

## Vision Europe Summit

## From Fragmentation to Integration: Towards a "Whole-of-Society" Approach to Receiving and Settling Newcomers in Europe

Demetrios G. Papademetriou, Distinguished Senior Fellow and President Emeritus, Migration Policy Institute (MPI) and President, MPI Europe Meghan Benton, Senior Policy Analyst, MPI















### Contact

#### **Dr Meghan Benton**

Senior Policy Analyst, International Program
Migration Policy Institute
+1 202 266 1925
mbenton@migrationpolicy.org
http://www.migrationpolicy.org/programs/international-program



Executive Summary	5
1. Introduction	7
2. Current Integration Trends: Where is Integration Working and not Working?	8
2.1 Labour Market Integration	9
2.1.1 How do Different Groups Fare?	11
2.2 Second-Generation Immigrants and Newly Arrived Children	14
2.3 Social Cohesion	15
3. Future Integration Trends: How Will New Arrivals Fare?	18
3.1 Scale, Character, and Needs of the Newest Cohorts	18
3.2 Changing Labour Markets and Labour Needs	20
3.3 Ageing, Demographic Change and the Future of Welfare Systems	21
4. Policy Approaches	22
4.1 A Work-Focused Yet Holistic Approach to Integration	23
4.2 An Early, Proactive Approach to Integration	26
4.3 A Whole-of-Government Approach to Integration	29
4.4 A Whole-of-Society Response to Integration	32
4.5 Situating Integration in Migration Policies that Build Public Trust	35
5. Conclusions	36
References	39
About the Authors	44







#### **Executive Summary**

The migration crisis fever appears to have broken in Europe, as the seemingly relentless flows of migrants and refugees have abated. But this is a fragile, and possibly illusory, calm. Although most European countries—especially countries of arrival and final destination—now have the breathing space they need to reduce adjudication backlogs and bottlenecks, the inability of the EU institutions to forge a regional solution to the migration crisis has exposed deeper cracks in the European project. And as public services and communities grapple to keep pace with the scale and constantly evolving nature of migration flows, several countries feel that they are doing far more than their fair share.

Italy is now bearing the brunt of renewed flows while Greece, the "ground zero" of the migration crisis for most of the last 14 months, is still struggling to build the needed capacity to offer vital services and assess claims in a timely fashion. Against this backdr op, the United Kingdom's decision to leave the European Union is the most recent symptom of a deeper malaise, a crisis of sovereignty-pooling multilateralism, and above all a loss of confidence in political elites. The publics of many countries are seeing a growing chasm between the "winners" and "losers" of globalisation, and although immigration is not the sole, or even main cause of these anxieties, its role in driving rapid and seemingly uncontrollable social change is a powerful unifying narrative for those who feel left behind.

Despite the sense of too many unfolding crises, some countries and sectors of society remain deeply optimistic that newcomers will inject vital human capital into ageing workforces. The lessons of history, however, suggest that newcomers' integration into Europe's labour markets—and communities—will be neither straightforward nor complete. Although some groups have performed remarkably well, the general story across the continent is one of persistent socioeconomic gaps between natives and newcomers. There is also considerable evidence that this disadvantage is often passed on to children, making EU Member States less successful than other OECD countries (such as Canada, and still, in many ways, the United States) in supporting intergenerational mobility. Meanwhile, the concentration of migrant and minority groups in housing, schools and services continues to fuel anxiety about immigration and various forms of discrimination. Together, these factors create a vicious cycle that makes it harder for newcomers and their offspring to thrive.

The prognosis for the most recent cohorts of newcomers in most, *though not all*, cases is therefore not immediately positive. While it is true that an increasing share of well-educated newcomers is entering the workforce, most new arrivals possess characteristics routinely associated with difficulty entering and succeeding in the labour market: limited education, poor host country language proficiency (and, in many cases, even illiteracy in their own language), and skills and experience out of sync with the needs of local employers. The diversity and scale of inflows, large numbers of unaccompanied minors, and significant health (specifically mental health) needs of newcomers is putting further pressure on already-stretched public services. Moreover, automation and digitisation continue to make many low-skilled and repetitive jobs redundant, suggesting



economic integration will get harder rather than easier as the labour market is transformed into a more unstable and competitive place.

However, there is also some good news. Many countries in Europe are old hands at the integration game, and the region can draw from rich collective experience and intelligence on what works. Policymakers who are able to make strategic, far-sighted investments, to balance experimentation and new methods with a rigorous commitment to evaluating what works, to enlist new actors (especially employers and other social partners) in supporting immigrant integration, and to avail themselves of new technologies and innovation will be on strong footing to transform this crisis into an opportunity.

The political, social and economic context in European countries is very diverse, as is each country's immigration history. What works in one country may not work in another. But a number of overarching principles can be identified, which should stand European countries in good stead not just for the persistent effects of this challenge, but the next one. Promising approaches to integration policy are the following:

- **1. Work-focused but not myopic**: prioritising labour market integration, but not at the expense of broader social belonging; for instance, by creating opportunities for people unable to work to nonetheless become full members of new societies;
- **2. Pre-emptive**: taking the earliest opportunity to map the skills—and diagnose the needs—of newcomers and put them on fast tracks to work and inclusion;
- **3. Coordinated**: promoting collaboration and action across the **whole-of-government**, including brokering a fair deal with local actors and ensuring integration objectives are embedded across all policy portfolios;
- **4. Collective**: bringing together existing civil society groups with new players, from tech companies, to social enterprises, to refugees and migrants themselves, as part of a **whole-of-society** approach; and
- **5. Strategic**: embedding integration in robust immigration systems that attract and maintain the confidence of the public by selecting the majority of new arrivals.

Integration is no longer a peripheral policy area, if it ever was. But more than any time in the past, it is at the forefront of the minds of Europe's policymakers. Many of the structural adaptations needed to turn this crisis into an opportunity will benefit everyone. But to truly make this work, everyone has to play their part.

The breathing space afforded by the present lull in flows should not be a time for complacency, but for strategy. The decisions being made now will shape not only the integration outcomes for the most recent newcomers, but the whole way we experience integration in the decades to come. As superdiversity and hypermobility become the water in which we all swim, countries will have to develop truly dynamic responses. Community robustness and resilience may well become the guiding ethos for a more inclusive, yet realistic, future.



#### 1. Introduction

Europe is experiencing a period of deep uncertainty and fragmentation that is symbolised by—but runs much deeper than—immigrant integration challenges. The UK referendum vote to leave the European Union is the most recent symptom of a broader malaise, characterised by feelings of alienation and disillusionment with the European project. The "Leave" vote cast light on a widening polarisation across Europe—between the cosmopolitan dwellers in large urban centres and those who live in smaller cities and rural communities, between young and older, and between the winners and losers of globalisation (writ large). It also revealed a distrust of politicians of all stripes perceived to be insulated from (and failing to understand) how their decisions play out for people and communities on the ground.

Moreover, most countries are plagued by sluggish economies, and some continue to contend with the negative effects of continued austerity policies and high unemployment, particularly among youth. Greater openness to trade and other forms of globalisation have left many behind. While immigration is not the sole (or even most important) cause of these anxieties, it has become the mast to which an array of concerns are pinned.¹ Populist parties have found it an easy issue to exploit, even those parties who owe their genesis to other sources of disenchantment, such as anger with bankers; bureaucrats, whether in their own capital or Brussels; and elites of all types, including those in the academy. Across Europe, populist movements, anti-immigration parties, and calls for a changing of the political guard have raised the spectre of various forms of Brexit contagion—and potentially even the eventual demise of the European project.

This is the stage on which the biggest migration crisis² since the Second World War is playing out. With the lull in numbers following the closure of the Balkan route and the EU-Turkey deal, there is a sense that the fever has broken. But symptoms of the crisis continue to unfold and deepen across the region. Countries of arrival and transit on Europe's periphery—already struggling to rebound from the persisting impact of the economic crisis—are still in emergency mode as they seek to set up functioning reception facilities, reduce the processing backlog, and breathe life into the EU's relocation plans. Countries of destination continue to face huge capacity problems in their housing and integration services as they strive to house, care for, and educate needy populations. And communities across the region are grappling with the fast pace with which their neighbourhoods are changing.

Although the crisis may not be as exceptional as some commentators suggest, it brings new challenges of scale, characteristics (including the volume of people experiencing deep trauma), and demographics (including large proportions of children and unaccompanied minors). The speed with which flows change and bottlenecks emerge, and the concentration of challenges in certain

<sup>1 -</sup> For a longer discussion of the drivers of anxiety about immigration, see Papademetriou & Banulescu-Bogdan (2016).

<sup>2 -</sup> This paper takes the view that the crisis is both a "migrant crisis" and a "refugee crisis". It uses the phrase "migration crisis" to best capture the fact that there are deeply mixed flows.



areas, is creating massive capacity challenges as public services struggle to catch up. The fact that the European institutions, in particular, were not designed to deal with this constellation of political, cultural, and social issues—many of which have long been the domain of national actors—is further fuelling the sense that the European Union may not be fit for purpose.<sup>3</sup>

In some quarters, there are deep wells of hope that newcomers will bring dynamism and vital skills, especially to regions facing rapidly ageing populations. But history teaches us that supporting new arrivals (especially those from rural areas or with limited education) into good jobs is very hard—and costly. These newest cohorts are also entering labour markets at a time of intense flux: most advanced industrial societies are likely to require better skilled and fewer workers in the future, due in part to relentless innovations in labour-saving technologies. While concerns about demographic change are very real, assumptions that the migration crisis can address the demographic crisis in developed countries are misplaced. To transform this crisis into an opportunity will require imagination and flexibility, strong leadership, extensive collaboration (reaching into every corner of society and enlisting new groups to play a role), and enormous upfront and long-term investments—recently estimated by Germany at €93.6 billion over the next five years (Reuters, 2016).

This report considers how these most recent integration challenges differ from, and complicate, European countries' existing challenges of fragmentation and social unrest. It assesses where integration has worked—and where it hasn't—and analyses the prognosis for these most recent cohorts. It also sets out the main policy trade-offs of these challenges, and identifies the most promising approaches to integration available today.

#### 2. Current Integration Trends: Where is Integration Working and not Working?

Integration policy has seen multiple rebirths. Policymakers have debated and renegotiated the target areas (culture, work, communities), responsible agencies (national vs. regional and local government), and target groups of integration (first generation vs. migrant background, non-EU vs. all foreign born, migrants vs. those with similar needs across the entire society etc.). A number of countries have seen responsibility for the integration portfolio shift multiple times. Others have seen a move away from targeted policies towards "mainstreaming," that is, embedding inclusion or diversity objectives across all policy areas and government departments (Collett & Petrovic, 2014).

Numerous factors shape integration. Other than individual characteristics (discussed below), immigration history and general climate of welcome (or lack of it), the political context and dialogue

<sup>3 -</sup> Immigrant integration policies remain a competence of the Member States, hence some of these challenges do not technically fall under the remit of the European Union. However, this study takes the view that since integration challenges and asylum, immigration and European policy are interdependent, and many integration challenges are shared across Europe, it makes sense to discuss this issue as a "European challenge". Therefore, the paper discusses the integration challenges being experienced by the region as a whole, as well as by individual Member States, and, where relevant, cities and regions. "Europe" and the "European Union" are used as shorthand for the entire European Economic Area.



around integration, the receiving country's welfare model, as well as economic, social, and demographic trends, all mean that European countries have had very different experiences helping newcomers settle in. Much has been made of different models of integration and how these have supposedly shaped integration outcomes, from the so-called assimilationist French model to the Dutch brand of multiculturalism, and the (at least historically) ethno-cultural approach to citizenship taken in Germany. But studies have found that these models fail to account for most of the variation in integration, especially socioeconomic outcomes (Papademetriou, Alba, Foner & Banulescu-Bogdan, 2016). Moreover, recent policy changes (the result, in part, of EU legislation or pronouncements, for instance on the status of long-term residents) have meant that some national differences in these models have diminished.

More important in accounting for differences in integration outcomes between countries is the social welfare and labour market context. For instance, Scandinavian countries, with their universalist approach to social protections, high levels of employment (and specifically female employment), and strong traditions of "social partnerships" have found it difficult to enable and encourage newcomers to enter work. As countries continue to reform their welfare systems in response to ageing populations, the challenge of incorporating newcomers and ensuring the long-term sustainability of social democratic welfare systems will grow (see section 3.3).

