50th OECD Anniversary

International Migration and the SOPEMI*

During its first two decades, the OECD migration interest was focussed on Europe. As membership of the OECD has broadened, so has the geographical scope and range of migration issues moving up on international political agendas. The OECD has always been seen as a unique forum for analytical work and for the exchange of views, experience and best practices, including economic and social aspects of migration. To support this, great effort has been spent to extend migration statistics and improve data comparability. For many decades, migration movements and policies have been monitored using the Continuous Reporting System on Migration (known by its French acronym, SOPEMI), under the auspices of the OECD Working Party. This unique tool allows OECD member countries and non-members to stay on top of the economic and social aspects of migration, including the links between migration and development.

The early years: boom and bust of “guest worker” migration

During the 1950s and particularly the 1960s, the number of foreign workers recruited into north-western European economies grew rapidly. In response to these movements, the Council of the Organisation for European Economic Co-operation (forerunner of OECD) decided that each member country should submit a yearly report on matters concerning the liberalisation of international movements of workers in Europe. The reports focused on the employment of foreign workers and, although they dealt mainly with matters related to the status of these workers, details about their labour movements and characteristics were also recorded.

The 1960s saw an acceleration of temporary labour migration (“guest worker” migration), mainly into low-skilled jobs. During the 1966-67 recession, recruitment slowed but soon resumed. Inflows of workers peaked around 1970 when some countries began to take steps to slow down foreign recruitment which, nevertheless, continued at a high level. The rapid growth in numbers prompted the OECD to establish a more formal means of monitoring both the scale and nature of these movements. The Continuous Reporting System on Migration, better known under its French acronym as SOPEMI (Système d’observation permanente des migrations), was established in 1973 to provide the OECD member countries with a mechanism for the timely sharing of information on international migration. National experts provide reports on the migration situation in their respective countries and the OECD Secretariat carries out analytical work; together, these are the basis for the annual SOPEMI report, now known as the OECD International Migration Outlook.

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With the oil crisis in 1973-74, economic growth slowed and new labour inflows fell sharply. The 1974 SOPEMI report mainly took stock of problems on the horizon. It noted – prophetically – that should the crisis settle into one of long duration, relations between national and foreign workers were likely to deteriorate and tensions between them to grow. In 1978, sections on Greece, Spain and Italy as countries of immigration were included for the first time. Signs of policy convergence between northern and southern European countries were noted. In some cases there was an awareness that the geography of migration was shifting, with increasing movement from physically and culturally distant countries, especially in Asia.

**The Continuous Reporting System on Migration (SOPEMI)**

The Continuous Reporting System on Migration (known under its French acronym, SOPEMI, from Système d’observation permanente des migrations) was established in 1973 to provide the OECD member countries with a mechanism for the timely sharing of information on international migration, the collect of migration statistics as well as the improvement of their comparability, and to serve the basis for an annual OECD report on international migration.

**The functioning of the SOPEMI**

The core of SOPEMI has always been a group of national experts (correspondents) who prepare annual reports on the migration development in their countries. The original membership of SOPEMI consisted of 11 OECD member countries. In the following years several more joined the group, including non-member countries. In 1979, the Working Party on Migration became the statutory body overseeing SOPEMI’s activities and acting as a link between SOPEMI and OECD’s Manpower and Social Affairs Directorate, which became later the Directorate for Employment, Labour and Social Affairs (DELSA). The principal function of SOPEMI, then as now, was to provide information to the Working Party, whose mandate was to collect systematically information on migration trends and policies in the OECD member countries in order to identify emerging problems in international co-operation. The type of information that might be included in the report has been steadily refined over the years. In an attempt to enhance the comparability of national reports, during the 1980s the OECD Secretariat prepared a “grid” outlining the main topics deserving attention.

As the process of international migration evolved and more countries joined SOPEMI, the scope of the annual report broadened. Today the SOPEMI network is a unique institution, global in scope. It functions efficiently and in friendly fashion as an information exchange system based on the three pillars: the correspondents, the OECD Secretariat and the Delegates of the OECD Working Party on Migration.

