Migration and the Economic Downturn:
What to Expect in the European Union

Demetrios G. Papademetriou, Madeleine Sumption, and Will Somerville
Migration Policy Institute

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I. Introduction

Does the Minister accept that as the country goes into recession, the defense of our borders becomes more, not less, important? As skilled workers are laid off in our constituencies, what changes [to the immigration system] will the Government make to ensure that those workers get first chance for any vacancies…?

- Frank Field, House of Commons Debate, 27 October, 2008

The turmoil in financial markets and the slowing economic growth have filled headlines in developed nations across the world. In Italy, the MIBTEL stock market index fell by 52 percent in the year to October 2008. Over the same period, the leading indices in the United States, Australia, France, Germany, and Britain each fell by at least 40 percent. Spain lost one million jobs in 2008 with the collapse of the construction industry, pushing unemployment to over 12 percent.[1] The International Monetary Fund (IMF) has predicted that advanced economies will contract by 0.3 percent in 2009 – including negative growth of 1.3 percent in Britain, 0.8 percent in Germany, and 0.7 percent in the United States.[2] Meanwhile, governments across the world are busy crafting some of the most extensive stimulus plans in economic history.

As unemployment rises and household budgets shrink, policymakers, analysts, and the public are beginning to ask what the consequences will be for immigrants and for immigration. The implications of the recession should not be underestimated. Immigrants make up a significant proportion of the labor market: about one in ten residents in France, the Netherlands, and the United Kingdom are foreign born, rising to one in eight in Ireland and Spain, one in seven in the United States, and one in four in Australia.

The downturn is likely to affect the kind of immigrants that arrive and leave, with implications for labor supply in certain sectors. Since immigrants are overrepresented in low-skilled occupations that are typically hit hardest during downturns, and since some immigrants (such as the unauthorized population) are ineligible for welfare benefits, they may suffer particular hardship during the recession. This could damage their potential to integrate socially and economically.

Immigration remains a hot political issue across Europe and the United States. Public expectations about immigration's impact are likely to become most acute in periods of economic turmoil — particularly the concern that immigrants take jobs from native workers and burden the welfare system at a time when public budgets are under strain. Whether or not these fears are founded, the economic downturn has the potential to create anti-immigrant sentiment that would be harmful to community cohesion.

The implications for immigrants and for immigration will depend in part on the nature of the recession, with a longer and deeper downturn likely to lead to more severe and more permanent impacts. Official projections are still changing and becoming increasingly downbeat, with last year's "worst-case scenarios" rapidly turning into this year's baseline projections. Nonetheless, this short briefing paper intends to begin a discussion about what the consequences will be, and how policymakers might respond. We discuss three aspects of the question:

- How will the downturn affect migration flows? Will inflows slow or outflows increase?
- How are immigrants themselves affected?

- How will host communities be affected by these immigration developments?

II. Does the Economic Cycle Affect Immigration Flows?

Migration decisions are strongly linked to economic opportunity. Economic migrants move to the host country because they want to improve their own opportunities for upward mobility and those of their families. There are strong reasons to believe, therefore, that the host country's labor market conditions could affect immigration flows. However, in order to understand how and where this will happen, we need to look more closely at the different factors that motivate decisions to migrate.[3]

What Affects Immigrant Inflows?

Different immigrants will have different reasons for migrating, and will face different barriers in doing so. These factors affect the likelihood that an economic downturn in immigrant-receiving countries will shape migrant inflows.

- Is migration labor-related? For some immigrants the decision to migrate is purely an economic one. For others, personal, social, or political factors are more important, and hence labor market conditions will be less relevant (although they may still play a role).
- Is there still an "opportunity differential"? Would-be economic migrants are expected to move if they perceive that their prospects in the host country are much better than those at home. If wages and employment rates decline just as much in the source country as in the host country, a recession does not necessarily reduce the motivation to migrate. The extent to which sending and receiving countries' economic cycles are aligned will thus be important in determining flows.
- Is the relevant visa category oversubscribed? If the host country has very limited quotas for a given type of immigrant, a reduction in applications will not lead to a reduction in visas issued. For immigrants who have waited a long time to receive a visa, immigration is a long-term decision that is unlikely to be affected by a recession of limited duration.
- How much administrative delay is there to visa processing? Long visa processing times should reduce the extent to which application numbers reflect current economic conditions.
- Does the visa require a job offer? Even for visa types with limited administrative delay or oversubscription, a natural decrease in flows should be expected for visas that require job offers, because such offers will be harder to obtain during a downturn.

