

# MIGRATION'S LOCAL DIVIDENDS HOW CITIES AND REGIONS CAN MAKE THE MOST OF IMMIGRATION

### COUNCIL STATEMENT

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### How Cities and Regions Can Make the Most of Immigration

The IIth Plenary Meeting of the Transatlantic Council on Migration

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#### **Executive Summary**

Well-managed immigration can be a windfall for local economies by creating jobs and fueling growth, fostering innovation, and bringing in new revenue. But these benefits are neither automatic nor do they accrue evenly. Highly skilled and entrepreneurial migrants tend to flock to certain geographic "magnets"—such as vibrant metropolises, financial hubs, or tech clusters—while other regions may struggle to attract and retain native and foreign workers alike.

Meanwhile, increasing mobility has brought new challenges, which are also asymmetrically distributed. Urban areas disproportionately shoulder the burden of adapting infrastructure and services to support populations with increasingly diverse needs (including those that are marginalized and outside the employment mainstream). And many cities, even those experiencing new dynamism and growth, have to contend with community tensions arising over the allocation of often scarce public resources such as housing, social welfare, and health services, as well as difficult-to-address problems of poverty, residential segregation, and social exclusion.

While cities and regions experience both the positive and negative effects of immigration firsthand, they are typically at arm's length, *at best*, from the policy reins that enable and shape these movements. Immigration policies are rarely calibrated to regional, let alone local, needs. This is either because the national immigration policymaking apparatus is too slow to keep up with swiftly changing economic demands, because local and national interests explicitly diverge, or because—with very few exceptions—national policymakers have not developed a habit of consulting with subnational political jurisdictions on these matters. The consequences of these governance tensions may range from stunted economic development to ineffective service delivery. At the extreme, national admissions policies with insufficient local participation and buy-in can cause perverse consequences, for example if refugees languish in reception centers for years because localities are unwilling to accept them.

# Immigration policies are rarely calibrated to regional, let alone local, needs.

The eleventh plenary meeting of the Transatlantic Council on Migration convened in London in November 2013 to examine how policymakers at all levels can work together to get more out of immigration. Cities and regions are moving into spaces traditionally occupied by central governments, increasingly becoming the places where new solutions to address the full spectrum of migration challenges are "invented," tested, and refined. As more work is done at the local level, better cooperation between different levels of government—and with the private sector and civil society—is at the heart of how these small, local power shifts can translate into economic gains on a larger scale.

The Council discussed the role of immigration in regional development, innovation, and the creation of industry clusters, but cautioned against seeing immigration as a silver bullet to reverse population decline without corresponding reforms to support social and economic growth more broadly. And it deliberated on the complementary investments in service delivery and social cohesion necessary to mitigate both the actual and perceived costs of immigration and greater mobility at the local level.

The Council settled on four principles for better multilevel governance of migration:

- *Give local actors a seat at the table.* National governments should be mindful of the needs and concerns of regions and localities with regard to immigration and give such subnational jurisdictions a place at the table on issues that affect their interests.
- Institutionalize systems for cooperation. Migration questions demand whole-of-government



and whole-of society solutions; better systems for national-local cooperation and private-sector involvement are the missing ingredients.

- Learn from the local level and deliver sustainable funding for what works. Since innovative programs often terminate prematurely when funding runs out, central government can play a critical role in consolidating lessons from localities and scaling up creative solutions.
- Create rapid-response systems for concentrated challenges. The effects of geopolitical conflict or new trends in mobility tend to first materialize in small pockets (whether in congested processing centers or schools). Emergency funding and targeted support could alleviate these symptoms and buy national governments time to address the larger causes behind these trends.

