



POLICY NOTE OF WORKING PAPER 3.4

Modeling ENP-EU Migration in a Spatial Gravity Framework

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OBJECTIVE

Dealing with migration flows from the ENP countries is high on the EU policy agenda. The EU shares a 5000+km border with the ENP countries to the east and a similar length (albeit maritime) border with the ENP countries to the south. EU policy relating to migration from the ENP countries has been articulated in various agreements such as the Amsterdam Treaty and the Tampere, Hague and Stockholm Programs. Migration policy with respect to ENP countries is part of an EU attempt to regulate border security in three areas: illegal (or irregular) migration, combating trafficking and smuggling of human beings and cross-border management practice. Ostensibly, regulated migration policy is perceived as benefitting both origin and destination countries. For the ENP countries, migration is a solution for the lack of local employment opportunities. For the EU countries, it provides a solution to the demographic imbalance and ageing population trends in the core countries over the short run. Potentially, migration policy could be conceived as diverting human disaster in the ENPs and promoting growth and prosperity in the EU. At the sub-national level, EU-ENP migration policy can also be seen as a source of cross-border exchange of skills and knowledge. This could lead to localized economic growth at the urban or regional level.

The policy implications of this paper relate to two issues. The first deals with factors influencing the destination choice of migrants from ENP to EU countries. Specifically, what is the role played by social welfare conditions and policy towards illegal migrants in the destinations? Would policy measures in these areas impact the flow of migrants into the EU? The second addresses the extent to which destination choices within the EU are complements and substitutes. This has policy ramifications with respect to the spillover of migration pressure points within the EU. A parochial policy which, for example, restricts migration in one country might deflect immigration to its neighbors. Also a policy which encourages immigration in one country might induce immigration to its neighbors. Immigration policy has to be designed globally rather than parochially.

SCIENTIFIC METHODS

The study uses a spatial gravity model with spatial dependence in the bilateral flows between origins and destinations. This is important for policy because it underscores

the futility of parochial policy targeting in the presence of spatial spillover. Traditionally, it has been assumed that only developments in the origins and destinations affect the magnitude of migration between them. In the present study there are spillover effects between neighboring EU destinations and neighboring ENP origins. Spatial weights in neighboring destinations are based on intra-EU migration, and spatial weights in neighboring origins are based on intra-ENP migration. The 'double' spatial lag model used here shows that first, pull and push factors at work in the origin (ENP) and destination (EU) depend on developments in their neighbors and second, that migration shares to a given destination are dependent on migrant shares in neighboring countries.

POLICY VALUE-ADDED

We have found only weak evidence of the attractiveness of welfare generosity in EU destination countries as influencing migration from the ENP's. The same is true for the effectiveness of enforcement measures against illegal immigrants from the ENP's. It would seem that both sticks and carrots in the destination (EU) countries do not, on the whole affect immigration from ENP countries. Nor do economic conditions in the ENP countries affect immigration to EU countries. Although the evidence is not strong enough to support substantive policy prescriptions, it implies that reduced economic growth in EU and cuts in welfare are unlikely to reduce the flow of immigration from ENP countries.

However, the influence of neighboring countries seems to be of more importance. Immigration to an EU country is strongly and positively influenced by immigration to its neighbors and vice-versa. Also, emigration from an ENP country to EU is strongly and positively influenced by emigration from its neighbors and vice-versa. The same applies to the volatility of immigration. The volatility of immigration from an ENP country to an EU country varies directly and strongly with the volatility of immigration from the ENP country's neighbors as well as the EU country's neighbors. These powerful spatial spillovers mean that parochial immigration policies are destined to fail, and that immigration policy must be designed globally. They also mean that EU policies which encourage immigration from specific ENP countries will induce immigration from these countries neighbors.