What Affects Immigrant Outflows?

Immigrant outflows are governed by largely similar motivational and institutional considerations. A number of factors affect an immigrant's propensity to leave the country during a downturn.

- How robust is the labor market in the source economy? Migrants are unlikely to return home unless they believe their prospects there are substantially better.
- Was a migration intended to be temporary or permanent? While the lines between temporary and permanent migration are blurred, the migrant's *intentions* are clearly important to any decision to return home during a downturn. Immigrants who intended to immigrate permanently are much less likely to return home in a recession. Those who planned for a temporary stay, on the other hand, may decide to cut their trip short.
- How strong are social and family ties in the host country? Strong family ties in the host country will discourage return migration.

- How much time has passed since immigration? A combination of the first two considerations means that longer stays will likely be associated with lower rates of return migration due to a downturn.
- How expensive is it to return home? Circular or "shuttle" migration is more common for immigrants in geographically proximate countries.[4]
- Will the individual be able to come back when the recession is over? An immigrant who cannot return to the host country will think twice about leaving. This will depend on the immigrant's status and the host country's immigration rules.
- Is the immigrant eligible for welfare benefits? Many immigrants are not eligible for benefits (depending on their immigration status and the specific country's rules). Workers who are not eligible for benefits, cannot find employment, and do not have family or friends to support them may decide to go home.

The Overall Impact on Migration Flows

The relative importance of these factors affecting inflows and outflows depends on the type of immigration in question and on characteristics specific to the host country. How sensitive are the various migration flows in the European Union likely to be to these factors? In this section we discuss how the impact is likely to differ depending on the migration category.

Family and humanitarian immigration seems least likely to be affected by the economic cycle. Even if such immigrants do choose to work in the host country, their decisions will be driven to a large extent by noneconomic factors. Further, a substantial portion of family migration is likely to be permanent by intention. For the same reasons, these migrants are also highly unlikely to return home because of an economic downturn.

Many ***highly skilled economic migrants*** are young and single, and hence unlikely to have strong family ties in the host country – making them potentially more likely to return home if they lose their job. Indeed, for those whose visa status ties them to a specific employer, return may be the only alternative to working illegally. At the same time, the fact that migrants are highly skilled suggests that the expense of going home may well be affordable relative to salary, even if the immigrant intends eventually to attempt to return to the host country. However, for immigrants whose visa conditions allow them to remain in the host country, a high skill level provides greater flexibility to find another job, since they are better able to transfer to new sectors or downgrade temporarily to an occupation below their education level. Further, many work in sectors such as health and social services that are not traditionally cyclical and that are expected to continue to grow at a robust pace as host societies age. For example, more than 15 percent of immigrants are employed in health and social services in Denmark, Norway, Sweden, and the United Kingdom.

Many of these expectations are supported by the results of a study by Lesleyanne Hawthorne on the impacts of the 1990-1991 recession in Australia on highly skilled engineers. The study found that few were willing to relocate or leave Australia. Fifty percent of the research sample "switched" sectors (many to IT), highlighting the adaptability and flexibility of migrants. Youth, language ability, and previous experience in Organization for Economic Cooperation and Development (OECD) countries correlated with continued labor market attachment. Older workers with poorer language skills, and particularly those from a Middle Eastern background, were more likely to become detached from the labor market. In thinking through policy, the bifurcated results of the study were telling. Those that remained in work succeeded in the long term (often increasing wages) while those who did not faced long-term labor market exclusion.[5]

Less skilled immigrants are likely to suffer more from employment reductions in sectors such as construction and manufacturing, as the downturn extends across the private sector. Mass redundancies in both construction and manufacturing will make many European labor markets less hospitable to low-skilled immigrants. Indeed, almost 30 percent of immigrants in Greece were employed in construction and almost 20 percent in Spain in 2005-2006. The "mining, manufacturing, and energy" industries employ large proportions in some countries: 29 percent in Germany and 23 percent in Italy.[6] In addition, low-skilled workers' relatively greater reliance on social networks to obtain jobs may have secondary effects as unemployment rises and immigrants are able to pass on less information to co-ethnics about vacancies with their employers. Further, many are not eligible for benefits. In the United Kingdom, for example, unemployment benefits to low-skilled immigrants have been restricted to prevent "welfare tourism"; in the United States, the 1996 welfare reform ended federal funding for immigrants' benefits, meaning that in many states, the safety net for immigrants is very limited.

