

# ARE MIGRATIONS REVOLVING NATIONAL LABOR MARKETS OF EUROPEAN UNION?

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## INTRODUCTION

1. Most of the recent migration flows towards EU are not economic. These latest migrations are challenging the persisting problems of high unemployment within EU countries as such and among immigrant's population in particular. Labor markets are in a transformation process, where future needs may be structurally over or underestimated. Limited immigrants possibilities to integrate into EU labor market, instead of the national ones, foster the existent abortive local integration models. It looks like national labor markets promote a demand side but fail to include a supply one.

2. The demographic prognosis of EU populations might be misleading, when compared to the needs of the national labor market resources. Long-term decline in the projected EU work force derives from the possibly wrong assumption of the continued low fertility. Particular countries differ on that account. Demographic aspects of migration theory lack the explanations for the recent and future migration flows. Demographic »pressure« from countries in development is not the only promoter of the recent increase of migrations. The latter are fostered by increasing structural poverty, political and social insecurity of ever greater number of populations within those same countries.

There is as well, increasing evidence that developed regions of EU countries do need more work, but fail to provide formal employment. Undocumented immigrant work of a large scale in families, health, catering and tourism are just few examples. The countries of EU as well, experience social and political change, even though the similar problems have different faces and magnitude. Both is creating a conflict of interests, altogether social insecurity.

3. Even though the human resources of recent immigrants in EU are possibly underestimated, at present these resources are inadequately used, provoking high cost on a welfare system and/or extreme poverty. There is possibly a mismatch between social organization of the labor market and government's social resources in respect to those that immigrants do possess, regarding their education, skills and/or their possibilities to enter labor markets. But here are, at opposed ends of the labor markets, two processes enabling immigration to prosper: increasing levels of (tolerated) undocumented work and a lack of a transparent, non-discriminatory competition for better off regular jobs in formal economy at the national levels. The consequence of

the first is growing the share of black economy and the second is an increasing unemployment among skilled immigrants too.

4. Several factors contribute to the global economic and demographic divergence, which will very likely promote potential migration pressure on EU for several decades to come. Cultural, political and economic ethnocentric model of ECU's migration policy is therefore no longer satisfactory for either of the sides. It results in high social and legal cost on nationals, social exclusion of immigrants and social policy conflict. It promotes cultural racism and xenophobic reactions on local levels in public and in particular forms of discrimination on local labor markets. It resuscitates immigrants' resentment to command integration schemes and resistance to a loss of ethnic identification.

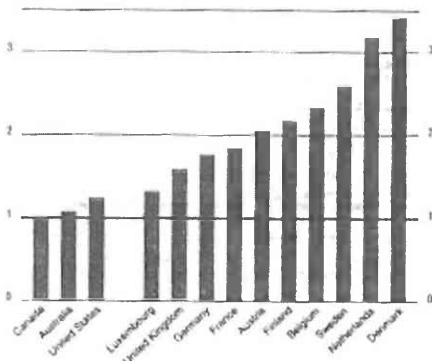
5. Problems of such dimensions do ask to be researched better. They involve millions of people and they erode social cohesion. Some possible answers to these dilemmas may well be found within deregulation of policies of immigrants mobility within EU countries. The second is needed and requested demand from employers for a deregulation of national labor markets. The third is a promotion of and sustenance to the ethnic economy and self-employment of immigrants. Finally, there is a need to reveal what are the human and social – ethnic or class - resources of immigrants, if one wants to improve the effects of EU integration policies. A constructive public and political dialog between the dominant and ethnic entities might help very much.

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What do we actually know about the nature and extent of the recent global migration flows, specially in Europe? Comparative statistical data are poor, but trends show the numbers and a variety of ethnic groups are increasing (Eurostat, 1999, OECD, 1999, 2000). Increasing are the rates of unemployment of third countries' nationals in EU labor markets, too (OECD, 1999, 2000, Graph 1). These are the main subjects of the analysis.

## Graphs 1 Relative exposure of immigrants to unemployment

Chart 1.11. Share of foreigners or the foreign-born in total unemployment relative to their share in the labour force in 1997<sup>1</sup>



Sources: OECD, 1999: 46 and OECD, 2000: 52, data is drawn from Labour Force Survey and national statistics.

