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VIEWPOINT: Europe's migration crisis: an American perspective

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Abstract

The European Union's 28 member nations received over 1.2 million asylum seekers in 2015, including a million in Germany and over 150,000 in Sweden. The US, by comparison, has been receiving 75,000 asylum applications a year. One reason for the upsurge was German Chancellor Angela Merkel's August 2015 announcement that Syrians could apply for asylum in Germany even if they passed through safe countries en route. The challenges of integrating asylum seekers are becoming clearer, prompting talk of reducing the influx, reforming EU institutions, and integrating migrants.

Keywords: European Union; migration; Syrians; border; asylum; integration

Introduction

Europe is *the* continent of international migration, with a tenth of the world's people and a third of the world's international migrants. The UN reported that 244 million people left their country of birth and moved to another country for a year or more in 2015, making 3.3 percent of the world's 7.3 billion people international migrants. Some 76 million international migrants were in Europe, including a third in the second and third largest countries of migration, Germany and Russia, which each had 12 million migrants (UN DESA, 2015).

Asia is second to Europe, with 75 million international migrants. Both Asia and Europe have a quarter of the world's 200 countries, but Asia has 60 percent of the world's people, so that Asia has large-scale internal migration in population giants such as China and India while Europe has international migration in a region with more national borders and fewer people. Furthermore, over half of European countries are members of the EU, which promotes freedom of movement of EU citizens, allowing EU citizens to move to another EU country and live and work on an equal basis with citizens of that country.

Many European countries have shrinking populations and labor forces, prompting some EU and national leaders to urge the admission of more tax-paying immigrant workers to stabilize economies and fund comprehensive

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social welfare programs (Legrain, 2015). The goal is to attract skilled foreigners, such as those with college degrees and foreigners who graduate from European universities. However, EU and national programs to attract skilled migrants via Blue Card and similar schemes have not generated large numbers of migrants, fewer than 25,000 a year.

Instead, most of the migrants settling in Europe are joining family members already there. Many of the migrants who are settled in Europe have relatively little education, as do their family members, which can complicate their integration into work and society (Hollifield, Martin, and Orrenius, 2014). Migrants and those with migrant backgrounds generally have low labor force participation rates and, among those in the labor force, high unemployment rates (Hansen, 2012). The uneven integration of migrants currently in Europe raises fears that migration could add to unemployment and welfare dependence rather than employment and taxes. This means that the asylum seekers arriving in 2015 and 2016 could be the welcome tonic that Europe needs to increase economic dynamism and employment, or they could add to an underclass of disaffected immigrants and their children.

The 2015 migrant influx

Calls for more migrants to fill vacant jobs and inject fresh blood into aging European societies were pushed into the background in 2014-15 by Russian aggression in Ukraine and the Greek debt crisis. EU leaders found consensus to impose sanctions on Russia and forced the Greek government to implement painful changes to reduce public debt and increase economic competiveness.

The number of asylum applications in EU member states began rising after the Arab Spring of 2011, when protestors beginning in Tunisia overthrew entrenched leaders. The disruptions of the Arab Spring turned into a civil war and competing governments in Libya, allowing North African and other migrants to leave Libya in small boats for Lampedusa, an Italian island less than 200 miles from the Libyan coast.

In October 2013, a boat carrying over 500 migrants sank near Lampedusa, resulting in 360 deaths. In response, the Italian government launched Operation Mare Nostrum, positioning ships between Libya and Lampedusa to rescue migrants. Mare Nostrum allowed some smugglers put migrants on less-viable boats with satellite phones so that they could call for help as soon as they left Libyan waters, an example of the moral hazards in migration policy. With Mare Nostrum ready to help to those in trouble at sea, more people were willing to pay smugglers and undertake risky journeys from Libya to Europe.[1]

Dangers from the Libyan civil war and the replacement of the Italian rescue effort with a less-extensive EU effort named Triton that included destroying

[1] There are many other examples of moral hazards in public policy, as when governments willing to bail out large banks encourage them to take additional risks or when governments welcome asylum seekers, encouraging migrants to make risky journeys in search of protection.

smugglers' boats shifted the major migrant-smuggling routes from the Libya-Italy corridor to the Turkish-Greek coast. EU member states received almost 563,000 asylum applications in 2014, including 30 percent from Syria, and the front-line states of Italy and Greece asked the EU for more assistance to deal with migrants arriving by sea.

