European Union awakening on unregulated immigration: Impact on EU security, economic and social stability

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Awakening of the European Union on unregulated immigration: Impact on EU security, economic and social stability

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Background

Over the last few decades, Europe’s history, culture and policies have been molded by the continuous flow of immigrants from different cultures. Intellectuals from many countries worldwide, particularly Africa and Asia have started new lives in Europe. Large-scale immigration into Western Europe was more recent. From 1960 to 1973, the number of foreign workers in Western Europe doubled rising from 3% to 6% of the workforce. In Germany, the number of foreigners rose to 4 million between 1960 and 1985. Until 1997, the proportion of foreign-born residents in the EU remained low, ranging from 9% in Austria, Belgium and Germany, to under 2% in Spain.

EU countries continued to issue thousands of work permits each year, thus the foreign-born population has continued to grow, not at last because most countries still issue tens of thousands of residence permits each year for the purposes of family reunification. Primary immigration into Europe was driven by labor needs, despite the fact that the majority of residence permits were issued for highly skilled jobs.

Other major factors contribute to the increasing number of immigrants in Europe: the forced migration of the Jews in the 20th century and the population shifts in southeast Europe caused by the many wars that occurred in that region. These go back as far as the Russian, Austro-Hungarian and Ottoman Empires. Most recently, the war in Iraq, the Arab Spring and the Syrian refugee crisis have caused major economic instability and unsafe living environments in the Middle East, which resulted in a large flow of immigration into EU countries.

Immigration and EU Economy and Workforce

It is challenging the EU to create sustainable and effective economic and immigration goals and policies because of the diversity of its members. The EU’s position on immigration is ambiguous for the following reasons: On the one hand, it is a heterogeneous mixture of communities with a high degree of social responsibility. As such, it continuously identifies new instruments for stimulating development for specific members and several of its regions. On the other hand, it is simultaneously a collection of disparate economies with various degrees of economic development and various capacities for future growth. As such, there are many conceptual views about how to achieve important economic goals.

In the backdrop of this economic and policy environment, there are several major threats to the stability of the EU social model and democratic societies. One challenge is the ageing population. This is because of increased life expectancy and slowing population growth as a whole, particularly in regards
to the working-age population. According to Jack Bijak’s study on population and labor force projections for 27 European countries, estimates show a 10% labor force decline in 50-75% of the EU and more than a 30% decline in Eastern Europe by 2030. Ageing and declining populations strongly influence labor markets, healthcare expenditures, economic and social security systems.

Further destabilizing factors in the EU are illegal immigration, human trafficking and undeclared work. Many illegal immigrants end up working in Europe's shadow economy, which the Commission estimates accounts for 27.2% of GDP in Italy, 23% in Spain and 14.7% in France. The numbers suggest that redesigning the asylum system with tight controls and consistency, coupled with careful selection of highly skilled migration candidates will tremendously reduce negative impacts of illegal immigration on the EU economy and social system.

Immigration affects the stability of the EU labor market. Many immigration studies in the EU suggest that neither regular nor non-regular foreign workers have begun to openly displace native workers. This is despite both the many immigration policies that have been implemented by the EU and the lack of stability and consistency in the labor market. This may be because regular foreign workers are found where the rate of unemployment is high, which is an indicator of high labor demand within these regions. Alternatively, non-regular foreign workers appear to be far less competitive than native workers are. In the non-tradable services sector, it appears that they are taking jobs that would otherwise be unfilled. This result is not surprising, because a high number of the young unemployed have dropped out of secondary school. These workers do not have the same expectations as foreigners and therefore do not compete with them for the same kind of jobs.

Illegal immigration also has an impact on wage rates and businesses. The large influx of illegal immigrants benefits the macro economy of the EU, while simultaneously creating some significant adverse distributional implications. These are evident when flexible wage adjustment is assumed in the various labor markets. Those household groups that experience a net decline in real, disposable income are the poor and middle-class illegal immigrants. Interestingly, however, agricultural households of all income classes are beneficiaries of immigration, as are households that are headed by skilled workers or by inactive individuals, such as seniors.

These results appear to be fairly sensitive only with respect to the elasticities of labor supply and demand. Conversely, they appear to be quite insensitive to the elasticities of substitution in import demand and export supply. The results also appear to be insensitive to the various parameters concerning the structure of the illegal labor market such as the amount of wage differential between illegals and domestic unskilled, as well as the amount that illegals remit abroad. These latter results are interesting from a legalization perspective, because legalization of the illegal laborers would basically result in increases of their wages and hence an increase in the cost of labor to the farms that hire them. In such a case, illegals would operate in the economy just like an increase of domestic labor in the same labor classes. It is this increase in labor that is the important overall influence.

