



# POLICY BRIEF

## How will migration to Europe look in the Future?

Trends, open questions, and four plausible scenarios<sup>1</sup>

Rainer Münz

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### MIGRATION TRENDS

#### Global migration

The *absolute number of people living outside their country of birth* today is higher than ever before: It rose from 173 million in 2000 to 272 million in 2019 – accelerating at a pace slightly above world population growth. As a result, the share of international migrants in global population has grown from 2.8% in 2000 to 3.5% in 2019.<sup>2</sup> Total numbers include 20.4 million recognised or registered refugees and 3.5 million asylum-seekers.<sup>3</sup>

*High-income countries have absorbed the lion's share of this net increase*, hosting 74 million of the additional 99 million people living outside their country of birth worldwide (net increase 2000-2019). As a result, today, some 65% of international migrants worldwide live in high-income countries.

The USA, Germany, Saudi Arabia, and Russia are the most important receiving countries.<sup>4</sup> Europe – once the world's most important migrant sending region – has, since the 1960s, become a prime destination for immigrants, with the *EU/EFTA/UK (=current EU27 + UK + CH, NOR, ISL) hosting 23% of all persons living outside their country of birth globally*. More than a third of this stock is, however, the result of free movement of workers and students inside the EU/EFTA.

1. Concepts and scenarios presented in this brief have first been developed and discussed in a seminar held at the European Political Strategy Centre on April 26, 2018 and during a public lecture held at the University of Zurich on March 11, 2019.  
2. United Nations Population Division (UN DESA 2019). <https://www.un.org/en/development/desa/population/migration/data/estimates2/estimates19.asp>  
3. UNHCR 2019. <https://www.unhcr.org/figures-at-a-glance.html> (Palestinians under the mandate of UNRWA not included).  
4. United Nations Population Division (UN DESA 2019). <https://www.un.org/en/development/desa/population/migration/data/estimates2/estimates19.asp>



## Immigration to and migration within the EU

Since the beginning of the 21st century, the number of immigrants and mobile EU citizens living in today's 27 EU Member States and the UK has increased by about 60% from 34 million (or 6.9% of total EU population) in 2000 to about 60 million (or 11.1%) in 2019.<sup>5</sup>

Among these, roughly 20 million people came from another EU Member State, while 40 million are third-country nationals and naturalised EU/UK citizens with place of birth outside the EU/UK.

Counterbalancing immigration trends, at least three million emigrants were reported to have left an EU Member State annually in recent years; about half of them were mobile EU/UK citizens moving to another EU Member State (or the UK).<sup>6</sup>

While 22 of the then 28 EU Member States (today's EU27 and the UK) reported more immigration than emigration in 2018, the number of emigrants outnumbered the number of immigrants in Bulgaria, Croatia, France, Latvia, Lithuania, and Romania.<sup>7</sup> In fact, between 2010 and early 2019, when countries like Germany and Italy recorded strong positive net migration gains, others like Spain, Romania, Bulgaria or Greece recorded net migration losses, reducing unemployment or underemployment at home, but at the same time leading to a loss of talent and skills (brain drain). And it can be assumed that official statistics underestimate the actual outflows from Central (e.g. Poland, Baltic States), Southern and South-Eastern Europe (Bulgaria, Romania) as many mobile citizens maintain a residence in EU sending countries and do not deregister when leaving for an extended period of time. As a result, their change of place might show up in migration statistics published by the receiving EU country, but not in data published by the sending country. The same applies to the Western Balkan countries outside the EU, but also to Moldova, Ukraine and most countries in the Southern Caucasus region.

## Intra-EU/EFTA mobility on the up before 2020

EU enlargement to Central and South-Eastern European countries in 2004, 2007 and 2013, unleashed new opportunities for *intra-EU/EFTA labour mobility*, providing millions of citizens from Central and South-Eastern Europe access to labour markets and residence in Western and Southern Europe. Since the early 2000s, it has led to unprecedented East-West migration within the EU, but also to Norway and Switzerland.

