MPI MIGRATION POLICY INSTITUTE

BertelsmannStiftung

THE TRANSATLANTIC TASK FORCE ON IMMIGRATION AND INTEGRATION

THE AGE OF MOBILITY

How to Get More Out of Migration in the 21st Century

Demetrios G. Papademetriou
Migration Policy Institute

March 2007

- -

MPI and Bertelsmann Stiftung have convened a task force to promote thoughtful immigration policies and assess and respond to the profound challenges of integrating immigrants and building stronger communities on both sides of the Atlantic. It addresses its recommendations to European Union institutions and Member State governments, the governments of the United States and Canada, and state and local governments and civil society everywhere.

The Task Force is composed of the following senior figures:

Lamar Alexander, US Senator, Tennessee;

Xavier Becerra, US Congressman, Los Angeles, California;

Mel Cappe, President, Institute of Research on Public Policy, Canada;

Bill Emmott, former Editor of the *Economist*;

Halleh Ghorashi, Chair of Diversity, University of Amsterdam;

Michael Haupl, Mayor of Vienna;

Aleksandr Kwasniewski, former President of Poland;

Ana Palacio, Senior Vice President and Group General Counsel, World Bank;

George Papandreou, leader of the Socialist party (PASOK);

Solomon Passy, former Foreign Minister of Bulgaria;

Trevor Phillips, Chair, Commission for Equality and Human Rights, UK;

Louis Schweitzer, Chairman of Renault;

Rita Süssmuth, former President of the German Bundestag (Parliament); and

Antonio Vitorino, former European Commissioner for Justice and Home Affairs.

Contents

Changing Contexts

More countries are now significant players in the international migration system than at any time in history. For the biggest such players, migration is sufficiently large to be fueling rapid, profound, and highly visible social and cultural change. The vast majority of advanced industrial democracies are such players and the resulting transformation is happening almost literally before people's eyes.

The size and composition of international migration are at the root of that transformation and of the reaction to it. The number of international migrants is unprecedented. The UN estimated that number to be over 190 million in 2005. But unlike migration for most of the last century, among the defining features of today's flows is that the overwhelming majority of those who move—and virtually all of those who move outside of legal channels—come from countries of vast social, cultural, and often racial "distances" from the countries they seek to enter. And there is more. In the world of the September 11, 2001, attacks on the United States, and subsequent attacks in Madrid and London, religious distance seems to be taking pride of place among these differences. These realities increase the "visibility" and "other-ness" of newcomers, which in turn fuel the discomfort of host populations.

Public and private sector institutions in host societies are struggling to respond to the challenges of present-day migration but none seem to find it more difficult to adapt than those of the Member States of the European Union (EU). Their efforts are complicated by several factors. Two are most relevant for this essay.

The first is the weight of earlier policy choices with regard to immigration and integration. Some European governments and societies, most notably Germany, chose to deny for far too long the permanence of immigration and its embeddedness in the host society's "life"—thus delaying essential efforts to have immigrants become members of the German polity and society. Remarkably, alternative policy choices, whether officially "welcoming" (the Dutch and Nordic models) or ones of "splendid neglect" (the French one), seem to have had similar outcomes. In fact, in virtually all cases, immigrants and their offspring are well behind natives in educational achievement, in economic benchmarks (employment rates, earnings, quality of housing, etc.), in access to opportunity, and in social and political engagement. These cumulative disadvantages translate into varying degrees of economic, social, and political marginalization. Marginalization, in turn, breeds mutual wariness: Many immigrant communities see themselves as aggrieved, while many natives view immigrants and their children with impatience, if not mistrust and suspicion.

The second complicating factor is that in most instances, the overwhelming proportion of immigration has been and continues to be legally protected family (re)unification and asylum migration,

and, of course, illegal immigration. Most exceptions to this pattern come from Ireland and the Union's southern flank, countries that entered the international migration system as major receivers of migrants very recently and primarily through the labor migration route—although in Southern Europe, much of that migration is illegal. This puts most immigration beyond the reach of easy quantitative or qualitative manipulation, an issue that is addressed later on in this essay.

The size and characteristics of today's, and even more so tomorrow's, international migration are challenging nations to manage the transformation the process entails much better. Success promises political and economic gains through migration's dynamism and potential for contributing to the host country's growth and prosperity, especially at a time when demographics make such contributions nothing short of essential. Failure risks social unrest and political instability. It also foregoes the opportunity for improving dramatically the migrant's and his or her family's circumstances.

With the benefits from success and the costs of failure both so high and hanging in the balance, managing the international migration process through thoughtful regulation and other policy interventions at the local, national, regional, and, gradually and carefully, international levels, becomes paramount. The case for doing so is strengthened further when the development potential of well-regulated

migration for the countries of origin is also taken into account.

Mitigating Strains, Maximizing Gains

Most states that host substantial numbers of migrants are trying to find ways to gain control over the process and produce better policy outcomes. In doing so, their objectives are laudable: to shape the process in ways that advances their national economic interests and priorities while minding social cohesion; and to be fastidious in applying the rule of law while staying true to their commitments to observing human rights and protecting refugees.

These goals may be more complementary than it is commonly assumed, as are the goals of societies of origin, host or destination societies, and those of the migrants themselves. The appearance of divergent, even conflicting, interests is fueled partly by the fact, noted above, that in all but a few states (Canada, Australia and, in recent years, perhaps the UK, are notable exceptions) too much of overall migration is neither "selected," nor otherwise truly regulated—and that changing immigrant admissions formulas is akin to trying to negotiate a political minefield. Not actively selecting substantial shares of one's immigrants leads to uncertain benefits for host countries while poorly regulated and illegal migration generally interferes with the ability of migrants to get the highest returns on their investment in migration. This lowers the potential for earnings, and

hence remittances, and reduces the benefits to migrants and, by extension, to their families and communities back home. Illegal migration also increases costs for almost everyone concerned and tends to wrap all migration into a shroud of illegality while enriching the criminal syndicates and smuggling networks that organize it. These organizations find in human smuggling a highly profitable business whose costs—regardless how they are measured—are apparently worth the risk in large part because they are borne primarily by the immigrants themselves.

