

# Immigration and Foreign Policy: The Economic Crisis and its Challenges

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»» The PSOE government has adopted one of the most progressive immigration policies of all EU member states, and this has had a positive impact on its foreign policy. However, since the financial crisis, the integration of immigrants in Spain has rapidly decreased. Before, immigrants were seen to play a leading role in the country's economic growth. In February 2007, Spain's Council of Ministers approved the Strategic Plan on Citizenship and Integration 2007–2010, with a budget of over EUR 2000 million dedicated to managing migration flows and integration processes. Yet in September 2008, the same government proposed a Voluntary Return Plan.

The recently introduced changes have not yet created significant tensions with immigrants' countries of origin, but some disagreements are beginning to surface as Spain restricts its strategy and moves closer to European directives. In this context, the assimilation of European policies can be considered an opportunity to establish a model for limiting migration flows, more restrictive measures and a reduction in some of the existing advantages for Latin American immigrants. Taking advantage of the crisis, the Spanish government may design a more European migration policy and integration model, and blame the new limitations on Brussels.

## A DECADE OF LABOUR INTEGRATION

According to data from the Permanent Immigration Observatory in Spain, up until 30 September 2009 there were 4,715,757 foreigners with a registration certificate or a residence card in the country. Moroccans form the largest group, with 758,174 citizens resident in Spain, followed

## HIGHLIGHTS

- The PSOE government has adopted one of the most progressive immigration policies, which has had a positive impact on its foreign policy.
- Spain can consider itself a model for successful integration into the workforce of a large number of immigrants.
- During the years of expansion, Spain's migration policies revitalised bilateral relations and gave the country a positive image. However, Spain now runs the risk of losing this advantage.

»»»»» by Romanians (728,580), Ecuadorians (441,455), Colombians (288,255) and the British (221,073).

Latin Americans came to Spain due to a combination of the deprivation in their origin countries and Spain's recent economic growth. The prosperity of the Spanish economy since the end of the 1990s and the increase in Latin American immigrants in comparison with other nationalities were pull factors. Spain's economic growth meant that the country needed labour and to reverse two worrying trends: an ageing society and a low birth rate. The incorporation of women into the labour market also created a need for carers for the elderly and childminders for children.

Immigrants from the Maghreb were gradually incorporated into a first wave of Muslim immigrants who arrived in Spain at the end of the 1960s and beginning of the 1970s. This wave was comprised largely of students from countries such as Lebanon, Syria, Palestine, Jordan and Egypt. The motive for more recent immigration is mainly economic. Moroccans account for the largest group, followed by Algerians, although these are a substantially smaller group. These are followed in terms of numbers by the Senegalese, Nigerians, Ghanaians, Pakistanis and Bangladeshis. The lowest percentage of immigrants is that of Muslims from other European and Asian countries: Kosovars, Albanians, Bosnians, Tartars, Chechens and Azerbaijanis. Data from the Observatory suggest that in September 2009, more than 800,000 legal immigrants from predominantly Muslim African countries were living in Spain.

Latin Americans and Maghrebis and Muslims alike have been progressively integrated into Spanish society and the economy. The fact that the Spanish labour market integrated most immigrants either legally or illegally until 2008 has been a key factor. The structural characteristics of this market favoured temporary contracts, leading to a continual oscillation between employment and unemployment, particularly amongst women and also young people of both sexes. The financial crisis and the rise in unemployment are likely to increase the concentration

of foreign workers in lower socio-economic groups, preventing their access to more dynamic social and labour mobility. Such immigrants may end up trapped in these groups with temporary, precarious jobs. The crisis will make immigrants more vulnerable, more inclined to accept insecure jobs and more exposed to social discrimination. However, in spite of this negative outlook, the vast majority of immigrants are likely to choose to stay in Spain.

### **A BILATERAL MIGRATION POLICY**

The government's strategy towards immigration can be defined by three pillars: fighting illegal immigration, adapting immigration to fit the labour market and promoting the social integration of immigrants.