There were about four million Syrians outside Syria in 2015, including half in Turkey. Figure 1 shows how Syrians and others entered Europe, using small boats to travel the 10 to 15 miles from the Turkish coast to Greek islands such as Kos and Lesbos, take ferries to Athens, make their way north through the Balkans to Hungary and Austria, and apply for asylum in Germany and Sweden. With numbers climbing, many countries on the so-called Balkan route to western and northern Europe introduced border fences and controls.

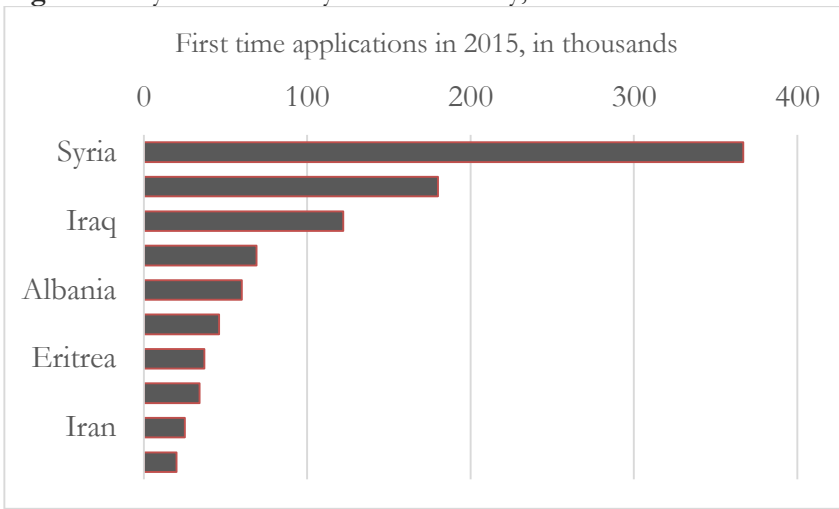
Figure 1. Migrant Routes to Europe

Figure 2 shows that Syrians were the single largest nationality arriving in Europe in 2015, accounting for 30 percent of the 1.3 million asylum seekers, including those applying in non-EU Norway and Switzerland (Eurostat, 2016). Afghanis were about an eighth of asylum seekers in 2015, followed by Iraqis who submitted 10 percent of applications.

After Hungary made it difficult for asylum seekers to transit the country en route to Austria and Germany, Merkel announced that Syrians could apply for asylum in Germany even if they passed through safe countries en route to prevent an "humanitarian catastrophe;" the Dublin Regulation normally requires asylum seekers to apply for refuge in the first safe country they reach. Syrians and others responded to Germany's welcome, and over 12,000 arrived

in Munich on one day, September 12, 2015, some with photos of Merkel in hand.

Figure 2. Asylum Seekers by Source Country, 2015



Source: Eurostat

German states and cities scrambled to register, house and feed the mostly young men who arrived. Sport clubs, schools, and other public facilities were converted to migrant shelters, and many Germans volunteered to help the new arrivals. Others protested the arrival of especially Muslim migrants, arguing that they would be difficult to integrate and could adversely affect Germans. Some housing that was meant for migrants was burned, and there were demonstrations against Muslim migrants.[2]

As numbers rose, Germany, Sweden, and other governments changed their policies to slow the influx, checking the foreigners arriving at their borders to find those unlikely to receive asylum, such as citizens of Kosovo and Serbia, and rejecting their asylum applications in accelerated procedures so that they could be returned to their countries of origin quickly.[3]

Two events changed attitudes and policies in many European countries from protecting asylum seekers to protecting local citizens. First, eight Islamist

[2] The Alternative für Deutschland (AfD) party, founded in 2013, won almost five percent of the vote in 2013 federal elections with an anti-EU and anti-migrant platform. After Frauke Petry became the AfD's leader in summer 2015, the party emphasized its opposition to Muslim immigration. The AfD in March 2016 state elections won over 10 percent of the vote in two West German states and over 20 percent in an East German state.

