HAS EUROPEAN IMMIGRATION POLICY CHANGED? A BENCHMARKING ANALYSIS OF IMMIGRATION TRENDS TO 30 EUROPEAN COUNTRIES IN 1998–2011

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The purpose of research article is to present an analysis of European immigration policy in 1998–2011. The analyses and research tasks include: (1) immigration to the Nordic countries, (2) immigration to Baltic countries, (3) immigration to Germany, France, UK, Italy, Spain and Italy, (4) immigration to Czech Republic, Croatia, Hungary, Slovenia and Slovakia and (5) immigration to Austria, Poland, Switzerland, Belgium, and the Netherlands, and (6) immigration to Ireland, Greece, Portugal, Lichtenstein, Luxembourg, Malta and Cyprus. The research results include benchmarking trend analyses of immigration flows of analyzed countries for years 1998–2011. Thus, 14 years period of immigration flows in European continent is analyzed. Key results of the study inform us about various changes of immigration policy in the European Union, towards the “Fortress Europe” policy.

The study includes some statistical comparative analyses and also logarithmic trend analyses (reported in Appendix 1). If we want to have evidence-based immigration policy in the European Union, these kinds of empirical trend analyses may help us to make informed decisions. These results indicate that in many European countries immigration policy has changed in a considerable way towards “Fortress Europe model” – especially during financial crisis. Biggest changes can be observed in Poland, in Iceland, in the Netherlands, in Greece, Spain, in Austria and in Lichtenstein. One remarkable change is that the United Kingdom and Germany have changed their rank positions as major immigration countries of the European Union in 1998–2011. Thus, in 2011 six major European countries taking immigrants to their county were the United Kingdom, Germany, Italy, Spain, France and Poland. In 1998 these six largest immigration flow countries were Germany, the United Kingdom, France, Greece, Italy and the Netherlands. Also other remarkable changes are reported in this empirical immigration study. However very latest publication of Eurostat (2014b) in May 2014 reveals that Germany was again in 2012 the biggest country taking immigrants in the EU-27 country group.

Keywords: European Union, immigration flows, trend benchmarking methodology, immigration policy, trend analysis, comparative study, European integration policy.

Introduction

Immigration is a very important issue in the fields of European integration policy. Immigration poses important challenges to Europe. There are many critical social questions like will European societies be able to integrate increasing immigrant flows? (Ortega, F. and Polavieja, J.G., 2012) or how to manage illegal immigration in the European Union (Faccini, G. and Mayda, A., 2009, Mayr, K., Minter, S. and Kriger, T., 2012). Attitudes toward immigration are changing in Europe and there are many potential sources of conflict between different socio-cultural groups (Burns, P. and Gimpel, J.G., 2000, Mayda, A., 2006, Meuleman, B., Davidov, E., and Billiet, J., 2009).

For example, Western Germany benefited a lot from immigration in 1990s. Germany has hosted the largest number of immigrants in Europe. Workers with foreign origin have represented more than 10% of the total labor force since late 1990s. (D’Amuei, F., Ottaviano, G. and Peri, G., 2010).

For many economies immigration policy is important issue. For example, recent reforms have put Germany among the EU countries with the fewest restrictions on labour migration for highly-skilled occupations, yet inflows continue to be relatively low. Labour migration is supposed to be one means to help meet future labour and skill shortages caused by a shrinking working-age population. How to ensure that international recruitment can help meet urgent needs in the labour market which cannot be met locally? Labour migration system, on the demand side and on the supply side need to be developed in the European Union (see e.g. Nickell, S., 1997, Laing, D., Palivos, T. and Wang, P., 2003, Card, D., 2009, OECD, 2013b, Chassamboulli, A. and Palivos, T., 2013).

German employers can recruit from abroad for any job requiring university-level qualifications. Yet even employers declaring shortages have not done so, in part, due to their insistence on German-language skills and specific qualifications, and in part to a perception that international recruitment is complex and unreliable. While the process could be made more transparent, its negative reputation is
unjustified. International students appear well positioned to meet employer concerns, but Germany could do more to promote this channel for labour migration. A large part of the demand is also expected in skilled occupations requiring non-tertiary vocational training, but here, channels remain more restrictive. To address anticipated shortages in these occupations, more should be done to recruit into the dual system, and Germany’s new recognition framework could contribute to open new channels.