Illegal immigration impacts market demand, wage flexibility and wage discrimination. The demand effects produced by the domestic spending of immigrants depend on “wage discrimination” which is a consequence of illegality. As wage discrimination declines, it will lessen the adverse distributional impacts of the immigrant influx. Thus, the largest overall impact in the EU economy, if wage flexibility clears the labor markets, appears to be distributional. Illegal immigration increases demand for the main public services – health, education, etc. Nevertheless, since these are funded by taxation, it is the net costs and
benefits that matter. Overall, stopping EU migration would cost public services more in lost tax revenue than it would save in reduced demand. 17,35

**Immigration and Health of EU Nations**

Unregulated immigration trends pose a new threat for EU health services. This is particularly true in the UK compared to other EU countries, which control the level of free or indeed any access to health services by migrants. 15,18 There is considerable speculation that migrants from resource-poor countries place a disproportionate burden on services and impact the accessibility and availability of the healthcare system and overall healthcare expenditures.27,36 The National Institute of Economic and Social Research in the UK suggests that, if the Prime Minister actually was to meet his target of reducing net migration to tens of thousands, the very long-term impact (looking out to 2060) would be significantly higher taxes (or lower public spending) of about £30 billion a year (as of 2016). A recent study in Sweden investigated and analyzed the impacts of immigration on healthcare expenditures by specific countries of birth rather than making simple ethnic categorizations (such as “migrant” compared with Swedish-born), which seemed inappropriate for capturing a possible heterogeneity in healthcare utilization.26,27

In general, the use of ethnic classifications in epidemiological and biological research has been questioned. Ethnicity is a socially determined variable that is eclipsed by socioeconomic status. Its complex nature makes it difficult to use as a valid classification. The study showed that place of birth, low individual income and living alone were factors associated with higher health expenditures. 15,17 This suggests that healthcare resources, as measured by total healthcare expenditure, are distributed according to individual needs, at least as they relate to these socio-demographic characteristics. In a health system characterized by equality in access to health care, use of health services reflects socioeconomic differences in health status. Therefore, re-evaluating existing policies and enforcing current legislations are crucial to inform provision of services to migrant groups and to ensure regulation of their access to appropriate health care. 27,36

Country of birth showed to have a profound influence on self-reporting of psychiatric illness and psychosomatic complaints among the immigrant population. Other variables often mentioned in the literature on the health of immigrants is their demographic and socioeconomic variables, which significantly influenced the self-reported mental health, but could not explain the association between the country of birth and the outcomes. 38,39

This is consistent with the small number of other studies presenting that country of birth has a more profound influence on mental health than age and than socioeconomic status among immigrants from some East European and Middle Eastern countries. 38 The influence of the country of birth on the self-reported mental health differed among immigrant groups with immigrants from Middle East and Eastern Europe demonstrating poorer self-reported mental health in general compared to immigrants from other countries, after adjusting for demographic and socio-economic variables. 39,44

According to recent studies, the influence of country of birth on the self-reported mental health was profound and could not be explained by other health determinants, such as age, sex, marital status, social network and socio-economic status. These findings and prior awareness of the health of immigrants from countries focused on in these studies should be acknowledged, particularly with the continuing expansion of the European Union. 39,44
United States Immigration History

A comparison of the US with the EU is helpful in understanding immigration trends. The US has tended to take only small numbers of asylum seekers, relative to its population – far fewer than Europe. Nevertheless, it has a more liberal immigration regime. By the late 1990s, the US was taking in about 1 million immigrants per year, including legal immigrants, illegal aliens and refugees. About 70% of legal immigrants are admitted for the purposes of family reunification. The inflows of migrants during the 1980s and 1990s, which represents the second great migration of the 20th century has literally changed the face of America. In 1970, the US population was 5% Hispanic, 1% Asian and 12% black. A recent projection indicates that by 2050, it will be 26% Hispanic, 8% Asian and 14% black.

In examining healthcare costs and economic impact of immigration in the EU, it is also helpful to look at some US numbers. US per-capita medical expenditures and total medical expenditures increased dramatically from 1990 to 2000. Interestingly, during this same period, there was a significant increase in illegal immigration. Some analysts have claimed that these illegal immigrants hurt the American economy and may actually be increasing health care costs. Many studies conclusively indicate that in comparison to legal residents of the United States, illegal immigrants play a relatively unimportant role with regards to health care expenditure increases. There is no evidence that the increase of the illegal immigrant population between 1990 and 2000 have resulted in a significant rise in total health care expenditures and Medicaid expenditures during that same period. Alternatively, the same studies found that an increase in the legal immigrant population would lead to an increase in total health and Medicaid expenditures.