Despite this, many low-skilled immigrants are choosing to stay put. The prospects for the low-skilled in their home countries may be bleak compared to more educated immigrants; and in many cases, the financial cost of returning home is substantial (for example in the case of Ecuadorian immigrants in Spain or Asian immigrants in Britain and the United States). This fact, together with access to state benefits and the lack of an iron-clad guarantee that they could return if the economic circumstances at home provided intolerable, account for the poor take-up rate of a recent government program launched in Spain that pays unemployed immigrants to go home. In the first few months of the scheme, fewer than 1,400 out of 100,000 eligible immigrants signed up.[7]

Illegal immigration is thought to be quite responsive to economic cycles in host and source countries. Evidence from the United States shows a close correlation between changes in the US-Mexico wage gap and illegal immigration. When the wage (and opportunity) gap changes, arrests on the southwest border were found to respond within the current month.[8] Recent evidence suggests there has been no significant growth in illegal immigration to the United States in 2007-2008.[9]

On the other hand, the main disincentive to return migration is likely to be border enforcement, since workers fear they will not be able to come back to the host country after the recession (this is particularly relevant to the United States, where investment in border enforcement has been increasing enormously for several years). Further, the absence of internal borders in the European Union's Schengen area are allows jobless unauthorized immigrants to seek employment across a range of countries. These factors, combined with the bleak prospects for many low-skilled immigrants in their home countries, suggest that the recession may well reduce the inflows of unauthorized immigrants but have a smaller impact on their outflows — unless, of course, a particularly deep and protracted recession substantially changes immigrants' decision-making dynamic.

Student inflows have been found to be sensitive to economic conditions in their home countries and to exchange rates, [10] making changes in flows dependent on the relative performance of host and source countries. Recent stock market turmoil across the world has reduced the value of individuals' savings in sending countries. For example, the China Shanghai Composite Index fell 66 percent in the year to October 2008, with likely implications for student flows. China is the largest student source country for the United Kingdom, Australia, France, and Germany and the second largest for the United States, [11] five countries that together account for 65 percent of world market share.[12] Similarly, a 43 percent fall in India's main index over the same time period has strong implications for the United States' largest student source country.[13]

As Lesleyanne Hawthorne argues in a recent paper prepared for the Migration Policy Institute, these trends make it highly likely that flows of (self-financed) international students will fall in the short run, with many of these students becoming more likely to choose educational institutions closer to home.[14] This is exactly what happened during the Asian credit crisis of 1997, where key Association of Southeast Asian Nations (ASEAN) currencies fell 25 to 30 percent in value in the second half of the year. This financial crisis decimated flows of Malaysian students to the United Kingdom, and led to significant impacts on student flows to other countries, including Australia.

Intra-European Union immigration, primarily originating in new Eastern European (A8) Member States and flowing towards Western Europe, has made up a large proportion of immigrant inflows in certain European Union (EU) countries, particularly Britain and Ireland, but also Sweden. This immigrant stream is likely to be highly responsive to the economic cycle for several reasons. It is strongly labor-motivated. There is no visa process – workers can come and go as they choose – potentially timing their arrival to maximize the probability of finding employment. Similarly, A8 workers face no barriers to returning to the host country in the future and the cost of travel in either direction is very small relative to wages.

Research on Polish migrants to the United Kingdom indicated that many only intended to spend a limited period of time,[15] suggesting that they may decide to cut this stay short if employment is not forthcoming. The majority of A8 immigrants have only spent a short period in their EU host country, reducing the extent to which family or social ties will hold them there. Further, social networks are highly important in A8 migrants' job search (in 2007, 36 percent of Polish workers with a job in the United Kingdom, for example, obtained it through someone they knew working with the same employer), and declining employment among this group is expected to reduce the availability of labor market information for immigrants to pass on to friends and relatives.[16] Finally, economic growth in Eastern Europe in recent years has been robust, aided by European Union structural funds: in 2008, substantial declines in unemployment in Poland, for example, contrasted with deteriorating employment conditions in the United Kingdom.