[3] Germany normally grants asylum or temporary protected status for three years to those in need of protection; family members may not join successful asylum seekers during this three-year period. After three years, recognized asylum seekers are granted permanent residence status if they still need protection in Germany, and can apply to have family members join them. If family members arrive illegally before they should, it is doubtful that they will be removed.

terrorists killed 130 people in Paris on November 13, 2015, including two who entered the EU using the Turkey-Greece route taken by most migrants. EU leaders urged citizens not to confuse refugees with terrorists, most of whom were EU citizens, but the Paris attacks highlighted the threat that terrorists could lurk among migrants. Second, on New Year's Eve thousands of North African asylum seekers attacked hundreds of German women near the Cologne train station, prompting an outcry that emphasized the need for newcomers to respect German cultural norms.

Today three things are clear. First, migrants in Spring 2016 continue to arrive in Greece from Turkey, as Syrians and others worry that the doors to Europe are closing. Second, Germany, Sweden, and other EU countries that accepted large numbers of asylum seekers are taking steps to reduce the influx by declaring some countries of origin safe, including North African countries, the Balkans, and likely Turkey. Third, many asylum seekers are in a state of limbo, waiting to submit asylum applications and appeals. If half of asylum seekers are recognized as in need of protection, which has been the recognition rate in recent years, the next challenge will be to integrate them into the labor market and society.

Three challenges

Most of the foreigners who arrived in Europe in 2015 are there to stay: EU member states deport relatively few migrants.[4] For example, Germany deported 18,400 foreigners in 2015, up from 10,900 in 2014. Deportation is difficult because many migrants destroy their passports, knowing that their countries of origin will not accept the return of persons without proof that they are citizens. Many claim to be Syrians, which increases the chance that they will be granted asylum.

EU leaders are developing a three-pronged strategy to deal with asylum seekers: reduce numbers, reform institutions, and integrate migrants. The first priority is to reduce the influx. Austria, which received 90,000 asylum applications in 2015, announced that it would accept only 37,500 in 2016 and fewer in future years. Many German leaders, especially Bavarian Premier Horst Seehofer, similarly advocate limits on the number of asylum seekers. Merkel and others who want to keep the door open to asylum seekers counter that the German constitution's Article 16A guarantees foreigners facing persecution the right to asylum,[5] and ask what Germany will do with asylum seekers who arrive after a quota is filled.

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[4] The IMF (Aiyar, 2016, p13) projected that 1.3 million migrants a year would arrive in EU countries in 2015, 2016, and 2017, and that 60 percent would receive some type of protection that allows them to work. The IMF anticipates that migrants will have a five percent lower labor force participation rate and an unemployment rate 15 percent higher than natives.

[5] German President Joachim Gauck on World Refugee Day June 20, 2015 reminded Germans that they had a "moral duty" to provide asylum because Germans were refugees during and after World War II.

The major EU policy instrument to reduce numbers is to provide aid to Turkey in exchange for help to improve conditions for the refugees in Turkey and to impede the smuggling of migrants to Europe. The Office of the United Nations High Commissioner for Refugees (UNHCR) spent about $7 billion to care for 14 million refugees around the world in 2015, while Germany's federal government spent $7 billion to care for a million asylum seekers in Germany. The EU committed E3 billion ($3.3 billion) to Turkey, which promised to allow Syrians in the country to work and to enlarge schools for refugee children.