Despite these national differences over the precise scope and approach to integration policy, European countries generally accept that integration has a number of dimensions (political, cultural, social, and economic), and that it is a two-way process whereby the characteristics, outcomes, or subjective experience of newcomers eventually converge with those of longer-standing residents.<sup>4</sup> Integration therefore describes a situation where the newly arrived, or at least their children, come to resemble the native-born on most social and economic outcomes. However, while socioeconomic outcomes are easily measured and compared, in many ways the real test of integration is whether people live alongside one another harmoniously and share a common purpose. Successful integration describes a sense of belonging and membership (for newcomers) or a sense of ease with the pace of social change (for longstanding residents). These dimensions are much less measurable, but failures along these lines are very consequential when they manifest themselves in angry electorates, social unrest, or exclusion and marginalisation.

#### 2.1 Labour Market Integration

The most important vehicle for full integration is finding sustainable employment. Work helps people become self-sufficient, gain a sense of self, bridge ethnic and cultural divides, and learn about the host country society. As such, work can be a gateway into other dimensions of integration.

<sup>4 -</sup> For instance, the Common Basic Principles for Immigrant Integration Policy, agreed in 2004, state that "employment is a key part of the integration process" alongside "basic knowledge of the host society's language, history, and institutions", education, access to institutions and public and private goods, intercultural dialogue and participation. See Council of the European Union (2004).



However, it can also impede integration if newcomers get stuck in low-skilled work with constrained opportunities to provide well for themselves and their family, meet people from different groups, or develop their language skills.

On average, foreign-born migrants in the European Union (EU) are disadvantaged relative to natives across all economic indicators: employment and economic activity rates, underemployment, and quality of jobs including type of contracts, income, and share in part-time work (OECD, 2015a). Many of these gaps tend to be relatively small in the aggregate. For instance, 61% of foreign workers were employed relative to 66% of native workers across the EU in 2015. The proportion of people economically active is 70% for non-EU nationals, compared to 77% for nationals of the reporting country. However, there are a number of causes for concern. Women's employment and activity rates for some groups are much lower than men's, bringing the overall average down (see section below). And many of these gaps persist over time. Although all groups improve their employment rates over time, immigrants remain overrepresented in the lowest-skilled jobs even after a decade of residence, pointing to considerable brain waste. In fact, the evidence that immigrants are systematically progressing into middle- or high-skilled work over time is mixed at best (Benton, Fratzke & Sumption, 2014a).

These poor outcomes are partially—although not exclusively—explained by education levels. More than 70% of foreign-born residents in the EU have an upper secondary or post-secondary non-tertiary education or less, and over a third have less than a secondary education (Eurostat, 2016). Moreover, a majority of the "very-low educated" (that is, those that have had no education or at best a primary education) in many European countries are immigrants (OECD, 2015a). But many newcomers face additional challenges. These include limited language proficiency, low levels of literacy in their own language (making the learning of a new language more complicated), little or no local work experience, weak support networks (or exclusively ethnic support networks, which are less likely to yield high-quality opportunities), difficulties navigating host-country labour markets (including poor information about how to present themselves or look for jobs), steep learning curves in signalling how their skills and experience meet employers' needs, and various forms of employer discrimination (Benton, Sumption, Alsvik, Fratzke, Kuptsch & Papademetriou, 2014b).

Education is also no guarantee that newcomers will flourish. Skilled immigrants are often unemployed and they experience "brain waste" and difficulties in putting their foreign qualifications to good use. For instance, immigrants with a university degree are 10 percentage points less

<sup>5 -</sup> Data from 2015. Eurostat, Employment rates by sex, age and citizenship (%) [Ifsa\_ergan] Data is missing from Romania. Gaps exceed 10% in Bulgaria, Croatia, Denmark, Finland, France, Germany, the Netherlands and Sweden.

<sup>6 -</sup> Gaps in activity rates are especially prominent in Western Europe (above 15% in the Netherlands, Finland, Germany, France, Denmark and Sweden), although this picture is not universal: in certain countries in southern and Eastern Europe non-EU citizens are more likely to be active (Greece, Slovenia, Slovakia, Italy, Spain, Cyprus, Portugal, Czech Republic, Hungary) (Eurostat, 2016).



likely to be in work relative to similarly educated natives in southern Europe, Belgium, France, the Netherlands and Sweden. Since this disadvantage is limited to those who have a foreign degree (i.e. the gap shrinks if they have a degree from the host country), it appears to largely reflect obstacles foreign workers face getting their qualifications recognised by employers (OECD, 2015a). Such difficulties, however, appear to be almost universal. In the United States, almost a quarter of college-educated immigrants are un- or underemployed (Zong & Batalova, 2016). In addition to the impediments outlined above, skilled migrants find their efforts to realise their potential thwarted by systemic barriers to recognising qualifications and limited opportunities to plug gaps where education systems do not easily map onto one another (Sumption, 2013). While qualification recognition systems have improved in recent years, they are rarely targeted at middle-skilled occupations. Moreover, alternative ways for assessing the competence of people who are unable to prove their credentials or whose qualifications are not equivalent, such as on-the-job assessment, remain largely experimental (see section 4.2)

It is also worth noting that migrants do worse on many of these indicators in the European Union than in some other OECD countries, such as Canada and the United States. For instance, the employment rate in the United States is higher on average for foreign-born residents than for natives, an advantage that is especially prominent among low-educated men (National Academy of Sciences, 2015). However, while newcomers in the United States become self-sufficient much more quickly, they are also more likely to be underemployed or employed in low wage jobs that offer little room for advancement into the "middle classes" (Fix, Hooper & Zong, 2016). Social welfare models provide one explanation for this difference: it is, by and large, easier to find work in a flexible labour market and an environment of modest social protections, such as that of the United States (Alba & Foner, 2015), but the effect is often that many immigrants, and refugees, are employed in low wage and poor quality jobs, at least during the initial years in a new country.

This finding points to a potential trade-off between early work and high-quality work. Low-skilled work can act as a stepping stone, by allowing migrants to acquire valuable host-country work experience and eventually "unlock" their skills and return to their previous occupations. But it can also act as a trap, by signalling to employers that these migrants are not qualified for skilled work (Benton, Fratzke & Sumption, 2014b). Moreover, early employment may come at the expense of longer-term career investments, as newcomers anxious to make a living and support their families may forego time-consuming language and skills training, and credential recognition or recertification (Fix, Hooper & Zong, 2016).

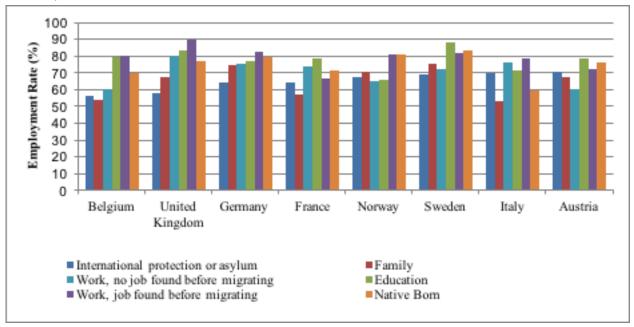
#### 2.1.1 How do Different Groups Fare?

These headline findings obscure considerable variation among different groups and different destination countries. In addition to education level, factors such as route of entry, gender, and country of origin all shape employment opportunities and labour market success.

Route of entry. On average, labour migrants (especially those who have a job offer before

arrival) fare much better in the labour market. In many Western European countries, the employment rates of labour migrants approximate or exceed those of natives after a decade of residence (Figure 1). This partly reflects the fact that immigrants from outside the European Union are likely to have moved to take up a job offer (and likely a skilled job) because of work permit requirements.

Figure 1. Employment rate for immigrants aged 20-64 residing for 10 years or above in selected EU Member States, by reason for migration, and corresponding figures for natives, 2014



Source: Eurostat, 'Employment rate of first generation of immigrants by sex, age, years of residence and reason for migration [lfso\_14/1empr],' 2014-2016. Retrieved from http://ec.europa.eu/eurostat/web/products-datasets/-/lfso\_14l1empr; Eurostat, 'Employment rates by sex, age and country of birth (%)'

By contrast, the employment rates of family migrants and beneficiaries of international protection or asylum (henceforth "refugees")<sup>7</sup> lag behind even after this period. Since these groups are not selected for their skills, they are less likely to fit easily into local employment opportunities. They also have more limited agency over their options: people fleeing war, political instability, or natural disaster are by definition less able to use migration to further their careers. Refugees are also more likely to spend time "in limbo"

<sup>7 -</sup> A beneficiary of international protection is a person who has been granted refugee status or subsidiary protection status. Although technically different, this study uses the term "refugee" to include beneficiaries of subsidiary protection status (see Directive 2011/95/EU of the European Parliament and of the Council of 13 December 2011 on standards for the qualification of third-country nationals or stateless persons as beneficiaries of international protection, for a uniform status for refugees or for persons eligible for subsidiary protection, and for the content of the protection granted 2011). This report uses the term "asylum seeker" to refer to people who have applied for, but have not yet received, international protection. However, we sometimes refer to "refugees" for the collective category.



where their skills may atrophy (during long journeys and processing times), to be subject to labour market restrictions, and to face difficulties substantiating their qualifications (Desiderio, 2016). Finally, refugees (and in some cases, family arrivals) are more likely to be required to participate in full-time introduction programmes, and are often restricted from working while their claims are being processed (although these restrictions are being eased in many European countries dealing with large-scale arrivals).

**Gender.** The employment outcomes of women are especially worrying. In Finland, France, Germany, the Netherlands and Sweden, the employment rates of foreign-born women (EU and non-EU) are around 20% lower than their native counterparts. Since their activity rates are also much lower than natives throughout Europe (close to 30% lower in some countries), at least some of this story can be attributed to cultural norms against working. However, since unemployment rates are also higher among foreign-born women, at least some of this picture is the result of structural barriers instead of choice.

One of the reasons for women's low activity rates is that they are more likely to arrive through family routes. For instance, the French ELIPA survey found that 30% of newly arrived women were homemakers (compared to 23% of French natives), and that family responsibilities were the main reason for women's inactivity (Jourdan, 2014). The combination of migration route, age at arrival, and barriers to work can tip the calculus towards beginning a family for many newly arrived women.

**Country of origin.** Ethnic and national origin also plays a large role, because of both home country characteristics (such as education and employment experiences) and host country context (including discrimination). Some commentators have raised the question of whether it is where people end up or where they come from that determines their chances. For instance, a recent analysis of the so-called "lottery effect" of refugee resettlement in the United States found that national origin, rather than settlement location, was more highly correlated with how newcomers fare across indicators such as employment, language proficiency, and income (Fix, Hooper & Zong, 2016).

It is much less easy to isolate the impact of national origin in a European context, given the vast array of relevant variables across Member States. But some trends can be observed. Visible minorities, such as Muslims or sub-Saharan Africans, tend to face barriers that are related to explicit discrimination. The EU-MIDAS survey of discrimination found that jobseekers of sub-Saharan African origin suffer from the highest rates of employment-based discrimination, next to only Roma (who are a national minority rather than immigrant group, hence they are not discussed at length in this paper) (FRA, 2009). Turkish women in several countries are especially disadvantaged: there is a 31 point gap in the employment rates of Turkish and native women in Austria, and the gap is only slightly lower for women who grew up in Austria to Turkish parents (by 6 points) (OECD, 2012a).

Some groups do much better. In Italy, South and Southeast Asians outperform natives

on employment rates (OECD, 2014). Eastern European migrants<sup>8</sup> in many cases have had higher employment rates than natives, although they proved more vulnerable to the effects of the 2008 recession. In some countries (e.g. Norway), Eastern Europeans are now among the most vulnerable due in part to concentration in certain sectors, such as construction, that tend to be very sensitive to economic shocks (OECD, 2014). Finally, arrivals from former Yugoslavia have fared well in Scandinavia, with employment rates exceeding those of natives (Bevelander & Irastorza, 2014).

#### 2.2 Second-Generation Immigrants and Newly Arrived Children

Many see the success of the second generation as a more reliable test of integration. In theory, even if their parents are unable to get work commensurate with their skills and experience, the children of immigrants should be able to thrive. Given the size and growth rate of the second generation in Europe—almost a quarter of young people in Europe now have a migrant background<sup>9</sup>—ensuring that these young people can overcome the barriers faced by their parents is central to Europe's cohesion and competitiveness.

