welfare models that embrace all legal inhabitants can be undermined by excessive burdens. This fact requires that some limits be set on the numbers and characteristics of potential new members from outside the state. In extensive welfare states that espouse the principle of equal treatment of all residents, immigration challenges the population's generosity. If large numbers of newcomers are unable to support themselves, it may, in the longer term, affect the sustainability of the welfare system itself. Crucial here is how large a share of those who come is absorbed into gainful employment. Thus, controlling *inflow* into the country — the first gateway to the territory and, by extension, access to welfare benefits — has been seen as a prerequisite for governing a welfare state.

Most thinking in Western Europe since the 1970s has been based on the assumption that immigrants represent a burden on public budgets: They are *consumers* of welfare. The prevailing immigration policies have turned this assumption into a fact. Restrictions on labor immigration have channeled most immigrants through the humanitarian gate, thus generating burdens on the welfare system — at least in the short run.

The fairly recent awareness that an aging society calls for a more liberal labor immigration policy has turned the conventional wisdom about

welfare on its head. It is now widely believed that supplies of foreign labor are necessary to *maintain* economic growth and the level of welfare in a society. This new approach emphasizes the role of immigrants as *producers* of welfare.

Exploring this new paradigm first requires an in-depth look at how immigration may affect the ways European welfare states and labor markets are run, as well as how variations in such regimes may influence the patterns and volume of migratory flows. This chapter will frame the central dilemmas and political mechanisms facing modern welfare states, mapping out their room to maneuver under the overlapping pressures of labor needs, international humanitarian responsibilities, and welfare budget constraints. Using the enlargement of the European Union (EU) and European Economic Area (EEA) as examples, the chapter will then illuminate how changes in border control and free movement of labor within the EU/EEA may influence national strategies for reform of the welfare state/labor market nexus. Finally, the prospect that increased labor immigration from the new EU/EEA states might affect political approaches to admission of third-country immigrants will be addressed, followed by conclusions and recommendations for policymakers. Rather than conducting a detailed empirical analysis, the aim here is to provide a basic analysis of the mechanisms at work and their principle effects.

FRAMING THE ISSUES

Whether increasing immigration represents a threat or a cure for Europe's ailing welfare states depends on the extent to which immigrants become consumers of welfare or net contributors. Their mix of consumption and contribution shifts over their lifespan, and varies between different categories of immigrants, just as it does for the native born. Regardless of the national backgrounds of the population, two issues are critical for the viability of the welfare state. First, people must be channeled into gainful employment. Second, states must counteract the demographic trend towards an ever more unfavorable ratio of workers to retirees and others not in the labor force.

In this context, the issue of immigration is particularly important, representing both an opportunity for swift increases in the labor force (without the costs of education, etc., associated with the native born) and a risk of immediate growth in the number of welfare recipients. As such, immigration is a high-stakes game that heightens the inherent challenges of welfare state/labor market reform in most EU countries. Because various kinds of immigration (e.g., asylum seekers versus labor migrants) are likely to weigh differently on the sides of the cost-versus-revenue budgetary equation, new links and interdependencies are being created between internal labor-market-cum-welfare-state policies and external immigration policies. This is magnified by migrants' choices of particular destination countries,

choices that are influenced by a country's specific mix of social provisions, civic obligations, and employment opportunities. This implies that a given country's ability to attract or deter specific groups of immigrants depends not only on its domestic welfare and labor-market policies, but also on those of neighboring countries.

The addition of ten new states to the EU on May 1, 2004, opened the possibility of free movement of labor, services, capital, and goods within that zone, spotlighting potentially sensitive questions about the relationships among individual states' and the EU's policies to accommodate migration from both inside and outside the EU/EEA area. Although cross-border labor mobility in the EU has remained low throughout previous phases of enlargement, the phased abolition of labor-market frontiers between the poor and rich sides of the former Iron Curtain is making Europe into a historically unprecedented laboratory for "globalization on one continent." Given their gaps in income and welfare benefits, geographical closeness, existing migration "bridges," and the proximity of cultures and language, the reunification of European labor and product markets has opened new and unpredictable trajectories for migration of labor, services, and companies. The prospect of extending the EU to countries such as Croatia, Romania, and Bulgaria — let alone Turkey — will further accentuate this unpredictability.

The existing welfare state/labor market regimes in Western Europe

are precariously balanced due to problems of competitiveness, budgetary deficits, unemployment, and social exclusion. In that context, even limited flows of companies and labor may have a significant impact on the viability and scope for renewal of Europe's post-war welfare states and class compromises. The first instance of such an impact may appear when such flows transform the links among migration, welfare, and labor policies into a burning issue in the development of national adjustment/reform strategies. The next impact may be manifested in the risk that competition among individual states' welfare state/labor market regimes could produce unintended aggregate effects on a European scale. Both scenarios suggest a need for improved transnational coordination across these policy fields. The EU Communication on Immigration, Integration, and Employment (COM 2003) is a first and promising sign that a new approach may be in the making when it comes to more comprehensive approaches and coordination.

So far, European research in this realm has been marked by a lack of exchanges among scholars studying migration, labor relations, and welfare-state policies. European political debates in recent years increasingly have focused on the need for reforms to the labor market/welfare state nexus in order to get more people into gainful employment and reduce the numbers living on public benefits. These have been central issues in the EU employment strategy and the high-profile Dutch and Danish reforms in the

1990s, emphasizing training, active labor-market schemes, in-work benefits, and elimination of easy access to welfare as key elements of raising labor market participation. However, the links between such domestic policy reforms and external policies for migration have been subject to little systematic deliberation.

An important impetus for the recent shift towards more restrictive immigration policies in Denmark, the UK, and the Netherlands, among other countries, stems from the public's panic over revelations of the extent to which many communities, particularly of refugees, are unemployed and dependent on social welfare. This situation, in combination with the prospect of increased migration from the new Member States driven by a search for work and possibly welfare benefits, calls for more comprehensive approaches to the study of social integration. The most productive focus would be on the interplay among policy developments in the fields of migration, labor market, and welfare state reform.

Such approaches will also have to take into account the two-level interplay between policy developments at the national and European levels. This is especially so given the contingent relationship between the elimination of internal EU/EEA frontiers and the control of external borders with third countries. The scope for national policy reform thus becomes increasingly dependent on the concurrent choices of fellow countries.

THE NATIONAL SETTING

Today, many unemployment-ridden Western European welfare states find themselves in a paradoxical situation, with some sectors in need of labor that is hard to find at home, and sometimes even internationally. While this is partly due to structural constraints, it is also due to competition for labor among Western countries. Authorities are under pressure from trade and industry to liberalize immigration policies. At the same time, asylum seekers are constantly arriving, often to be joined by family members. Although the labor market is, in principle, irrelevant when processing asylum applications, it is nevertheless crucial to the economic integration of those asylum seekers and refugees who are accepted for long-term residence.

In this context, authorities are confronted with a mismatch between immigrant supply and demand. Those who actually come are often not the ones needed: Either they have the wrong qualifications, or — if they should match — retaining them depends on approval of their asylum application. A third category — unregistered or unauthorized migrants — may be working illegally, thus neither contributing to nor being protected by the welfare state. If they are detected, they should in principle be sent out of the country (unless they are offered an amnesty — a policy only applied in some countries). Thus, receiving countries do not get the labor they want, while many of those who actually come cannot be incorporated productively

for various reasons. This illustrates how today's welfare states are torn between humanitarian responsibilities and economic imperatives — the contradictory situation European welfare states must act upon in the near future. The following are some factors that must be taken into consideration:

The interplay between admission and integration. Social-welfare approaches and immigration flows are closely related, yet it is not always clear how their relationship operates in practice. Changes in general welfare policies may affect actual flows of migrants, in terms of both control policies and integration measures. On the other hand, immigration policy and immigration flows may influence the welfare policies of receiving countries. It appears that the basic approach to welfare — i.e., the particular welfare-state regime formed historically through institution-building — does significantly affect the range of options available for policymakers in different countries. The path dependencies of historically formed welfare policies limit the scope of structurally possible and politically legitimate action in each context. This is true to a certain extent, yet even path dependencies encounter dead ends when external pressures reach a certain strength, or internal contradictions completely drain the system.

Immigration policy is generally divided into two main spheres: an external sphere of *admission* (who is given the opportunity to enter the country), and an internal sphere of *rights*

and possibly *integration* (what terms entrants are offered).

Politically and legally, these spheres are usually treated separately. Regulation of admission to a country is closely connected with the nation-state's historical right to control its territory. Civil, social, and political rights for aliens who settle in a country are closely linked to the country's long-term general development as a *rechtsstaat* — a state ruled by law. Modern welfare states have further-developed policies to promote *integration* — a genuine incorporation of aliens into the community beyond the granting of rights pure and simple.

Developments in the wake of the so-called “new immigration” (i.e., from countries outside the Organisation for Economic Cooperation and Development (OECD) from the end of the 1960s onwards) brought to light an extensive and complicated interplay between the two main spheres of immigration policy. The political space between the external and internal spheres has developed into an arena for unforeseen consequences that governments throughout Western Europe have had problems facing. Although the external and internal spheres are still generally dealt with separately in legislation, and their interfaces are difficult to regulate, it may be useful to examine the mechanisms operating between them.

The basic structure of immigration policymaking. At the start of the 1970s, the issue of integration of

immigrants received growing attention in Western Europe. Immigrants who could not be encouraged to return to their home country, and who could be expected to wish to remain in the receiving country, had to be incorporated into the community. The “immigration stop” introduced in many receiving countries early in the 1970s was in the form of a dual strategy: Authorities would apply strict regulations to prevent or limit new immigration, and concurrently take steps to improve the adjustment of immigrants who had come to stay. This dual strategy was first announced in France, but soon set the tone for other Western European countries. The justification for the dual strategy was the presumed causal connection between external control and conditions for integration: A successful integration policy was said to depend on strict entry control. Conversely, free immigration was viewed as a threat to peaceful coexistence among groups of the population.

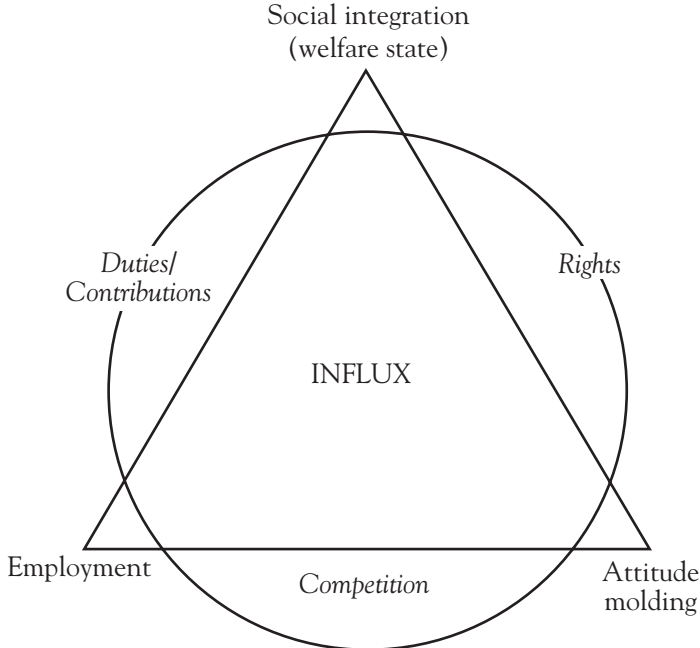
This dual strategy reflects both *realpolitik* and rhetoric. Free immigration *may*, under certain conditions, threaten the community by undermining central-government regulation of the labor and housing markets and impeding social planning in general. In the longer term, free immigration may alter the premises underlying the type of welfare state built up in Western Europe since World War II; more permanent segregation of the population along ethnic lines may threaten social and political stability in the community.

The dual strategy's rhetorical element refers to the "moral compromise" inherent in it: Declarations of intent to stimulate integration of established immigrants may function as a *legitimization* of stricter immigration policy. Over time, a growing number of increasingly complex connections have become clear in the wake of changed migration patterns, and not least as a result of European integration.

Rights and restrictions. Economic and social rights are mainstays of modern welfare states and play an important role in the successful realization of the ideals of the *rechtsstaat* for all members

of such states. Concurrently, the welfare state's need to control its geographical boundaries increases in step with new rights given to newcomers. It is here that the basic tension exists between entry control and conditions for immigrants' lives in welfare states. The modern *rechtsstaat* is required by international agreements to give lawfully established immigrants the same treatment as its own citizens in terms of most civil and social rights. Two further factors play a part and set premises for policy development: first, *labor market dynamics*, and second, *public education* of the population when it comes to immigration and multicultural societies.

THE BASIC STRUCTURE OF IMMIGRATION POLICY



Over and above this, many welfare states have formulated an *integration* policy addressed to lawfully established immigrants, designed to promote an integration process in the community and to improve immigrants' opportunities to realize their rights. This policy generally covers an array of areas with a bearing on immigrants' situation in a receiving country, such as labor market schemes, social care and general welfare, education, language training, support for NGOs, and so on.

Efforts to incorporate newcomers into the economy and the constitutional state have become a consequence of the welfare-state model. Good welfare states do not tolerate significant elements of persons or groups who fail to make the grade, disturb the regulated world of work, or burden social budgets. If the political framework of the welfare state is to be maintained, new inhabitants must be made a part of it through inclusion in work and society. Once new immigrants are lawfully present in the country, they should be integrated for the good of themselves and the community. Hence, important societal considerations underlie the country's policy of integration of new members, in addition to humanistic principles in the form of rights and norms.

Immigration policy since the 1970s has operated in a somewhat contradictory way; immigrants are not desired at the outset, but if they manage to enter anyway, they must somehow be incorporated. The responsibilities of the state go further still — it must lay the basis for a positive attitude in the

general population in order for the integration project to succeed. It must, in other words, win support for this policy, through "public education."

At the same time, a country's direct or indirect integration policy may bear on the number and type of immigrants who come. A duality or dilemma is inherent in a state's granting of rights and welfare benefits to newcomers. While these goods represent a desirable and necessary aspect of *rechtsstaat* principles in modern welfare states, in many contexts they are also a premise for the success of the integration policy. In addition, generous integration conditions may constitute a *pull* factor for potential immigrants. Making integration difficult is counter-productive to political stability and immigrants' functionality in society in the long term, while appearing necessary in the short term to avoid a "magnet effect."

In this context, differences in conditions between countries have acquired increasing significance. Within a region such as the EU, where immigration policy is in general restrictive, marginal differences in the package of rights/benefits and duties/contributions may have major effects on the influx of immigrants. Welfare-state regimes based on universalism and taxation are more attractive and vulnerable in this regard than more insurance-based regimes that offer benefits according to previous input. In recent years this duality — i.e., the presumed or *de facto* interplay of control and rights — has heavily affected policy development in the sphere of immigration throughout Western Europe.

Family reunification is an example of a policy area where varying degrees of generosity can be a means for countries to make themselves comparatively more or less attractive to certain immigrants. However, the calculations involved in liberalizing or restricting family-reunification rules pose a problem for Western Europe's policy-makers. On the one hand, some Western European authorities have characterized family reunification as an increasingly important channel for fraudulent migration, which would argue for more restrictiveness. On the other hand, in terms of *realpolitik* (i.e., control), established immigrants cannot be expected to adjust to society easily if family members are denied residence. Furthermore, in terms of humanitarianism (i.e., rights), the universal human need to live with one's family is protected by international conventions.

The September 22, 2003, approval of the EU Directive on Family Reunification for Third Country Nationals (Council Directive 2003/86/EC) does only a partial job of smoothing out variations in family-reunification policy, as it only prescribes minimum standards. While preventing a "race to the bottom" by states trying to deter immigration by tightening restrictions, the directive may encourage the more generous states in the EU/EEA to sink towards the median/minimum standard. This may, nevertheless, increase uniformity of family-reunification rules in the longer run, and thereby also reduce the "pull effect" of this policy area.

Visa policy for visitors has similar features: The opportunity to receive visits from close family members or friends can be seen as an important measure of life quality and hence ability to adjust, although the interplay is probably weaker here than in the case of family reunification. However, the potential for defection (visa overstaying) is regarded as high in many cases, prompting restrictive practices. The EU has already established a common policy in this area, restricting national scope for discretion. Extensive immigration to the EU area from countries assigned to the "defection-risk category" makes for a problematic situation: The fact that significant sections of the population are affected by curbs on opportunities to receive visitors gives food for thought. Based on this logic, the potential for further immigration rises concurrently in proportion to increased immigration, in a self-reinforcing manner.

Amnesties or **regularization** extended to people not lawfully resident in a country have in some cases involved several hundred thousand people at a time. These amnesties — which in many ways are a governmental *admission of defeat* in relation to frontier controls and labor-market regulations — have their own rationale. Authorities have tried to "legalize" the sizeable clandestine labor market in a bid to get an overview of the situation, bring order to working conditions, and improve immigrants' opportunities for integration and inclusion in welfare-state arrangements, generally speaking. However, the repeated amnesties are

an unequivocal message to potential new immigrants that anyone who succeeds in entering the country will eventually have a good chance of being allowed to stay.

Amnesties have been a *national* policy in the countries in question. However, EU integration means that the amnesties have indirect relevance to other member countries, to the extent that the volume of immigration increases to the EU as a region, and that the pull effect towards potential unauthorized migrants is maintained.

An important lesson to be learned from the immigrant amnesties in Southern Europe is that control of irregular immigration is hard to achieve without addressing structural aspects of the labor market. Alongside entry control and international police cooperation, facilitating access to regular employment and imposing fines on employers and their intermediaries are relevant aspects of a policy for overcoming illegal immigration.

The increase in illegal immigration is one of the unforeseen consequences of the “immigration stop” in the 1970s. The more difficult it is to enter Western Europe *legally*, the greater the number of people who attempt to do so illegally. In addition, the greater the risk associated with illegal immigration, the larger the profits reaped by those acting as intermediaries.

While Western European countries have pursued a restrictive policy on labor migration since the 1970s,

alongside high labor costs and extensive labor rights, the *de facto* demand for cheap, poorly qualified labor has acted as a pull factor for immigrants.

Irregular immigration usually brings uncertainty and turbulence to the labor market, which in turn may make it more difficult for lawfully established immigrants to obtain registered employment and be recognized as full citizens. This again has specific consequences for advanced welfare states, where an orderly labor regime is one of the basic preconditions for the operation and maintenance of the system.

Incorporating new members of society into the regular labor market relieves public welfare budgets and can *stimulate* economic growth. For immigrants as well as other citizens, the labor market can also act as a springboard for individual *social* integration. Conversely, unemployment regularly leads to marginalization and strains on public budgets. These are familiar mechanisms to the population in general, but their effect is probably even greater for immigrants, many of whom have developed fewer alternative resources for survival in the new society.

The question of integration in connection with unauthorized immigrants has both formal and substantive aspects. The absence of rights in the form of various kinds of social support, service facilities, and other welfare goods constrains these immigrants’ integration in the receiving country. On the other hand, irregular immigrants may *de facto* be relatively well integrated into

their particular niche of society by virtue of employment and residential setting. In many cases, they may even be better integrated than refugees and asylum seekers, who often remain in reception centers for long periods of time without employment.

Hence there is a complicated interplay among entry control, labor-market structure, potential social rights, demand for foreign labor, and integration opportunities. In the national context, labor market dynamics — reflected in the type of demand, wage structures, extent of unemployment, and size of the illegal market — will affect the scope and composition of immigration, and, conversely, actual immigration will affect the labor market. Consequently, entry control and internal control will (directly and indirectly) affect labor-market dynamics, at the same time that the regulations and structure of the labor market are important premises for effective control and integration. On the other hand, restrictions on lawful entry have often led to illegal immigration. Moreover, restrictive policies often cause people who would otherwise have returned home to choose to stay, i.e., an integration problem may arise as an indirect consequence of a restrictive control policy. There is thus a complex relationship between regimes of employment regulation and the pattern of immigrant integration in the labor market. In regimes with strict employment protection, high labor costs, and compressed wage structures, immigrants (with assumed low productivity) tend to face high entry barriers

and consequently often end up in informal segments of the labor market. In liberalized labor markets of the Anglo-American kind, in contrast, entry into legal or illegal work is often easier but many immigrants end up in unstable, low-paid jobs and are overrepresented among the growing underclass of the working poor.

Overarching this whole complex picture is the issue of “public education”: the population’s interpretation of the situation and the rules, the political support and steps taken, and the population’s actual receptiveness to newcomers who wish to be integrated.

This issue has become increasingly salient and disturbing in Western Europe. Real problems and phantoms are mixed together among the public, and translated into broad generalizations and stereotyping. This affects foreign-looking or sounding people at random, and feeds policymaking in ways that are hard to fully grasp.

As long as the major concern of policymakers was how to keep people out — as was the case after the stop-policies of the 1970s — popular support for restrictions was necessary and tolerable, as long as it did not take violent or aggressive forms. Politicians, on the other hand, were pushed in an even more restrictive direction by increasingly negative public opinion, particularly after the fall of the Iron Curtain, and the alleged prospects for mass immigration from Eastern Europe. Yet, when *attracting* foreign labor now becomes an issue alongside the urge to

keep unwanted immigrants out, policymakers are enmeshed in communication problems.

Today, the fact that selective frontier controls are in place that regulate categories of immigrants renders this dual message unclear for most people. This is compounded by the fact that to most people, the specific category to which an immigrant belongs is not immediately obvious. Popular interpretations are, furthermore, sensitive to shifts in the labor market and unemployment in particular, fueling perceptions of rising competition for jobs and growing immigrant welfare dependency. As employment growth is considered both a result and precondition for successful integration of immigrants, politicians face an uphill battle to convince the public that long-term gains from immigration justify the short-term costs, whether real or perceived.

In addition, where *integration* is concerned, public opinion can play a role that is full of contradictions. Public opinion may become intolerant and xenophobic not only when welfare conditions are so (relatively) generous that they act as a pull factor, but also when discrimination and exclusion, depending on welfare provisions, create large marginal groups in society.

REFORMING THE WELFARE STATE

These very basic dilemmas have confronted European welfare states to different degrees, depending on societal

structures, institutional arrangements, and the history of immigration in terms of magnitude and duration. Over the last 30 years, and increasingly since the beginning of the 1990s, most of these states have tried various ways of curtailing immigration. Several countries (e.g., Germany, the UK, France, the Netherlands, and those of Scandinavia) have tried in recent years to compensate for their loss of control over access and residence in their territories by diversifying immigration regulations, making them more specific in terms of defining series of categories entitled to very different sets of rights (and subject to different policies). These distinctions of categories of migrants have come along with attempts to reduce access to national territory, in tandem with fewer or shrinking entitlements and permits. In addition, tests of newcomers' economic means have become more common, hand in hand with measures that reduce assistance, leaving many immigrants with only basic provisions.

These more restrictive policies take many forms. Some countries deny asylum seekers a work permit while their applications are being processed. In others, financial support has been reduced and is increasingly delivered as benefits in kind; in still others, reception facility standards have been simplified and internment has been introduced as a policy instrument. In Austria, for example, family reunification is part of the general quota system; applications for reuniting families after the completion of the annual quota are not taken into consideration.

The Scandinavian countries' experiences with welfare and asylum seekers are particularly illuminating. Swedish authorities found their country's generous image abroad to be such a problem that in the beginning of the 1990s, they felt compelled to actively — and possibly more forcefully than others — demonstrate the will and power to limit the number of asylum seekers. The burden on the already drained welfare system was considered too heavy. Sweden, despite having implemented a more restrictive policy, today still represents one of the most generous welfare states in relation to asylum seekers.

For its part, Denmark has been in the forefront of far-reaching reforms, making changes both to welfare for immigrants and to its Foreign Law. Denmark was actually the Scandinavian country with the most generous welfare system before the reform process began in the 1990s. Eligibility requirements were much weaker than in Sweden and Norway. The level of support was also somewhat higher, creating disincentives for marginal groups to work.

In all three countries, income transfers through the public-support system have disproportionately gone to immigrant groups. The fact that newcomers to the labor market have earned weak rights in insurance systems (i.e., have had meager possibilities to pay the premiums, and therefore do not qualify for this support) has put pressure on noncontributory provisions such as *social assistance* (which most often means less money and less security). This has become a major burden on

welfare budgets in all three Scandinavian countries, and it is also used as an indicator of the failure of integration policy. In Denmark, before the reforms in 2002, 35 percent of the public social assistance went to non-Western immigrants, both first and second generation, who constitute only 5 percent of the population. The equivalent figures for Sweden are 50 percent to 11 percent of the population, and in Norway the equivalent figures are 34 percent to 4.5 percent.

In response to this growing dependency on transfers, most Western European countries in the 1990s strongly emphasized compulsory participation in employment-activation schemes, training, and workfare programs. In Denmark, such measures were successful in reducing general unemployment in the 1990s. In 2002, the Danish government implemented a number of new, targeted reforms aimed at 1) reducing the number of foreigners arriving in Denmark; 2) ensuring that newcomers are to the largest extent possible self-sufficient, rather than burdening the welfare system; and 3) curtailing arranged marriages and forced marriages partly blamed for facilitating immigration fraud. It is too early to evaluate possible concrete effects of these reforms.

The most striking adjustments made under the Danish reforms included eradicating the category *de facto refugee*, i.e., only giving protection to refugees under the 1951 Geneva Convention relating to the Status of Refugees. In addition, to be able to

marry a foreigner, both partners now need to be older than 24, and their combined attachment to Denmark needs to be stronger than to their country of origin. This is estimated by the authorities according to mixed criteria. The reforms also added requirements for the applicants' economic capacity to support themselves with a decent standard of housing, as well as a bank guarantee of Dkr 50,000 to cover any sort of public assistance needed for the foreign spouse. Permanent residency will only be given after seven years (a change from the previous three-year requirement), conditioned upon knowledge of Danish and a clean police record. Social assistance will be differently distributed, and full rights will not be given before seven years of residency.

Sweden and Norway have so far not followed Denmark in these specific reforms, although the general tendency has been more restrictive even there. Norway is extensively revising its Foreign Law, with further restrictions likely to appear. The purpose of these tightening measures is clearly to discourage the arrival of asylum seekers and family members of established immigrants.

In welfare states there are, however, limits to the rationality of cuts. An intrinsic part of the welfare system is also control and supervision. The very same welfare state that allocates rights to citizens and residents (and to a certain degree also to immigrants without permanent residency) can also control and restrict the movement and actions

of newcomers. Providing social rights is also a way of managing marginal groups and monitoring those who are residing in the nation's territory temporarily or more permanently. States that refrain from providing or cut back material support to immigrant populations simultaneously relinquish many of the government's chances to keep tabs on those same immigrants. In Germany, an amendment aimed at ending support for asylum seekers was turned down based on such reasoning. The support was subsequently reduced, instead. In other places, material support is used to direct asylum seekers to specific geographical areas due to labor needs or housing considerations. In Italy, in contrast, where public welfare is very limited and asylum seekers are not allowed to work, there is a clear likelihood of such immigrants finding illegal employment.

Another limit pertains to the question of integration, as discussed earlier: In many cases, these new welfare cuts and restrictions create obstacles to the very integration that these societies may seek in the long term. Cuts in language training, daycare for children, social assistance, and so on, are clearly not conducive to inclusion in society.

The process of restricting access to welfare benefits has accelerated rapidly in the last five years, and have been trying to accommodate the very mixed and contradictory concerns of most receiving countries in Western Europe. On the one hand are demands for certain kinds of labor; on the other are efforts to reduce what are perceived as

excessive flows of asylum seekers. These reform processes were well under way when the question arose of the EU's eastward expansion.

INTERPLAY OF NATIONAL AND EU LEVELS

Immigration policy in the EU (along with Norway and Iceland, two countries of the "Schengen" treaty area of eased cross-border movement for signatories' nationals) is under pressure on two fronts. On the one hand, there is rising pressure from the national control complexes — the places where entry control, integration efforts, labor market conditions, and public opinion combine to set the premises for what kind of policy can feasibly be pursued. On the other hand, EU quarters are pushing for stronger coordination and supranational control. The governance of immigration policies in the EU thus entails a twofold coordination challenge, reflecting on one side the growing horizontal interdependence of national immigration policies, and on the other, the vertical interaction between national and EU-level policies.

The complicated dynamic between integration and control sets the framework for nation-states' planning and policy development. At the same time, the nation-states are confronted by forces outside this dynamic, and have to take into account the policies of the other Member States as well as common European commitments. The international context sets the outer parameters for political action, boundaries

that increasingly constrain national policy formation. Since the respective nation-states' actions have consequences for other states' maneuvering room, and for any common inter/supranational political development, immigration policies are becoming increasingly Europeanized.

The establishment of the single European market and the eventual abolition of border controls within the Schengen area imply that market forces, to a larger degree than before, will determine migration flows across the EU region. By allowing free movement of persons and labor in the EU/EEA, the nation states have in practice relinquished control over intra-EU/EEA migration flows. This represents a radical break with the thinking and practice that have dominated the migration sphere in recent times, i.e., the sovereignty of the state in relation to its territory and population.

So far, mobility within the EU has been limited. With the extension eastward, this may change — at least in the short run, before the new Member States have closed part of their earnings gap in relation to the existing members. The opening of new avenues for immigration from the new Member States may stimulate contradictory dynamics of regime competition among the old Member States, be they to attract, divert, or control labor flows from the extended EU area. For single Member States, the enhanced potential for labor immigration from other EU states may, in turn, trigger a tightening of policies towards third-country immigration.