These principles offer a guiding framework for the following recommendations for better cooperation across all levels of government to allow cities and regions to maximize their competitiveness and strengthen community cohesion:

- Allow employers, wherever possible, to select immigrants. Demand-driven and employer-led systems to select foreign workers are the best vehicles for satisfying regional and local human capital needs. But the rules within which employers operate must be clear and enforced with diligence so that employers act responsibly and do not simply pass on to the broader society the results of poor and purely self-interested employment choices.
- Help direct human capital to areas that need it. Migration systems must be sufficiently nimble and responsive to allow local innovators to capitalize on rapidly arising opportunities; additional support to help innovators navigate immigration systems could help streamline the process.
- *Create the conditions for entrepreneurship to flourish.* Efforts to help foreign nationals access capital and navigate complex systems complement structural policy changes to create a business-friendly environment that benefits native and immigrant workers alike.
- Make diversity-proofing services second nature. Policymakers at all levels need to constantly question whether services are accessible—and fit—for the diverse and mobile groups they serve; while diversity-proofing services should become a reflex, this doesn't mean it is easy.
- *Ensure city institutions reflect the populations they serve.* A diverse workforce is both a symbolic and pragmatic imperative: representation in city jobs at all levels will help minorities, immigrant and native born, feel truly included while rejuvenating working cultures and decision-making.
- Create spaces for people to interact, instead of trying to change where they live. Residential segregation is a problem if it curtails opportunities or restricts interaction; focus on creating opportunities and the tools to help people access them, such as public transportation and one-stop service access opportunities.

#### I. Meeting Regional Human Capital Needs

While all cities and regions share a common goal of growing and retaining their human capital supply, their needs and specific socioeconomic and demographic contexts vary widely. In America's Rust Belt, former powerhouses like Detroit have found themselves in a vicious cycle of depopulation and persistent



economic decline, with sharp reductions in even the most elementary public services, such as public safety. At the other end of the spectrum, tech clusters and global metropolises (like Silicon Valley or London) are magnets for native and foreign workers alike. Spread across the vast middle of this spectrum are manufacturing centers that reemerged as hubs of attraction after not having received immigrants for a generation (there are dozens such examples in the United States); rural regions with pressing human capital needs (such as Oberbayern, Germany and parts of Eastern and Southern Europe, several Midwestern states in the United States, and also parts of Canada and Australia); transport gateways that see a lot of population turnover (e.g. Rotterdam); and satellite towns, edge cities, and suburbs providing new destinations for immigrant communities drawn by lower rents (like Drammen, near Oslo in Norway or suburban Sacramento, California). These localities each face different challenges in shaping their workforce to meet local labor needs.

#### A. Human Capital: The Fuel of Regional Development

Business clusters—the key ingredient in regional success stories—can rarely be created from scratch. In the presence of a rich infrastructure of universities and cultural institutions, innovation and entrepreneurship thrive on a steady supply of high-quality human capital, which, in turn, draws in more workers and businesses. While setting this virtuous circle in motion is outside policymakers' hands, its pace can be slowed by blockages in human capital pipelines (as well as regulatory obstacles).¹ The immigration system in the United States with its numerical limits on high-skilled visas, for example, is thought by many to have failed to keep pace with changing mobility patterns and economic demands, and some of the most vocal advocates for its reform have come from the local level.² In such cases, the ponderous national policy process is not always sufficiently responsive to changing economic conditions, nor is it fine-tuned to local demand.

Regions that are falling behind raise different problems. It can be politically challenging for national policymakers to advocate for regions that need foreign workers, since labor shortages in one area often exist alongside unemployment in another. Strategies that are more popular at the national level—such as the recruitment of "the best and the brightest"—are especially ill-suited to meet the needs of rural or generally less desirable areas looking for middle-skilled workers with specific talents. Most immigrants are free to move wherever they would like in traditional supply-driven visa policies (including family unification and intra-EU mobility), therefore bringing in additional workers is no guarantee they will move to—and settle in—regions with labor needs. Newcomers still largely gravitate toward the primary magnet cities where many of their co-nationals have settled.