Some citizens of non-EU countries in Eastern and South-Eastern Europe were also profiting from free movement in case they had easy access to citizenship of one of the states joining the EU in or after 2004. Among them were ethnic Croats from Bosnia becoming Croatians, ethnic Hungarians in the Serbian Vojvodina and Ukrainian Transcarpathia acquiring Hungarian citizenship, Moldovans being granted Romanian passports on a regular basis as well as some Macedonians and Turks successfully claiming Bulgarian citizenship.

More recently, as a result of the financial crisis of 2009-2010 and a subsequent rise in unemployment levels in Southern Europe, citizens of Spain, Portugal, Italy and Greece have been incentivised to move to Northern Europe in search for jobs; a phenomenon not seen in Southern Europe since the 1980s.

During the period 2010-2015, an estimated 6.7 million EU citizens moved to other EU countries for an extended period of time (12+ months).<sup>8</sup> That is an average of 1.1 million per year. In recent years (2016-2019) these flows increased to 1.3-1.5 million EU citizens per year.<sup>9</sup>

The majority of migrating EU citizens were people taking up jobs in another EU country, although educational and retirement mobility also played a role. For intra-EU labour migrants the prime

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5. Eurostat [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Migration\\_and\\_migrant\\_population\\_statistics](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Migration_and_migrant_population_statistics)

6. Eurostat <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20190321-1>

7. Eurostat <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20190321-1>

8. Only EU citizens with a minimum stay of 12 months are considered in order to distinguish between immigrants (12+ months) and short-term movers (e.g. posted workers, exchange students, short term intra company transfers).

9. Eurostat <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20190321-1>

destination was Germany, followed by the UK, Spain, Italy and Austria. The most important sending EU countries were Poland, Romania and Bulgaria, but also Italy and Spain. Relative to population size outflows were also considerable in Latvia and Lithuania.

In the Spring of 2020, measures at national and EU-levels fighting the spread of the CoVid-19 epidemic have led to travel and mobility restrictions as well as tight border controls within Europe preventing many potential migrants, seasonal workers and trans-border commuters from temporarily moving between home and host countries.

## Labour migration vs. rights-based family and humanitarian migration

Over the period 2010 to 2019, some 17 million people from non-EU countries were granted *residence permits* (with duration of more than 12 months), refugee status or temporary protection in the EU (including UK). That is an average of 1.75 million per year.<sup>10</sup>

The most important destination country was Germany, followed by the UK, Italy, Spain, France and Sweden. In Germany the largest inflows were linked to asylum-seekers from Syria, Afghanistan and Iraq, but also to regular migrants coming from Serbia, Turkey, Russia and China. In the UK, immigration from China, India and Pakistan played the most important role. In Italy, Spain, and France, the largest inflows were from Morocco and Algeria. In Spain, more recently, arrivals from Latin America (Venezuela and Colombia in particular) were becoming more numerous.

In 2016, the number of new residence permits peaked at 3.4 million as refugee status or temporary protection was granted at a larger-than-usual scale. The number of *first-time asylum-seekers* rose from 200'000 (annual average 2008-2010) to more than 1.2 million per year (2015-2016). Although the numbers of first-time asylum applications fell back down to ca. 680'000 in 2019, this still represents more than three times as many as in 2009-2010.

During the years 2013-2016 the number of asylum seekers was closely linked to irregular arrivals across the Mediterranean and via the Western Balkan countries. In 2017, 2018 and 2019 this was no longer the case. *Recent first asylum requests in the EU (2019 incl. UK: 657'000) largely outnumbered irregular arrivals in Italy, Greece and Spain (2019: 125'000).*<sup>11</sup> It should, however, be noted that as a side effect of restrictions linked to the CoVid 19 epidemic, asylum requests dropped by 80% between February and April 2020.