In practice, however, there is considerable evidence of intergenerational disadvantage—and even more troubling are indications that second-generation migrants may be doing worse in the European Union than elsewhere. Foreign-born children perform worst among all groups across the OECD, which is unsurprising given language barriers, the challenge of catching up with a new educational curriculum, and the likelihood that those from less affluent countries have had more limited education. But while Canadian and US data find little difference in reading levels at the age of fifteen between second generation and native children, in the EU children with two foreign-born parents lag behind (25% lacked basic reading skills at age 15, compared with 17% of native-born pupils) according to the PISA study. In Finland, Belgium, France, the Netherlands, Denmark, Austria, Spain, Germany, Sweden and Italy the gap is over 40 points, although Belgium and Germany dramatically improved their results from 2003 to 2013 (OECD, 2015). The children of foreign-born migrants are also more likely to have low levels of literacy, with gaps exceeding 15% in Austria, Belgium, Denmark, the Netherlands, Poland, Spain and Portugal (Figure 2).

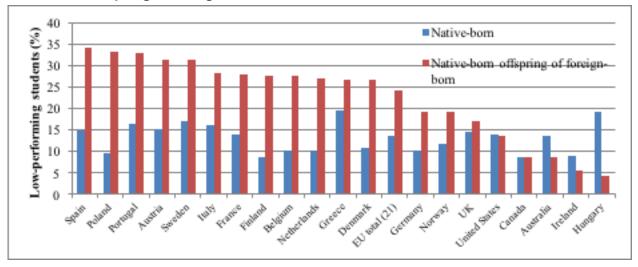
<sup>8 -</sup> This analysis focuses on immigration from outside the European Union, however we take the view that migration within the European Union is still "migration" and mention the case of Eastern Europeans as an important comparison.

<sup>9 -</sup> In the EU-15, 14% of the 15-34 age group arrived in childhood or has at least one foreign-born parent, and a further 10% arrived as adults.

<sup>10 -</sup> However, the United States is a mixed picture. While education and earnings are higher among some ethnic groups than the population as a whole, the picture is not universal—first and second-generation youth with Hispanic background in particular face huge obstacles in certain areas of the country (Hooker, Fix & McHugh, 2014). Moreover, a majority (almost 60%) of English-language learners (ELLs) are US-born, pointing to an important obstacle to intergenerational mobility in the United States too (Migration Policy Institute analysis of American Community Survey, 2013).



Figure 2. Shares of low school performers for native-born offspring of natives and native-born offspring of foreign-born, selected countries



Source: OECD 2015

Encouragingly, dropout rates from school are roughly similar between native and second-generation youth in many European countries, including Sweden, Norway, the Netherlands—and in the United Kingdom, they are less likely to leave school early. However, in France, Denmark, Austria, and Finland the second generation are overrepresented among early school leavers (OECD, 2015).

#### 2.3 Social Cohesion

Social integration is often neglected in discussions of hard socioeconomic measurements, but can have a dramatic effect on how people experience their neighbourhoods, schools, and communities. The impacts of immigration are typically highly localised. To a great extent it is cities that absorb the lion's share of newcomers. They are also most experienced in this area. Many urban areas are already "superdiverse", which is to say the minority population does not consist of a few main groups, but has itself diversified. People with an immigrant background make up close to half or more of the total population in Amsterdam, Brussels, and certain boroughs in London (OECD, 2012b). In the United Kingdom, the proportion of British residents who are from an ethnic minority group is projected to rise to 38% by 2050 (a considerable increase from 16% in 2012) and most of this rise will be in urban areas (Social Integration Commission, 2014).

Smaller cities, suburbs, and rural communities are less prepared but are increasingly shouldering some of the burden, especially in countries like Sweden, where a controversial new law makes distribution among municipalities mandatory. The system in Sweden was traditionally voluntary, but as of 2016 all municipalities are required to pull their weight and a distribution formula will be introduced from 2017. These decisions clearly impact local services, from schools to housing.



They also often lead to greater divergence between local and national governments and to greater polarisation in national politics.

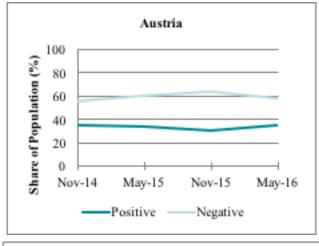
Rising levels of anxiety about immigration reflect the rate of social and demographic change in recent decades but also the more immediate concerns about the migration crisis. Anti-immigrant sentiment, however, does not directly correlate with demographic change, or even economic circumstances (Papademetriou & Banulescu-Bogdan, 2016). But sudden flows, especially if they outpace the ability of a country or locality to prepare for them, can be a key driver of anxiety. In areas where these changes are occurring against the backdrop of economic concerns, they can fuel the perception that newcomers are competing for scarce resources and opportunities. Moreover, where acts of terrorism, crime, or systematic violations of immigration rules become associated with a particular immigrant group, immigration, or newcomers more broadly, can become associated with unwelcome social change (Papademetriou & Banulescu-Bogdan, 2016).

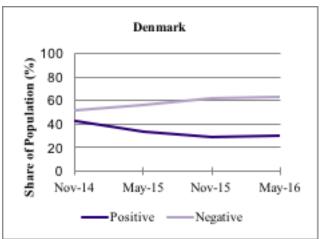
However, it can be difficult to predict how immigration dynamics will play out on the stage of public opinion. For instance, negative opinions of immigration from outside the European Union in many Eastern and South-eastern EU Member States rose in response to the scenes of chaos and processing and transit challenges in 2015, according to the regular Eurobarometer survey. In Hungary, negative attitudes now exceed 80%. But in Greece, arguably even more "on the front line", views have remained relatively stable (a difference of less than a percentage point from 2014 to 2016). And in many countries, a hard core remain highly liberal in attitudes to immigration, despite the events of the most recent years (Figure 3).

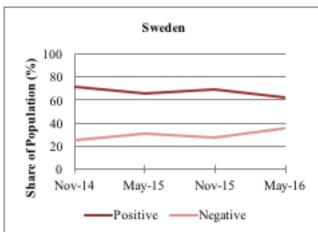
Public surveys on immigration capture well the instability and diversity of public anxiety, with answers varying widely by country, characteristics of respondents, and, as always, even the wording of the question. For example, no country surveyed in a recent Pew poll had a majority that said increasing diversity made their country a better place to live. That said, few countries (in fact only Greece and Italy) had majorities who said that diversity was an overall negative, and most people held a neutral rather than negative attitude on this issue (Wike, Stokes & Simmons, 2016). The 2014 Transatlantic Trends survey (before the events of recent years) found considerable country variation (small majorities in the UK and Spain see immigration as more of a problem than an opportunity while minorities do so in France, Germany, the Netherlands and Italy) but concluded anxiety levels had remained relatively stable over time (German Marshall Fund, 2014).

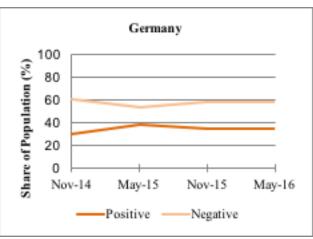


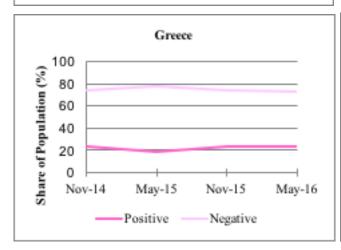
Figure 3. Percentage of people who view immigration from outside the EU positively and percentage who view it negatively

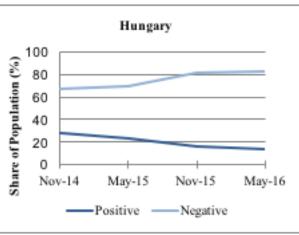












Source: European Commission, Eurobarometer 2014-2016. Retrieved from http://ec.europa.eu/COMMFrontOffice/PublicOpinion/index.cfm/Chart/getChart/themeKy/59/groupKy/279 Responses to the question: "Please tell me whether the following statement evokes a positive or negative feeling for you – Immigration of people from outside the EU" from Eurobarometer 82, 83, 84, and 85



One of the main causes of concern across Europe is segregation in housing, services, social spheres, and institutions.<sup>11</sup> Few attempts have been made to rigorously categorise and measure segregation, and it is often caricatured or exaggerated. Ethnic enclaves can in fact act as an important stepping stone for new arrivals who draw on networks of co-nationals as they find their feet, before moving elsewhere (Saunders, 2011). It is only if newcomers become shackled to areas with more limited opportunities that segregation becomes a problem, because it shapes—and inhibits—life chances. Structural and institutional segregation can have effects ranging from entrenched worklessness (for instance, having just one additional employed friend makes it 13% more likely that someone will find a job (Social Integration Commission, 2014) and limited career progression to social isolation, mental health issues, and lower levels of trust within communities. Nor is it only minority groups that are afflicted. In fact, a recent report on social integration in the UK found that all ethnic groups have 40 to 50% fewer social interactions than if there was no social segregation, and white groups had the highest level of segregation (Social Integration Commission, 2014). But to the extent that more limited interactions curtail opportunities, segregation exacerbates already prominent indicators of disadvantage for minority ethnic groups, an effect that is much less likely for white Europeans.

#### 3. Future Integration Trends: How Will New Arrivals Fare?

What does the past progress of immigrants tell us about the future of newcomers coming to Europe in the ongoing migration crisis? There are broad disagreements over both the scale of the problem and whether it is truly "new". Some point to Europe's previous experience with large-scale population movements after World War II and the wars in the Balkans, or European countries' experience with large-scale inflows following decolonisation and EU enlargement (OECD, 2015b). Others have described this crisis as unprecedented. Regardless of how it is labelled, the perception in many camps that the current spike in inflows could be relieved merely by resolving conflicts in Syria and the broader Middle East underestimates both the multiple drivers contributing to these movements and Europe's attractiveness to people fleeing political instability and economic precariousness. Meanwhile, family unification continues to be a powerful—and largely uncontrollable—driver of Europe's demographic change. Together, these mixed, and largely unselected, flows of people will continue to shape Europe's integration story for decades to come. A number of demographic, social, and economic reasons further indicate this crisis will bring new—and bigger—integration challenges.

#### 3.1 Scale, Character, and Needs of the Newest Cohorts

The scale, pace, and persistence of the crisis have posed major challenges to traditional countries of immigration and new destinations alike. In 2015, nearly 1.1 million people registered their intention

<sup>11 -</sup> For instance, the view that Muslims—one of Europe's most prominent visible minorities—want to be distinct from their country is associated with negative views about Muslim minorities more broadly (Wike, Stokes & Simmons, 2016).



to claim asylum in Germany, equivalent to more than 1.25% of its population, <sup>12</sup> and Sweden received 162,550 asylum applications (equivalent to 1.7% of its population). Hungary, whose government has been openly anti-immigration, received 177,135 applications in 2015, equivalent to 1.8% of its population (Migration Policy Institute, 2016). And even in countries that saw relatively small absolute numbers, the rate of change was sometimes significant. For instance, Finland saw an increase of nearly 800% in asylum applications from 2014 to 2015 (Saukkonen, 2016). The seemingly unexpected nature of these flows and the fact that, until recently, there seemed to be "no end in sight," has exacerbated public anxiety about immigration further, while the sheer scale and pace of the flows has overwhelmed the capacity of asylum processing and integration institutions, and has created multilevel government tensions between national and local governments regarding capacity issues and burden-sharing.

These capacity challenges have had important implications for integration and settlement institutions. Insufficient housing to support new arrivals means that asylum seekers are often initially housed away from economic centres (and job opportunities), or they crowd into already substandard accommodation if they choose to house themselves, with implications for the already-fragile sense of community cohesion.

The makeup of new inflows also marks somewhat of a shift from earlier cohorts, creating new challenges for receiving authorities, services, and communities. Many of these new arrivals are coming from a diverse array of countries. This puts greater pressures on public services which must provide more extensive (and costly) translation and interpretation services, and adapt their advice and support systems to people from different backgrounds. Moreover, many new arrivals have had longer journeys than previous cohorts (OECD, 2015). As a result, they have faced more time out of the labour market and are likely to be experiencing greater health and mental health problems that must be addressed as a matter of urgency on arrival. Perhaps most important of all, the high numbers of unaccompanied minors is creating enormous challenges for public services. Since young people need special housing and supervision, they cannot be supported through traditional integration services. Young people who arrive in their late teens face the additional challenge of catching up with their peers despite having missed much of their compulsory education. Moreover, many children go missing in the system and are especially vulnerable to exploitation. In January, Europol reported than 10,000 unaccompanied minors had gone missing, and potentially been exploited by trafficking networks (Townsend, 2016).