The experience of the SOPEMI system led to the establishment from 1995 to 2007 of a joint annual workshop with the Japanese government on labour migration in Asia, the first such forum for the region. The monitoring of labour migration in Asia is being resumed, as a joint activity between the Asian Development Bank Institute and the OECD. More recently, the OECD Secretariat has contributed to the launch by the Organisation of American States of the Sistema Continuo de Reportes de migracion Laboral de las Americas (SICREMI) – Continuous Reporting System on Labour Migration for the Americas – the first annual report of which is planned for 2011.

**Better statistical data**

The basis for the annual SOPEMI report has always been its standard statistical tables on immigration, emigration and labour stocks and flows. Gradually a wider range of data has been collected and presented and major attempts made to improve comparability between
Rising unemployment and continuing restrictive measures led to a series of appraisals in the SOPEMI reports of the late 1970s. Labour migration might have gone down but family reunion took over: for example, in the Netherlands in 1977, of 19,000 immigrants from seven recruitment countries, only 2,000 were economically active. The onset of recession did bring about some return, but for the most part outflows generally fell after an initial rise. Overall, the downturn did not result in major downward shifts in overall migrant stocks. The 1976 SOPEMI reported that “all in all, numbers of foreign workers in Europe did not fall appreciably in 1975”, while the following year’s report commented that between 1973 and 1976 total foreign population had generally either risen (for example, in the cases of France, Belgium and the Netherlands) or been fairly stable (as in Germany and Switzerland).
As the migration situation in the late 1970s evolved, ideas of future patterns began to firm up. These included a sense of deception felt by some emigration countries where the idea took hold that some form of compensation for the loss of workers was appropriate. As it became apparent there would be no resumption of labour flows in the foreseeable future, emphasis in destination countries was put on existing stocks, on the second generation, on integration policies and on new political relationships between origin and destination countries. Significantly, the 1977 SOPEMI report differed from its predecessors by placing more emphasis on integration than flows. It also commented that during the recession, foreign workers in SOPEMI countries were not much more affected by unemployment than nationals and that “it is increasingly evident that the role played by foreign workers in the western industrial economies makes them essential in the jobs they do.” When the downturn occurred, most immigrants did not lose their jobs and most of those who did were entitled to social benefits, so they stayed.

In the late 1970s, reports reflected a new agenda of immigration policy concerns with what had been regarded as marginal forms of immigration in the past, such as refugees and the growing feminisation of labour migration. By 1980, stocks of foreign-born population were higher in most countries than in 1973. A predominantly young, single and temporary foreign population had become a settled one, as more married migrants arrived and were joined by spouses and children.

**The 1980s: Relative stability of immigration flows**

The 1980s began with limited movement across Europe, not all within the areas of free circulation. Returns to country of origin remained few in number. On the whole, entries continued to increase, but slowly, and they were largely confined to family members and workers covered by common market agreements. However, the pattern was becoming more diversified and in some countries, including Germany, France, Switzerland and Austria, new foreign worker flows were again rising. At the same time, the classic distinction between countries of “immigration” and “emigration” was breaking down.

With the era of mass labour flows behind, attention was directed towards the integration of the growing stock of immigrant population. Unlike settlement countries (Australia, Canada, New Zealand and the United States), which aimed to attract rather qualified people who could integrate well, European countries had imported foreign labour for relatively less skilled jobs. The integration of these workers and their spouses and children presented difficult problems of integration over time, especially in an economic situation marked by worsening unemployment and by segmentation of labour markets. Host government responses were not always whole-hearted, as the 1981 report indicated: “... there are signs of a certain degree of reticence in the pursuit of policies which lead in the longer term to the arrival on the labour market of more women and young people of foreign origin.”
By the mid-1980s Europe had a population of foreign origin substantially different from that of ten years before. That population had consisted of adults in the prime of their age and well adapted to the basic structures of regular employment. They were regarded as indispensable in assuring a favourable investment climate; they occupied jobs abandoned by the national workers; they were net contributors to the social security system by making little demand on benefits. They were also geographically mobile. The 1984 report drew the contrast:

The “new foreigners”, that is i) the second generation originating from the non-assimilated groups of former immigrants; ii) the more or less irregular immigrants; and iii) the applicants for asylum from fairly far-off countries, are not usually in a position to play a role analogous to that of previous entrants because of both their own characteristics and attitudes and of the development of the formal labour market. On the contrary, these groups often suffer from high levels of unemployment and irregular employment.