Lengthy asylum procedures and low return rates of migrants without residence status have created a non-negligible group of migrants in *legal limbo* or with a *non-enforceable order to leave the EU Member State* in which they reside. Depending on the host country, such migrants as well as over-stayers often find work in the informal economy (as agricultural or construction workers, in restaurants, in private households, as prostitutes, etc.).

In parallel, as a result of the financial crisis and high unemployment levels in many EU countries, newly issued *long-term residence permits for labour migrants from third countries* dropped from 0.5-0.6 million before 2008 – representing about a third of all residence permits (12+ months) awarded that year – to 260'000 in 2016 – representing just 10% of all residence permits (12+ months). In 2018, the number rose to 447.000; still below the levels of the early 2000s.<sup>12</sup> One reason for this is EU enlargement. During economic recovery after the financial crisis, many employers preferred hiring workers from Bulgaria, Hungary, Romania, Poland or the Baltics instead of having to recruit third country nationals as the former is bureaucratically much easier than the latter.

Lengthy asylum procedures and low return rates of migrants without residence status have created a non-negligible group of migrants in legal limbo or with a non-enforceable order to leave the EU Member State in which they reside.

10. Eurostat <https://ec.europa.eu/eurostat/web/asylum-and-managed-migration/data/database>. Only permits with a minimum validity of 12 months are considered in order to distinguish between immigrants (12+ months) and short-term movers (e.g. seasonal labour, exchange students, short term intra company transfers).

11. European Commission, DG HOME, asylum seekers arriving on the basis of visa-free travel (mostly from Latin America) are not counted as irregular arrivals; see also UNHCR <https://data2.unhcr.org/en/situations/mediterranean>

12. Eurostat <https://ec.europa.eu/eurostat/web/asylum-and-managed-migration/data/database>



Measures taken against the spread of the CoVid 19 virus in 2020, however, have been preventing Eastern and South-Eastern European workers from reaching work places in Western Europe. And high unemployment caused by the 2020 recession due to restrictions imposed to fight the CoVid 19 epidemic will drastically decrease the need to recruit labour and skills from non-EU countries.

Family reunion is in fact the most stable 'legal gate of entry' to the EU (2018: 795'000 residence permits valid for 12+ months issued), even if its nature has been changing. While it initially enabled labour migrants arriving in Europe to later bring their dependent family members to destination countries, today, family reunion to a considerable degree serves to facilitate the immigration of young brides and grooms getting married to EU-born members of established Diasporas reaching out to partners from the ancestral regions and family networks of their parents and grand-parents.

With more than 2 million people granted asylum or temporary protection in 2014-2019, family reunion also becomes an issue for dependent family members of recognised refugees. This secondary flow will become more important during the next years as the number of recognised refugees is on the rise.

## Trends affecting the EU labour force

Given its current demographic structure and numbers of children per family, it is projected that, – if immigration levels remain constant – the number of people living in today's 27 EU Member States + the UK would only slightly change from 514 million in early 2020 to 516 million in 2050. By contrast, in the – unlikely – absence of any future immigration, the total population in the EU (and the UK) would drop to 479 million in 2050.<sup>13</sup>

Although it is difficult to predict how many of these people would be employable (depending on future labour force participation and on possible increases in the retirement age in various Member States), the no immigration scenario would also translate in a declining labour force, with anywhere up to 50 million fewer workers by 2050 in case future labour force participation and retirement age would not be higher than today.

As for the skills composition of the labour force, projections show that the number of highly-qualified workers is likely to increase by more than 15 million between 2015 and 2025, while the labour force with low qualifications will decline by nearly 14 million.<sup>14</sup> This suggests that there will be demand for skilled, but much less for unskilled migrants.

A study of future imbalances of labour demand,<sup>15</sup> which assesses the skills that are likely to be in short supply across different regions of Europe relative to overall demand suggests: many European regions (Scandinavia, the Central and Eastern European countries, as well as France and the Benelux) will face a potential *shortage of intermediate workers*, which might open up labour market opportunities for mobile EU citizens and immigrants coming from third countries.