For the EU as a whole, the effect of such national adjustments may entail a twofold set of unintended consequences. First, there may be an undesired reduction in external immigration flows at a time when the aging and shrinking of the EU labor force would suggest the opposite. Second, a competitive dynamic of poaching and reshuffling of labor among the Member States may take place. Accentuating the links between internal and external control policies, such dynamics will strengthen the case for coordination at the European level. A possible third consequence may be that attempts to accommodate (short-term) inward labor migration become associated with the retrenchment of national welfare-state schemes, in effect impeding the long-term integration of third-country immigrants.

ENLARGEMENT — CATALYST FOR WELFARE AND LABOR REFORM?

The transformation of the EU from basically a club of rich, advanced welfare states to an arena for “globalization on one continent” implies a significant shift in the external conditions for national labor-market and welfare-state policies. Never before has there been such a simultaneous opening of the markets for capital, goods, services, and labor among highly developed industrialized countries and underdeveloped, transitional economies. Contrary to their original promises (to open up from day one), all the “old” Member States, except Sweden, the UK, and Ireland,

thus eventually chose to apply transitional arrangements allowing for a controlled, phased introduction of free movement of labor *vis-à-vis* the eight new Central and Eastern European Member States until May 1, 2011. This instance of policy imitation underscored the growing interdependence of national policies in this realm. As regards the mobility of labor associated with cross-border provision of services, however, no transitional arrangements apply. This implies that service providers from the new low-wage Member States can bring their own workers and compete for temporary contracts in the old high-wage states.

The new trajectories for company and labor migration opened by this event may represent a crystallization of the internal and external challenges facing the advanced European welfare states, possibly serving as a catalyst for change. Whether enlargement will prove a threat or a cure for these ailing regimes is a matter of dispute and uncertainty, reflecting the fact that even minor changes to policy may sometimes cause big differences in outcomes. Given the precarious internal balance of the existing welfare state/labor market regimes in Western Europe, even limited migratory flows of companies and labor may disturb the balance of the post-war social compromises.

In a Western European context, rising outflows of capital and companies may eat into the revenues of already deficit-ridden welfare states, while at the same time adding to the cost side by increasing unemployment. The pos-

sibility of outsourcing production and serving domestic customers from close and cheap havens in the new Europe may improve company competitiveness but strain domestic production and employment. Although expanding markets and growing direct investment flows into these countries may also stimulate domestic export production, the capital “exit threat” is likely to strengthen employer and political demands for tax relief, labor-market deregulation, and reduction of labor costs, potentially narrowing the tax-base of the welfare state. Many of the new Member States make no secret of their enthusiasm for tax competition as a means to attract foreign investment and boost domestic growth. Hence, the long-disputed mechanism of regime competition may eventually be set in motion by enlargement, adding to existing pressures to roll back the welfare state.

The dynamic link between the effects of capital and product-market integration, on the one hand, and migration, on the other, is the labor market, which plays a twofold role. First, it offers the option to take advantage of the untapped sources of often high-skilled, low-paid labor in the new Member States. This may, as mentioned, stimulate outward company migration and import of labor-intensive services. Conversely, the welfare gap and high unemployment in the new Member States may encourage westward labor migration.

The prospect of increased immigration of Eastern European labor may, from

the Western welfare states’ point of view, represent both opportunities and risks. In the long run, increased labor migration may help to fill the demographic gaps in domestic labor supply, but the parallel aging of the population in the new Member States indicates that the potential will be limited (and may pose ethical problems with regard to drainage of scarce human capital needed for the reconstruction of these countries). In the shorter term, the picture is more complex. If company emigration turns out to be the scenario, then stagnating labor demand in the private sector of the West, combined with increased labor supply from the East, may prompt tougher competition for jobs. Combined with a growing supply of cheap services from the East, this could, in turn, impede the inclusion of marginal domestic groups and third-country immigrants in the private-sector labor market. Growing labor immigration may, on the other hand, make it easier to fill labor shortages in public welfare and care services.

Although there are considerable uncertainties regarding the balance of labor demand and supply in the short to medium term, enhanced inward migration may, in combination with the impact of regime competition, strengthen the employer’s hand and exert pressures on existing standards for wage and working conditions in certain labor-market segments. Nevertheless, increased labor immigration is likely to be positive for economic growth and hence for the financing of the welfare state.

TRANSITIONAL ARRANGEMENTS, SHORT-TERM CUT-BACKS, AND LONG-TERM RETRENCHMENT

Whether such gains will balance increased burdens on the costs side, however, is not as crystal-clear as is often claimed in official parlance. The generosity and high level of welfare benefits in most Western welfare states, combined with the principle of equal treatment of EU/EEA citizens in this regard, may act as a pull factor for immigrants. The gate of entry here is, once again, the labor market. The transitional arrangements, which are to be phased out in two to seven years, ensure the right to come to most countries and search for a job for six months. The usual formula is that a temporary work/residence permit is granted if a full-time job with host-country pay is obtained. After one year of work, the EU rules on free movement of labor and social security fully apply. The signing of a work contract then opens the way for long-lasting legal residence, including for the extended family. In the case of involuntary loss of work, sickness, workplace accidents, or a shift to work-related education, the residence permit is to be extended, along with the right to partly portable social-security provisions. When the transitional arrangements are phased out, there are, according to European Court of Justice jurisprudence, very modest thresholds concerning the kind of job required for obtaining a residence permit. Entry through a minor, short-term job might thus represent a tempting avenue towards

qualifying for long-term rights in the Western welfare states.

In reality, individual labor immigration proved quite modest during the first eight months following the new Member States' accession in 2004. In the fully opened Swedish labor market, for example, only some 3,000 workers from the new Eastern European Member States found a three-month job qualifying them for a residence permit. Yet the number of short-term and seasonal workers was presumably higher, as indicated by the Norwegian case, where some 25,000 workers (mainly from Poland and the Baltic states) registered in 2004, of which 7,000 had obtained a job for more than three months. It is not clear, however, what the workers in short-term positions would do when the job was over. In England, some 90,000 workers from the new Eastern European Member States registered during the first seven months after May 1, 2005, of which roughly 40 percent had already been present on an illegal basis. Although registered labor inflows during 2004 were modest, governments are closely monitoring developments, partly due to uncertainty about the magnitude and character of unregistered migration. In the Nordic countries, at least, authorities also seem better prepared to crack down on illicit work and misuse of welfare benefits.

Furthermore, in most Northern European countries, governments have been busy figuring out how eligibility requirements can be reviewed in order to prevent undesired welfare tourism

after the transitional arrangements are finished. In Denmark, for instance, it was proposed that only tax-paying citizens should be entitled to social benefits, but the idea was dropped because it collided with international human rights. At the same time, thresholds and time limits are being introduced in the basic social allowance system, alongside changes to generous, exportable financial schemes for supporting the children of employees. Similarly, critics in Norway would like to see such schemes converted into tax relief or territorially bound subsidies for child-care services. In several countries, e.g., Germany, Norway, and Sweden, the eligibility criteria for obtaining sick pay and unemployment benefits have been tightened; in Denmark, laid-off workers from new Member States have been denied unemployment benefits. Such measures illustrate how even prospects for limited labor/welfare immigration can cause significant concern and trigger potentially important changes in the universalist principles of formerly inclusive welfare states.

The flipside of measures to restrict labor immigrants' access to welfare consumption is, however, that they interact with and tend to give direction to ongoing reform processes designed to tackle the inherent imbalances of the welfare states themselves. It is too soon to assess the overall impact of this interplay, but it seems plausible to expect strengthened pressures for the introduction of more elements of targeting, thresholds, eligibility tests, and required previous

contributions in accordance with the insurance principle. Given the EU principles of non-discrimination, such reforms will have to be given general application and will thus also affect the access to Social Security of national citizens and third-country residents. The asylum seekers among the latter group will be particularly vulnerable in this respect.

Furthermore, the outlined interplay between internal and external pressures for reform is likely to have the greatest impact in the most inclusive welfare states, i.e., the universalist, tax-based regimes in Scandinavian countries. This may, in turn, promote convergence in the direction of the less inclusive, contribution-based systems.

Besides, most EU countries have in recent years been turning towards more activation-oriented welfare policies based on compulsory participation in employment schemes, training, and workfare. This is in accordance with the Nordic tradition of an active labor-market policy, now also incorporated into the European employment strategy. One example is the contested reforms of the German welfare state, according to which the duration and size of unemployment benefits have been cut, pressure to accept "offered" jobs has been strengthened, and the retirement age has been raised.

The corollary of the shift towards a "workfare state" is the ongoing struggle over the reform of European labor markets. While there is broad consensus about the need to improve the

adaptability and inclusiveness of European labor markets, the issue of deregulating labor markets and industrial relations remains a flash-point between capital and labor, right and left. With still relatively high unemployment and low employment rates in many EU countries, especially among women and elderly workers, increased labor immigration and mobility of services is causing concern in many camps, not least among organized labor and its allies. While the European Trade Union Confederation has been a stealth supporter of enlargement and the opening of labor markets from the first day of the latest EU expansion, many national trade unions have complained that increased provision of cross-border services delivered by underpaid workers posted in their countries has led to social dumping and put pressure on existing labor standards and collective agreements. Concerned voices are sometimes also heard from corners of the employer camp, complaining that Eastern European service providers can put them out of business.

THREE SCENARIOS

From the perspective of labor-market and industrial-relations governance, the opening of a common labor and service market spanning two regions once separated by the Iron Curtain raises profound challenges, especially in the encompassing high-cost, high-standard Northern European regimes. Uncertainty is high because of an East-West gap in labor costs and

welfare that in many ways reminds analysts of the chasm separating the United States and Mexico.

The challenges to national employment conditions have, at least thus far, been much less associated with the fairly limited inflows of individual job seekers than with growing short-term mobility of workers tied to cross-border provision of services, construction projects, and the like. The EU Directive on Posting of Workers (COM 96/71EC) stipulates that service providers from abroad must respect certain minimum labor standards of the host country, and, if specific legislation is in place, pay minimum wages set by statute or generalized collective agreements. In the Scandinavian countries, however, such practices are alien and the unions have relied on direct action to compel foreign employers into national collective agreements. This tradition was recognized when Sweden joined the EU in 1995. But when a Latvian firm building a school in Sweden recently became stalled by union action, the Latvian government and trade unions accused Sweden of breaching EU principles of freedom of movement. The Labor Court ruled, however, that the union action was entirely lawful. Regardless of rules, it is indeed a demanding task for unions and/or labor inspectorates to monitor companies and conditions in fluid transborder construction markets and service-delivery chains. In practice, foreign companies therefore often reap competitive advantages by paying their employees home-country rates. With wages in the new Member States

averaging anywhere from a seventh to a tenth of those in the West, radical changes in the terms of competition for contracts and jobs are thus unfolding in certain markets for services. Short-term supplies of foreign labor can also be provided by temporary work agencies and hiring firms, opening new avenues for revolving-door labor migration.

Such temporary imports of cheap labor represent an attractive option for host-country companies (which can replace expensive domestic staff) and for Eastern European workers who can obtain higher wages than at home. The host country, furthermore, stands to avoid incorporating such workers into the system of welfare-state rights. Besides domestic unions and workers in the affected branches, who face the risk of diminished wages, fewer job opportunities, and more limited bargaining power, the most likely losers are subdelivery companies in the host country. Vulnerable branches are typically construction, cleaning, catering, home services, and restaurants.

If the supply of labor and services from the Eastern European Member States proves to manifest itself in the same niches in the market where established immigrants already operate — as it may seem — EU immigration will also pose a competitive challenge to these groups. If this happens, it may weaken the position of groups that are possibly the most vulnerable to marginalization in the labor market, thus reinforcing their dependence on welfare.

With respect to the impact of enlargement on national labor relations, three stylized trajectories can be envisaged. In the first, imports of cheap Eastern European labor and services are exploited to circumvent national collective bargaining agreements and undermine unionism, serving as a Trojan Horse for fragmentation and the Americanization of national labor markets. In the second, the external competitive pressures spur factions of national business, labor, and politicians to unite in attempts to protect their common interests through re-regulation and stricter control of employment along a path of tripartite renationalization. In the third, the reunification of European labor and service markets sounds the death knell of the nation-state as a framework for labor market governance and triggers initiatives to forge a broader Europeanization of collective organization and regulation of employment. Hence, much like the case of the welfare state, the external opening of the labor market accentuates contested issues as regards the direction, pathways, and levels for internal reform in labor market governance. This also poses difficult questions about the boundaries of solidarity and the interplay between national and European policies in counterbalancing (or re-embedding) market forces.

To date, attention seems overwhelmingly concentrated on national responses. In most countries, the transitional arrangements are assigned to secure host-country conditions for individual employees. There is also a common thrust towards development

of more stringent regimes for controlling and monitoring the granting of work-based residence permits for EU citizens, alongside strengthening of labor and tax inspectorates. Also in the works is better statistical monitoring of labor-market developments, wages, and working conditions, in order to ensure that safety clauses can be activated in case of imbalances. In Norway, for example, a legal mechanism for the generalization of collective agreements has been invoked for the first time, aimed at preventing social dumping by foreign providers on seven large-scale construction sites in the petrochemical industry. The external liberalization of labor and service markets has thus prompted tendencies towards internal re-regulation of national labor-market governance. But it remains to be seen whether such attempts will suffice to regain national control or rather will be hollowed out by growing streams of cross-border mobility.

SCOPE FOR ACTION AND RECOMMENDATIONS

This chapter draws attention to three facts: First, the labor market is the main gate of entry to the national complexes of work-based welfare-state rights; second, the inflows of potential jobseekers are highly contingent on the policy responses of neighboring countries, and third, all countries are therefore keeping their cards close to the chests and looking over their shoulders. This situation is promoting a complex game of labor-market and welfare-regime competition, in which

each country is trying to strike a balance among attracting desired labor, fending off welfare seekers, and protecting national working conditions. EU enlargement is reinforcing such dynamics, making labor immigrants from the new states a more attractive option than third-country residents knocking on the humanitarian gate. Accordingly, the restrictive asylum regimes developed in recent years in Western Europe are likely to be developed even further. Acting solely on the nation-state level, apparently rational strategic responses could thus easily aggregate into unintended and undesirable collective outcomes for Europe as whole. Attempts to divert un/low-productive immigrants could, for example, strengthen spirals of policy tightening and social cutbacks that render integration more difficult and reduce overall EU immigration at a time when the opposite is needed.

In this perspective, this chapter's analyses suggest a strong case for closer integration of both the research and policies of migration, labor markets, and welfare-state reform in Europe. The social and political actors of welfare, labor, and immigration policies at national levels are faced with common and multiple collective-action problems. This quandary can only be resolved through better and more open methods of coordination, information exchange, learning, and policy integration across the vanishing boundaries between nation-states and the EU. To prevent the enlarged EU, with its immense social inequalities, from becoming a neo-colonial playground

for companies searching for the lowest taxes, the cheapest labor, and the laxest regulations for work and the environment, European politicians and institutions would do well to adopt the following recommendations:

- Strengthen policies for economic growth, restructuring, and employment in the new Member States of the EU;
- Develop (and improve monitoring) of proper EU minimum standards in the field of social security, labor protection, working conditions, and company taxation;
- Strengthen common policy orientations in these fields by defining joint objectives, information exchange, and learning in accordance with the open method of coordination;
- Promote social institution-building and cooperation among social actors and working-life organizations across the East-West divide;
- Ensure that the integration of service and labor markets does not undermine Member States' capacity to monitor and apply national working conditions;
- Clarify the range of rights available to newcomers of different categories, both for purposes of comparison within the EU, and as a basis for coordinated policymaking; and
- Support research that combines analyses of immigration, welfare, and the labor market.

REFERENCES

- Bommes, M. "The shrinking inclusive capacity of the national welfare state: International migration and the deregulation of identity formation." (2003) in *Comparative Social Research*, forthcoming.
- Commission of the European Communities. *Directive concerning the posting of workers in the framework of the provision of services*. COM 96/7Ec final, 1996.
- Commission of the European Communities. *Communication from the Commission to the Council, The European Parliament, The European Economic and Social Committee and the Committee of the Regions on Immigration, Integration and Employment*. COM (2003) 336 final, 2003.
- Dölvik, J. E. *Redrawing Boundaries of Solidarity? ETUC, social dialogue and the Europeanisation of trade unionism in the 1990s*. Oslo: ARENA/FAFO Report 238, 1997.
- Dölvik, J. E. "European trade unions: coping with globalisation?" In *The Solidarity Dilemma: Globalisation, Europeanisation and the Trade Unions*, edited by J. Hoffmann, 83-118. Brussels: ETUI, 2001.
- Dölvik, J. E. "Industrial Relations in EMU: Are Re-Nationalization and Europeanization Two Sides of the Same Coin?" In *Euros and Europeans. Monetary Integration and the European Model of Society*, edited by A. Martin and G. Ross. Cambridge: Cambridge University Press, 2004.
- Entzinger, H. "The rise and fall of multiculturalism: The case of the Netherlands." In *Towards assimilation and citizenship: Immigrants in liberal nation-states*, edited by C. Joppke and E. Morawska. Houndmills: Palgrave Macmillan, 2003.
- Esping Andersen, G. *The Three Worlds of Welfare Capitalism*. Cambridge: Cambridge University Press, 1990.
- Hammar, T. "Immigration to a Scandinavian welfare state: The case of Sweden." Unpublished paper, Centre for Research in International Migration and Ethnic Relations, Ceifo, Stockholm University, 2003.

Jessop, B. "Towards the Schumpeterian Workfare State?" *Studies in Political Economy*, 40 (1993): 7-39.

Lundh, C. et al. *Arbete? Var god dröj! Innvandrare i välfärdssamhället*. Stockholm: SNS Förlag, 2002.

Lödemel, I. and H. Trickey, eds. *An Offer You Can't Refuse: Workfare in International Perspective*. Bristol: The Policy Press, 2000.

Meardi, G. "The Trojan Horses for the Americanization of Europe? Polish Industrial Relations Towards the EU." *European Journal of Industrial Relations* 8, no. 1 (2002): 77-99.

Morris, L. "Managing contradictions: Civic, stratification and migrants' rights." *International Migration Review* 37, no.141 (Spring 2003).

Omilaniuk, I. "Labor migration to Europe and recent European labor migration policies." Presentation at UDI conference, 23. Oslo, April 2002.

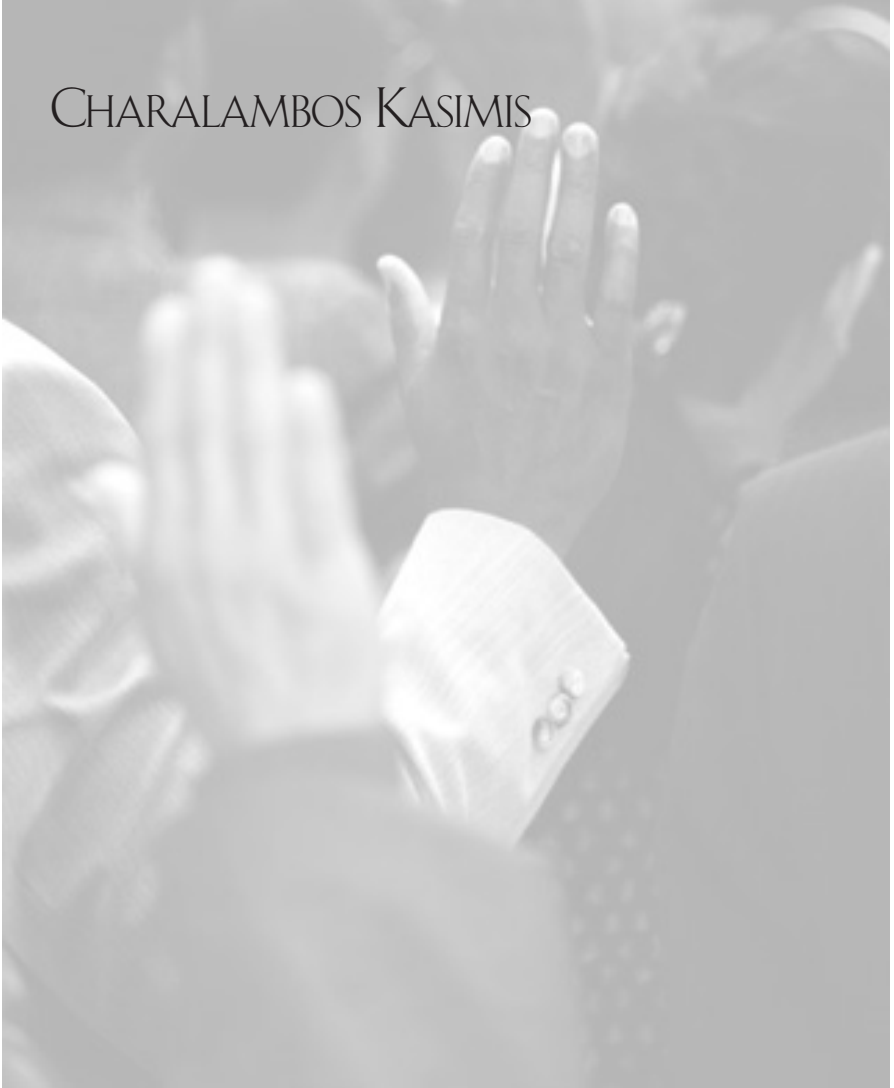
Ponzellini, A. "Italy: The Services Sector — Towards a More Inclusive and Flexible Labor Market?" In *At Your Service? Comparative Perspectives on Employment and Labor Relations in the European Private Sector Services*, edited by J.E. Dølvik, 305-341. Brussels/Oxford/NewYork: P.I.E.-Peter Lang, 2001.

Streeck, W. and P. C. Schmitter. "From National Corporatism to Transnational Pluralism: Organized Interests in the European Single Market." In *Social Institutions and Economic Performance. Studies of Industrial Relations in Advanced Capitalist Economies*, edited by W. Streeck. London: Sage, 1992.

Utlendingsdirektoratet (UDI) (Norwegian Directorate of Immigration) Statistics: http://www.udi.no/upload/Statistikk/EØS_INF_O_uke46.pdf.

THE NEW ROLE OF MIGRANTS IN THE RURAL ECONOMIES OF SOUTHERN EUROPE

CHARALAMBOS KASIMIS



Migration flows into Southern Europe, particularly into Greece, have grown over the last 15 years. This influx has both shaped and been shaped by important developments in the large agricultural sector in Southern European countries, where farming's share of GDP is on average *double* that of the average for European Union states as a whole. In this context, policymakers are increasingly confronted with a thorny question: How can Southern Europe's growing demand for migrant labor be balanced with the many blueprints, often more restrictive, for Europe's future migration management?

Complicating matters is a rapidly changing context, including reforms to the EU's Common Agricultural Policy (CAP) for rules and subsidies; the EU's May 2004 enlargement to include several new Member States with competitive agricultural sectors; and World Trade Organization (WTO) negotiations on reducing direct subsidies and tariff protection to farm products. The possibility of a vastly changed economic landscape for farming has large parts of Southern Europe's agricultural sector feeling threatened not only by cheap imports, but also by innovative and technology-powered competitors. In this context, inexpensive migrant labor may be more sought after than ever.

Policymakers striving to meet the challenge of importing labor for Southern Europe's vital agricultural sector must grapple with a wide range of factors. For example, they must take into consideration a growing hostility towards

further immigration among some sectors of the native-born population in many EU states, whose anxiety appears to stem partly from cultural apprehensions and fear of competition for jobs.

On closer examination, however, several of the obstacles to sound migration management appear less formidable than some media and political leaders portray them. An in-depth look at Greece's migration and the agricultural sector, for example, shows that migrants are mainly filling agricultural and other low-skilled jobs, not competing with the native born for skilled positions. Furthermore, suggestions of monolithic public hostility to more immigration actually mask a more sympathetic reality, in which rural Greeks recognize the valuable contributions of foreign workers.

In short, a more detailed examination of the new role of these migrants is in order. What follows is an overview of migration patterns in Southern Europe, and then a focused look at Greece and the lessons its experiences with migrants and agriculture may hold for the region. Finally, a series of recommendations will outline how national and EU-level policymakers can best balance calls for more restrictive immigration policies with increasing demand for migrant workers.

SOUTHERN EUROPE AND LABOR MIGRATION

In the period of reconstruction that followed World War II, Southern

Europe was the main contributor of migrants to the labor-hungry industrialized nations of Northern Europe. However, the oil crises of 1973 and 1979 helped cause an economic decline and a sharp drop in demand for labor. This led to the introduction of restrictive immigration policies in Northern Europe, as well as return migration by Southern Europeans to their homelands. Later, in the 1980s, Southern European countries became transit points for African, Asian, Polish, and Yugoslav migrants whose final destinations were the US, Canada, and to a lesser degree, Western Europe.

In the last 15 years of this process of change, migration flows to Southern Europe, particularly Greece, have increased considerably. The end result has been a transformation so sweeping that all Southern European countries have evolved from senders of migrants to migrant receivers and permanent immigrant destinations.

One particularly important aspect of this process of change is connected to the agricultural sector. Migrant employment in agriculture is no longer a secondary phenomenon. Evidence from Southern European countries shows a rapid increase in migrant employment in agriculture and rural regions during the past 15 years. This is related to agriculture's significant role in the economies and societies of all Southern European countries. In fact, half of the agriculturally employed population and two-thirds of the farm holdings of the EU are concentrated in Southern Europe. It is also related to

the abandonment of agriculture, for reasons described later, by many native-born Southern Europeans.

To fuel this often labor-intensive regional economy, migrants have been arriving from the Balkans, Africa, and even Asia, bound for work in economically restructured rural areas and increasingly specialized seasonal agriculture. However, they are not restricted to agriculture. These migrants are also engaged in non-agricultural economic activities and in the overall support of aged populations, especially in marginal or mountainous rural areas.

The influx into Southern Europe has come from various source countries, and continues to evolve. Spain's 2001 Census showed that 17 percent of all migrants are settled in mostly rural areas with less than 10,000 people, concentrated in regions like Alicante, Malaga, Las Palmas, Tenerife, the Balearic Islands, Murcia, and Almeria. This pattern was confirmed by the 2001 regularization program, in which 13 percent of all work permits were provided for the agricultural sector. Recent evidence shows that Romanians and Bulgarians have nowadays supplanted the once-dominant African migrants in the Spanish labor market.

In Italy, migrants are over-represented in agricultural employment in comparison with the economically active population of the country (13.1 percent as against 5.3 percent). They make up 60 percent of the total seasonal labor force in agriculture, while the majority of them, three-fifths, are illegal. The

presence of seasonal labor arriving from present and former non-EU countries increases by 15 percent every year; two-thirds of this workforce originates from Poland, Slovakia, the Czech Republic, and Romania.

The role of migrant workers in the Italian labor market varies by sector and region. In Northern Italy, regularized foreign labor is in demand. Migrants are mostly employed by pig and cattle farms. Moroccans and increasing numbers of Indians are taking these jobs because local youths are not prepared to do this kind of hard and unpleasant work, even for the relatively good wages offered. Migrants from Central and Eastern European countries are mostly employed in vineyards and the fruit and vegetable sectors. In the South, because of the massive, often organized-crime-controlled, continuous arrival of migrants and the seasonal characteristics of the regional economy, the demand is for illegal, highly exploitable labor.

Only in Portugal has migrant employment been largely locked out, in this case due to very strong cooperative networks among locals. But even Portugal's large-scale agriculture now reportedly relies heavily on inexpensive migrant labor. A qualitative change in migration inflows to Portugal has been observed in recent years. All previous inflows were part of an international migratory system united by the Portuguese language, but nowadays there is greatly increased migration from Eastern European countries (Ukraine, Moldova, Romania, Russia),

and to a lesser extent from Southeast Asia. Non-EU Eastern European migrants are concentrated in the Lisbon metropolitan area and the region of Algarve, but they are also spread out in rural regions. There, they are employed in construction and the agricultural sector (especially in the Alentejo, Ribatejo, and Oeste regions). Brazilians and "traditional" migrants from PALOP (Portuguese-speaking African) countries generally are employed in construction and the service sector.

The arrival of migrants from Eastern Europe in Portugal has put pressure on "traditional" migrants, much as it has in Spain, leading to strong competition for jobs and to social conflicts among different ethnic groups. The Ukrainians, the most dominant group from Eastern Europe, have the reputation of being competent and disciplined workers and seem to benefit from a sort of "reverse discrimination." As a result, resentment and tensions are brewing among African and Latin American migrants, who are seeing their employment situation deteriorate.

REASONS FOR INCREASED LABOR MIGRATION

Efforts to analyze the causes of Southern Europe's growing dependence on migrant labor are complicated by a lack of research. While there is a long tradition of studying migration to rural areas, this is more true of the United States than of Europe. Such studies, where they have been undertaken in

Europe, have tended to concentrate on the implications of a rural exodus from sending societies rather than on rural areas as receivers of migrants.

In view of this research shortfall, the EU Social and Economic Committee has recognized the importance of studying migration to rural areas. In a 2000 report, the committee stated that although migrant labor in agriculture and rural regions has increased extensively, there is still insufficient quantitative and qualitative research. Furthermore, the report states that data are not being collated at the EU level, and that no analyses are available with respect to specific groups.