With illegal immigration growing apace, one can argue that increasing components of the immigration policies of most advanced industrial democracies are "really made" by traffickers and profiteers. Although the proportion of migration flows under the control of smuggling syndicates varies by state (and region), there is little doubt that the natural corollary to this line of argument is that the immigration regimes of many destination countries may be managing ever smaller proportions of overall immigration flows. In many cases, one might even argue that governments spend the lion's share of their management resources (and physical but especially political capital) in managing the movement (and stock) of illegal migrants—a process in which success is measured first and foremost in terms of containing failure. The efforts of many EU Member States, particularly along the Union's southern borders, as well as of the European Commission itself—and certainly US efforts—fit this model well. This reality clearly narrows the options available to policymakers for greater openings to legal migration. Yet there is an alternative: creating political space for managing an orderly, smartly, and flexibly regulated flow (and stock) of legal immigrants whose contributions to the economy and society are higher in large part because the process is successfully regulated. This latter model describes best the migration management efforts of such countries as Canada and Australia.

The policy challenge is thus clear. For migration's gains to become more prominent, governments must succeed first and foremost in reducing illegality of all types and prove adept at managing the inevitable tensions and strains of the process. In this latter respect, nothing may be more urgent than demonstrating to the public that immigrants are law-abiding and net economic contributors and that the labor market opportunities of citizens are not affected adversely as a result of immigration.

Outdated Concepts, Inflexible Administrative Categories, and the Need for Better Policy and Political Judgments

Migration is not the only complex human endeavor that suffers from increasingly fuzzy policy thinking on the part of both the government and nongovernmental sectors. Nor does the problem stop there. Migration management regimes are weighed down with outdated concepts,

administrative structures that are inflexible, and resources that are often misdirected—and always grossly inadequate relative to the mission.

At the most general level, many of today's immigration regimes, particularly those in northwestern Europe, are grounded in the conceptual and ideological frameworks that grew out of the post-World War II legacies of protecting refugees and respecting human rights. Those legacies, and the international instruments they gave birth to—the Universal and European Conventions on Human Rights and the Convention on Refugees—were then and are today important guides to action and, when their provisions are clear, mandate certain courses of action. Such instruments, of course, and the administrative and civil society advocacy systems that they spawned, were not intended to "crowd out" other forms of immigration. Inadvertently, however, in the perverse politics that have grown around most aspects of the "immigration issue," they seem to have had precisely that effect. A few examples might help demonstrate this point.

In the grossly undifferentiated ways in which politically charged issues are often treated, the twin facts that (a) asylum seekers enter societies under a system of obligations with which governments at different times and many members of the public no longer identify and (b) family immigrants (but also asylum seekers) have had access to government social support systems beyond what some clearly think is a reasonable initial period, have made all

immigrants "suspect" as burdens on receiving societies. These underlying concerns were reinforced by several grievous errors in political judgment on the part of many politicians throughout Europe. Among them are the at times tacit by typically overt support for perspectives that portrayed the guest-worker programs of the 1950s and 1960s as policy failures despite the fact that they met the economic goals that led to their creation; the frequently willful disregard of the gathering evidence that the resulting immigrant communities were becoming increasingly alienated, marginalized in terms of social and economic outcomes, and spatially isolated; and, by the turn of the century, the failure to address concerns about the apparent connections of some members of North African and Middle Eastern communities with terrorism and the seeming rejection of the host society's values and institutions by many more from within these same communities. It is not surprising, then, that the public in much of Europe view "immigrants" as uninvited burdens, if not worse, and are skeptical about, and in many instances strongly oppose, openings to economic migration.

Nor does the burden of the past stop here. Key immigration concepts and administrative categories are also in need of major re-engineering, if not reinvention. Specifically, concepts that reduce complex processes into binary, either/or, formulations interfere with the ability to capture and respond properly to fluid and dynamic phenomena. Starting with the simplest of examples, "senders" and "receivers" of migrants is

not a particularly helpful dichotomy because, at its most elementary level, most societies both send and receive migrants, and many are also physical spaces through which migrants transit. (In one admittedly extreme and not really comparable set of examples, both the UK and Mexico have about ten percent of their populations living abroad.) Such gross dichotomies obscure what may unite protagonists in the migration process and delay actions that might allow them to gain more from it.

Furthermore, the time that it now seems to take for a country to change from one that primarily sends migrants to one that both sends and receives them (or primarily receives them) has been reduced, historically speaking, into almost an instant. Southern European countries discovered that reality in the past ten or so years and were, and are, still unprepared to manage that transition. So have many of the newest 12 EU Member States, while Ireland made the transition from major "sender" to major "receiver" in much less than a decade—and at a pace that is nothing less than extraordinary. Similarly, several countries to the east of the EU, including Russia, are now among the most active migration hubs in Eurasia. In fact, Russia has been catapulted into a top migration destination in terms of the number of immigrants it now "hosts" while it simultaneously continues to produce prodigious numbers of emigrants. Finally, Bulgaria, an EU Member State for mere months, is already looking to recruit foreign workers from Asia, in its

case, in order to compensate for the high emigration rates of its own workers.

Similarly, the concept of "permanent" versus "temporary" migration is becoming less relevant in its ability to describe how increasing numbers of people behave today and more people are likely to behave in the future. This will be particularly the case if policies and administrative rules all along the migration process stop "locking people out" or "locking them in." In the first case, that means "hardening" borders without commensurate openings to legal migration at the same time that demand for new workers at various levels of skill and qualifications keeps growing. In the second case, it means maintaining policies whereby once a foreign worker leaves the country of employment, he or she can no longer come back without starting the immigration process all over.

In fact today, as has been the case for the past 100 years, large proportions of "permanent" immigrants return to their countries or move on to other countries. That process will probably accelerate, especially for the more successful and better skilled immigrants, as it is they who will continue to have most opportunities to choose among destinations. Similarly, many initially temporary immigrants stay on legally and become long-term settlers in their countries of employment or simply remain there illegally. These realities demand of administrators of migration management systems that they become as adaptable as migrants, their families, and their employers (or, in illegal flows,

their smugglers). Only then will those who must interpret and enforce the rules come closer to delivering the policy outcomes that an active immigration system requires.

Furthermore, employment-based and skills-tested migration may not be nearly as different in their effects on the gross labor market as they may appear at first. The former fills specific labor market needs where they arguably matter most: with an employer who has a vacancy that goes unfilled. The latter is more of a "human-capital accumulation" tool and typically does not require an employer's intervention. Of course, the expectation is that a skilled individual will find his or her place in the labor market quickly. Both of these classes of visa holders often bring families with them and are likely to demand that they be given that opportunity more readily in the years ahead. In some important ways, however, the two flows can be arguably different—in their likely long-term contributions to the economy and in the resulting public perception about their overall economic effect.