Country-Specific Factors

In each of these cases, other factors will affect the immigrants' calculus. First, the host country's visa processing system will affect the likelihood that flows will respond to economics. Countries with heavily oversubscribed visa categories (like the highly skilled H1-B visa in the United States) are unlikely to see drops in legal inflows, since applications already exceed the number of visas issued. Longer visa processing times should reduce the sensitivity of flows to economic conditions, since there is a lag between application and arrival. Moreover, many immigrants may expect the worst of the downturn to be over by the time their visa is processed. There is significant variation between OECD countries in this regard. For example, processing for work visas is relatively fast in the United Kingdom (about four weeks),[17] but it can take between three and six months to obtain a comparable visa for the United States.[18]

Second, migrant flows during the downturn will depend on the economic conditions in the main source countries and the extent to which their economies move in tandem with those in developed host countries. The downturn — and reports of high immigrant unemployment in receiving countries — may well encourage would-be immigrants to postpone or cancel their migration plans. However, large wage and opportunity differentials remain between sending and receiving countries, suggesting that the recession is unlikely to send substantial proportions of immigrants home. Conditions in the source country will be particularly important in determining outflows of returning migrants, since risk-averse immigrants will want assurance that opportunities will be no worse in their country of origin, before they consider returning.

Will the Recession Have Long-Term Consequences for Immigrant Flows?

An immigration slowdown seems likely in the short run, at least for some types of migration. Should we expect the pace of immigration to resume in the longer term?

While the long run is marked by a great deal of uncertainty, it seems that only a severe and protracted recession could have a substantial, long-term effect on migration flows. First, to the extent that the downturn is associated with inevitable economic restructuring (and the shift of jobs from declining to expanding industries), some types of immigrants might not return. Second, a severe recession involving large-scale immigrant unemployment could break the chain of labor market information that channels immigrants into new jobs, requiring a longer recovery period before immigrants are able to pass on labor market information again at significant scale. [19] Third, and related to the point above, in recent recessions jobs have lagged broader economic recovery; many immigrants are therefore likely to remain detached from the host country's labor market for some time. Fourth, and perhaps most importantly, recent experience may make policymakers more hesitant to admit as many immigrants as they have done in the past. In particular, Spain's sudden immigration "boom and bust" may well encourage a less enthusiastic attitude to immigrant inflows for some years to come.

If the downturn remains moderate or even light, on the other hand, many of the factors that sent immigrants home during the downturn should reverse some time after economic conditions improve. In all likelihood, the underlying drivers of migration in the long term will not change significantly after the downturn. Factors such as continued labor market demand at both ends of the skills' continuum; demographic change; international competitiveness considerations; and the ever-denser networks of immigrant communities themselves will ensure ongoing net immigration flows of variable but significant volume.

III. How Will Immigrants Fare During the Downturn?

Business cycles are thought to have a more serious impact on immigrants than on natives, for several reasons.

Immigrants Are Disproportionately Low-Skilled

Research consistently shows that low-skilled workers are most likely to lose jobs during a recession[20] when employers shed their "lowest productivity" workers and those who are easiest to replace (that is, those with little on-the-job or general training). Immigrants are overrepresented among the low-skilled in most of the immigrant-receiving OECD countries.[21] Language barriers may also make them less productive relative to natives, and hence more "expendable." A recent study using data from the United Kingdom and Germany confirms this by showing that immigrants' unemployment rates are more strongly cyclical than those of comparable natives. In Germany, for example, the unemployment response to macroeconomic shocks for non-OECD immigrants with vocational training but no college education was more than twice as large as that of comparable natives. [22]

Recent experience in Spain bears out these trends: 34 percent of immigrants in the Spanish labor market work in low-skilled jobs, compared to 11.5 percent of natives. And the sudden rise in unemployment in the Spanish labor market has been particularly severe among the foreign born. Over the past year, the immigrant unemployment rate has been roughly 50 percent higher than that of Spanish workers.[23]