Despite these gaps in available research, some factors that are driving more migration to Southern Europe are fairly clear. The most important include:

Demand fueled by economic restructuring. Increased demand for migrant farm workers can be traced in part to the integration of Southern European nations (Greece, Spain, and Portugal) into the EU in the 1980s. This helped spur a rapid economic transformation that has narrowed the economic and social distance between Southern and Northern Europe, and in turn helped trigger an exodus of farm family labor to off-farm employment. Periods of prosperity, coupled with CAP subsidies and protectionism, have further fueled the expansion of agricultural sector jobs. Additional demand for labor has stemmed from the expansion of non-agricultural activities such as tourism,

housing construction, return migration of urban dwellers to their place of origin, and the growth of new consumption patterns connected to leisure and recreation. Out of a desire for “flexible” manpower, free of constraints like trade unionism, businesses large and small have increasingly turned to migrant labor to fill their empty posts.

Additional demand for paid workers has been created by the increasing integration of native-born women into the labor market, primarily starting in 1980s. Their departure from the home has led to the creation of domestic jobs — e.g., child and elder care — of the low-paid, low-prestige kind increasingly turned down by local populations for reasons detailed below.

Changing social attitudes. Improved living standards and young people’s attainment of higher levels of education in the last few decades have lowered the native-born population’s willingness to work away from home, particularly in low-status, seasonal, and low-income jobs. These are precisely the kinds of jobs often available in several of Southern Europe’s key economic sectors: agriculture, tourism, fisheries, construction, and commerce, as well as the large informal family-based sector. With higher expectations, the young people of the countryside have increasingly sought out better-paid, higher-status urban jobs, leaving labor market “holes” in rural areas to be filled by migrants.

Demographic imbalances. Migration has also been encouraged by the

youthful nature of the migrant population as compared to the increasingly large elderly population of native-born Southern Europeans. Policymakers have noted that falling birthrates and the graying of the native-born population in Southern European receiving countries will make it difficult to sustain economic growth and a healthy tax base, prompting more tolerant official attitudes and policies towards migrants. At the same time, the retirement of the native born from their jobs has created more demand for labor, as has the expansion of medical and care services for the elderly.

Visa overstay opportunities. The cross-border nature of Southern economies — e.g., heavily weighted towards mobile commerce, shipping, and tourism — has facilitated the legal entry of migrants as tourists and visitors. Many of these individuals have remained illegally after their visas have expired. Government efforts to rein in such activity have been lax because officials recognize these migrants' economic value.

Proximity to sending countries. Extensive coastlines and easily crossed borders, which are difficult to police, have facilitated migrants' entry into Southern Europe. At different times, nearby countries in Eastern and Central Europe have been vigorous sending countries, particularly after the collapse of the Communist Bloc in the late 1980s and early 1990s. Moreover, Southern Europe's neighbor states on the far shore of the Mediterranean, as well as relatively

close West Asian states such as Iraq and Afghanistan, are experiencing waves of emigration spurred in part by poverty or conflict. Southern Europe's location has combined with the other factors mentioned above to make it a destination for these migrants.

A multitude of similarities along these lines exist among the countries of Southern Europe. At the same time, it would be impossible to catalogue the many ways in which they differ, making a country-by-country breakdown problematic. More useful, in terms of policymaking, is to focus on one country's experience in order to glean lessons in how to properly manage the new role of migrants in Southern Europe. Greece's status as a receiver of large migrant flows, as well as its important position in Southern Europe's agricultural sector, makes it a good candidate for such an examination.

THE CASE OF GREECE

Greek agriculture employs almost 17 percent of the economically active population, contributes approximately 10 percent of GDP, and accounts for almost one-third of the total value of exports. Immigrant wage labor has grown extensively in the past decade and now accounts for almost 20 percent of the total labor expended in the sector. Understanding how Greece arrived at this situation, which in various ways mirrors the experiences of its Southern European neighbors, requires a focused look at the country's overall migration patterns, past and present.

These patterns have their modern roots in the period following World War II, when Greece became, along with other countries of Southern Europe, one of the main contributors to migration to the industrialized nations of Northern Europe. More than one million Greeks migrated in this wave, mostly between 1950 and 1974. Most emigrated to Western Europe, the US, Canada, and Australia. Their movement was prompted by various factors, primarily economic, but also political (connected with the consequences of the 1946-1949 civil war and the 1967-1974 period of military rule). Official statistics show that in the period 1955-1973 Germany absorbed 603,300 Greek migrants, Australia 170,700, the US 124,000, and Canada 80,200. The majority of these emigrants came from rural areas, whose residents supplied both the national and international labor markets.

Following the oil crisis of 1973 and the adoption of restrictive immigration policies by Northern European countries, these immigration flows were severely reduced and return migration increased. Other factors contributing to these changes included integration difficulties in the receiving countries, the restoration of democracy in Greece in 1974, and the new economic prospects developed following the 1981 entry of the country into the European Economic Community (EEC). Between 1974 and 1985, almost half of the emigrants of the post-war period returned to Greece.

TRADING PLACES: IMMIGRATION REPLACES EMIGRATION

Declining emigration and return migration created a positive migration balance in the 1970s. Immigration grew at the beginning of the 1980s when a small number of Asians (primarily Filipinos), Africans, and Poles arrived and found work in construction, agriculture, and domestic services. Nevertheless, immigration was still limited in size. In 1986, legal and unauthorized immigrants totaled approximately 90,000. One-third of them were from EU countries. The 1991 Census registered 167,000 "foreigners" in a total population of 10,259,900.

The collapse of many Central and Eastern European regimes in 1989 transformed immigration to Greece into a massive, uncontrollable phenomenon. As a result, although Greece was at that time still one of the less-developed EU states, in the 1990s it received the highest percentage of immigrants in relation to the size of its labor force.

Many factors explain the transformation of Greece into a receiving country. These include geographic location, which positions Greece as the eastern "gate" of the EU, with extensive coastlines and easily crossed borders. Though the situation at the country's northern borders has greatly improved since the formation of a special border control guard in 1998, geographic access remains a central factor in patterns of migration to Greece.

Also key have been rapid economic changes that have narrowed Greece's economic and social distance from the Northern European countries since the integration of Greece into the EU in 1981. In step with economic development, the improved living standards and higher levels of education attained by young people have led most Greeks to reject low-status and low-income jobs. Meanwhile, the large size of the informal, family-based economy, together with the seasonal nature of industries like tourism, agriculture, and construction, have created demand for a labor pool independent of trade union practices and labor rights legislation.

GREECE'S MIGRANTS IN CONTEXT

According to the latest census, the population of Greece increased from 10,259,900 in 1991 to 10,964,020 in 2001. This increase can be almost exclusively attributed to immigration in that decade. The census shows that the "foreign population" of Greece in 2001 was 762,191 (47,000 of them EU citizens), making up approximately 7 percent of the total population. Of these migrants, 2,927 were registered as refugees.

It is estimated that the real number of immigrants is higher; many analysts believe that migrants make up as much as 10 percent of the population. They cite, among other factors, that the 2001 Census was carried out before the implementation of Act 2910/2001, otherwise referred to as Greece's second

regularization program. This legislation dealt with "the admission and residence of foreigners in Greece and the acquisition of Greek nationality through naturalization." Because of their illegal status, a good number of immigrants were not included in census registration, while still others entered the country specifically to take advantage of regularization.

Immigration was the main cause of population increase and demographic renewal in Greece in the period between the 1991 and 2001 censuses. The average number of children per woman in Greece has fallen to 1.3, against a European average of 1.5, and well below the average of 2.1 required for the reproduction of a population. Of the immigrant population, 16.7 percent are in the 0-14 age bracket, 79.8 percent in the 15-64 age bracket, and only 3.5 percent in the over-65 age bracket. The respective percentages for the national population are 15.2 percent, 67.7 percent, and 17 percent, demonstrating the key role immigrants of child-bearing age play in the population as a whole. Albanians, who are mainly married couples raising families, are the youngest population overall. In contrast, immigrants from the United States, Canada, and Australia have the highest percentages of people in the over-65 age bracket, because they are mainly returning pensioners of Greek origin.

Males and females make up 54.5 percent and 45.5 percent of the total, respectively. However, gender

composition varies widely among the various nationalities. Albanians and Romanians show the most balanced picture, because the percentages of males fluctuate just above the average with 59 percent and 57 percent, respectively. Other nationalities show sharp asymmetries, such that either males or females far outnumber the other gender. For example, females make up almost two-thirds of the immigrants from the former Soviet Union and Bulgaria, as well as approximately four-fifths of the Filipinos. On the other end, immigrants from Pakistan and India are almost exclusively male.

Fifty-four percent of immigrants enter the country for work. Family reunification (13 percent) and repatriation (7 percent) are other main reasons they give for their arrival. Albanians show the highest level of participation in family reunification, while immigrants from United States, Canada, and Australia are the most often repatriated. An unspecified "other reason" concerns 21.5 percent of the total, while "asylum" and "refugee" status seekers account for 1.6 percent.

NATIONAL ORIGINS OF RECENT MIGRANTS

In the 1990 to 2001 period of mass immigration to Greece, immigrants arrived in two waves. The first was that of the early 1990s, in which Albanians dominated. The second arrived after 1995 and involved much greater participation of immigrants from other Balkan states, the former

Soviet Union, Pakistan, and India. The majority of Albanians arrived in the first wave; however, the collapse of enormous "pyramid schemes" in Albania's banking sector in 1996 also spurred significant migration.

According to the 2001 Census, the largest group of immigrants draws its origins from the Balkan countries of Albania, Bulgaria, and Romania. People from these countries make up almost two-thirds of the total "foreign population." Migrants from the former Soviet Union (Georgia, Russia, Ukraine, Moldova, etc.) comprise 10 percent of the total; the EU countries approximately 6 percent. A heterogeneous group of people from places such as the United States, Canada, and Australia (mostly first- or second-generation Greek emigrants returning home), also account for around 6 percent. Finally, a remaining group drawn from a wide variety of countries makes up 13 percent. None of the individual countries included in this last group exceeds 2 percent of the total "foreign population."

Of the main countries of origin, Albania accounts for 57.5 percent of the total, with second-place Bulgaria far outdistanced at 4.6 percent. Common borders with both of these countries have facilitated crossing over to Greece, leading to a cyclical form of migration.

EDUCATION AND WORKFORCE PARTICIPATION

Immigrants have contributed significantly to the improved performance of

the Greek economy over the past few years, and they have boosted Greece's successful participation in the EU's economic and monetary union. Their structural role in the workforce of the agricultural and construction sectors has been widely acknowledged. Despite a high unemployment rate, estimated at 11 percent for the country as a whole in the first half of 2004, there appears to be no serious competition by native Greeks for the kinds of jobs secured by immigrants. On the contrary, immigrants have played a complementary economic role.

Nearly one-half of all migrants have secondary education (including technical-skill schools) and one-third have either completed or acquired primary school education. Almost one-tenth have a higher education. A qualitative analysis of the educational levels of the various nationalities shows that, comparatively speaking, Albanians have the lowest level of education and former Soviet citizens the highest. In terms of higher education, females have the largest share of the total, while males appear to predominate in all other educational categories.

Immigrants are almost exclusively (90 percent) engaged in wage work and, to a much lesser extent, are self-employed (6.5 percent). Most of the jobs are non-skilled, manual work well below the immigrants' level of education and qualifications.

According to the 2001 Census data, the majority of immigrants

(54 percent) enter Greece for work. Bulgarians and Romanians are the nationalities that most often cite employment as the most important reason for migrating to Greece. Immigrants are mainly employed in construction (24.5 percent), "other services," meaning mostly domestic work (20.5 percent), agriculture (17.5 percent), and "commerce, hotels, and restaurants" (15.7 percent).

Because of the size of their presence in the total immigrant population, Albanians dominate in all sectors. Within the Albanian nationality, however, construction absorbs the highest percentage (32 percent), followed by agriculture (21 percent), and then "other services" (15 percent). In contrast, Bulgarians are mostly occupied in agriculture (33 percent) and "other services" (29 percent).

In the construction sector, immigrants currently provide a quarter of the wage labor, and in agriculture, a fifth of the total labor expended (and almost 90 percent of the non-family wage labor). Immigrants play an important structural role in both sectors.

"Other services" — a sector identified with domestic services where female migrant labor predominates — mostly employ immigrants from the former Soviet Union (37 percent) and Bulgaria. At the same time, migrants' employment in domestic services allows larger numbers of Greek women to join the labor market.

IMMIGRATION POLICY DEVELOPMENTS

The Greek government has been unprepared to receive the large numbers of immigrants of the last decade, and has hesitated to introduce the necessary legal and institutional changes necessary for the regularization and integration of this population.

The government has, however, been forced to adopt a regularization procedure, under often contradictory pressures. From one side, in an environment of growing xenophobia, the public has demanded the registration of immigrants. From another, human rights and labor organizations have sought more humanitarian and less exploitative treatment.

The first regularization program to handle recent illegal migration was introduced in 1997 with presidential decrees 358/1997 and 359/1997. These aimed at the implementation of Act 1975/1991 on the "entry-exit, residence, employment, expulsion of foreigners, and procedure for the recognition of the status of refugee for foreigners."

The twin decrees gave unregistered immigrants the opportunity to acquire a temporary residence permit known as a "white card." This, in turn, gave them time to submit the complementary documents necessary to acquire a "green card," essentially a combined work and residence permit. To qualify for the "white card," they had to have lived in Greece for at least one year, and submit documents testifying to

their good health, a clean court and police record, and proof of having paid national social-insurance contributions for a total of 40 working days in 1998. A total of 150 days of social-insurance contributions were required for the acquisition of the "green card." No registration fees were charged at this stage.

By the end of the first regularization, 371,641 immigrants had been registered for the "white card," but only 212,860 received a "green card." It is estimated that less than half of the migrants living in the country were registered during this first regularization program.

In 2001, the government passed Act 2910/2001 on "the admission and residence of foreigners in Greece and the acquisition of Greek nationality through naturalization." This gave immigrants a second opportunity to legalize their status, provided they could show proof of residence for at least a year before the implementation of the law. Immigrants were given a six-month period to submit all the necessary documents to acquire the work permit, which became the precondition for obtaining a residence permit.

The two regularization methods differed, but the documents required for both were similar. The most important differences were that in 2001 the immigrant had to submit a copy of an official contract with his or her employer for a specific period of time, as well as confirmation that

national social-insurance contributions had been paid for at least 200 working days (150 days for those employed in agriculture, construction, and domestic services). The immigrants themselves could also pay for their insurance contributions. In addition, a payment of 147 euros per person over the age of 14 was required. All applicants to the 1997 regularization program whose permits had expired by 2001 were subject to the provisions of the new law.

The 2001 act also set preconditions for future legal migration into the country, giving the Organization of Employment and Labor (OAED) responsibility for preparing an annual report that would specify labor requirements at the occupational and regional levels in order to define quotas for temporary work permits. These job vacancies would be advertised in the sending countries by Greek embassies, which would also be responsible for receiving the applications for those jobs. To date, however, the government has not made wide use of this procedure.

When the official application deadline for this second regularization program expired in August 2001, it was reported that 351,110 migrants had submitted their documents for the acquisition of a work permit — a precondition for the provision of a residence permit. However, bureaucracy and a lack of necessary infrastructure created tremendous problems and delays in application processing. This forced the government to give temporary residence to all applicants until the end of June 2003, subsequently

extended to the end of October 2003. By then, the government expected to have all the applications processed. A year later, however, all of the applications had not yet been processed. Once more, promises were not fulfilled, and to date, thousands of migrants remain “hostage” to a sluggish legal and institutional structure.

The enthusiasm shown by immigrants upon the announcement of the latest act has now vanished. This is as a result of, on the one hand, the weakness of public administration in supporting the implementation of the act and, on the other, the act’s “philosophy” of continuous checks and controls that make it difficult to implement. These weaknesses have been identified and raised by many organizations and institutions directly or indirectly involved with the issue. The Greek ombudsman, in a report to the minister of the interior, warned as early as 2001 of the implementation problems and asked for amendments that would make it work for the benefit of both immigrants and the Greek public administration.

However, amendments to the act introduced by the government in 2002 did not address the problems connected with the one-year duration of the work and residence permits, the yearly fee for the residence permit for the applicants, and the insurmountable bureaucratic problems. Only recently, the government decided to extend the residence permit to two years starting from January 2004 (Act 3202/2003). In the meantime, in order to overcome bureaucratic obstacles,

many immigrants have had to either hire lawyers to handle their regularization procedure, or lose time and money standing in lines.

INTEGRATION

To date, the integration of migrants into Greek society appears to have resulted largely from individual/family strategies of the migrants themselves, rather than from the provisions of an institutional framework. This may change as government efforts to systematize integration take hold.

Greece's integration policy was designed and announced by the government in 2002 in its "Action Plan for the Social Integration of Immigrants for the Period 2002-2005." The plan included measures for the labor-market integration and training of immigrants, improved access to the health system, emergency centers for immigrant support, and measures for the improvement of cultural exchanges among the various ethnic communities. No special provisions were made, however, for migrants living and working in rural areas. The plan has not yet been implemented and recently it was reported that the government intends to redraft it. Two of the reasons for the non-implementation of the plan appear to include pressure on the state budget resulting from the nation's hosting of the 2004 Summer Olympic Games, as well as the long, politically sensitive period before the national elections of March 7, 2004.

At this stage, despite the acknowledged importance of migration in Greece's economy and society, migration in general and integration specifically do not seem to be high on the government agenda. The expressed anxieties of human rights and migrant organizations about integration and migration policy seem to have done little to shift the debate.

Integration may come to the foreground again, however, in connection with social unrest that could follow the foreseen negative prospects of the economy in the post-Olympics period. The high growth rate of the Greek economy — 4.3 percent in 2003 — is expected to slow after the Olympic Games, which drove huge amounts of activity in construction and other sectors. If not dealt with, this type of economic pressure, along with the uncertainties evident in the legal and institutional framework for the regularization and integration of immigrants, is expected to lead to social friction and extensive racism and xenophobia in the next few years.

CHANGES IN THE EU AND BEYOND

The arrival of large numbers of migrants in the past 15 years has coincided with regional and global developments with important implications for Southern Europe's rural areas in general, and its agricultural sector in particular. These developments have special weight in Greece's family-centric farming,

which still holds an important position in both the economy and society.

As the agricultural sector changes in response to national and international developments, migration patterns can also be expected to evolve. More specifically, the most recent important development is the 2003 introduction of reforms to the CAP. The need for CAP reform was pushed to the forefront by the EU's May 2004 enlargement to include 10 new Member States while simultaneously holding steady the total EU financial support to agriculture up to 2013. WTO negotiations for a new agreement on agriculture, which have implied adjustments to the level of agricultural supports, have also played a role. Rounding out the factors creating momentum for reform has been pressure from European citizens for the production of safe food and protection of the environment.

The new elements of the CAP reform include the following: "decoupling" of support for production and the provision of "single-area payment" decoupled from what the farmer produces; "cross-compliance" with EU-defined "good farming practices" for the protection of the environment, public health, food safety, and animal welfare; and "modulation of support," which provides for the redistribution of a portion of direct payments away from large farm holdings for the support of rural development.

The implications of CAP reform for the future of European agriculture are difficult to foresee and quantify. Some early studies carried out for the EU

predict extensive restructuring of cultivation, reduction of agricultural production in some sectors, extension of both crop and animal production, and a 20 percent reduction in the population in the agricultural sector. All this is expected to result in an increase in agricultural incomes of no more than 1.7 percent. For Greece in particular, contradictions seem to be on the horizon. On the one hand, no serious reduction is expected in the total support for agriculture until 2013. On the other hand, certain producer groups, e.g., cotton cultivators, have already experienced important income cuts and others are expected to find it impossible to adjust to the new competitive conditions. As a result, they will have to withdraw from agriculture.

With the old CAP benefits now in question, large parts of the agricultural sector feel threatened not only by cheap imports but also by innovative and technology-powered competitive agriculture. The pressures for technological modernization and the restructuring of agriculture towards both capital and labor-intensive crops have incited, on the one hand, a further exodus of farm family labor to off-farm employment. On the other hand, they have created greater seasonal demand for labor. These developments have been reinforced by the demographic deficiency connected with the aging of the rural population and the flight of working-age people in particular, which was created by the massive rural exodus of the 1950s and 1960s and by the restructuring of rural areas. The expansion of other non-agricultural activities

such as tourism and housing construction, the return of urban dwellers to their land of origin, along with the growth of new consumption patterns connected to leisure and recreation, has created a rural environment characterized as “multifunctional.” The labor demands of this multifunctional environment, in which a combination of agricultural and non-agricultural activities support rural household incomes, cannot be met by the native-born population.

DYNAMICS OF MIGRANT LABOR IN RURAL GREECE

While much research remains to be done, the available data and research by the author suggest that migrant workers have addressed four structural developments in rural Greece: first, the long-standing shortages of labor that resulted from the restructuring of the agricultural sector and rural economy; second, the demographic crisis resulting from the 1950-1970 rural exodus connected with emigration; third, the younger generation’s increasing rejection of rural life and jobs; and fourth, the growing opportunities of the rural population to obtain off-farm employment.

The way migrant labor has incorporated itself into rural Greece has produced its own dynamics that correspond to each area’s particular socio-economic conditions. Three representative rural regions, all more or less equal in population size (4,000 households), are considered here based on the author’s research

between 2000-2002. The first is the “marginal/mountainous” region near the Albanian border, in the Prefecture of Ioannina, which is defined by small-scale agriculture and extensive livestock production. The second is a “dynamic” region in coastal Peloponnese, in the Prefecture of Corinthia, which is defined by labor-intensive agriculture and lowland second-home development. The last is a “pluriactive” region on the island of Crete, in the Prefecture of Chania, that is typical of island areas combining agriculture and small-scale tourism.

Marginal/mountainous. This region, which runs along the Albanian border, has been the main gate for both legal and illegal migrants entering Greece. It is characterized by an elderly population left behind by the massive rural exodus of the 1950s and 1960s and by limited productive activities concentrated in agriculture and stockbreeding. Its marginality results not only from its geography and economy, but also from the cold-war climate in the region developed after the defeat of the left in the 1946-1949 civil war and the establishment of communist Albania. The recent development of the mountainous communities as “return sites” for older Greeks and as “recreation sites” for the young, the rebuilding of the region after a devastating earthquake in 1996, and the increasing support needs of the aged population have increased the demand for labor and set the context for the reception of migrants.

Dynamic. This region has a long history of market integration and export-driven agricultural development. Cultivation of grapes, the dominant crop, has expanded rapidly over the past few years, occupying a large part of the cultivable land. Processing and commercial companies in the region are involved in the export of this product. The seasonality of the grape harvest has spurred intensive demand for labor, particularly during the summer. The region is characterized by a good age structure and improved educational levels that often lead the native born into off-farm employment.

Pluriactive. This region combines activities that are considered traditional agriculture, such as olive groves, “dynamic” agriculture such as greenhouse cultivation, and non-agricultural businesses, particularly small-scale tourism. These activities take place at both individual and household levels. The local population is aging without being satisfactorily replaced by a younger generation. These elements have created the need for a low-skilled, flexible labor force.

In order to gain insight into the dynamics of migrant labor in rural Greece, the authors carried out three empirical studies in each region.

First, a qualitative study was carried out through semi-structured interviews of local/regional administrators and opinion leaders in order to understand the characteristics of migration in the region and opinions on the implications of migration for the local economy and society.

Second, a survey was made of a representative sample of households aimed at the collection of information on the role of migrants and the implications of migrant employment for the operation of farms, family businesses, and the overall support of households. The survey also registered the opinions and attitudes of local populations towards migrants and their evaluation of the prospects for the migrants’ integration.

Third, a qualitative study was made of migrants, in the form of semi-structured interviews, aimed at the documentation of the social, economic, and cultural experiences of the migrants, as well as their future plans.

This chapter continues by examining the impact of migrant employment on the operation of farms and households, as well as the wider implications migration has for the economic and social make-up of rural societies. In the final part, some conclusions are drawn about the contribution of migrant employment to agriculture and rural society. Recommendations with wide relevance to Southern European migration policymakers are then presented in the light of developments in both rural and migration policies.

MIGRANTS AND THE FARM

Migrants offer an unexpected solution to Greece’s chronic rural labor shortages, which are a pressing structural need, mainly in regions of intensive agriculture. The mass availability of migrant labor has covered a large

deficit in the workforce and in the early years of its arrival contributed decisively to lowering the cost of agricultural production.

The authors' research shows that two-thirds of the rural households surveyed operated a farm holding. Just over half of the total number of rural households (53 percent) and two-thirds of the farm-operating households (66 percent) employed migrant labor. These figures varied widely in the three regions (Table 1).

Non-family labor contributed almost 25 percent of the total labor spent on the farm, nine-tenths of which was migrant labor. The nationality of almost four-fifths of these migrant laborers was Albanian.

The positive contribution of migrant labor to the local economy varied in accordance with the size and position

of the agricultural sector in each of the three regions. In the "dynamic" region of Corinthia, the contribution of migrants was primarily in agricultural production and processing, and only secondarily in the construction sector. In the "pluriactive" region of Chania their contribution was to all sectors — not only in agricultural production (seasonal in the case of traditional agriculture and permanent in the case of modern/intensive) but also in manufacturing, construction, and tourism. In this region, their contributions were particularly important to "marginal" areas, where their role was expanded to all-around support for aged rural households. Finally, in the "mountainous/marginal" region, migrants' contributions were mostly associated with construction of houses and public works, as well as the general support of aged households, while only secondarily in farming and stockbreeding.

TABLE I. EMPLOYMENT OF MIGRANTS BY RURAL AND FARMING HOUSEHOLDS, 2000

	Ioannina	Corinthia	Chania	Total
Total number of rural households	98	96	99	293
% of rural households employing migrants	31%	68%	62%	53%
Total number of farm-operating households	39	72	81	192
% of farm-operating households employing migrants	28%	88%	65%	66%

Migrants contributed to the survival and expansion of the farm holdings. However, the use of migrant labor was, in economic terms, more significant for the larger farms than for the smaller ones. As the size of the farm increased, so did the weight of migrant labor. In farms of 3-5 hectares, migrants offered 62 days of work annually per farm, while for those of 5-10 hectares, they offered 163. The employment of migrants in agricultural production seemed to have contributed to an increase in socio-economic differentiation in the countryside. It is important to note that a good number of farmers who have increased the size of their farm operations in the past decade relate it to the availability of migrant labor.

The employment of non-family/migrant labor in all three research regions increased extensively in terms of both duration and size in the 1990s. At farms that employed non-family labor both before the arrival of migrants, in the late 1980s, and after their arrival in 2000, the number of non-family labor days per farm doubled from 80 to 157 days per farm. In fact, according to the National Statistical Service of Greece, between 1991 and 2000 family labor in Greek agriculture decreased by 20 percent, while permanent non-family labor increased by 85 per cent and seasonal labor by 43 percent.

Migrant labor in all three regions has not substituted for the local workforce; instead, it has complemented family labor by covering labor deficits and meeting increasing demand. At the

same time, it has facilitated the adoption of new family employment strategies and the partial withdrawal of family labor from the farm. This dynamic appears to be explained by a combination of developments connected with the regions' general lack of working-age people, the new seasonal demands of agriculture in some rural regions, and the shift of local labor towards non-agricultural, more demanding, and specialized job placements.

Evidence of the complementary role of migrants appears in the answers given by survey respondents to the question asking why they employed migrants. The most common answer (59 percent) to the multiple-choice question was "Because migrants were all we could find," followed by "Because Greeks do not work in the fields" (40 percent), and finally "Because they cost less" (9 percent).

Competition for work between the native born and migrants was noted in a limited number of professions, concerning mainly unskilled Greek workers and apprentices in the construction trades who could not compete with the low wages charged by migrant workers. In the agricultural sector, a small number of field hands and a number of older women in the food-processing industry were driven out of the labor market by low-paid migrant labor.

Following the introduction of migrant employment, important changes took place in the division of family labor on the farm. The participation of migrant labor in farm work increased substan-

tially, allowing not only the farmer but also his wife and other family members to significantly disengage from heavy manual work. As a consequence, a division developed between manual and organizational/managerial work, especially for those operating large farms. Almost 60 percent of the farm heads reduced their workload and devoted more time to their farm's organization and management. At the same time, their spouses either reduced their workload or abandoned farm work altogether to return exclusively to housework, while other family members sought employment outside agriculture.

The developments described above have strengthened the existing economic and social pressures connected with the intensification of competition among Greek farmers and foreign competitors, the technological modernization and the specialization of production for the professionalization of agriculture, the integration of women into the non-agricultural labor market, and the transformation of domestic work into wage labor. To this end, migrants have provided, at a low cost, the necessary labor for the modernization of agriculture and an alternative farm and domestic labor pool that has allowed family members to pursue personal employment and career goals. For example, rural women liberated from farm work and/or domestic and other family labor have had better prospects for seizing opportunities in the non-agricultural labor market. Even their domestic work has often been outsourced to migrants. Thus, a gender

differentiation has been evident in how migrants contribute to the substitution and/or complementing of family members' farm and household work roles.

In this way, and because of the expansion of the wider labor-market characteristics to rural areas, migrant workers may have supported a form of "de-agriculturalization" and "urbanization" of the Greek countryside. This may have been accompanied by a diffusion of middle-class attitudes and practices to rural households. Two examples of this can be provided. The first concerns the expansion of domestic services provided to rural households by migrants — something new compared to the experience of urban areas — and the second concerns the development of a new "boss" attitude in some parts of Greece's formerly more egalitarian rural population.