#### B. Regional Immigration Policies: A Solution?

As a result, recent years have seen increased interest in stipulated, "place-based" visas or regional programs that seek to direct immigrants to areas struggling to attract and retain both native and foreign-born workers. These programs—now regularly used in Canada and in the experimentation stage in Australia—could be valuable for employers in less popular areas (e.g. health-care centers in the rural United States), as well as for those with specific local skills needs that may not fit with national immigration priorities (e.g. workers across skill levels that can become the engine of local and regional economic development), or those who are seeking to circumvent a dysfunctional national system that is

<sup>1</sup> For example, see Max Nathan's paper on the role of immigration policy in the slow growth of London's Tech City. Max Nathan, *The Human Capital Needs of Tech City, London* (Washington, DC: Migration Policy Institute, forthcoming 2014).

<sup>2</sup> Former New York Mayor Michael Bloomberg's Partnership for a New American Economy is the most prominent example. But other coalitions have also formed on a regional level. The Midwest Immigration Task Force, for example, brought together more than 50 current and former local and state leaders from the midwestern United States to make the case for immigration reform.

<sup>3</sup> Margie McHugh and Demetrios G. Papademetriou, "Creating a More Responsive Immigration System by Engaging State and Local Actors in the Selection of Immigrants," unpublished paper prepared for the November 2012 meeting of the Regional Migration Study Group, Washington DC.



oversubscribed.<sup>4</sup> Such programs allow temporary visa holders to convert to permanent status if they first commit to working in a specific location for a number of years; after the stipulated initial work period expires, they are free to move. Clearly the built-in incentives both for the visa holder and the receiving community are to invest in the success of these arrangements; policy can strengthen such incentives by manipulating the inflow valve and smart investments in integration services.

Place-based visas have also been promoted as a tool to reverse depopulation, for example through the proposed "Detroit visa" in the United States. Since depopulation can be a vicious cycle for regions that are already struggling (funding allocations are often based on population) it is easy to see the appeal of an "easy" population boost. Yet these programs can create additional risks both for immigrants and localities. Immigrants alone cannot create jobs without the critical mass of businesses, public services, and investment to sustain them. Moreover, without corresponding attention to integration there is a risk that newcomers may add to the problems of unemployment or poverty. The vicious cycle of depopulation also confronts policymakers with a difficult choice between propping up failing regions or helping people move out of them. Residential mobility and socioeconomic mobility are deeply intertwined, which means for some people—including immigrants—success may require exit.

Through its deliberations, the Transatlantic Council identified several ways in which policymakers at different levels of government can cooperate to better meet local human capital needs and help create the conditions for innovation and economic growth. Among the recommendations:

- Aim for thoughtful demand-driven and employer-led visa policies where possible. Employer-sponsored visas should be a major policy option in national policymakers' toolkits when designing an immigration system that is responsive to local needs, since they allow employers to recruit the workers they need and lead to better outcomes for migrants. But if regional interests are being poorly served by national politics, policymakers could consider devolving aspects of visa policy to jurisdictions below the national level, such as by reducing the costs of employer-sponsored visas or the investment threshold for investor visas in certain regions. Since immigrants are not likely to singlehandedly reverse the fortunes of ailing regions, these policies must be nestled into local economic development plans and should be accompanied by complementary investments in immigrant integration and economic growth.
- Ensure business clusters are fed with human capital. Policymakers cannot create clusters from scratch. But they can ensure that nascent and blooming clusters are not starved of human capital. Since innovation relies on informal collaboration and start-ups, traditional visa policies (with their long processing times and large minimum investment sums) may be overly burdensome for start-up enterprises and young entrepreneurs. Policymakers could consider lowering recruitment barriers for small businesses or providing targeted support to help start-ups navigate the immigration system.<sup>9</sup>
- Reduce barriers to entrepreneurship for immigrants and natives. Excessive red tape and complicated regulations can hold back immigrant and native entrepreneurs alike, but immigrants who are unfamiliar with local systems are likely to be at a particular disadvantage.