However, there is also some good news in regard to the education level of newcomers, particularly since education is a huge factor shaping integration. Syrians arriving in Europe are better educated, on average, than other cohorts of refugees. In Sweden, more than 40% of Syrians in 2014 (that is,

<sup>12 -</sup> However, registration numbers can double count some people if they registered in more than one place, or if they have since moved on. In fact, Germany's Interior Ministry has indicated that the total number for 2015 stood at slightly under 900,000.

<sup>13 -</sup> Past experience suggests that once groups reach a critical mass they are more likely to receive specialist services. For instance, the Netherlands has produced a framework for service providers that compares Dutch and Syrian education levels. See Desiderio (2016).

<sup>14 -</sup> For instance, unaccompanied minors increased over 400% in Sweden from 2014 to 2015 (Statistics Sweden, 2016).



before the very large flows of 2015) had at least upper secondary education, compared to 20% of those coming from Afghanistan, and 10% of those coming from Eritrea. However, anecdotal evidence suggests that the most recent cohorts of Syrians have lower levels of education (MPI forthcoming, 2016) and many have limited work experience. According to recent figures from Germany's Federal Office for Migration and Refugees, over half of new arrivals to Germany have not completed secondary school, and only two thirds of adults had worked in their country of origin (Rich, 2016). Moreover, as we saw in the last section, even high-skilled arrivals are not guaranteed to do well, and will require careful, tailored investments to ensure they thrive. Finally, there are some surveys that suggest that more than a quarter of Syrians in Greece abandoned their education to travel to Europe, which raises complex issues for education and credential recognition (UNHCR, 2016).

#### 3.2 Changing Labour Markets and Labour Needs

For countries on Europe's Southern periphery that continue to be plagued by high levels of unemployment, youth unemployment, and wrenching austerity programmes, new arrivals are putting pressure on systems already under strain and competing for scarce resources with existing vulnerable groups. Other countries receiving the bulk of flows do so from much stronger economic footing. For instance, Germany, Austria, and Sweden all have relatively low levels of unemployment (4.6%, 5.7%, and 7.4%, respectively) and relatively robust levels of growth. However, even these countries are not necessarily immune from the challenges that large numbers of incoming migrants bring—particularly as national averages can obscure significant regional variations—and are already seeing structural unemployment associated with deindustrialisation.

These challenges look set to widen in the context of changing labour markets that will demand better skilled and fewer workers in the future. According to some estimates, almost half of all jobs are vulnerable to automation in the next decade or two, as sophisticated algorithms learn to replace tasks done by workers following well-defined procedures, especially in transportation, logistics, services and sales, and office and administrative support (Frey & Osborne, 2013). While this doesn't mean that the overall number of jobs will necessarily fall—new jobs are likely to be created—it does suggest that it may become harder to sustain today's employment levels. Second, the jobs that do remain—regardless of whether the total "pie" does indeed shrink—are likely to be ever more skill intensive. Finally, jobs at all skills levels are likely to become more fragmented and unshackled from logical career paths. For instance, even highly-skilled workers are increasingly employed on flexible terms and according to some estimates, half of US workers may be freelance by 2025 (Kaufman, 2014).

These shifts will likely bring both challenges and opportunities for newcomers. Digital platforms such as Uber (the taxi company) and Task Rabbit (the platform for odd jobs) are creating demands

<sup>15 -</sup> In Austria, around 30% of Afghanis have only a primary level education (Bernstein, 2016). In Germany, 31% of asylum seekers who arrived in 2014 and supplied "voluntary information" about their education had a tertiary or upper secondary education (OECD, 2015b).

for services among new groups, such as millennials, and are circumventing traditional barriers faced by newcomers. But they could also perpetuate integration challenges and exacerbate the precarious employment of migrant groups, because they hold few opportunities for on-the-job training, learning the language, or building and tapping-into a network. The changing labour market also creates demands on employment and career advisors, and teachers, who must support young people's career planning (including newly arrived and second-generation migrants) in a context of deep uncertainty, and help young people develop the grit and resilience needed for careers that will be much more fragmented.<sup>16</sup>

#### 3.3 Ageing, Demographic Change and the Future of Welfare Systems

Finally, and related to the above, Europe's ageing population creates both challenges and opportunities for integration. As is well known, low birth rates and higher life expectancy is transforming Europe's age pyramid. Young people make up 15.6%, of the EU28 population, compared to 18.5%, for those over 65. These dynamics are especially pronounced in Bulgaria, Germany, Greece and Italy. For instance, only 13%, of Germany's population is under 15, while over 20%, is over 65 (Eurostat, 2015). As the baby boomer generation ages and developments in science and health continue to lengthen lifespans, the number of people of retirement age will only continue to increase.

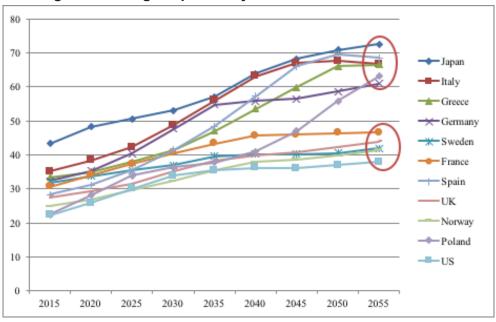


Figure 4. Old age dependency ratio for selected countries

Source: Authors' calculations from United Nations, Department of Economic and Social Affairs, Population Division, "Probabilistic Population Projections based on the World Population Prospects: The 2015 Revision, Population aged 65+" and "Probabilistic Population Projections based on the World Population Prospects: The 2015 Revision, Population aged 15-64". Retrieved from https://esa.un.org/unpd/wpp/Download/Standard/Population/.

<sup>16 -</sup> For instance, they reinforce the need for new skills, including advanced ICT skills, creativity, and collaborative problem-solving.



Because of these shifts, the demographic old-age dependency ratio (which measures the proportion of people aged 65 relative to those aged 15-64) is projected to increase from 28% to 50% between 2013 and 2060 (European Commission, 2015). As Figure 4 shows, differences in the birth rate and life expectancy lead to old age dependency ratios that converge around two groupings towards 2050; the inescapable conclusion, however, is that all countries will have to confront the dilemmas of ageing populations. These effects include labour shortages, difficulties sustaining welfare systems and pensions budgets, and rising eldercare costs, including those associated with the complex needs of migrants and refugees, as they themselves, age.

How countries handle the challenges of ageing populations will vary widely. The needs associated with an ageing population are not merely economic, and are likely to require resilient, cohesive communities willing to support one another. Many local authorities in the United Kingdom, for instance, estimate that the costs of social care (supporting elderly residents, disadvantaged children, and people with complex and multiple needs) will become unsustainable over the next decade (Benton & Simon, 2016). As a result, many local councils are looking to communities and volunteers to shoulder the burden of an ageing population. Hyperdiversity could further jeopardise the intergenerational solidarity on which these efforts are based on, especially given difficulties elderly people have bridging cultural barriers and differing cultural norms around care (Pastore & Ponzo, 2016). By contrast, Scandinavia, which is deeply committed to universalist social benefits, is facing difficult questions about the long-term sustainability of its welfare model in the face of the double dilemma of an ageing population and increasing numbers of newcomers who are not easily absorbed into the welfare system (Brochmann forthcoming, 2016).

#### 4. Policy Approaches

As the last section showed, Europe is facing greater integration challenges than ever before. Addressing these will require intensive, up-front investments that balance evidence and evaluation-led approaches with experiments with new solutions—and partnerships with new actors. In crafting such an approach, Europe's policymakers face a number of difficult decisions and trade-offs. These include:

- How to forge a work-focused approach to integration that simultaneously addresses non-work related vulnerabilities (such as mental health and trauma) while furthering social integration;
- How to prioritise investments in the context of limited resources and great uncertainty. For instance, whether to invest in the largest number or to focus on giving smaller numbers intensive support, and how to invest sufficiently early in the migration trajectory to yield the greatest impact without wasting resources or creating a pull factor for future flows;
- How to build integration programmes that are attuned to the needs of particularly vulnerable groups, such as refugee women and children (as part of family units but also unaccompanied ones), without causing unintended consequences (such as leaving out other groups or fuelling resentment in the general population);

- How to collaborate effectively with other actors—including new incumbents such as social enterprises and tech entrepreneurs—while protecting vulnerable groups, ensuring programmes receive rigorous evaluation, and supporting initiatives that work to scale;
- How to win and maintain the public trust on which creative integration policies depend, by appreciating and attending to the interdependences of immigration and integration—for instance by ensuring that policies to regain control of the asylum system (such as temporary protection) don't hinder integration.

Below, we outline a number of the big questions policymakers are facing, and highlight promising approaches to overcome these challenges. We focus on broad policy approaches rather than the specifics of individual programmes. And while not every country will be able to do everything, adherence to broad principles will put countries on the right path to weather this and future challenges in their own way.

#### 4.1 A Work-Focused Yet Holistic Approach to Integration

Since newly arrived refugees may have spent a large amount of time out of work during the transit, processing, and/or resettlement process, supporting them into jobs quickly is especially time critical to prevent their skills atrophying further. But it is also especially hard. Along with the barriers to work outlined in the last chapter, policymakers face the challenge of balancing early support to get newcomers into work with help addressing more complex needs and health problems, including support for psychological distress and long-term illness.

A second dilemma is that full labour market integration—finding a job commensurate with one's skills and experience with good prospects for upward progression—can compete with the goal of finding work quickly. Policymakers often face the choice between absorbing high, upfront costs of retraining newcomers for local jobs and the more long-term costs of underemployment, brain waste, and slower social integration (since people in low-skilled work face limited opportunities to develop their language skills and may be clustered with people from the same ethnic or national group). This challenge is further complicated by the risk that newcomers are trained for jobs that will cease to exist in the near future, creating additional costs further down the line.

Finally, policymakers face the challenge of creating clear incentives for newcomers to work without undermining social cohesion. Many countries have seen a shift in recent years towards policies that use more sticks than carrots to encourage people into work, by removing benefits for non-participation in training or "workfare" (mandatory unpaid work).<sup>17</sup> While these policies mark an

<sup>17 -</sup> Most of these are targeted at the general population rather than refugees per se, but there has been a trend towards making benefits more conditional even for refugees. For instance, Denmark intentionally gives low financial support to refugees relative to social assistance in order to "make work pay," and a new program in the Mjølnerparken area will impose sanctions, including eviction, on people unwilling to take workfare jobs. See Jørgensen, "New Approaches to Facilitating Refugee Integration in Denmark". Similarly, in Germany, the Integration Law which passed in July 2016 will create 100,00 so-called "one euro" jobs, and refugees who refuse to participate will have their benefits cut.



important shift towards the crucial goal of creating incentives to work, imposing coercive programmes without helping people upgrade their skills can have unintended consequences, such as long-term poverty or destitution for vulnerable groups such as older migrants or single parents (Griggs & Evans, 2010). Policies that make access to language training conditional on actively looking for work, for instance, may exacerbate social exclusion for women caring for their families.

Building a Work-focused Integration Policy that Supports Social Integration

The most promising policy approaches attend to the intersections between labour market and social integration so that they complement and reinforce each other. Policymakers may need to lower their expectations for the most recent cohorts, and understand the unintended consequences of forcing people who are not ready into work. Work also needs to be broadly defined: voluntary work (especially if it helps mitigate other costs to the public purse), freelance and part-time work, and self-employment are all valid (if shorter-term) alternatives to a traditional job but may be less immediately obvious to service providers.

- Valuing other contributions. While all newcomers should be given the opportunity to think about and enter work as quickly as possible, other avenues, such as voluntary work, can help newcomers learn the language and become full members of society. As detailed in the last section, Europe's ageing population means countries must expand their reservoirs of care workers—identifying new, and initially informal, sources of eldercare, childcare, and care for people with multiple and complex needs. Instead of funnelling vulnerable groups into intensive training programmes that are unlikely to yield benefits, initiatives to help refugees into voluntary work (in particular, supporting elderly people) could be a win-win in that they encourage intercultural interactions and reduce isolation, both among elderly groups and newcomers.
- *In-work training.* Many migrants and refugees are keen to enter work as soon as possible, even if this means taking a job at a lower skill level than their education and training. Improving the availability of part-time, flexible, and distance learning—as well as creating incentives for employers to invest in their workforce—is essential to avoiding low-skilled work becoming "sticky". In countries where qualifications are valued more than host country work experience, newcomers should have access to clear information for calculating whether the opportunity cost of additional education and training will pay off.