Turkey has demanded more, E6 billion or $6.6 billion, as well as visa-free travel for Turks to EU countries and a resumption of Turkish-EU accession negotiations. The March 2016 EU-Turkey plan takes aim at smugglers and their clients by saying that all migrants arriving from Turkey to Greek islands by boat will be registered and returned to Turkey and then go to the end of the line for resettlement in the EU. In return, the EU will accept one Syrian refugee in Turkish camps who did not try to reach Greece illegally for each Syrian returnee. This policy aims to send the message that anyone who pays smugglers to reach Greece will lose their money and the opportunity to be resettled in Europe.

The second challenge is to reform EU institutions. The Dublin Regulation of 1990 requires foreigners to apply for asylum in the first safe country they reach. The country of arrival fingerprints asylum seekers and makes a decision on whether an individual needs protection that is binding on other EU member states. The goal is to prevent "asylum shopping," but the effect is to make so-called front-line states where asylum seekers arrive the major arbiters of asylum. However, Greece has been unable to register and process asylum applications, which is why most asylum seekers in 2015 passed through Greece en route to another EU country to apply for asylum.

The Schengen agreement signed in Luxembourg in 1985 abolished border checks between most EU member states. Schengen created common standards for foreigners to enter the EU with so-called Schengen visas and allowed foreigners and EU nationals to move freely within the EU, making travel and trucking much more efficient. Schengen member states may reinstate border controls when they face serious threats to internal security, as France did after the November 2015 terrorist attacks in Paris. The migrant crisis prompted more countries to act: Sweden imposed checks on its border with Denmark in January 2016, which prompted Denmark to establish controls on its border with Germany, and Germany to check those entering from Austria.[6]

The question is whether emergency border controls will be extended or Greece will be suspended from the Schengen system. Merkel was raised in East Germany and abhors the fence that Hungary built on its border to keep out

[6] These border controls operate differently. Denmark and Sweden turn back all those seeking entry who do not have proper documents, as do Hungary and other Eastern European countries. Germany checks the documents of those entering, but does not necessarily return those without proper documents.

asylum seekers. She and other EU leaders fear that border controls introduced to deal with migrants who evade the EU's external border controls could weaken Schengen and the single market at the core of the EU.

The third challenge is to integrate asylum seekers and other migrants who settle. The US has an integration-via-work policy based on flexible labor markets and a relatively thin social safety net whose benefits are normally off limits to unauthorized foreigners, asylum seekers, and even legal immigrants until they have worked in the US at least 10 years. Most European governments, by contrast, provide asylum seekers with housing, food, and other benefits, but make it more difficult for them to get work permits to work lawfully in Europe's more regulated labor markets.[7]

Foreign-born US residents have higher labor force participation and employment rates than US-born residents, while the foreign-born in most European countries have lower labor force participation and employment rates than natives. Table 1 shows native- and foreign-born employment rates for persons aged 15-64 in 2014. In the EU-28 countries, native-born employment rates of 65 percent are three percentage points higher than the 62 percent rate for the foreign-born, compared with 66 and 69 percent in the US, almost the opposite result.

In EU countries with stronger economies and higher-than-EU-average native employment rates, such as Austria, Germany, and Sweden, the gap between native- and foreign-born employment rates is much larger, from six to 14 percent. In southern European countries with weaker economies and lower employment rates for natives, such as Greece and Italy, foreign-born residents have higher employment rates than natives.

The US added 2.7 million jobs in 2015, an average 10,000 per workday, while employment in the Euro area increased by less than a million. There are unfilled vacancies in Germany and other countries with relatively strong economies, but even low-skilled foreigners usually need some local language skills to get jobs. The European countries with the strongest labor markets, such as Germany, have well-developed networks that bring Poles, Romanians, and other EU citizens from lower-wage EU countries into farm, construction, and service jobs. It may take years to develop networks that link new arrivals from Syria, Afghanistan, and Iraq to jobs in Germany and other countries.