<sup>4</sup> Madeleine Sumption, *National Policy, Local Demand: Can Immigration Policies Meet Diverse Needs of Cities and Regions?* (Washington, DC: Migration Policy Institute, forthcoming 2014).

<sup>5</sup> The "Detroit visa" was proposed by Michigan Governor Rick Snyder as a means to bring talent into the region. Snyder has proposed that a quota of EB-2 visas, allocated to immigrants with advanced degrees or "exceptional ability," be reserved for Detroit.

<sup>6</sup> In the United States, for example, Census-defined "metropolitan areas" (areas with a central city of at least 50,000 residents) qualify for different funding streams than rural regions. And in federal systems like Austria, Canada, Germany, or Spain, regions that lose people can also lose political power at the national level.

<sup>7</sup> Sumption, National Policy, Local Demand.

<sup>8</sup> McHugh and Papademetriou, "Creating a More Responsive Immigration System."

<sup>9</sup> Nathan, The Human Capital Needs of Tech City, London.



Mentoring and networking initiatives, or easing access to credit and capital, can help overcome financial and professional hurdles. But to fully unfurl the potential of immigrant entrepreneurship, programs need to go beyond start-up and support entrepreneurs in growing their businesses—by pairing targeted programs for disadvantaged groups with structural policy changes to create business-friendly environments, such as reducing burdensome administrative procedures and increasing labor market flexibility.<sup>10</sup>

#### II. Addressing Immigration's Local Challenges

Dynamism and rapid social change are two sides of the same coin. Population churn has made rising diversity a reality for most cities. In many Australian, U.S., and European cities, the population with an immigrant background (first and second generation) is already very large and continues to grow. In fact, people with an immigrant background make up close to half or more of the total population in many U.S., Canadian, and Australian cities, as well as such European cities as Amsterdam, Brussels, and certain boroughs of London, and 22 U.S. metropolitan areas are now "majority minority." As a result, a large share of the population served by the education, employment, training, and other services in many urban communities is very diverse.

#### A. Diversity and Mobility: Twin Challenges in Public Service Delivery

Cities have long been the canaries in the coal mine when it comes to experiencing—and frequently alleviating—pressure points before national governments have even processed the problem. For example, new and unanticipated waves of arrivals, such as those fleeing Syria for Europe or unaccompanied minors entering the United States, have triggered concerns about pressures on processing facilities, services—especially schools—and local emergency response mechanisms.

# Cities have long been the canaries in the coal mine when it comes to experiencing—and frequently alleviating—pressure points.

Among the greatest challenges facing many cities is reengaging and supporting disillusioned or otherwise marginalized youth. Young people with an immigrant background are often unable to find jobs or access higher-skilled career pathways due to inadequate language and other skills, discrimination, barriers to full educational opportunities, and limited access to social networks that can help them negotiate complexity. In Europe, the youth unemployment epidemic has raised the specter of a "lost generation;" the riots in France, Sweden, and the United Kingdom in recent years serve as further warning of the

<sup>10</sup> Maria Vincenza Desiderio, *Policies to Support Immigrant Entrepreneurship* (Washington, DC: Migration Policy Institute, forthcoming 2014).

<sup>11</sup> U.S. Census Bureau, "Age and Sex Composition in the United States, Table 27. Generational Distribution of the Population by Sex and Age: 2011" (U.S. Census Bureau Database), <a href="https://www.census.gov/population/age/data/2011comp.html">www.census.gov/population/age/data/2011comp.html</a>. Eurostat, <a href="https://epr.eurostat.ec.europa.eu/cache/ITY">Migrants in Europe: a statistical portrait of the first and second generation. 2011 Edition (Luxembourg: Publications Office of the European Union, 2011), <a href="https://epp.eurostat.ec.europa.eu/cache/ITY">http://epp.eurostat.ec.europa.eu/cache/ITY</a> OFFPUB/KS-31-10-539/EN/KS-31-10-539-EN. <a href="https://epp.eurostat.ec.europa.eu/cache/ITY">PDF.</a>