<sup>18 -</sup> Lone parents, migrants with limited language proficiency, and people with limited education are all less likely to be able to fulfill so-called "conditionality" requirements or may trigger sanctions because they do not understand how the "system" works or what is required of them. Recent evidence suggests that non-coercive approaches to getting people into work are more effective than coercive approaches. For instance, behavioural insights or "nudges," such as encouraging jobseekers to make commitments and building psychological resilience, can be deployed to get people into work. In this regard, a randomised controlled trial found that the intervention group had 15-20% improvements in employment rates versus a control group (Behavioural Insights Team, 2012). However, non-coercive programmes are themselves costly and may require that some groups are prioritised over others.



#### What Works 1: Business Support and Incubation

It is well known that migrants have a greater proclivity toward entrepreneurship. Yet immigrants and refugees face numerous barriers to setting up a business, including weak host-country networks, challenges navigating the often labyrinthine administrative requirements of setting up a business (difficult for all would-be entrepreneurs, let alone new arrivals), poor understanding of social and cultural business norms, and difficulties attracting funding (because of their more limited credit history and perception of greater risk among financial institutions) (Desiderio, 2014).

Promising programmes to support entrepreneurs fall into a number of categories:

**Mentoring and Training**. For instance, the Chamber of Commerce and Industry (IHK) in Berlin runs monthly start-up classes for refugees, in both German and Arabic, which advise refugees on the requirements and support available to start a business in Germany. These classes connect students with successful refugee entrepreneurs who act as mentors, and also link newcomers with networks of entrepreneurs, services, clients and credit institutions.<sup>19</sup>

Incubators and Accelerators. In the Netherlands, "Incubators for Immigrants" is a support program for new arrivals that includes training, mentoring, legal and regulatory assistance (for migration and business permits), support in identifying funding, and office space. By mid-2016 the NGO had received around 40 business plans from asylum seekers and refugees.<sup>20</sup> In the United Kingdom, mi-HUB is a social enterprise that offers virtual offices, networking and training courses.<sup>21</sup> "This Foreigner Can" is a 16-week migrant business accelerator that selects talented entrepreneurs for a training program to develop and scale their businesses in return for equity.<sup>22</sup>

Although most commonly associated with high-growth tech businesses, there is potential to expand these models out to people who have experience running businesses in their home countries and in less advantaged areas. So-called "ethnic business" is thought to be lower value, but can be an important vehicle to social integration and provide valuable opportunities for disadvantaged groups, such as women (Desiderio, 2016). Setting up a business could be especially valuable for refugees who are housed away from job opportunities.

That said, entrepreneurship is more often than not a survival strategy; it is much more difficult—indeed elusive—to create the elixir that can support newcomers into high quality entrepreneurship.

<sup>19 -</sup> https://www.ihk-berlin.de/produktmarken/Service-und-Beratung/finanzierung/Start-up-Class-anmeldung/3298098.

<sup>20 -</sup> http://incubatorsforimmigrants.com/.

<sup>21 -</sup> http://www.mi-hub.com/#.

<sup>22 -</sup> http://thisforeignercan.com/migrant-business-accelerator/.



• Entrepreneurship. Migrants and refugees who don't speak the host country language face limited employment options: low-skilled work or intensive investments in getting up to a high level of language proficiency. For people with energy and ideas, these strategies can be a waste of time and human capital; while for others, entrepreneurship may be the most realistic source of early work experience that can prepare one for eventual transition into formal employment. However, starting a business is often beset with barriers, not the least of which is accessing credit and navigating complex bureaucracy (see Box 1).

Investments in training for jobs that are not likely to exist in a decade are especially likely to backfire both for host country budgets and migrants themselves. Accordingly, public employment services need to work more closely with independent advisory bodies on migration (following the model of the UK Migration Advisory Committee, for instance, which advises on shortage occupations) and analysts who study labour market trends. However, since it is difficult to accurately predict what jobs will be around in the next decade, the most important element is a focus on lifelong learning (see Section 4.3 below).

#### 4.2 An Early, Proactive Approach to Integration

Many newly arrived migrants and refugees need extra support before they will be ready for local jobs. With many newcomers having spent a long time out of the labour market in the course of their journeys, it is important to begin this process as early as possible. But policymakers face the dual risk of investing in people who are then required to leave (at the expense of other immigrants or natives), or delaying support for those who end up staying. Most countries have tended to reserve services (such as labour market integration programmes), just as they have restricted the right to work, to those who have had a positive response to their asylum claim and resettled refugees. Such as approach also has the advantage of reducing the risk of creating perverse incentives to misuse the asylum route.

Awareness that current backlogs create the risk that future refugees will be waiting a considerable time for their applications to be processed has encouraged many countries to extend their services to asylum seekers. Countries have either staggered the intensity of programmes (as in Finland's step-wise staggered approach, which screens asylum seekers to decide where to settle them, but grants them more intensive screening programmes once they have residence), or made services available to nationalities likely to be given protection (as in Germany's decision in November 2015 to open introduction programmes to asylum seekers from countries with high recognition rates). At the same time, most countries have opened their labour markets to asylum seekers, at least if they fulfil certain conditions (such as labour market tests or waiting periods).<sup>23</sup>

A more radical approach was recently announced by Germany. The new Integration Law treats

<sup>23 -</sup> For an overview of waiting periods and eligibility criteria for both integration services and labour market access, see OECD, 2016.



all newcomers as potential permanent residents, and invests in them as if they are going to stay. It opens its labour market and services further to asylum seekers by a) suspending the "priority test" in areas of low unemployment; b) making it easier for asylum seekers to get Vocational Education and Training (VET) positions with the so-called "3 plus 2 rule", which gives people the right to stay during a VET programme plus the right to work for two years afterwards, and c) opening up initial language and induction training to all asylum seekers.

The law is grounded in hard-headed realism. Since many of these newcomers will not be returned even if their applications are rejected, the risk of not investing in people who stay (which includes costs such as social exclusion and marginalisation) exceeds the risk of investing in people who leave. In any case, investments in people who return to their regions may also serve a development purpose in equipping refugees with useful skills to break the vicious cycle of dependency. A similar approach is taken in Sweden, which makes it possible for asylum seekers to switch to labour migration routes if they get a job. But policymakers must realise that they walk a fine line between these sensible efforts to reduce legal and practical barriers to work without creating incentives for the asylum system to be used as a labour migration channel.<sup>24</sup>

#### **Early Intervention Across the Migration Trajectory**

An early but staggered approach to investments depends at the very least on good systems for collecting data, mapping skills and experience, and identifying needs at the earliest possible moment. It also requires—as far as possible—narrowing the gaps between arrival and work: even if someone is not perfectly trained or in possession of full language proficiency, it may be easier to develop these skills from within work.

- Pre-departure policies. As European policymakers seek to make resettlement and relocation more important routes through which refugees arrive in destination countries, so should pre-departure policies become an integral part of these systems. Pre-departure skills mapping and career planning (although only tested on a small-scale thus far) have shown good results for getting educated migrants into skilled work earlier. And across the skills spectrum, basic language and skills training—especially if it is coherently integrated with host-country language training (i.e. there is no duplication or gaps in training, and it is continuous and progressive) can lay the groundwork for further learning. However, these programmes are often very costly and will require greater innovation if they are to be taken to scale.
- Early needs assessment and skills training. One of the main challenges of labour market integration is assessing competence for people who lack (or can't prove) formal qualifications.

<sup>24 -</sup> For a detailed discussion of recent policy changes and their implications, see Desiderio (2016).

<sup>25 -</sup> For instance, Germany has recently piloted pre-departure training, credential recognition and matching initiatives cooperatively with origin countries to fill labour vacancies in Germany. Some of these programmes, run by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), have had some success, due in large part to strong industry involvement in them. See Desiderio & Hooper (2015).



Promising practices include assessment of prior learning techniques and on-the-job assessment, but these are costly in both time and resources. While the most intensive support should be reserved for groups who are likely to receive (or have just received) protection, investments in a baseline of language and skills mapping may pay huge dividends, even for those who do not receive protection.

■ Distance learning and remote work opportunities. Technology can make training available wherever refugees and migrants are (including in reception centres or if housed in rural or disadvantaged areas), enable people to learn alongside full-time work or family responsibilities, and provide alternatives to those unable to access or afford mainstream training. For instance, Kiron University designs distance learning courses based on existing Massive Open Online Courses (MOOCs) for asylum seekers while they are in processing; several universities have agreed to recognise these courses as credit once their status has been approved. This blend of online and offline (or traditional and new) learning tools is promising, although new and as yet untested.

#### What Works 2: Fast Tracks and Bridging Programmes

Bridging and other training programmes help people plug gaps in their skills and experience rather than retraining from scratch. Canada has pioneered bridging courses for newly arrived migrants to speed up qualification recognition and encourage employment matching. The career pathway approach allows skilled migrants to get experience at the bottom of the ladder in the vocation they have been trained for, while plugging gaps in their training.

In Sweden, bridging courses for professionals, including health professionals, teachers and lawyers, have had a positive impact on employment outcomes and wages. A 2014 evaluation found an 18 per cent increase in the probability of getting into relevant employment for foreign-qualified teachers who participated in the bridging courses (Niknami & Schroder, 2014). A similar programme for refugee doctors in the United Kingdom, "Building Bridges", combines work placements in hospitals with intensive training to meet licensing requirements. During 2011-2013, one in four participants found a medical job at a level corresponding to their qualifications immediately at the end of the program, and roughly half found other health sector jobs.

Bridging courses are expensive, and hence have been limited mainly to high-skilled professions. A new programme in Sweden, however, aims to rapidly support refugees into shortage middle-skilled occupations, including those of chefs, meat cutters and butchers, as well as pharmacists, dentists and doctors. The design of these programmes includes validating knowledge through supervised work experience and knowledge tests, supplementary vocational training (if needed), professional certification and work authorisation, vocation-specific Swedish training, and work placements. One of the strengths of this programme is its buy-in from social partners following a tripartite agreement between the Public Employment Service, relevant education and training agencies, and the trade unions and employers' confederations.

• Fast tracks. Instead of funnelling newcomers through generic language training and only then considering their credential recognition or training needs, skilled migrants can be "fast-tracked" into intensive and tailored services to reduce their time out of work. For instance, countries can create exit routes so that talented refugees don't get stuck in programmes that are not suitable for their needs (e.g. Norway exempts high-skilled refugees from the induction program) or fast-track programmes that help newcomers get up to speed quickly or plug gaps in their skills while working (see Box 2). The effectiveness of this approach depends, of course, on early and effective skills screening.

There is a clear case for intensive investments early in the migration trajectory, but newcomers who have acquired host-country human capital do complicate further the—already tricky—question of what to do with people whose asylum claims are rejected. A number of dilemmas arise from the fact that strong migration management systems depend on governments being serious about removing people who don't belong, raising the question whether the state should withdraw access to services and benefits at this point. Some countries may wish to do so in order to make staying less desirable, but this creates other challenges, such as the risk that they are pushed into the informal economy, criminal activity or destitution. Moreover, some countries may see the value of continuing to offer some services in order to retain some control over failed asylum seekers. Either way, governments need to address these practical, political and moral issues rather than adopting a laissez-faire approach which grants practically de facto status to all, regardless of the outcome of the adjudication of their claim.

#### 4.3 A Whole-of-Government Approach to Integration

Policymakers also face the challenge of balancing support for newcomers with investments into the integration of existing migrant groups. The migration crisis creates a danger that emergency response diverts resources away from other vulnerable groups that are already hurting economically, and thus risks inflaming anxiety about migration.

One of the biggest debates in integration policy in recent years has been about "mainstreaming" integration. That is, the extent to which targeted or group-based policies work, or whether they should be replaced by general programming that targets conditions requiring attention, such as language training, school leaving etc., which benefits the whole population. Critics of group-based targeting argue that they fuel resentment among the general population, leave out other vulnerable groups who may not fulfil the specific criteria but share similar characteristics, or detract attention away from more structural changes to ensure that society and services can accommodate diversity. One example of this is integration programmes that cover only a finite period after arrival, after which one goes from intensive services to very little support (including, for instance, from employment advisors who are not well trained to deal with refugees) from one day to the next. On the other hand, critics of "mainstreamed" approaches argue that they have often been introduced as an excuse for cuts, and that many promising initiatives have been terminated in the name of mainstreaming (Benton, Collett & McCarthy, 2015).