## Public Perceptions

Immigration surged on the list of top concerns of European citizens since 2014, peaking at the end of 2015, at the height of the so called refugee crisis, when 58% of Europeans said that immigration was the most important issue facing the EU. In 2019, with 34% mentioning this issue, it still remained the number one concern of Europeans, but climate change had moved to second place (24%).<sup>16</sup> In 2020, the agenda had shifted again. The focus is on the recession induced by measures against CoVid-19, on job security and unemployment, but also on health and safety issues.

Many European regions will face a potential shortage of intermediate workers, which might open up labour market opportunities for mobile EU citizens and immigrants coming from third countries.

13. Eurostat <https://ec.europa.eu/eurostat/web/population-demography-migration-projections/population-projections-data>  
14. European Centre for the Development of Vocational Training (Cedefop 2016) skills forecast [https://www.cedefop.europa.eu/files/3077\\_en.pdf](https://www.cedefop.europa.eu/files/3077_en.pdf)  
15. European Centre for the Development of Vocational Training (Cedefop 2016) skills forecast [https://www.cedefop.europa.eu/files/3077\\_en.pdf](https://www.cedefop.europa.eu/files/3077_en.pdf)  
16. Eurobarometer <https://ec.europa.eu/comfrontoffice/publicopinionmobile/index.cfm/Survey/getSurveyDetail/surveyKy/2253>  
17. Special Eurobarometer on Integration of immigrants in the European Union, October 2017 [https://ec.europa.eu/home-affairs/news/results-special-eurobarometer-integration-immigrants-european-union\\_en](https://ec.europa.eu/home-affairs/news/results-special-eurobarometer-integration-immigrants-european-union_en)

The large numbers of irregular arrivals and asylum requests in 2015/2016 served to polarise opinions and politically mobilise those who already held negative views on immigration in several countries, resulting in an increase in populist votes and/or in mainstream parties campaigning with a more restrictive immigration agenda. In 2017, nearly four in ten (38%) Europeans thought that immigration from outside the EU is more of a problem. Just under a third (31%) saw it as equally a problem and an opportunity, while only a fifth (20%) saw it as more as an opportunity.<sup>17</sup>

The *integration of immigrants* is also a key concern with 7 in 10 Europeans saying that integrating immigrants is a necessary investment in the long-run for their country, as well as that successful integration is the responsibility of both immigrants and the host society. However just one in two respondents agree that their government is doing enough to support the integration of immigrants, while 40% say integration has not been successful in their local area or country.<sup>18</sup>

## WHAT WE DON'T KNOW

### Can migration solve future EU labour imbalances?

Just as intra-EU/EFTA mobility helps to ensure a better matching of supply and demand, international migration could help to address future labour and skills shortages in EU Member States.

However, EU Member States currently lag behind other regions of the world in attracting top non-EU talent and skills.<sup>19</sup>

In addition, the fact that rights-based and humanitarian immigration to Europe have become far more important than immigration of labour could mean that the continent fails to attract profiles that match its labour and skills needs.

In Europe, immigrants coming as asylum-seekers, newly wed spouses or as dependent family members have been, on average, much slower in entering the labour force of receiving countries than labour migrants and foreign students graduating from European universities. Currently, on average, it takes more than 20 years for differences between natives, labour migrants, former refugees and dependent family members to disappear.<sup>20</sup> Without intensive integration measures and efforts the situation is particularly difficult for certain groups of migrant women.

