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# **New Migration Thinking for a New Century**

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## A NEW CONTEXT

More countries are now significant players in the international migration system than at any time in history. For the biggest players, migration is sufficiently large to be fueling rapid, profound, and highly visible social and cultural change. The vast majority of advanced industrial democracies are such players and the resulting transformation is happening almost literally before people's eyes.

International migration's size and its composition are both at the root of that transformation and a reaction to it. Indeed, the sheer numbers of international migrants are unprecedented. The UN estimated that number to be over 190 million in 2005 and the number is likely to be approaching 200 million today. And unlike migration for most of the last century, among the defining features of the current age is that the overwhelming majority of those who move—and virtually all of those who move outside of legal channels—come from countries of vast social, cultural, and often racial “distances” from the countries in which they seek to settle. (In the world of the September 11, 2001, attacks on the United States, and subsequent attacks in Madrid and London, religious distance seems to be taking pride of place among these differences.) This reality increases the “visibility” of newcomers, which in turn feeds the overall discomfort of host populations.

Public and private sector institutions in host societies are struggling to respond to the challenges of present day migration but none seem to find it more difficult to adapt than those of most member states of the European Union (EU). Their efforts are complicated by two factors. The first is the weight of earlier policy choices with regard to immigration *per se*, particularly the long period of denial about the permanence of immigration and how far migration is embedded in the host society's “life” and institutions—and the resulting marginalization of successive generations of immigrants and their offspring. The second is that in most instances, the largest proportion of immigration has been and continues to be either beyond the reach of quantitative and qualitative regulation (that is, legally protected family (re)unification and asylum migration) and/or illegal. We address both sets of issues later on in this policy brief.

The size and characteristics of today's, and even more so tomorrow's, international migration is challenging nations to manage the transformation the process entails effectively. The failure to do so risks social unrest and political instability. Simultaneously, however, it risks failing to take advantage of migration's dynamism and potential for contributing to the host country's growth and prosperity. It also foregoes the opportunity for dramatically improving the migrant's and his or her family's circumstances. With the costs of failure and the benefits from success both so high and hanging in the balance, managing the international migration process through thoughtful regulation and other policy interventions at the local, national, regional, and international levels becomes paramount. The case for doing so is strengthened further when the development potential of well regulated migration for the countries of origin is also taken into account.

## **BENEFITS FOR ALL?**

Most states that host substantial numbers of migrants are trying to find ways to gain control over the process. In doing so, their (presumed) ultimate objective is laudable: to shape the process in ways that promotes their national economic interests and priorities while being fastidious in applying the rule of law and staying true to commitments to human rights and international obligations.

Contrary to conventional wisdom, the goals of societies of origin, host or destination societies, and those of the migrants themselves are not necessarily at odds. The appearance of divergent, even conflicting, interests is fueled partly by the fact, noted above, that too much of overall migration is neither “selected,” nor otherwise truly regulated—that is, the state is not really free to change it except at the margins. The former leads to uncertain benefits for host countries. The latter generally interferes with the ability of migrants to get the highest returns on their investment in migration, thus reducing the benefits to themselves and, by extension, to their families and communities back home, by lowering their potential for earnings and, hence, remittances. Perhaps an even greater factor, however, is that much migration today is increasingly illegal (a fact that increases the costs for almost everyone concerned and tends to conflate all migration under the shroud of illegality) and that a large and increasing share of illegal migration is controlled by criminal syndicates and smuggling networks. These organizations find in human smuggling a highly profitable business whose costs—regardless how they are measured—are either worth the risk or are borne primarily by the immigrants themselves. Thus, one can argue with considerable confidence that substantial components of the immigration policies of most advanced industrial democracies are “really made” by traffickers and profiteers.

Precisely how large those components are depends on the state (and region) but there is no denying that the natural corollary to this argument is that the immigration management regimes of destination countries are managing ever smaller proportions of the overall immigration flows. In many cases, one might even argue that governments spend the lion’s share of their management resources (and political capital) in managing the movement (and stock) of *illegal* immigrants—a process in which success is measured in terms of containing failure. The efforts of many EU member states, as of the European Commission itself, but also of the US, can be said to fit this model. The desired alternative is creating political space for managing an orderly, smart and flexibly regulated flow (and stock) of *legal* immigrants whose contributions to the economy and society are higher in part because the process is successfully regulated. This latter model describes best the migration management efforts of such countries as Canada and Australia.

## WHAT'S OLD, WHAT'S NEW, AND WHERE WE NEED TO GO

Migration is not the only complex human endeavor that suffers from concepts and policy thinking on the part of both the government and the nongovernmental sector that is unclear and can be counterproductive in terms of outcomes. Nor does the problem stop there. Migration management regimes are also weighed down with administrative structures that are inflexible and resources that are often misdirected and *always* grossly inadequate relative to the mission.

For instance, concepts that reduce complex processes into binary, either/or, formulations interfere with the ability to capture and respond properly to a phenomenon. Starting with the simplest of examples, “senders” and “receivers” of migrants is not a particularly helpful dichotomy because, simply put, most societies both send and receive migrants (and many are also physical spaces through which migrants transit). Such gross dichotomies also obscure the rather close relationship among all protagonists in the migration process and delay actions that might allow all of them to gain more from it. Furthermore, the time that it now seems to take for a country to change from one that primarily sends migrants to one that both sends and receives them (or primarily receives them) has been reduced to historically short timeframes. All southern European countries discovered that reality—and were, and one can argue, are *still* unprepared to manage that transition—as have most of the newest ten EU member states. Similarly, several countries to the EU’s east, including Russia, are now among the most active migration hubs in Eurasia. In fact, Russia has been catapulted into a top migration destination in terms of the number of immigrants it now “hosts” while it continues to produce prodigious numbers of emigrants.