Many Immigrants Are Not Eligible for Benefits

Many recently arrived and unauthorized immigrants are not eligible for most benefits.[24] Immigrants who lose their jobs and are not eligible for benefits may have other options. For example, they might: rely on family members and other social contacts for financial support; rely on accumulated savings; take "any" job even at very low wages; move into self-employment; or return home. However, those who do not have sufficient family resources or who are unwilling or unable to return home are at particular risk of hardship. In the worst-case scenario, if an immigrant has no savings or family support, lacks the skills for self-employment, and does not want to return home (for example because of the cost, fear for their safety on return, or the difficulty of coming back later), he or she faces a high risk of falling into poverty.

While immigrants are typically more flexible than natives — more mobile[25] and more willing to change sector in order to remain employed — the balance of the evidence is that they stand to lose most from the downturn. This has strong implications for integration. First, the knowledge that many immigrants simply cannot afford to go without employment for more than a limited period of time could make them vulnerable to exploitation by employers. Second, evidence from the United States shows that the process by which immigrants' wages catch up with those of native workers over time is faster during an upswing and slower during a downturn, suggesting that rising unemployment prevents immigrants from acquiring host-country-specific human capital.[26]

The longer and more protracted the current recession, the greater the danger that adverse impacts will have profound effects for immigrants' integration into society, their welfare, and that of their families.

IV. How Does Immigration's Impact on Natives Change During a Recession?

Impact on the Labor Market

The political debate about immigration in most developed countries centers around immigrants' impact on the labor market. No strong evidence exists to show that immigrants reduce wages or take natives' jobs,[27] although much of the public believes that they do.[28] In times of high unemployment, experience shows that the public and policymakers become more concerned about the potential adverse effect of immigration on natives' opportunities. As noted, Spain's rising unemployment led to the launch of a program in late 2008 that pays immigrants to go home. Rising tensions are particularly concerning in countries where immigration-related conflicts are already evident: for example, in September 2008, Italy's government statistics agency publicly blamed immigrants for the country's rising unemployment.[29]

Unfortunately, virtually no research has directly addressed the question whether immigrants' impact on natives changes during economic downturns. A 1993 US study found that the impact of immigration on African American workers depended on local economic conditions. Immigration was found to be beneficial to African Americans when demand for labor was strong, but harmful when the local economy was weak.[30] However, it bears reiterating that very little is known about the relationship between immigrants' impact and the economic cycle.

Intuitively we might expect the impact of immigration on natives to increase during a downturn, since rising unemployment may make competition for jobs more severe. At the same time, immigrants may *need* to be employed more than natives, if they are not eligible for benefits and do not have accumulated savings to fall back upon. This could make them more likely to "undercut" natives by accepting low wages.

Counter-arguments: Cyclical Immigrant Employment and Return Migration

On the other hand, two factors suggest that immigrants are less likely to compete with natives during a recession. First, immigrants have more strongly cyclical employment rates than natives, losing jobs faster during downturns and regaining them faster during upswings.[31] This suggests that immigrants have some potential to smooth labor market cycles (limited, of course, by their relatively small proportion of the total labor market).

Second, return migration of low-skilled workers may have a counter-cyclical effect. This is particularly relevant to countries with substantial flows of workers from Eastern Europe who, as discussed, seem most likely to respond to the downturn by returning home. Indeed, an advisor in the Polish government recently suggested that 400,000 Poles in Britain and Ireland were likely to lose their jobs during the current downturn[32] and that many will choose to return to Poland.

Fiscal Impacts

Although immigrants lose their jobs in larger numbers during a recession (and hence should be expected to raise the social welfare burden) ineligibility for benefits and return migration may offset some of the fiscal costs in many EU countries. It is difficult, therefore, to predict exactly how current immigrants' fiscal impact should change during the current downturn.

Integration in Local Communities

Given the lack of strong evidence that immigrants undercut natives in the labor market, perhaps the most pressing concerns are social and political — in the face of growing economic insecurity, immigrants become likely scapegoats. This may be particularly problematic in countries that already face integration difficulties, such as Italy, the Netherlands, Germany, and France.

V. What Are the Policy Implications?

Immigrant integration policies will be extremely important during the downturn. For the many immigrants who are not willing or able to go home during the downturn, severe hardship may arise.