Thus, immigration is a social issue with many impacts on labour markets, labour supply, employment, competitiveness, equality, gender issues, homelessness and cultural issues (Daly, G., 1996, Barone, G. and Mocetti, S., 2011). Theoretical immigration studies have shown that there is asymmetric distribution of gains from immigration, but empirical evidence is mixed in quite some instances. The boundaries of the field European “immigration and welfare state policy” are fuzzy. Many European countries have made much progress over past decades in helping immigrants integrate in their societies. But much remains to be done, notably in improving how well immigrant children do at school and in finding work, and in immigrant women’s access to employment, according to an OECD report (OECD, 2012).

Immigration has impacts on welfare systems and welfare policies of the European Union (Myers, G.M. and Papageorgiu, Y.Y., 2000, Nannestad, P., 2004. Nannestad, P., 2007, Hansen, J. and Lofstrom, M., 2009). Immigration has also impacts on demographic changes like fertility, population and human capital (Azarnert, L.V., 2010). Giordani and Ruta (2013) have also discussed coordination failures of immigration policies in the EU. Many labour unions are also worried about wage development, when immigration flows increase (Chassamboulli, A. and Palivos, T., 2013). From these perspectives studying and researching the trends of immigration flows is important for European integration studies.

Immigration debate has been a forum for populism in European Union. Recent studies tell that bounded rationality affects performance of democratic institutions. Recent outcome the 2014 European Parliament elections indicate this kinds of populist tendencies (Reuters, May 25, 2014). We do not fully understand policy choices in a representative democracy when voters do not fully anticipate a politician’s strategic behaviour to manipulate his/her re-election chances. Researcher have found that this limited strategic sophistication affects policy choice in a fundamental way. Under perfect sophistication, a politician does not make any use of his private information (for example about immigration) but completely panders to voters’ public opinions. In contrast, under limited sophistication, a politician makes some use of private information and panders only partially. Thus, limited sophistication crucially determines how welfare under representative democracy compares to welfare under alternative political institutions such as direct democracy or governance by experts. Under limited strategic sophistication, representative democracy is still preferable to the other institutions from an ex ante perspective. (see e.g. Binswanger, J. and Prüfer, J., 2012).

The enlargement of the European Union has provided a unique opportunity to study the impact of the lifting of migration restrictions on the migrant sending countries. One of the biggest impacts was, with EU enlargement in 2004 that 1.2 million workers from Eastern Europe emigrated to the UK and Ireland. Emigration to these countries significantly changed the wage distribution in the sending country, in particular between young and old workers. When a novel dataset from Lithuania, the UK and Ireland for the calibration of a structural model of labour demand was used, it was shown that over the period of five years emigration increased the wages of young workers by 6%, while it had no effect on the wages of old workers. Contrary to the conventional immigration literature, there is no significant effect of emigration on the wage distribution between high-skilled and low-skilled workers (see Goddard II, J. and Shivaji, R., 2014).

The purpose of research article is to present an analysis of European immigration flows and immigration policy. The analyses and research tasks include: (1) Immigration to the Nordic countries, (2) immigration to Baltic countries, (3) immigration to Germany, France, UK, Italy, Spain and Italy, (4) Immigration to Czech Republic, Croatia, Hungary, Slovenia and Slovakian and (5) Austria, Poland, Switzerland, Belgium, and the Netherlands, and (6) Ireland, Greece, Portugal, Liechtenstein, Luxembourg, Malta and Cyprus.

The analysis is based on the database of Eurostat (2014a, 2014b). According to Eurosta definitions (Eurosta 2014b) “it should be noted that the two figures above do not represent the migration flows to / from the EU as a whole, since they also include flows between different EU Member States”.

Thus, the research results include trend analyses of immigration flows of analyzed European countries for years 1998–2011. Thus, 14 years period of immigration flows in Europe is analyzed in this article. In this study we focus on official Eurostat statistics (OECD, 2013a, Eurostat, 2014).