Similarly, the concept of permanent versus temporary migration is becoming less relevant in its ability to describe how increasing numbers of people behave today and more people are likely to behave in the future—especially if policies and administrative rules all along the migration process stop “locking people in (or out).” In fact, today, as has been the case in the past, many “permanent” immigrants return to their countries or move on to other countries. That process is likely to accelerate. Similarly, many temporary immigrants stay on (legally or illegally) in their countries of employment. These realities ask the administrators of migration management systems to become as flexible *and adaptive* as migrants, their families, and their employers (or, in illegal flows, their smugglers). Only then will those who must interpret and enforce the rules make decisions that will deliver the policy outcomes that an active immigration system requires.

Furthermore, in a narrow but important way, family and both employment-based and skills-tested migration may not be nearly as different in gross labor market terms as they may appear to be at first. Family members work, an event that is standard practice in most migration situations (but is disturbingly uncertain in many EU member states) and have skills that span the continuum. Work/skills-based visa holders, in turn, often bring with them families and may do so increasingly in the years ahead. In some important ways, however, the two flows can be quite different—in their specific contributions to the labor market and the resulting perception about their overall economic effect.

Moreover, and the extraordinary fixation with highly skilled and educated immigrants notwithstanding, the more- versus less-skilled dichotomy may be less meaningful than policymakers, seemingly everywhere, aver. If one's labor is needed, the human capital differential between the two levels of skill may be of little relevance. In fact, to think of the issue differently can lead to making *a priori* judgments about the "value" of different types of work that are in many ways unwarranted.

For instance, to a family in need of eldercare, access to a low-skilled but caring immigrant is of enormous consequence in itself. The wider importance of such access is magnified enormously if the presence of such a caretaker allows another (often skilled) adult in the employer's household to enter the labor market! Furthermore, when we speak of unskilled work, we have to be careful to know whether we are referring to the skill requirements of the job or the skill capital that the holder of the job has. Very often, educated foreigners take low-skilled jobs—a function of very consciously restrictive occupational entry barriers (a pernicious but extremely common form of protectionism), lack of sufficient language skills, a temporary inability to negotiate the local bureaucracy or labor market, or, in some instances, personal choice. Hence the well known phenomenon of foreign engineers driving taxis, teachers and other educated persons doing construction and personal services work, or doctors working in non-professional jobs in hospitals. Increasingly, and as skill (and other) shortages and mismatches intensify, recognizing and investing on the human capital that holders of asylum grants and family visas bring with them must become a central part of well managed migration systems.

Finally, migration seems to suffer unduly from its inevitable implication in the behavior, failings and eventual fate of the many societal institutions that are in dire need of innovation, intellectual reengineering, and radical transformation. Two examples might suffice to demonstrate the point. One example is the world of work, and the public and private sector institutions that have been built around it, from labor unions to apprenticeship programs. The radical rethinking needed about the world of work will place international competitiveness and the productivity that undergirds it *first* (for instance, by producing fewer bakers and many more engineers), change rules and procedures whose *net effect* is to exclude immigrants, and build well-trained and -led workforces that look like the countries in which they operate.

Similarly, the educational system will need to become an active agent in preparing a country's future workers for economic success in the face of increasingly intense global competition. This typically means producing more and better scientists and engineers. Failing to develop the innovative programs that experiment with the teaching of science and nurture the next generation of scientists through mentoring and offering them early research experiences with working scientists can lead to two troubling consequences: relying increasingly on importing foreigners (a not always reliable way of meeting needs, especially in the long run) *and* exporting jobs to places where there is a critical mass of well educated, trained, disciplined—and much cheaper—workers. For much of Europe,

for the time being, this has meant primarily Eastern Europe and beyond, but sooner, rather than later, it will be India and China.

This brief analysis begs the following question. What are some of the policy consequences of the old thinking on migration and how might thinking differently about the process change how we think about and conduct our migration business in the future?

## THE “OLD” VERSUS THE “NEW” WAY OF THINKING AND ACTING ON MIGRATION

The old system uses well-worn aphorisms and a staccato voice to stop conversations about well-considered and even necessary openings to immigration. As a result, the types of questions to which answers must be found are not being asked. Forward-leaning policies, as well as policies that promote national (and broader) economic interests while being mindful of the social contexts in which migration takes place, become ever rarer.

Two related examples follow. One repeats mindlessly the refrain that “nothing is more permanent than a temporary immigrant;” another, this one a decades’ old one borrowed from the Swiss dramatist Max Frisch, repeats his aphorism: “We asked for workers but people came.” Both are intended to give pause to those considering openings to temporary worker and/or permanent immigration and to motivate immigration skeptics to oppose such openings. But while both have some heuristic value, today, they are much less useful as policy guides. To understand them literally, in fact, would remove a key tool from an immigration decision maker’s toolkit (temporary immigration) and otherwise deny societies and individuals an important element of growth and progress (the act of immigration itself).