MIGRANTS AND RURAL HOUSEHOLDS

Migrants can take much of the credit for maintaining Greece's elderly population in their own villages and for preserving their small-scale activities. In marginal regions, in particular, the households of the elderly employ laborers needed to repair their houses, look after their vegetable gardens and animals, and cut their firewood for the winter — to maintain, in other words, their traditional way of life, which they would otherwise most likely have lost.

Migrants offer support for the care of the aged and physically challenged

members of rural households. Needless to say, this development greatly relieves the burden on the able-bodied children of these households, who often had to provide this support in the absence of a satisfactory social-welfare system. All types of labor are usually provided by one or two migrant families settled in a village, or by individual migrants who arrive periodically to cover seasonal labor needs. In some remote villages, migrants also manage the village café, often provided rent-free by the community, thus helping to maintain the traditional social life.

Beyond these benefits, migration has improved the demography of rural regions. In mountainous regions, for example, stockbreeders can now find both women to marry and the opportunity to establish families. Laborers facilitate the preservation and expansion of their flocks, simultaneously improving working conditions for the native born.

In the same regions, the extensive construction of housing and public works owes much to migration. Since the arrival of migrants, people who had their origins in the region but lived permanently in cities have found it easier to either repair their family house or construct a new one, in a symbolic move back to the family roots. Migrants also contribute to the renovation of old buildings and the revival of traditional architectural styles through their carpentry and masonry skills.

There are two main modes of using migrant labor that determine local

attitudes towards migrants. Both modes are widespread in the Greek countryside, but how they are manifested varies in accordance with local rural socio-economic conditions and the availability of migrant labor suited to those conditions.

The first mode can be defined as entrepreneurial, purely maximizing use, and is connected mostly with large farms that extensively employ migrant labor. This mode creates the basis for the widening of socio-economic inequality in these regions, because its extensive application leads to higher profit margins for large farms while facilitating their modernization and expansion. This, in turn, is likely to adversely affect local social and economic cohesion in ways that have not yet been clearly defined. The second can be defined as a utilitarian, purely functional use that involves a range of rural social groups according to their needs and specific conditions under which they may employ migrants. In this case, migrants play a balancing role, meeting multiple, small-scale needs and labor deficits that cross-cut local social structures. What distinguishes the two modes is the fact that in the first case, migrants are employed exclusively on farms in accordance with entrepreneurial principles, while in the second, their employment is limited in size and multifunctional in role, satisfying the very basic needs of the rural household.

LOCAL ATTITUDES TOWARDS MIGRANTS

In the three regions studied, there were varied, but in some cases similar, opinions and attitudes towards migrants and their contributions to local society. These opinions and attitudes were not always consistent or predictable.

In all three regions, both household members and local administrators/representatives of organizations thought that the presence of migrants had a positive effect on the local economy, mainly because labor supply increased, labor costs fell, and consumption expanded. More specifically, almost half of the households surveyed called the impact on the local economy "positive," 30 percent assessed it as both "positive and negative," and only 17 percent characterized it solely as "negative."

The native-born respondents related the positive impact of migrants primarily to the acquisition of workers and secondarily to lower labor costs. Those respondents who saw negative implications mostly referred to a reduction in work available to locals. However, such a consequence was not identified in the regions surveyed. Both respondents who were older and employers of migrants had the most positive attitude of all the respondents towards the newcomers. This response may be connected to declarations by some of the older respondents that the deprivation experienced by migrants reminded them of their own difficult

lives. Another factor reinforcing more positive attitudes among the older generation appears to be bonding in connection with many migrants' roles as caregivers to the elderly.

More negative attitudes were found in younger respondents and those who did not hire migrants. These respondents showed a lack of experience with migration and deprivation. This, coupled with a "perceived fear" of an incoming economic, social, and cultural "threat," seemed to lead to expressions of xenophobia.

Respondents expressed the belief that the local economic sectors that benefited the most from migrant labor were first, agriculture, and second, construction. As a consequence, farm holders had positive impressions about migrant labor on their land. The majority of respondents (60 percent) saw only "positive" implications and a large number (29 percent) "no impact" at all. "Negative" implications were only noted by a limited number of respondents.

When asked to clarify the positive implications of migration, the most popular answers given by farmers were that migrants helped them "preserve the farm" (35 percent) and "reduce the cost of labor" (22 percent). In the dynamic region, respondents also mentioned that they were "able to enlarge the farm holding" and "devote more time to the management of their farm." In the pluriactive region, respondents emphasized that their "production increased," that they were

allowed to be “employed in off-farm activities,” and that they were able to “secure a better quality of production.” Finally, in the marginal/mountainous region, respondents stressed that the presence of migrants made possible the “maintenance of unprofitable/subsistence agricultural activities.”

There were, however, negative stereotypes common to all three regions studied, mainly concerning Albanian migrants. These stereotypes appeared to reflect national stereotypes, all largely shaped by the mass media, rather than stereotypes developed locally as a product of the respondents’ everyday social experiences.

The research indicated that migrant workers were relatively more accepted and integrated in the less-developed rural regions than in the developed ones. This was related to the the proportion of migrants in the total population of each region, their family status, and their job characteristics. For example, there seemed to be a greater acceptance of intergrating migrants who lived permanently in one region together with their families, as opposed to seasonal/irregular laborers traveling without families.

Migrants and the local population had largely overlapping opinions about the prospects for integration. Both populations believed that the prospects for integration were much better for migrants who lived in the countryside with their families. In addition, both populations shared the feeling that integration was not unfeasible and that

the last decade’s changes had already left their mark on the social and economic life of rural regions.

These migrants adopted strategies that were immediately related to the future of their children. Education and strategies for these migrant families’ integration into the local economy and society seemed to be more successful. For migrants with no family members in Greece, a longer timeframe was considered necessary because their integration process was much slower.

A consensus was evident among respondents on the issue of regularization of undocumented migrants. Regularization was widely considered an essential precondition for the integration of migrants into local society and the labor market. In step with this attitude, the majority of respondents took a positive position on the most recent regularization initiatives (Act 2910/2001) of the central government.

CONCLUSIONS AND POLICY RECOMMENDATIONS

Over the past 15 years, migrant labor has contributed to the economic, social, and demographic survival of Greek agriculture and rural regions, which have been threatened by demographically, structurally, and socially created labor shortages. Migrants had a positive impact in the following key ways:

First, they have been very important for the agricultural and wider economic development of rural areas. Migrants

have been employed in many tasks, with differing skills, and with significant geographic mobility over the seasons. In short, they have provided a highly flexible labor force. They have not supplanted native wage laborers; rather, they have complemented family labor, improving the organization and management of farms, relieving family members of manual tasks, and facilitating the search for off-farm employment. Hired to do arduous, health-threatening, and low-paid jobs, they have greatly served agriculture and other sectors such as construction and tourism that are often shunned by native-born workers.

Second, in regions where agriculture holds a significant position in the local economy, the positive consequences of migrant labor have ranged from farm preservation to farm expansion and modernization. The most appreciated economic effects have been on large-scale farms and businesses that depend heavily on the availability of migrant labor. Migrants have played a significant role in these farms' expansion, agricultural intensification, and modernization. For smaller and pluriactive farms, they have offered the opportunity to preserve the farm while the farm operator and/or family members hold off-farm jobs. In marginal areas, migrants have provided rural households with the labor necessary for the maintenance of their traditional/cultural life. This last contribution is key to understanding the social and demographic implications of migrants' presence in rural Greece.

Third, migrants have offered great services in other forms of rural economic activities such as construction, tourism, and personal/domestic services. The generally positive view of migrants' contributions to the local economy has been further strengthened through migrants' support for the maintenance of social and economic continuity in the Greek countryside.

The Greek experience is a valuable frame of reference for policymakers of most Southern European countries — and indeed, some in Northern Europe — as they grapple with the challenges and opportunities of migration. These policymakers must cope with Southern Europe's persistent demographic and structural problems, the informality of rural labor markets, and the exodus of native workers from rural areas as a result of increased social and economic expectations. If not tackled, these issues are expected to negatively affect the future of rural areas at a time of severe worldwide pressures connected with the WTO negotiations, CAP reforms, and EU enlargement.

Prevailing policy instruments, however, are generalized and are not sufficiently targeted. They are predominantly based on production or factors of production such as land and capital. In addition, they have a negative impact on equity and income distribution, and much of the funding is transferred to beneficiaries who are not in need of support.

European policymakers must formulate flexible responses to this combination

of pressures and inadequate agricultural policies, including the need to:

- Judge policies on how effectively they reverse the trend of migrant workers flowing from rural areas to urban centers. Strong evidence indicates that conventional sector-specific agricultural policy measures, despite their high cost, do not deliver sufficient income support to households and small farms, especially those in remote and mountainous areas. Improved income distribution and enhancement for such households would undoubtedly have a beneficial impact on migrant workers' well-being and would provide incentives for them to continue their activities in such areas.
- Define target groups at the national level on the basis of sound criteria in order to design and implement proper policies. Farms and rural households that lack resources and that are located in areas with no viable economic alternatives are earning low incomes. Such areas could be made more attractive to investors by properly designed rural policies such as infrastructure improvement.
- Provide the appropriate incentives (targeted payments, training, and information, etc.) to less-efficient small farmers and rural households in target areas to ensure that they can continue to provide desired public goods by remaining in the countryside with the support of migrant workers.

In relation to migration and migration policies, the plethora of more or less restrictive national policies and bilateral agreements on migrant entry, quotas, etc., highlight the need to:

- Regulate migration at the EU level and consolidate the wide range of national provisions under an EU directive that would secure the balanced integration of migrants in rural economies and societies.
- Design operational plans at a national level and adopt differentiated policies, on the basis of varying regional characteristics, for the management of regional/seasonal or permanent demands for labor. Greece, for example, needs to redesign the legal and administrative framework for the legal entry of migrants. For agriculture, in particular, the recent regularization (Act 2910/2001) makes it nearly impossible for migrants to obtain legal entry for seasonal employment — hence the danger of new illegal migration in the future, particularly in regions of intensive agriculture.
- Expand EU agricultural training programs to include migrants in a way that improves their professional capabilities and understanding of new farming practices within the framework of new EU agricultural policies.

Policy formulation of this sort presupposes an informed discussion by all parties of the nature and implications of this complex and spreading

phenomenon. A step in the right direction would be for the EU to establish a rural migrant labor observatory that would provide the quantitative and qualitative information needed to regulate and monitor migration, while identifying the needs, difficulties, and experiences of migrants themselves.

The demographic and structural problems of Southern Europe's agriculture and rural regions require policies that will regulate and monitor integration, while evaluating policies with an eye to social justice and economic efficiency. This must be done within the scope of supporting the restructuring of the agricultural sector and the development of the countryside, which faces international pressures and the new EU policies of rural environmental protection, production of quality agricultural goods, and multifunctionality.

This chapter draws from the findings of the research program on "The Implications of the Settlement and Employment of Migrant Labor in Rural Greece," carried out by Kasimis, Nitsiakos, Zacoboulou, and Papadopoulos (2002) and the paper "Greece: a History of Migration" by Kasimis and Kassimi (2004).

REFERENCES

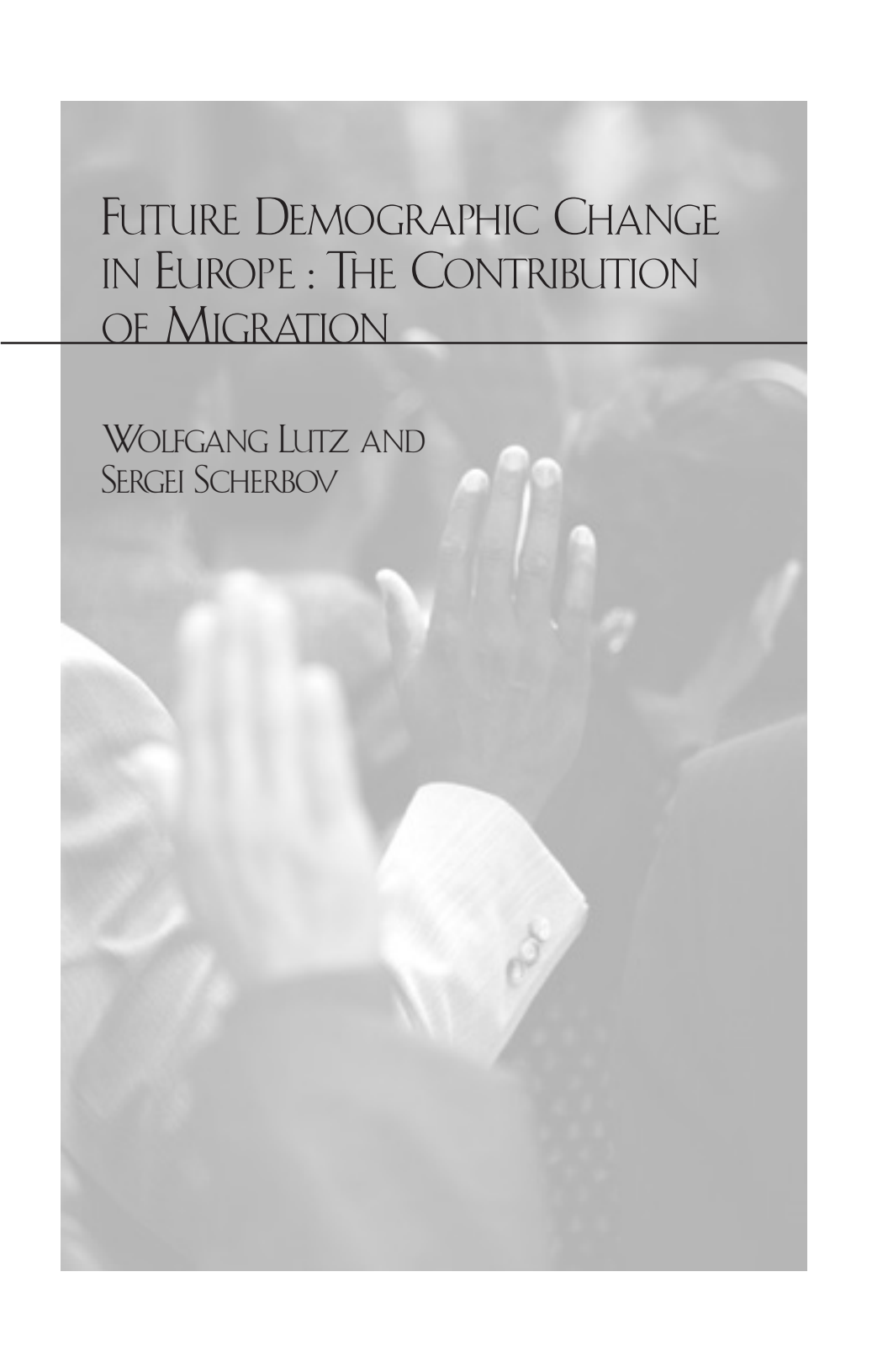
- Baldwin-Edwards, M. "The changing mosaic of Mediterranean migrations." Migration Information Source. Washington, DC: Migration Policy Institute, June 1, 2004, <http://www.migrationinformation.org/feature/display.cfm?ID=230>.
- Baganha, M. I. and M. L. Fonseca, eds. *New Waves: Migration from Eastern Europe to Southern Europe*. Lisbon: Luso-American Foundation, 2004.
- Bell, N. "The exploitation of migrants in Europe." Presentation at the *Borders and Migration Conference of the Austrian League for Human Rights*. Vienna, October 29-30, 2002.
- Berlan, J. P. "Agriculture et migration." *Revue Europeennes des Migrations Internationales* 2, no. 3 (1986): 9-32.
- Cavounidis, J. *The characteristics of migrants: the Greek regularization program of 1998* [in Greek]. Athens: National Institute of Labor and Sakkoulas Publications, 2002.
- Clogg, R. *A short history of modern Greece*. Cambridge: Cambridge University Press, 1979.
- Daly, E. "By Enticing Foreigners, Villages Grow Young Again." *The New York Times*, July 31, 2003.
- De Zulueta, T. *Migrants in irregular employment in the agricultural sector of Southern European countries*. Report for the Debate in the Standing Committee, Council of Europe, 2003.
- Demoussis, M. "Transformations of the CAP and the Need for Reorganizing Agricultural Policy in Greece." In *The reform of the CAP and rural development in Southern Europe*, edited by C. Kasimis and G. Stathakis. Aldershot: Ashgate, 2003.
- European Commission (Economic and Social Committee). *Migrant agricultural workers from non-EU States*. NAT/051/CES/598/D/Ho/P/vh. 2000.
- Fakiolas, R. and R. King. "Emigration, return, immigration: a review and evaluation of Greece's experience of international migration." *International Journal of Population Geography* 2 (1996): 171-190.

- Hoggart, K. and C. Mendoza. "African Immigrant Workers in Spanish Agriculture." *Sociologia Ruralis* 37, no. 4 (1999): 538-562.
- Kasimis, C. and C. Kassimi. "Greece: A History of Migration." *Migration Information Source*. Washington, DC: Migration Policy Institute, June 1, 2004, <http://www.migrationinformation.org/Profiles/display.cfm?ID=228>.
- Kasimis, C., A.G. Papadopoulos, and E. Zacopoulou. "Migrants in rural Greece." *Sociologia Ruralis*. 43, no. 2 (2003): 167-184.
- Kasimis, C., V. Nitsiakos, E. Zacopoulou, and A.G. Papadopoulos. *The implications of the settlement and employment of migrants in rural Greece* [in Greek]. Universities of Patras and Ioannina, 2002.
- Kasimis, C. and A.G. Papadopoulos. "The De-agriculturalisation of the Greek countryside: The changing characteristics of an ongoing socio-economic transformation." in *Europe's Green Ring*, edited by L. Granberg, I. Kovacs, and H. Tovey. Aldershot: Ashgate, 2001.
- King, R. "Tracking immigration into Italy: Ten years of the *Immigrazione Dossier Statistico*." *Journal of Ethnic and Migration Studies* 28, no. 1 (2002): 173-180.
- King, R. "Southern Europe in the changing global map of migration." In *Eldorado or fortress? Migration in Southern Europe*, edited by R. King, G. Lazaridis, and C. Tsardanidis. London: MacMillan Press, 2000.
- Labrianides, L. and A. Lyberaki. *Albanian migrants in Thessaloniki* [in Greek]. Thessaloniki: Papazisis, 2001.
- Lianos, T., A. Sarris, and L. Katseli. "Illegal migration and local labor markets: the case of northern Greece." *International Migration* 34, no. 3 (1996): 449-484.
- Malheiros, J. "Portugal Seeks Balance of Emigration, Immigration." *Migration Information Source*. Washington, DC: Migration Policy Institute, December 1, 2002, <http://www.migrationinformation.org/feature/display.cfm?ID=77>.
- Martínez Veiga, U. "Immigrants in the Spanish labour market." *South European Society and Politics* 3, no. 3 (1998): 105-128.
- Morén-Alegret, R. and M. Solana-Solana. "Foreign immigration in Spanish rural areas and small towns: Current situation and perspectives." Presentation at the *Work, Leisure and Development in Rural Europe Today* Conference. Sligo, Ireland, European Society for Rural Sociology, 2003.
- National Statistical Service of Greece. *Census of Population 2001*. National Statistical Service of Greece, 2003.
- National Statistical Service of Greece. *Preliminary Results of the Census of Agriculture and Livestock 1999/2000 and General Conclusions* [in Greek]. National Statistical Service of Greece, 2001.
- Organisation for Economic Co-operation and Development. *Trends in international migration: SOPEMI — 2003 Edition*. Paris, OECD, 2003.
- Ombudsman Office. *Special report on the problems of the application of the Aliens Law 2910/2001* [in Greek]. Athens: National Publishing Agency, 2001.
- Parini, E. G. *I posti delle fragole: Innovazioni e lavoro nella frugolicultura della California e della Calabria*. Soveria Mannelli: Rubbettino, 2002.
- Peixoto, J. "Strong market, weak state: the case of recent foreign immigration in Portugal." *Journal of Ethnic and Migration Studies* 28, no. 3 (2002): 483-497.
- Pugliese, E. "Restructuring of the labor market and the role of the third world migrations in Europe." *Environment & Planning D: Society and Space* 11, no. 5 (1993): 513-522.
- Reyneri, E. and M. Baganha. "New migrants in south European countries and their insertion in the underground economy." In *Migrant insertion in the informal economy, deviant behavior and the impact on receiving societies: The comparative reports*, edited by E. Reyneri, et al., Targeted Social-Economic Research Program of the European Commission, 1999.

Romero, C. G. "Trabajadores extranjeros en la agricultura Espanola: enclaves e implicaciones." *Estudios Regionales* 31 (1992): 127-147.

Solé, C. "The impact of immigration on southern European new receiving societies." In *Migrant insertion in the informal economy, deviant behavior and the impact on receiving societies: The comparative reports*, edited by E. Reyneri, et al; Targeted Social-Economic Research Program of the European Commission, 1999.

Vaiou, D. and K. Hadjimichalis. *With the sewing machine in the kitchen and the Poles in the fields: Cities, regions and informal labor* [in Greek]. Athens: Exandas, 1997.



FUTURE DEMOGRAPHIC CHANGE
IN EUROPE : THE CONTRIBUTION
OF MIGRATION

WOLFGANG LUTZ AND
SERGEI SCHERBOV

Europe is frequently called the “Old Continent” and it truly deserves this name in a demographic sense. Europe’s population currently has the highest median age of any world region, 37.7 years, according to the United Nations. By the middle of the century, the median age is likely to be as high as 48 years in Europe, while in the “New World,” i.e., North America, the median age will be around 40. The rest of the world will be younger still.

Europe spearheaded global demographic growth in the 19th and 20th centuries, and it is likely to spearhead population aging in the 21st century. The population above age 60 has been increasing rapidly, and that below age 20 has been diminishing. Because of the very low levels of reproduction that have prevailed in large parts of Europe over the past decades, the age structure of the population has already been altered to such a degree that there will be fewer and fewer women of reproductive age in the years to come. The total population size of Europe is expected to decline in the long run, even when assuming sizeable immigration and continued increases in life expectancy. Without migration gains, Europe’s population would age even more rapidly and population size would start to decline in the near future.

Although significant future population aging in Europe is a near certainty, the exact degree of aging will depend on future trends in fertility, mortality, and migration that cannot yet be fully anticipated. There is significant

uncertainty around the three key questions: Will the birth rates in Europe recover, stay around the current level, or even continue to fall? Are we already close to a maximum life expectancy beyond which there will be no further decline in mortality rates? And how many migrants will enter Europe in the coming decades?

All three of these factors matter for the future population size and structure of Europe, but this chapter will primarily focus on the role of migration in future population dynamics. This will be achieved by looking at different possible future migration regimes against the background of realistic ranges of future fertility and mortality changes. A short summary of the principles of population dynamics will be followed by a look at probabilistic population projections for the European Union and an attempt to quantify the importance of future migration for this outlook. The final part of the chapter will explicitly and systematically address the frequently asked question: To what degree can immigration compensate for the low birth rate in Europe?

POPULATION DYNAMICS

As compared to other social and economic factors, demographic trends are very stable and have great momentum. For this reason, population dynamics can be projected with greater accuracy over a longer time span. Of course, such projections are not absolutely certain because human

behavior is not purely deterministic, and there can be unforeseen trends and disasters. But since most of the people who will be alive in 2020 are already alive today, we know with a high degree of probability what the age structure of the labor force is likely to be in that year.

Future population size and age structures are determined by the present age structure and the future trends in three basic demographic components: fertility (birth rate), mortality (death rate), and migration. Any change in the population must operate through one of these three factors. But due to the great inertia of population dynamics, even rather rapid changes in one of the factors may take quite a long time to have an impact on the total population. If, for instance, smaller and smaller cohorts of women are entering the childbearing ages, even a possible increase in the mean number of children per woman may not lead to an increase in the total number of births. Similarly, the so-called “Baby Boom” (and not a discontinuity in life expectancy gains) is the main reason why we expect the proportion of the population above age 60 to increase sharply after 2020.

The fact that there are only three factors to be considered in population projections does not necessarily make the task easier, because the projection of each of the factors is difficult and associated with significant uncertainties. Even the future of *mortality*, which traditionally has been considered the most stable demographic trend with

steady improvements over the years, has recently become more uncertain. Over the last 50 years, life expectancy in Western Europe has increased by about 10 years, implying an average gain of two years per decade. Despite this significant gain, which has surpassed all expectations expressed in earlier years, most statistical offices producing projections assume a slowing of improvements over the coming years and in some cases even constant life expectancy. Eurostat, the statistical office of the European Commission, assumes, in the medium projection, a gain in life expectancy at birth of about three years over a period of 20 years. But there is increasing scientific uncertainty about limits to human longevity and consequently about the future gains still to be expected. In contrast to the traditionally dominant view that we are already very close to such a limit (actually, the assumed limits are being constantly moved upwards by projectors as real gains surpass their expectations), alternative views suggest that such limits (if they even exist) might be well above 100 years. This scientific uncertainty about the future trends in old-age mortality also needs to be reflected in the population projections.

Fertility is the most influential of the three demographic components under a longer time horizon. Changes in fertility not only impact the number of children, but also the number of grandchildren, etc. For this reason, relatively small changes in fertility may have very significant consequences for population size and age structure in

the longer run. Despite its significance, we know fairly little about the future trends of fertility in Europe. History since World War II does not help us anticipate the future trend. During the “Baby Boom,” most Western European countries had period fertility rates of above 2.5 children per woman. This was followed by a rapid fertility decline during the 1970s, bringing the European average down to about 1.5. Since then we have seen diverging trends, typically at levels well below replacement fertility. The most significant fertility declines have appeared in the Mediterranean countries, with Italy and Spain having around 1.2 children per woman. Some of the Central and Eastern European countries have reached even lower levels, while France and the Northern European countries have showed somewhat higher levels. There have also been significant regional differentials within countries, e.g., between northern and southern Italy.

A further uncertainty is due to the fact that part of these trends is caused by the depressing effect of “tempo” changes, i.e., a postponement of births, and it is unclear for how long this will continue. There is no clear scientific paradigm to adequately anticipate future reproductive behavior. The notion of a “second demographic transition” has been suggested to capture these trends, but it does not say where and when the end-point of this transition might be reached. For this reason, again, population projections need to reflect uncertainty through a range of fertility assumptions.

Migration is the most volatile of the three demographic components. The number of people entering or leaving a country can change from one year to the next due to political events or the enforcement of new legislation. The past 10 years have witnessed great ups and downs in European migration levels. The problem with projecting migration trends is not only the intrinsic difficulty of foreseeing such political events, but also the fact that net migration is the result of two partly independent streams (in-migration and out-migration) that depend on conditions in both sending and receiving countries. In this respect, projections can do little more than demonstrate the impacts of alternative net-migration assumptions.

Policies to manage the future and meet demographic challenges require the best available information about future demographic trends. The standard way to project the future population path that is considered most likely by experts is a well-established methodology, the so-called “cohort component” method. The more difficult issue is how to deal with uncertainty in future demographic trends. As indicated above, there are significant uncertainties associated with all three components: fertility, mortality, and migration.

The conventional way of handling these uncertainties is to produce different scenarios or variants that combine alternative fertility assumptions with single mortality and

migration paths. The current practice of providing “high” and “low” variants to communicate uncertainty around the medium projection suffers from several drawbacks. The most important are: (a) in many cases, variants only address fertility uncertainty, ignoring mortality and migration uncertainty; (b) the variants approach is unspecific about the probability range covered by the “high” and “low” variants; (c) the variants are probabilistically inconsistent when aggregating over countries or regions because the chances of extreme outcomes in many countries or regions at once are portrayed as being the same as an extreme outcome in a single country or region; and (d) the variants typically do not allow for fluctuations such as baby booms and busts that can produce bulges in the age structure.

These problems can only be solved by turning to “fully probabilistic projections” to cover the uncertainty.

Probabilistic population projections are a rather recent methodological development about which a large body of literature has been written. The specific methodology applied in this paper has been extensively described elsewhere and cannot be described in detail here. The model specifications follow those of the 13 world regions delineated by the authors and Warren C. Sanderson in 2001.

COMPARING POPULATION OUTLOOKS

This section presents two different sets of population projections for the EU (with its 15 Member States as of 2003)¹. Both are based on identical assumptions about the future ranges of fertility and mortality, but have different migration assumptions. The case labelled “regular” considers the full range of uncertainty in future migration as it looks plausible from today’s perspective. In the second case, which is labelled “no migration,” the purely hypothetical, unrealistic case of Europe being entirely closed to migration is examined. The comparison between the two projections will allow us to evaluate the contribution of migration to Europe’s demographic future.

In numerical terms, the following assumptions are made about future trends. For fertility, we assume that by 2030 there is likely to be some recovery, with the total fertility rate (TFR) increasing from the current 1.5 children per woman to 1.7. The 80 percent uncertainty range is half a child up and down from this median. In other words, we assume that in 80 percent of all simulated cases in 2030, the TFR in the EU 15 will lie between 1.2 and 2.2. This range is kept constant until 2050. For female life expectancy, which currently stands at 81.5, we assume that the 80 percent range will be 82.9-88.9 in 2030 and 84.9-94.9 in

¹ The text of this chapter was completed in early 2005, using the most recent data available at that time. Population projections that incorporate the EU accession countries would follow a similar trajectory.