1. August 1928 for Australia, 1991 for Canada and 1990 for the United States. For these three countries, data refer to the foreign-born in all other countries; data refer to the foreign population. Sources: For European Union countries: Labour Force Survey, Eurostat; Australia: Labour Force Survey; Australian Bureau of Statistics; Canada: 1991 Census data; Statistics Canada; United States: 1990 Census data, US Department of Commerce, Census Bureau.

West European countries become, over the last twenty years, the first target of the global migration flows, relatively speaking (OECD, 1999, 2000). In those EU countries, where labor markets are shaped in a rapid pace of change, therefore transformed greatly, the immigrant' population stays unemployed to a great extent. »In general, immigrants are more vulnerable to unemployment than nationals. The reasons of this are multiple. As graphs show, the extend of unemployment amongst migrant population is greater than the proportion of the labor force for which they account. It is in Denmark and the Netherlands that this discrepancy is the greatest, on average, three or five times more. Situation is critical in Sweden and Belgium« over the last years (OECD, 2000: 49).

Yet, it is quite possible too, that re-organization of production and services in those countries is not followed by the necessary reforms of the rigid labor market's rules. Many classical jobs in catering, sales and tourism are available to students, rather than to the permanent employment opportunities. Third explanation looks at possible market discrimination of immigrants. The arguments are in await for the research, nevertheless one thesis does not exclude the others, as experience goes (Christensen, 2002). A lack of language and professional skills within migration groups is usually considered a determinant (missing) factor when entering the labor market. It is then surprising the notion, that hardly any national statistics shares these features of immigrants. Some research analyses are estimating that highly qualified migrants are not so few as first and have similar or other difficulties in finding adequate jobs as second (Coleman et al., 1999: 294, 292). Even more question have been raised, when the quality and availability of language schools to immigrants, eager to learn, was discussed. The final question put here is the ambiguities about the recognition of the qualifications and diplomas, achieved in home country of the immigrants, since professional qualification is shaping the possibilities to find a suitable job.

It is often believed that in spite of the risk to unemployment, immigration increases due to inevitable aging of W. European populations and consequently the increasing needs of immigrant labor force. About 80 % of the total population increase over 1996 in the EU countries (as in all recent years) was due to immigration (Eurostat, 1999). On the other pole, there is a supposed demographic pressure deriving from less developed countries and from the differences in economic perspectives (Coleman et al., 1999: 31). In spite, the Northern Europe shows relatively vigorous national population g-growth, while South and East are in either decline or stagnation of their population and theirs activity rates.

Internal EU labor mobility can therefore more easily fit the labor demands in different regions of EU. Indeed, evidence (Eurostat, Labor Force Surveys 1994-2000) shows, that nationals of EU countries, who live and work in other countries from those where they were born, experience lower rates of unemployment from those of nationals in the same country. Internal migrations on the other hand remain low, up to 3-4 % over the last twenty years (OECD, 1999). Internal migration of EU countries nationals thus not respond adequately to rapid changes of national labor markets needs. Over the last decade those needs are increasingly filled by undocumented work

of immigrants and a short term working contracts. At the same time, normative and legislation rules of EU countries make immigration of nationals from third countries ever more restrictive.

The increase of immigrants population does not directly reflect their increase in activity rates, which is an indicator of the present miss-match within unemployment problem (Christensen, 2000; Table 1). There is no convincing empirical evidence of the great decline of domestic labor force in most of the EU countries, at the present time either (Bevc & Rupel & Christensen, 2000, IER). On the other hand, the comparative empirical evidence is poor, methodologically incompatible or non-existent. It seems as well, that undocumented work or short term work contract of immigrants from third countries does fill the possible gap between labor needs and respective activity rates of nationals – where and when they appear in different regions.

Table 1  
**The presence of foreigners on the EU labour market**  
 (as an illustration of immigrants unemployment problem)

*Comparison: The share of foreigners in entire labor force (a) and the share of foreigners in entire population (b) - during 1988 and 1997 in different countries*