<sup>12</sup> Organization for Economic Cooperation and Development (OECD), Settling In: OECD Indicators of Immigrant Integration 2012 (Paris: OECD Publishing, 2012), <a href="https://www.oecd-ilibrary.org/social-issues-migration-health/settling-in-oecd-indicators-of-immigrant-integration-2012\_9789264171534-en">www.oecd-ilibrary.org/social-issues-migration-health/settling-in-oecd-indicators-of-immigrant-integration-2012\_9789264171534-en</a>.

William H. Frey, "The New Metro Minority Map: Regional Shifts in Hispanics, Asians, and Blacks from Census 2010," (Brookings State of Metropolitan America working paper 39, Brookings Institution, Washington, DC, 2011), <a href="https://www.brookings.edu/research/papers/2011/08/31-census-race-frey">www.brookings.edu/research/papers/2011/08/31-census-race-frey</a>.



potential social ramifications of marginalization and malaise. While the performance of the second generation is a much more promising tale in the United States (with education and earnings higher than the population as a whole among many ethnic groups), first- and second-generation language learners with a Hispanic background face huge obstacles in certain areas of the country, lagging well behind their peers across a number of indicators.<sup>14</sup>

Urban populations also have increasingly complex, nontraditional needs. For example, rising mobility and circular migration have brought cohorts of super mobile, highly skilled workers whose needs may be ill-served by traditional integration policies that are oriented toward permanent settlement. Short-stay migrants may wish to invest less in their integration because they view their stay as temporary and can find work in English or their native language; nonetheless they share the challenge of navigating local services and finding housing with other newcomers.

Cities thus face the challenge of adapting services and infrastructure to these diverse, and typically complex, needs at a time when national budgets are shrinking. National governments often decide where funding goes and require localities to follow the dictates of funding requirements, <sup>15</sup> which can sometimes constrain local capacity to respond to rapidly evolving situations. Cities are also hindered by limited decision-making power over critical issues. For example, education policy is often the purview of national governments, even though poor educational outcomes manifest themselves in localized problems of crime and poverty.

#### B. Capitalizing on the Comparative Advantage of the Local

Despite these limitations, cities and local governments are also best positioned to respond to change. <sup>16</sup> Their close proximity to the people they serve allows them to observe changing demographic and socioeconomic realities as they happen and react quickly to evolving needs, often financing their own services and thus fostering a sense of belonging among new arrivals. Barcelona, for example, used its own budget to set up comprehensive guidance services and introduction programs for immigrants navigating the family reunification process, <sup>17</sup> and many U.S. states and cities have taken things into their own hands with respect to immigration policy, at times to the dismay of the federal government.

Regardless of the challenges, however, local authorities and national policymakers aren't working at cross-purposes. It is in the broader society's interests to build successful cities with thriving economies and strong, cohesive communities—and local governments are in the best position to create the conditions for cities to succeed.

The Transatlantic Council identified a number of ways in which cities can capitalize on their comparative advantages, and national governments can help them better live up to their promise:

Help cities diversity- and mobility-proof their services. In the United States and Canada, language access programs that assist non-English speakers with the provision of public services and documentation in other languages as well as other programs to level the playing field have become second nature. And in many European cities, especially those newer to the immigration game, the philosophy of "mainstreaming" immigrant integration into broader portfolios is taking

<sup>14</sup> Sarah Hooker, Michael Fix, and Margie McHugh, *Education Reform in a Changing Georgia: Promoting High School and College Success for Immigrant Youth* (Washington, DC: Migration Policy Institute, 2014), <a href="https://www.migrationpolicy.org/research/education-reform-changing-georgia-promoting-high-school-and-college-success-immigrant-youth">https://www.migrationpolicy.org/research/education-reform-changing-georgia-promoting-high-school-and-college-success-immigrant-youth</a>.