2050. For male life expectancy, which presently is 75.5, the assumed 80 percent ranges are 77.0-83.0 for 2030 and 78.3-88.7 for 2050. Each uncertainty distribution is modeled in terms of a normal distribution with tails of 10 percent of the cases above and below the stated values.

For future migration into the EU 15, the following assumptions were made. In the “regular” case, the annual net migration gain for the EU was considered to lie between zero and one million in 80 percent of the cases for every year. This means that an average annual migration gain of half a million was assumed. But the assumed uncertainty distribution also implies that in 10 percent of the cases, Europe actually loses migrants and in another 10 percent will gain more than one million. In the “no migration” case a closed population was assumed, i.e., the EU is neither winning nor losing people by migration. For each of the cases 1,000 independent population projections by age and sex were performed drawing each year from the above-defined fertility, mortality, and migration distributions with stochastic annual fluctuations (which avoid traditional but unrealistic assumptions of linear trends, instead providing for more realistic annual ups and downs in rates).

Figures 1a and 1b show the resulting uncertainty distribution for the future total population size of the 15 Member States of the EU. They show that, as can be expected, the uncertainty range expands over time.

For the coming decade, the range is very narrow, while in 2050 the 95 percent range goes almost from 300 million to 450 million inhabitants. In the “regular” case (Figure 1a), the total population of the EU 15 is still likely (in more than half of the simulations) to increase somewhat until around 2020 and then start to decline. The median of the projection shows a small increase from the current 376 million to 385 million in 2025, followed by a decline to 376 million in 2050 (see Table 1). In other words, even in the case of significant immigration (on the order of half a million per year) the population size in the EU 15 is likely to be smaller in 2050 than it is today.

In the case of a hypothetically closed population (the “no migration” case shown in Figure 1b), the median starts to fall immediately. An initially moderate decline will then gain momentum over time and result in a rather steep decline after 2030. In this case, the median would decline by around 10 million over the coming 25 years, but by more than 30 million over the second quarter century. A comparison of the two “trumpets” of uncertainty in Figure 1 shows that the uncertainty range for the “regular” case is much broader than for the “no migration” case because of the added migration uncertainty, which makes a significant difference in the total uncertainty. The comparison of the two graphs shows that in the case of “no migration” the uncertainty is essentially downwards, i.e., the open question would not be whether the population declines, but by how much

FIGURE 1A. PROBABILISTIC PROJECTIONS FOR THE TOTAL POPULATION SIZE OF THE EUROPEAN UNION (EU 15) TAKING MIGRATION INTO ACCOUNT AND INCLUDING FRACTILES OF THE RESULTING UNCERTAINTY DISTRIBUTIONS

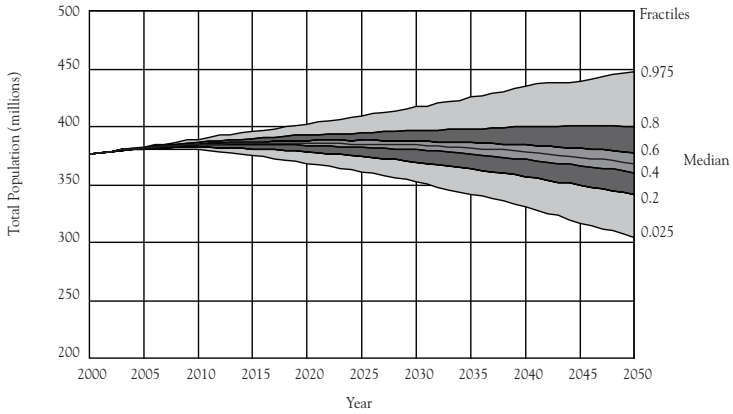


FIGURE 1B. PROBABILISTIC PROJECTIONS FOR THE TOTAL POPULATION SIZE OF THE EUROPEAN UNION (EU 15) ASSUMING A CLOSED POPULATION AND INCLUDING FRACTILES OF THE RESULTING UNCERTAINTY DISTRIBUTIONS

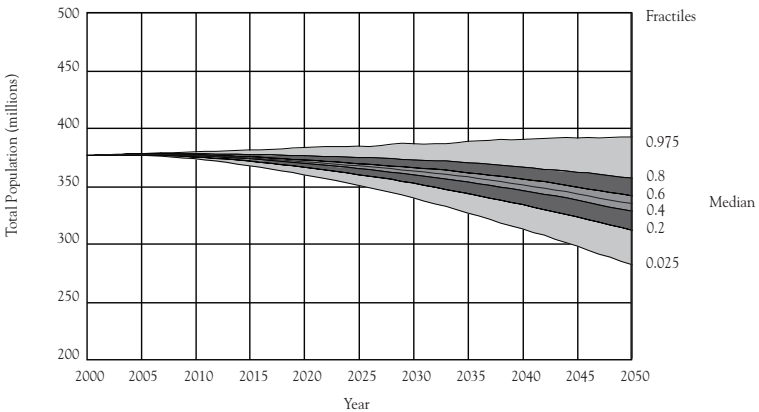
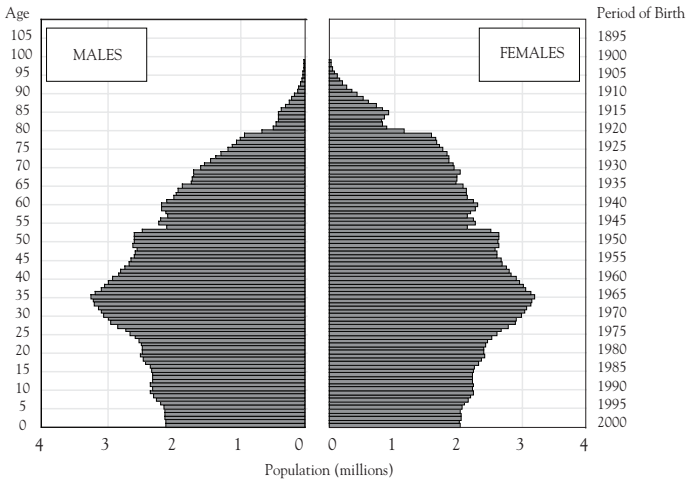


FIGURE 2. AGE PYRAMID OF THE POPULATION OF THE EUROPEAN UNION (EU 15) IN 2000



it declines, depending on future fertility and mortality trends.

In 2050, the median of the “no migration” projection is 35 million lower than that of the “regular” projection. This is on the order of 10 percent of the total population of the EU 15. In other words, this shows that over a 50-year horizon, migration gains in the EU 15 are likely to make a difference of 10 percent in total population size.

But migration matters not only for population size; the speed and the degree of population aging are also sensitive to migration. Table 1 shows that the proportion of the population age 65 or above is almost certain to increase from its current level of 16.3 percent under practically all condi-

tions, with or without migration. Any meaningfully assumed level of immigration, even when combined with high fertility and low gains in life expectancy, cannot stop a very significant increase in the proportion of the elderly. In terms of the medians, it would increase to 30.8 percent in the “regular” case and to 32.5 percent in the “no migration” case by 2050 (see Table 1). This difference looks relatively minor when compared to the huge change from the current 16.3 percent. The difference is on the order of 10 percent of the expected increase. Ninety percent of the increase is already embedded in the current age structure due to continued low fertility and increasing life expectancy.

A look at the full age pyramids is very illuminating. Figure 2 shows the

TABLE I. TOTAL POPULATION AND PROPORTION ABOVE AGE 65 IN THE EU 15 (MEDIAN WITH 80 PERCENT UNCERTAINTY RANGES), "REGULAR" AND "NO MIGRATION" CASES

Year	Total Population (in millions)	Proportion 65+
2000	376	0.163
2025 "regular"	385 (369-401)	0.226 (0.214-0.238)
"no migration"	367 (355-378)	0.235 (0.222-0.246)
2050 "regular"	369 (325-418)	0.308 (0.268-0.355)
"no migration"	334 (300-372)	0.325 (0.282-0.368)

current age pyramid of the EU 15. There the picture is clearly dominated by the so-called "Baby Boom" generation, those large cohorts born during the 1960s. Never before and never since have birth cohorts been that large. The pyramid is narrow at the bottom as a consequence of the decline in birth rates since the 1970s. This age structure has future population aging and even shrinking pre-programmed. At the moment, the sizes of younger cohorts are still a bit inflated by the fact that the large "Baby Boom" cohorts have just moved through their prime reproductive ages, increasing the number of potential mothers. Over the coming years, the number of potential mothers in Europe will significantly decline and therefore the number of births will go down, even in the unlikely case that fertility would fully

recover to the replacement level of two surviving children.

Figure 3 gives probabilistic age pyramids for the population of the current EU 15 for the year 2050. These pictures are still dominated by the "Baby Boom" generation, which in 2050 will be above age 80. The female sides of the pyramids show that this cohort of women ages 80-85 is still likely to be the biggest cohort alive. This is difficult to imagine today, but especially in the "no migration case," Figure 3b clearly shows that in 2050 no other age group of women will be as numerous as those ages 80-85. This incredible pattern is somewhat less pronounced for men because of their lower life expectancy. By 2050 a higher proportion of male members of the "Baby Boom" generation will have died.

Figures 3a and b also show how important fertility uncertainty is in the longer run. Under the “regular” projections (Figure 3a), the 95 percent uncertainty range for children aged 0 to 1 goes from less than one million children to about three million children, i.e., it differs by a factor of three. No other age group has such huge uncertainties. Uncertainty at the highest ages is also quite sizable due to the uncertainty about the future increase in life expectancy. The range is smallest for ages 50-70, which are the cohorts born between 1980 and 2000. These cohorts are only affected by migration uncertainty, because they are already alive today (we know the actual cohort size; there is no fertility uncertainty) and they have not yet entered the high mortality ages in which mortality uncertainty matters greatly. This is also evident in the “no migration” case (Figure 3b). There, for the cohorts born shortly before 2000, there is no uncertainty because in this projection there is zero migration and therefore no migration uncertainty.

Figures 3a and b, which provide a comparison between the two age pyramids, also illustrate visually what has been discussed about the contribution of migration to population size and aging above. In the “no migration,” case the pyramid is narrower at the base because of fewer young people in Europe and smaller in total area because of smaller total population size. The “regular” pyramid has a broader base because migrants tend to come at a younger age and because migrants also have children. These

projections assume, for simplicity’s sake, that immigrants have the same average birth rates as the general population. If it is assumed that immigrants have on average more children, the difference between the two cases becomes even more pronounced.

CAN IMMIGRATION COMPENSATE FOR LOW FERTILITY?

The second part of this chapter chooses another demographic approach to studying the quantitative contribution of migration. Without considering the full uncertainty of future demographic trends, it focuses on this specific question: What are the implications for Europe’s population size and structure of alternative future fertility levels combined with alternative levels of immigration? What follows presents the results of 28 scenarios that combine seven different fertility levels with four different migration levels for the 15 Member States.

Figures 4 and 5 present selected findings from a large number of different simulations that were calculated at the level of the EU 15 with a population of 376 million in 2000. Since the discussion of this question mainly concerns the long-term impacts, the figures only show the results for 2050. They are based on alternative population projections in which fertility and net migration are kept constant over time at the level indicated, while mortality — the third

FIGURE 3A. PROBABILISTIC POPULATION PYRAMIDS FOR THE EUROPEAN UNION (EU 15) FOR 2050, WITH THE "REGULAR" PROJECTION. THE DIFFERENT SHADINGS REFER TO THE FRACTILES OF THE UNCERTAINTY DISTRIBUTIONS (SEE FIGURE D)

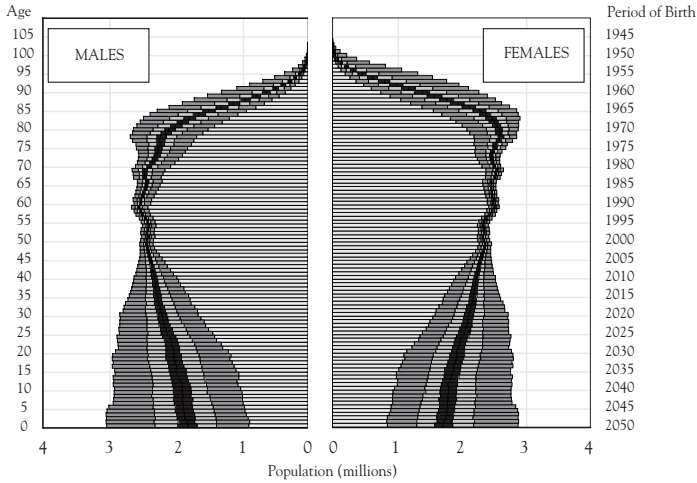


FIGURE 3B. PROBABILISTIC POPULATION PYRAMIDS FOR THE EUROPEAN UNION (EU 15) FOR 2050, WITH THE "NO MIGRATION" CASE. THE DIFFERENT SHADINGS REFER TO THE FRACTILES OF THE UNCERTAINTY DISTRIBUTIONS (SEE FIGURE D)

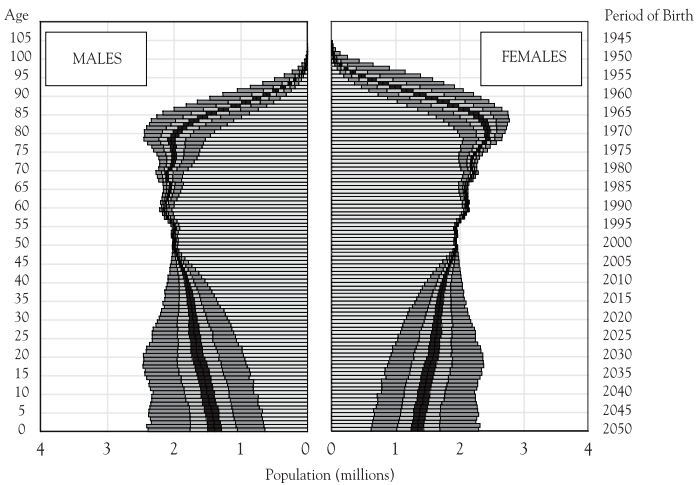
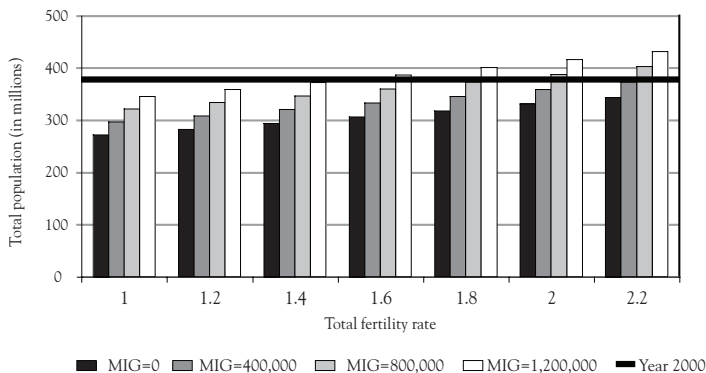


FIGURE 4. TOTAL POPULATION OF THE EUROPEAN UNION (EU 15) IN 2050, ACCORDING TO ALTERNATIVE PROJECTIONS ASSUMING A WIDE RANGE OF FERTILITY AND ANNUAL NET MIGRATION LEVELS. THE LEVEL OF 2000 IS MARKED AS A BLACK LINE

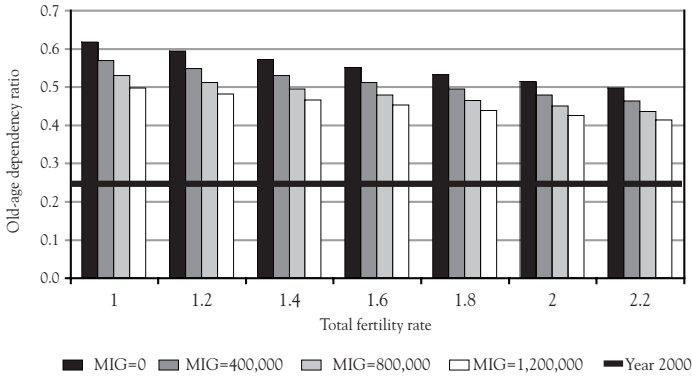


component of population change — is improving slowly, as assumed in the regular projections (the median of the above-discussed uncertainty distribution). The figures group the projection results by the assumed TFR ranging from 1.0 to 2.2. For 1999, Eurostat gives a TFR of 1.45 for the EU 15, which covers a range from Spain (1.19), Italy (1.21), Greece (1.30), and Austria (1.30), at the low end, to Denmark (1.74), Finland (1.74), France (1.77), and Ireland (1.89), at the high end, according to the European Commission in 2001. The different bars under each fertility assumption refer to different assumed levels of net migration gain. For 1999, Eurostat estimates a positive net migration rate of 1.9 (per 1,000 population) for the EU 15, which in absolute terms implies a migration gain of 714,000 persons.

Over the past decade, however, migration flows have shown strong annual fluctuations and great differences between the 15 Member States. The figures show the results for four different levels of annual net migration, ranging from zero (no migration gains) at the low end to a constant annual gain of 1.2 million, which over the 50-year period would accumulate to a 60 million immigration surplus.

Figure 4 presents the results with respect to the total population size of today's EU 15. Not surprisingly, the lowest population size in 2050 (271 million, or a 28 percent decline from today) results from the combination of a TFR of 1.0 with the assumption of zero net migration gains. At the high end, the combination of a TFR of 2.2 with a 1.2 million annual migration gain results in a population size of 431

FIGURE 5. OLD-AGE DEPENDENCY RATIO FOR THE EUROPEAN UNION (EU 15) IN 2050, ACCORDING TO ALTERNATIVE PROJECTIONS ASSUMING A WIDE RANGE OF FERTILITY AND ANNUAL NET MIGRATION LEVELS. THE LEVEL OF 2000 IS MARKED AS A BLACK LINE



million in 2050, which is an increase of 15 percent as compared to today. Of all the alternative scenarios included in the figure, the overwhelming majority point to population decline, but the impacts and the differences among the scenarios are not too dramatic considering that they reflect change over half a century. This shows that total population size is a rather inert variable, and even rather extreme combinations of assumptions affect it very slowly.

Figure 5 shows that the population age structure is expected to change more rapidly and more profoundly than population size. The graph plots the so-called old-age dependency ratio, which is defined here as the proportion of the population above age 65 divided by the population ages 15-64. At the level of the EU 15 this

ratio is presently 0.24. Due to the inevitable changes that are mostly pre-programmed in the current age structure of the population, this ratio is bound to increase significantly under all scenarios. Up to 2050, this dependency ratio will increase by a factor of roughly two to three depending on the future fertility and migration levels assumed. It is interesting to see that even massive immigration to Europe makes little difference for the old-age dependency ratio. This difference is somewhat more pronounced in the case of very low assumed fertility and less pronounced for the higher fertility scenarios. Even in the extreme case of 60 million young immigrants added to the EU labor force, over the next five decades the expected increase in the old-age dependency ratio would be only slightly more moderate than

under current migration rates and not even significantly different from the other extreme case of no migration gains.

The above-described analysis shows that there is a clear compensatory relationship between fertility and migration: A TFR of 1.0 combined with a migration gain of 1.2 million per year yields the same old-age dependency ratio in 2050 as a TFR of 2.2 and a migration gain of zero. There even is a fairly clear general linear relationship that holds for both population size and the old-age dependency ratio: One million immigrants per year have the same effect as a TFR difference of 1.0. On a more realistic scale, the effect of 100,000 additional immigrants per year corresponds to that of an increase in the TFR of 0.1.

DISCUSSION AND RECOMMENDATIONS

The question discussed in this chapter has gained wide public prominence following the 2000 publication of a United Nations (UN) study entitled “Replacement Migration: Is It a Solution to Declining and Aging Populations?” This study presents several scenarios for a set of eight countries as well as Europe and the EU as aggregates. One scenario computes and assumes the migration required to maintain the size of total population; another keeps the working-age population constant; and yet another maintains the current

support ratio, i.e., the proportion of the population ages 15-64 over the population 65 or older. For the individual countries, the results show that significant immigration can result in constant population sizes and even constant sizes of the working age population, whereas the support ratio can only be maintained with implausibly high immigration levels. The absurd number of 5.1 billion immigrants necessary to maintain a constant support ratio until 2050 in the Republic of Korea has received a lot of attention in this context. For the EU 15, these calculations show that a total of 47.5 million migrants (or 0.95 million per year) would be required to keep the population size constant; 79.4 million (or 1.6 million per year) would be needed to maintain the working-age population; and an impossible 674 million (13.5 million per year) would be needed to keep the support ratio constant. It was interesting to see that in terms of public reactions to these calculations, one could find opposing conclusions ranging from “immigration can never solve the aging problem” to “immigration is urgently needed to solve the aging problem.”

This UN study chose an approach that works top down — or more precisely, “back from the future.” A certain demographic target (such as keeping the working age population constant) is set and then one calculates what immigration would be needed to achieve this goal, assuming invariant paths of future fertility and mortality. This chapter

does not set a target, but rather calculates the outcomes of possible variations in the future paths of all three demographic components: fertility, mortality, and migration. Since policy considerations typically are not based on a certain target in the distant future that is difficult to establish and defend substantively, but rather work in terms of processes evolving over time, the approach presented in this chapter may be more relevant for policy discussions about migration in the context of an aging European population.

From the above analysis, two specific policy recommendations can be drawn:

- 1) It is not correct to speak of a “need of migrants for demographic reasons,” a phrase often heard in policy circles. Demography and exercises in population dynamics of the kind presented in this chapter are transparent and objective calculations that do not prove or disprove any “need.” Demography can show that with near certainty in Europe, the ratio of people ages 20-30 to people age above 60 will decline over the coming decades. Whether or not this is seen as a serious problem depends on judgments about the consequences of such trends that have little to do with demography. And even if it is considered a problem, immigration is not the only solution; there are other possible counter-strategies, such as increased female labor force participation, increases in the age of retirement, or faster gains in

labor productivity through better, continued education. Having said this, it is difficult to imagine that a Europe entirely closed to migration would not suffer welfare losses.

- 2) Of the three determinants of population change, only fertility and migration can be subject to influence by policies in order to diminish the speed of aging (for mortality, only interventions that continue to bring down old-age mortality are acceptable, although they reinforce population aging). It is important to be clear that fertility and migration have a very different timing with respect to their impacts on population dynamics. Migrants can be let into the country at rather short notice (provided that the mechanisms are in place) at the time when a labor shortage is imminent. In contrast, policies aimed at increasing the birth rate need more than two decades in order to result in additional educated members in the labor force. This crucial difference in timing is often forgotten in the debates, but it makes a big difference when it comes to the planning of policies.

REFERENCES

- Bongaarts, J. and F. Griffith. "On the quantum and tempo of fertility." *Population and Development Review* 24, no. 2 (1998): 271-291.
- Bucht, B. "Mortality trends in developing countries: A survey." In *The Future Population of the World: What Can We Assume Today?* Revised Edition, edited by W. Lutz. London: Earthscan, 1996.
- Cliquet, R.L. *The second demographic transition: Fact or fiction?* Population Studies Series, no. 23. Strasbourg: Council of Europe, 1991.
- European Commission. *Demographic Report 1997: Employment and Social Affairs*. Luxembourg: Office for Official Publications of the European Communities, 1998.
- European Commission. *The Social Situation in the European Union 2001*. Luxembourg: Office for Official Publications of the European Communities, 2001.
- Lutz, W. "The future of international migration." In *The Future of Europe's Population*. Population Studies Series, no. 26, edited by R. Cliquet. Strasbourg: Council of Europe Press, 1993.
- Lutz, W. and J. Goldstein, eds. "How to Deal with Uncertainty in Population Forecasting." *International Statistical Review* 72 (2004): 1-4.
- Lutz, W., B.C. O'Neill, and S. Scherbov. "Europe's population at a turning point." *Science* 299 (2003): 1991-1992.
- Lutz, W., W.C. Sanderson, and S. Scherbov. "The end of world population growth." *Nature* 412 (2001): 543-545.
- Lutz, W., W.C. Sanderson, and S. Scherbov. "The end of world population growth." In *The End of World Population Growth in the 21st Century: New challenges for human capital formation and sustainable development*, edited by W. Lutz and W.C. Sanderson. London: Earthscan, 2004.
- Lutz, W., J.W. Vaupel, and D.A. Ahlburg, eds. *Frontiers of population forecasting*. Supplement to *Population and Development Review* 24 (1999).
- United Nations Population Division. *Replacement migration: Is it a solution to declining and aging populations?* New York: United Nations Population Division. ESA/P/WP.160, 2000.
- United Nations Population Division. *World Population Prospects: The 2002 Revision*. New York: United Nations, 2003.
- Van de Kaa, D.J. "Europe's second demographic transition." *Population Bulletin* 42, no.1 (1987): 1-59.
- Vaupel, J.W. and H. Lundström. "The future of mortality at older ages in developed countries." In *The future population of the world: What can we assume today?* (Revised Edition), edited by W. Lutz. London: Earthscan, 1996.



SELECTING ECONOMIC MIGRANTS

DEMETRIOS G. PAPADEMETRIOU AND
KEVIN O'NEIL

INTRODUCTION

The demographic predicament of most advanced industrial nations is by now clear enough. So is the fact that the market for goods, many types of services, and, indeed, workers of all skill levels now cuts across international borders. The role that immigration will play in maintaining the economic vitality of the developed countries through the demographic transition, globalization, and other challenges, however, is anything but clear.

The so-called “Traditional Countries of Immigration” (TCIs) — for the purpose of this chapter, Australia, Canada, New Zealand, and the United States (US) — have long recruited immigrants for economic reasons and are most explicitly open to immigration. Even in these countries, the question of how many and which immigrants to admit remains very much open. Although immigration is clearly a part of these countries’ economic futures, none has achieved a perfect formula for managing it, and each is continually redefining and changing their policy.

Europe is even more deeply ambivalent about immigration. Although many European countries now rival and even exceed the TCIs in number of immigrants per capita, European countries in general have a less developed framework for admitting economic immigrants. On one hand, there is great concern over the social and cultural change that immigration brings

and the possibility that migration may threaten the sustainability of European welfare states. On the other hand, there is growing acknowledgement that Europe needs the young workers that the rest of the world has to offer and that the rhetoric of “zero immigration” is impossible to put into practice.

This latter, new line of thought has led many forward thinkers to conclude that Europe would benefit from a proactive approach to immigration, in which immigrants would be recruited specifically for the economic benefits they would bring. Such a strategy would raise the proportion of immigrants that a country “chooses” for economic and related reasons relative to those over whose admissions it has relatively little control (immigrants who are reunifying with family members, humanitarian immigrants, and irregular migrants). This would have countries like France (which admits only about 10 percent of its permanent immigrants each year for “economic” motives) adopt policies more like those of countries such as Canada (which selects around 23 percent of its immigrants for economic purposes, primarily by level of education and other personal characteristics, and admits another 30 percent of its immigrants as the immediate family of these immigrants).

This chapter discusses various strategies that have been developed for recruiting, selecting, and admitting economically active immigrants, and examines the advantages, pitfalls, and potential of each. It does not attempt to exhaustively catalog the immigration policies

and outcomes of developed countries — an exercise which has been carried out elsewhere. The strategies discussed here include ones that could be applied for temporary immigration programs, permanent settlement, or for both, and although the mechanics of successfully administering a temporary work program are too complex to be adequately discussed here, the important intersection between temporary migration and the selection of permanent immigrants will be addressed. Many of the examples it uses are drawn from the TCIs, with the goal of not only educating European audiences about the state of the art in selecting immigrants, but also of provoking examination of how TCI immigration systems might be improved.

The chapter begins by proposing a set of principles that should inform the design of immigrant recruitment practices and policies. It continues with a discussion of the evolution of “economic” immigration into the developed countries that actively welcome it on a significant scale, including the changing balance between permanent and temporary migration programs. It then describes the four major selection strategies used to choose both temporary and permanent immigrants, and moves on to discuss variants of these techniques and other strategies that can facilitate the selection of economic immigrants. Finally, it will point out some emerging challenges and opportunities related to the recruitment of immigrants.

Three points should be emphasized at the outset of the discussion. The first is

the importance of context in understanding the outcomes of immigration policy. “Best practices” applied clumsily in different economic, social, and historical settings may very well result in worst outcomes. In particular, a country’s labor market and social welfare policies strongly influence the labor market experience of immigrants, and thus the outcome of immigration policies.

The second point is that while recruitment of “desired” economically active immigrants may be a valued economic resource, and may enhance social stability and the public perception of the overall experience with immigration, it cannot reduce or replace in any substantial way the “other” migration streams. Canada, for example, has achieved such a high percentage of selected immigrants primarily by expanding its entire immigration program quite significantly. Family reunification immigration makes labor immigration more stable, improves integration outcomes, and, in most countries, comes close to being a legal right for citizens and permanent settlers. Humanitarian immigration is clearly part of international law and is an important element of most developed countries’ foreign policy and chosen role in the world. Additional opportunities for legal immigration for economic reasons may discourage some “unwanted immigration” by providing an alternative to unjustified asylum claims or clandestine immigration and employment, but this effect is likely to be limited, particularly if legal immigration is offered only to the educated and skilled.

The third point is that “economic” immigrants need not be highly skilled. It is true that the vast majority of the TCIs’ permanent “economic” immigrants and the majority of their temporary migrants are required to have a college degree or equivalent skills or experience. Many argue that high-skilled migration alleviates income inequality, leads to better integration outcomes and public acceptance of immigrants, and creates fewer burdens on the welfare system. In addition, only skilled migrants, by definition, can relieve a “skills shortage.”