Spain has used two distinct channels for its policy. On the one hand, migration flows served to expand Spain's foreign policy agenda with the main countries of origin. From 2001, Spain signed various agreements on labour flows and cooperation for migration with countries such as Colombia, Ecuador, the Dominican Republic, Morocco and Peru, among others. In this sense, Spain used bilateral instruments to share the management of migration flows. This strategy continued beyond the March 2004 elections.

These instruments proved useful as migration flows increased, since Spain offered and regulated a large number of work opportunities for citizens keen to leave behind the uncertainties in their countries of origin. In this context, issues concerning migration deepened bilateral diplomatic relations. Immigrants, their remittances, legal instruments for family regrouping, the process of hiring immigrants prior to their arrival and the fight against illegal immigration all served to dynamise links between Spain and the immigrants' main countries of origin.

In the years of expansion, migration policy had a positive impact on Spanish foreign policy: it revitalised bilateral relations and offered an image of

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a generous, open Spain, prepared to share its economic growth with citizens of other countries. Those that benefitted most were undoubtedly Latin American countries and Morocco, the former on account of historical links, and the latter because of its proximity. The policy towards other countries, particularly those of sub-Saharan Africa and Asia, was set within more general, imprecise instruments such as the Asia-Pacific plan and the Africa plan.

Spain can be considered a successful model of labour integration which has incorporated a large number of immigrants. In 10 years, these came to account for 10 per cent of the total population. Labour and social integration has occurred

naturally thanks largely to the labour market's capacity for absorption. For this reason, the government could claim not to need an integration model since, thanks to the expansion of the labour market, immigrants became the fundamental – albeit not exclusive – architects of Spain's economic growth, the expansion

of the social security coffers, the transformation of the existing low birth rate and the slow but continual transformation of Spanish society. In this strikingly positive context, Spain's image to the outside world and its management of migration flows progressed smoothly.

#### **A MIGRATION POLICY DESIGNED IN BRUSSELS**

Since the start of the financial crisis, the government has progressively transformed its migration policy and its relation to immigrants already living in Spain. In March 2009, the Ministry of Work and Immigration announced that the

budget devoted to integrating immigrants would be reduced by 29.5 per cent. The government also announced that it would increase funds to NGOs to enable them to develop aid programmes for immigrants who want to return to their countries of origin. The budget for assisting the return of immigrants reached EUR 5.2 million in May 2009.

Spanish migration policy began to be designed with very different pillars: the return plan, the reform of immigration laws, and support for EU measures – especially the Return Directive and the Pact on Immigration and Asylum.

The Voluntary Return Plan for unemployed immigrants establishes that the government will pay unemployment insurance in two instalments in order to facilitate the labour reinsertion of immigrants in their countries of origin. This plan was criticised by immigrant associations. However, other countries have promoted similar initiatives. Ecuador has established various instruments to assist the return of its citizens, including the “Welcome home plan” (Bienvenido a casa) and the Cucayo fund.

The reaction of the Moroccan community in Spain to this plan was much more negative. The association for Moroccan workers and immigrants in Spain carried out a survey which shows that 83 per cent of Moroccan workers reject the plan, with 78 per cent asserting that they would not have recourse to it. The proportion of Moroccan immigrants resident in Spain for over ten years who rejected the plan reached 91 per cent.

The return plan has not yet led to direct clashes with the immigrants' countries of origin; in many cases, the latter have pushed for the return of these workers with new, European experiences.

The reform of Spanish immigration laws emphasised an increase in the period of internment of illegal immigrants and limits on family regrouping. While these points could be questioned, the reform does include common-law marriages, promotes the protection of victims of

## **The assimilation of European policies can be seen as an opportunity to put into place a new immigration strategy**

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»»»» gender-based violence and makes it easier for the victims of female trafficking to obtain residence if they collaborate with the justice system to imprison their traffickers.