Yet, and the current extraordinary fixation with highly-skilled and -educated immigrants notwithstanding, the more- versus less-skilled dichotomy may be less meaningful than policymakers seemingly everywhere aver. If one's labor is needed, the human capital differential between the two levels of skill may be of less consequence than some suggest, at least for the short-to-mid term. Furthermore, if one assumes some degree of back-

and-forth movement and greater opportunities for skill upgrading, two assumptions that Europe's demographic needs make more reasonable (by forcing a more positive official attitude toward migrant workers), even the long-term utility of initially lower-skilled workers can be substantial. To think of the skills issue differently can lead to making a priori judgments about the relative "value" of different types of work that are in many ways unwarranted.

For instance, to a family in need of eldercare, access to a less-skilled but caring immigrant is of huge consequence in itself. The wider importance of such access is magnified enormously if the presence of such a caretaker allows another (often skilled) adult in the employer's household to enter the labor market. Furthermore, when we speak of "unskilled" work, we have to be careful to (a) differentiate between formal educational qualifications and skills and (b) know whether we are referring to the skill requirements of the job or the skill capital that the holder of the job has. (We typically refer to the former and assume the latter.)

Very often, educated foreigners take jobs that require few skills—a function of very consciously restrictive occupational entry barriers (a pernicious but extremely common form of protectionism), lack of sufficient language skills, a temporary inability to negotiate the relevant bureaucracies, lack of adequate information about the local labor market, or, in some instances, personal choice. (Such "choices" are

often the result of very pragmatic approaches to work abroad as merely income generators, rather than "careers" or "occupations.") Hence the well-known phenomenon of foreign engineers driving taxis, teachers and other educated persons doing construction and personal services work, or doctors working in medical support jobs in hospitals. Increasingly, and as skill (and other) shortages and mismatches intensify, recognizing and investing on the human capital that all immigrants, and particularly holders of asylum grants and family visas, bring with them must become a central part of well managed migration systems.

Finally, migration seems to suffer unduly from its inevitable implication in the behavior, really, the failings and eventual fate, of the many societal institutions that are also in dire need of innovation, intellectual reengineering, and radical transformation. Two examples might suffice to demonstrate this point. The world of work and the public and private sector institutions that have been built around it—from labor unions and occupational licensing bodies to training and apprenticeship programs—are the most obvious among them. The radical rethinking needed about the world of work will place international competitiveness and the productivity that undergirds it first (for instance, by producing fewer bakers and many more engineers), change rules and procedures whose net effect is to exclude immigrants, and build well-trained and -led workforces and the next generation of labor market institutions that are inclusive at their

core and look like the communities and societies of which they are part.

Similarly, the educational system will need to become an active agent in preparing a country's future workers for economic success in the face of increasingly intense global competition. This is typically reduced to producing more and better scientists and engineers. Indeed, failing to develop the innovative programs that experiment with the teaching of science and nurture the next generation of scientists through mentoring opportunities and offering them early research experiences with practicing scientists can lead to two troubling consequences: relying increasingly on importing foreigners (a not always reliable way of meeting needs, especially in the long run) and exporting jobs to places where there are critical masses of well-educated, well-trained, disciplined—and much cheaper—workers. For much of Europe, for the time being, this has meant primarily Eastern Europe and beyond, but sooner, rather than later, it will be India and China.

More scientists and engineers, however, will not be enough. Harvard Professor Rosabeth Moss Kanter[1] has identified

---

[1] See *World Class: Thriving Locally in the Global Economy* (New York: Simon and Schuster, 1995); and *Harvard Business Review* (under the same title/same year), September-October: 151-160. "Thinkers" are not unlike the "symbolic analysts" who are Robert Reich's prerequisites for continued economic success. Such analysts "solve, identify, and broker problems by manipulating symbols. They simplify reality into abstract images that can be rearranged, juggled, experimented with, communicated to other specialists, and then, eventually, transformed back into reality." (*The Work of Nations* [New York: A. A. Knopf, 1991].)

three intangible assets on which she believes competitiveness rests: access to "concepts," "competence," and "connections." Three types of workers correspond to these assets. "Thinkers" specialize in concepts, the "leading-edge ideas, designs, or formulations for products or services that create value for customers." Through their technological creativity, thinkers are the key to successful knowledge-based industries and products. The strength of "makers," Moss Kanter's second category of workers, is competence and the ability to "translate ideas into applications" for customers and execute them to the "highest standards." Moss Kanter's final criterion for success is a class of "traders." They "sit at the crossroads of cultures, managing the intersections," making deals and leveraging "core capabilities," creating more value for customers, or opening doors, widening horizons, and moving goods and services across borders.

This brief analysis begs the following question: What are some of the policy consequences of the old thinking on migration and how might thinking differently about the process change how we think about and conduct our migration business in the future?

"Old" and "New" Ways of Thinking and Acting on Migration

<u>The Old System</u>
The old system uses well-worn aphorisms and a staccato voice to stop conversations about well-considered and increasingly necessary openings to

immigration. As a result, the types of questions to which answers must be found are not being asked and forward-leaning policies, as well as policies that promote national (and broader) economic interests while being mindful of the social contexts in which migration takes place, become ever rarer.

Two related examples follow. One repeats mindlessly the refrain that "nothing is more permanent than a temporary immigrant"; another, this one, decades' old, borrowed from the Swiss dramatist Max Frisch, repeats his aphorism: "We asked for workers but people came." Both are intended to give pause to those considering openings to temporary worker and/or permanent immigration and to motivate immigration skeptics to oppose such openings. But while both may have some heuristic value, today, they are much less useful as policy guides. To understand them literally, in fact, would remove a key tool from an immigration decision maker's toolkit (temporary immigration) and otherwise deny societies and individuals an important element of growth and progress (the act of immigration itself).

One can think of a number of other, equally compelling, examples, including: The old system refuses to learn from and ignores the perversions that old policies (and lack of policies) promote. In fact, the old system tries to manage an increasingly dynamic phenomenon (immigration) with static concepts, policy instruments from a different era, and rigid, almost sclerotic, labor market management systems.

Consider the many ways in which the inflexibility of many European labor markets is accommodated and reinforced through decisions about immigration. For instance, the various forms of labor market tests required of employers in many EU Member States prior to hiring a prospective immigrant are in part intended to discourage employers from even applying for permission to engage such workers. And often enough, employers have not bothered to apply.

Consider, further, the growth of underground economies and how such labor market tests contribute to their vitality. This sort of policy thinking reflects and probably encourages three generally related myths. First, that labor markets somehow operate independently of other societal realities, such as the undesirability of certain jobs and the disincentives for taking such jobs in the presence of relatively still generous welfare benefits. For instance, the widespread incidence of Germans taking on part-time, off-the-book, employment, is clearly fueled by these twin phenomena. Second, that jobs can be somehow immune to pressure from international competition and can both remain in a firm's country of operations and be compensated at levels similar to those of earlier times—when protection from competition from foreign products (and services) was strong and global productivity standards were as a result less relevant. Third, that the number of jobs in an economy is somehow fixed and that domestic labor markets thus need to be protected from competition from foreigners—while there is ample

evidence that if newcomers have complementary skill sets more jobs are created and the "facts on the ground" are that jobs go begging and employers come to rely instead on "black work."