Job losses coupled with ineligibility for benefits are likely to hinder economic and hence social integration. Second, high unemployment may fuel tensions between immigrants and native workers who feel that their jobs are being threatened. Concurrent efforts to help native low-skilled workers will be necessary in order to avoid an anti-immigrant backlash.

Cyclical immigration policies have intuitive appeal for policymakers who want to align immigration with the business cycle. The argument is that governments should welcome more immigrants when labor demand is strong, and fewer when it is weak. This seemingly simple recommendation, however, has more complex implications if it is to be put into practice.

Counter-cyclical policy (in other words, policy that acts to smooth the business cycle) relies on governments being able to influence the size and potentially type of labor flows quickly enough to meet labor market needs. Anyone familiar with monetary policy will recognize that policy decisions (such as changing interest rates or adjusting immigrant inflows) can have a lagged impact on the economy and their effects might not be felt until the recession is over — especially if it is shorter or less severe than currently projected.

- Government has only limited control over some flows (such as illegal immigration, refugees, and internal EU migration in Europe). Fortunately, however, there is evidence that both illegal immigration and internal EU flows are cyclical even without government intervention, as discussed above.
- While several OECD countries administer shortage occupation lists in order to channel immigration to the areas of the labor market that require it most, these lists simply cannot respond quickly to rapidly changing economic circumstances. Analysis is based on administrative data that is typically several months old by the time recommendations come into force.

Three policy adjustments *are* possible, however. First, governments could temporarily require a job offer for immigration categories which do not currently require one. This would limit admissions to those immigrants who are most likely to integrate quickly into the labor market, reducing the flows of immigrants with poor employment prospects in the current economic climate.

Second, countries with points systems (such as Australia, Canada, and the United Kingdom) could adjust the number of immigrants arriving via this route by raising the “pass-mark” or the number of points required for admission. Raising the pass-mark would restrict flows to the applicants with the highest credentials — potentially reducing the likelihood of post-arrival unemployment. Note, however, that in the longer term, limits on the number of highly skilled immigrants are unlikely to serve immigrant-receiving countries’ interests, since attracting individuals with high levels of human capital can boost productivity and growth.[33] Indeed, Sweden has loosened restrictions on work permits for the highly skilled despite the downturn.[34]

Third, governments could structure the conditions of immigration to make cyclical return migration more attractive to immigrants. Potential interventions to achieve this include:

- Multiple entry visas for low-earning temporary workers on work permits. These immigrants would be allowed to leave the host country and return on the same visa to work for a different employer. This would enable immigrants to go home during economic downturns without jeopardizing their future prospects for employment in the host country.

- The relaxation of regulations that require immigrants aspiring to permanent status or citizenship to show that they did not leave the country for more than a specified period of time.
- Legalization or regularization, allowing unauthorized immigrants to return after a given period if they leave now. Of course, this policy is controversial and would need to be addressed as part of an overall strategy on illegal migration.

Such changes may make a small contribution to the welfare of natives and immigrants in the labor market by reducing the numbers of immigrants for whom it may be difficult to find work. That said, one should not overestimate their impact. Welfare and active labor market policies to help low-skilled natives and existing immigrants *will inevitably be the most important tool* at policymakers' disposal.

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About the Authors

Demetrios G. Papademetriou

Demetrios G. Papademetriou is President of the Migration Policy Institute (MPI), a Washington-based think tank dedicated exclusively to the study of international migration. He is also the convener of the Transatlantic Council on Migration and its predecessor, the Transatlantic Task Force on Immigration and Integration (co-convened with the Bertelsmann Stiftung). The Council is composed of senior public figures, business leaders, and public intellectuals from Europe, the United States, and Canada. Dr. Papademetriou also convenes the Athens Migration Policy Initiative (AMPI), a task force of mostly European senior immigration experts that advises EU Member States on immigration and asylum issues, and the Co-Founder and International Chair Emeritus of *Metropolis: An International Forum for Research and Policy on Migration and Cities*.