In the uncertain economic environment following the downturn of the early 1980s, inter-governmental co-operation was needed for a wider range of issues, including entry controls to limit irregular migration and the integration of those already present, supported by non-replacement of those who returned home. Such intentions were hindered by the social conditions and living standards in their countries of origin, which discouraged return (especially among youth) and by the concentration and growth of certain groups of foreign origin who were substantially divorced from the majority of the society of the receiving country.

The entry into SOPEMI of the United States in 1983 and Canada in 1984, followed by Australia and New Zealand in 1985 prompted a new look at what was going on in Europe. For a start, there were important legislative and conceptual differences. Canadian legislation, while pursuing quite well-defined objectives, contained them within a specific concept of the optimal development of the population and the need for economic and regional equilibrium. A points system, alien to European policy makers, provided the Executive with flexibility. In the United States the law allowed the Administration less autonomy and partially determined the volume of immigration. The remainder, not subject to any quota, was constituted by near relatives of US citizens and by refugees, of which the level of admission was fixed by the President after consultation with Congress. Not surprisingly, the migration concepts in these two North American countries appeared to have little in common with that which had become the pattern in Europe, namely a labour migration to which family reunion has been added essentially in response to non-economic factors.
A further consideration was that immigration into the United States and Canada was less and less European in origin. However, as the decade went on, it became more apparent that European migrant origins were also metamorphosing into new areas of destination. Both sides of the Atlantic were becoming more entwined in global migration networks, a trend also experienced in Australia and New Zealand.

The increasing importance of family migration in Europe suggested that differences in the perception of migration between Europe (where migration had been viewed as essentially temporary) and the non-European OECD countries (where immigrants have always been expected to stay for good), were beginning to fade. The 1984 report commented that:

There is... a trend towards similarity in the problems to be faced: problems of insertion into the social fabric, of education of young people, of the harmonisation of cultural traditions, of naturalisation. This trend appears to be equally recognisable in the similarity of the irregular movements to which both areas continue to be subjected... the growth in the number of asylum seekers and... the results of a migratory pressure which, originating in the less-developed countries, is tending to affect those [countries] with a higher standard of living. [Nevertheless]... in spite of these similarities... the different traditions of the European countries lead them... to consider a part of their immigration as relatively temporary.

The 1985 report commented that in OECD countries on both sides of the Atlantic disquiet over illegal immigration, and in particular refugee/asylum issues, was increasingly expressed in the political arena, as shown by the eruption of public policy debates over refugees and asylum in countries such as the Netherlands, Sweden, France, Germany, the United States and Italy. Despite a stabilisation in flows during the 1980s, immigration was becoming an important focus of public concern.

The 1990s: A decade of change after the fall of the Iron Curtain

In the aftermath of the fall of the Iron Curtain in 1989, policy makers responsible for migration issues were confronted with a new and largely uncharted situation. Suddenly, it seemed, there was likely to be mass migration from the East, towards the lotus lands of Western Europe and to other parts of the world. In Europe, growing flows from the countries of the South were creating a new “migration frontier” along the northern shores of the Mediterranean. Italy, Greece, Spain and Portugal, traditionally countries of emigration, became ones of net immigration. In North America, the United States/Mexico border was proving increasingly porous.

These movements were part of a wider trend towards an acceleration and globalisation of flows. Intra-OECD flows, especially of skilled labour were still brisk, but most of the new immigrants were from countries beyond. It was also becoming apparent that immigration played an increasing role in total population growth. The 1992 report stated that the policies of OECD countries were now three-pronged: “to monitor and regulate flows more closely; to step up efforts to combat illegal migration and employment of undeclared labour; and to facilitate the integration of immigrant groups.”
It was also becoming accepted that emigration was not the answer to the problems of underdevelopment and that a new form of co-operation between North and South needed to be established in order to reduce incentives for emigration. At the OECD’s first international conference on migration and development (Madrid, 1993) proposals were made concerning the OECD’s role in encouraging forms of development that would lead to more employment in sending countries. These included liberalisation of trade, increased FDI, development of labour intensive sectors and regional integration.