Without disputing these arguments, there remain legitimate reasons to consider accepting immigrants of a variety of skill levels. Most developed nations, particularly European ones, will have unskilled workforces that decline quickly in the coming years, while demand for low-skill, low-status services such as home health care, domestic duties, or food service will likely remain robust and climb with increasing prosperity and demographic change. In addition, there are internationally traded sectors, such as agriculture or manufacturing, in which wealthy countries will not be able to compete without access to lesser-skilled workers. Such demands can be met without legally admitted low-skilled immigration beyond that of humanitarian and family reunification immigrants, but this would involve its own costs, including the likely costs of accepting or combating illegal immigration. However, because high-skilled migrants are relatively scarce and choosing among skill sets and qualifications is

an important part of the migrant “recruitment” process, much of this discussion will speak to the selection of skilled migrants.

THINKING HARDER ABOUT “RECRUITING” IMMIGRANTS

Recruiting immigrants today is largely a matter of setting a framework for admitting immigrants: Depending on the method, criteria, and type of admission chosen, the recruiting process will be facilitated by outside allies, from employers and recruiting companies, to powerful networks of co-nationals, to foreign governments, to the initiative of migrants themselves. However, an effective admissions policy should be regarded as a recruitment process, and should address the following questions:

- What economic and social goals is the immigration program intended to meet, and what are the criteria for success derived from these goals?
- What personal characteristics should admitted migrants have, and how will these be assessed?
- What is the anticipated period that the immigrant will be allowed to stay and work, and what happens at the end of that period?
- What balances will be struck between the need of employers to respond quickly and precisely to economic demand by choosing

their employees and the need to protect the labor-market interests of resident workers and foreign workers from exploitation?

- How can the admissions process allow employers to gather information about the potential migrant and give the prospective migrant a chance to learn about the domestic labor market and acquire useful local knowledge and skills prior to admission to a given migration status?
- Will the strategy chosen and the administrative resources deployed to support it make the admission process timely enough to satisfy the program's goals?
- How will the number of migrants admitted be controlled?
- How will admissions be distributed "efficiently" across different immigration programs?
- In the case of sought-after highly skilled migrants, will the immigration "package" offered be enough to attract them?

A quick survey of the immigration programs of developing countries, particularly those of the TCIs, reveals varying, and in many cases, converging practices.

THE STATE OF THE ART IN SELECTING ECONOMIC IMMIGRANTS

Today, most better-educated and skilled immigrants who are admitted to work in developing countries on a

truly discretionary basis are selected according to such factors as an employment offer and/or potential for employment, education, experience, age, and demonstrated business skills, among others. Increasingly, the willingness to commit to move to a specific location for a minimum number of years is gaining in importance in Canada and elsewhere. A significant, but usually smaller, group of immigrants are admitted to work in low-skill occupations — but almost always on a temporary or seasonal basis, at least in theory. Finally, a very small number of immigrants are admitted because they will invest significant amounts of money in starting or expanding a domestic business. This discussion will focus on the much larger stream of immigrants who are admitted primarily because of their human, not financial, capital. This "economic stream" of workers is rounded out by a group whose admission is only partly discretionary: intracompany transferees and other professional workers whose entry may be protected under World Trade Organization (WTO), regional, and/or bilateral trade agreements.

There are two basic component flows to economic migration: permanent immigrant, or settlement, admissions that grant permanent permission to live and work in the destination country; and temporary, or "non-immigrant" (the US term of art) admissions that grant stays and work permits of a determinate length to a foreigner, usually anywhere from one to eight years.

Permanent visas for economic immigrants are rather limited. The four TCIs, for example, which have the longest and strongest traditions of granting permanent residence up front, admit a total of roughly 400,000 people, including principal applicants and their immediate family members, for permanent residence as part of economic immigration streams each year.

On the other hand, *temporary* admissions of foreigners who enter either explicitly in order to work or gain a derivative right to do so (also referred to here as labor migration) have been growing by leaps and bounds, particularly in the TCIs but also in Europe, which is reconsidering (opponents of such openings will say “forgetting”) its experience with guestworker programs in the 1960s and early 1970s. The United States has been most aggressive in this regard with its “H” class of visas but the other three TCIs have joined the competition with considerable vigor. Increasingly, temporary labor migration has become the means — the transmission belt, as it were — by which ever-larger proportions of permanent immigrants initially find their way legally into immigration countries around the world.

Most formal entries in the economic migration stream, whether permanent or temporary, are skewed strongly towards better-educated and skilled foreigners. Admissions for jobs requiring few formal skills but that reward relevant experience, however, continue to be valued by receiving and sending countries alike and are thus a constant and

significant presence in most immigration systems. The various schemes for agricultural and other seasonal work, as well as for caretaking, domestic services, and a constellation of personal (domestic) services recognize that reality.

While not all immigration countries treat foreigners who ply their labor and skills in the international migration system identically, most follow common mechanisms for the selection of permanent immigrants. Similarities between the systems that countries use to match the proper worker to the proper job grow further when temporary immigration programs are examined.

CONVERGING PRACTICES IN RECRUITING IMMIGRANTS

The increasing popularity of temporary admissions across TCIs (and other states) has been paced by a remarkable convergence in admissions procedures. There are various reasons for this convergence. Among these is the reality of multilateral agreements, such as those relating to trade-in-services that are anchored on the principle of reciprocity, and demands among economic partners to codify reciprocal access for each other’s nationals in the areas of business, trade, investment, or cultural exchanges. Regional reciprocal arrangements (e.g., the Trans-Tasman Travel Arrangement between Australia and New Zealand and the reciprocal rights to employment in nearly seventy professional occupations established between the US, Canada, and Mexico by the North American Free Trade Agreement — NAFTA) have also proliferated. Finally, certain

categories of temporary entry allow employment that is in some ways “incidental” to the visa’s primary purpose. Among those are student visas (under certain more or less restrictive circumstances), trainee or cultural exchange visas, under which a visitor is allowed to work as part of the training or exchange, or “holiday maker” visa holders who are allowed to work for a period of time during their stay in the host country.

However, there is another increasingly consequential reason for such convergence in practices. With “globalization” having advanced to the point where speaking of national firms may in many ways be anachronistic, at least among the advanced economies, competitive pressures have put a premium on cutting-edge technical skills and talent — *wherever these may be found*. With trade barriers falling — in large part as a result of persistent efforts by the TCIs and the European Union — and with technology, like capital, recognizing neither borders nor nationality, individual initiative and talent are increasingly recognized as the most valuable global resources. The TCIs have long recognized this reality, designing and redesigning their immigration systems to gain ready access to those who have the desired human capital attributes. Increasingly, this has led to competition among TCIs in what might be called a human capital accretion “sweepstakes,” a contest in which increasing numbers of European countries are now eager to participate, with Germany, the United Kingdom, and France leading the way.

The TCIs offer permanent immigration status up front to many of these foreign workers, but the administratively simpler route of entering on a temporary visa and then applying for permanent residence is gaining in prominence, making some temporary visas into veritable “transition” visas. The most-traveled routes in this transition-to-permanence admission framework are high-skill temporary work and education visas. The first route initially involves temporary work in information technology and communications, engineering, the medical professions, or other high-skill sectors. The US’s high-skill H1-B visas may have provided the largest opening of this type, but the other TCIs have been expanding their own such pathways.

The second temporary-to-permanent route is through a country’s institutions of higher education. In absolute numbers, the United States has been again the leader in this form of entry for decades. The other TCIs, however, have also expanded their opening to the student talent pool by removing administrative barriers to hiring foreign students directly out of tertiary education and converting them, in due course, to permanent immigrants. The greatest activism in this area, however, may be coming from several European countries, such as France, Germany, and the United Kingdom (UK), which have always had robust foreign student populations. (On a per capita basis, the foreign student populations in some of these countries exceed that of the United States.) These and other European destinations

are experiencing somewhat of a “wind-fall” in foreign student applications as a result of the US preoccupation with security screenings and the less welcoming attitude towards nationals from a large number of countries.

The expansion of the temporary and temporary-to-permanent immigration stream is refueling two “old” discourses. The first one focuses on the receiving countries’ failure to adequately adapt their own training and education systems to the requirements of the so-called new economy sufficiently and effectively enough to meet employment needs from within their own labor pool. The second dwells on the effect (and propriety) of deeper and more systematic “takings” by the TCIs (and, increasingly, by other advanced industrial societies) from the human capital pool of the developing world. Neither issue falls within the scope of this discussion, but both raise enormously important questions.

ADMITTING IMMIGRANTS: COMPETING SELECTION MECHANISMS

All developed countries, and/or their corporate citizens, choose the foreign workers they are interested in admitting permanently on the presumption that such admissions serve national economic interests. But each country emphasizes different facets of that interest by using different selection strategies. In effect, most countries use different combinations of three general strategies: (1) admitting workers who have been hired by duly registered

corporate entities for a specific job; (2) admitting people who are qualified in occupations that the government decides are in short supply; and (3) selecting immigrants based on their overall levels of human capital. The permanent-to-temporary transition route discussed above constitutes a fourth major (and quickly expanding) selection strategy of sorts, although it necessarily makes use of at least one of the other three strategies. As a result, the systems used by TCI countries that select immigrants, both temporary and permanent, form a continuum of sorts.

At one TCI end is the United States, which emphasizes immediate economic needs and allows employers to choose virtually all economic migrants directly. At the other end lies Canada, which admits almost all of its permanent economic immigrants through a “points system” that selects immigrants on the basis of a mix of skills, experience, education, age, and other characteristics that presumably maximize the probability of both immediate and long-term labor market and economic success. New Zealand and Australia, which admit most of their economic immigrants under similar points systems but also have a small number of permanent and temporary employment-based admissions, lie in between on the continuum. In the United States, Australia, and New Zealand, a small number of immigrants receive preference in admission in order to fill specific labor needs identified by the government. Occupations identified include medical doctors who will work in underserved areas (in the United States),

and medical and information technology professionals (in New Zealand and Australia).

The principal agent in each selection scheme varies accordingly. In the United States, the principal agent is almost always the employer, both for the permanent and the temporary employment-based systems. In the other three countries, the principal agent for the permanent immigration system is the public servant, with the employer playing only a minor role. In all TCIs, employers play a principal role in the fast-expanding temporary worker admissions system. In Australia and New Zealand, nongovernmental organizations that assess occupations also play a key role in verifying the skills of potential immigrants.

Most of Europe also falls in between on this continuum. The UK may be most advanced in its participation in the selection sweepstakes. For example, the UK uses simultaneously a points system, an employment-based system, and sector-driven admissions (the latter two primarily for temporary immigration). The United Kingdom's most important innovation, however, may be an administrative technique through which "pre-cleared" employers (presumably those with good records of "playing by the rules") can gain access to a needed foreign employee within a week or less.

The UK, however, is not the only hotbed of experimentation in the employment of temporary foreign workers. Italy, for instance, has

modified a French practice of about 30 years ago and allows employers who have found an unauthorized foreign worker to go to the Ministry of Welfare and register him or her.

EMPLOYMENT-BASED SELECTION

The primary focus of US economic immigration is on rectifying labor market shortages and mismatches — with an increasingly pronounced tendency towards simplifying the labor market tests it requires. Specifically, the US law has since 1990 established a maximum "quota" of 140,000 "permanent" visas for employment-based immigration (Table 7). More than 90 percent of such visas target well-educated and skilled immigrants and their immediate families. Australia maintains a database to match employers and skilled migrants and admits about 21 percent of its economic permanent migrants through employment-based admissions. A number of New Zealand's new "work-to-residence" visas are predicated on an offer of employment from a government-approved employer when the visa is issued and later when the immigrant applies for permanent status. These entries also bypass the points system. Canada makes no permanent admissions based primarily on employment but, like Australia and New Zealand, gives applicants with an employment offer an advantage in entry under the points system (discussed below).

Allowing employers to select immigrants has several advantages. It makes immigration directly sensitive to labor needs, puts the admission decision into

the hands of those best able to assess the immigrant's immediate labor market prospects, reduces bureaucracy and cost, and ensures that immigrants have jobs when they arrive. Tying immigrants to a job, and requiring that they notify the immigration service when they change jobs (if this is permitted), also facilitates monitoring of working and pay conditions by the government. In addition, tying admission of an immigrant to a specific job that "cannot be filled with a native worker" is thought to bolster political support for labor immigration. The temporary labor immigration programs, both high-skill and low-skill, in all of the TCIs and in most European countries continue to use the employment-based selection approach.

However, placing so much of the recruitment process into the hands of employers runs the risk that employers may use immigrants to undercut more expensive domestic workers, or that immigrants may be exploited with inferior wages or working conditions. When immigrants are granted permanent work and residency rights, this risk decreases dramatically because they are free to change jobs, but it can be quite substantial in the case of temporary admissions, where immigrants may have to leave the country if they lose their job. Making work permits "portable" to other jobs with as few restrictions as possible is one way of reducing this risk.

As a result of these concerns, developed countries use a menu of controls to ensure that admitted workers are

needed and that migrant workers and their already-resident colleagues are not affected adversely by the immigration process. Most use caps or quotas to restrict the number of employment-based admissions permitted in a given year. They may also restrict the ability of the employers of migrants to sub-contract their services to other entities. In most cases, countries restrict employment-based admissions to certain types of occupations, educational levels, or sectors. In the United States, for example, almost all permanent employment-based admissions and most temporary work visas are for immigrants who have a college education or better. The United States also admits between 5,000 and 10,000 permanent immigrants and a much larger number of temporary migrants to fill low-skill positions, but virtually all of these admissions are restricted either by sector (the agricultural sector) or by type of work (the work involved must be seasonal, temporary, or meet the demands of "peak load") and are often subject to an annual cap.

REGULATING EMPLOYMENT-BASED ADMISSIONS

■ **Case-by-case certifications (pre-entry control)**

One method of selecting foreign workers is to test each application against the available pool of eligible domestic workers interested in the job opening. This process is called "labor certification" in the United States, "job validation" in Canada, and "labor market testing" in Australia and elsewhere. It requires the petitioner (typically the prospective employer)

to demonstrate two things to the government's satisfaction: first, that no eligible workers are available for the job in question; and second, that the employment of the foreign national will not depress the wages and working conditions of other workers in similar jobs. This approach is still the dominant process for admitting economic immigrants (chiefly temporary ones) in continental European states. In Member States of the European Union (EU) and European Economic Area (EEA) these requirements are sometimes taken to another level, as employers may be required not only to demonstrate that they were unable to find nationally resident workers, but were also unable to attract workers from other EU/EEA states.

These requirements have proved extremely vexing both on methodological and administrative grounds. As a result, one notices a slowly emerging consensus that the value and efficacy of processes that rely on case-by-case assessments for choosing labor-market-bound immigrants are increasingly at odds with today's globally competitive realities. More specifically, firms today often choose workers (domestic or foreign) because small differences in attributes (both in the quality and in the specificity of skills) can lead to substantial differences in the firm's ability to compete, and being obliged to hire a resident candidate who is "sufficiently" or "equally" qualified in the government's eyes may leave firms at a significant competitive disadvantage. Additionally, the bureaucratic burden and delay imposed by the

case-by-case approach can seriously undermine the economic benefits gained by labor migration. On the other hand, a test to see if resident workers are willing to take the job is somewhat spurious if wages and working conditions are not improved to attract them. Thus, this "test" has the potential to serve neither employers nor workers well.

Britain, when it revised its temporary work-permit program in 2000, largely retained the case-by-case admissions model, but streamlined the process by creating a two-tier system. For top-tier applicants — including intracompany transferees, board-level managers, and workers whose occupational skills are determined by the government to be greatly needed — the requirement that the employer search for resident workers is waived. In that regard, entries in this tier emulate the United States' H-1B system. Second-tier applicants, like first-tier applicants, are not subject to a numerical cap, but their employers are required to show proof that they have searched for qualified British residents and EEA nationals to fill the position.

■ Multi-case attestations

An alternative, pioneered in the US, to approving an immigrant's employment eligibility on a case-by-case basis prior to his or her admission is granting the employer access to certain types of foreign workers on the basis of an "attestation." Attestations are legally binding employer declarations about the terms and conditions under which a foreign worker will be engaged, and

are used for both high- and low-skill temporary work visas. Attestations are designed to reduce up-front barriers and delays to the entry of certain foreign workers while still protecting the wages and other labor-market interests of domestic workers, so compliance is safeguarded through post-entry auditing and enforcement of the employer declarations. Attestations (or, more formally, “labor conditions applications,” LCAs), focus on four major policy objectives:

- First, safeguarding basic interests of domestic workers in terms of wages and working conditions while offering employers willing to play by pre-agreed rules timely and predictable access to needed foreign workers;
- Second, meeting a “public process” test by giving potentially affected parties (such as other workers in a firm or their representatives) an opportunity to know about and challenge the matters to which an employer attests;
- Third, responding most directly to changing conditions in labor markets (by allowing employers the freedom to choose and gain swift access to foreign workers they need) while requiring the least amount of hands-on engagement by the government in areas such as employment demand data and labor market testing procedures, where it has proved to be weakest; and
- Finally, inducing more cooperative labor-management relations by streamlining access to foreign workers under working terms and conditions that are transparent

and that both worker representatives and management have opportunities to influence.

Whether attestations are accomplishing these policy goals or not is the subject of much dispute, and attestations have received strong criticism for failing to sufficiently protect both domestic and foreign workers. Strengthening oversight of working conditions and compensation after workers’ employment begins is one way of addressing these concerns. Australia, for example, monitors employers who sponsor employees for temporary visas to ensure compliance with the employment contract. Sponsors must show that they are paying the proper wages, taxes, and pensions, and fulfilling any other obligations agreed to, such as implementing training programs for local workers. Site visits are used to confirm information the employer provides. In the event of a violation, the temporary visas in question can be cancelled and the employer may be declared ineligible for future sponsorship.

New Zealand uses a slightly different sort of control on a, thus far, extremely small scale. In the “work-to-residence” program, employers are accredited annually by the government on the basis of good labor relations, sound finances, and a history of employing and training native workers. Once accredited, employers can bring in workers on 30-month visas without any labor market tests and with minimal paperwork and delay. At the end of two years, these workers can apply for permanent residence.

LABOR MARKET "WAIVERS"

In a second general strategy for selecting immigrants, the government identifies labor market segments that are experiencing supply shortages or need strengthening with well-prepared foreigners and grants preference to applicants qualified in those occupations or intending to work in those sectors. These candidates may be admitted outright, granted streamlined processing, granted additional credit in a "points system," or exempted from bureaucratic obstacles such as the requirement that employers search for resident workers. Labor-market waivers of this sort often consider a variety of indicators such as vacancy rates, wage growth, forecasted demand, the unemployment rate, and the time needed to train new workers.

The process is neither as methodologically robust as it appears at first nor simple. In practice, governments are most likely to respond to lobbying by employers and tend to use the simplest of "tests": When employers cannot find employees at the current market wage, a shortage is deemed to exist and the inflow valve is adjusted accordingly. In some cases, labor unions and other stakeholders may also be part of the process of "authenticating" that a shortage exists.

New Zealand, and, to a lesser extent, the United States, identify specific supply shortages and streamline visa applications in those occupations. Other countries have given explicit priority to the entry of information technology (IT) and communications

professionals. France does so by granting streamlined permanent residence permission to foreign students who graduate from a French university with an IT degree. The United Kingdom, Canada, and several other Organisation for Economic Cooperation and Development (OECD) countries now facilitate employer access to foreign students, and under the still-pending German immigration law, Germany would too. Australia keeps a list of occupations that receive preferential treatment when being assessed in their general economic immigration category.

Under the UK's work-permit system, the requirement for a labor market test is waived if the industry in question is on the "shortage occupation list." Applications from industries on this list receive highest priority in processing. The shortage occupation list is set periodically with the consultation of "sector panels" including major companies, employers' representatives, trade unions, government agencies, and other relevant actors. In recent years, the sector panels have incorporated industries such as finance, engineering, healthcare, catering, and teaching.

At the lower end of the skill spectrum, the UK targets sectors with labor shortages through its Sector Based Scheme (SBS), introduced in May 2003 to specifically deal with labor shortages in the food, manufacturing, and hospitality sectors. While the process for obtaining the permit is similar to that of the regular work

permit scheme, with employers filing applications on behalf of the workers, the skill requirements are substantially lower, and the eligible applicant age is limited to 18 to 30 (Rollason, 2004).

The sectors included in this scheme were agreed upon by representatives of key societal interests. These included Jobcentre Plus (the government employment agency), workers' representatives through the Trade Union Councils, and employers' representatives through the Confederation of British Industry. Employers must still fulfill a labor-market test by advertising the position in question through Jobcentre Plus and the European Job Mobility Portal (the European Commission's job-posting website). Each work permit is for a 12-month duration, with renewal only available if the applicant leaves the UK for at least two months. The work permit can also be carried by the holder to another position, as long as the new job is similar (Rollason, 2004).

TALENT ACCRUAL: CHOOSING THE BEST AND THE BRIGHTEST

This strategy looks at the immigrant's skills independently of the context of a specific job offer or specific occupation. It recognizes that many highly skilled immigrants will change jobs often and may even change occupations. The characteristics that make immigrants immediately employable may not necessarily be those that lead to long-term employment success or optimal integration outcomes. Thus, the talent accrual approach aims to admit the "best and brightest" as defined by such

indicators as the number of years of schooling, training, or experience, relevant language ability, and degrees or certifications when they can be properly assessed.

Canada, Australia, and New Zealand rely most heavily on this method. In each of these countries, a points system is used to select a large proportion of immigrants; the new German legislation also follows suit. In all three systems, education and experience in any skilled field are relied upon as the primary criteria used in rating applicants. In one selection category, the United States also makes use of a variant of the talent accrual approach. Persons of "extraordinary ability" can be admitted simply by demonstrating the high quality of their credentials and professional accomplishments, although these are a small proportion of permanent admissions.

■ The points tests

Because the employer plays a less pivotal role in the process of choosing immigrants in a talent accrual strategy, and because the immigrant is not necessarily destined for a specific job, these systems rely little on labor market tests per se. In the points test system, only those foreign workers whose quantifiable personal attributes add up to a pre-agreed "pass-mark" are allowed to immigrate and/or settle. Among the characteristics currently receiving the highest point totals across all three countries are education and specific training; work experience, especially in occupations in demand; age; and language skills — generally in

that order. Offers of employment generally play a small and diminishing role (Table 1).

Other factors that promote integration or employability, such as sponsorship by a family member or experience working or studying in the country of destination, are also included. In this way, there is significant “overlap” of

criteria both with the family reunification stream and with employment-based admissions — acknowledging the social and labor market value of these additional immigrant selection systems. Business skills and the willingness to invest substantial sums in economic enterprises in the country of destination are also rewarded throughout the TCIs and elsewhere,

TABLE I. POINT SYSTEMS IN COMPARISON: RELATIVE WEIGHTS OF SELECTION FACTORS, AS PERCENTAGE OF TOTAL POSSIBLE SCORE.

Factor	New Zealand (old)	New Zealand (new)	Australia	Canada	UK (HSMP)
Education/Training	24	28	34	25	14
Work experience (Relevant to occupation/Nonrelevant)	20/20	22/0	6/3	21/21	23/23
Age	20	12	17	10	2*
Family resident in destination country	6	0	9	5	0
English and French (Canada only) language skills (beyond minimum required for eligibility)	0	0	14	24	0
Job offer (Relevant to training or experience/Non-relevant)	16/4	24/0	4/4	10/10	0/0
High-priority or high-demand occupation/skill set/location	0	12	9	0	23
Prior work or study in destination country	8	38	11	5	0
Qualified/Skilled spouse or partner	4	8	3	10	5
Prior income	0	0	0	0	23
Other factors	4	0	6	0	11
Pass mark, as percentage of points possible, March 2004 (except old New Zealand system, June 2003)	59	74	63	67	30

Note: Totals may exceed 100 percent because some points are awarded on the basis of multiple factors. The comparisons of pass marks are not intended to assess the relative “difficulty” of qualifying under the various systems, but can be used as an indicator of the flexibility of each system.

Source: Authors’ calculations from tables 2, 3, 4, 5, and 6.

*Applicants under 28 are assessed by less rigorous criteria in other areas. Thus, this figure understates the advantage given to the young under this points system.

sometimes within the points system (in Australia and in the UK, which has its own points system for entrepreneurs, separate from the one it uses to select skilled workers), and at other times independently of it (the United States, Canada, and, presumably, Germany).

Generally, supporters perceive several advantages to points selection systems over other selection mechanisms:

- First, they are thought to inspire confidence because they seem to apply universal, and ostensibly hard (i.e., quantitative data-based), selection criteria to economic-stream immigrants. Hence, they are less susceptible to the criticisms associated with the case-by-case system's "gamesmanship" between employers and bureaucrats.
- Second, depending on the attributes a point system emphasizes, it is thought to reassure key segments of the receiving society that economic-stream immigrants are selected on the basis of criteria that place the highest priority on the receiving state's economic interests. In an increasingly competitive world, this line of reasoning goes, choosing highly skilled immigrants makes economic immigration politically more defensible than the alternatives discussed earlier. This primarily is due to two reasons: first, because of the obvious potential for wider economic multipliers, measured in "downstream" economic and labor market gains; second, because point

systems are less politically "visible" (and hence "targetable") than the government certifying that no domestic workers are available to do a specific job time and again or that a specific sector can continue to absorb large numbers of foreign professionals without affecting the opportunities of domestic professionals.

- Third, a point system can adopt new characteristics, discard obsolete ones, and "tweak" the process by changing categories' relative weights and/or the overall pass mark. This is thought to be administratively valuable in that regulators can respond quickly to shifting economic priorities and/or perceptions of what is "good" for the receiving economy and society. In addition, because the points system assesses people according to a variety of criteria, it can easily make immigrant admissions serve several national goals (economic, demographic, and social) within a single selection system.
- Finally, properly conceived and implemented, *and accompanied by opportunities for firms to select key workers on their own*, a points system is thought to reinforce the government's ability to manage the system by allowing it to adapt admissions to general occupational trends and the broad needs of the economy.

The points system approach, thus far, has been used exclusively to admit

highly skilled immigrants. However, the general principle — that of “earning” admission through personal characteristics and behavior — could be used with other criteria and for lesser-skilled immigrants. While it might be difficult to make the points framework practical for the purpose of admitting lesser-qualified immigrants for the first time, it could be used for the purpose of granting permanent settlement rights to temporary workers or for regularizing unauthorized immigrants. For example, one approach to “earned regularization” of the United States’ unauthorized immigrant population proposed by the authors would give immigrants the chance to earn points (or “credits”) for such characteristics as steady employment and tax-paying, having legally resident family members, English-language ability, and evidence of social integration.

“FILTRATION” SYSTEMS

The fourth major strategy admits immigrants “temporarily” for work — usually but not exclusively to fill a specific, high-skill vacancy — or as university students and later gives them the chance to become permanent residents. This method selects immigrants at two points: first, when the individual is admitted on a temporary visa, and again, when the temporary immigrant is considered for permanent residence. Thus, it is possible to use one set of selection criteria (drawn from the strategies above) for the first selection and another set for the second.

This dual-stage selection can allow the government — or employers — to select immigrants based on observed performance. In addition, the experience of working or studying in the host country often better equips temporarily resident foreigners for work there and allows them to decide if they would like to make it their permanent home. New Zealand’s most recent version of its points system, introduced in 2003, makes qualifications and experience gained in New Zealand a major factor in selection, clearly and directly rewarding those currently employed in New Zealand (Tables 2 and 3).

This strategy also reflects two basic realities of temporary work and study programs: first, that many temporary immigrants want to become long-term residents and will find a way to do so; and secondly, that temporary workers (particularly skilled workers) generally become more valuable to their employers (and the broader economy) with time, and may be occupying jobs that are, in fact, permanent. The recruitment of immigrants through university systems is discussed more directly later in the paper. Here, the focus is on the transition from temporary work permits to permanent residence.

The United States has long led the way with this method. In 2002, for instance, 134,918 permanent immigrants admitted through employment-based preferences — about 77 percent of all permanent employment admissions — adjusted from some type of temporary visa.

TABLE 2. "NEW" NEW ZEALAND POINT SYSTEM — 2004

New Zealand

Point system as modified in 2004 (introduced in 1991).

Applicants must score 100 points to enter the "pool." Every month, applicants from the pool are selected to meet admissions target. In March of 2004, the applicants scoring over 185 were accepted. Accepted applicants' applications are then examined and verified. Applicants without skilled work or education experience in New Zealand or a job offer are normally issued temporary residence permission, convertible to permanent, while others generally receive permanent residency up front.