One can think of a number of other, equally compelling, examples:

- The old system refuses to learn from and ignores the perversions which old policies (and lack of policies) promote. In fact, the old system tries to manage an increasingly dynamic phenomenon (immigration) with static concepts, policy instruments from a different era, and rigid, almost sclerotic, labor market management systems. Consider the many ways in which the inflexibility of many European labor markets is reinforced through decisions about immigration. For instance, the individualized labor market tests required of employers in many EU member states prior to hiring a prospective immigrant are intended to discourage employers from even applying for permission to engage such workers. And employers often do. Consider, further, the growth of underground economies and how such labor market tests contribute to their vitality. Implicit in this outdated policy thinking is that first, labor markets somehow operate independently of other societal contexts, such as the undesirability of certain jobs and the disincentives for taking such jobs in the presence of relatively generous welfare benefits. Second, that jobs are somehow immune to pressure from international competition and can remain both where the business is located (the country of operations) *and* be compensated at levels commensurate with earlier times, when protection from foreign products (and services) was strong and global productivity standards were as a result less relevant. Third, that the number of jobs in an economy is somehow finite and domestic labor markets thus need to be protected from competition from foreigners—even if the “facts on the ground” are that jobs go begging and employers come to rely instead on the informal, grey or black economy.
- But even where immigrants are present, the old system does not invest thoughtfully in preparing them and their children to enter and succeed in the labor market and thus

contributes to their economic marginalization, if only inadvertently. Hence the incidence of extremely high unemployment rates among immigrants and their descendants, their intermittent attachment to the labor force, their massive over-representation in low wage jobs and low income cohorts, etc. This is also an instance where the past weighs down the present in its expectations (particularly in Germany) that foreigners and their offspring would somehow return to their home countries—a misguided calculus that made investments in their integration not a priority.

- The old system blithely and mostly unquestioningly extends to foreigners the full array of social welfare benefits European society has to offer without making such access conditional upon a commensurate set of expectations—and then bemoans the fact that citizens resent the costs associated with this gesture. Doing so, together with the other errors of omission and commission identified above, turns foreigners into economic burdens and liabilities, rather than giving them the tools to become net assets and contributors to the systems (and society) of which they are now integral parts. This has become an albatross in how many immigrant communities are perceived by the public and has contributed to their discrimination-assisted economic, social, and political marginalization. Such marginalization is evident in the frequent under-representation of immigrants and their descendants in standard measures of achievement and their over-representation among the unemployed and economically dependent populations.
- Finally, the old system creates dependent populations by denying the right to work to asylum seekers whose claim is thought to be plausible, or to the immediate family members of immigrants with residence rights.

Since the old system is mired in thinking and actions that have led to the policy and political quagmire on immigration that confronts much of the EU today, the new system needs to do nothing short of devising a new language and, more importantly, a new syntax, about international migration. The following are among the areas in which much progress will need to be made.

- The new system will need to demonstrate that it can understand much better, help grow, and avail itself of global, regional (other than EU), and sub-regional talent pools—rather than thinking exclusively in terms of regional (EU), national and sub-national ones.
- The new system cannot remain the captive of the by now completely unproductive debate about more or less immigration or skilled vs. unskilled workers but will forge ahead with a policy conversation about the workers that the economy needs and the society is prepared to accept and treat properly.
- The new system can no longer be held up by abstract or ideological debates about permanent or temporary workers but will move on with the recruitment of workers that fill real needs, regardless of their ultimate immigration status. Only then can one move beyond the straightjacket of existing entry categories and allocate visas on the

basis of the characteristics of both the job in question and its occupant and the expected duration of the task. And for those workers that play by the rules, who can meet tough but reasonable, clear, and fair requirements, and wish to stay on, the new system will allow them to do so and will be willing to invest in assimilating them economically and politically and in accepting them socially. Accordingly, the new system will make most permanent immigration decisions sometime after admitting a foreign worker, thus institutionalizing the practice of using the early stages of work visas as “probationary” periods. During such periods, temporary workers will be expected to demonstrate such things as their ability to remain attached to the labor market, to play by all rules, to avail themselves of opportunities to learn the national language at functional levels, and meet other reasonable requirements. In this scheme, foreign worker visas would become formally what they often are today—*“transitional” or provisional* permanent immigration visas.

- The new system will be willing and able to experiment—with new types of visas (multi-year, multi-entry, multi-activity) and different forms of migration. *Circular migration* will be one such form. But unlike with earlier temporary or rotational work visa schemes, the new system will need to be clear-headed and non-ideological about the ultimate decision on whether the visa holder will wish to stay or go back, while devising a spectrum of incentives and disincentives to accomplish its policy goals.
- The new system will be willing to be imaginative about and experiment with new forms of social welfare benefits for which immigrants will carry some responsibility. Accordingly, protections that attach to the right to work—such as proper wages and benefits, labor rights, work-related health protections and short-term unemployment insurance—will be available to all. However, access to additional state-funded training or education programs, all but catastrophic health care coverage, and longer-term social insurance would be financed by such new instruments as bonds and transitional social insurance systems underwritten in their largest part by immigrants and their sponsors.
- The new system will use immigration together with (rather than in contradiction to) fundamental reforms in educational and training institutions, radical changes in how the government understands and hence regulates labor markets, and reforms in social and health insurance coverage, in order to create vibrant and competitive economies that will serve national interests well into the future.
- The new system will above all else not be afraid of immigration. In fact, it will be willing to attract and shape it. Specifically, the new system will
  - make clear to immigrants what it expects of them and what they can in turn expect of it;
  - be willing to change its immigration posture to reflect both changing circumstances and the results from ongoing evaluations; and
  - be willing to explain the logic and rationale of its immigration policy to the electorate and defend the new system against its detractors.