But even where immigrants are present, the old system does not invest thoughtfully in preparing them and their children to enter and succeed in the labor market and thus contributes to their economic marginalization, if only inadvertently. Hence the incidence of much higher unemployment rates among immigrants and their descendants than those found among "native" populations, their intermittent attachment to the labor force, their massive over-representation in low-wage jobs and low-income cohorts, etc. (In contrast, employment rates among the foreign born in Southern Europe, Ireland, and the so-called traditional countries of immigration are roughly equal to those for natives.) This is also an instance where the past weighs down the present in that thoughtful and sustained investments in the economic incorporation of immigrants and their progeny lagged far behind the needed level.

The old system blithely and mostly unquestioningly extends to foreigners the full array of social welfare benefits European society has to offer without making such access conditional upon a commensurate set of behavioral expectations—and then bemoans the fact that many non-citizens become dependent on such largesse and that citizens resent the costs associated with this gesture. Doing so, together with the

other errors of omission and commission identified above, turns many foreigners into economic burdens and liabilities (and often enough keeps them as such), rather than giving them the tools to become net assets and contributors to the systems (and society) of which they are now integral parts. This has become an albatross in how many immigrant communities are perceived by the public and has contributed to their discrimination-assisted economic, social, and political marginalization.

Finally, the old system creates further dependencies by typically denying the right to work to asylum seekers whose claim is thought to be plausible, or to immediate family members of immigrants with long-term residence rights, at least for a period of time.

The New System

Since the old system is mired in thinking and actions that have led to the policy and political quagmire on immigration that confronts the United States and much of the EU today, the new system needs to do nothing short of devising a new language and, more importantly, a new syntax, about international migration. The following are among the areas in which much progress will need to be made.

- The new system will need to demonstrate that it can understand much better, help grow (when needed), and avail itself of global, regional (other than EU), and sub-regional talent pools—rather than thinking almost exclusively in terms

of regional (EU), national and sub-national ones. With EU enlargement approaching a natural plateau, and assuming continuing economic growth, the Union's largest source (by far) of new workers for the last several years will be drying off just as the labor market consequences of the new demographics will be hitting their peak.

- The new system cannot remain the captive of the by now completely unproductive debate about more or less immigration, or skilled vs. unskilled workers, but will forge ahead with a policy conversation about the workers that the economy needs and the society is prepared to accept and treat properly.

- The new system can no longer be held up by abstract or ideological debates about permanent or temporary workers but will move on with the recruitment of workers that fill real needs, regardless of their ultimate immigration status. Only then can one move beyond the straightjacket of existing entry categories and allocate visas on the basis of the characteristics of both the job in question and its occupant, and the expected duration of the task.

- The new system will allow those workers who play by the rules, can meet tough but reasonable, clear, and fair requirements, and who wish to stay on to do so and will be willing to invest in assimilating them economically and politically,

and in accepting them socially. Accordingly, the new system will begin to think in stages, whereby most decisions about permanent longer-term immigration will be made after admitting a foreign worker on a temporary work visa. This approach would institutionalize a system of *earning* one's next status and hence use each stage of a work visa as a "probationary" period for moving on to the next stage. During such periods, foreign workers will be expected to demonstrate such things as their ability to remain attached to the labor market and play by the rules, their willingness to avail themselves of opportunities to upgrade their skills, learn the national language initially at functional and, in subsequent stages, more expert levels, their interest in gaining some knowledge of the society in which they now live, and their commitment to meeting other reasonable requirements. In this scheme, foreign worker visas would become formally what they sometimes are today—*transitional* visas that bridge the gap between first-time entry and permanence—and do so in stages and only if the holders of such visas wish to make the required effort.

- The new system will be willing and able to experiment—with new types of visas (multi-year, multi-entry, multi-activity within a single sector or, with highly educated persons, across the economy) and different forms of migration. *Circular* migration will be one such form. But

unlike with earlier temporary guest-worker or rotational work visa schemes, the new system will need to be clear-headed and non-ideological about the ultimate decision of whether the visa holder will wish to stay or go back, while devising a panoply of incentives and disincentives to accomplish its preferred policy goals.

- The new system will be willing to be imaginative about and experiment with new forms of social welfare benefits for which immigrants will carry some responsibility. Accordingly, protections that attach to the right to work—such as proper wages and benefits, labor rights, work-related health protections, and short-term unemployment insurance—will be available to all. However, access to additional state-funded training or education programs, all but catastrophic health care coverage, and longer-term social insurance would be financed by such new instruments as bonds and multiple contributor trust funds, revolving credit schemes, and transitional social insurance systems that pool risk and are underwritten in their largest part by immigrants and their sponsors.

- The new system will use immigration together with (rather than instead of) fundamental reforms in educational and training institutions, radical changes in how the government understands and hence regulates labor markets, and reforms in social and health

insurance coverage, and proceed to facilitate the construction of vibrant and competitive economies that will serve national social and economic interests well into the future.

- The new system will above all else not be afraid of immigration. In fact, it will be willing to attract and shape it. Specifically, the new system will:

    - make clear to immigrants what it expects of them and what they can in turn expect of it;

    - be willing to change its immigration posture to reflect both changing circumstances and the results from ongoing evaluations; and

    - be willing to explain the logic and rationale of its immigration policy to the electorate and debate and defend the new system against its detractors.

- Finally, and in this era of heightened security consciousness, the new system must avoid the trap of control-only approaches in part by internalizing the policy paradox that government and business try to cope with across a broad swath of policy fields, namely, that the more essential zero-tolerance controls are, the less feasible they seem to be. Accordingly, security cannot be about open or closed borders but about "smart" borders that can

distinguish between legitimate and illegitimate flows—and use real-time intelligence together with risk management methodologies to facilitate the entry of the former while stopping the latter. Such a "secure borders, open doors" policy must come to define how all EU Member States must conduct their business in the future if they are to avail themselves of the many benefits of the openness they have helped construct.