This tension is particularly evident at Europe's external borders where many cities have faced a significant influx of asylum applicants and irregular migrants since the onset of the Arab Spring. Recognizing the mounting difficulties these localities face in accommodating the ever-growing numbers of asylum applicants, the European Union has stepped in to provide emergency funding and support to strengthen local reception capacity for asylum seekers. But with the focus on the crisis at Europe's borders, little attention has been given at the EU level to cities' capacity to integrate these new populations—something local leaders see as a critical priority.

<sup>16</sup> See Dirk Gebhardt, Building Inclusive Cities: Multilevel Governance Challenges (Washington, DC: Migration Policy Institute, forthcoming 2014).

<sup>17</sup> Ibid.



hold as cities audit their services and institutions to ensure they are fully accessible to diverse groups. For example, several German *länder* have abolished early-ability streaming in schools to avoid reducing opportunities for people with disadvantaged backgrounds and late arrivals to the German system; Danish local authorities now test all children for language abilities and offer policy interventions designed to address weaknesses before formal schooling begins. Even in places with more mature diversity and inclusion strategies, this ethos of scrutinizing systems to ensure that needs are identified early and redressed is worth embracing.

- Ensure city institutions reflect the populations they serve. As microcosms of society, city institutions will be most effective at changing mindsets and conveying a message of inclusion if they reflect the populations they serve. While this takes time (it takes a generation or more to replace teachers), cities can plug gaps in the short term by recruiting immigrants into support roles in schools and other public services.¹8 City administrations can also make an effort to build intercultural competencies into job requirements and worker recruitment strategies.¹9
- *Tap into civic identity by creating an inclusive local brand.* Many cities pride themselves on being inclusive and cosmopolitan, even succeeding in branding themselves as welcoming to immigrants against a backdrop of at times anti-immigrant rhetoric. City membership has the virtue of being "permeable" (able to absorb diversity without diluting the "brand"), in contrast to national identities that are often rooted in blood relationships or historic or ethnic narratives. Many cities have seen the value of creating an open and welcoming identity, whether this is under the banner of "urban citizenship" (Rotterdam), multiculturalism (Toronto), community cohesion (Birmingham, United Kingdom), or becoming a "sanctuary city" intent on shielding unauthorized immigrants from federal immigration enforcement (Chicago or Los Angeles). But a truly compelling city identity has a coherent brand across all city functions and appeals to potential immigrants, businesses, and visitors alike. Of course, diversity should be only one element of this brand, not its entire message. <sup>21</sup>
- Tackle disadvantage, not segregation. Segregation is a major driver public anxiety about the rate and composition of social change. But residential segregation can be as much the result of less-visible white segregation as of immigrant groups cutting themselves off, and ethnic enclaves can provide new arrivals with an important bridge while they find their feet. Segregation should be therefore seen as an instrumental rather than intrinsic problem—it is problematic to the extent that it is associated with intergenerational disadvantage or limited opportunities that stem from geographical isolation, but its harm should not be overstated. Instead of trying to change where people *live* (where most policy interventions have been ineffective at best and intrusive at worst), policymakers should cultivate spaces for people to *interact*—and ensure that city residents have the means to access opportunities, whatever their address.

<sup>18</sup> Elizabeth Collett and Milica Petrovic, *The Future of Immigrant Integration in Europe: Mainstreaming Approaches for Inclusion* (Brussels: Migration Policy Institute Europe, 2014), <a href="https://www.migrationpolicy.org/research/future-immigrant-integration-europe-mainstreaming-approaches-inclusion">www.migrationpolicy.org/research/future-immigrant-integration-europe-mainstreaming-approaches-inclusion</a>.

<sup>19</sup> Gebhardt, Building Inclusive Cities.