- Finally, and in this era of heightened security consciousness, the new system cannot be about open or closed borders but about “smart” borders that can distinguish between legitimate and illegitimate flows—and facilitate the entry of the former while stopping the latter. Such a “secure borders, open doors” policy must come to define how all EU member states must conduct their business if they are to gain the many benefits of the openness they have helped construct.

## **MANAGING GLOBAL COMPETITION AND GROWING MOBILITY MORE EFFECTIVELY IN THE CONTEXT OF THE NEW DEMOGRAPHICS**

With the deepening of globalization, capital, commerce, and most forms of knowledge and information move almost seamlessly, while (advanced) technology is still mostly proprietary. The movement of people, however, continues to be highly regulated—a matter that leads to much of that movement now taking place outside of legal channels. There are reasons for wanting to regulate the movement of people but not all are valid and even among those that are, not all are equally so. (Examples include how global competition imposes many Hobson’s choices and other tradeoffs both on decision makers and local workers—especially with the extension of the newest iteration of the “just-in-time” inventory management principle to the global pool of skilled workers.)

While access to capital may be the essential lubricant to economic competitiveness, knowledge and technological innovation are the true agents of competitiveness’ and people, especially those with training in mathematics, the sciences and engineering, play crucial roles in enhancing it. Hence the interest in and emerging sense of “competition” for well qualified individuals in these fields willing to ply their human capital in the international marketplace. This reality will require new policy thinking and, in the years ahead, new partnerships with some of these migrants’ home countries designed to help them grow more of that talent.

Another factor, however, has entered the calculus about human movements in the last decade or so with extraordinary force: demographics. Relentlessly low fertility rates for a generation now and ever higher life expectancies throughout most advanced industrial societies mean that the demographic anomalies and gaps that we are beginning to experience will only deepen. Nowhere is this reality as widespread as in the EU, although parts of East Asia (especially Japan) and Russia and several other former Soviet states are experiencing similar situations. While not all EU member states face the same predicament, most do and those that do not (such as France or the UK, for instance) will have to contend with the consequences of the ageing of their first post-second world war generation. The demographic one-two punch that is of most interest to this analysis is the bulge in the retirement age population in light of the scarcity of new native workers. Specifically, with the baby boom generation about to begin to retire in large numbers and not nearly enough new native workers to replace all but a fraction of it, many essential jobs will go begging. And with first worlders living much longer than ever before, the taxes of ever fewer workers will have to support ever larger numbers of retirees—a ratio known as old age support *or dependency* ratio.

How does migration fit into all this? One must start the analysis by noting that no reasonable researcher believes that immigration can somehow “solve” this demographic conundrum. Large numbers of permanent immigrants can temporarily address the jobs’ gap and support ratio problems but, as those age too, and assuming roughly similar reproductive behavior between native and immigrant groups, more and more immigrants will be needed. (The reproductive behavior of immigrants in many countries has not been moving toward the norm for the host population at the rate it did a decade or two ago,

which may require a modification of this statement.) The much larger permanent immigration option is also unsustainable for social, cultural, political, environmental, and other reasons. An alternative migration option, however, the admission of larger numbers of temporary/circular migrants is likely to gain in importance.

Increasing worker gaps and worsening support ratios are not the only implications of this development. With fewer domestic consumers in prime consumption years chasing goods and greater competition for foreign customers, deflationary pricing and all forms of market distortions are possible. The labor market will once again be at the center of many of those distortions, with labor shortages in undesirable regions/job sectors leading the way. Among the earlier and most vulnerable of such sectors will be those of particular interest to the aged.

What will governments do? Since every policy response entails significant pain for important societal sectors, governments may opt to attempt first to prolong the status quo and defer more aggressive actions. Nonetheless, when they decide to act, their policy toolkit will include the following (in no particular order).

- Encouraging the development of additional forms of retirement income support schemes.
- Reducing retirement benefits.
- Rethinking tax regimes both for retirees who continue to work and those near retirement—and their employers.
- Taking a hard look at the way part-time employment has evolved—including compensation, benefits, and access to training and retraining programs.
- Experimenting with greater efficiencies in state-supported health care delivery systems.
- Engaging in successive rounds of economic and labor market restructuring.
- Encouraging savings for retirement over the life-course through either voluntary (incentives to save) or compulsory (through the tax system) means

Most EU member states and other advanced industrial societies are already experimenting with several of these approaches and a list of innovative ideas and good practices is emerging. However, the political push-back for the most obvious routes is already strong and will only intensify. And while all of the policy approaches outlined above will be in the mix, there are three truly salient long-term policy products that must be tried in concert, if in different combinations, to reflect specific social and political contexts: (a) gradual changes in the retirement age combined with a different work and savings regime; (b) significant if long term changes in fertility behavior; and (c) larger immigration (of different types and forms).

None of these will be politically easy to implement, at least in the next decade or so, and their robust implementation will likely have costly ripple effects that are beyond the scope of this essay.