Illegal immigrants are difficult to track, which affects their use of public health services and education. Illegal immigrants fear US governmental regulations because of their illegal status and as a result, the methods employed to estimate their numbers might be highly inaccurate. Thus, the lack of reliable data on immigration could have resulted in failure to find an effect from illegal immigrants on health care expenditures. Another complicating factor is the proportion of elderly illegal immigrants. Most illegal immigrants are young, healthy and poor, so it is possible that countries with a higher proportion of illegal immigrants will have a lower proportion of elderly residents and lower per-capita incomes. This would lead to decreased medical expenditures. These and other avenues of inquiry can be the basis for further research.

According to the European Center of Immigration Studies, a large number of illegal immigrants enter the EU each year and then basically hide in the population without the opportunity to benefit from public education. By blocking illegal immigrants’ path to education for their children, two generations instead of just one, become dependent on society by increasing the poverty rate. Thus, by granting legalization, and then an education for the children of illegal immigrants, governments would thereby decrease the financial burden from illegal immigration.

Additionally, illegal immigrants’ use of welfare tends to be higher than those of their native counterparts. For example, in the US, a large share of the welfare used by immigrant households with children is received on behalf of their U.S.-born children, who are American citizens. However, even households with children comprised entirely of immigrants (no U.S.-born children) still had a welfare use rate of 56 percent in 2009. This can compromise the ability of a government to provide welfare and basic social and public services to its own citizens and create significant economic and social instability.
A lack of legal residency and education on the part of immigrants forces them into the same public assistance programs that opponents to immigration reform fear they will abuse. Thus, the very effect that opponents attempt to avoid becomes the very result that is accomplished. 32,36

**US Immigration Policy**

US Immigration and Customs Enforcement (ICE) estimates that there are 11.5 million illegal immigrants who currently reside within the US. In 2006, the Department of Homeland Security, Office of Audits, stated that each year more than one million immigrants attempt to illegally enter the United States without proper documentation or enter legally and violate the provisions of their visa. As a result, the US Government has applied many rules and regulations, which govern immigration to maintain law and order within the United States. The United States currently has the systems and the technology in place to track foreign visitors and illegal immigrants for the duration of their stay in the United States. 36,37

In spite of this, a need still exists for an efficient multidisciplinary approach. This approach would allow a broad exchange of intelligence and related action between regulatory agencies, which govern immigration policy. This would positively impact social services, the department of justice and policy development regarding immigration - all crucial in regulating illegal immigration. 37,44 Furthermore, for the policies to be effective, it should be mandatory to emphasize border security and internal tracking of all resident aliens and illegal immigrants. There is also a need for policies to provide the Department of Homeland Security with capacity to ensure its success in maintaining US security. 40,44

Given the tremendously unstable state of the U.S, the EU and global economies as well as the highly politicized debate over border enforcement and undocumented immigration, it is impossible to predict even partial resolution to these controversies. The continuing instability of the world economy may lay the groundwork for more force on borders and an even more hostile climate for immigrants within the US and EU countries. Global economic trends will almost certainly continue to create incentives for the ongoing structural use and abuse of immigrant workers, whatever their legal status. 36,37 Under these circumstances, it is likely that the historical debate over border enforcement, the continuing growth of the immigrant population, and the status of unauthorized persons will persist into the near future. 39,44

**Failure of the EU to Control Immigration and Adopt Promising Policies**

Over the last few decades, asylum has become one of the principal means of immigration into the EU. Since the late 1980s, the number of people applying for asylum has increased sharply. By the end of 1999, the number of people applying for asylum had grown to about 400,000 per year. 19,20 This was a direct consequence of the Cold War, which lifted the lid on a number of small wars and ethnic conflicts around the world targeting civilian populations. Many people applying for asylum report reasons such as ethnic cleansing, terrorism and searching for a peaceful and safe home to start a better life. Most recently, the war in Bosnia in the early 1990s and Kosovo in the late 1990s as well as continuous civil wars and instability in the Middle East and Africa in the 2000s caused the number of asylum applications to rise dramatically. 23, 28

Freer movement and cheaper travel encouraged many to try to emigrate westward. The problem is that tens of thousands have tried to use and abuse the asylum process. In some countries, this has led to a
backlash against all types of migrants. 23,28