<sup>20</sup> See Dirk Gebhardt, "Urban Citizenship: A New Way to Foster Identity and Belonging" (discussion paper for the extraordinary meeting of the Transatlantic Council on Migration, "Urban Citizenship: A New Way to Foster Identity and Belonging," in Rotterdam, the Netherlands, April 2014).

<sup>21</sup> Elizabeth Collett, City Branding Strategies: Integration, Attraction, or Empty Marketing Tool? (Washington, DC: Migration Policy Institute, forthcoming 2014).

<sup>22</sup> Han Entzinger and Godfried Engbersen, *Rotterdam: A City of Immigrants: From First Port of Call to Welcoming Community* (Washington, DC: Migration Policy Institute, forthcoming 2014).

<sup>23</sup> See John Iceland, *Residential Segregation: A Transatlantic Analysis* (Washington, DC: Migration Policy Institute, forthcoming 2014).



#### III. Conclusions

Cities are powering the economic recovery. But for cities to compete most effectively in a global economy in the medium and long term, they must be able to develop their own vision and shape their human capital supply accordingly. In some cases, national governments should give cities more room to experiment. In others, immigration policies will need to include a place-based component or be more demand-led. However, policymakers from all camps will need to keep an eye on the big picture: even a flashy brand won't attract new business and residents (immigrants or natives) if it isn't accompanied by safe living spaces, jobs, opportunities for vibrant interactions of all types, and an attractive economic and regulatory climate.

Due to their vantage point, cities are well placed to come up with creative solutions. But (with some exceptions in federal systems such as the United States) they are often powerless to make systemic changes—such as education reforms that could unlock the potential of the burgeoning second generation. Moreover, national governments' birds-eye view can see patterns and draw lessons across regions. Organized, systemic conversations between localities and national governments can therefore both help understand the needs at the local level and inform national policymaking with critical on-the-ground perspectives.

For cities to compete most effectively in a global economy...they must be able to develop their own vision and shape their human capital supply accordingly.

The Transatlantic Council recommends the following key principles for improving the multi-level governance of mobility:

- Ensure policy decisions are taken at the appropriate level. Localities have proven that, as a rule, they can be trusted to develop innovative and timely solutions to problems at the local level. As a result, national governments could exercise much more humility, acknowledge their limitations, and be more inclusive in making decisions that affect subnational jurisdictions. While some policy fields (from education to refugee resettlement) will always require national coordination, the level of government closest to the issue is often the best driver of change. Before investing in a new policy strategy, decisionmakers should thus engage in a more systematic conversation between levels of government, whether the European Union and its Member States or the U.S. federal government and states. The lesson before investing in a new policy strategy is to give due consideration where action will be most consequential and effective. When in doubt, go local.
- **Develop and institutionalize more organic "whole-of-government" and "whole-of-society" cooperation.** Promising models of national-local coordination are emerging, from France's Urban Contracts for Social Cohesion<sup>24</sup> to the Canadian federal government's extensive consultations with provinces on a whole array of issues, including immigration.<sup>25</sup> But systems for national governments to consult localities over broader human mobility questions

<sup>24</sup> The cornerstone of France's urban policy, Urban Contracts for Social Cohesion, represent agreements between central government and the communes on social and urban development projects in disadvantaged neighborhoods, often with a high immigrant population.

<sup>25</sup> For example, Canada's Provincial Nominee Programs or Australia's Regional Migration Programs. See Sumption, *National Policy, Local Demand*.



remain deeply underdeveloped. This is especially true for those that give a central role to the private sector. Local partnerships (such as London's Strategic Migration Partnership, Canada's Local Immigration Partnerships, <sup>26</sup> or the Mayor's Offices for Immigrant Affairs in Chicago, Los Angeles, New York, and elsewhere) <sup>27</sup> can be effective vehicles for bringing together civil-society, private-sector, and local government actors. But greater national-local coordination on both immigration and integration policy—whether in the form of a task force or more permanent institution—should be seen as an important tool for economic success and greater social cohesion.