### Can Europe overcome its integration deficits?

Past immigration to Europe has left an 'integration gap', best illustrated by the *differences in employment rates between native-born people and certain groups of non-EU immigrants*.<sup>21</sup>

In addition, throughout their working lives immigrants remain overrepresented in low-skilled work – even where they have similar levels of educational attainment as native-born residents. Skilled migrants often face entry barriers to jobs for which they would be qualified.<sup>22</sup>

There might be several reasons, but despite progress on the recognition of qualifications, newcomers from non EU-countries face more limited opportunities than natives. The main exceptions are migrants who arrive as students and graduate in an EU country, as well as those recruited for a particular qualified position (e.g. medical doctors and nurses). This indicates that there is not only a failure to attract migrants with 'the right skills', but also a failure to recognise and fully utilise their qualifications. These empirical findings are particularly problematic as entering the world of work is the most important route to integration in general. More rapid labour market integration

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18. Special Eurobarometer on Integration of immigrants in the European Union, October 2017

[https://ec.europa.eu/home-affairs/news/results-special-eurobarometer-integration-immigrants-european-union\\_en](https://ec.europa.eu/home-affairs/news/results-special-eurobarometer-integration-immigrants-european-union_en)

19. OECD 2019 <https://www.oecd.org/migration/mig/Measuring-and-Assessing-Talent-Attractiveness-in-OECD-Countries.pdf>

20. Eurobarometer ad hoc-module 2014, Eurostat. European Commission, Source: DG EMPL, EU-LFS

[https://ec.europa.eu/eurostat/statistics-explained/index.php/EU\\_labour\\_force\\_survey\\_-\\_ad\\_hoc\\_modules#Overview\\_of\\_the\\_ad\\_hoc\\_modules](https://ec.europa.eu/eurostat/statistics-explained/index.php/EU_labour_force_survey_-_ad_hoc_modules#Overview_of_the_ad_hoc_modules)

21. European Commission, DG EMPL, EU-LFS.

22. European Commission, DG EMPL, EU-LFS.



Young adults with migrant backgrounds belonging to visible minorities generally continue to display lower labour force participation.

would also play a crucial role in ensuring that the majority of natives trust existing immigration and integration systems.

It is not only labour markets that are struggling to integrate immigrant populations. In many parts of Western Europe, a quarter or more of young people now have a migration background, which means: both parents are born abroad. The *educational systems* of host countries often have particular difficulties in coping with some of these children (and vice versa). In Europe, children with foreign citizenship and/or foreign-born parents are more susceptible to leaving school early and/or without graduating, falling within the category of 'not in education, employment or training' (NEET). On average these young people not only have significantly lower PISA scores<sup>23</sup> than their peers with native-born parents, but are also underrepresented in higher education.<sup>24</sup> As a result young adults with migrant backgrounds belonging to visible minorities generally continue to display lower labour force participation.

Immigrant workers also have twice the poverty rate of their native-born peers and in-work poverty is particularly acute for this group in Southern Europe.<sup>25</sup> In addition to this, patterns of residential segregation on the basis of both income and ethnicity often prevail so that many migrants find themselves living in more deprived areas, with more limited access to local resources, such as schools, child care facilities and healthcare institutions, as well as employment prospects.<sup>26</sup> These trends can perpetuate an 'unmixing' of native and migrant populations, entrenching fragmentation and/or parallel societies.

## FUTURE MIGRATION TO EUROPE – POSSIBLE SCENARIOS

In the coming decades, the size of migration flows and integration of migrants within the EU will depend on a number of internal and external factors, including:

- The level of employment and income differentials between receiving EU Member States and sending EU as well as non-EU countries;
- Future admission policies and the degree of selectivity as well as openness/restrictiveness in migration policies applied by receiving EU countries;
- The number and skill levels of native-born Europeans available for the labour market (depending on future changes in retirement age and the ratio between job losses and job creation linked to future innovation, notwithstanding the likely intensification of automation and robotisation);
- The possible loss of skills through emigration of young and talented EU citizens;
- The success or failure of joint European border management, asylum and readmission policies;
- Possible external shocks producing new large-scale flows of people seeking protection;
- The success or failure of integration policies. In this respect it is worth noting that, due to the particularly high volumes involved, the legacy of the irregular migrant and refugee inflows of 2014-2017 will be important, most likely entailing lasting effects and difficulties, at least in the medium term, with respect to the integration of these immigrants into labour markets and societies. The legacy of the immigration crisis also includes rising numbers of people with neither access to refugee status nor clear return perspectives.