Managing Deepening Global Competition and Growing Mobility More Effectively in the Context of the New Demographics

With the deepening of globalization, capital, commerce, information, and most forms of knowledge move almost seamlessly, while (advanced) technology is still mostly proprietary. The movement of people, however, continues to be highly regulated—a matter that leads to increasing parts of that movement now taking place outside legal channels. There are reasons for wanting to regulate the movement of people. These include that people bring with them lots of "baggage"—social and cultural norms, biases, prejudices, etc.—and host populations have adverse reactions to some of that baggage. Furthermore, global competition imposes many additional Hobson's choices and forces other tradeoffs both on decision makers and local workers—especially with the extension of the newest iteration of the "just-in-time" inventory management

principles to the global pool of skilled workers—which further exacerbate the view that the movement of people must be tightly regulated. But not all reasons are valid and even among those that are, not all are equally so.

Demographics, Economic Competitiveness, and Migration
While access to capital may be the essential lubricant to economic competitiveness, knowledge and technological innovation are competitiveness' true agents and people, especially "thinkers" (see text above) and those with training in mathematics, the sciences, and engineering, play crucial roles in enhancing it. Hence the interest in and emerging sense of "competition" for such well-qualified individuals who might be willing to ply their human capital in the international marketplace. This reality will require new policy thinking and, in the years ahead, new partnerships with some of these migrants' home countries designed to help them grow more of that talent.

Another factor, however, has entered the calculus about human movements in the last decade or so with extraordinary force: demographics. Relentlessly low fertility rates for a generation now and ever higher life expectancies throughout most advanced industrial societies mean that the demographic anomalies and gaps that we are only beginning to experience will only deepen. Nowhere is this reality more widespread than in the EU and parts of East Asia, especially Japan and Korea. (Russia and several other former Soviet states are experiencing similarly low fertility rates but their life expectancies are remarkably short.) While not all EU Member States face the same predicament, most do and those that do not (such as France or the UK, for instance) will also have to contend with the consequences of the ageing of their first post-World War II generation. The demographic one - two punch that is of most interest to this analysis, however, is thus the bulge in the retirement age population *in light of* the scarcity of new native workers. Specifically, with the baby boom generation about to retire in large numbers (the European Commission estimates that it will have 20 million fewer workers by 2030) and not nearly enough new native workers to replace all but a fraction of it, many essential jobs will go begging. And with first worlders living much longer than ever before, the taxes of ever fewer workers will have to support ever larger numbers of retirees—a ratio known as old-age support or *dependency* ratio.

Nor do the bad news for the next two decades stop here. Most estimation models assume that young people "enter" the workforce as teenagers and that retirement occurs in the mid-60s. 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 these projections also increases when considering that unlike with long-term projections about fertility, which come closer to educated guesses in the "out" years of a

projection, the numbers of those who will "age out" of the workforce can be projected with a fair degree of accuracy 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 prepare for entering the labor force full-time.

How, then, does migration fit into all this? No reasonable analyst believes that immigration by itself can somehow "solve" this policy dilemma; the numbers of immigrants it would take would be massive, making the immigration option 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 or mostly temporary immigrants one would need always larger foreign-born populations to maintain reasonable old-age support ratios. An alternative "immigration" option, larger numbers of temporary workers, is thus likely to become very popular for many advanced industrial societies, and thus gain in significance relative to permanent immigration. Introducing age biases in permanent immigration formulas—as do Canada and Australia—may also become more common.

The Growing Challenge of the Graying of the Advanced Industrial World

The aging of the baby boomers and seemingly ever higher life expectancies are leading to an unprecedented growth in the developed world's elderly populations. But this is again only half the "problem." Improved birth control technologies and numerous powerful and, by now, deeply embedded social, cultural, and economic forces seemingly conspire to keep birth rates 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 forces that drive it are powerful. They include:

- Often stunning improvements in medical science;
- Almost limitless access to state-supported or subsidized medical care;
- Ever higher rates of female participation in the labor force; and
- Affluence, which depresses fertility and supports ever longer lives by improving access to ever more advanced medical services.

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 one spends in the labor market relative to the time he or she 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 focuses on the mix of retirement income forms and on how to expend such a mix—an area that has been and continues to be explored systematically but one that is well beyond the focus of this essay.

For the purposes of this discussion, the greatest policy challenge may be securing adequate living standards for pensioners without putting crushing tax burdens on workers—a challenge that will worsen every decade. That is not the only implication, however. The median age of the population will also rise while the distribution between native and foreign-born groups will shift inexorably in favor of the latter. This will be most obvious initially in large cities (where most immigrants concentrate and where there are already several examples of *"majority - minority"*

situations) but will gradually spread throughout many countries.

Such changes in age distribution and ethnic composition, *left unattended*, will likely give rise to additional policy challenges. These will include:

- Labor market distortions as labor shortages go beyond the mismatches between needed and available skills that are common in many labor markets today;

- The threat of deflationary pricing, as goods chase fewer domestic consumers and competition for foreign customers intensifies;

- The need to learn how to live together in new, multi-ethnic and pluri–cultural/ religious settings that the increased diversity will bring.

These developments will likely redefine not only the world of work but also the very identity of most advanced industrial societies.

The labor market implications of this demographic conundrum will be felt most directly in economic sectors of particular interest to the aging societies and their elderly citizens. Among the most vulnerable sectors are those in which, while demand is already strong and will continue to grow robustly, the nature (often difficult jobs with physically demanding conditions and undesirable hours), social standing, and wage structure of the jobs make them

unappealing to native workers. These jobs include care-giving to the elderly and tending to the personal services' needs of affluent first-worlders. However, this will not be the only set of worker shortages. More workers will also be needed in order 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 scenario suggests that societies that address these demographically centered challenges sooner and more aggressively will enhance their prospects for economic stability and growth. Those that do not are likely to experience greater economic instability and, under certain extreme scenarios, economic decline.

Both alternatives also imagine a spillover into *social* instability—requiring that responses must factor in *actively* the requirement of social cohesion.

Responses
What might be done? 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 that 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. Taxpayers already *feel*

over-taxed (regardless of whether or not they are, relative to taxpayers in other countries) and politicians must tread softly if they are interested in being re-elected. Similarly, business owners cannot be realistically expected to absorb higher taxes at the same time that the twin forces of globalization and trade liberalization demand that they keep their costs down and their productivity up if they are 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.

Nonetheless, when they do decide to act, their policy tool kit will include at least the following ideas (in no particular order).

- Encouraging the development of additional forms of retirement income support schemes.

- Reducing retirement benefits.

- Rationalizing their workforces further, particularly with regard to the labor force participation rates of women and minorities.

- Rethinking tax regimes both for retirees who continue to work and those near retirement—and their employers.

- Taking a hard look at part-time employment—including compensation, benefits, and access to training and retraining programs.

- Experimenting with greater efficiencies in state-supported health care delivery systems.

- Engaging in successive rounds of economic and labor market restructuring.