		1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Austria	a	5.4	5.2	7.4	8.7	9.1	9.3	9.7	9.9	10.0	9.9
% foreign.	b	4.5	5.1	5.9	6.8	7.9	8.6	8.9	9.0	9.0	7.9
Belgium	a								7.8	8.2	7.9
% foreign.	b	8.8	8.9	9.1	9.2	9.0	9.1	9.1	9.0	9.0	8.9
Denmark	a	2.2	2.3	2.4	2.4	2.6	2.7	2.9	3.0	3.1	
% foreign.	b	2.8	2.9	3.1	3.3	3.5	3.6	3.8	4.2	4.7	4.7
France	a	6.4	6.6	6.2	6.0	6.0	6.1	6.3	6.2	6.3	6.1
% foreign.	b			6.3							
Germany	a	7.0	7.0	7.1	7.5	8.0	8.9	8.9	9.0	9.1	
% foreign.	b	7.3	7.7	8.4	7.3	8.0	8.5	8.6	8.8	8.9	9.0
Ireland	a	2.7	2.6	2.6	2.9	3.0	2.7	2.5	2.9	3.5	3.4
% foreign.	b	2.4	2.3	2.3	2.5	2.7	2.7	2.7	2.7	3.2	3.1
Italy	a					0.1	0.1	0.2	0.1	0.1	0.2
% foreign.	b	1.1	0.9	1.4	1.5	1.6	1.7	1.6	1.7	2.0	
Luxembourg	a	39.9	42.4	45.2	47.5	49.2	49.7	51.0	52.4	53.8	55.1
% foreign.	b	27.4	27.9	29.4	30.2	31.0	31.8	32.6	33.4	34.1	34.9
Netherlands	a	3.0	3.2	3.1	3.3	3.5	3.3	3.3	3.2	3.1	2.9
% foreign.	b	4.2	4.3	4.6	4.8	5.0	5.1	5.0	4.7	4.4	
Norway	a	2.3	2.3	2.3	2.3	2.3	2.4	2.5	2.5	2.6	2.8
% foreign.	b	3.2	3.3	3.4	3.5	3.6	3.8	3.8	3.7	3.6	3.6

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Portugal	a	1.0	1.0	1.0	1.1	1.3	1.4	1.6	1.8	1.8	1.8
% foreign	b	1.0	1.0	1.1	1.2	1.3	1.3	1.6	1.7	1.7	1.9
Spain	a	0.4	0.5	0.6	1.1	0.9	0.8	0.8	0.9	1.0	1.5
% foreign.	b	0.9	0.6	0.7	0.9	1.0	1.1	1.2	1.2	1.3	1.5
Sweden	a	4.9	5.2	5.4	5.3	5.3	5.1	5.0	5.1	5.1	5.2
% foreign.	b	5.0	5.3	5.6	5.7	5.7	5.8	6.1	5.2	6.0	6.0
Great Britain	a	3.4	3.5	3.3	3.0	3.6	3.4	3.4	3.5	3.4	3.6
% foreign.	b	3.2	3.2	3.2	3.1	3.5	3.5	3.6	3.4	3.4	3.6

*Source: OECD, Sopemi 1999: pages 264 - 267*

There are nevertheless, signs of structural labor markets problems. Private and public employers are in need for more labor, but they would like not to commit themselves for long term and professional perspectives within the contract. It is a phenomenon usually analyzed as a flexible market, which is contradicted by general regulations of the norms at work, valid for citizens. The most problematic are there the signs of a persistent general unemployment problem over more than a decade in most W. European countries (OECD, 2000, Eurostat, 1999). In 1990s, the unemployment among immigrants from third countries is increasing even faster, most notably in The Netherlands and in Scandinavia, and N. Europe (Table 2, OECD, 1999). In Denmark, during 1985, there was a rate of 48 % unemployment among immigrants from the third countries; while in 2001, there are 59 % (Minister of Interior, Denmark, August 2001, [www.inm.dk](http://www.inm.dk)). At the same period, general level of unemployment decreased from approximately 14 % in early 1980s to 5 % in 2001. Which consequently means that immigrants in highly regulated markets and welfare states receive more resources in respect to their economic contributions during late 1990s (Wadensjo in Coleman et al., 1999: p.294-301). This and similar phenomenon in other countries of EU are provoking fierce reactions, notably reflected in a public and political demand to stop the number of immigrants increasing. There are estimations that even existent labor force is up to 30 % not needed or might not be integrated into regular economy in the future. What is changing is the nature of the market structure in time, which does not correspond with the globally and EU advertised neo-liberal values of higher human mobility, economic prosperity, human rights and promised declarations of free movement of people, not only of the »labor force« (Bevc et al., 2000; Christensen, 1999, 2002). National and EU regulations of migration flows seem to be an illusion.