When the Iron Curtain lifted there were widely voiced expectations of large scale shifts in migration movements. Three interrelated but distinct migration regions developed: Western Europe; Central and Eastern Europe excluding the Commonwealth of Independent States (CIS), and the CIS countries. Each of these regions had a strong degree of self-containment that gradually loosened as they became enmeshed in the expanding global migration network. In Central and Eastern Europe and the CIS, the transition to a market economy had contradictory effects. As the political motivations for leaving began to disappear, the re-establishment of freedom of movement, rising levels of unemployment and persistently high income differentials between East and West encouraged emigration, especially among the most highly qualified.

In Central and Eastern Europe, too, ethnically-based migrations were common, frequently continuations of those that had begun in the aftermath of the Second World War but had ceased with the erection of the Iron Curtain. Other ethnic moves concerned “return migration” of longstanding emigrant communities, such as the Aussiedler in Germany; others were of populations displaced in communist times. New economic flows developed, between East and West and within Central and Eastern Europe. Some were permanent, but most were short-term, often for seasonal work, and over short distances.
Advantage was taken of the openness of the informal sector, involving petty trading, labour tourism and other novel forms of movement including an intensive shuttling back and forth across international borders in order to make a living. Traditionally not regarded as migration, such movements forced themselves into the migration lexicon simply as a result of their volume, economic importance and novelty. Special sections in the 1992 and 1993 reports on Central and Eastern European countries reported that although the expected mass exodus had not occurred, the region remained a source of potential migration, “fuelled by growing economic, political, social and ethnic tensions”.

The rise of nationalist feelings in some countries caused unforeseen movements of populations fleeing discrimination and persecution or even, as in former Yugoslavia, civil war. In parallel, in light of high levels of asylum seeking in some countries after the fall of the iron curtain, most OECD countries implemented new legislative and administrative procedures to deal more speedily with high numbers of applications as well as some fraudulent requests. As a result, there was a trend towards harmonisation of asylum policy, including measures to prevent an applicant from submitting applications in multiple countries.

The immigration story in the New World countries in the 1990s was one of rapid growth, characterised by four basic trends. First, policy and quotas were increasingly driven by the need to compete in a global skills market. For example, the 1995 Report of the US Commission on Immigration Reform argued that skill-based immigration should support national interests by bringing in skills which benefited society and helped businesses compete in the global economy. Similarly, the points system in Australia and Canada selected those with the skills required by their economies. Second, competition in the global skills market in all three countries was tempered by the need to balance it with humanitarian concerns. Hence, family reunion remained the single biggest “cause” of migration and was a central plank in what was effectively a tripartite approach focusing on nuclear family members, refugees and others in need of protection, and professional and skilled workers.

Third, Australia, Canada and the United States (and to a lesser degree also New Zealand), each an important node in a global migration system, continued to experience a changing geography of migration, with the balance of their intake swinging inexorably towards Asia and, especially in the case of the United States, towards Latin America. Diversification included new nationalities such as Sri Lankans, Vietnamese and Indonesians, many of whom were highly skilled.

A feature of migration in the 1990s was recognition of its increasing globalisation, as the numbers of countries involved in migration grew, helped by the opening of Central and Eastern Europe and by economic growth in Asian countries. Although there was stabilisation in legal migration inflows and in certain OECD countries a decline, more countries were competing more strongly for high level skills. While countries started to compete more strongly for highly skilled migrants, it was also clear that vacancies existed at less-skilled levels in most countries and although there was generally little attempt at large scale recruitment of temporary workers, irregular migration and illegal employment of immigrants were thought to be becoming more common. Unfortunately, evidence to substantiate or refute such views was hard to come by. The words “smuggling” and “trafficking” were more frequently used to describe an ascendant illegal migration business. The 1997 report commented that “the persistence of illegal migration is a clear
indication of the difficulties encountered by host countries in controlling migration flows." One response to the presence of irregular migrants was a general amnesty. The largest of these had taken place in the United States in 1986 as a result of the Immigration Control and Reform Act which saw some three million regularised. During the 1990s a succession of European (mostly Mediterranean) countries followed suit.