Most EU Member States and other advanced industrial societies are already experimenting with several of these approaches and a list of innovative ideas and good practice is already emerging. However, the political push-back for the most obvious routes is already strong and will only intensify. And while all of the policy approaches outlined above will be in the mix, there are three truly salient long-term policy products that hold the greatest promise *if they are tried in concert* (if in different combinations so as to be mindful of different social and political contexts):

(a) Gradual changes in the retirement age;

(b) Significant if long term changes in fertility behavior; and

(c) Larger immigration (of different types and forms).

None of these will be politically easy to adopt, at least in the next decade or so, and their robust implementation will likely have costly ripple effects that are beyond the scope of this essay.

The first will pit the government against retirees and those nearing retirement, two groups that typically hold disproportionate shares of a country's wealth and political power (the latter through their heavy participation in the political process).

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. The policy instrument of choice in this regard is robust economic incentives for having more children—a policy that seems to be having a modest effect in France and is being adopted or at least looked at by many in the rest of the developed world.

The third and final option, far larger immigration intakes, will require even sharper attitudinal adjustments—most notably, overcoming Europe's resistance to immigration and the social and cultural adjustments it implies.

The policy question thus remains the same as it has been throughout this brief essay. Can societies that value tradition and continuity seemingly above all else, as almost all European (and Asian) societies do, make the leap that larger immigration levels require? And if they do, will they be able to manage the

social and political reactions this policy will generate while continuing to maintain fair and equitable social systems? These are difficult issues by any measure. Yet, the EU and its Member States cannot remain truly meaningful international players either if they fail to address the demographic issues outlined briefly here or if they attempt to address them without the required wisdom.

The Age of Mobility

Given the ever increasing interest in tapping more effectively into the global talent pool and the cold reality of the "new" demographics—and juxtaposing the developed world's old-age bulge with the developing world's massive youth bulge—one natural conclusion is to assume that we may be at the dawn of a new era in human migration, one that might come to be known as the *age of mobility*.

Developing and managing the new international mobility system will require a new set of policy tools. The potential payoff? States that participate in designing the new mobility regime will be most likely to reap more of its advantages at the lowest "cost"—a sort of "first to market" incentive for being the architects of the new system. Among the new mobility regime's key requirements will be the following.

- New concepts to articulate and communicate effectively what the new "it" is and why, well managed, it can be a "win" for all concerned.

- New policy and management frameworks to gain the most from participating in the new system—in part by managing down the new system's inevitable downsides, and particularly the tendency to lapse into illegality.

- A new, simultaneously larger but nimbler, governmental infrastructure that can deliver its assigned functions competently. In fact, in no other area with the possible exception of security is "capacity building" as much of a first principle as with managing the new mobility.

- New models of cooperation between governments at both ends and along the mobility loop, so as to maximize the benefits from the new system, again in part by minimizing its costs.

- Thinking through carefully and without "prejudice" with regard to the status quo the roles of different levels of government so that each becomes responsible for those functions it can deliver best.

- Finally, the new mobility regime will require new levels (and pools) of resources, both for managing the flow and for integration services.

Preparing to establish the new mobility system will also require a new set of relationships between public and nongovernmental sectors. In fact, the social partners and the broader civil society must become co-architects of the new system or risk that it will be unstable and ineffective. In fact, if a society is to get the maximum value out of its "investments" on the new mobility system, two of the most powerful and determined "critics" of the existing migration system—the market and most of organized civil society—must be converted into partners. Working against, rather than with, the market is often an exercise in futility; working without the benefit of cooperating closely with civil society—a system's main stakeholders—makes the task of governance on complex issues much tougher than necessary. There is yet another, extremely important, benefit to working with one's critics on difficult issues that is often even ignored: The two sides can share responsibility for what succeeds rather than always blaming each other for the many things that will inevitably go wrong.

As the mobility age begins to emerge, both opportunities and challenges will be spread across the entire society, requiring a "whole of society" approach to moving ahead—something no less ambitious than revising the social compact. And it will certainly require a "whole-of-government" approach to decision making. The reason is simple. 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. Yet, government competencies are almost always single-issue focused and bureaucracies are typically organized vertically in order to deliver the appointed function.

Once more, examples of the need for and benefits from truly organic "mainstreaming" abound. For instance, effective immigration control requires that foreign policy, development policy, labor market regulation (and deregulation!), education and workforce development, and interior and workplace standards enforcement, among others, work in concert to deliver the desired outcome. Any imbalance that tries the patience of the market will be challenged, directly or indirectly, by market forces, fleet-footed corporations (relocating but especially outsourcing), illegally resident and work-unauthorized foreigners, and unscrupulous employers.

Similarly, for immigrant selection systems to work well for all concerned, educational and workforce development institutions, together with institutions that monitor the economy and labor market, must identify areas of skills' shortages and mismatches at the earliest possible time and devise ways to address them quickly, efficiently, and effectively. For instance, in order for highly qualified immigrants to assist the host labor market weather a skill shortage or mismatch, educational and

training institutions must adapt and begin to produce more workers with the necessary education and training at the earliest possible moment. Yet, few of a society's institutions are more resistant to change than those implicated in this example. (Those workers must also be willing to move to where the jobs are, a problem that also must be solved, though it involves the engagement of a different set of governmental levers of action.) Put differently, the policy purpose (or effect) of admitting skilled immigrants cannot be to turn them into core workforces in any sector. If that is, or becomes, the case, it can have wider labor market implications and will give rise to ongoing social reaction. And if the educational and training institutions prove unequal to the task, or take too long to adapt, or do so poorly, they run the risk of producing workers for jobs that are no longer available in sectors that may not be viable in the longer term. This outcome will in turn create the conditions for another social problem for which immigration and immigrants—and their employers—will be blamed.

But the untoward consequences of poorly coordinated policies do not stop there. Excessive reliance on educated foreign workers from a handful of countries (networks will virtually assure that foreign workers that concentrate on a few occupations/industries will come from only a handful of states) may put the receiving country's economic interests at odds with the interests and priorities of its overseas development efforts. While there are ways to avoid such conflicts (for instance, and as

alluded to earlier, investments in the educational infrastructure of the developing country from which any such immigrants may come could be designed to increase the pool of specific skills sufficiently so as to be able to accommodate the needs of the broader marketplace), lack of coordination will always have costs.