- The first will pit the government against retirees and those nearing retirement, two groups that hold disproportionate shares of a country's wealth and political power (the latter through their heavy participation in the political process).
- The second one, changes in fertility, implies a reversal in long term trends—and will require nothing less than a revolution in prevailing social norms and economic logic. The policy instrument of choice in this regard is robust economic incentives for having more children—a policy that seems to be having a modest effect in France and is being adopted or at least looked at by many in the rest of the developed world.
- The third and final option, far larger immigration intakes, will require even sharper attitudinal adjustments—most notably, overcoming Europe's resistance to immigration and the social and cultural change it implies.

The policy question thus remains the same as it has been throughout this essay. Can societies that value tradition and continuity seemingly above all else, as almost all Europeans do, make the leap that larger immigration levels require? And if they do, will they be able to manage the social and political reactions this policy will generate? These are difficult adjustments by any measure. Yet, the EU and its member states cannot remain truly meaningful international players either if they fail to address the demographic issues outlined briefly here or if they attempt to address them without the required wisdom.

## THE AGE OF MOBILITY

Given the ever increasing interest in how to tap more effectively into the global talent pool and the cold reality of the “new” demographics—and juxtaposing the developed world’s old age bulge with the developing world’s enormous youth bulge—one natural conclusion is to assume that we may be at the dawn of a new era in human migration, one that might come to be known as the “age of mobility.”

Developing and managing the new international mobility system will require a new set of tools. The potential payoff? Those states that participate in designing the new mobility regime will be most likely to reap more of its advantages at the lowest “cost”—a sort of “first to the market” incentive for setting up the new system. Among the new mobility regime’s key requirements will be the following:

- New concepts to articulate and communicate effectively what the new “it” is and why, well managed, it can be a “win” for all concerned.
- New policy and management frameworks to gain most from participating in the new system—in part by managing down the new system’s inevitable downsides.
- A new, simultaneously larger but nimbler, governmental infrastructure that can deliver its assigned functions competently. In fact, in no other area with the possible exception of security is “capacity building” as much of a first principle as with managing the new mobility.
- New models of cooperation between governments at both ends *and along* the mobility loop, so as to maximize the benefits from the new system, again in part by minimizing its costs.
- Thinking through carefully, and without “prejudice” with regard to the status quo, the roles of different levels of government so that each becomes responsible for those functions it can deliver best.
- Finally, the new mobility regime will require new levels (and pools) of resources.

Preparing to establish the new mobility system will also require a new set of relationships between public and nongovernmental sectors. In fact, the social partners and broader civil society must become co-architects of the new system or risk that it will be unstable and ineffective. In fact, if a society is to get the maximum value out of its “investments” on the new mobility system, two of the most powerful and determined “critics” of the existing migration system—the market and most of organized civil society—must be converted into partners. Working against, rather than with, the market is often an exercise in futility; working without the benefit of cooperating closely with civil society—a system’s main stakeholders—makes the task of governance on complex issues much tougher than necessary. There is yet another, extremely important, benefit to working with one’s critics on difficult issues that is often discounted or even ignored: the two

sides can share responsibility for what succeeds rather than always blaming each other for the many things that will inevitably go wrong.

As the mobility age begins to emerge, both opportunities and challenges will be felt across the entire society, requiring a “whole of society” approach to moving ahead—something no less ambitious than revising the social compact. And it will certainly require a “whole-of-government” approach to decision making. This reason is simple. Single-purpose policies, just as single-cause explanations, are poor guides in developing successful responses to intricate and politically sensitive issues. Decisions that relate to immigration cut across policy domains and administrative responsibilities and thus require extraordinary amounts and forms of coordination in both planning and execution. Yet, government competencies are almost always single-issue-focused and bureaucracies are typically organized vertically in order to deliver the necessary function.

Once more, examples of the need for and benefits from truly organic mainstreaming abound.

For instance, effective immigration control requires that foreign policy, development policy, labor market regulation (and deregulation!), education and workforce development, and interior and workplace standards enforcement, among others, work in concert to deliver the desired outcome. Any imbalance that tries the patience of the market will be challenged, directly or indirectly, by market forces, fleet-footed corporations, illegally resident migrants, work unauthorized foreigners, and unscrupulous employers.

Similarly, for immigrant selection systems to work well for all concerned, educational and workforce development institutions, together with institutions that monitor the economy and labor market, must identify areas of skills’ shortages and mismatches at the earliest possible time and devise ways to address them effectively. For instance, in order for highly qualified immigrants to assist the host labor market weather a skill shortage or mismatch, educational and training institutions must adapt and begin to produce more workers with the necessary education and training at the earliest possible moment. Yet, few of a society’s institutions are more resistant to change than those implicated in this example. (Those workers must also be willing to move to where the jobs are, a problem that must be also solved, though it involves the engagement of a different set of governmental levers of action.) Put differently, the policy purpose of admitting skilled immigrants cannot be to turn them into core workforces in any sector. If that is, or becomes, the case, it can have wider labor market implications and will give rise to ongoing social reaction. And if the educational and training institutions prove unequal to the task, or take too long to adapt, or do so poorly, they run the risk of producing workers for jobs that are no longer available in sectors that may not be viable in the longer term. This outcome will in turn create the conditions for another social problem for which immigration and immigrants—and their employers—will be blamed.

But the untoward consequences of poorly coordinated policies do not stop there. Excessive reliance on educated foreign workers from a handful of countries (networks

will virtually assure that foreign workers that concentrate on a few occupations/industries will come from only a handful of states) may put the receiving country's economic interests at odds with the interests and priorities of its overseas development efforts. While there are ways to avoid such conflicts (for instance, investments in the educational infrastructure of the developing country from which such immigrants may come could be designed to increase the pool of specific skills sufficiently so as to be able to accommodate the needs of the broader marketplace) lack of coordination will always have costs.