- Target funding at programs that are sustainable and reflect local needs. In a time of limited financial resources, program development tends all too often to follow the dictates of national (or EU) funding requirements rather than the specificities of local needs. To ensure that public funds are used in the most effective way possible, national policymakers should consult with stakeholders at the local level who are familiar with the realities and needs on the ground. Funding should also avoid taking a "hit-and-run" approach to program support (providing one-off grants), and instead listen to local leaders about what types of policies are working and build long-term sustainability for such initiatives into their policy plans. Many cities have already created institutions, such as development offices, to coordinate and target the funding they receive from different sources.
- Make "emergency" funding available to localities confronted with unexpected conditions. Cities may be well positioned to identify emerging needs, but their capacity to respond to rapidly evolving situations is often constrained by national funding and policy frameworks. To help localities respond to rapidly changing conditions that flow from macroeconomic or geopolitical shifts—whether an influx of refugees, rising unemployment, or pressures on housing—policymakers at national and EU levels could consider creating emergency funding pools to alleviate unexpected difficulties. In places where city leaders are experimenting with innovative solutions, national governments could bolster these efforts by adapting regulations or providing further funding to help capitalize fast-arising opportunities.

# Cities and regions are taking their place as main players on the world stage.

In matters that range from economic well-being and the provision of social services to the redistribution of "public" goods, such as political and social power, one sees the beginnings of what some are calling a power inversion.<sup>28</sup> Cities and regions are taking their place as main players on the world stage, whether as "petri dishes"<sup>29</sup> of innovation or as places where less divisive and more inclusive policies and politics grow. As cities create stronger economic, social, and political networks with one another, at times ignoring or even circumventing their national governments, certain types of power will shift even further from the center to its constituent parts. Central government should find ways to capitalize on, rather than resist, this evolution.

<sup>26</sup> These partnerships bring together agencies and organizations working on immigration or integration.

<sup>27</sup> Several mayors of big U.S. cities have created new departments of immigrant affairs that provide advice on rights, benefits, and naturalization.

<sup>28</sup> See Bruce Katz and Jennifer Bradley, *The Metropolitan Revolution: How Cities and Metros Are Fixing Our Broken Politics and Fragile Economy* (Washington, DC: Brookings Institution Press, 2013).

<sup>29</sup> Richard Florida, "The Joys of Urban Tech," *The Wall Street Journal*, August 31, 2012, <a href="http://online.wsj.com/news/articles/SB1">http://online.wsj.com/news/articles/SB1</a> 0000872396390444914904577619441778073340.



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#### **About the Author**



**Demetrios G. Papademetriou** is Co-Founder of the Migration Policy Institute (MPI) and served as its founding President through June 2014. He is President of Migration Policy Institute Europe, serves on MPI Europe's Administrative Council, and chairs the Advisory Board of the Open Society Foundations' (OSF) International Migration Initiative. He is a Member of the MPI Board of Trustees.

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Dr. Papademetriou co-founded *Metropolis: An International Forum for Research and Policy on Migration and Cities* (which he led as International Chair for the initiative's first five years and where he continues to serve as International Chair *Emeritus*); and has served as Chair of the World Economic Forum's Global Agenda Council on Migration (2009-11); Chair of the Migration Committee of the Organization for Economic Cooperation and Development (OECD); Director for Immigration Policy and Research at the U.S. Department of Labor and Chair of the Secretary of Labor's Immigration Policy Task Force; and Executive Editor of the *International Migration Review*.

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Dr. Papademetriou holds a PhD in comparative public policy and international relations (1976) from the University of Maryland and has taught at the universities of Maryland, Duke, American, and New School for Social Research.

For more on MPI's Transatlantic Council on Migration, visit: www.migrationpolicy.org/transatlantic



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