#### **Engaging the Entire Government**

As European countries adapt further to their status as major immigration societies and the new normal of rapid social change, mainstreaming is the only approach that makes sense. Many of the smartest investments for newly arrived migrants and refugees will also hold value for other disadvantaged groups. For instance, a focus on lifelong learning can help newcomers and existing groups alike weather changing labour markets. Similarly, public employment services that are equipped to give advice about retraining to meet the needs of the local jobs market (instead of largely serving low-skilled jobseekers and performing the function of gatekeeper for benefits) are likely to also benefit older workers who have lost their jobs, young people who are unable to gain a foothold in the labour market, and migrants and refugees alike.

Mainstream policies that benefit, but do not exclusively target migrants and refugees may also be easier to present to publics concerned about the cost and effectiveness of various services. For example, many governments are investing in building social housing while emphasising that these efforts benefit everyone. However, for mainstreaming to live up to its promise, it requires concerted efforts across all levels of government to systematically assess and adapt all services (including integration, education, housing, employment and social policy) to both diversity and mobility (i.e. population churn) (Collett & Petrovic, 2014).

- Adaptations to mainstream services. At a minimum, mainstreaming also requires making necessary accommodations—such as having female interviewers for women from cultures where interactions with men are not encouraged, or hiring bilingual staff—across all services, instead of meeting the needs of specific groups in a silo of a targeted service. It also must offer translation and interpretation across services, which can be costly, but ultimately is likely to pay off in the form of early access to essential services.
- Coordination mechanisms. More muscular mainstreaming approaches improve coordination across government, to both strengthen information-sharing and ensure that different services interact positively with, instead of working against, one another. For instance, Austria's strategic plan for the integration of asylum seekers suggests ways to align services—such as by providing parents with language classes while their children are at kindergarten (Austrian Federal Ministry for Europe, Integration and Foreign Affairs, 2015) (see Box 3). Portugal has also prepared well for the arrival of newcomers, by setting up an interministerial and multilevel working group to coordinate the reception of resettled refugees.<sup>26</sup>
- Data sharing and digitisation. New technologies and the broader move to digitise government systems can also help ensure that problems are spotted early on, and will ultimately make much deeper analysis (including using big data and predictive analytics) possible. For instance, Germany is introducing an ID card so that all services have access to the same information about

<sup>26 -</sup> The working group includes the High Commission for Migration, the Border Police, the Labour and Vocational Training Institute, the Social Security Institute, and a number of Directorates-General from the European Commission.

asylum seekers, while Denmark and Sweden's personal identification numbers link information about newcomers to different data registries.

#### What Works 3: Balancing Mainstreaming and Targeted Support

The Austrian Government's "50 Action Points: A Plan for the Integration of Persons entitled to Asylum or Subsidiary Protection in Austria" is a strategic, comprehensive look at the governance and policy of integration by taking an important step back at a time when most integration policymakers are concerned with short-term challenges. The Plan makes fifty recommendations in eight areas: language and education; work and employment; the rule of law and values; health and social issues; intercultural dialogue; sports and leisure; housing and the regional dimension of integration; and general structural measures (including use of data and evaluation).

Although it does not use the language of mainstreaming, it embodies core mainstreaming principles such as improving the diversity awareness and language capabilities of the medical workforce both by developing interpretation services and hiring people with language skills from the communities they serve. It also places emphasis on improving the multilevel governance of integration, for instance by strengthening the role of elected officials responsible for integration in areas unused to migration. Finally, it acknowledges that housing pressures are shared broadly, across the population, and makes house-building a priority for society as a whole.

■ *Diversity and intercultural awareness*. Diversity training for officials, such as the intercultural training promoted by Germany's IQ Network, can do more than increase their cultural sensitivities. It can also help officials understand the challenges that *all* nontraditional jobseekers (whether career changers, former military personnel, or new arrivals) face translating their skills and experience across different worlds (see Box 4).

#### What Works 4: Embedding Intercultural and Diversity Training in Employment Services

The "Integration through Qualification" (Integration durch Qualifizierung) Network builds awareness of the needs of foreign jobseekers by engaging all stakeholders involved in labour market integration, with the aim of normalising issues of credential recognition.

Across Germany, there are 16 regional IQ networks and five competence centres that provide advice, bridge training, and skills assessments to migrants. These networks work with employment offices and job centres by training staff in cross-cultural competencies and improving their knowledge of foreign credentials. From 2011 to 2014, about 500 training programmes were implemented to support intercultural awareness. For instance, the Baden-Württemberg network trains migration commissioners as "intercultural ambassadors" who seek to raise awareness of diversity and equal opportunities issues among employment agencies, welcome centres, chambers



and businesses. The network also works with small and medium-sized enterprises (SMEs) to help them adapt their hiring and human resources strategies to diversity.

Countries and cities where intercultural and diversity training have become standard are well-placed to receive and support newly arrived refugees. But it is important to understand that the needs of new arrivals, especially those who have been through traumatic circumstances, may differ from those of previous groups. And many countries have considerably less experience with mobility-proofing (rather than diversity-proofing) services by specifically dealing with the impact of "churn" or large numbers of new arrivals at unexpected times. Whether placing students arriving throughout the school year, or solving bottlenecks in medical services that coincide with other seasonal fluctuations such as tourism, helping services plan for and manage unexpected challenges depends on much better data and analysis on how policies and programmes affect different groups.

To meet both existing integration challenges and adapt to the needs of newcomers, thoughtful cross-governmental efforts to ensure that all services are fit for the populations they serve depend on strong leadership and systematic and determined coordination efforts.

#### 4.4 A Whole-of-Society Response to Integration

Public anxiety reflects a sense of lack of control over the current crisis and a perception that it is happening *to* people—as a result of decisions higher up the food-chain or geopolitical failure—rather than a collective project or responsibility. The idea of a "whole of society" approach (engaging people outside government, and more importantly, outside of insular policy communities and the political establishment) has therefore taken on renewed urgency amid the scale of the current challenge.

And much of society has indeed stepped in and signed up to the refugee integration project. The last year has seen an explosion of new refugee integration initiatives, from distance learning and freelancing platforms to apps to help newcomers navigate services, under the banner of the *Techfugees* movement. Tech and social entrepreneurs are simultaneously highly adaptive and reactive; they collaborate rapidly and easily across borders and seek to involve refugees and migrants in the design and delivery of new innovations.<sup>27</sup> The energy and involvement of these new actors may mark the beginning of a governance shift in integration, with greater numbers of people engaged in the task of refugee integration, many of whom are not easily labelled as "private sector" or "civil society" since they wear different hats (they may do pro bono work for a tech company, or be involved in multiple public and private partnerships). However, the speed of the tech community response has led to some tools being developed that don't meet user needs, connect with mainstream services, or adhere to minimal security and privacy requirements (Benton & Glennie, 2016). As a

<sup>27 -</sup> For instance, many of the new intensive coding schools have built their business model around recruiting refugee graduates of the program to return as mentors or teachers.

result, policymakers face the challenge of fostering experimentation and engaging these groups while encouraging greater evaluation and sharing of what works.

Meanwhile, new coalitions of employers continue to form. Big employers such as Siemens, Adidas and Deutsche Bank have launched flagship paid internship or apprenticeship programmes.<sup>28</sup> These are still small-scale and connected to employers who see hiring refugees as their corporate social responsibility, rather than a genuinely attractive proposition. And there is always a risk that programmes that deal with very small numbers create expectations that can't be met. Once more, policymakers face the challenge of institutionalizing much bigger partnerships and enlisting the big players so that we're talking about thousands instead of dozens of high value apprenticeships.

#### **Engaging the Entire Society**

Governments have immense convening power to help stimulate civil society and private sector innovation and energy. The rapid growth of the *Techfugees* community and the explosion of volunteer support demonstrates that while scepticism about, and outright opposition to, refugee flows across most European electorates has grown strongly, so has the energy and enthusiasm for developing new solutions for the integration challenges facing refugees.<sup>29</sup> However, unless these efforts are more closely aligned with the development of policy, there is a risk that this enthusiasm will wane. Moreover, volunteers need to be supported and valued to avoid burning out. Promising approaches to supporting a whole-of-society approach include:

- Engaging employers to adapt their business models. The most promising initiatives encourage employers to engage beyond their corporate social responsibility arms and recalibrate the calculus for hiring newcomers. In France, the Employers' Groups for Labour Market Insertion and Qualification pools public and private resources to provide training, mentoring, and apprenticeships to small businesses (Desiderio, 2016). In Sweden, the "100 Club" initiative, led by the Employment Services, seeks to build capacity for companies who are willing to hire a critical mass of newcomers, with the hope that they will permanently change their hiring practices and become industry leaders.
- Supporting new public-private partnerships. A promising model in this area is Social Impact Bonds (SIBs), which encourage results-oriented solutions to thorny social challenges and bridge funding gaps. Often called "payment-by-results" (UK) or "pay for success" (US), SIBs set measurable outcomes from services delivered by third parties, promising payment from government only if the services achieve certain outcomes. Usually, SIBs are funded by private investment and delivered by

<sup>28 -</sup> For instance, Siemens in partnership with the city of Erlangen, Germany has a program offering paid internships to graduate asylum seekers with good English or German proficiency, which includes workplace orientation, skills assessment and training.

<sup>29 -</sup> These sentiments are likely to prove to be a reaction to the enormous speed and manner in which migration enveloped (parts of) Europe in the last two years and the sense that political leaders had no viable plan to reduce and introduce order in the inflows. With both numbers and the route of entry into Europe now seemingly under substantial control, there is an opportunity for even skeptics to join the effort of focusing squarely on new task: integration.



third party groups such as social enterprises, civil society organisations, or private providers, and hence the private sector bears the risk. SIBs have been used to good effect in policy areas that are difficult to sell to publics, such as criminal recidivism, chronic health conditions and homelessness (Shah & Costa, 2013). A promising trial in Finland seeks to train and employ 2,000 migrants over the next three years, through continuous language, culture, and vocational and on-the-job training. Since public-private partnerships are often fragile and small-scale, SIBs offer promising ways to fund social challenges and institutionalise relationships between public, private and third sector partners.

• Fostering innovation. Policymakers can help stimulate innovation (for instance through social challenge prizes or open competitions) and support and scale what works (for instance through follow-on funding and incubation). Giving the best solutions the ability to win public contracts to deliver services will be the most robust pathway to realizing these alternative models on any significant scale; supporting young companies to grow can also help fuel economic growth (see Box 5).

#### What Works 5: A Technology-Enabled Community Housing and Integration System

Some of the most promising recent innovations to support newcomers employ the ideas of the sharing economy (i.e. Uber, Airbnb) to harness and put to use community energies. Digital platforms connect newcomers with people and families willing to offer their time or resources, from old smartphones and computer equipment to mentoring and buddying—or even a room in their house (Benton & Glennie, 2016). The use of digital technology makes it possible to involve a much larger constituency of people in integration, wherever they are and however much they want to be involved.

For instance, *Refugees Welcome* is an example of a digital platform that acts as a "match-maker", bypassing slow bureaucratic systems by bringing together ordinary people who are willing to offer a room to people who need one. In addition to meeting critical housing deficits, housing new-comers with families can provide critical guidance and information, enable them to live closer to economic centres, and help newcomers get a head start on their labour market and social integration.

Refugees Welcome has now spread to 20 countries, including Portugal, the Netherlands, Canada, Spain, and Poland. Through its German branch, people have moved into 350 homes, and hundreds more have been matched in other countries. A similar program is CALM ("Comme A La Maison" or "Just Like Home") in France, which matches poorly housed or homeless refugees with a family to stay with.

But to properly be sustained and scale, these platforms will need to work with government services to redirect some of the resources that would otherwise be spent on in-house services. Although Refugees Welcome has forged strong partnerships with some government authorities, bureaucratic obstacles in most countries have made this process difficult. As a result, the initiative relies for the most part on crowdfunding. To realise its full promise—of an alternative, community-led approach to refugee reception—governments will need to be less risk averse and work more closely with these alternative delivery models.



To capitalise on these movements, governments have a role to play in institutionalising some of the innovations that are happening on the ground to ensure they respond to actual needs and gaps at the policy level. With many civil society programmes extremely small scale, the resources to undertake proper impact investment are modest at best—and any assessments of impact are often skewed by selection biases (because participants tend to be more motivated or better qualified to begin with). Governments could support promising initiatives to measure their own impact, understand what good evidence looks like, and disseminate lessons more widely.

#### 4.5 Situating Integration in Migration Policies that Build Public Trust

Public trust is critical to developing rigorous integration policies—and *vice versa*. Across Europe, the persistent belief that government is unequal to the task of managing immigration well—exacerbated by the perception that the asylum process is being misused, and leading to local infrastructure being overwhelmed—has poisoned the well of policy innovation (Papademetriou, 2016). Even countries with a long and proud tradition of welcoming refugees, such as Sweden, have had to confront the question of whether there are limits to their generosity following capacity problems and rising public anxiety.