Getting newly arrived migrants into language classes, developing networks to link them with jobs, and encouraging them to accept jobs on the bottom

[7] Asylum applicants in Germany may normally apply for work permits three months after filing their applications, and can be hired if no German, settled immigrant, or EU citizen is available to fill the vacant job. After they are 15 months in Germany, employers no longer have to try to recruit local workers before hiring asylum applicants. The average time between an asylum application and a first decision in Germany was five months until 2015, and will likely be longer in 2016 due to the influx of newcomers. Applicants whose applications are rejected may appeal. (http://www.bundesregierung.de/Webs/Breg/DE/Mediathek/Einstieg/mediathek_einstieg_fotos_node.html?id=1432776)

rungs of the job ladder could prove difficult. While migrant characteristics will not be known until all asylum seekers are registered, an IMF staff report noted that most asylum seekers from Syria, Afghanistan, and Iraq have significantly less education than natives and settled immigrants.[8] In order to get low-skilled migrants into jobs, the IMF recommended that EU governments exempt employers of asylum seekers from paying minimum wages for six months and offer employers who hire low-skill foreigners wage subsidies (Aiyar, 2016, p19-21).[9] Germany's labor agency echoed the IMF's assessment, noting that over 80 percent of asylum seekers in 2015 did not have formal qualification certificates.

Table 1. Native-and Foreign-born Employment Rates, 2014 (%)

	Natives	Foreign-born	Difference
Austria	72.6	64.9	7.7
Belgium	63.8	52.8	11
Denmark	74.2	63.9	10.3
EU 28	65.2	62.1	3.1
France	65.3	56.7	8.6
Germany	74.9	68.3	6.6
Greece	49.3	50.3	-1
Italy	55.3	58.4	-3.1
Spain	56.6	52.3	4.3
Sweden	77.7	63.5	14.2
UK	72.4	69.4	3
US	66.5	69.1	-2.6

Source: OECD. Share of 15-64 year-old persons employed
https://data.oecd.org/migration/foreign-born-unemployment.htm
Difference: a positive sign indicates a higher native than foreign employment rate

Integrating the foreigners who have come and continue to arrive will be costly. Governments must spend money on housing, food, and training before newcomers find jobs and pay taxes. Many analysts note that the relatively generous benefits available to asylum seekers, some of whom may not have worked for several years, may provide little incentive for them to shift from tax-free welfare benefits to low-wage work that requires taxes to be paid on earnings (Hansen, 2012, p6-7; Aiyar, 2016, p21-2). There is at least a danger that

[8] One survey found that Syrians, who are better educated that asylum seekers from other countries, included 30 percent with some post-secondary education and 20 percent with less than nine years schooling.

[9] The IMF also urged governments to end requirements that employers give preference to natives, EU citizens and settled immigrants when filling jobs (Aiyar, 2016, p19).

a significant share of the current wave of newcomers could add to the ranks of welfare recipients rather than youthful workers.

In Spring 2016, it appears that migrants may accumulate in Greece, the European country least able to absorb newcomers. The Greek economy has two pillars, shipping and tourism, and the two major political parties that have dominated governments used the low interest rates that accompanied the Euro in 2001 to borrow money to finance deficit spending, including adding government jobs for supporters. When the bubble burst in 2010 and the Greek government needed a bailout, lenders insisted on economic reforms that have pushed the overall unemployment rate over 25 percent and the rate for youth 15-24 to over 50 percent. With Greece in recession again in 2016, it may very hard to integrate youthful migrants.

Europe integrated migrants successfully in the past, including 12 million in the aftermath of World War II. What is different today is that most of the migrants are from outside Europe, raising questions among many Europeans about integrating especially Muslim migrants. Merkel and others believe that Europe has a duty to help those in need of protection, saying "wir schaffen das" (we'll manage it). Others point to second and third generation children of guest workers recruited in the 1960s and 1970s to fill low-skill jobs, and lament the fact that many are not employed. Frustrated youth unable to achieve more than their parents could become an underclass that leads to security concerns.

Global challenges

The World Bank (2015b), which uses a slightly different methodology to estimate migrant stocks, reported 249 million (versus UN DESA's 244 million) international migrants in 2015. Most migrants are in industrial or northern countries,[10] 56 percent, but the largest group moved from one developing or southern country to another, 38 percent. Almost a quarter of international migrants moved from one industrial country to another, and six percent moved from an industrial to a developing country.