23. OECD, Programme for International Student Assessment by the Organisation for Economic Co-operation and Development <https://www.oecd.org/pisa/publications/pisa-2018-results.htm>

24. Not counting those newly arriving migrants admitted as students.

25. EU statistics on income and living conditions (EU-SILC) survey [https://ec.europa.eu/home-affairs/sites/homeaffairs/files/e-library/documents/policies/legal-migration/general/docs/final\\_report\\_on\\_using\\_eu\\_indicators\\_of\\_immigrant\\_integration\\_june\\_2013\\_en.pdf](https://ec.europa.eu/home-affairs/sites/homeaffairs/files/e-library/documents/policies/legal-migration/general/docs/final_report_on_using_eu_indicators_of_immigrant_integration_june_2013_en.pdf)

26. CHESHIRE P., Segregated neighbourhoods and mixed communities-A critical analysis, Joseph Rowntree Foundation, London School of Economics, 2007.

Despite a high degree of uncertainty, we can establish at least four plausible migration scenarios for Europe. Each of these scenarios leads to specific integration challenges and labour market outcomes.

## Scenario 1: 'Back to the early 2000s'

Assuming that CoVid-19 related restrictions on travel and migration are gradually phased-out and admission and integration policies of receiving countries go back to "normal"; assuming further that the EU and its Member States succeed in maintaining control over their external borders, thereby limiting spill-over effects of current and future political or humanitarian crises in Europe's neighbourhood, this scenario would entail that immigration from third countries could go back to the more stable, mixed flows that characterised the years 2000 to 2013. Rights-based admissions (family reunion, asylum and other admissions for humanitarian reasons) would still play a more important role than labour migration, so that many third-country nationals settling in Europe would likely not immediately join the labour market. Like in the past, many highly-skilled global migrants would not necessarily choose Europe as a prime destination, but prefer other highly developed economies like the US, Canada or Australia.

Brain drain as well as low skilled short-term migration and mobility would continue as in the past: within the EU, for example between the Baltic States, Bulgaria, Hungary, Romania and Western Europe; but also from other countries to the EU, for example between Ukraine and Poland as well as between Serbia and Germany or between Kosovo and Switzerland.

In scenario 1 already existing integration deficits and fragmentation within societies related to migration would be likely to persist. The mix of the migration flow from non-EU countries would continue bringing migrants to the EU whose skills and whose intentions might not necessarily address the demographically induced shortage of domestic labour and skills. In this scenario, it would remain difficult to argue that economic and fiscal gains from migration outweigh the costs.

## Scenario 2: 'Instability in the neighbourhood'

Scenario two assumes large-scale future population displacements affecting Europe. That could be fuelled either by political instability in the Middle East, parts of Western Asia, North Africa and of Latin America, which would hinder economic growth and might – in some countries – be characterised by violent conflicts and/or civil wars producing migration and refugee flows, or by rapid demographic growth outpacing economic and infrastructure development, or by extreme weather conditions, creating additional flows of migrants in search for a better life and/or in need of protection towards Europe, similar in magnitude to the flows witnessed in 2015-2016.

Larger flows could be expected, for example, from unstable countries in Latin America, where the majority of citizens enjoy visa free travel to EU/Schengen countries. Future flows could also emerge from Middle Eastern and North African countries in Europe's neighbourhood. Such flows might not only affect EU countries, but also Turkey and non-EU countries in the Western Balkans as demonstrated during the Syrian refugee crisis.

Scenario 2 risks magnifying existing integration challenges, as it could fuel negative sentiment towards migrants, leading to increased discrimination and greater electoral scores for political parties advocating restrictive migration and asylum policies; or pushing mainstream parties towards adopting more restrictive positions. In the end such developments might lead to a de facto suspension of access to proper asylum procedures and refugee status in some EU countries. Return and repatriation will remain difficult to achieve as long as the main sending countries have little incentives for co-operation. As a result large numbers of irregular migrants and asylum seekers could spend years in limbo without being granted permanent status.