In 2005, seven European countries signed the Prüm Treaty to increase transnational collaboration in combating international crime, terrorism and illegal immigration. Three years later, the treaty was adopted into EU law. EU member countries were now obliged to have systems in place to allow authorities of other member states access to nationally held data on DNA, fingerprints, and vehicles by August 2011. The main goal was to prevent and track terrorism. 41,42 The perceived need to respond to threats emerging from the gradual disappearance of national border controls in Europe, in connection with the prevalent discourse of security and risk prevention, fostered initiatives for a closer transnational cooperation in combating terrorism, cross-border crime, and illegal immigration. With the vision of the EU as a political and geographical unit, we should consider Prüm guidelines as a complete system for addressing immigration holistically. 42,43

First, Prüm was an ideal choice for the EU because of the wide variety of information it covered. It attempted to bind together national laws pertaining to the regulation of crime and evidence collection. It converged various digital forensic bio-information datasets into standardized and interlinked databases. It fostered closer collaboration between various national criminal justice institutions with different regulations regarding collection and retention of forensic bio-information. 43

Second, the concept of Prüm as a mechanism encouraged a closer look at the relationships between EU members by focusing on the history and socio-economic and ideological variations of EU members within the Prüm network. “Not all EU members have adopted the Prum guidelines”. The decision to implement Prüm emerged from a strategic need for the ‘stepping up of cross-border cooperation, particularly in combating terrorism, cross-border crime and illegal migration’. 42,43

Prüm as a technology does more than merely fight crime. It helps to empower certain actors, such as forensic scientists and National Contact Points. It benefits technologies like DNA analysis, and promotes the goal of rendering cross-border crime more risky for offenders. In spite of this, it potentially harms other actors, such as crime scene investigators and certain groups of innocent people who may attract the attention of authorities due to false positive matches. Prüm also inhibits the EU’s goal of not devolving more national economic competences at the EU level. These empowering and harmful effects are almost always linked. 41,43

Prüm largely failed to control illegal immigration, though it had other successes. Considering this multi-faceted policy as a tool to fight immigration can inform leaders about technological cooperation in general and the potential capacity of a European ‘forensic culture’ in particular. Unfortunately, some countries within the EU failed to meet the implementation deadline due to political resistance and lack of resources. Prüm is more likely to lead to better data protection in regards to immigration and thus offer opportunities for collective learning in the context of European integration. 42,43

Illegal Immigration and Terrorism

While one of the perceived motivations for solving illegal immigration is the prevention of terrorist attacks, illegal immigration does not appear to be a factor in most attacks. The many terrorist attacks in Europe, including the most recent Paris attack, are not isolated instances of al Qaeda or other terrorist groups such as ISIS infiltrating the EU illegally. 45,46
In fact, dozens of operatives have entered and embedded themselves in the EU, actively carrying out terrorist acts or supporting designated foreign terrorist organizations. They usually need the guise of a legal immigration status and have used every viable means of entry. The longer the duration of the permissible length of stay granted by the visa or the change of status to permanent residency or naturalization, the easier it is for terrorists to travel both within the EU and beyond. Terrorists will continue to come to the EU to carry out operations deeply intertwined with immigration-related plans. Until the EU has a system designed to identify terrorists, their plans to remain in the EU will likely succeed.

Terrorists who embed themselves into communities throughout the EU will continue to rely on a false guise of legality, such as sham marriages. These will likely continue to be some of the most challenging immigration abuses by terrorists. More aggressive identification of national security risks will help prevent terrorists from applying for and attaining enhanced immigration status. Risk management as well as targeting a patterned analysis will help to distinguish national security risks efficiently.

There are several methods that will help prevent terrorist attacks by migrants. Immigration benefits juries must have access to comprehensive, biometrically based immigration histories. These must include information from the moment an individual first applies for a visa or presents a passport at a port of entry, through every subsequent request for an immigration benefit. Adequate human resources will be necessary to fulfill such a mandate while efficiently processing applications. Many studies establish that the EU must identify more quickly the weaknesses in the immigration system that allow terrorists to remain in Europe. It is also clear that strict enforcement of immigration law at EU consulates worldwide, at ports of entry, and within individual EU nations must be an integral part of the efforts to prevent future attacks on EU soil.

