



SOCIAL INVESTMENT AND IMMIGRATION
Reflections in a southern European perspective

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Premise I:

Variety of immigration models

- Diverging evolution of European immigration models in the pre-crisis decade (levels and modes of openness to labour migration)
- Asymmetrical impact of the crisis
- Different relationship between recent immigration, growth and cohesion
- Need for differentiated approaches to the debate on social investment and immigration (my southern European perspective)

Premise II:

Interdependences across generations

- Which focus for the workshop? I would suggest not just 2nd generations
- Southern Europe: 1st generation still largely active and 2nd still largely in education
→ need for an integrated approach to social investment for 1st and 2nd generations

Key features of south European immigration models

- IMMIGRANTS: large-scale, low-skilled (or de-skilled), low-paid, comparatively high activity rates
- COSTS: low cost for native workers (high complementarity on segmented labour markets), low cost for firms (cheap labour), low cost for administration (little investment in recruitment and integration)
- BENEFITS: low benefits for the economy although high benefits for welfare systems

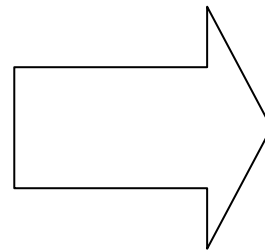
→ **IMMIGRATION AS 'CRUTCH'**

The **crisis** and the **erosion** of the **sustainability foundations** of such model

- A) Incipient native-immigrant competition on DDD labour markets
- B) Immigration as brake on innovation in production and welfare
- C) Growing demand for welfare services
 - Need to reconvert to a more selective and growth-oriented immigration model
 - BUT awareness of constraints and imperative to avoid immigrant scapegoating

Specific challenges → Elements of a response strategy (1):
Economic reintegration of 1st generations

- **Disproportional growth in unemployment, under-employment, illegal employment**
- **Increased sectoral ghetto-ization and de-skilling**
 - **Weakness of support networks**

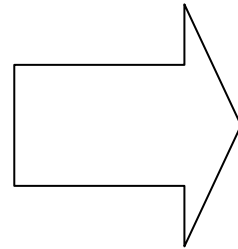


- **Need for targeted, diversity-friendly active employment policies**
 - **Promote labour market participation of dependent female immigrants**

Specific challenges → Elements of a response strategy (2):

Unfold potential of 2nd generations

- **Unacceptably higher school failure rates**
 - **Distorted choice of secondary education channels**
 - **Discriminatory barriers in access to citizenship**

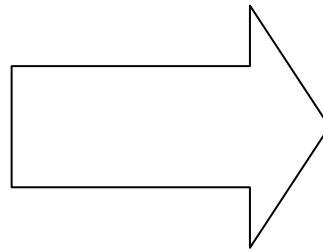


- **Avoid cuts in support to integration in schools**
- **Reinforce jus soli**
 - **Recognize 'transnational potential' in labour markets**

Specific challenges → Elements of a response strategy (3):

Enhance intra-EU labour mobility

- **Increasing economic polarization in Europe**
- **Inadequate international distribution of (immigrant) labour force**



- **Improve support to youth professional mobility of EU citizens**
 - **Legislative reforms to facilitate intra-EU mobility of long-term resident TCNs**