Rights-based admissions (family reunion, asylum and other admissions for humanitarian reasons) would still play a more important role than labour migration, so that many third-country nationals settling in Europe would likely not immediately join the labour market.



This scenario assumes a shift from present admission criteria to a stricter skills-based selection of labour migrants and/or to a more demand- and employer-driven selection.

Scenario four assumes that, migration policies become ever more restrictive, coupled with a general political consensus on such restrictions and a social climate in which migrants are not welcome.

## Scenario 3: 'More selective admission of immigrants'

This scenario assumes that shortages of labour and skills in a number of EU Member States could trigger major migration policy changes: a shift from present admission criteria (with strong humanitarian elements) to a stricter skills-based selection of labour migrants (like in Australia and Canada) and/or to a more demand- and employer-driven selection (like in New Zealand and Sweden). In order to create more acceptance for this selective opening of domestic labour markets, such a policy change might go hand in hand with more restrictive policies with regard to non-economic migrants and a stricter enforcement of returns.

In this scenario, recruitment and selection efforts might also be combined with an intensification of integration policies. At the same time, a proper selection of migrants based on education and skills or on their availability would lead to a better match with unmet European demand for labour. With such a match economic integration of migrants would take place at a higher pace than in scenario 1; and migrants with better skills would also earn more and contribute more (taxes, social security contributions) to the public coffers. Under such circumstances, maximising the economic as well as fiscal gains from migration and reducing integration challenges, it might be easier to make the case that the admission of immigrants is rather a solution than a problem.

Scenario 3 would most likely lead to an accelerated drain of labour and skills from non-EU Western Balkan countries, Ukraine and Southern Caucasus countries.

Scenario 3 could maximise the economic gains from migration and reduce integration challenges as more future EU residents are selected taking into account their skills and/or available jobs.

The materialisation of scenario 3 is not imminent given the surge in unemployment and the smaller demand for labour caused by the 2020 recession.

## Scenario 4: 'Going native'

Scenario four assumes that, as public opinion grows more sceptical or even hostile to the admission of foreigners, migration policies become ever more restrictive, coupled with a general political consensus on such restrictions and a social climate in which migrants are not welcome. This could effectively lead to much lower immigration, higher return rates of already established migrants and a reduction of intra-EU mobility as citizens of other EU countries might be seen as equally unwelcome as third country nationals.

In the spring and early summer of 2020, temporary travel bans and strict border controls not only at the external Schengen borders, but also between EU/Schengen member states related to the CoVid-19 epidemic have simulated a situation that comes close to scenario 4.

Already before the Corona crisis, some EU countries had signalled their preference to exclude immigration as an answer to demographic decline and a shortage of domestic labour. Under scenario 4, managing demographic ageing, gradual population decline and a shortage of labour and skills would therefore be a main challenge. Japan was the first industrialised country with an ageing and declining population that decided to manage these challenges without recruitment or admission of foreign labour.

## Scenarios not mutually exclusive

The four scenarios are not mutually exclusive. It is likely that some European countries will chose to become more selective while others will continue having more rights based migrants. A small number of EU and non-EU countries have already declared that they would like to exclude managed immigration as a policy option and discourage potential asylum seekers from filing a request.

As long as the CoVid-19 induced recession lasts, demand for additional labour will be small and create no pull factor towards Europe. In times of post-Corona recovery issues like demographic ageing, labour shortage and Europe's limited ability to attract high skills and talent will gain more prominence again. It remains to be seen to what extent EU countries will use more pro-active, more selective or more restrictive migration policies in case of future labour shortages, ageing and the decline of native populations.

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### Contact Information

Prague Process Secretariat  
International Centre for Migration  
Policy Development (ICMPD)  
Gonzagagasse 1  
A-1010 Vienna  
Austria  
[www.pragueprocess.eu](http://www.pragueprocess.eu)



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