## **PRE-REQUISITES FOR AND CHALLENGES TO THE NEW MOBILITY SYSTEM**

*Flexibility* and *adaptability* must be the new system's hallmarks. In today's fast moving environment, systems that are flexible and can adapt to the realities of the global marketplace quickly—in part by being designed in ways that allow, even compel, them to learn from each cycle of their decisions—will gain disproportionately from it. Immigration is no exception. In fact, it might be archetypically the issue in which adaptability leads to greatest returns—both in the short but particularly in the long term. Yet, the road ahead will be strewn with challenges and obstacles which the new system must negotiate successfully if it is to establish itself.

The following is a first-cut listing of some of these challenges.

### Recapturing control of how the migration process is perceived by the public

Two mutually reinforcing trends pose the clearest threat to drawing significant benefits from the new mobility system: demagoguery and illegality. Demagogues, irrespective of party affiliation and regardless of whether they are in or out of government, will ride the issue for political advantage with abandon—and as a result, define the parameters of the public debate. The way the system is handled today will likely be reproduced in the future. In the typical scenario, governments do not address why immigration is important, what is valuable about it, and how to maximize gains from it and minimize its costs until a crisis erupts. By that time, however, they are on the defensive and their actions typically reinforce the case of the demagogues. The result is that public perceptions about migration become further distorted and the resulting discourse moves even further away from responsible ideas.

The second obstacle is illegality, particularly the perception that most migration is unauthorized. The ubiquity and brazenness of international trafficking syndicates and the publicity of their “exploits” reinforce that impression and undermine the prospects for deliberate action. In addition to frequently mistreating the migrants they traffic, these syndicates also harm the social order and rule of law interests of the societies in which their “cargos” end up. Recapturing the process from both demagogues and syndicates—in the first instance, symbolically, in the second one, literally—will be a good governance imperative of the highest order for the new system to stand a chance to succeed. This will require nothing less than a sustained public education effort. Governments will likely find their public education task both easier and more amenable, however, if they move gradually but firmly away from the rhetoric of just keeping immigrants out—and toward a stance that points to the benefits of pursuing immigration policies that address key policy priorities directly.

A simple rule of thumb may be the most basic point here. If the political leadership cannot (or is not willing) to articulate clearly to its electors why it is or should be in the mobility “game” in the first place, that country should not be in it. Everything else is a potentially explosive mix of high-handedness and political cowardice. It is not

uncommon for leaders to be punished in the polls when they are perceived to engage in such behavior—whether on migration or other divisive issues. Electorates in several European countries have handed sitting governments stinging defeats on important issues in significant part because of such perceptions. An alternative model exists when it comes to immigration. The Canadian Government “speaks” with Canadians about its immigration policies regularly and in so doing, it has found that it avoids the “feast-or-famine” cycles with public opinion on immigration.

#### The admission/integration nexus issue

Nothing a country does on immigration will be more consequential in the long term than creating level playing fields for the economic, social, and political incorporation of immigrants—new and old. The new security imperative amplifies that point a hundredfold. But as mobility gradually becomes the norm, the effort will have to go much further. As relationships between host societies and immigrants evolve, an emphasis on mutuality, on creating common space, and on developing an inclusive community identity can help a society move forward. Collaborative integration efforts that engage the government, the private sector, and civil society can leverage scarce resources to assist immigrants to become, and be seen as, long-term contributors to the community. Ultimately, integration efforts succeed best when they reconcile the immigrants’ needs and interests with those of the broader community in a dynamic process that weaves a new social fabric.

Marginalization and stigmatization of immigrants and their ethno-cultural communities, whether willful, inadvertent, or the consequence of inattentiveness, will likely fuel various forms of anomie and prove to be the source of hard-to-repair damage to long term social cohesion. Nor is there a shortage of division-promoting issues. The domestic phase of the United States’, and increasingly, the Western world’s “war on terrorism” has become arguably the most potent instrument through which such stigmatization is occurring. Unless it is handled wisely, this “war,” while perhaps making us safer in some ways, can also set the cause of immigrant integration and social cohesion back for a generation or longer—and thus undermine domestic security in the longer run.

#### The levels of governance issue

The discussion immediately above begs two inter-related questions: what are the most appropriate decision-making loci and in what combination should they be used if one desires better management outcomes for the age of mobility that today’s migration systems produce? The answer will be different depending on the part of the process one considers.

When it comes to managing flows, looking also above the nation state is the wisest course. The picture is less clear, however, when the issue is the more successful integration of one’s newcomers and the building of stronger communities and societies in the face of robust immigration inflows.

In the *flow management area*, the policy options other than unilateralism are bilateral negotiations and regional and global regimes. In fact, a case can be made for relying on a combination of such levels and levers of governance. The precise combination, however, will be different in different geographic and geopolitical settings.

A good rule of thumb at the dawn of the 21st century may be that the closer a nation state is to, and the more influence it can exert over, a supranational process and its institutions, the more likely it will be to show significant deference to it on flow management issues. According to this logic, bilateral efforts are likely to be preferred over regional ones and both will be thought of as superior (in terms of a nation state's willingness to negotiate and abide by a set of rules) to global ones.