While these two initiatives did not provoke direct clashes with Latin American governments or North African countries, Spain's migration policy is beginning to cause some friction as it becomes increasingly European. The Return Directive, approved by the European Commission in June 2008, harmonises the conditions for expelling illegal immigrants throughout Europe and allows an 18-month prison sentence to be given to those who refuse to abandon European territory voluntarily. This measure was widely criticised by European civil society and Latin American and African governments, particularly by those with the most immigrants in Europe, such as Ecuador, Bolivia and Colombia. The president of Bolivia, Evo Morales, referred to this measure as the 'directive of shame'.

Another measure which Latin America did not welcome was the European Pact on Immigration and Asylum, which promotes the selection of migration flows according to the needs of European job markets and aims to put an end to the massive regularisation of illegal immigrants' programmes. It is striking that, in spite of Latin American opposition to these policies, the joint communiqué from the EU meeting with the Rio Group in May 2009 in Prague did not even mention the topic of migration flows, which is still treated as a bilateral issue.

The Pact and its selection of migration flows was widely criticised by Spanish civil society associations such as the Refugee Aid Commission (CEAR, by its acronym in Spanish) and SOS Racism, because such a measure leads to the undercapitalisation of developing countries by encouraging the emigration of highly qualified workers. Likewise, the Pact reinforces the perception of immigration as a phenomenon geared to the labour market and fails to appreciate the numerous reasons why citizens of poor countries emigrate. The Pact is also contradictory, in that it

encourages the reduction of migration flows while also highlighting the importance of remittances as a pillar of development in developing countries.

The evident scale of the crisis and unemployment in Spain has minimised any negative impact that these measures could have had on relations with the immigrants' migrant countries. Faced with the extent of the crisis, the Spanish government has progressively modified its strategy, assimilating it to the European one, but without reaching the more negative extremes of the Italian government.

### **A EUROPEAN SOLUTION TO THE CRISIS**

While economic growth seemed unstoppable, the growth of the immigrant population was already beginning to feature in political debates and opinion polls in Spain. Gradually, the discourse became 'Europeanised' as attention was focused on problems with the capacity of national and regional infrastructures to maintain an open door policy.

Furthermore, although the regularisation of illegal immigrants in 2005 in Spain was considered a positive step by the Council of Europe and the UN, it was widely criticised by Brussels (especially neoconservative parliamentarians), Germany and France for being a unilateral government decision that had consequences for all of the Union.

A combination of factors therefore led Spain to modify its strategy. The 2008 financial crisis was undoubtedly a determining factor in this change. In addition, the increase in the immigrant population, rising to 10 per cent of the total population, showed that it was becoming ever more difficult to manage migration flows at a bilateral level with the countries of origin while the EU sought increasingly to regulate the numbers of foreigners. Spain had become a host country, ranked tenth in the world in terms of its numbers of immigrants, and the first source of remittances in Europe. Yet it could no longer maintain and defend an immigration policy isolated from its partners without risking a clash

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with Brussels, France, Germany and the United Kingdom. Furthermore, in the Europe of 27, the links and privileges aimed at Latin American countries became increasingly problematic, since only some EU countries have interests in that region. Spain's EU presidency and the government's desire to correct the impression it gives of being isolated, in the face of repeated accusations of a limited foreign policy, may have been important factors in the decision to align the country's immigration strategy with EU directives.

In this context, Spain's change in strategy may have happened just at the most convenient moment. The government can argue that its changes responded to the economic crisis and the rise in unemployment. It can also argue that the transformation was an essential step to align Spain's migration policy with those of its European allies.

Until now, the integration of immigrants has been a positive feature of the Spanish government. Once the crisis period is over, it will be necessary to analyse whether the migratory 'boom' has been left behind within the framework of European directives, or whether a new period of economic expansion will see Spain return to bilateralism, distancing itself from Brussels according to its own needs.

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