Estimating the number of undocumented migrants in any European country is a formidable task, which always comes with political overtones. The task is complicated by a lack of any good way of knowing how many illegal immigrants have left the origin country. The difficulty is fully elaborated in the comparative report for the European Commission Clandestino Project (Triandafyllidou, A., 2009, EUROSTAT, 2013). These estimates of illegal immigrants vary between 1.9 and 3.8 million for the EU 27 in 2008, relatively close to the more political figures released by governments during the past decade.

Key results of the study inform us policy various changes of immigration policy in the European Union. The study includes also logarithmic trend analyses (see Appendix 1) and some statistical comparative analyses (last section).

If we want to have evidence-based immigration policy in the European Union, these kinds of empirical analyses help us to make informed decisions. International migration flows are essential for the effective functioning of European economies. Even in times of financial crisis and fiscal constraint, a holistic approach is required to fully reap its full benefits. This empirical study reveals also some interesting observations about immigration flows during financial crisis after 2007.

Trend analyses of immigration flows

In this section reporting of trend analyses of immigration flows in 30 European countries will be provided. In Appendix 1 an analysis of logarithmic variations are reported as an additional information for readers to identify changes in trends in a more concrete way.
Immigration to the Nordic countries

First, immigration to the Nordic countries is analysed in Fig. 1. We can observe that Sweden has had largest immigration flow among the Nordic countries. In 2005 there was a considerable change in immigration flow in Sweden. The flow increased for over 60 000 to over 100 000 immigrants per year. This was a big change in the immigration policy of Sweden.

Figure 1. Immigration flows to the Nordic countries, years 1998–2011

In other Nordic countries slightly upward sloping trends can be observed in Fig. 1. Especially in Norway, immigration flows have increased yearly from 40 000 to 70 000 immigrants in 1998–2011. In Iceland development of immigration has been quite stable. In Finland immigration flow level has increased in volumes slowly compared to other Nordic countries. In 2011, in Finland it was about 35 000 immigrants, while it was in Sweden little bit less than 100 000.

Immigration to the Baltic countries

In this section immigration flows to the Baltic countries is analyzed. Fig. 2 visualizes immigration trends in the Baltic Sea countries. We can observe that biggest changes has happened in Lithuania, where immigration has increased from 2000 to almost 16 000 immigrants in 1998–2011. In Iceland development of immigration has been quite stable. In Finland immigration flow level has increased in volumes slowly compared to other Nordic countries. In 2011, in Finland it was about 35 000 immigrants, while it was in Sweden little bit less than 100 000.

Figure 2. Immigration flows to the Baltic countries, years 1998–2011

Immigration to major EU countries

In this sub-section immigration flow trends to major EU countries are analyzed. We can see that many changes have happened. In Spain immigration has collapsed after financial crisis started in 2008. Also in Germany immigration flow has decreased in a considerable way (Fig. 3).

Figure 3. Immigration flows to Germany, Italy, France, UK, Spain and Italy, years 1998–2011

In France development has been quite stable, but the reliability of data is not strong. There may be some kind of data bias in these French figures. The opposite increasing immigration trend can be observed in the U.K. and Italy. In Italy there have been considerable fluctuations in immigration flow (see Fig. 3).

Immigration to other European countries

In sub-section the analysis of immigration flows to Czech Republic, Croatia, Hungary, Slovenia and Slovakia is visualized. We can observe that immigration policy of Czech Republic has changes much in 1998–2011. In 2008 peak level of immigrants was reached with 110 000 immigrants. After peak year 2008, immigration to Czech Republic decreased much reaching lower level of 30 000 immigrants. Other countries in this European country group have taken less than 40 000 immigrants per year. Hungary and Slovenia have had increasing trends in immigration flows. Croatia has had decreasing trend in immigration flows. In this country group converge in numbers of immigrants can be observed (Fig. 4).