Prerequisites for and Challenges to the New Mobility System

Flexibility and adaptability must be the new system's hallmarks. In today's fast-moving environment, systems that are flexible and can adapt to the realities of the global marketplace quickly—in part by being designed in ways that allow, even compel, them to learn from each cycle of their decisions (an "intelligent" or self-regulating system's *feedback loop*)—will gain disproportionally from it. Immigration is no exception. In fact, it might be archetypically the issue in which adaptability leads to the greatest returns—both in the short but particularly in the long term. Yet, the road ahead will be strewn with challenges and obstacles that the new system must negotiate successfully if it is to establish itself. The following is but a first-cut listing of some of these challenges.

Recapturing Control of How the Migration Process Is Perceived by the Public
Two mutually reinforcing trends pose the clearest threat to drawing significant benefits from the new mobility system: demagoguery and illegality.

Demagogues, irrespective of party affiliation and regardless of whether they are in or out of government, will ride the issue for political advantage with abandon—and as a result, define the parameters of the public debate. The way the system is handled today will likely be reproduced in the future. In the typical scenario, governments do not address why immigration is important, what is valuable about it, and how to maximize gains from it 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 resulting discourse moves even further away from responsible ideas.

The second obstacle is illegality, particularly the perception that most migration is unauthorized. The ubiquity and brazenness of international trafficking syndicates reinforce that impression and undermine the prospects for deliberate action. In addition to thousands of deaths due to negligence and the frequent mistreatment of 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—will be a good governance imperative of the highest order for the new system to stand a chance to succeed. This will require nothing less than a sustained public education effort. Governments will

likely find their public education task both easier and more credible, however, if they move gradually but firmly away from the rhetoric of just keeping immigrants out—and toward a stance that points to the benefits of pursuing immigration policies that address key policy priorities directly.

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 it is or should be in the mobility "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 migration or other divisive issues. Electorates in several European countries have handed sitting governments stinging defeats on important issues in significant part because of such perceptions. An alternative model exists when it comes to immigration. The Canadian Government "speaks" with Canadians about its immigration policies regularly and in so doing, it has found that it avoids the "feast-or-famine" cycles with public opinion on immigration.

The Admission/Integration Nexus Issue

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 as (if?) mobility gradually becomes the norm the effort will have to go much further. As relationships between host societies and immigrants evolve, an emphasis on mutuality, on creating common space, and on developing an inclusive community identity can help a society move forward. Collaborative integration efforts that engage the government, the private sector, and civil society can leverage scarce resources to assist immigrants become and be seen as long-term contributors to the community. 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 generation or farther—and thus undermine domestic security further in the longer run.

The Levels of Governance Issue
The discussion immediately above begs two inter-related questions: What are the most appropriate decision-making loci and in what combination should they be used if one desired better management outcomes for the age of mobility that today's migration systems produce? The answer will be different depending on the part of the process one considers.

When it comes to managing flows, looking also above the nation state is the wisest course. The picture is less clear, however, when the issue is the more successful integration of one's newcomers and the building of stronger communities and societies in the face of robust immigration inflows.

A. Flow Management
In the flow management area, the policy options other than unilateralism are bilateral negotiations and regional and global regimes. In fact, a case can be made for relying on a combination of such levels and levers of governance. The precise combination, however, will be different in different geographic and geopolitical settings.

A good rule of thumb at the dawn of the 21st century may be that the closer a nation state is to, and the more influence it can exert over, a supranational process and its institutions, the more likely it will be to show significant deference to it on flow management issues. According to this logic, bilateral efforts are likely to be preferred over regional ones and both will be thought

of as superior (in terms of a nation state's willingness to negotiate and abide by a set of rules) to global ones.

Of course, such a broad statement hides substantial degrees of variation within it. The advantages of bilateralism are obvious. When Italy had to address its Albanian immigration problem, working together with Albania made eminent sense. Similarly, in the early 1990s, Germany created a special visa relationship with Poland as a first step toward 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.)

The advantages of bilateral negotiations lie principally in the ability to agree on and implement reciprocal obligations whose observance can be measured (and adjustments can be made accordingly) and enforced. Regional processes, on the other hand, can offer 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 non-compliance occurs—with the EU being the major exception. All other regional processes lack 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 on migration flow management conversations. For the Union to move closer to meeting more of these requirements, however, and especially that of enforcing compliance, the EU will have to "communitarize" migration well beyond where it is today. Put differently, the greater the reliance on intergovernmental mechanisms for the purposes of the management of migration flows, the less likely it is that meaningful agreements with countries of unauthorized migrant origin and transit can be negotiated and observed ("Meaningful" is used here to underline the importance of engaging in negotiations where both parties to them give up something of value in order to achieve a result of higher significance for each.) Specifically, unless the Commission is given authority to negotiate migration accords with third countries that include work visas and other concessions and unless Member States are willing to commit to honor and enforce the terms of such agreements, Brussels may find itself in only a slightly more advantageous position relative to the multitude of regional dialogues in negotiating true migration management agreements.

Many will argue that this is too severe a judgment, particularly given the EU's common visa regime and the Commission's authority to negotiate many sensitive matters on behalf of the Member States. The purpose here, however, is to make the larger point that negotiating more fruitfully on managing

migration flows requires having the authority to put visas of various kinds on the negotiating table. Simultaneously, it requires the ability to withhold other "public" goods (such as trade concessions and even certain forms of development aid) in the event of non-compliance. The Commission does not have these authorities now. A last-minute German reservation on the proposed EU constitution would in fact have denied it work visa authority. Furthermore, sensitivities on the part of several Member States (especially with regard to tying foreign and development aid to a party's obligations under a migration agreement) have effectively withheld from the Commission the basic governance power of safeguarding the integrity of such agreements by ensuring full compliance with their terms.

B. Integration

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, sub-national and local levels of government, as well as the "soft" but crucial power of the non-governmental (civil society) sector, must and do play critical roles.

By its very nature, integration will always be first and foremost a local affair. This is because it is at the local level that the 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, of course, are

the terrain where governmental decisions and non-decisions with regard to all aspects of international migration play themselves out most meaningfully. To be sure, national governments (and, in the case of federal and confederal states, state ones) will typically provide both the resources and the enabling legal environment within which experiments will be possible and performance will be measured.

This reality does not devalue the role of the Commission, which is likely to (and should) grow in importance. Its effectiveness, however, will fluctuate with the maturing of Brussels institutions (and especially of the European Parliament) and the thoughtfulness and quality of its intervention.

Both conditions, in turn, will be influenced greatly by three interrelated factors:

- The Commission's "courage" in speaking clearly when Member States fail to make sufficient progress on integration, that is, its ability to demonstrate that it is willing to deal effectively with the eternal issues of "competence" and deference to Member State sensitivities.

- The engagement and quality of civil society intervention in Brussels; and

- The resources available to this level of governance so that they might seed new ideas and

initiatives, as well as fund "corrective" region-wide policies.