A sixth of the world's people live in what the World Bank defines as industrial or high-income countries, those with a per capita income of $12,736 or more (World Bank, 2015a). Five-sixths of the world's people are in developing countries with lower per capita incomes. The incentive to migrate stems from demographic inequality (all population growth is in developing countries) and economic inequality, almost 70 percent of the world's national income is in the high-income countries. The average resident of high-income countries had a per capita income of $40,000 in 2013, almost ten times the

[10] The World Bank considers 32 of the OECD countries to be high income (not Mexico and Turkey) and 47 non-OECD countries and places and places to be high income, from places such as Hong Kong and Macao to the Gulf oil exporters to Argentina, Russia, Singapore, and Venezuela.

$4,200 of lower-income countries, providing a powerful incentive for young people to migrate (World Bank, 2015a, p28).[11]

Table 2. International Migrants in 2014

	Destination	Destination	
Origin	Industrial	Developing	Total
Industrial	56	14	70
Developing	84	95	179
Total	140	109	249
Industrial	22%	6%	28%
Developing	34%	38%	72%
Total	56%	44%	100%

Source: World Bank Migration and Remittances Fact Book, 2015, p28

Demographic and economic inequalities are like positive and negative battery poles; nothing happens until a connection is made. Three revolutions over the past half-century have increased cross-border connections and facilitated migration. First is the communications revolution, which makes it easier than ever before to learn about opportunities abroad. With diasporas from countries around the world in most high-income countries, cell phones and the internet can quickly inform friends and relatives in developing countries about opportunities abroad, finance their travel, and help them after arrival.

The second revolution involves transportation. Many Europeans migrating to North American colonies in the 18th century could not pay for one-way transportation, so they indentured themselves for four to six years to whomever met the ship and paid the transportation costs. Transportation today is much more accessible and cheaper, usually less than $2,500, and even migrants who pay smuggling fees of $20,000 to $30,000 typically repay them from higher earnings within two years.

The third revolution involves the rights of individuals vis-à-vis governments. Dictatorships and wars early in the 20th century led to the creation of the UN and an emphasis on protecting the human rights of individuals. Many human rights protect all persons, including foreigners, making it difficult for governments to remove those who want to stay.

Policy makers faced with an influx of asylum seekers are unable to do much in the short term about the demographic and economic inequalities that

[11] World economic output in 2013 was $76 trillion for 7.1 billion people, or an average $10,700 each. At purchasing power parity, after incomes are adjusted for the cost of living, world economic output was $102 trillion or $14,300 each. At PPP, per capita incomes in high-income countries average $40,800, almost five times more than the $8,400 average of lower-income countries (World Bank, 2015, p28).

motivate migration, and they do not want to try to roll back the communications and transportation revolutions that do far more than facilitate migration. Their default policy option is adjusting the rights of migrants by making it more difficult to enter countries with liberal asylum policies and restricting the access of newcomers to social welfare systems.

Germany and other EU countries in the early 1990s used a combination of visa requirements, carrier sanctions, and safe third countries to slow the influx of ex-Yugoslav asylum seekers until the Dayton Peace Agreement was reach in 1996.[12] The US in 1996 enacted welfare reforms that reduced the access of all poor people, but especially immigrants, to federal cash welfare benefits. At a time when the foreign-born were 11 percent of US residents, restricting their access to welfare accounted for 44 percent of expected federal savings from welfare reform.

Merkel and some other EU leaders have stressed the importance of tackling the root causes of migration, which suggests that peace and speeding up economic and job growth in lower-income countries are alternatives to restricting the rights of migrants. Promoting peace is a laudable but difficult challenge, as is fostering stay-at-home development. The UN emphasizes that three-fourths of international migrants are from middle-income developing countries such as Mexico and Turkey, not the poorest developing countries. However, faster economic growth can increase international migration, as aspirations and the ability to migrate from countries such as Bangladesh rise faster than economies generate decent jobs, an example of the migration hump (Martin, 1993).

