Discussion of “The contribution of recent refugee flows to the labour force in European countries”

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• Tackling an enormously important topic – the refugee crisis
• Migration a challenge from a public policy/public perception perspective
• Especially when:
  – Large-scale
  – In short period
  – Different ethnic/religious group
• “Uncontrolled”
• This paper seeks to go beyond loose commentary and to provide quantification
• The nature of my discussion is not to critique the paper but more to tease out implications
• One question – what about Libya (question prompted by the small effects seen for Italy)?
• Summarising the paper
• 3.3 million asylum seekers arrived between 2014 and 2016
• However, effect on labour force much smaller due to factors such as processing delays, application refusals, non-participation
• Labour force increase of around 500,000
• Effects vary by country and socio-demographic group
• Overall, the impression the reader takes is that the numbers aren’t huge
• Also, there is a reminder that we typically don’t find large effects on migration on labour markets
• Takes us down the interesting avenue of Borjas, Card, Peri..........
• So generally this is a comforting message, from a labour market perspective
• But there are challenges
• First, in support of liberal refugee policies some have argued that Europe needs more migrants, of all types, as our populations age
• This analysis suggests that this line of argument is weak
• Second, many would argue that the big issues here surround those who do not make it into the formal economy
• The costs of looking after asylum seekers during the application process
• The costs of equipping them to compete in the labour market, especially if they have spent a long time out
• Those who drift into the black economy
Final, non-economic points

It seems to me that there has been a shift over time in the rhetoric surrounding migration from economic fears to security fears.

Implications for how economists insert themselves into the debates.

Perhaps arguments on refugee policy should only be based humanitarian considerations.