Most countries continued to seek to improve integration. Models of integration varied from country to country because flows were of varying magnitude and host country conditions and political views differed.

New challenges in the 2000s: renewed interest in labour migration and the impact of the 2008 financial crisis

By the turn of the millennium, the resumption of immigration begun in the late 1990s was confirmed and tended to gather pace in 2000 and 2001. It resulted primarily from greater labour migration, both temporary and permanent. Conditions for recruiting skilled foreign labour were eased in most OECD member countries in order to meet labour market needs, especially in the new technologies and health care sectors. However, the combined effects of the IT sector bust and the events of 11 September 2001 led to a slackening of demand and a reduction in new foreign labour recruitment. The slowdown was short-lived, however, and from 2003 numbers were again rising.

Asylum seeking remained a major pre-occupation for policy makers. Regional conflicts and continuing entry restrictions lay behind an increase in numbers which was not shared evenly across member countries. The response among those countries receiving rising numbers of asylum seekers was similar – improved and faster procedures, revised appeals systems, rebalanced refugee/humanitarian status and agreement on so-called "white" lists of countries where conditions were not deemed sufficiently difficult to warrant protection being offered to their citizens. By the middle of the decade the number of asylum seekers was generally falling.

International student mobility attracted increasing attention as the decade wore on. “Education for aid” gave way to “education for trade” as countries and their educational institutions realised that international students could be a source of income and skills. More countries changed their legislation to allow international graduates to stay on and seek and take up work. International employers began to target such people – mobile and multi-lingual – as part of their global human resources.

The diverse economic, social and political experiences of OECD countries around the world meant that at any one time mobility patterns varied. The 2002 report commented that "Every type of migration policy has been implemented during the last two years." Some countries had adopted more restrictive attitudes towards the entry and residence of foreigners; others had tightened requirements for family reunification procedures. These policies were enacted in parallel with other policies giving more importance to selection and retention procedures for new, especially skilled, immigrants. Measures involving international co-operation to deter unfounded asylum applications and provide for readmission of illegal immigrants were also adopted.

The 2005 report was markedly upbeat. Flows of both permanent and temporary migrants were again rising. Family migration dominated permanent moves; numbers of asylum seekers continued to decline. International student numbers were rapidly rising,
labour migration was also on the rise, in particular by women. Globalisation of the migration network was evident, with more immigrants from China, India and the Philippines, while the destination countries for sub-Saharan African migration were diversifying. The integration of immigrants into labour markets was improving, although they did continue to be over-represented among the unemployed.

The following year’s report took stock, asking why international migration had risen so rapidly on OECD country agendas over the last decade. Two principal forces were deemed to be at work.

Firstly, immigration flows grew rapidly during the 1990s and are now growing again, using at times irregular or unconventional channels (asylum seeking, tourism overstaying). There are currently close to three million long-term immigrants entering OECD countries legally every year and even more temporary movements if international students are included. And this does not count unauthorised movements. Secondly, with ageing populations and falling interest in certain occupations in OECD countries (sciences, building trades), it is expected that there will be need for more worker immigration in the near future. [However] … this will only be possible if past and current immigrants… are seen to be integrating without difficulty in the host country.

The report concluded that managing migration had become a difficult balancing act between attracting required skills without compromising domestic workers, firm border controls, effective integration of immigrants and satisfying public opinion.

One of the special chapters of the 2007 publication focused on the international mobility of health personnel. It highlighted the globalisation of health worker recruitment, including reliance by some health services on migrant labour, as well as the losses accrued by many sending countries of expensively trained medical staff.

The global financial crisis and resultant recession in 2008 brought a new slowdown in movement. The high political interest in migration and integration issues was mirrored in the first-ever High Level Policy Forum on Migration, held at the OECD in June 2009. A special report was issued, examining the effects of the crisis. It also presented a five-point “road map” for managing labour migration:

- First, because labour needs existed at all skill levels, it was important that the legal channels for the low-skilled were not replaced by hiring irregular immigrants.
- Second, many future labour needs were likely to be long term and could not be filled by temporary migrants: “Governments therefore need to plan in terms of long-term migration and effective integration strategies for immigrants and their families.” (OECD, 2009)
- Third, there was a bigger management role for stakeholders, especially employers, in identifying and selecting potential immigrants. Incentives for employers and others to follow the rules and safeguards to protect immigrant and native workers were required.
Fourth, managing labour migration was not incompatible with measures to provide benefits for origin countries, including facilitating remittances, encouraging the involvement of diasporas, removing obstacles to return migration, fostering increased international student enrolment and funding pre-migration training in origin countries.