Most international migrants move for economic opportunity; only about six percent are refugees or asylum seekers. A UN agency, UNHCR, and national governments determine whether persons outside their country seeking protection are refugees. UNHCR (2015) reported 14 million refugees and two million asylum seekers, plus five million Palestinians under the care of another UN agency. Some 34 million people were displaced inside their countries of origin, and others were refugees who recently returned to their countries of origin, so that 60 million people were "of concern" to UNHCR.

With so many people seeking safety and opportunity, societies are confronted with "tragic choices." Many have grappled with the moral way for societies to allocate scarce resources when there are not enough kidneys or hearts for those needing transplants or enough slots for those seeking protection from persecution (Calabresi and Bobbitt, 1978). Some argue that health care or asylum from persecution are fundamental human rights, so that societies should devote whatever resources are necessary to provide health care

[12] Safe third countries generally do not produce asylum seekers, so that asylum applications from nationals of these countries are usually rejected in an accelerated procedure. Germany made Serbia, Macedonia, and Bosnia-Herzegovina safe third countries at the end of 2014, and Albania, Kosovo, and Montenegro safe third countries at the end of 2015.

and protection. In practice, mechanisms from waiting lists to lotteries are used to deal with tragic choices.

Many people are seeking increased safety and improved opportunities, so that seemingly small shifts in policy can encourage many (more) people to move to Europe, the place of two world wars in the first half of the 20th century and a strong commitment to human rights. The EU has ensured peace and promoted prosperity, and has taken the lead to use its "soft power," including the prospect of entry into the EU, to effectuate democratic changes from Portugal and Spain to Eastern Europe. The EU is the major funder of UN agencies that aim to protect migrants, and EU institutions such as the Court of Justice aim to ensure that EU member states treat migrants and asylum seekers fairly.

There is a universal gap between the goals of migration policies, such as preventing illegal migration and integrating newcomers, and outcomes, as exemplified by unauthorized foreigners and non-integrated migrants (Hollifield, Martin, and Orrenius, 2014). The challenge facing Europe is how to close the goal-outcome gap in integrating 2015-16 migrants. Will European nations adopt US-style policies of migrant integration via work, as the IMF recommends with sub-minimum wages and other policies that emphasize work first, or will European countries further expand their welfare states to offer more services to newcomers?

The EU challenge

The EU faces a daunting challenge to slow the influx of newcomers, to reform migration-related institutions, and to integrate often "different" foreigners. Some of the solutions to this trilemma lie outside Europe, such as achieving peace in Syria, reducing fighting in Iraq and Afghanistan, and helping Jordan and Lebanon care for refugees there. However, the migration networks that have been forged to move migrants to Europe, combined with diasporas already in Europe, promise continued migration pressures from these and other countries.

The EU also faces institutional challenges. Agreements such as Dublin and Schengen that aimed to standardize member-state policies to benefit EU citizens and foreigners were tested and found wanting. With front-line states Greece and Italy unable to prevent unauthorized entries, and also unable to register asylum seekers and process their applications, many foreigners arriving in southern Europe travel to northern and western European countries and settle there. Efforts to develop a quota system to redistribute asylum seekers from front-line states to other EU have floundered, and Central European

countries object strongly to EU proposals that would reduce national sovereignty over migration.[13]

The integration challenge is most important. Most of the several million foreigners who have or are expected to arrive in Europe are likely to remain. The question is whether social welfare states developed and expanded in the prosperity after World War II should be expanded further to deal with largely non-European newcomers, or whether the better integration strategy is to adopt a US style work-first integration strategy. It is often said that governments can accept more low-skilled migrants, or have better support policies for them, but they find it hard to pursue work-first and welfare-first strategies simultaneously. Developing the optimal trade off between work and welfare could prove particularly challenging in Europe.

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[13] An EU plan to re-locate 160,000 asylum seekers from Greece and Italy to other EU member states, approved in 2015 over the objections of some Central European countries, moved fewer than 1,000 by early 2016.