



Wiener Institut für  
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The Vienna Institute for  
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# European Integration and the Migration Challenge

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## 2 Topics

- Short review of wiiw research on migration
- European integration and the migration/refugee challenge

## Part one: wiiw research on migration – a review

- Initially driven by the main questions asked about **EU Enlargement**: expected migration flows and impact on labour markets
- Later on refined estimates of potential migration flows; effects of changes in **migration policy regimes** during transitional periods and of candidates
- Impact of migrants on **EU performance** (productivity/innovation, labour mobility; qualifications-jobs matching)
- Impact on **source countries** (remittances, labour/skill shortages)
- **Integration experiences** and '**new**' forms of migration/mobility
- Move from 'East-West' to '**South-North**' migration; recent **refugee flows**

## **wiiw research on migration (1) – Opening of labour markets to new Member States; migration policy regimes and migration flows**

### **Specific results:**

- **Estimation of detailed gravity models: geographic mobility patterns with network effects**
- **Impact of specific migration and mobility restrictions (visa liberalisation, transitional arrangements, access to labour market) – impact on return migration; diversion effects**

## **wiiw research on migration (1) – Opening of labour markets to New Members; candidates, neighbouring countries**

- 'Opening up of the Austrian labour market to **migrants from EU-8 countries**' (by Hermine Vidovic), European Commission, Mobility in Europe 2011, Brussels, November 2011
- 'Auswirkungen der **Arbeitsmarktöffnung am 1. Jänner 2014** auf den Wirtschafts- und Arbeitsstandort Österreich' (by Helmut Hofer, Michael Landesmann, Isilda Mara, Philip Schuster, Gerlinde Titelbach and Hermine Vidovic), *wiiw Research Report in German language*, No. 2013-10, Vienna, October 2013
- 'Free Movement of Workers, **Transitional Arrangements** and Potential **Mobility from Croatia**' (by Isilda Mara and Hermine Vidovic), wiiw Research Report, No. 402, Vienna, June 2015
- 'Migration Patterns of **Serbian and Bosnia and Herzegovina Migrants** in Austria: Causes and Consequences' (by Michael Landesmann, Isilda Mara and Hermine Vidovic), *wiiw Research Report*, No. 389, Vienna, August 2013

## **wiiw research on migration (2) – Push and pull factors of migration**

### **Selected results:**

- **Determinants of net migration flows: real wage, productivity and human capital catching-up reduces net migration flows; high activity rate in country of origin and low activity in destination country**
- **Impact of migration on destination and source country: short-run negative effect of migration on productivity levels in destination country; positive effect on activity rates; negative effect on human capital in source country**

## **wiiw research on migration (3) – The role of migrants in EU job mobility**

### **Selected results:**

- **Strong elasticity of migrants in relation to business cycle; high share of migrants increases overall gross employment turnover (GET); also inter-regional and inter-sectoral mobility**
- **High share of skilled migrants increases also net employment creation of high-skill natives; low-skilled migrants increase GET – more of other migrants than of natives; no negative net employment effect. Different effects of migrants from developed and developing countries**
- **Skill bias in net employment creation for natives but not for migrants**

## **wiiw research on migration (4) – Migrants: jobs-qualifications mismatch**

### **Selected results:**

- **High degree of ‘over-education’ of migrants in ‘low occupation jobs’; more in manufacturing than in services; gets worse in ‘crisis periods’**
- **Much higher incidence of ‘over-education’ of migrants from developing countries**
- **Sweden, Denmark particularly high presence of migrants in ‘low occupation jobs’; UK much less qualification mismatches of migrants vs. natives; Italy very strong mismatch in manufacturing; in Austria in service sector**



## **wiiw research on migration (5) – Migrants' impact on productivity**

### **Selected results:**

- **Positive impact of higher share of migrants in high-skill industries;**
- **Positive effect of migrants – specifically of high-skilled migrants – on regional productivity growth**
- **Foreign students' access to labour market can alleviate skill shortages**
- **Work on migrants' impact on innovation and 'race for talent' in the pipeline**

## **wiiw research on migration (7) –**

### **Migrants' perception of integration and motives for return-/out-migration**

#### **Selected results:**

- **Research based on surveys – migrants' plans**
- **Less of lock-in effect towards permanent migration when migration regime gets liberalised**
- **Higher preference for permanent migration amongst low-skilled than high-skilled (those also opt more towards temporary when migration regime is less restrictive)**
- **Migrants with full-time jobs or self-employed favour permanent migration; positive migration experiences (e.g. job-skill match) reduce out-migration and return-migration. Similarly life satisfaction.**