Figure 4. Immigration flows to Czech Republic, Croatia, Hungary, Slovenia and Slovakia, years 1998–2011
In Fig. 5 immigration flows in 1998–2011 to Austria, to Poland, to Switzerland, to Belgium and to the Netherlands are reported. In this country group, Poland shows very considerable increase in immigration flows. In many countries financial crisis has decreased immigration, but Poland as an European country is an exception to this thumb rule, because in Poland financial crisis has increased immigration flows in a considerable way. In other countries in this country group immigration increased steadily till 2008 but after this year immigration flows decreased. In Austria fluctuations in immigration flows have been considerable.

Fig. 6 visualizes changes in immigration flows in smaller European countries, Ireland, Greece, Portugal, Liechtenstein, Luxembourg, Malta and Cyprus. Biggest changes can be observed in Ireland, Greece and Portugal. Small European countries have suffered quite much from financial crisis and this issue has had considerable impacts on immigration flows. In other countries (Cyprus, Malta, Luxembourg and Liechtenstein) of this trend analysis, changes in immigration volume have been smaller.

Decrease of immigration flow have been in Greece from peak observation 160,000 to over 110,000 immigrants. In Ireland the peak level of 140,000 immigrants turned down to 20,000 immigrants. Volume changes in these countries have been considerable in numbers of immigrants.

Conclusions and additional remarks

In this section a summary of trend changes in immigration flows in Europe will be presented. Figure 7 illustrates maximum, minimum and range of statistical observations. We can observe and identify the countries where absolute changes in immigration numbers have been biggest in 1998–2011. Such countries are Germany, United Kingdom, Italy, Spain, Poland and France. In smaller European countries large changes in immigration flows have happened in Ireland, in Belgium, in Sweden, in the Netherlands, in Switzerland and in Greece.

In general terms, we can note that the biggest absolute changes in immigration flows have happened in biggest EU member countries.

Fig. 8 summarizes main variations in 30 European countries analysed in this study. This summary figure reveals where the most considerable changes in comparative terms have happened. The changes in Spain are very considerable, as well as changes in Germany, in Italy, in Poland, in the United Kingdom and in Czech Republic.

In Table 1, logarithmic analyses of immigration flow volumes are reported in year 1998 and in year 2011. We can observe that logarithmic numbers vary between 2.54–5.90 in 1998, but in 2011 logarithmic numbers vary between 2.81–5.75. This indicates that larger countries have slightly decreased immigration and smaller countries have slightly increased immigration in 1998–2011 in Europe, but changes are not very large in logarithmically scaled analysis of immigration flows. Still large European countries (UK, Germany, Italy, Spain, France and Poland) host most of immigrants. Countries with external border of the EU have major problems in immigration policy.
Some important changes in 1998–2011 have been: (1) Change of rankings of Germany and the United Kingdom (1998–2011), (2) Poland’s increased immigration flow in recent years, (3) Croatia’s decreased immigration flow in recent years, (4) Greece’s decreased immigration flow in recent years, (5) Portugal’s decreased immigration flow in recent years, and 6) Iceland’s decreased immigration flow in recent years.

It is still good to remind that we are talking about official immigration statistics and illegal immigration to the EU is another issue. In May 2012 Eurostat (Eurostat 2014b) published some new immigration statistics of year 2012. These novel statistical observations showed the following changes in immigration flows (Eurostat 2014b).

According to Eurostat definitions (Eurostat 2014b): “It should be noted that the two figures above do not represent the migration flows to / from the EU as a whole, since they also include flows between different EU Member States”. This statistical aspect is good to understand when one is reading this article.

In 2012, Germany reported the largest number of immigrants (592 200) in 2012, followed by the United Kingdom (498 000), Italy (350 800), France (327 400) and Spain (304 100). Thus, in 2012 Germany took number one position in immigration statistics (Eurostat 2014b).