Fifth, the premium on developing and implementing successful labour integration strategies for migrants and their children remains as high as ever.

Despite the recession, inflows of labour migrants have continued, at both ends of the occupational spectrum. For example, personal care workers are increasingly demanded by an ageing population and the appetite for high level skills continues unabated in most OECD countries.

A major problem faced by all governments is the need to reconcile flow management with public opinion and to develop a dialogue that takes into account a range of views. A special study in the 2010 report addressed the ways in which public opinion is constructed by individuals and other stakeholders, including the media.

**Challenges in the current decade**

- There seems little likelihood of substantial reductions in numbers of international migrants for several reasons. First, global population will continue to rise, increasing emigration pressures in poorer countries. Environmental deterioration will also encourage emigration from marginal areas. Second, as increased globalisation of the economy leads to more globalisation of migration, new migration sources and nodes will emerge. In this context, the prevention of massive irregular migration implies the promotion of economic development in origin countries and the strengthening of legal migration channels.

- Ageing populations in OECD countries will require some compensatory labour immigration, particularly for labour intensive personal care occupations. In addition, to maintain economic competitiveness, OECD countries will continue to compete for migrants with high level skills and qualifications. OECD countries facing labour shortages will not only have to improve their migration management, but also match international recruitment of workers to labour market needs.

- The diverse geographical locations and historical ties of OECD countries will lead to diverse responses as circumstances evolve. At the same time, there will also be a need for reinforced co-operation both between OECD countries, and between them and non-OECD countries. Consequently, it will be necessary to extend and improve the monitoring of migration trends and policies, including in the enhanced engagement countries.

- Integration of immigrants and their children is key to social cohesion. The human capital of prior immigrants should be better utilised and policies developed to improve their skills.

For 50 years, OECD work on migration has allowed countries to better manage migration policy. The SOPEMI will continue to extend and improve the monitoring of migration trends and policies and to help countries know what works and what does not.
International meetings organised under the auspices of the OECD Working Party on Migration, 1986-2011

- Seminar on Migration, Free Trade and Regional Integration in Central and Eastern Europe (Vienna, February 1996).
- Seminar on Migration, Free Trade and Regional Integration in the Mediterranean Basin (Athens, November 1996).
- Seminar on Migration, Free Trade and Regional Integration in North America (Mexico, January 1998).
- Conference on Globalisation, Migration and Development (Lisbon, November 1998).
- Seminar on Preventing and Combating the Illegal Employment of Immigrants (The Hague, April 1999).
- Seminar on Recent Developments in Migration and the Labour Market in Central and Eastern Europe in the Context of the EU Enlargement (Bratislava, March 2000).
- Conference on the Economic and Social Aspects of Migration (Brussels, January 2003).
- Seminar on Bilateral Labour Agreements and other Forms of Recruitment of Foreign Workers (Montreux, June 2003).
- International Conference on Migration, Remittances and the Economic Development of Sending Countries (Marrakech, February 2005).
- Seminar on Latin America and International Migration (Santiago de Compostela, June 2005).
- Seminar on the Integration of Immigrants into the Labour Market (Lisbon, June 2007).
- Seminar on Managing Highly Skilled Labour Migration (Amsterdam, June 2008).
- International Conference on Migration, Return and Development (Milan, October 2008).
- Technical Seminar on the Labour Market Integration of the Children of Immigrants (Brussels, October 2009).
- Seminar on Naturalisation and the Socio-economic Integration of Immigrants and their Children (Brussels, October 2010).
- Seminar on Indicators of Integration in International Comparison (Paris, December 2010).
- ADBI-OECD Round Table on Labour Migration in Asia (Tokyo, January 2011).