Many of the drivers of "spontaneous" and disorderly migration to Europe are outside of the control of immigration and integration policymakers. Growing global instability, civil wars, and regional conflicts and endemic violence—together with growing aspirations for upward mobility through immigration and the perception that rich countries offer a panorama of opportunities—has meant that many people are willing to stake their chances on long and arduous journeys. These calculations, for many would-be migrants, are made even more compelling by access to real-time information about routes and opportunities and an increasingly smart and adaptive market of smugglers (Papademetriou, 2016).

However, there are some factors that are within these policymakers' control. These include border management and interior enforcement regimes (including addressing the always tricky question of returns), shifting as far as possible to migration systems where destination countries choose most of their migrants instead of resigning themselves to whomever chooses them, and nurturing relationships and partnerships with countries of origin and transit.

There is no escaping the fact that the global protection system is in dire need of a comprehensive overhaul to narrow the gulf between opportunities in Europe (and elsewhere) and those in the regions where refugees and migrants come from. One way to bridge this gap is to mitigate the negative effects of displacement that drive onward flows and support development in these regions by relying on strong partnerships with foreign policy and development actors, enormous up-front investments and rare cooperation among political leaders (within and across governments) with often divergent priorities and objectives (Papademetriou, Collett & Fratzke forthcoming, 2016). The UN Convention on Refugees, the global protection system, and the



extensive global efforts needed to address this challenge is beyond the scope of this paper.<sup>30</sup> But bridging this gap is not possible without designing and successfully implementing smart national immigration and integration policies.

#### **Building and retaining public trust**

Countries such as Canada and Australia that select the majority of their immigrants based on their labour market success *and* their ability to integrate (through language and labour market skills or experience among other metrics) have done a better job of easing newcomers' entry into middle or higher rungs of the labour market. It is no coincidence that they have had an easier time with public confidence. (This also holds true, if to a much lesser degree, in the United States.) Although European policymakers are constrained by deeply held principles—including the desire to uphold humanitarian responsibilities and to admit family members of citizens and residents—regaining public trust depends on reducing and gradually minimising disorderly flows. As Europe and its countries seek to regain control of their borders, policymakers need to build immigration systems that allow states to choose increasing proportions of their immigrants.

The most immediate manifestations of this challenge include tradeoffs and difficult choices that stem from the interdependence of asylum, immigration, and integration policies. For instance, policies such as temporary (instead of permanent) protection and reasonable delays on family unification may help countries manage flows, but could also impede the integration of existing residents. And although reducing numbers became a political imperative, as well as a policy precondition for the successful integration of the most recent arrivals, there is no definite answer to the right balance between these many policy, ideology and moral matters.

#### 5. Conclusions

Europe is often described as facing a demographic crisis and a migration crisis. Underlying this narrative is sometimes an assumption that the latter is somehow a "gift" to the former. Specifically, some assume that an influx of younger new arrivals, by altering the old age-dependency ratio, will automatically offset the impacts of demographic decline. While the large number of arrivals

<sup>30 -</sup> It is worth noting that President Obama's Leaders' Summit on Refugees on the margins of the UN General Assembly in September 2016 is an important step to increasing the attention and resources in the global protection system. However, it remains to be seen how much difference it will make. The precedent set by previous donor conferences is that some of the money pledged had often already been committed, and promises are not always fulfilled—for instance, of the €1.88 billion raised for the EU Emergency Trust Fund for Africa by the Valetta EU/Africa Summit on Migration in 2015, €1.8 billion came from the European Commission and only €81.8 million had been pledged by Member States as of June 2016. Of the €1.88 billion raised, only €782 million had been disbursed by September 2016, according to the Trust Fund's website. Similarly, of the \$11 billion announced for the London Syrian Donors Conference, only 2.4 billion has since been donated to Syrian funds, based on data from the Financial Tracking Service. Only three countries—Latvia, Lithuania, and Malta—have donated the full amount pledged, and only 14 have donated even half of their promised amount.



may prove to be an opportunity for Europe, doing so will require enormous work and massive investments to make the most of it given the scale of the current challenge. Without these efforts, the twin trends of ageing populations and large-scale migration risk exacerbating, rather than solving, one another.

The crisis has illuminated and exacerbated many existing integration challenges, but it has also created new ones. Difficulties keeping up with processing and settling new arrivals have often seemed to exhaust the capacity and bandwidth of national and local governments to craft strategic, forward-thinking integration programmes. The numbers have abated—at least for the moment—but in many ways the *real* work has only begun. Instead of breathing a sigh of relief, policymakers should be using this time to make choices: about where to make investments in the next two to three years, how muscular they wish to be in their approach, and, most crucially, what kind of societies they wish to operate in 15-20 years' time.

This is also the time for realism. Policymakers need to decide what their priorities are, and what "good enough" strategies for integration look like. For some of the most disadvantaged groups in recent cohorts, convergence with natives on socioeconomic outcomes may not be an attainable goal. But we should not let perfection be the enemy of the good: these groups should still have the opportunity to learn the language of their new homes, have flourishing lives and families, and benefit from the opportunity to participate in and contribute to society. Opportunities for realising social integration even in the absence of traditional labour market integration should be top of the agenda for these discussions and initiatives, focusing on these populations.

#### Policymakers should pay attention to four areas in particular:

- **Strategy.** The tide appears to have turned in Europe, and inflows have finally abated. This period of calm should be one of reflection, not complacency. Policymakers should clearly develop and articulate goals to aspire towards and generate collective milestones to evaluate progress across different policy portfolios and on different timescales. The choices governments make now will shape how societies will be in the coming decades.
- Evaluation. Many countries have become better at measuring and understanding what works, but more extensive evaluation—including with high quality evidence that uses a control group—and data sharing is needed to ensure that investments today are cost effective over the long run. Governments must strike a balance between responding quickly and responding thoughtfully. Collecting and evaluating evidence—and, critically, adapting systems based on this—must become an integral part of the policymaking ethos.
- *Innovation.* New technologies offer promising ways to speed the integration process—from tools that offer newcomers a chance to plug skills gaps quickly to digital platforms that mobilise the energy and resources of the public. The main challenge is how to extend what works to a much, much larger scale. Greater collaboration between employers, civil society, tech entrepreneurs, the



wider public, and governments themselves (at all levels) is essential to deepen and strengthen Europe's ability to address—and even solve—integration challenges today and in the future.

• Community robustness and resilience. Integration policy as we know and speak about it is constantly evolving in ways that we may not fully comprehend. This shift is hinted at by, but goes way beyond, mainstreaming: superdiversity and hypermobility will become the water in which we all swim. With this adjustment will come a number of linguistic and policy shifts: away from by now less and less meaningful concepts such as diversity and cohesion, and towards a richer and more inclusive, yet perhaps more realistic, objective: community robustness and resilience.



#### References

Alba, R., & Foner, N. (2015). *Strangers No More: Immigration and the Challenges of Integration in North America and Western Europe*. Princeton University Press: Princeton.

Arbeitsmarktservice Österreich (AMS). (2016). Pressekonferenz – Asylberechtigte auf Jobsuche. January 12, 2016. Retrieved from www.ams.at/ueber-ams/medien/ams-oesterreichnews/asylberechtigte-auf-jobsuche (Accessed July 18, 2016).

Austrian Federal Ministry for Europe, Integration and Foreign Affairs (2015). 50 Action Points: A Plan for the Integration of Persons entitled to Asylum or Subsidiary Protection in Austria. Vienna, Austria. Retrieved from www.bmeia.gv.at/fileadmin/user\_upload/Zentrale/Integration/Publikationen/Integrationsplan\_final\_EN.pdf (Accessed July 18, 2016).

Bakker, L., Cheung, S. Y., & Phillimore, J. (2016). The Asylum Integration Paradox: Comparing Asylum Support Systems and Refugee Integration in the Netherlands and the UK. *International Migration*, 54 (4), 118-132. DOI: 10.1111/imig.12251

Behavioural Insights Team (2012, December). New BIT Trial results: Helping People Back Into Work. *The Behavioural Insights Team*. Retrieved from http://www.behaviouralinsights.co.uk/labour-market-and-economic-growth/new-bit-trial-results-helping-people-back-into-work/ (Accessed June 30, 2015).

Benton, M., & Glennie, A. (forthcoming 2016). *Digital Humanitarianism: How Tech Entrepreneurs* are Supporting Refugee Integration, and What Policymakers Can do to Help. Washington, DC: Migration Policy Institute.

Benton, M., & Simon, J. (2016). *Connected Councils: A Digital Vision of Local Government in 2025*. London: Nesta. Retrieved from http://www.nesta.org.uk/publications/connected-councils-digital-vision-local-government-2025 (Accessed July 18, 2016).

Benton, M., McCarthy, H., and Collett, E. (2015). *Into the Mainstream: Rethinking Public Services for Diverse and Mobile Populations*. Brussels: Migration Policy Institute Europe. Retrieved from http://www.migrationpolicy.org/research/mainstream-rethinking-public-services-diverse-and-mobile-populations (Accessed July 18, 2016).

Benton, M., Fratzke, S., & Sumption, M. (2014a). *Moving Up or Standing Still? Access to Middle-Skilled Work for Newly Arrived Migrants in the European Union*. Washington, D.C.: Migration Policy Institute. Retrieved from http://www.migrationpolicy.org/research/moving-or-standing-still-access-middle-skilled-work-newly-arrived-migrants-european-union. (Accessed July 18, 2016).

Benton, M., Sumption, M., Alsvik, K., Fratzke, S., Kuptsch, C., & Papademetriou, D. (2014b). *Aiming Higher: Policies to Get Immigrants into Middle-Skilled Work in Europe*. Washington, D.C.: Migration Policy Institute. Retrieved from http://www.migrationpolicy.org/research/aiming-higher-policies-get-immigrants-middle-skilled-work-europe (Accessed July 18, 2016).

Bernstein, M. (2016, January 13). First Data on Education Level of Refugees Released. *Metropole*. Retrieved from www.metropole.at/ams-study-refugees-education/ (Accessed June 30, 2016).



Bevelander, P., & Irastorza, N. (2014). *Catching Up: The Labor Market Integration of New Immigrants in Sweden*. Washington, D.C.: Migration Policy Institute. Retrieved from http://www.migrationpolicy.org/research/catching-labor-market-outcomes-new-immigrants-sweden (Accessed June 30, 2016).

Brochmann, G. (2016). The Survival of the Nordic Welfare Model: The Migration Challenge. In A. Simonyi (Ed.), *Nordic Ways*. Center for Transatlantic Relations, Washington D.C.: John Hopkins University.

Collett, E., & Petrovic, M. (2014). *The Future of Immigration Integration in Europe: Mainstreaming Approaches for Inclusion*. Washington, D.C.: Migration Policy Institute. Retrieved from http://www.migrationpolicy.org/research/future-immigrant-integration-europe-mainstreaming-approaches-inclusion (Accessed June 30, 2016).

Council of the European Union (2004, November 19). Press release: 2618<sup>th</sup> Council Meeting Justice and Home Affairs, Brussels. Retrieved from http://www.consilium.europa.eu/ueDocs/cms\_Data/docs/pressData/en/jha/82745.pdf (Accessed June 30, 2016).

Demetrios, G. P., Alba, R., Foner, N., & Banulescu-Bogdan, N. (2016). *Managing Religious Difference in North America and Europe in an Era of Mass Migration*. Washington, D.C.: Migration Policy Institute. Retrieved from http://www.migrationpolicy.org/research/managing-religious-difference-north-america-and-europe-era-mass-migration (Accessed June 30, 2016).

Desiderio, M.V. (forthcoming 2016). *Integrating Refugees into Host Countries' Labor Markets:* Challenges and Policy Options. Washington, D.C.: Migration Policy Institute.

Desiderio, M.V., & Hooper, K. (2015). *Improving Migrants' Labour Market Integration in Europe from the Outset: A Cooperative Approach to Predeparture Measures*. Washington, D.C.: Migration Policy Institute. Retrieved from http://www.migrationpolicy.org/research/improving-migrants-labour-market-integration-europe-outset-cooperative-approach (Accessed January 30, 2016).

European Commission (2015). *The 2015 Ageing Report*. Brussels: European Commission. Retrieved from http://ec.europa.eu/economy\_finance/publications/european\_economy/2014/pdf/ee8\_en.pdf. (Accessed June 30, 2016).