## **wiiw research on migration (8) - in the wake of MENA crisis and recent refugee flow**

- **Analysis of patterns of migration, labour markets, remittances in Middle East and Northern Africa (MENA)**
- **The shift in European migration flows from East-West to South-North; specific situation of migrants from developing countries**
- **What makes refugee flow different from other migration flows?**

## In which direction should wiiw research on migration move?

- Following **migrants/refugees' integration experiences** over a number of years (building a **panel**): location choices, labour market, education, housing experiences
- Comparative **evaluation of integration policies** in different EU countries of **different groups of migrants/refugees**
- **Evaluation of bilateral and multilateral agreements with non-EU source countries**: impact on characteristics of migration; achieving development/stabilisation targets etc.

## **Part Two**

# **European Integration and the Migration Challenge**

- **The 'big shift' of migration flows: from East-West to South-North**
- **Inconsistencies in governance structures of the EU in relation to migration and asylum/refugee policies**
- **In which direction are things likely to move?**

# European Integration and the Migration Challenge: the 'big shift' of migration flows

**Huge demographic complementarity with European neighbourhood:**

- **MENA** (Middle East and Northern Africa) region: population to grow from **300 mn in 2005 to 537 mn in 2050** (79% increase)
- EU-28 population to fall from 500 mn in 2005 to 430 mn in 2050 (12% fall)
- **Labour force** (15-64 age group) to **grow in MENA by 115 mn and to fall in EU-28 by 66 mn**
- **Sub-Saharan Africa: growth of 15-39 years age group by 328 mn; African population to move from 1.1bn in 2015 to 2.5bn in 2050**

# European Integration and the Migration Challenge: the 'big shift' of migration flows

## Apart from demographics:

- Failed states, failed development models
- In future: climate change refugees
- Geo-strategic conflicts in a multi-polar global context
- Fast developing logistic and communications technology facilitating intercontinental migration; income growth (sub-Saharan Africa) initially increases migration flows
- EU: not effective actor in economic and political stabilisation of the region

# Why is joint migration/refugee policy so difficult?

- **Fragmentation of migration experiences and migration policy** is historically rooted: colonial links (UK, France, Netherlands), Austria – Balkans, etc
- With few exceptions (France, Spain, Italy, UK) **little experience with 'South-North' migration**
- **Emigration and immigration histories of EU members** shape their differentiated stance on migration (Southern EU, CEEs, Western Europe); also **heterogeneity in current social and economic situation**
- **Two-step process: national responsibility for integration** also affects sovereignty interest in **migration/refugee policy**
- **Few resources at the centralised (EU) level**



## **EU migration/refugee policy: which inconsistencies have to be tackled?**

- **Open borders within Schengen** but **quota allocation of refugees?**
- **National migration policies** (e.g. skill-selected policies) **but free movement of labour** – inconsistency; some degree of harmonisation needed (moves in this direction: e.g. Blue Card)
- **Integration policies** have to become partly a domain of **EU harmonised schemes (best practices; standards)**; requires also disbursement of **EU resources** for that purpose; **'Integration Reports'** in line with other reporting requirements
- **Concept of 'refugee'** has to be widened (from Geneva Convention): war, climate change - further challenges!; **Dublin Agreements** can only work with functioning **'burden sharing'** in place

# Building on wiiw research on migration and redirecting it

## What wiiw (and other research) showed:

- Migrants' contributions: mobility, productivity/innovation
- Migrants' integration experiences and mobility patterns; experiences of migrants from different source regions (developing, developed, CEE-EU)
- Experience with migration regimes

## What is needed:

- Examine South-North flows: which difference with East-West?
- What makes refugee flows and their integration experiences different?
- Examine policy initiatives: heterogeneity of integration policies and mechanisms in EU; effects of bilateral and multilateral agreements with neighbourhood/source countries

## Conclusions:

# European Integration and the Migration Challenge

- **Adjusting to the 'big shift'**: huge challenge for EU; bulge for some decades; push factors may then recede; depends on economic and political stabilisation; new factor: climate change
- Learning process in EU: external borders; setting up asylum reception centres in neighbouring countries; harmonisation of migration and integration policies; requires further EU-level resources
- Patience required, but **political processes push towards national 'solutions' and restrict European-level initiatives** – dangerous feedback process: non-delivery leads to more nationalisation demand – disintegration danger
- No wholesale recipe: counter-mobilisation at all levels !!



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Thank you for your attention

Suggestions for further wiiw research on migration welcome!

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