1. Qualifications (Maximum: 70)	Points
Recognized Basic Qualification: Qualifications and diplomas in certain trades, Bachelor's degree	50
Master's degree or higher	55
Bonus points for:	
Qualification from study in New Zealand	10
Qualification in prioritized fields (identified future growth area, identified cluster or area of absolute skills shortage)	5
2. Skilled Work Experience ¹ (Maximum: 55)	
2 years	10
4 years	15
6 years	20
8 years	25
10 years	30
Bonus points if work experience is in New Zealand:	
2 years	5
4 years	10
8 years	15
Bonus points if work experience is in prioritized fields:	
2 to 5 years	5
6 years or more	10
3. Skilled Employment (Maximum: 60)	
Current employment in New Zealand, of more than 12 months duration	60
Offer of employment or current employment in New Zealand of less than 12 months duration	50
Bonus points if employment offer is:	
Outside of Auckland	10
In a prioritized field	5
4. Age (minimum age 20, maximum age 55) (Maximum: 30)	
20-29 years	30
30-39 years	25
40-44 years	20
45-49 years	10
50-55 years	5
5. Partner (Points scored only if partner has English proficiency) (Maximum: 20)	
Partner has basic qualification	10
Partner has job offer in skilled occupation	10
Total Points Possible	250

1. Work experience only counts if it is relevant to the applicant's qualification or current or offered skilled employment in New Zealand, or allowed the applicant to gain specific specialist, technical, or management expertise. If the applicant is not currently working in New Zealand and does not have a job offer, experience only counts if the applicant was working in a list of countries (primarily upper- and upper-middle income countries) or nationals of these countries who were employed by a multinational corporation.

Sources: New Zealand Embassy in Washington DC, 2002 (public information announcements); New Zealand Immigration Service world wide web pages <http://www.immigration.govt.nz/migration/general.html>.

TABLE 3. "OLD" NEW ZEALAND POINT SYSTEM — THROUGH 2003

New Zealand

Point system, first introduced in 1991.

Applicants must score 29 points to be granted a visa (as of June 11, 2003).

	Points
1. Qualifications (Maximum: 14)	
Base Qualification: A degree, diploma, or trade certificate of minimum 3 years training, study, or work experience.	10
Advanced Qualification: Bachelor's degree or equivalent.	11
Master's degree or higher	12
New Zealand Qualification (bonus points if qualification is from study in New Zealand)	2
2. Work Experience (Maximum: 10)	
2 years	1
10 years	5
20 years	10
3. Employment (Maximum: 8)	
Offer of employment (relevant to qualifications and experience)	5-8*
4. Age (maximum age: 55 years for General Skills, 84 for investors) (Maximum: 10)	
18-24 years	8
25-29 years	10
29-49 years, score reduces with age.	8-2
5. Settlement Factors (Maximum: 7)	
Settlement Funds	
\$100,000	1
\$200,000	2
Partner's Qualifications	
Base Qualification	1
Advanced Qualification	2
New Zealand Work Experience	
1 year	1
2 years	2
Family Sponsorship	3
Non-relevant offer of employment	2
Total Points Possible	49*

* Score depends on current passmark.

Sources: New Zealand Embassy in Washington DC, 2002 (public information announcements); New Zealand Immigration Service world wide web pages <http://www.immigration.govt.nz/migration/general.html>.

TABLE 4. AUSTRALIAN POINTS TEST-2004

Australia

Points test, first introduced in 1989.

Applicants must score at least 115 points to be granted a visa, 110 if sponsored by family¹.
(As of March 20, 2003)

Factors considered

1. Skill	
Training specific to the occupation ²	60
General occupations	50
Other general skilled occupations	40
2. Age (at time of application)	
18 to 29 years	30
30 to 34 years	25
35 to 39 years	20
40 to 44 years	15
3. English Language Ability	
Vocational (reasonable command of English)	15
Competent	20
4. Specific Work Experience	
Applicants with 60 points for nominated occupation ³ and 3 years of work (in the 4 years immediately prior to application) in the nominated occupation or a closely related occupation receive full points.	10
Applicants with 40 to 60 points under skill and experience working in any occupation (despite relevance to the nominated occupation) on the Skilled Occupations List for at least 3 of the 4 years before application.	5
5. Occupation in Demand ⁴ / Job Offer	
Occupation in demand, but no job offer	10
Occupation in demand, with job offer	15
6. Australian Qualifications	
Australian qualification: Study for at least 12 months full-time in Australia toward the receipt of an Australian post-secondary degree (or higher qualification), diploma, advanced diploma, or trade qualification.	5
Australian Master's or upper second class Honours (or higher) Bachelor's degree.	10
Australian PhD, minimum of 2 years study in Australia.	15
7. Spouse Skills	
Points are awarded if the applicant's spouse is also able to satisfy the basic requirements of age, English language ability, qualifications, nominated occupation, and recent work experience and if s/he obtains a skill assessment.	5
8. Bonus Points (for any one of the following)	
Capital investment (minimum AU\$100,000) in Australia	5
Australian work experience: At least 6 months of work experience in one of the occupations on the Skilled Occupations List immediately prior to application.	5
Fluency in one of Australia's Community Languages (other than English)	5
9. Points for Relationship (applicants with relatives in Australia only)	
Points are awarded if the applicant or the applicant's spouse is sponsored by a relative who is an Australian citizen or permanent resident.	15
Total Points Possible⁵	165

1 Applicants must gain sufficient points to reach the pass mark. Applications scoring below the pass mark, but above another mark, the "pool mark," are held in reserve for up to two years. If within that time the pass mark is lowered and the reserved score is above the new mark, the application is processed further. As of 2002, the pool mark for the skilled-Australian sponsored category was 105 and was 70 for the skilled-independent category. All other pool marks are currently equal to the pass mark of 110 or 115. Note that applicants who are sponsored by family receive a cumulative advantage of 20 points (extra points plus a lower pass mark).

2 The occupation nominated must be on the Skilled Occupations List published by DIMIA.

3 See footnote 2.

4 Published as the Migration Occupations Demand List.

5 In practice, the maximum score is 150. Applicants scoring 150 points do not need to be sponsored by an Australian.

For another glimpse of the importance of this *de facto* transition system for the United States, 102,316 of all permanent immigrants (including those reunifying with family) adjusted from temporary work visas. (All US figures include the principal visa-holders as well as dependents.)

The United States' H1-B visa category has been perhaps the most important (although not the only) route for temporary-to-permanent immigrant transitions. The H1-B visa allows highly skilled (college educated or better) professionals from any country to receive a three-year (extendable to six) work and residency permit. Large proportions of H-1B workers adjust to permanent employment-based and other statuses, a process that the US Congress has facilitated further recently. H-1B workers are not required to demonstrate that they intend to return home and are allowed to bring family members. The latter are not given permission to accept derivative employment but can be employed if they get their own H-1B visas.

The qualifications required of H-1B workers correspond quite closely with those expected of most permanent "employment-based" immigrant categories, making the H-1B a natural funnel into permanent immigration. As of 2000, the H1-B program grants visa holders a (theoretically) unlimited number of one-year extensions beyond the normal six-year stay if the foreign worker has a pending application for permanent residence or other status. From the perspective of both applicant and employer, the H-1B has the

advantage of being more administratively simple — the temporary visa requires the employer to file an attestation, while permanent sponsorship typically requires a case-by-case determination of a vacancy. Thus, although the up-front adjudication cost of an H-1B visa is higher (with a \$1,000 fee levied on top of processing costs) than for permanent employment immigration, lower legal fees and speedier processing make it an attractive alternative.

H-1B admissions are subject to a numerical cap set by Congress, but certain categories of employers, including government research facilities, universities, and nonprofit research institutions are exempt from the cap, as are applicants applying for extensions of existing H-1B visas. As a result, H-1B admissions have not always reached their designated cap, and many types of admissions occur even after the cap has been reached.

This route to permanent residence can be cast both in a good and a bad light. For those more skeptical about or who oppose temporary immigration in general, using temporary work permits as a holding pen for those desiring permanent residence gives employers even more power over would-be immigrants. This perspective thus views temporary work programs as poor alternatives to streamlined and expanded opportunities for employer-sponsored permanent immigration. In addition, the multiple applications and adjudications required in this transition visa are a significant bureaucratic burden. On the other hand, the "filtering" effect of the

temporary-to-permanent transition may be a particularly efficient way to “ration” permanent immigration slots.

To a significant degree, this “filter and transition” approach to choosing permanent economic stream immigrants has been adopted by other immigration systems. In Australia, New Zealand, and Canada, which, unlike the United States and most European countries, select the bulk of their immigrants based on the applicant’s general skills and education, domestic work experience or education while on a temporary visa earn an applicant extra points. So does a job offer. In these ways, applicants are able to “work their way into” permanent immigration.

For a period, New Zealand took this system one better by granting a one-year temporary visa to marginal applicants who, if they could secure a job offer, would qualify as permanent immigrants — in effect, creating a “job searcher’s visa.” Under that country’s current point system, a variant of this provision remains available to applicants who score above the pass mark but are judged to have not demonstrated sufficient employment prospects. These individuals are thus issued temporary residence permission, with the possibility of a transition to permanent status. New Zealand also has a “work to residence” visa that allows migrants employed by government-approved employers, in high-need occupations, or with exceptional talents to enter on a 30-month visa and apply for permanent residency after 24 months.

Britain’s Highly Skilled Migrant Programme, started in 2002, grants all of the highly skilled migrants admitted through the program’s point system a one-year initial stay (Table 5). The program allows migrants to extend their stay for an additional three years, after which the migrant may apply for permanent settlement rights. It is too early to tell at what rate migrants will seek permanent settlement in the program, and at what rate they will be accepted. (At this time, the criteria for receiving settlement permission through the program appear rather undemanding.)

OTHER IMMIGRANT RECRUITMENT TOOLS

BILATERAL COOPERATION

In the strategies outlined above, the government plays a relatively passive role in the recruitment process, serving primarily as a gatekeeper. However, government or quasi-governmental entities can play a more activist role, particularly when the personal characteristics of the desired migrants are not greatly differentiated (i.e., for low-skill jobs) and where private recruitment mechanisms have led to problems of abuse. This type of approach can be even more effective when it is administered bilaterally, as has been done by a number of European countries. (This approach is rarely used by the TCIs.)

In the immigrant-sending country, the government (or its designated agent) can verify the *bona fides* of potential workers and give all relevant information that “qualifies” them for work

TABLE 5. UK POINT SYSTEM

The United Kingdom's "Highly Skilled Migrant Program": Applicants who score a sufficient number of points must also demonstrate that they are likely to find employment in their field of expertise in the UK and attest that they will make the UK their primary residence. Additionally, graduates of designated MBA programs are automatically allowed to work in the UK under the HSMP scheme. The program grants residency for one year, which can be extended to four years provided the candidate is economically active. After four years, applicants who have met residency requirements may apply for permanent settlement rights.

Applicants must score at least sixty-five points to be admitted (as of April 2005).

Factors Considered:	
Education (30 points maximum)	
Bachelor's Degree (e.g., BA, BSc)	15
"Exceptional" Achievement — The candidate will have "be at the top of their profession, be recognized beyond their field of expertise, and have obtained international recognition."	25
PhD	30
Employment experience (50 points maximum)	
Under 28 years old	Over 28 years old
2 years graduate level	5 years graduate level or PhD and 3 years graduate level.
4 years graduate level	As above, including 2 years at senior or specialist level.
As above, including 1 year at senior or specialist level.	10 years graduate level, including 5 years at senior of specialist level.
	25
	35
	50
Prior Income — Points are awarded according to income, depending on country in which income was earned. Examples, from the extremes of the schedule, are provided below. (50 points maximum)	
Under 28 years old	Over 28 years old
United States - £27,000 per year	United States - £40,000 per year
Afghanistan - £2,350 per year	Afghanistan - £3,500 per year
United States - £40,000 per year	United States - £100,000 per year
Afghanistan - £3,500 per year	Afghanistan - £8,750 per year
United States £60,000 per year	United States - £250,000 per year
Afghanistan - £5,250 per year	Afghanistan - £21,875 per year
	25
	35
	50
Achievement — This is based on supporting evidence such as prizes, press articles, published work, patent rights, or references. (25 points maximum)	
"Significant" Achievement — The candidate has "developed a body of work that is acknowledged by their peers as contributing significantly to their field of work."	15
"Outstanding" Achievement — The candidate should "be at the top of their profession, be recognized beyond their field of expertise, and have obtained international recognition."	25
Partner's Achievements (10 points maximum)	
The spouse or partner that is intending to migrate with the applicant has at least a Bachelor's degree or equivalent vocational or professional qualifications, or is employed in a graduate-level job.	10
Priority applications — These are occupations determined of be of high importance. (50 points maximum)	
Qualified physicians intending to work as General Practitioners in the UK	50
Age allowance (5 points maximum)	
Applicants under 28	5
Total Possible Score	220

TABLE 6. CANADA POINTS TEST — 2004

Canada	
<i>New point system, implemented in 2002</i>	
Applicants must have at least 67 points to qualify for admission (as of March 20, 2004).	
Factors considered are:	Points
1. Education: Additional years of tertiary vocational training or college education are rewarded equally, but points awarded for vocational training cap at 22 for 15 years of total education. Maximum points are awarded to applicants who have completed a Master's or PhD and at least 17 years of study.	25
2. Language Ability: Applicants choose the language (English or French) with which they are most comfortable as their first language. The remaining language is counted as the second language. Points are awarded according to the applicant's ability to read, write, listen to, and speak both languages.	24
3. Experience: This is awarded for work experience in a skilled occupation. Experience need not be in the occupation in which they will be employed in Canada, nor does it need to be in an occupation for which there is high demand in Canada. Applicants earn 15 points for one year's experience in the occupation and two points for each additional year to a maximum of 21.	21
4. Arranged Employment: Applicants with a non-temporary job offer approved by Human Resources Development Canada (HRDC) or who have been working for at least one year as a temporary employee in an HRDC-approved position and have a non-temporary job offer earn 10 points. Applicants from NAFTA partners and intracompany transfers receive 10 points without HRDC approval.	10
5. Age: Applicants 21 to 49 earn a maximum of 10 points. Score is discounted 2 points for every year younger than 21 or older than 49.	10
6. Adaptability: This category awards points for a spouse or partner's education, or if either the applicant or his or her spouse has previous work or study experience in Canada or relatives in Canada. Points are awarded for arranged employment in this category as well.	10
Total Points Possible	100

Sources: Citizenship and Immigration Canada (CIC) world wide web pages.
<http://www.cic.gc.ca/english/skilled/qual-5.html>

abroad. In the immigrant-receiving country, the government can verify the wages, working conditions, and types of jobs offered through post-entry inspections and audits. Thus, the difference between a so-called “government-to-government program” and an “employer-driven” admissions program is found not so much in principle, but in the degree of government involvement. Rather than playing passive enforcement and regulatory roles, the governments involved play active administrative roles, granted additional oversight that, presumably, safeguards the program's integrity. Of course, such activism implies a substantial fiscal cost.

Canada provides one model of such a program in the form of a temporary agricultural worker program that in 2004 offered about 17,000 visas. The program has been in place since the 1960s. At that time, Canada negotiated bilateral agreements with Mexico and several Caribbean states to provide temporary workers to fill vacancies in agricultural sectors from Quebec to Saskatchewan. Under the Canadian temporary agricultural worker program, employers request foreign agricultural workers through the Canadian labor department (Human Resources Development Canada — HRDC). HRDC aids the employers in assessing

the availability of domestic workers for the vacant positions. Farmers are allowed to access Mexican and other program workers only if HRDC acknowledges that a shortage of Canadian workers exists and if they are members in good standing of Foreign Agriculture Resource Management Services (FARM), a nonprofit association of Canadian farmers and businesses. Employers pay a fee for each vacancy registered. Applicants who meet the requisite criteria undergo a medical check and confirmation of credentials by the Secretariat of Labor and Social Welfare in Mexico. FARM handles contracts and travel arrangements (these costs are later deducted from workers' pay). Workers are provided with free housing, inspected annually, and are assigned to a job. Employers can request specific workers by name and typically do so. Temporary workers generally work 6 1/2 days per week for pay similar to that earned by Canadians. (The Mexican consulate in Canada also monitors the workers' welfare.) Income taxes, unemployment insurance, accident insurance, and pension contributions are deducted from salaries but workers may apply for an income-tax refund upon returning home and a pension return once retired. The final paycheck is withheld until the worker returns to his home country.

The Canada-Mexico program has received less criticism than low-skill agricultural-work programs in other countries. This is especially the case with regard to migrant rights, working conditions, and control of overstays and illegal work. That the program has

also had its own problems, however, points to the challenges other such programs have always faced. An earlier version of the program, for instance, conducted with Jamaica, was marred by allegations of political patronage and embezzlement on the Jamaican end. In the current program with Mexico, both migrants and employers have complained of bureaucratic hassles, and the program has not been free of charges that it does too little to protect the workers. Further, the lack of widespread criticism of the program may well relate to its size (it is quite small) and thus its relative "anonymity." Finally, costs have been significantly higher than those of temporary agricultural-worker programs elsewhere that have less government regulation. Rather than a best practice that deserves replication elsewhere, the Mexico-Canada program demonstrates the value of bilateral cooperation in designing and executing similar programs; it also speaks to the importance of responsibly enforcing contractual terms in the administration of temporary worker programs, particularly in low-wage sectors.

DATABASES

Databases are now a tool that immigration programs can deploy more readily and reliably than in the past to reduce time spent on administrative controls. For example, a shared database can be used both to register an employer's intent to hire a foreign worker, to make the job announcement available to local, regional, and national employment agencies (in cases where employers are required to search for resident

workers), and/or to advertise the vacancy to qualified candidates from abroad. Once permission to recruit a foreign worker is granted to an employer, a database of applicants who have already been precleared to emigrate — that is, their identities, credentials, employment experience, and legal and security vetting have all received at least initial verification — can speed the process enormously.

Australia maintains a web-based “Skill Matching Database.” Employers can search an archive of resumes of pre-approved candidates (if the employer decides to nominate a candidate from the database, no further visa application is required). This database can be used for three of Australia’s migration categories: (a) entry under a “labor agreement,” by which an employer receives pre-approval to hire immigrants to fill vacancies; (b) under Regional Skilled Migration, in which employers in certain low-immigration regions may sponsor applicants after demonstrating inability to fill a vacancy; and (c) in the “State/Territory Nominated Independent” category, whereby the government of an Australian state or territory selects candidates for admission even though they do not have a specific job offer. In each case, employers or states may also sponsor candidates who are not included in the Skill Matching Database. All of these categories are only for skilled migrants (both temporary and permanent), but only the State/Territory Nominated Independent category requires the applicant to pass Australia’s “points test.”

INTRACOMPANY TRANSFERS AND TRADE TREATY WORKERS

Another significant and widening route through which migrants are admitted into the advanced industrial nations is through the temporary entry of workers whose access to the labor market of the host country is allowed in part to facilitate international commerce or falls under the terms of a trade agreement. One general model for these entries is the schedule of commitments made under the World Trade Organization’s General Agreement on Trade in Services (GATS). Provisions made under regional and bilateral trade agreements often follow the framework set by the GATS, with the exception of NAFTA, which narrowly preceded — and in some ways may have served as a model for — GATS. The GATS structure leaves a large scope for countries to set their “commitments” in this regard, and most have been far less aggressive in pursuing openings on the movement of people than they have other trade topics.

The movements of intracompany transferees and personnel transferred by a firm based in a foreign country to perform contract work in another country are widely accepted, but almost all developed countries retain significant restrictions on such workers, including the right to require a visa for entry, minimum requirements on how long intracompany transferees must have worked for their employer, and limits on the length of stay, qualifications, and eligible occupations. With few exceptions, such workers must be highly skilled and/or have

firm-specific experience. Developed countries remain highly reluctant to give individuals access to their labor markets under trade agreements (with the creation and expansion of the European Union and European Economic Area being the most radical exceptions and NAFTA also breaking new ground through the movements of professionals in designated occupations). They also vary on whether temporary status can be converted into permanent status in employment categories negotiated under trade agreements.

Intracompany transfer entries can be significant (in the case of the United Kingdom, for example, 30 percent of general temporary work permits go to intracompany transferees) but are perhaps not best thought of as an immigrant recruitment tool. The decision to proactively admit immigrants generally leads to admissions policies that are more generous in terms of eligible occupations and length of stay than those arrived at via trade agreements. Furthermore, few developed countries are eager to enshrine immigration policy in international treaties. However, there are perhaps a few lessons to be drawn from such admissions: In many cases the administrative procedure for admitting “treaty migrants” is faster and less cumbersome than that for admitting other migrants. While some might charge that this opens a “back door” for immigration, others would argue that it shows the administrative ease and efficiency that can be achieved when migration policy is responsive to broader economic objectives.

STUDENT ADMISSIONS

The education of foreign nationals has now become an important way that advanced industrial nations recruit immigrants and a significant industry in its own right (Table 8). Hence the recruitment of students deserves discussion that goes beyond the brief comments made under the “transition” systems above. The “funnel” that draws foreigners in as students and then allows them to stay as temporary workers or permanent settlers is particularly attractive from the receiving country’s perspective because education in a domestic institution is a “known” for both employers and bureaucrats — and because it may promote better on-the-job and language skills and integration outcomes.

Countries have several policy levers that guide this recruitment mechanism. First, and most obvious among these, is the initial admission of students. Decisions about the quantity of student visas issued and the administrative ease of admitting foreign students, as well as (in countries where the university system is state-controlled) the policies of educational institutions towards foreign students, all establish the “pool” from which future workers will be drawn. Even seemingly unrelated policies, such as the United States’ 2002 decision to require nationals of certain Middle Eastern and Asian countries to register with authorities, may lead students to seek out less intimidating environments in other developed nations.

TABLE 7. PREFERENCE SYSTEM FOR PERMANENT EMPLOYMENT-BASED IMMIGRATION — UNITED STATES

Canada

<i>Preference System, first introduced in 1952.</i>	Legal Cap	2004 actual admissions ¹
Total Employment-based Immigration	140,000	179,195
First preference (28.6 percent): "Priority workers," including persons of "extraordinary ability"; outstanding professors and researchers; and executives and managers of US multinationals. offer of employment is required for persons in this category, except those regarded to be of "extraordinary ability."	40,000	41,801
Second preference (28.6 percent): Professionals with "exceptional ability" in the sciences, the arts, or business. Requires both an offer of US employment and a labor certification. The employment requirement can be waived in special circumstances.	40,000	42,620
Third preference (28.6 percent): Skilled workers (in occupations that require at least two years formal training); professionals (must have Bachelor's degrees or appropriate licenses); and "other workers" (unskilled workers). Number of visas issued to "other workers" is limited to 10,000 per year. Requires a labor certification.	40,000	86,058
Fourth preference (7.1 percent): Ministers of religion and employees of religious organizations, foreign medical school graduates, employees of the US government abroad, and employees of international organizations defined as "special immigrants."	10,000	8,523
Fifth preference (7.1 percent): Employment-creation (investor) visas	10,000	193

1 Includes both adjustments and new arrivals.

Sources: Kramer, 2001; Papademetriou, 1994: 87-88; US Immigration and Naturalization Service (INS) world wide web pages (<http://www.ins.gov/graphics/aboutins/statistics/IMM00yrbk/IMM2000list.htm>; <http://www.ins.usdoj.gov/graphics/aboutins/history/2.pdf>; <http://www.ins.gov/graphics/services/residency/employment.htm>); US Department of State world wide web pages (<http://travel.state.gov/visa/employ-based.html>).

TABLE 8. STUDENT VISAS, PERMITS, AND ADMISSIONS — SELECTED COUNTRIES YEARS 1998-2003

	1998	1999	2000	2001	2002	2003
United States	564,683	567,146	659,081	698,595	646,016	624,917
Canada ¹	40,996	51,035	62,016	72,317	68,024	61,293
Australia		110,915	119,103	146,565	151,855	162,575
New Zealand ²	22,470	27,396	34,544	55,694	91,745	114,977
Japan	28,000	33,900	41,900	47,300	50,700	
France	23,500	25,100	36,100	40,000	55,500	

1 Canada's admissions figures only include students who enter Canada for the first time in that year.

2 Numbers based on fiscal year

Sources: Citizenship and Immigration Canada (CIC), Facts and Figures 2003; Immigration Overview: Temporary Residents; Australian Department of Immigration, Multicultural and Indigenous Affairs (DIMIA), Population Flows, 2001, and Immigration Update, 2003; New Zealand Information Service world wide web pages, <http://www.immigration.govt.nz/NR/rdonlyres/F3073A08-D1BF-43EF-88AE-5DD1608FB627/0/S1.xls>; Organisation for Economic Co-operation and Development: *Trends in International Migration 2004*; United States Citizenship and Immigration Services *Statistical Yearbook 2003*;

As with temporary work visas, whether or not a migrant is allowed to transition from a student visa directly to a permanent or temporary work visa without leaving the country is a critical factor. If this is permitted and administratively happens in a timely fashion, a student can make a seamless transition to work. This transition can be further facilitated by allowing students to undertake employment not directly related to their studies, either concurrent with their studies, during school breaks, or after their studies. Employment under the terms of a student visa allows employers to gather more information about prospective students and students to learn more about the labor market and workplace. Work or residency permission related to a student visa can also serve as a “bridge” that allows a job search to take place or bypasses problems caused by administrative delays. In the United States, for example, it is not uncommon for a recent graduate to begin work under the terms of a student visa while her application for an employer-sponsored visa is processed.

Finally, the qualifications required for participation in labor migration programs also determine whether students will be able to stay (or return) to work after completing their studies. Requirements that applicants for labor immigration have work experience, for example, put recent graduates at a disadvantage and may force them to return to their home country. Australia, New Zealand, and Canada reward experience heavily in their points system, but compensate young graduates

by also granting points to those who have studied at domestic universities. France takes another approach by granting graduates of national universities with degrees in high-demand fields (such as information technology) near-automatic work permits.

CONCLUSIONS

In immigration, as much as in any field of public policy, a government’s best strategy is to do only that which it can and does do well or that which no other entity can do, and leave the rest to private actors. The evolution of policies for the admission of immigrants for economic purposes gives some indication of where this principle should lead. For immigration that is chiefly designed to satisfy immediate labor needs or skills shortages, the selection of immigrants has been largely turned over to employers, with growing efforts to make that process as predictable and smooth as possible for employers who “play by the rules.” The bureaucracy retains a powerful role (as in the point systems) where the goals of the program are broader and criteria for selecting immigrants have been kept appropriately general, with longer-term economic and integration prospects in mind. Increasingly, governments are wisely resisting the temptation to identify skill shortages themselves and micro-manage admissions. Nevertheless, some occupations to which advanced industrial nations give admissions priority serve social goals as much as economic ones (doctors, nurses, and other health care workers,

for example) and are thus rightly the domain of government.

Experimentation and the willingness to make necessary adjustments to programs are the hallmarks of successful immigrant admissions systems. In the past two decades, experimentation, particularly in the TCIs, has led to the development of immigrant admissions strategies based not exclusively on a specific job, or purely on human-capital characteristics, but on a hybrid of selection strategies and methodologies. The development of temporary-to-permanent transition visas is one of the best examples of such a hybrid. Although it raises new challenges, the addition of the “transition visa” to the immigration policy lexicon gives policymakers an important new tool. The bimodal policy categories of “temporary” and “permanent” have never adequately accommodated the actual desires and behavior of migrants or their employers. The transition visa may be a next step in making immigration policy work with, rather than against, labor markets and human nature; but the concept needs to continue to be tested and refined as it is applied.

Coherence and balance are also important factors in the effective management of economic migration. If properly “joined” by opportunities to convert status, student, temporary work, and permanent-settlement immigration programs can allow the efficient and just allocation of immigration rights and make all three programs easier to administer without creating populations of “long-term temporary” immigrants

or placing would-be permanent immigrants in potentially exploitative situations. Coherence across programs is also necessary to balance the pressure to satisfy immediate skills shortages and labor needs with the goal of admitting immigrants who will be successful workers and citizens over the long term. Australia and Great Britain, for example, attempt to achieve this balance by mixing admissions based on points systems with employer-driven admissions.

Another method of achieving better diversity and balance in the allocation of immigrant visas is by allowing local and provincial governments to participate in the selection of immigrants. Canada allows its territories to select a small (in 2002, almost 1 percent) portion of its permanent immigrants, and the province of Quebec takes special responsibility for selecting all immigrants intending to settle there. Australia allows provincial and territorial governments to sponsor migrants and has a streamlined admissions process for businesses in rural and low-population-growth areas that wish to sponsor skilled immigrants.

Selecting immigrants is only one part of the recruitment process. There appears to be emerging competition for skilled migrant workers. Countries that have long accepted such workers, particularly Anglophone ones, have an advantage here, but it is not insurmountable. Policymakers should consider the overall package their policies present to perspective migrants (as well as to their employers). For instance,

if the competition for skilled workers heats up, the immigration policies and processes offered by a country may become an advantage or disadvantage for employers. There are anecdotes to the effect that some of the highly qualified migrants coming to Germany under its green card program are staying only long enough to cultivate a job offer in the United States. This would imply that the German program is serving as a stepping stone to—and losing sought-after migrants from—the US H-1B program. There is no evidence to suggest that any sort of “migration competition” is occurring in this case (if these anecdotes amount to anything, it probably has more to do with the relative economic conditions and the size of the conational immigrant community in each country) but a comparison of the two programs offers an illustration of the potential for such competition. The German program offers migrants a temporary stay of up to five years with little prospect of permanent immigration. The United States program, on the other hand, offers a six-year stay with a high probability of permanent immigration. Widening the advantage for the United States is the fact that the German program asks candidates to stay temporarily in a country where refining their language skills may be a significant (yet nonportable) investment and that exacts relatively heavy taxes and social contributions, the full benefits of which the migrant will not be able to reap.