Table 2  
**Activity rates of foreigners and natives between 1900 and 1997**  
**(in %) in different countries of EU**

*Sources: compilations and extracts: Labour Force Survey (LFS), data for 1.1990 (pages 52-53) and LFS 1997 (pages 28-30), Eurostat, 1999*

1990	EUR 12	DK	UK	P	D	NL	F	IRL	EL	B	E	L
nationals	55.7	67.4	62.1	57.8	56.9	56.2	54.9	51.7	49.1	47.9	47.5	45.7
no-nationals	59.2	67.2	62.7	57.8	63.8	54.0	56.1	50.4	45.9	44.0	39.0	61.9
Total	54.6	67.4	62.1	57.8	57.4	56.1	55.0	51.7	49.1	47.6	47.5	50.1

1997	EUR 15	DK	UK	P	D	NL	F	IRL	EL	B	E	L
nationals	55.2	65.7	61.9	57.7	57.3	61.2	55.4	55.5	48.5	50.7	55.4	46.5
others: EU												
nationals	63.7	76.8	58.8	57.1	71.4	71.2	61.0	55.7	49.9	53.5	61.0	60.8
others:												
no-nationals	57.4	51.0	57.7	69.0	58.4	44.8	54.2	47.0	70.4	39.5	54.2	53.8
Total	55.4	65.4	61.8	57.7	57.7	60.9	55.4	55.4	48.9	50.5	55.4	51.2

Polarization of the labor markets of the most developed countries and global cities specifically shows that unskilled jobs far exceed those of the highly educated and well paid. These jobs are found in child and elderly care, privatized health care activities, tourism, catering and leisure activities, prostitution and in-household family help. These sectors have been deregulated in most of the EU countries of the South and UK recently and are poorly unionized, too. Nordic countries of EU, notably Nordic countries and Holland, where unionization is yet much higher and the regulation of comparative employment sectors remains stronger, immigrants are not tolerated as a welcome competitive labor force. Neither is tolerated black economy nor is immigrants' self-employment a widely accepted practice. It is therefore not surprising the consequence of much higher immigrant's unemployment rates in those countries (OECD, 1999, 2000). The inevitable impact of those factors contribute to the burden in costs of the welfare system.

For a great number of recent immigrants, pulled from refugees flows, the state is responsible and the social burden on a national and local welfare cost is too big to be supported further. Those who enter on the basis of family formation/reunification, are ever more dependant upon family itself. The access to the labor market is therefore restricted either by legislation (Germany, Austria) or by pragmatic obstacles. There are arguments for the thesis that W. European countries actually need cheaper labor

force in the first place (Eurostat, 1999: Table: The cost of labor per hour in different countries deviates from 27 to 25 Euro in Denmark, Austria, Sweden, Belgium, Germany, to 7 in Portugal or 12 in Greece - while the average keeps at 21.5 Euro - all far above the cost of 17.8 Euro in USA!). There are demands for a labor markets' deregulation, but that may put an undesirable effect to privileged protectionism of the national labor force too. The argument for a change falls short on a political agenda. Therefore the issue is difficult to tackle politically and socially. That gap of reforms provoke xenophobia and increasing discrimination of the third nationals (denizens). So called social urban polarization processes are the consequences; even though they are difficult to trace empirically, since undocumented activities and individuals are not registered in statistics. The safe estimation is involving few millions of people only in EU countries at the end of 1990s.

Estimations are given, that only 20 to 40 % of immigrations within EU over the last twenty years relate to the labor market needs anyway. Consequently, 60 to 80 % of new global migrations are due to the emigration on the basis of family reunification/formations, study, specialization and due to the humanitarian grounds; disregarding here the informal or illegal employment as well as undocumented migration. The extend of undocumented migration would not persist long without the increasing black and/or informal economy within developed regions (very extensive in the South of Europe, like Spain, Portugal, Greece and France) - which makes some national economies more competitive. Black economy is tolerated as well due to the increasing needs, which are supporting the living standards of nationals, who are in a need of a cheaper (health, child care) services, which the states do not provide adequately. It therefore looks like the immigration policies (political, EU and those of the labor markets) and those of the national markets, contradict each other.

