

1.3. EUROPEAN MIGRATION AND REFUGEE FLOWS: REDRAWING MIGRATION AND ASYLUM POLICY

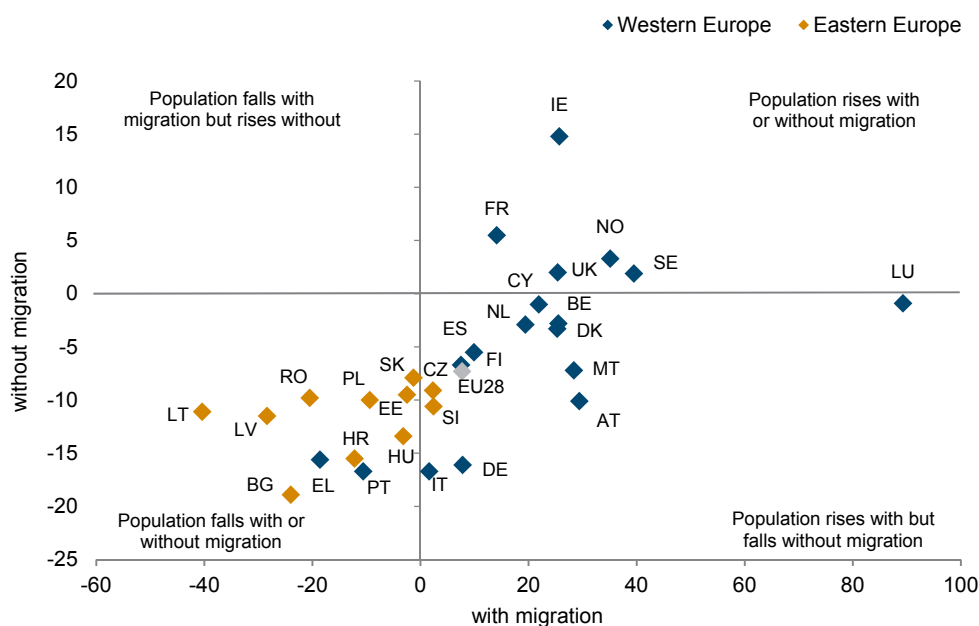
by Michael Landesmann

The case for stronger EU-wide cooperation on migration policy is overwhelming. However, recent developments have been very disappointing, and the lack of tangible progress on addressing current issues has contributed to a backlash from voters. Formulating a pan-EU policy to deal with future challenges is essential, but will remain very difficult. However, while decisive steps continue to look unlikely, incremental efforts already under way could bear fruit in the long run.

In recent decades, Europe has become a continent that attracts similar volumes of migrants as North America, which used to be the migration attractor *par excellence*.⁶ In OECD countries in 2017, 127 million people were foreign born, representing an average of 13% of the total population (compared with 9% in 2000). Of these, 48% were living in an EU or European Free Trade Association (EFTA) country and 34% in the United States (OECD, 2018: 19). Foreign-born people also make up a very important part of the demographic dynamic of European countries: they account for close to three quarters of the total population increase in EU and EFTA countries over the period 2000–2017 (compared to one third of the increase in the United States). International students account for 9% of the total number of students enrolled in higher education institutions in OECD countries, 14% of all students attending Master's degree courses, and 24% of those enrolled in doctoral programmes.

Figure 6 / Shrinking prospects

Europe, population change with or without higher migration 2017-2050 forecast, %



Source: Eurostat.

⁶ According to the latest OECD *International Migration Outlook* (2018), the influx of permanent immigrants in 2016 to the United States was 1.2 million; to Canada – about 300,000; and to the EU as a whole, about 1.4 million from outside the EU. In addition, the intra-EU flows (benefiting from ‘free mobility’) were also about 1.4 million in 2016.

From a demographic and labour market point of view, the complementarity between Europe and the Middle East and Africa is obvious. Europe is a generally ageing continent, with a high demand for young people who either have or can acquire the necessary skills for integration into the labour markets (see Figure 6), while the neighbouring regions of the Middle East and Africa have a very young population, plus a further expected large increase in population size. The ‘push’ and ‘pull’ forces that have been (and will continue to be) at work, accentuated by often disastrous political-economic and conflict situations in Europe’s neighbouring regions, guarantee that the migration issue will remain high on the political agenda of the European continent.

1.3.1. Is the policy-making apparatus in Europe up to this challenge?

This seems like a rhetorical question: as any observer knows, the answer is ‘no’. There are various reasons for this. For EU economies, there are overlapping processes at work that have heightened the public’s sensitivity vis-à-vis extra-EU migration.

First, the increased pressure of migration from outside the EU during the refugee crisis of 2015 and 2016 (which led to a doubling of the influx of permanent immigrants to Germany, Sweden and Austria compared to 4–5 years previously)⁷ followed a period of heightened intra-EU mobility. The last barriers to free access to the EU labour market for Romanians and Bulgarians fell in 2013; for the 2004 EU entrants, this had happened in 2011. From an economic point of view, the increased intra-EU mobility is a welcome feature of a well functioning Union with a single market. However, it may take some time for the host societies to adapt to the social and cultural changes this brings.⁸ Taken together, the increased intra-EU mobility and upsurge in extra-EU migration (due to the refugee crisis) are an important factor in the strong political swing we observe in almost all European countries.

Second, the mobility of people is a much more visible feature of international integration than the other facets of integration that impact on structural change in economies. Thus, increased trade flows, changing global specialisation patterns, outsourcing and accompanying technological change are important features of recent decades that have required regional and labour market adjustments just as much as (or even more than) migration. However, since they live and work alongside the host population, migrants are a more ‘tangible’ expression of the impact of the many forces that require not only occupational and skills adjustment, but also social and cultural adaptation. Furthermore, migration affects a wider range of sectors in society, including so-called ‘non-tradable’ activities (such as many services provided in the domestic economy), while international integration in the form of increased trade or international investment has an impact on a narrower range of (‘tradable’) sectors (particularly manufacturing).