Of course, such a broad statement hides substantial degrees of variation within it. The advantages of bilateralism are obvious. When Italy had to address its Albanian immigration problem, working together with Albania made eminent sense. Similarly, in the early 1990s, Germany created a special visa relationship with Poland as a first step toward managing its "migration" relationship from and through that country better and, some will argue, as a down-payment to Poland's entry into the EU in May, 2004. (Of course, Germany's strategic policy aims had even stronger geopolitical and economic rationales.)

The advantages of bilateral negotiations lie principally in the ability to agree on and implement reciprocal obligations whose observance can be measured (and adjustments can be made accordingly) and enforced. Regional processes, on the other hand, can offer even greater opportunities for cooperation but adjustments will be by definition more difficult to make. Furthermore, it is infinitely more complicated to act efficiently and effectively in regional settings when non-compliance occurs—with the EU being the major exception. All other regional processes lack the institutional mechanisms to reach binding agreements and, more importantly, the power levers to enforce compliance in meaningful ways.

The EU fulfills most—if by no means all—of the requirements that make bilateral conversations the instrument of choice on migration flow management conversations. For the Union to move closer to meeting more of these requirements, however, and especially that of enforcing compliance, the EU will have to "communitarize" migration well beyond where it is today. Put differently, the greater the reliance on intergovernmental mechanisms for the purposes of the management of migration flows, the less likely it is that meaningful agreements with countries of unauthorized migrant origin and transit can be negotiated and observed. ("Meaningful" is used here to underline the importance of engaging in negotiations where both parties give up something of value in order to achieve a result of higher significance for each.) Specifically, unless the Commission is given authority to negotiate migration accords with third countries that include work visas and other concessions, and unless the member states are willing to honor and enforce the terms of such agreements, Brussels may soon be only slightly better off than the multitude of regional dialogues in negotiating true migration management agreements.

Many will argue that this is too severe a judgment, particularly given the EU's common visa regime and the Commission's authority to negotiate many sensitive matters on behalf of the member states. The purpose here, however, is to make the larger point that negotiating more fruitfully on managing migration flows requires having the authority to put work visas of various kinds on the negotiating table. Simultaneously, it requires the ability to strengthen compliance with the terms of any resulting agreement by being authorized to withhold other "public" goods (such as certain forms of development aid). The Commission does not have these authorities now. Indeed, a last minute German reservation on the failed EU constitution would have denied it work visa authority. Finally, sensitivities on the part of several member states (especially with regard to tying foreign and development aid to a party's obligations under a migration agreement) effectively withhold from the Commission the basic governance power of safeguarding the integrity of such agreements by ensuring full compliance with their terms.

If flow management issues become more complicated the further one moves from bilateral negotiations, *the integration issue* is in many ways more complex still. Here, sub-national and local levels of government, as well as the "soft" but crucial power of the non-governmental (civil society) sector, must and do play the most critical roles.

By its very nature, integration will always be first and foremost a local affair. This is because it is at the local level that the critical interactions between newcomers and the larger community occur and where successes and failures—and hence the possibility of policy innovation and gains—happen most naturally. Localities are the terrain where governmental decisions and non-decisions with regard to all aspects of international migration play themselves out. To be sure, national governments (and, in the case of federal and confederal systems, state ones) will typically provide both the resources and the enabling legal environment within which experiments will be possible and performance will be measured.

This reality does not devalue the role of the Commission, which is likely to grow in importance. Its effectiveness, however, will fluctuate with the maturing of Brussels and the thoughtfulness and quality of its intervention.

Both conditions, in turn, will be influenced greatly by three interrelated factors:

- The Commission's "courage" in speaking clearly when member states fail to make sufficient progress on integration, that is, demonstrating that it is willing to deal effectively with the perennial issues of "competence" and deference to member state sensitivities.
- The engagement and quality of civil society intervention in Brussels; and
- The resources available to this level of governance so that they might seed new ideas and initiatives, as well as fund "corrective" region-wide policies.

## LEGALITY AND SECURITY: THE MOBILITY AGE'S POLICY WILDCARDS

Economic and the other forms of interdependence noted earlier place countries and entire geographic regions in the grasp of an increasingly global migration system in which economic and socio-political events have direct migration consequences. Recall, for example, Europeans' concerns that the latest EU enlargement would have substantial migration consequences for the EU-15. As ever more migrants become interested in entering the international mobility stream, a governance challenge of the first order looms larger and larger—a challenge that since September 11, 2001, has acquired a very distinctive public security component.

The issue has thus become how to (a) regain the public's confidence that government can *and will* manage immigration competently (and protect the homeland); (b) address the array of public grievances relating to immigration and its consequences; and, in doing so, (c) defuse growing xenophobia and reduce the stigmatization of various ethnic, religious, and immigrant communities.

These migration management challenges point to one of this essay's major lines of argument: that international migration has reached a management "tipping point" where single policy and single-country solutions are no longer capable of addressing it effectively. Managing mobility more effectively in the years ahead, whether unilaterally, bilaterally, regionally, or multilaterally (even globally), thus requires that policymakers understand much better the following three issues over and above those discussed so far:

1. The role of organized people-smuggling syndicates in the growth of unwanted migration (they are now a critical factor) and the imperative of reallocating resources and shifting detection and enforcement paradigms in order to tackle them systematically and aggressively.
2. The limits of unilateralism (or of de facto unilateralism) in responding to unwanted migration. We use the term "de facto unilateralism" to refer to individual or groupings of advanced industrial societies "negotiating" with sending or transit countries with very little to offer them beyond lectures and stern warnings, technical assistance designed to advance the destination countries' purposes of immigration control, and trade "concessions" that are typically both less meaningful than they may appear and like a double-edged sword in their requirements.
3. The relationship ("fundamental difference" may be a more appropriate construction) between immigration decisions and creating opportunities for terrorists. In particular, the role that a country's foreign political and economic decisions, and its ability to integrate its immigrants effectively, play in the growth of this era's clash with nihilistic violence.