The national governments do not admit at this point, that they are and will be even more in the future, in a need of immigrant's work force. They are and will become inevitably, a multicultural societies, too. All W. European countries and EU policies recently foster the border control for immigration. The governments are declaring that only labor market needs (niches) in formal dominant economy can determine the range and structure of immigration flows. Nevertheless, more regulations and restrictions seem to produce a greater undocumented migration and unemployment, rather than efficient matching of immigrants' skills and labor market needs. It looks like a train without a schedule - in a short term (Christensen, 1999, 2000).

Is then a social integration of immigrants an eminent illusion? Should we employ more police and introduce restrictive laws or administration barriers to work against the restless nomadic part of the human race? Can we stop or control the migration process at all? Or, is present international migration trend a long term continuous and irreversible (global) process, rather than a short (sad) episode of the century? What do we know about the human resources of immigrants? And for what kind of a social development are they needed, on a long term? Do the employers really know what are

the long or short term needs of the labor markets? Who is today able to predict the growth or decline of the global and national economies and their structure?

According to demographic projection forecasts (Coleman et al., 1999, UN, 1997) alone, the divergences in global demographic trends will result for another half a century in increasing migration pressure from the third world towards developed regions. Within EU countries, population growth and its structure depend upon natural increase and net immigrations, thus possibly replacing the aging cohort of the population. Net immigrations in 1996 were over double the natural increase in EU countries (Eurostat, 1998 and Scheme 1). The »youth« indicator shows the difference between the cohort of population which is older than 64 and younger from 15 years. It shows in a long term perspective the possible down - curbing line for the adequate supply of active population in the most developed regions of the world. Nevertheless, it is yet not possible to exclude other factors to intervene: the in-flow of young immigrants, increasing fertility rates due to a delayed child birth and/or several others. The figures possibly underestimate the share of young non-nationals in different countries, due to unavailable data or differences in definitions of foreign population - depending upon the level of naturalization, for example: as in Sweden the level of naturalization used to be high, this possibly underestimates the share of inhabitants, who are of different ethnic origins from nationals - and the opposite is true for Germany (OECD, 1999, 2000).

**Scheme 1:** Selected indicators of »youth« for regions and countries in year 1999

Africa	40	France	3
Asia	26	Great Britain	3
America	21 (North 8)	Sweden	-2
Europe	3 (Western 2)	Slovenia (2000)	2.3
World	24		

Sources: OECD, 1999: 36. »Youth« indicator represents the difference between the share of population over 64 years age and the one under 15 years age.

Global and national economic developments are not always converging, but rather diverging, on a comparative scale; unequal opportunities are therefore provoking increasing social differences, which along with a lack of decent life opportunities, nonexistent social security in many states, challenges potential migrations further on. Demographic pressure itself does not necessarily result in greater emigration, since the latter depends upon political and domestic labor market policies of the countries of origin. Global mobility of capital, goods and labor is not always equilibrated. It seems that when goods are moving, while capital or work is not reasonably accessible, the people (labor) move. At the beginning of the third millenium, it seems to move more and faster and is better organized too.

Expected increase of East-West migration flows from former socialists countries



have not been, till recently, empirically well documented. Even though those countries experience demographic stagnation/decline, they are witnessing increasing immigration from far eastern and Asian countries themselves (OECD, 2000: 53). Emigration towards developed countries is therefore socially and professionally very selective, possibly not very well documented at present. Further expectations and concerns about potential migrations from new member states of EU do provoke more questions: EU immigration policies are restrictive, selective according to national markets and family oriented. Is the potential emigration expected due to economic problems of the domestic mainstream sectors of the new member states or due to the challenges of a better life chances in EU 15 + 7 countries? Is it only further fostering the one sided control of a national »labor demand« in EU - or is EU 15 unable to cope with the social consequences within the new member states of the Union?

Within immigrants from so-called third countries, more unskilled and illegal immigration shapes these flows than previously in the history. But its' structure is polarized: very often, the group of highly educated immigrants is quite extensive. Their skills and education are not always recognized (nostrification) in a new country, those are even not regularly registered (Coleman et al., 1999). It is not only the nature and kind of migration that has changed: there is increasing the share of women and children among migrants or, more families than single individuals who move. The flows are directed by ethnic networks and organized around ethnic economies. The age structure is different too, more polarized (young and older move, too) in respect to the previous prevailing cohorts of young males. There is an increasing evidence of »feminization« of migration, possibly well connected to the needs of the labor markets (OECD, 2000: 25).