He holds a PhD in Comparative Public Policy and International Relations (1976) and has taught at the universities of Maryland, Duke, American, and New School for Social Research. He has held a wide range of senior positions that include Chair of the Migration Committee of the Paris-based Organization for Economic Cooperation and Development; Director for Immigration Policy and Research at the US Department of Labor and Chair of the Secretary of Labor's Immigration Policy Task Force; and Executive Editor of the *International Migration Review*.

Dr. Papademetriou has published more than 200 books, articles, monographs, and research reports on migration topics and advises senior government and political party officials in more than 20 countries. His most recent books include *Still a Study in Ambiguity: Germany and its Immigrants* (co-author, forthcoming); *Gaining from Migration: Towards a New Mobility System*, OECD Development Center (co-author, 2007); *Immigration and America's Future: A New Chapter* (2006, co-author); *Europe and its Immigrants in the 21st Century: A New Deal or a Continuing Dialogue of the Deaf?* (2006, editor and author); *Secure Borders, Open Doors: Visa Procedures in the Post-September 11 Era* (2005, co-author); *NAFTA's Promise and Reality* (2003, co-author); *America's Challenge: Domestic Security, Civil Liberties, and National Unity after September 11* (2003, co-author); and *Caught in the Middle: Border Communities in an Era of Globalization* (2001, senior editor and co-author.)

Madeleine Sumption

Madeleine Sumption is an Associate Policy Analyst at the Migration Policy Institute, where she works on the Labor Markets Initiative and the International Program.

She holds a Masters degree with honors from the University of Chicago's Harris School of Public Policy Studies. There, she focused on labor economics and wrote a thesis on the development of social networks among Eastern European immigrants to the United Kingdom and its labor market implications. She also holds a First Class Degree in Russian and French from New College, Oxford.

Before coming to the United States, Ms. Sumption worked on education policy at the New Local Government Network in London.

Will Somerville

Will Somerville is a Senior Policy Analyst at the Migration Policy Institute, where he works on the International Program. Previously, he worked for the Commission for Racial Equality, the Prime Minister's Strategy Unit, Cabinet Office, and the Institute for Public Policy Research. He holds a First Class Degree from Leeds University and a Masters with Distinction in Social Policy from the London School of Economics, where he was awarded the prestigious Richard Titmuss Prize.

He has managed over 20 research projects and has over 25 publications to his credit. He is a regular contributor to the Guardian newspaper and has edited five welfare rights and best practice books. His most recent book, *Immigration under New Labour*, was published in September 2007.

About the Transatlantic Council on Migration

The Transatlantic Council on Migration is a unique deliberative body that examines vital policy issues and informs migration policymaking processes across the Atlantic community.

The Council has a dual mission:

- To help inform the transatlantic immigration and integration agenda and promote better-informed policymaking by proactively identifying critical policy issues, analyzing them in light of the best research, and bringing them to public attention.
- To serve as a resource for governments as they grapple with the challenges and opportunities associated with international migration.

Launched in April 2008, the Council is an initiative of the Migration Policy Institute, convened by MPI President Demetrios Papademetriou. The Bertelsmann Stiftung and the European Policy Centre are the Council's policy partners.

The Council is supported by the Carnegie Corporation of New York, the Ford Foundation, the Rockefeller Foundation, the Hellenic Migration Policy Institute, and the governments of the Netherlands and Norway.

For more on the Council, please visit www.migrationpolicy.org/transatlantic.

About MPI's Labor Markets Initiative

The Labor Markets Initiative is a comprehensive, policy-focused review of the role of immigration in the labor market.

The Initiative will produce detailed policy recommendations on how the United States should rethink its immigration policy in light of what is known about the economic impact of immigration – bearing in mind the current context of growing income inequality, concerns about the effect of globalization on US competitiveness, the competition for highly skilled migrants, and demographic and technological change.

Within MPI, the project is led by MPI President Demetrios Papademetriou and Senior Vice President Michael Fix. Its work also is guided by a group of leading experts in labor economics, welfare policy, and immigration.

A companion report to *Migration and the Economic Downturn: What to Expect in the European Union* examining the effects of recession on US immigration flows and immigrants' participation in the US labor market was published in January 2009.

That report, *Immigrants and the Current Economic Crisis: Research Evidence, Policy Challenges, and Implications*, is available at www.migrationpolicy.org/pubs/lmi_recessionJan09.pdf