

The Challenge of Integration

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Carlo Monticelli

Vice-Governor Council of Europe Development Bank



The Migrant – Refugee Crisis in Europe



The Issue of migration is here to stay

Demographic developments and international income differences have always driven international migration... ...and in addition:

- Information transmission (including visual) is much cheaper and faster than ever before → the unhappiness effect!
- The level of socially and ethically acceptable indignities to block migrant flows has drastically declined



In my talk...

- Factors of migration
- Migration into Europe
- Ideas about the way forward





Refugees and migrants

Refugee

- Fleeing war and violence typically
- They are often temporary
- Apply for asylum status to gain official status and welfare
- May not need integration but we still need to invest in human capital

Migrants

- Often motivated by economic pullfactors (e.g. jobs)
- May become long-term residence of host country
- Do need integration programmes

Investment priorities differ

- Refugees: short and medium-term needs
- Migrants: long-term integration investment



Factors of migration



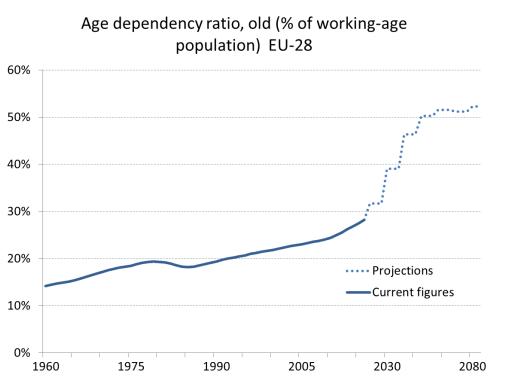


Differences in standard of living

- Europe used to be a continent of emigration and displacement
 - Between 1845-1939, 50 million Europeans moved to the New World to look for a better life
 - 10 million people left Italy, Spain, Greece, and Portugal between 1950 and 1970
- The difference in GDP per capita between countries has always been the key driver for voluntary migration
 - A 10% increase in the income level differential between two countries increases the number of migrants by 3.1% (OECD, 2017)
- Existing migrant networks strongly influence migratory patterns
- 3.3% of world's population live outside their home countries, but 11% (26% in Africa) would do so if they had the chance



Population ageing



CEB reconstructed series, World Bank and Eurostat

- In the 1960's there were <u>six</u> working age persons for every person aged 65+ (old-age dependency ratio <20%)
- Today there are <u>four</u> working age persons for every person aged 65+ (ratio 25%)
- From 2050 on, there will only be <u>two</u> working age persons for every person 65+ (ratio 50%)



Migration into Europe





Benefits of migration

- Migrants have accounted for 70% of the increase in Europe's workforce in past 10 years
- Immigrants took almost half of the low-skilled jobs in the EU
- A 1% increase in the share of migrants increases national GDP by up to 2% in advanced countries
- Both high- and low-skilled migrants improve national productivity
- Positive contribution to pension systems



But integration is incomplete...

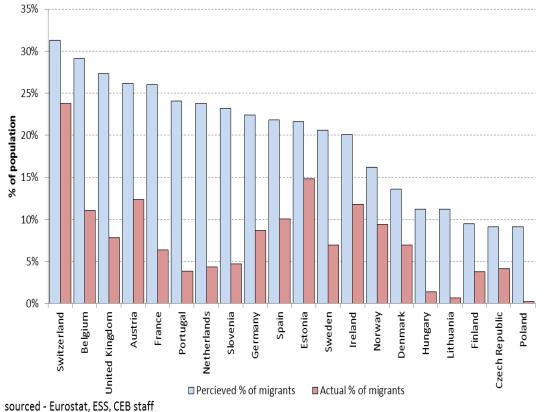
- 25% migrants w/ tertiary degree but 36% are poorly educated
- 33% only have basic literacy skills of host country
- 25 % of second generation migrants lack basic reading standards
- They are 50% more likely to be unemployed than children of non-migrants

- Live in low quality and costly homes, in segregated areas with poor public service access

- Migrant unemployment rate 16.2% vs. 7.8% native born (2016)
- 39% overqualified for job; 38% are at-risk-of-poverty



...with migrant population being overestimated...

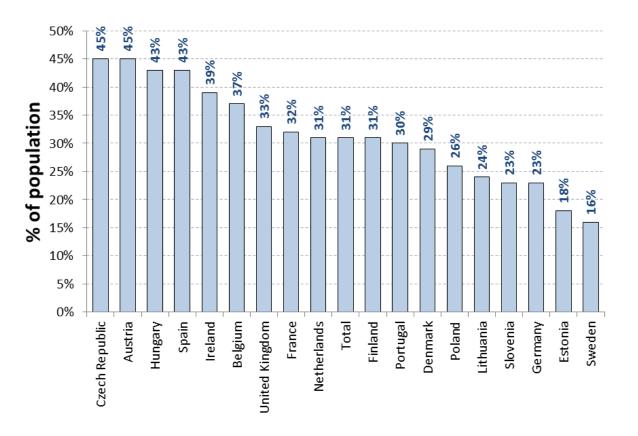


- 39% of Europeans think immigration is the most important challenge facing Europe (2017)
- Negative perception of non-EU migrants is beginning to drop since 2015 – but still high at 59% in 2017
- On average, Europeans, prefer to support intra-EU migration over non-EU migrants – by factor of 25% (2017)



...and wrongly perceived as a cost

Percentage of people who think migrants take more out than they put into public purses (2014)





Ideas about the way forward





The need for secure borders



Controlling flows of migrants is part of a successful integration policy

Securing EU borders is a collective effort of member states

Important steps taken by EU thus far

- Boosting external border funding
- Investing in smarter borders and creating the European Border and Coast Guard Agency
 - Increased staff and rapid response teams
- Strengthening European asylum support office (EASO)
- Reforming Common European Asylum System



Increase public investment for integration

Investment directly focused towards directed towards integration:

- Learning host languages
- Adapting existing skills for labour market
- Obtaining new/needed skills

Social investment can work to foster community integration:

- Building modern affordable homes
- Constructing/Upgrading schools and hospitals
- Developing community centres
- Investing in job creation programmes



Areas in which CEB has a track record of success



Changing our perspectives on migration



Two existing integration paradigms (that have failed)

- Assimilation
- Multiculturalism

Think of a "third way" :

 Move from the moral high ground of integration duties to the reciprocal human compassion based on the "ordinary virtues" (Michael Ignatieff)