Finally, if the actual selection of specific immigrants is an area where

the government’s strengths are relatively limited, then enforcement of an immigration program’s terms and conditions is an area where only the government has competence. For countries that choose to use migration as an economic tool, investments in protecting the system from fraud and abuse and in verifying the compensation and working conditions of admitted immigrants are both a necessary cost of doing business in the immigration realm and a way to build public confidence in immigration in general. Good enforcement requires setting up realistic regulations that minimize perverse incentives and power dynamics; choosing intelligent and efficient ways to back up those regulations; and finally, dedicating adequate resources.

Enforcement of program terms and working conditions is thus as critical a point for the success of an immigrant recruitment program as is creating a sensible framework for admitting immigrants. After all, in the admission of immigrants, government will find many allies and facilitators in the private sector. The greater task, however, may be in demonstrating that recruited immigrants are a net public benefit and in distinguishing labor migration programs in the public mind from irregular migration flows and the oft-maligned asylum system. In this project, there can be no more important task than keeping labor immigration programs honest.

RECOMMENDATIONS

- Enforcement of the terms of economic immigration need not

be costly — to the government, immigrants, or workers. One way to maximize efficiency in enforcement is to put resources into verifying the terms of employment after the fact: site visits and audits of employers who have not yet developed a track record of behavior on the issue, as well as the more rigorous enforcement of general labor laws in sectors and companies that employ large numbers of migrants, as well as less burdensome and more effective ways to maintain the system's integrity than erecting bureaucratic barriers prior to the admission of an immigrant. Enforcement is particularly important for programs that are more likely to invite abuse. Those based on short-term, low-skill labor migration in which a worker's work permission is tied to the job, or programs that are in problem-ridden employment sectors (e.g., agriculture or domestic services) where workers have few other options, need more scrutiny than do high-skill or permanent migration programs. Thus, programs can be "triaged" and resources directed to those most in need of supervision.

- Enforcement of the recruitment, working, and wage conditions of employer-driven temporary-work programs, in particular, is a critically important investment in good governance. Practices such as employing a worker abroad chiefly for the prospect of allowing him or her to enter a country as

an intracompany transferee should be vigorously guarded against. Similarly, the practice of sponsoring temporary immigrants whose services will merely be subcontracted to another firm must be both better understood and regulated more intelligently. Ultimately, the integrity of programs that are politically controversial is the best guarantee that they can survive and continue to offer the returns they are designed to yield.

- The efficiency of the process through which migrants are admitted is critical to the success of economic immigration programs. Long processing times and unnecessary documentation requirements can destroy much of the benefit of labor immigration — particularly migration intended to relieve skill shortages or meet peak labor demand. To reduce inefficiencies, governments can start by adopting innovations such as accelerated processing of high-priority applicants and fewer procedures for "low risk" sectors, that is, sectors in which shortages are endemic. They can also consider employing alternatives to case-by-case processing and labor-market tests, such as "attestations," and/or charging a fee for the privilege of employing a foreign national. Migrants entering for work in professional occupations might also be asked to pay a modest fee before entry or after they have secured employment.

- Countries should continue to be realistic about their ability to identify “skills shortages” quickly and accurately enough to justify government activism in selecting immigrants. In addition, the advantages and disadvantages of imposing numerical caps on particular migration programs must be weighed carefully. While politically expedient, such caps (particularly if set by legislative action) may force migration admissions to trail cyclical changes in the economy and demand for skill sets by a wide margin.
- A willingness to experiment will also pay dividends in how best to engage local, provincial, and state governments in the selection of immigrants. Allowing these governments to select a small proportion of immigrants adds diversity to the stream of immigrants and puts selection in the hands of those best able to assess a local community’s needs. However, these selection mechanisms will need to be adapted over time. Immigrants, like the native-born, follow job opportunities, most of which are in or near certain larger and medium-sized cities. The less economically and demographically dynamic regions and cities that might most appreciate the contributions of migrants may be least able to attract them. With experience, these jurisdictions may be able to use the ability to select “their own” immigrants to identify and attract those most

likely to settle permanently in their localities and to fit their economic and social needs.

- Transparency to immigrants, employers, and the public is a crucial factor. Easily accessible information on the application process and waiting times, and clear, simple regulations reduce the costs and risks to employers and migrants and fight public misconceptions. Canada, Australia, and New Zealand, which have extensive on-line information about their point systems and other migration categories, provide examples of good first steps here.

REFERENCES

- Bauer, T., M. Lofstrom, and K. Zimmerman. "Immigration Policy, Assimilation of Immigrants, and Natives' Sentiments Towards Immigrants: Evidence from 12 OECD Countries." *Swedish Economic Policy Review* 7, no. 2 (2000): 11-53.
- Bauer, T. and K. Zimmerman. "Immigration Policy in Integrated National Economies." IZA Discussion Paper Number 170. Bonn: Institute for the Study of Labor (IZA), 2000.
- Carzaniga, A. "GATS, Mode 4, and the Pattern of Commitments." Paper presented at the *Conference on Movement of Natural Persons Under the GATS* held by the World Trade Organization. Geneva, April 11-12, 2002.
- Citizenship and Immigration Canada. Citizenship and Immigration Canada Website. <http://www.cic.gc.ca>. Ottawa: CIC, 2004.
- Department of Immigration and Multicultural Affairs. Department of Immigration and Multicultural Affairs Website. <http://www.immi.gov.au/>. Belconnen, Australian Capital Territory: DIMA, 2004.
- Fotakis, C. and G. Coomans. "Demographic ageing, migration and the challenge for growth and labour market sustainability." Paper presented at the *Joint Conference on the Economic and Social Aspects of Migration*, Organisation for Economic Cooperation and Development and the European Commission. Brussels, January 21-22, 2003.
- Greenhill, D. "Managed Migration Best Practices and Public Policy: The Canadian Experience." Paper presented at the *Workshop on Best Practices Related to Migrant Workers*, International Organization for Migration. Santiago, Chile, June 2000.
- International Organization for Migration. *World Migration* 2003. Geneva: IOM, 2003.
- Jupp, B. "The local security challenge: Can we devise policies that are compatible with peaceful co-existence?" Presentation at the *Invitational Conference on People Flow in its Wider Context: A Comprehensive Exploration*, Tilburg University, Netherlands, November 25-26, 2003.
- New Zealand Immigration Service. New Zealand Immigration Service Website. <http://www.immigration.govt.nz/>. Wellington: NZIS, 2004.
- Niessen, J. and Y. Schibel, eds. *EU and US approaches to the management of immigration: Comparative perspectives*. Brussels: Migration Policy Group, 2003.
- Office of Immigration Statistics. *Statistical Yearbook*. Washington, DC: US Department of Homeland Security, Office of Immigration Statistics, various years.
- Organisation for Economic Cooperation and Development. *Maintaining Prosperity in an Ageing Society*. Paris: OECD, 1998.
- Organisation for Economic Cooperation and Development. *International Mobility of the Highly Skilled*. Paris: OECD, 2002.
- Organisation for Economic Cooperation and Development. *Trends in International Migration*. Paris: OECD, 2003.
- Rollason, N. "Labour Recruitment for Skill Shortages in the United Kingdom." In *Migration for Employment: Bilateral Agreements at a Crossroads*. Paris: OECD, 2004.

ABOUT THE AUTHORS

T. Alexander Aleinikoff is the Dean of the Georgetown University Law Center and the Executive Vice President for Law Center Affairs. He is a member of the Board of Trustees of the Migration Policy Institute and was a Senior Associate in the International Migration Policy Program at the Carnegie Endowment for International Peace. In 2001-2002, he was a Visiting Fellow at the Institut Universitaire des Haut Etudes Internationales, Geneva.

From 1994-1997, Mr. Aleinikoff served as the General Counsel and then Executive Associate Commissioner for Programs of the Immigration and Naturalization Service (INS). Prior to joining the Clinton administration, he was a full Professor of Law at the University of Michigan Law School. After receiving his law degree, Mr. Aleinikoff served as a law clerk to the Honorable Edward Weinfeld, US District Judge. He has published numerous articles in the areas of immigration, race, statutory interpretation, and constitutional law, and he is also the author of the principal text and casebooks on US immigration. His most recent scholarship includes: co-editor (with Douglas Klusmeyer) of *Citizenship Today: Global Perspectives and Practices*; co-author (with Douglas Klusmeyer) of *From Migrants to Citizens: Membership in a Changing World*; co-author (with David Martin and Hiroshi Motomura) of *Immigration: Process and Policy*; and co-author (with John Garvey) of *Modern Constitutional Theory: A Reader*. His book *Citizenship Policies for an Age of Migration* was published in May 2002. He holds a JD from Yale University and a BA from Swarthmore College.

Grete Brochmann is Research Director at the Institute for Social Research in Oslo as well as a Professor of Sociology at the University of Oslo. Currently, Dr. Brochmann is working on welfare state dilemmas in a Nordic comparative perspective, as well as continuing her work on the history of immigration to Norway 900-2000, in which she has focused on 1975-2000. This comprehensive history work received the Brage prize for 2003. Dr. Brochmann has been a member of several commissions in the Norwegian Research Council and has held a number of board positions at institutes including PRIO, ARENA, and the History Department at the University of Oslo. She has also been member of two governmental commissions, and has held positions or board membership with the Council of Europe, COST, the Danish research program AMID, and the Swedish Power and Integration Investigation.

Grete Brochmann received her PhD in Sociology from the University of Oslo in 1990. She has published several books and articles on international migration; sending and receiving country perspectives; EU policies; welfare state dilemmas; and historical studies of immigration. She has also been involved in a number of international research projects and evaluations. She has lectured internationally for many years, and has served as a visiting scholar at the Université Catholique de Louvain in Brussels and at the University of California — Berkeley. In 2002, she held a visiting professorship in honor of Willy Brandt in Malmo, Sweden.

Jon Erik Dölvik is Research Director at the Fafo Institute for Labour and Social Research in Oslo. He is a sociologist by training and his main field of research is comparative employment relations in the Nordic and European context. He has published extensively on issues related to Europeanization and globalization of labor markets and employment relations. Dr. Dölvik has served as a visiting scholar at Wissenschaftszentrum Berlin, the European Trade Union Institute in Brussels, the Institute of Industrial Relations at the University of California — Berkeley, and as a research fellow at the ARENA Centre for Advanced Research on the Europeanisation of the Nation-State, University of Oslo. He is currently engaged in studies of the labor market implications of EU enlargement. Dr. Dölvik is a member of the Editorial Panel of the *European Journal of Industrial Relations* and of the Editorial Committee of *Transfer - European Review of Labour and Research*.

Maria Lucinda Fonseca has been an Associate Professor in the Department of Geography of the University of Lisbon since 1993. Her main scientific areas of research include International Migration, Social and Economic Geography, and Urban and Regional Development and Planning. Currently, she is a member of the International Migration, Integration and Social Cohesion in Europe Network of Excellence (IMISCOE), co-leader of the IMISCOE research cluster on social integration and mobility, and the research coordinator of *Reinventing*

Portuguese Metropolises: migrants and urban governance and Deprivation and Social Exclusion in Metro Lisbon.

Dr. Fonseca received her PhD in Human Geography from the University of Lisbon in 1989. Some of her most recent publications include *Reunificação familiar e Imigração em Portugal* (Family reunification and immigration in Portugal) (co-author and coordinator); *New waves: Migration from Eastern to Southern Europe* (co-editor with Maria I. Baganha); “Migration in the Mediterranean Basin: bridges and margins,” *Finisterra* (Revista Portuguesa de Geografia) (geography journal) (co-editor with Russell King); *Immigrants in Lisbon: routes of integration* (co-author); *Immigration and Place in Mediterranean Metropolis*, (co-editor).

Jorge Gaspar is a Professor in the Department of Geography at the University of Lisbon and Director of the Centro de Estudos e Desenvolvimento Regional e Urbano, Lda (CEDRU). Currently he serves as coordinator of the Portuguese National Program for Spatial Planning Policies within the Ministry of Environment, Cities, and Regional Development. Jorge Gaspar is a member of several organizations, including Academia Europaea, the Lisbon Academy of Sciences, the Association of Portuguese Geographers, the Association of American Geographers, Società Geografica Italiana, Società Italiana di Studi Elettorali, the Portuguese Association for Regional Development, and the Portuguese Society of Urban Planners.

Dr. Gaspar received his PhD in Human Geography from the University of Lisbon in 1972. He has published fifteen books and more than one hundred articles and research reports focusing on topics such as urban studies, land management and planning, electoral studies, economic geography, regional and urban development, and Portugal.

Charalambos Kasimis is a Professor of Rural Sociology at the Department of Agricultural Economics and Rural Development at the Agricultural University of Athens. His work has focused on questions of rural transformation and development in Greece and the Balkans and specifically on family farming, employment, and rural community change. Migration and, more particularly, migration to rural regions has become one of his main research priorities in the past few years when he coordinated the project: *The Implications of the Settlement and Employment of Migrant Labour in Rural Greece*. His current research projects include: *A Cognitive Approach to Rural Sustainable Development: The Dynamics of Expert and Lay Knowledge* (financed by the EU), and *The Multifunctional Role of Migrants in Rural Greece and Rural Southern Europe* (financed by The John D. and Catherine T. MacArthur Foundation).

Dr. Kasimis has recently co-authored migration-related articles including: “The Multifunctional Role of Migrants in the Greek Countryside: Implications for the Rural Economy

and Society” in the *Journal of Ethnic and Migration Studies*; “Greece: A History of Migration” and “Migrants in the Rural Economies of Greece and Southern Europe” on the *Migration Information Source*; and “Migrants in Rural Greece: a Qualitative Analysis of Empirical Findings” in *Sociologia Ruralis*. He received his PhD from the University of Bradford, UK in 1983.

Wolfgang Lutz is Director of the Vienna Institute of Demography of the Austrian Academy of Sciences and Leader of the World Population Program at the International Institute for Applied Systems Analysis (IIASA). He is an Affiliated Professor at the College of Population Studies at Chulalongkorn University (Bangkok) and Adjunct Professor for Demography and Social Statistics at the University of Vienna. He served as a Secretary General for the International Union for the Scientific Study of Population (IUSSP) from 1998 to 2001. His main research interests are in population forecasting, fertility, and the analysis of human capital formation. He was also involved in the coordination of the European Observatory on the Social Situation, Demography and the Family.

Dr. Lutz studied philosophy, mathematics, and statistics at the Universities of Munich, Vienna, Helsinki and Pennsylvania. In 1983, he received his PhD in Demography from the University of Pennsylvania and in 1998 a second doctorate (Habilitation) from the University of Vienna. He has written or edited nineteen books and more than 120 scientific articles and

book chapters (including contributions to *Science and Nature*, as well as leading journals in the field of population). His most recent books include: *Frontiers of Population Forecasting*; *Population and Climate Change*; *Population and Environment: Methods of Analysis*; and *The End of World Population Growth in the 21st Century: New Challenges for Human Capital Formation and Sustainable Development*.

Rainer Münz is Head of Research at Erste Bank in Vienna and a Senior Fellow at the Hamburg Institute of International Economics (HWWI; Migration Research Group). He is an expert on population and migration, including labor migration and migration policy. Between 1992 and 2003, Dr. Münz was head of the Department of Demography at Humboldt University, Berlin. Prior to that, he was Director of the Institute of Demography at the Austrian Academy of Science. Rainer Münz is a member of several boards and advisory boards, including the International Organization for Migration (Geneva); the Center for Migration, Integration and Citizenship at Oxford University; the International Metropolis Project (Ottawa — Amsterdam); the Association of German Pension Insurers (Frankfurt-Berlin, Germany); SOT Accountants (Vienna-Graz-Munich); VBV Pension Insurance (Vienna); and OBV-HTP Publishers (Vienna).

Dr. Münz studied at Vienna University, where he earned his PhD in 1978. His recent books and edited volumes include: *Challenges and*

Opportunities of International Migration for the EU, Its Member States, Neighboring Countries and Regions (with Robert Holzmann); *Migrationsreport 2004* (Migration Report 2004) (with Klaus Bade and Michael Bommers); *Diasporas and Ethnic Migrants. Germany, Israel and Post-Soviet Successor States in Comparative Perspective* (with Rainer Ohliger); and *Das Schweizer Bürgerrecht* (The Swiss Citizenship Law) (with Ralf Ulrich).

Rinus Penninx is a Professor of Ethnic Studies at the University of Amsterdam and served as Director of the Institute for Migration and Ethnic Studies (IMES) at the university from 1993 to 2005. He has been co-chair of International Metropolis since 1999. In April 2004, he became Coordinator of the International Migration, Integration and Social Cohesion in Europe Network of Excellence (IMISCOE).

Dr. Penninx has written for many years on migration, minorities' policies, and ethnic studies. His report *Ethnic Minorities* (1979) for the Dutch Scientific Council for Government Policy (WRR) served as the starting point for integration policies in the Netherlands. From 1978 to 1988, he worked as a senior researcher in the Research and Development Department of the Ministry of Welfare, Public Health and Culture, with the focus of his research being migration and integration of immigrants in the Netherlands. Professor Penninx received his PhD in 1988 from the University of Amsterdam. Much of his present

research work relates to two topics: migration and integration policies at the EU-level and the functions of immigrant organizations.

Sergei Scherbov has been Leader of the research group on Population Dynamics and Forecasting at the Vienna Institute of Demography, Austrian Academy of Sciences since 2002. He is also a Senior Research Scholar at the International Institute for Applied Systems Analysis (IIASA). Previously he served as researcher and lecturer for the Population Research Centre at the University of Groningen, The Netherlands, and as head of the World Health Organization Collaborating Centre for design and application of models of chronic non-communicable diseases for modeling morbidity and mortality.

Dr. Scherbov received his PhD in Theory Systems, Control Theory, and Systems Analysis from the All-Union Research Institute for Systems Studies of the USSR Academy of Sciences in 1983. His research interests include demographic modeling and software development, data processing, population projections, applications of multi-state demography, Soviet and Russian demographic studies, and population-environment interactions. He has co-edited several books including, most recently, *The End of World Population Growth in the 21st Century: New Challenges for Human Capital Formation and Sustainable Development*. Dr. Scherbov has also published a large number of articles in international

scientific journals, and recently co-authored “Europe’s population at a turning” in *Science*, as well as “The End of World Population Growth” and “Average Remaining Lifetimes Can Increase as Human Populations Age” in *Nature*. Additionally, he co-authored several papers in *Population and Development Review*.

Sarah Spencer is Associate Director at the Centre on Migration, Policy and Society (COMPAS) at the University of Oxford and directs its Managed Migration Programme. She is also a Commissioner at the Commission for Racial Equality, Chair of the Equality and Diversity Forum, and a Visiting Professor at the Human Rights Centre, University of Essex. She was formerly Director of the Citizenship and Governance Programme at the Institute for Public Policy Research and is a former General Secretary of the National Council for Civil Liberties. Sarah Spencer has twice been seconded into the Cabinet Office to contribute to policy research on migration, was a member of the government’s Taskforce on the Human Rights Act, and on the proposed Commission on Equality and Human Rights. She contributes to the work of the European Policy Centre in Brussels and to the MPI’s Athens Migration Policy Initiative.

Her current projects include: *Changing status, changing lives? The socio-economic impact of EU accession on low wage migrant labour in the UK*; *The impact of the migration NGO sector on the development of migration policy: Ireland*

as a case study; and *Muslims and Community Cohesion in Britain*. Her recent publications are available at www.compas.ox.ac.uk.

Thomas Straubhaar is President of the Hamburg Institute of International Economics (HWWI) and a Professor of Economics at the University of Hamburg, both positions which he has held since 1999. He is a founding member of the IZA Policy Fellows Group and in 2004, Dr. Straubhaar received the Ludwig-Erhard Prize for his publications on economics.

Dr. Straubhaar worked as an external adviser to the Swiss bank UBS between 1992 and 1995, and served as an advisor to the European Commission for Issues of Migration and Labor Market Problems between 1986 and 1987.

ABOUT THE EDITOR

Demetrios G. Papademetriou is the President of the Migration Policy Institute (MPI), a Washington-based think tank dedicated exclusively to the study of international migration. He is also the convener of the Athens Migration Policy Initiative (AMPI), a task force of mostly European senior immigration experts that advises EU Members States on immigration and asylum issues, and the Co-Founder and International Chair *Emeritus* of “Metropolis: An International Forum for Research and Policy on Migration and Cities.”

Dr. Papademetriou holds a PhD in Comparative Public Policy and International Relations (1976) and has taught at the universities of Maryland, Duke, American, and New School for Social Research. He has held a wide range of senior positions that include: Chair of the Migration Committee of the Paris-based Organisation for Economic Cooperation and Development (OECD); Director for Immigration Policy and Research at the US Department of Labor and Chair of the Secretary of Labor’s Immigration Policy Task Force; and Executive Editor of the *International Migration Review*. Dr. Papademetriou has published more than 200 books, articles, monographs and research reports on migration topics and advises senior government and political party officials in more than twenty countries. His most recent publications include *Secure Borders, Open Doors: Visa Procedures in the Post-September 11 Era* (2005, co-author), *NAFTA’s Promise and Reality* (2003, co-author),

America’s Challenge: Domestic Security, Civil Liberties, and National Unity after September 11 (2003, co-author), and *Caught in the Middle: Border Communities in an Era of Globalization* (2001, senior editor and co-author).

ABOUT THE LUSO-AMERICAN
FOUNDATION

The Luso-American Foundation (FLAD) was created by the Government of Portugal in May 1985 as a private, independent grantmaking foundation with the mission of assisting Portugal in its development, mainly by building strong ties with the United States. FLAD's priority program areas are: Education, Science and Technology; Culture; Environment; Civil Society and Innovation; International Cooperation; and Public Administration. From its inception FLAD was also recognized as a 501(c) 4 foundation in the United States. Twenty years later, the Foundation has become recognized as a leading Portuguese actor in transatlantic relations, with an active program linking Portugal's institutions with partners in the United States as well as in other European Union (EU) countries.

FLAD has been an active supporter of research projects, conferences and publications in all aspects of migration studies. Since 1996 FLAD has supported many research projects at three Portuguese universities – University of Lisbon (Center of Geographic Studies), the New University of Lisbon (Socinova), and the University of Coimbra (Social Studies Center). Projects supported by FLAD included research on immigration legislation, family reunification laws, immigrant labor market entry, and integration best practices, among others.

With FLAD's financial support, these universities and their research teams joined the preeminent international migration research and policy

project, METROPOLIS INTERNATIONAL, based in the United States, Canada, and Europe. FLAD continues to fund research, and policy analysis meetings joining US and EU partners in strategic planning in this crucial, social/political area. In October 2006, FLAD and its partners will host the XI International Metropolis Conference in Lisbon.

FLAD has published, either alone or with other organizations, the following books on migration and citizenship:

Metropolis International Workshop 1998, 1999

Conference proceedings, with a Foreword by Charles Buchanan and José Leitão

Metropolis Portugal: An International Comparative Research and Policy Project for Migration Cities and Minorities, Booklet, 1999

Is an Ethclass Emerging in Europe? The Portuguese Case, 2000

By Maria Ioannis Baganha, José Carlos Marques, and Graça Fonseca

Immigration and Place in Mediterranean Metropolises, 2002

Chief Editor, Lucinda Fonseca, with a Foreword by Charles Buchanan

New Waves: Migration from Eastern to Southern Europe, 2003

Edited by Maria Ioannis Baganha and Maria Lucinda Fonseca

From Migrants to Citizens

Edited by T. Alexander Aleinikoff
and Douglas Klusmeyer
Carnegie Endowment for International
Peace, Washington, DC, 2000

**Citizenship Today, Global
Perspectives and Practices**

Edited by T. Alexander Aleinikoff and
Douglas Klusmeyer
Carnegie Endowment for International
Peace, Washington, DC, 2001

**Citizenship Policies for an Age
of Migration**

By T. Alexander Aleinikoff and
Douglas Klusmeyer
Carnegie Endowment for International
Peace and Migration Policy Institute,
Washington, DC, 2002

For more information about FLAD
programs and projects, publications,
and events, please visit www.flad.pt

ABOUT THE MIGRATION
POLICY INSTITUTE

The Migration Policy Institute (MPI) is an independent, nonpartisan, nonprofit think tank dedicated to the study of the movement of people worldwide. MPI provides analysis, development, and evaluation of migration and refugee policies at the local, national, and international levels. It aims to meet the rising demand for pragmatic and thoughtful responses to the challenges and opportunities that large-scale migration, whether voluntary or forced, presents to communities and institutions in an increasingly integrated world.

The Migration Information Source, MPI's award-winning online resource for timely and accurate migration data and analysis, features articles by leading thinkers in the field of migration, resource pages for more than fifty countries, and easy-to-access data on migration to countries around the world. Source Special Issues have provided in-depth analyses on Migration and Human Rights, US-Mexico Migration, Integration and Immigrants, Africa, Women and Migration, and Development and Migration. The Migration Information Source is available online at www.migrationinformation.org.

MPI publications provide timely independent, nonpartisan analysis on the issues of migration management, national security and civil liberties, refugee protection and international humanitarian response, North American borders, and immigrant settlement and integration. Recent titles from the Migration Policy Institute include:

Countering Terrorist Mobility: Shaping an Operational Strategy
By MPI Nonresident Fellow Susan Ginsburg, former Senior Counsel and Team Leader, National Commission on Terrorist Attacks Upon the United States (9/11 Commission)

Managing Integration: The European Union's Responsibilities Towards Immigrants
Edited by Rita Süßmuth and Werner Weidenfeld, Bertelsmann Foundation
Published by the Bertelsmann Foundation and the Migration Policy Institute

The United States Refugee Admissions Program: Reforms for a New Era of Refugee Resettlement
By MPI Nonresident Fellow David A. Martin, University of Virginia

Leaving Too Much to Chance: A Roundtable on Immigrant Integration Policy
By Michael Fix, Demetrios G. Papademetriou, and Betsy Cooper

One Face at the Border: Behind the Slogan
By Deborah Meyers

Real Challenges for Virtual Borders: The Implementation of US-VISIT
By Rey Koslowski, Rutgers University-Newark

Secure Borders, Open Doors: Visa Procedures in the Post-September 11 Era
By Stephen Yale-Loehr, Demetrios G. Papademetriou, and Betsy Cooper

**Independent Task Force on
Immigration and America's Future:
The Roadmap**

By Michael Fix, Doris Meissner, and
Demetrios G. Papademetriou

For more information about the
Migration Policy Institute's experts,
policy research, publications,
and events, please visit
www.migrationpolicy.org.

ACKNOWLEDGEMENTS

This book project was made possible through the generous support of the Luso-American Foundation (FLAD) in Lisbon, Portugal, and especially FLAD's President of the Executive Council, Rui Machete, and Executive Council Member Charles (Buck) Buchanan and his team. For more information about the foundation, please visit <http://www.flad.pt/>.

The Editor would like to express sincere thanks to each of the authors for sharing their insights about the evolution of European immigration and immigrant integration policies and the massive challenges EU Member States and the Union's central institutions face. The variety and depth of the questions and policy solutions posed provide an essential, fact-based framework for local, national, and European policies that can increase immigration's benefits for communities, sending countries, and migrants themselves.

A heartfelt thanks also goes to former EU Commissioners Antonio Vitorino and Anna Diamandopoulou, Dutch Minister for Immigration and Integration Rita Verdonk, Alex Rondos, Giorgos Glynos, Jean Louis de Brouwer, Sandra Pratt, Antonis Kastrissianakis, Kostas Fotakis, Rob Visser, Alex Sorel, Marilyn Haime, Ali Rabarison and Chavi Nana. These individuals were critical in offering generous guidance to MPI throughout this work. By affording the MPI team privileged access to information

and their insights, they made the papers included in this volume far better than they might have been otherwise. Thanks also to the many other supporters of MPI's European work, particularly the Niarchos and King Baudouin foundations.

The final thanks are reserved for my colleagues. Jonathan Pattee played a crucial role in editing and helping to bring this volume to fruition. Thanks also to my superbly talented and mission-driven colleagues Gregory Maniatis, Colleen Coffey, Julia Gelatt, Kirin Kalia, and Aaron Erlich for their editorial and production assistance, as well as their good humor. Finally, Patricia Hord Graphik Design did their usual superb job with publication layout and design.

Europe is at a crossroads. Demography, labor market realities, and already overwhelmed social protection systems mean that immigration will play a larger role in Europe in the decades ahead. The policy challenge is this: How can the European Union absorb new flows of immigrants when the 35 to 40 million foreign-born people already in its midst continue to face difficulties in becoming a full part of the economic, cultural, social, and political lives of their adopted societies?

In this volume, the Migration Policy Institute has gathered some of the finest thinkers to offer insightful counsel and, wherever possible, solutions to Europe's immigration challenges. They piece together the puzzle of a well-managed, comprehensive migration regime, tackling issues ranging from immigration's economic costs and benefits, to effective selection systems, citizenship, the welfare state, and integration policies that work.

This volume marks another milestone in MPI's deep commitment to European policy and transatlantic cooperation on immigration policy. In addition to working closely with the European Commission, Member State governments, and other EU institutions, MPI collaborates on several long-term research and policy initiatives with the Organisation for Economic Cooperation and Development and other international institutions. This work is generously supported by the Luso-American Foundation in Portugal, the Stavros S. Niarchos Foundation, and the King Baudouin Foundation, among others.



1400 16th Street NW
Suite 300
Washington, DC 20036

202 266 1940
202 266 1900 fax

www.migrationpolicy.org

Price: \$24.95

ISBN 09742819-4-8

