

Green Papers are often essays of rethorics. They state broad principles, unlikely to be ever applied in practice. The Green paper released last week by the European Commission on international migration is not an exception. It aims at “launching a public debate” on the issue, “choosing a bottom-up, rather than a top-down approach”. The objective is to “harmonise policies towards economic migrants across the EU”, but the documents states at the outset that decisions on this matter should remain solely under the jurisdiction of national Governments. Some of the rules proposed in the document are not enforceable. They can only be a source of red tape costs for the migrants and their employers and require huge public administrations.

Co-ordination of national migration policies will be a dream if decisions continue to be kept under the excusive responsibility of national Governments. There is no sign that a convergence in national regulations on economic migration is occurring in the EU. Policies are getting increasingly tough on migrants, especially in those countries that had the most restrictive provisions to start with. Since 1995 there were 26 reforms of migration policies in the EU-15: two reforms out of three tightened regulations, increasing procedural obstacles faced by those applying for visas, reducing the duration of work permits or making family reunification more difficult. Countries are getting tougher because migration flows can be diverted across jurisdictions. This raises concerns among public opinion that the countries not tightening up restrictions could be flooded by migrants not accepted in other countries. Cross-national policy spillovers are frequent. Finland tightened up its regulations in 2004, following closely the most restrictive stance taken by Denmark in 2002. Portugal adopted more restrictive provisions in 2001, just after a likewise restrictive reform implemented by Spain in 2000. And Ireland chose a more restrictive approach in 1999, after two reforms in the UK, that had tightened up migration restrictions, respectively in 1996 and 1998. This “race to the top” characterised decisions on transitional arrangements after the Eastern Enlargement of the EU: 12 out of the 15 countries reneged on their previous commitment not to restrict worker flows from the New Members as they realized that Austria and Germany, the two favourite destinations of Eastern migrants, were closing their borders to the East.

Tight national restrictions do not seem to prevent migration to occur, but alter the geographical orientation of flows, and increase illegal migration inflating the ranks of the informal sector. Illegal migration are indeed larger when restrictions to legal migration are tight. Illegal flows as a proportion of the population are about one fourth larger in Europe than in the US; at the same time, legal flows are 25% larger in the US than in Europe. And the US has more realistic migration restrictions than most European countries.

The only way to control migration is to have realistic restrictions and realistic restrictions can only be adopted by taking into account the spillovers across jurisdictions. This means having policies agreed at the EU level. National Governments are reluctant to delegate authority: at the November 2004 Council, they accepted Qualified Majority Voting only on measures tackling illegal migration, leaving decisions on restrictions to legal migration under unanimity rules, as if legal and illegal migration were not two sides of the same coin. The Green Paper does not do anything to make EU leaders change their mind. It states that national Government can better “respond to the specific needs of their labour markets”. It does not stress the obvious advantages of having the EU playing as a unique player in enforcing border controls, signing co-operation agreements with countries of origin of migration and encouraging the type of flows which are best suited for Europe.

The Green Paper also suggests that Member countries when admitting migrants “require proof that no one already part of the domestic labour market can fill the vacancy concerned”. This

is unlikely to be possible even under central planning. Migrants change two jobs per year as they “grease the wheels” of European labour markets with their mobility from less to more productive jobs. Should we prevent them from doing so? The Green Paper also suggest that the self-employed should be admitted after an evaluation of their business plans. In Milan this year there were more foreigners than Italian registering as self-employed. Should we prevent migrants from taking entrepreneurial risks? And who ever will examine their business plans? If taken seriously, these rules will feed huge administrations, inflicting significant red tape costs on those wishing to hire migrants and forcing the migrants themselves to work less than what they would like to do. It looks like an invitation to join the underground economy.

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