In such periods of rapid structural adjustment, populations demand ‘protection’ from the political sphere that is close to them and that provides most of the social security against shocks (the social security system is still almost 100% national in the EU). The shift toward a more ‘inward-looking’ political

⁷ Thus the influx of permanent immigrants (including refugees who obtained a permanent residence permit) increased in Germany from about 400,000 in 2012 to 1 million in 2016; in Austria from 55,000 in 2011 to 106,000 in 2016; and in Sweden from about 70,000 in 2011 to 140,000 in 2016 (OECD, 2018: 22).

⁸ Krastev (2017) also points to the traumatic ‘emigration shock’ in the ‘net emigration’ countries of Eastern Europe, which experienced a dramatic drain (especially of the young and well educated) that amounted at times to 20–25% of their populations.

dynamic – toward the nation state, thereby accentuating the different interests of EU Member States – is thus understandable. Furthermore, as the levels and forms of social security provided in the different EU Member States are extremely varied, one should not be surprised at the strong resistance to ‘harmonisation’, which could potentially erode existing levels of protection. Social security is well accepted at the national level as an ‘insurance system’, from which all participants benefit; however, this perception is not easily transferable to the European level. And nor is the extension of the system to ‘newcomers’ readily acceptable.

1.3.2. The case for an EU-wide policy

If we look at the other side of the coin, the case for coordinated action on migration policy and for a move toward the harmonisation of policies on refugees at the EU level is very strong on the grounds of efficiency. Even though little coordinated action has so far taken place, the argument has been recognised in some areas, including:

- › Control of external borders;
- › Strong engagement with neighbouring countries to gain their support in dealing with refugee inflows and illegal immigration;
- › A major development initiative to support economic, social and political stabilisation in the regions that are and will continue to be the source of potentially massive migration flows into Europe.

In all these areas, the benefit arising from economies of scale (pooled resources) and the increased bargaining power for coordinated joint action is obvious. Nonetheless, although these topics are high on the agenda of many high-level EU Council meetings and are among the priorities of the current Austrian presidency of the Council, little progress has so far been made.

1.3.3. Why has there been so little progress on formulating an EU policy?

At the EU level, the most concrete decisions have been taken so far in terms of controlling external borders. A decision has been taken to increase the number of people working for Frontex to 10,000. However, the funding has still not been committed, and there are serious disputes regarding the decision-making powers of Frontex agencies vis-à-vis the national authorities of ‘border states’. On the one hand, border countries in Southern Europe are worried about the loss of sovereign control over their migration and asylum policies. Until such time as schemes governing the distribution of refugees and joint responsibility for the costs of processing asylum applications are agreed across the EU Member States, they will not consent to allow Frontex to make decisions on the intake of migrants and refugees. On the other hand, there is the highly politicised stance of the Visegrád countries (and indeed others) to boycott any plans for an EU allocation scheme, or even to accept the principle of joint responsibility for any EU-wide migration and refugee policy. The divergence of positions also renders very unlikely any prospect of revising the outdated Dublin Agreement (which assigns full responsibility for processing asylum applications to the first country of entry into the EU).

There has been little progress by the EU on active engagement with neighbouring countries.

Such a move would exploit the enhanced bargaining power of the EU as a whole and could mobilise resources for joint initiatives. But again, there are no plans for dealing in a coordinated way with migrants and refugees outside EU territory. This is a 'chicken and egg' situation: any joint initiatives in neighbouring countries to deal with migration and asylum applications require some agreement on resource sharing, and need joint rules on migration and asylum procedures to be in place. Moreover, given the huge difficulty of getting EU countries themselves to reach agreement on migration and refugee policies, neighbouring countries will be understandably reluctant to cooperate.

Lastly, a major development policy initiative on the Middle East and Africa looks unlikely; and even were it to happen, success would by no means be assured. Projections indicate that these neighbouring regions will be a major source of future migration flows (Africa is expected to almost double its population by 2050, to about 2 billion). First, given the current fiscal stringency in European economies, it is hardly likely that any boost to development aid will reach anything like the level of a 'Marshall Plan' for Africa and the Middle East that some commentators advocate. Nonetheless, in the forthcoming financial plan of the European Commission, more resources will be available to support neighbouring regions. Second, from the development literature it is well known that there are definite limits on the extent to which external resources can significantly contribute to the economic, social and political stabilisation of developing countries (see e.g. Easterly, 2006). Thus, although more resources will be devoted to this end, they are unlikely either to amount to a massive upgrading of development aid to Africa and the Middle East or to have a major impact on economic and political stabilisation, especially as the EU will remain a minor player in the geopolitics of both regions.

1.3.4. So is the whole thing hopeless?

Let me end on a less pessimistic note. First, we are already experiencing a strong 'ebb' in the recent economic and refugee crisis. This may calm things down politically in coming years – although we are still witnessing the delayed political effects of the refugee crisis of 2015 and 2016 (e.g. the elections in Germany, Sweden, Italy, etc.). Second, the EU has always made progress in an incremental and technocratic manner. This might not look like decisive action now, but it may be effective in the longer run. Circular migration and training schemes could be gradually negotiated, leading to the mutually beneficial development of migration policies between source and host economies. Furthermore, trade policies – especially vis-à-vis Africa – might be designed better, to emphasise the developmental potential of migration source countries. There is, furthermore, great scope to exploit complementarities between trade, international investment, local business development and joint efforts in controlled mobility and migration policies between Europe, Africa and the Middle East. Incremental efforts by private, state and EU actors will hopefully be able to tap into these.

References

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