Women take better opportunities in ethnic entrepreneurship and specially within ethnic economies in services. Migration policies of developed countries »invite« more immigrations on the ground of human rights and family reunification - »consequently directly provoking a possible mismatch with the needs of labor markets. Only this factor alone may be a reason for the latest increase of unemployment among immigrant populations in EU countries and elsewhere. The additional factor is possibly a formal one: immigrants from the third countries are not free to move to the other countries of EU, beside the one, which accepted them in (Christensen, 2000). For such a reason, the immigrant's mobility within a common labor market of EU is limited severely.

Our knowledge about the recent immigrants' social and human resources is insufficient at the time. In many EU countries, such statistics or research data do not exist (Immigration to Denmark, 2000, [www.rff.dk](http://www.rff.dk)). We do have indirect data about the demand side of the labor markets, showing restricted and very selective interests for immigrants' labor. Further, we have more (political) questions about the nature and culture of our societies and the impacts of latest (ethnic) immigration on them. It seems that W. Europe, slow in a pace of change or highly regulated, does develop and examine the demand side of the market, but is ignoring the (immigrant's) supply side, at present. Market system (by definition) needs both of them, in order to find some fit

answers to the questions of human resources of immigrants and their possible social (labor) integration.

### **Limits of macro classical economic theories on explaining migration**

Classical economic theory on migration suggests that people decide to move on the ground of better income and transfer costs. Therefore, most migration flows are directed from less developed regions to developed ones. Long term historical experiences as well as recent empirical evidence (in EU) suggests these true. Nevertheless, as global economic conditions change, for example towards greater income polarization, within such a theoretical approach, we cannot explain the extend and direction of particular migration flows. As economic differences existed and exist now, we are not able to explain, why there has not been more migration before, as there is now (Coleman et al., 1999).

More, the geographical direction of migration flows does not correspond to the model of direct rational nor economic choice, there is no evidence, that people move towards the most developed regions, but rather decide the new better environment on the ground of cultural compatibility, historical traditions, geographical vicinity, ethnic connections and family networks. The economic and rational choice does fit better only internal (mostly labor oriented) migrations of citizens of the EU countries. Such a group is small (1.5% against 3.2 % respectively of immigrants from third countries, Eurostat Migration Statistics, 1996: p.2, 42) and did not increase over 3-4 % over the last twenty years. Human mobility within EU countries is therefore far behind the other markets' exchange activities.

The choice of the potential migrant, where and when to move, is neither based on rational economic decision alone, nor is that always an individual choice, but rather a family one or the one of local community (Light & Gold, 2000). Many options for migration are not accessible for cultural, language, bureaucratic and political reasons - or all of them. Pull factors in developed regions are shaped by ever more selective labor market conditions, national migration policies, cultural constraints and all those are ever more constringing. Push migratory factors are so different and many, that the decision for emigration itself seems to blur the economic explanation alone, without excluding it (Christensen, 1999, 2002).

Immigration based on rights such as family reunification, humanitarian reasons like refugees etc. in a sense, disregard the national labor market needs, therefore by the nature itself increases the risk of greater unemployment among such immigrant groups. As neither of those human rights may be abolished, one would try to open different ways of social integration (specially in EU countries), not only the one based on labor market demand (or social support policy as in Scandinavia). One of the ways is to foster on the promotion of ethnic entrepreneurship (Light & Gold, 2000, Ethnic Economies), much disregarded marginal economic sector and poorly analyzed in Europe. Why are there not more support and sustained social organization to help immigrants' self-employment and ethnic economies in most countries of EU? Specially

within those countries with very high unemployment rates among immigrants, like in Scandinavia, for example?

### **The new »patterns« of migration**

In order to explain the extent of recent illegal migration flows, one should understand the obstacles for migrations in contrast with the declared freedom of move and human rights. One should better understand the push factors for emigration within some world's regions, where economic conditions are not the only reason for people to feel insecure. The religious, ethnic or other reasons for conflicts are factors for migration determinants in progress. The lack of any reasonable social security seems to be the very important factor for migrations in transitional countries and in most of the Asian or African countries. Impossibility to plan one's own future, professional career and secure the prosperity for children (no matter how modest) is increasing the extent of recent migrations all over the globe. Then, there is a gap of an ideological value from neo-liberal free movement of individuals contrasted and restraint by collective interest of national labor markets in EU countries.