Discussion

Immigration in the EU is embraced more enthusiastically by the free market right than the trade union left even though it has brought real benefits. Immigrants contribute to innovation. They also do jobs that native workers refuse, such as in agriculture. In his book “Heaven’s Door”, US Harvard Economist George Borjas claims that the economic benefits brought by the latest 20-year wave of immigrants are more disputable due to the fall-off in skills relative to those who immigrated to the US in the 1950s and 1960s. He argues that America should admit only 500,000 immigrants per year, and select the most highly skilled. European governments are taking similar steps. For example, Germany wants 20,000 information technology workers from outside Europe. The UK also wants to recruit East European computer experts but is very keen to turn away their less skilled compatriots. Nevertheless, immediate attention in Europe is likely to shift back to more conventional labor-shortage recruitment. There will be no return to the open door policy of the 1960s, but the EU economy will require an increase in selective primary immigration.

It is obviously beyond the immediate power of the EU to eradicate the root causes of all migration.
However, over time, if the EU wants to reduce migratory pressure, it will have to provide more development aid, debt relief, and fair trade, and it will need to be better equipped to prevent conflict and keep the peace around the world. These objectives lie at the heart of both the EU’s foreign and security policies. 27,28

Numerous research suggests that the reason illegal immigrants create large fiscal deficits for the country is not their legal status, but rather their educational attainment. Sixty percent of illegal immigrants in Europe are thought not to have even a high school education. 10,12 Moreover, another 20% have a high school education only. Further research suggests that people with so little education make relatively little money in the modern EU economy. Consequently, they tend to pay very low taxes, even if they are legal and documented. 24,27

At the same time, illegal immigrants tend to use a fair amount of public services, reflecting their lower incomes. 16,17 If we began to legalize these individuals and they began to pay taxes and use services like legal immigrants with the same level of education, the net yearly fiscal drain would roughly increase to triple. 27,28

The challenges of containing illegal immigration lies in its complexity and the difficulty of managing policy at the EU level. Regardless of the ambitious proposals for the global approach to migration, the EU has struggled to improve its migration agenda in a way that is meaningful for its diverse partner countries. 25,26 Since the early 2000s, there has been an interest in going beyond the security approach. However, not many member states are actually ready to pursue active migration policies – especially in the times of financial crisis. 26,28 Moreover, international events, such as the Arab Spring of 2011, can shift priorities overnight and get EU level cooperation on migration back to where it was at the fall of the Communist Block. 28,50

The comparatively weak position of the EU as an international actor has had a direct impact on its migration policy. Additionally, the mixture of interests and various geographical and ideological priorities between members of the EU make it difficult to build a uniform migration policy. 24,27 A comprehensive approach at the EU level is necessary to fully control illegal immigration, however hard it may be to come to this point. 24,27 When the EU can reach an immigration agreement, cooperation will be able to flourish and prove the concept of EU concerted action, although this happens rarely in the case of external relations. 19,28

The EU and other world powers must work to eliminate some of the root causes of migration globally. Specific steps toward this goal will include eliminating the notable inequality of salaries between countries, leveling the disparity between the demographics of the developed world and that of the developing world. 19,20 It will also be crucial to address the inequalities in lifestyles and consumption between the developed and undeveloped world. Until these goals materialize, immigration to Europe will continue to be an attractive option for people in the under-developed world. 28,36

Conclusion

In summary, migration will continue, because we live in an increasingly interdependent, but highly unequal world. Population and labor are essential inputs to policy-making and medium as well as long term planning, especially on a regional level. In order to maintain EU economic competitiveness and to avoid worse inequality, policy-makers must find ways to cope with these challenges through evaluating the
effectiveness of current policies and implementing new economic and social policies, though policies
directly affecting demographic and migratory trends may also be needed. Aggressively tracking foreign
visitors is an essential preventive measure to lower or even eliminate terrorist activities. Failing to
effectively utilize the available systems and technology to track illegal immigrants threatens the
security and future of the EU.

Empirical analyses of unregulated immigration to the EU require consistent and complete data on
migration flow. Publicly available data, however, represent an inconsistent and incomplete set of
measurements obtained from a variety of national data collection systems. In order to overcome these
obstacles, standardization of migration reports and data of sending and receiving countries in the EU is
essential. This paper has highlighted the importance of shared experiences of immigration, of nation-state
formation, geography, and compliance status in the European Union. It has also provided support to manage
the impacts of unregulated immigration as a source of social and economic change in Europe.

How should the EU navigate the immigration crisis? How can policy-makers simultaneously encourage EU
economic growth? These are open questions that the EU must address.

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Principal Migratory Routes in direction to Europe

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Source: Europol

Maritime Arrivals of Migrants

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