Eurostat (2015). Population Structure and Ageing. Retrieved from http://ec.europa.eu/economy finance/publications/european economy/2014/pdf/ee8 en.pdf (Accessed June 30, 2016).

- ---. (2016, June 16). Migrant Integration in the EU Labour Market in 2015. Eurostat, Press Release. Retrieved from http://ec.europa.eu/eurostat/documents/2995521/7437901/3-06062016-AP-EN.pdf/225c8b96-2345-470d-8b87-c76a16525aa2 (Accessed July 18, 2016).
- ---. (2016). Population by Educational Attainment Level, Sex, Age and Country of Birth (%). Updated April 26, 2016. Retrieved from http://ec.europa.eu/eurostat/web/products-datasets/-/edat\_lfs\_9912 (Accessed July 18, 2016).

Fundamental Rights Agency (2009). *European Union Minorities and Discrimination Survey: Main Results Report*. Brussels: European Union Agency for Fundamental Rights. Retrieved from http://fra.europa.eu/sites/default/files/fra\_uploads/663-FRA-2011\_EU\_MIDIS\_EN.pdf (Accessed July 18, 2016).



Fix, M. Hooper, K. & Zong, J. (forthcoming 2016). *Refugee Integration at the National and State Level in the United States*. Washington, D.C.: Migration Policy Institute.

German Marshall Fund (2014). *Transatlantic Trends 2014: Mobility, Migration, and Integration*. Washington, D.C.: German Marshall Fund.

Griggs, J., & Evans, M. (2010). A Review of Benefit Sanctions. *Joseph Rowntree Foundation*. Retrieved from https://www.jrf.org.uk/report/review-benefit-sanctions#jl\_downloads\_0 (Accessed June 30, 2016).

Frey, C. B., & Osborne, M. (2013). The Future of Employment: How Susceptible are Jobs to Computerisation? *Oxford Martin School*, 1-68. Retrieved from http://www.oxfordmartin.ox.ac.uk/downloads/academic/The\_Future\_of\_Employment.pdf (Accessed July 30, 2016).

Hooker, S., Fix, M., & McHugh, M. (2014). *Education Reform in Changing Georgia: Promoting High School and College Success for Immigrant Youth*. Washington, D.C.: Migration Policy Institute. Retrieved from http://www.migrationpolicy.org/research/education-reform-changing-georgia-promoting-high-school-and-college-success-immigrant-youth (Accessed June 30, 2016).

Jørgensen, M.B. (2016). New Approaches to Facilitating Refugee Integration in Denmark. Paper prepared for the Transatlantic Council on Migration Meeting "The Other Side of the Asylum and Resettlement Coin: Investing in Refugees' Success across the Migration Continuum." Washington, D.C., USA.

Jourdan, V. (2014). ELIPA 2013: Les Premiers Résultats. Paris, DFSED/DGEF. Retrieved from http://www.immigration.interieur.gouv.fr/Info-ressources/Statistiques/Etudes-et-publications/Etudes/ Enquete-Longitudinale-sur-l-Integration-des-Primo-Arrivants-ELIPA/Les-publications/ELIPA-2013-les-premiers-resultats (Accessed June 30, 2016).

Migration Policy Institute (2016). Asylum Applications in the EU/EFTA by Country, 2008-2016 (Q1). Migration Policy Institute. Retrieved from http://www.migrationpolicy.org/programs/data-hub/charts/asylum-applications-euefta-country-2008-2016-q1 (Accessed July 18, 2016).

MPI (forthcoming 2016). A Study on Forced Migration in OIC Member Countries: The Policy Framework Adopted by Host Countries. Washington, D.C: MPI.

National Academy of Sciences, Engineering, and Medicine (2015). *The Integration of Immigrants into American Society.* Washington, D.C.: The National Academies Press.

OECD (2012a). Jobs for Immigrants: Labour market integration in Austria, Norway and Switzerland. Paris: OECD. Retrieved from http://www.oecd.org/els/mig/jobsforimmigrantsvol3labourmar-ketintegrationinaustrianorwayandswitzerland.htm (Accessed July 19, 2016).

- ---. (2012b). Settling In: OECD Indicators of Immigrant Integration 2012. Paris: OECD. Retrieved from http://www.oecd-ilibrary.org/social-issues-migration-health/settling-in-oecd-indicators-of-immigrant-integration-2012\_9789264171534-en (Accessed July 18, 2016). DOI: 10.1787/9789264171534-en.
- ---. (2015a). Settling in: OECD Indicators of Immigrant Integration 2015. Paris, France: OECD/ European Commission. Retrieved from http://www.keepeek.com/Digital-Asset-Management/oecd/

social-issues-migration-health/indicators-of-immigrant-integration-2015-settling-in\_9789264234024-en#page1 (Accessed July 18, 2016).

- ---. (2015b). *Is This Migration Crisis Different?* Paris: OECD. Retrieved from https://www.oecd.org/migration/ls-this-refugee-crisis-different.pdf.
- ---. (2016). *Making Integration Work: Refugees and others in need of protection*. Paris: OECD Publishing. Retrieved from http://www.keepeek.com/Digital-Asset-Management/oecd/social-issues-migration-health/making-integration-work-humanitarian-migrants\_9789264251236-en#page21 (Accessed July 18, 2016). DOI:10.1787/9789264251236-en.

Papademetriou, D. (2016). *Maintaining Public Trust in the Governance of Migration*. Washington, D.C.: Migration Policy Institute. Retrieved from http://www.migrationpolicy.org/research/maintaining-public-trust-governance-migration (Accessed July 18, 2016).

Papademetriou D., & Banulescu-Bogdan, N. (2016). *Understanding and Addressing Public Anxiety about Immigration*. Washington, D.C.: Migration Policy Institute. Retrieved from http://www.migrationpolicy.org/research/understanding-and-addressing-public-anxiety-about-immigration (Accessed July 18, 2016).

Papademetriou D., Collett, E., & Fratzke, F. (forthcoming 2016). *Catalyzing a Global Response to Refugee Flows: Challenges, Limitations and Opportunities*. Washington, D.C.: Migration Policy Institute.

Reuters (2016, May 16). German government plans to spend 93.6 billion euros on refugees by end 2020. *Reuters*. Retrieved from http://www.reuters.com/article/us-europe-migrants-germany-costs-idUSKCN0Y50DY (Accessed July 18, 2016).

Rich, A-K. (2016). Sozialstruktur, Qualifikations-niveau und Berufstätigkeit. Berlin: BAMF. Retrieved from http://www.bamf.de/SharedDocs/Anlagen/DE/Publikationen/Kurzanalysen/kurzanalyse3\_sozial-komponenten.pdf?\_blob=publicationFile (Accessed July 18, 2016).

Rietig, V. (forthcoming 2016). *Integrating Refugees into Germany's Labor Market: Challenges and New Initiatives*. Washington, D.C.: Migration Policy Institute.

Saukkonen, P. (2016). From Fragmentation to Integration: A Case Study of Finland. Working paper produced for Visions Europe 2016 Working Group 3, June 2016.

Saunders, D. (2011). *Arrival City: How the Largest Migration in History is Reshaping Our World.* New York: Vintage.

Shah, S., & Costa, K. (2013). *Understanding Innovation Funds, Impact Bonds, and Impact Investing*. Washington, D.C.: Center for American Progress. Retrieved from https://www.americanprogress.org/issues/economy/report/2013/11/05/78792/social-finance-a-primer/(Accessed July 18, 2016).

Social Integration Commission (2014). *How Integrated is Modern Britain?* London: Social Integration Commission. Retrieved from http://socialintegrationcommission.org.uk/index.php (Accessed July 18, 2016).

Sumption, M. (2013). Tackling Brain Waste: Strategies to Improve the Recognition of

*Immigrants' Foreign Qualifications*. Washington, D.C.: Migration Policy Institute. Retrieved from http://www.migrationpolicy.org/research/tackling-brain-waste-strategies-improve-recognition-immigrants-foreign-qualifications (Accessed July 18, 2016).

Townsend, M. (2016, January 30). 10,000 Refugee Children are Missing Says Europol, London. *The Guardian*. Retrieved from, https://www.theguardian.com/world/2016/jan/30/fears-formissing-child-refu (Accessed February 24, 2016).

UNHCR (2016, February). Profiling of Syrian Arrivals on Greek Islands in February 2016, *Factsheet. The UN Refugee Agency*. Retrieved from https://data.unhcr.org/mediterranean/download.php?id=874

Vargas-Silva, C. (2011, November 26). Policy Primer: Migration and Development. *The Migration Observatory*, (University of Oxford). Retrieved from http://www.migrationobservatory. ox.ac.uk/sites/files/migobs/Migration%20and%20Development%20Policy%20Primer.pdf (Accessed July 18, 2016).

Wike R., Stokes, B., & Simmons, K. (2016, July 11). Europeans Fear Wave of Refugees Will Mean More Terrorism, Fewer Jobs. *Pew Research Center*. Retrieved from http://www.pewglobal.org/2016/07/11/europeans-fear-wave-of-refugees-will-mean-more-terrorism-fewer-jobs/ (Accessed July 18, 2016).

Zong, J., & Batalova, J. (2016). *College Educated Immigrants in the United States*. Washington D.C.: Migration Policy Institute. Retrieved from http://www.migrationpolicy.org/article/college-educated-immigrants-united-states (Accessed July 18, 2016).



#### **About the Authors**

Demetrios G. Papademetriou is Distinguished Senior Fellow and President Emeritus of the Migration Policy Institute (MPI), a Washington-based think tank dedicated exclusively to the study of international migration, which he cofounded. He is also President of MPI Europe, a nonprofit, independent research institute in Brussels that aims to promote a better understanding of migration trends and effects within Europe, and serves on MPI Europe's Administrative Council. He is a Member of the MPI Board of Trustees. Dr. Papademetriou is the convener of the Transatlantic Council on Migration, which is composed of senior public figures, business leaders, and public intellectuals from Europe, the United States, and Canada, and convened (2012-15) the Regional Migration Study Group, an initiative that has proposed and promoted multi-stakeholder support for new regional and collaborative approaches to migration, competitiveness, and human-capital development for the United States, Canada, Mexico, and Central America. Dr. Papademetriou co-founded Metropolis: An International Forum for Research and Policy on Migration and Cities (which he led as International Chair for the initiative's first five years); and has served as Chair of the World Economic Forum's Global Agenda Council on Migration (2009-11); Founding Chair of the Advisory Board of the Open Society Foundations' International Migration Initiative (2010-15); Chair of the Migration Group of the Organization for Economic Cooperation and Development (OECD); Director for Immigration Policy and Research at the U.S. Department of Labor and Chair of the Secretary of Labor's Immigration Policy Task Force; and Executive Editor of the International Migration Review. He has published more than 270 books, articles, monographs, and research reports on a wide array of migration topics; lectures widely on all aspects of immigration and immigrant integration policy; and advises foundations and other grant-making organizations, civil-society groups, and senior government and political party officials, in dozens of countries (including numerous European Union Member States while they hold the rotating EU presidency). Dr. Papademetriou holds a PhD in comparative public policy and international relations (1976) from the University of Maryland, and has taught there and at Duke University, American University, and the New School for Social Research.

**Meghan Benton** is a Senior Policy Analyst at the Migration Policy Institute, and a Nonresident Fellow with MPI Europe. Her areas of expertise include immigrant integration (especially labor market integration and integration at the local level), citizenship policy, and the role of technological and social innovation in responses to the refugee and migration crisis in Europe. Dr. Benton previously was a Senior Researcher at Nesta, the United Kingdom's innovation body, where she led projects on digital government and the future of local public services. Prior to joining Nesta, she was a policy analyst at MPI from 2012-15, where she co-led an MPI-International Labor Organization six-country project on pathways to skilled work for newly arrived immigrants in Europe. She also worked on Project UPSTREAM, a four-country project on mainstreaming immigrant integration in the European Union. Previously, she worked for the Constitution Unit at University College London and the Institute



for Public Policy Research. Dr. Benton received her PhD in political science from University College London in 2010. Her PhD research—on citizenship and the rights of noncitizens—was published in high-ranking social and political philosophy journals. She is the author of 20 publications, including most recently: Connected Councils: A Digital Vision of Local Government in 2025; Aiming Higher: Policies to Get Immigrants into Middle-Skilled Work In Europe; and Smart Inclusive Cities: How Smartphone Apps, Big Data and Collaborative Technologies are Transforming Immigrant Integration.



# Vision Europe Summit