These push factors seem to diversify and increase, while pull determinants are limited - which is producing the massive illegal migration flows. During early 90's, EU alone received about 350.000 illegal immigrants per year (Eurostat estimations). The share of refugees and family reunification, (ethnically) based migrations are growing lately up to 70%. As a consequence, more people migrate in order to change their general life circumstances; they move to recover their economic or social security, to achieve better education, to improve their social and political empowerment. Income or cost of moving alone does not explain sufficiently the extent and nature of recent migration flows.

As the result of the above mentioned arguments suggests, the rationale of labor markets to regulate labor migration in respect to the national migration control seem to fail and is irreversible too. Since nobody at the time is in the sufficient control of the global processes and changes. Fragmentation on the national migration practices may therefore foster the present poor economic impact of such global migration trends in EU - for the immigrants from the third countries. It makes their social integration much more diversified and complicated.

Does it necessarily revolve the national labor markets as well? In a short term yes, in a long one, possibly not. In a short term a mass immigration to EU is provoking unemployment, rather than lowering the wages or progressing the competition. It is sustained by illegal/informal employment, which might accelerate the wage equity in EU countries. At least some controversies may be in a short term avoided by further deregulation of national labor markets within EU. Further, by reducing cultural prejudices; for example, that ethnic diversity at work is unproductive. By excepting and tolerating diversified notions of multicultural societies and reducing the problems of educational incompatibilities (nostrification of diplomas). But first of all by suppor-

ting, allowing the ethnic economy to develop faster and persist, along the mainstreams of national economies.

We know very little, in Europe, about social or human resources of recent immigrants, but more research is revealing increasing share of highly skilled individuals too (Immigration to Denmark, 2000, [www.rff.dk](http://www.rff.dk)). Since at present, national migration policies limit immigrations on the minimum human rights basis (EU fortress), while labor markets require selective migrations on the basis of skills. Those policies contradict each other, provoking social conflict, excessive welfare costs, abortive (labor) integration and social discrimination of immigrants is a consequence. But on the other side, we know very little about how the future EU countries will look like in terms of economic and labor force needs.

### **Some possible demographic uncertainties**

Low fertility rates, aging population and possibly the shrinking shares of active population have been common concerns in most developed countries. The tendency to the labor and population equilibrium has on the other hand moved third world governments to introduce policies to reduce fertility. Such concerns and actions may have different impact and results, when society is in a rapid change.

Assumption of the expected and continued low fertility rate in EU countries might not be true: it is based on the experiences (of lower fertility rates) of generations, which are born before 1957. We are witnessing as well some positive results of family policies in some northern countries, which resulted in several, although small, baby boom generations. And there are expectations of a delayed, rather than cancelled births, among generations to come. European population is aging, but individuals work longer than before. Third variable is increasing population due to the net immigration share and slightly higher fertility rates among some immigrant families. The fertility rates among immigrant population nevertheless fall quickly, if not for the first generation and some unemployed.

In the third world countries, on the other hand, potential emigrants for the next decades are already born. It is not a population pressure so much and alone to push migrations further, but rather a lack of economic opportunities, even scarcity of food and/or of the very basic social security; some governments tend to »export« the problems (of unemployment e.g.) during the crises. There is a lack of trust in positive results of the transitional and global changes for everyone, which push migration further: these trends cannot be altered soon enough to prevent migration. And more, it seems we are, on a global scale, short of efficient means and approaches to find the adequate solutions for local conflicts or extension of the global poverty ratio. There is a lack of significant resources and sometimes of a political will (or just all of those), to do that.

Are then, recent migration flows really revolving national labor markets? Due to the persistent illegal migrant work, some local economies are more profitable and competitive, while on the scale of skilled jobs, migration fosters the competitiveness or challenge privileges. Possibly, the social cost of immigration is too high in those

countries, where welfare replaces innovation, change and active support for reducing unemployment (by ethnic economies e.g.). Only if one would know the future change of EU markets, the actual impact of immigration could be assessed.. We only presume what will happen, but no empirical evidence sustains the prejudices that migrants just want »to profit from welfare, culturally alter our country or take over us « in a new promised land«: most of them are willing to work hard and they are very successful in finding market niches for self employment, in service sectors, 3D jobs (dirty, dangerous, degrading), tourism, recreation. Immigrants adapt socially to fit in the gaps of those sudden demands for skilled jobs, like health, IT, management and finances or specialized technical jobs.