Spain reported the highest number of emigrants in 2012 (446 600), followed by the United Kingdom (321 200), France (288 300) and Poland (275 600). A total of 14 of the EU-27 Member States reported more immigration than emigration in 2012. However, in Bulgaria, the Czech Republic, Ireland, Greece, Spain, Cyprus, Poland, Portugal, Romania and the three Baltic Member States, emigrants outnumbered immigrants, as they did in Croatia. This is a remarkable...
In a summary of immigration statistics of this study for 30 European countries is presented and visualised. This Fig. 10 reveals the considerable impact of financial crisis on immigration flows in Europe. Change in the volume of immigrants in 2007–2011 was 998 098 immigrants in the EU-30 country analysis. In 2007 the number of immigrants was 4411082, but in 2011 only 3412984. Statistical decrease in immigration flows of the analyzed EU-30 countries in 2007–2011 was -22.6%. Probably this considerable change in European immigration was not coordinated or planned political change of official European immigration policy. More or less it has been forced change in European immigration policy. This empirical results causes many questions in European population policy, which has aims to adopt to the aging of population. (Eurostat 2014b).

Figure 10. Immigration in the EU-30 countries, years 1998–2011

It is good to remind readers that we are talking about official immigration statistics and illegal immigration to the EU is another issue.

Thus, it is possible to draw a conclusion that European immigration policy has changed in 1998–2011, especially in recent years of financial crisis. There have been many considerable changes in immigration flows in Europe. Especially many impacts of global financial crisis on immigration flows can be observed in this study. We can expect that demographic push and pull factors have changed in the European Union in the years of financial crisis. If we analyse only immigration flows to European countries, European Union has moved towards "Fortress Europe Policy"-model. In other studies it would be interesting to analyse emigration statistics and its relation to immigration statistics. Very big impacts on immigration can be observed in special European country cases of Poland and Spain.

Obviously there are many coordination and policy failures of immigration policy in Europe. These coordination failures are caused mostly by economic volatilities of financial crisis in 2007–2012. In the European Union policy failures may be linked to populism and political unstabilities.

Figure A1. Immigration flows in the Nordic countries in 1998–2011. Logarithmic variations

In Fig. A1 logarithmic variations of immigration flows are reported. In all Nordic countries logarithmic immigration indicator is below 5, in Iceland it is below 4.

Fig. A2 illustrates logarithmic figures of immigration in the Baltic countries. Immigration flows are having quite similar shape in the Baltic Sea region. Logarithmic index is over 4 in Lithuania and below 4 in Latvia and Estonia.

Figure A2. Immigration flows in the Baltic countries in 1998–2011. Logarithmic variations

Fig. A3 logarithmic numbers of immigration flows to Czech Republic, Croatia, Hungary, Slovenia and Slovakia are reported. Logarithmic indices are between 5 and 6 in this European country group.

Fig A3 reveals that financial crisis have had biggest relative impacts in Czech Republic and Slovenia in this European country group.

In Fig. A4 logarithmic variations of immigration flows to Germany, Italy, France, UK, Italy, Spain and Italy are reported. These trends confirm convergence observation. A country with major changes in immigration policy has been Spain, which logarithmic trend line has been quite unstable compared to other countries in this country group. Also the logarithmic trend line of Italy was not very stable.
Figure A3. Immigration flows to Czech Republic, Croatia, Hungary, Slovenia and Slovakia in 1998–2011. Logarithmic variations

Figure A4. Immigration flows to Germany, Italy, France, UK, Italy, Spain and Italy in 1998–2011. Logarithmic variations

Figure A5 verifies clearly observations presented in text section. In this country group convergence to the logarithmic level of 5 can be observed. Biggest change in immigration policy in 1998–2011 can be observed in Poland. Very many people have travelled back to their homeland Poland from other countries of Europe (especially from United Kingdom). Poland has converged to the trend lines of this European country group (Austria, Belgium, Netherlands and Switzerland). Logarithmic variation nicely reveals the change of trend in Poland (see Fig. A5).

Figure A5. Immigration flows to Austria, Poland, Switzerland, Belgium and the Netherlands in 1998–2011. Logarithmic variations

Fig. A6 summarizes findings of the previous analysis nicely. This analysis of changes in logarithmic indicators, however, reveals another very interesting result, which is big comparative change of immigration policy in Malta (see Fig. A6).

We can also observe some weak form of convergence in this group of small European countries. Liechtenstein is an out-layer country in this convergence process of small European countries.

Figure A6. Immigration flows to Ireland, Greece, Portugal, Liechtenstein, Luxembourg, Malta and Cyprus in 1998–2011. Logarithmic variations

References


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