This is not to propose "going soft" on illegal immigration. In addition to subverting a society's legal order, illegal immigration can also hide persons who wish the targeted

society ill and undermine or pervert a variety of that society's domestic and foreign policy priorities. Putting terrorist issues temporarily aside, one of the most significant consequences of illegal immigration may in fact stem from the reality that the traffickers' "cargo"—most illegal immigration is increasingly well organized—is made up of desperate people. Such people are willing to work long hours under virtually any conditions in order to pay passage fees that range from the low thousands of dollars for crossing a single border to many tens of thousands of dollars for "full-service" contracts that include delivery to specific destinations.

In no field of endeavor is the control effort more complicated than in fighting terrorism. Many opponents of immigration have latched on to the terrorism challenge opportunistically in an effort to promote anti-immigration agendas. Yet, some of the concerns they articulate are legitimate. The attacks on the United States, Spain, and the UK make clear that some foreigners were able to take advantage of these countries' entry management systems and, to a much lesser extent, their immigration systems proper, and launch their attacks from within. Furthermore, there is now little doubt that the terrorists' cause has active sympathizers in the immigrant and ethnic communities of which the terrorists were members—and that such sympathies have aided and abetted the terrorist acts.

The policy question then becomes how to protect oneself, and one's country, from the threat terrorism presents. This is not an easy thing to do. Intelligence and police work will have to be the frontlines of protection, as will much deeper international cooperation than is either the case today or appears likely in the immediate future. The effort must also include a thorough review of the developed North's foreign political and economic relations with an eye toward identifying policies that fuel hatred toward it.

A parallel track must also be fashioned, however, and followed with equal diligence. This track must involve developing and implementing a plan for winning the hearts and minds of ethnic and immigrant communities. In doing so, and by systematically promoting inclusion, participation, and engagement, such communities can be turned into key allies in the fight against terrorism, rather than incubators and protectors of the next wave of terrorists.

The calculus is as clear as it is compelling. In many ways, terrorist sympathizers and terrorists are even more of a threat to the well-being of the communities of their co-ethnics in the advanced democracies than they are to the society targeted for a terror attack. This reality must serve as a wake-up call to these communities or they will find themselves further marginalized and stigmatized. Similarly, the broader society's self-interest dictates that inclusionary policies be devised and implemented with vigor, so as not to marginalize the immigrants in its midst. But the effort must not stop there: positive steps must also be taken so that such immigrants are made into essential parts in solving the anti-terrorism puzzle.

## CONCLUSION

The facts are not in dispute. Migration ties sending, transit, and receiving countries—as well as immigrants, their families, and their employers—into often reinforcing and always intricate systems of complex interdependence. It takes the cooperation of virtually all these actors—as well as smart policy decisions, thoughtful regulation and sustained enforcement—to make real progress in limiting the effects of migration’s challenges enough so as to draw out even more of its benefits.

Whether or not the age of mobility is already upon us or just over the horizon, the only projection one can make is that mobility in all its forms will only increase. For the purpose of this policy brief, that reality means the following. There will be more global firms seeking to move their management and technical personnel with complete predictability and minimum disruption across borders. More industries will seek (and win) the right to access the global labor pool subject to rules of variable intensity but also greater clarity. More workers at all skill levels will seek to migrate for work in other countries; and some of them will stay there. And more people—tourists, business persons, students, family members, performers, seasonal and border-crossing workers, and adventurers and troublemakers of all types—will be on the move.

This reality demands that understanding mobility is a prerequisite both to shaping it and to managing it better. And both of these actions require far greater horizontal cooperation than is now the case. Cooperation is needed between relevant governmental agencies and between governmental and non-governmental actors, not only *within* countries, but also *across* countries.

Remarkably, few states seem to be acting decisively on the knowledge that managing migration/mobility effectively, and to sustained advantage, requires the active engagement of a large number of government agencies—the whole-of-government approach discussed earlier in this analysis. But nowhere is the ground better prepared for making progress in such cooperation than the EU.

Yet the future is unclear. Will most member states continue in their course of denial about the value of managed immigration on grounds that are mostly about ideology—and wrong-headed thinking—about how successful economies and labor markets will operate in an increasingly interdependent world? If they do continue on their course of denial, what are the steps they are prepared to take in order to remain internationally competitive? And if they change course and do open themselves up to greater immigration, what are the steps they propose to take and what investments are they prepared to make in order to deal with the diversity that more immigration implies? Finally, if they enter the immigration game with their eyes open and their self interest sharply in focus, what decisions about immigration and the many issues it intersects with—education policy, training policy, housing and internal geographic mobility policy, anti-discrimination policy, etc.—are they prepared to make?

In closing, this essay brings two key questions in the sharpest focus possible: What will the international mobility system of the future look like, who will shape it, in whose image, and to whose advantage? And even if many EU Member States demur, are the Union's central institutions prepared to recognize and take advantage of the opportunities the international migration system offers? Only time will tell.