As we know too little about the future changes and needs of the national markets in EU and certainly not enough about the human and social resources of immigrants, we better keep in perspective that such ignorance does not excuse xenophobia and discrimination. As it seems we cannot reverse the migration flows - therefore we rather try to get the best out of it at present by reducing the obstacles in access to jobs; we may invest more and with better efficiency into the further social and human resources of immigrants, along with creating a badly needed social cohesion.

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## POVZETEK

## ALI MIGRACIJE SPREMINJAJO NACIONALNE TRGE DELOVNE SILE V EVROPSKI SKUPNOSTI?

Barbara Verlič Christensen

Vse večji delež imigrantskih prilivov v države članice EU v devetdesetih letih zajemajo posamezniki, ki ne prihajajo na poziv delodajalcev. Ob koncu leta 2001 se ocene deleža tistih, ki se priseljujejo na osnovi pravic družinskega združevanja, begunstva ali pridobijo status bivanja iz humanitarnih razlogov, giblje med 60-80 % v posameznih državah. Mnogi med njimi ne pridobijo kmalu dovoljenja za delo, imajo težave z učenjem jezika ter priznavanjem izobrazbe ali pa dela ne iščejo. Takšen imigrantski trend izziva nacionalne vlade pri reševanju problemov relativno visokih in vztrajajočih stopenj brezposelnosti.

Integracijski modeli vključevanja tujcev iz tretjih držav na trg delovne sile niso uspešni, saj je brezposelnost med priseljenci nekajkrat višja kot med domačimi prebivalci. Celo več, v istem obdobju, ko se zaposlovanje državljanov povečuje, narašča brezposelnost med imigranti. Narašča obseg nedokumentiranega dela in bivanja številnih skupin priseljencev, posebno v mediteranskih državah. V vseh državah članicah EU je opaziti povišane stopnje sive ekonomije. Narašča tudi legalna ali tolerirana diskriminacija priseljencev, še posebno v dostopu do formalne zaposlitve v sektorjih dominantne ekonomije. Obenem je mobilnost priseljencev omejena na državo, ki jih je sprejela, kar otežuje njihovo zaposlovanje znotraj skupnega trga dela EU. Socialni stroški za nekatere kategorije priseljencev se povečujejo, hkrati pa njihovo samozaposlovanje znotraj etnične ekonomije ni spodbujano.

Struktura ekonomske transformacije v državah EU je podvržena visoki dinamiki sprememb v globalni konkurenci. Potreba sedanjih in bodočih nacionalnih trgov delovne sile ni več enostavno ugotoviti. Staranje prebivalstva v razvitih državah ob skromnem naravnem prirastku in pričakovano krčenje obsega aktivnih deležov državljanov niso povsem linearni procesi, niti niso več zadostni argumenti v prid povečane mednarodne mobilnosti migrantov. Trg dela se utegne omejiti na 1/3 ali 1/5 populacije s specifičnimi znanji. Na drugi strani tudi razlike v razvitosti med državami in demografski pritiski iz manj razvitih okolij sami po sebi niso zadostni vzroki za sedanji obseg masovnih migracij. Vzroke gre iskati v neuspešnih modelih razvoja, lokalnih vojnah, korupciji in naraščajoči bedi. Nerazvita okolja so na prepihu, razvita se zapirajo.

Rešitve tega konfliktnega procesa je moč dolgoročno iskati v uravnoteženju in regulaciji finančnih in ekonomskih globalizacijskih procesov, spoštovanju človekovih pravic ter globalni solidarnosti ter davkih. Probleme mednarodnih migracij je smiselno reševati izven okvira posameznih nacionalnih politik. Rešitve, ki jih trenutno zagovarjajo nacionalne države, niso ne uspešne, še manj so etične. Kratkoročno pa bi nacionalne države lahko spodbujale pogoje samozaposlovanja in rast obsega etnične ekonomije - posebno v storitvenih dejavnostih, saj so potrebe dela večje od formalno priznanih. Države EU bi storile veliko s sprostitvijo mobilnosti priseljencev iz tretjih držav v skupnem trgu dela. Medtem bi tudi

*uspešneje izkoristile in povečevale prezrte humane (izobrazbene in etnične) resurse priseljencev. Še več pa bi prispevale z dodeljevanjem volilne pravice ter olajševanjem naturalizacije stalno priseljenim.*