Insecurity: The Mobility Age's Policy Wildcard

Economic and the 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 socio-political events have direct migration consequences. Few Europeans have forgotten the migration consequences of last decade's Balkan wars or are unconcerned about the migration effects of massive instability in the Maghreb, the Middle East, or elsewhere in their "neighborhood." As ever more migrants become interested in entering the international mobility stream, and as the economic reasons favoring their entry grow, a governance challenge of the first order looms larger—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 challenges make clear the depth of the migration management challenge and point to one of this essay's major lines of argument: *that international migration has reached a management "tipping point" where single policy and single-country solutions are no longer capable of addressing it effectively.* Managing mobility more effectively in the years ahead, whether unilaterally, bilaterally, regionally, or multilaterally (even globally), thus requires that policymakers understand much better and find measures that work with regard to the following three additional issues:

- The role of organized people-smuggling syndicates in the growth of unwanted migration (they are now a critical factor) and the imperative of reallocating resources and shifting detection and enforcement paradigms in order to tackle them systematically and aggressively.

- The limits of unilateralism and, more importantly, of de facto *unilateralism*, in responding to unwanted migration. De facto unilateralism refers to individual or groupings of advanced industrial societies "negotiating" with sending or transit countries with very little to offer 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.

- The relationship ("fundamental difference" may be a more appropriate construction) between immigration decisions and creating 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.

This is not to propose "going soft" on illegal migration. In addition to subverting a society's legal order, illegal migration can also provide cover to persons who wish the targeted society ill and undermine 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 migration may in fact stem from the reality that the traffickers' "cargo"— most illegal migration is increasingly well-organized—is made up of desperate people. Such people are willing to work long hours under virtually any conditions in order 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.

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 anti-immigration agendas. Yet, some of the concerns they articulate are legitimate. The attacks on the United States, Spain, and the UK 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' objectives have active sympathizers in the immigrant and ethnic communities of which the terrorists were members—and that such sympathies can aid and abet the 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 toward identifying policies that fuel hatred toward 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 reasoning 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 co-ethnics in the 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 inclusionary 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 key partners in solving the anti-terrorism puzzle.

Summary and Conclusions

The facts are not in dispute. Migration ties sending, transit, and receiving countries—as well as immigrants, their families, and their employers—into often reinforcing and always intricate systems of complex interdependence. It takes the cooperation of virtually all these actors—as well as 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.

Whether or not the age of mobility is already upon us or just over the horizon, the only projection one can make is that mobility in all its forms will only increase. There are four choices: we can hide our heads in the sand about it; we can resist it; we can ratify it; or we can shape it so that we can gain most from it. The thrust of this essay is that there is, really, *only* one choice: shaping it.

For the purposes of this essay the reality is as follows: There will be more global firms seeking to move their management and technical personnel with complete predictability and minimum disruption across borders. More industries will seek (and win) the right to access the global labor pool subject to rules of variable rigor but also greater clarity. More workers at all skill levels will seek to migrate for work in other countries; and some of them will stay there. And more people—tourists, business persons, students, family members, performers, seasonal and border-crossing workers, and adventurers and troublemakers of all types—will be on the move.

The advent of the age of mobility does not mean that the age of migration is over. For longer than many may wish, people will continue to seek to move and settle elsewhere for reasons that are as old as civilization itself: economic and physical survival (security); improvement of circumstances for themselves and their families; freedom from real and imagined threats; *opportunity*, however one chooses to define it; and sheer frustration or just a

spirit of adventure. For many of these people, the channels that the new mobility age opens up will continue to be channels for starting all over in a new place. Over time, however, with the systems that are imagined in this thought-piece in place, fewer and fewer movers will do so "forever."

Hence the imperative of shaping the mobility system well and to managing it better. Both of these actions require far greater across-the-board cooperation than is now the case (or even possible)—across relevant governmental agencies within a single state, across relevant competencies across states, and between the governmental and non-governmental sectors within and across state actors.

Remarkably, few states seem to be acting decisively on the knowledge that managing migration/mobility effectively and to sustained advantage require the active engagement of a large number of government agencies—the whole-of-government approach discussed earlier in this analysis. And certainly no government is even beginning to create the necessary organic alliances with its civil society that is one of the prerequisites of much better outcomes. Yet nowhere is the ground being better prepared for making progress in all aspects such cooperation than in the EU.

The future is unclear indeed. Will most Member States continue in their course of denial about the value of greater openings to manage immigration on grounds that are mostly about ideology—and wrong-headed thinking—about how successful economies and labor markets will

operate in an increasingly interdependent world? If they do continue on their course of denial, what are the steps they are prepared to take in order to remain internationally competitive? And if they change course and do open themselves up to greater, much greater, immigration of all types, what are the steps they propose to take and what investments are they prepared to make in order to deal with the diversity that more immigration implies and thus safeguard the cohesion of their communities and societies? Finally, if they enter the immigration game with their eyes open and their self-interest sharply in focus, what decisions about immigration and the many issues it intersects with—education policy, work force training policy, housing and internal geographic mobility policy, anti-discrimination policy, etc.—are they prepared to make?

In closing, this essay has attempted to analyze the shortcomings of today's immigration policies and regimes and offer a series of suggestions of a way out of the current morass. But its ambition has gone beyond that already daunting task in trying to imagine the answer to a key question the essay posits will come to preoccupy the international system: What will the international mobility system look like, who will shape it, in whose image, and to whose advantage? There is no easy answer to this set of questions but, with an eye on Brussels, it asks whether the Union's central institutions are prepared to recognize and take advantage of the opportunities the international migration system offers. Only time will tell.

<u>MORE FROM MPI:</u>

I. *Europe and Its Immigrants in the 21st Century: A New Deal or a Continuing Dialogue of the Deaf?*
Edited by Demetrios G. Papademetriou; Published by MPI and the Luso-American Foundation, March 2006

In this volume, MPI has gathered some of the leading European thinkers to offer insightful counsel and, wherever possible, solutions to Europe's immigration challenges.

II. *Managing Integration: The European Union's Responsibilities Towards Immigrants* Edited by Rita Süssmuth and Werner Weidenfeld; Published by MPI and the Bertelsmann Foundation, Fall 2005

This book analyzes approaches, strategies, and best practices from EU Member States that could contribute to a sustainable integration policy.

III. *Securing the Future: US Immigrant Integration Policy, A Reader*
Edited by Michael Fix; February 2007

This volume sketches the contours of a national integration policy and includes a discussion of key integration issues raised by the current debate around immigration reform.

For more information on MPI publications, please visit us online at:
www.migrationpolicy.org