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The Impact of the Financial Crisis 2008 on International Migration and its Policies” Case study of Spain”

أثر الأزمة المالية 2008 على الهجرة الدولية و سياساتها ”دراسة حالة اسبانيا

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Abstract

There is no question that the global financial crisis of 2008 is impacting migration patterns and processes around the world. A reduction in migration flows globally has been reported; in particular, declines in irregular migration flows have been observed in some regions. This article assesses the impact of the financial crisis of 2008 on international migration and we will analyze the case of Spain where the migrants were affected more in the labour market. And we will try to answer the key questions :

- What has been the impact of the global recession on international migration ?and has it (financial crisis) an influence on migration policies ?

So this paper will cover :

- The last financial crisis 2008 .
- An overview on international migration
- The impact of financial crisis on migrants (labour market, remittance ...)
- The changes of migration policies during and after the crisis with case of study of Spain.

Keywords : *Financial Crisis; International Migration , Labour Market, the Policy of Migration.*

ملخص

لا يوجد مجال للشك أن الأزمة المالية 2008 كان لها أثر كبير على الهجرة الدولية في العالم حيث تم الإعلان عن انخفاض عام في تدفقات الهجرة، و كان هناك تراجع خصوصا في تدفقات الهجرة غير الشرعية و التي تم ملاحظتها في بعض المناطق. و يهدف هذا المقال الى معالجة أثر الأزمة 2008 على الهجرة الدولية و سوف نقوم بدراسة حالة اسبانيا حيث كان المهاجرون أكثر تأثرا بالأزمة المالية في أسواق العمل و سوف نحاول الإجابة على الإشكالات الرئيسي التالي:

- ما هو أثر التراجع الاقتصادي على الهجرة الدولية ؟ و هل كان للأزمة المالية أثر على سياسات الهجرة؟ و بالتالي سنتناول في هذا المقال النقاط التالية:

- الأزمة المالية الأخيرة 2008

- الإطار العام للهجرة الدولية

- أثر الأزمة المالية على المهاجرين (سوق العمل، التحويلات،...)

- التغييرات في سياسة الهجرة أثناء و بعد الأزمة بأخذ اسبانيا كدراسة حالة

الكلمات الدالة: الأزمة المالية، الهجرة الدولية، سوق العمل ، سياسة الهجرة.

Introduction

International migration is a global phenomenon that is growing in scope, complexity and impact. Migration is both a cause and effect of broader development processes and an intrinsic feature of our ever globalizing world.

The global financial crisis, which began in the second half of 2008, has led to a downturn in the global economy and to economic recession. During such economic downturns, foreign migrants are often the most vulnerable category of workers, which can result in changes in the volume and direction of international migration flows.

There is no question that the current global financial crisis is impacting migration patterns and processes around the world and also its policies that's why we will try to study through this work the impact of the crisis of 2008 on migration and its policies by answering the key question :

- What has been the impact of the global recession on international migration ?and has it (economic crisis) an influence on migration policies ?

This questions bisects to the following partial interrogation :

- What is the origin of the crisis of 2008?
- What are the theories which explain the international migration ?
- What was the impact of the financial crisis of 2008 on migrants especially in labour market ?
- Did the financial crisis have an impact on migration's policies?
- What was its impact on migrants in Spain ?

Goals of papers : this paper aims fundamentally at revealing the following points :

- Understanding the financial crisis 2008
- Showing the conceptual background of the international migration
- Understanding the impact of the financial crisis on migrants by taking Spain as case of study

Methodology of research :

In view of covering the entire subject and answering the main question we have adopted the historical

method through discussing the origin of the financial crisis 2008 also we have followed an analytic descriptive method through treating the theories of migration.

1- A conceptual Background

1-1: A brief background of the financial crisis

The crisis that began as the U.S. "subprime" crisis in the summer of 2007 spread to a number of other advanced economies through a combination of direct exposures to subprime assets, the gradual loss of confidence in a number of asset classes and the drying-up of wholesale financial markets. In this process it came to expose "home-grown" financial imbalances in a number of advanced economies, typically characterized by an overreliance on wholesale funding sources by the banking system and asset bubbles in property markets ⁽¹⁾.

By the summer of 2007 increasing defaults on mortgages and growing numbers of foreclosures in the US signaled that the subprime market was in crisis. House prices and financial stock prices started to plummet. This reduced the value of household wealth in the US by trillions. The solvency of Fanny Mae and Freddie Mac, as well as of a number of well known international financial institutions was threatened by these defaults and the drops in house and stock prices. On 7 September 2008, the US government nationalized Fanny Mae and Freddie Mac. Then, on 15 September 2008, the firm of Lehman Brothers filed for bankruptcy; with US\$639 billion in assets, it was the largest in the history of the US.⁶ This resulted in widespread financial panic, with large-scale selling of stocks. The investment banking industry in the United States was wiped out. Central to the sudden reductions in availability of credit, particularly in the interbank market, which precipitated the collapse of many firms, is what Taylor describes as the 'Queen of Spades problem'. This refers to the fact that securities containing bad subprime mortgages were distributed across the financial system and institutions did not know where they were. This created a counterparty risk, which according to Taylor (2009) meant that 'the turmoil in the interbank market was not a liquidity problem of the kind that could be alleviated simply by central bank liquidity tools. Rather it was inherently a counterparty risk issue.'

When the US House of Representatives on 29 September 2008 first rejected a 700\$ US billion bailout proposal for the financial firms adversely affected by the credit crunch, Wall Street's Dow Index experienced its largest one-day point loss in history.

Banks in Europe were soon affected due to their exposure to United States financial markets. On 8 October the UK government recapitalized eight of the country's banks, followed by an agreement amongst the Euro-zone countries on 15 October on injecting further capital into distressed banks and providing guarantees for interbank loans, at the cost to the taxpayer of more than US\$1.3 trillion.

There are undoubtedly many further interesting and important dimensions to the crisis worth pursuing further. For present purposes, however, the above shows that the anatomy of the crisis is rather simple: easy credit, bad loans, weak regulation and supervision of complex financial instruments, debt defaulting, insolvency of key financial institutions, a loss of credibility and trust, and financial panic and mass selling-off of stocks and a hoarding of cash by banks and individuals. With the interconnectedness of financial markets, especially amongst the developed countries, the panic spread rapidly, causing a widespread 'credit crunch' and sharp declines in consumption, investment and trade in initially all of the G7 countries⁽²⁾

1-2: Overview of theories of international migration

1-2-1: Classical Migration Research

The oldest concept in understanding migration dates from 1885, when Ernest Georg Ravenstein formulated the 'laws of migration'. Since that time, a variety of explanations has been proposed to explain how international migration is initiated and which social, cultural, economic or political consequences it has on the destination. What is common to all these approaches is that migration processes are mainly seen as an uni- or bidirectional movement brought about by emigration, immigration or return migration caused by isolated factors, such as economic or political ones. This idea is very much reflected in push-pull models, where pull and push factors initiating migration are present in the source as well as in the receiving regions of migrants. Neoclassical economics focuses on differentials in wages and

employment conditions between countries, and on migration costs. It generally conceives movement as an individual decision for income maximization.

New economics of migration, in contrast, consider not only the labour market as reasons to migrate, but also conditions of other markets, such as the capital market or unemployment insurance market. It views migration as a household strategy to minimize family income risks or to overcome capital constraints on family production activities. Decision-making models consider a variety of factors influencing migration decision, but still remain in the push-pull framework.

Dual labour market theory, world systems theory and the world society approach focus on forces operating at an aggregated macro-level. Dual labour market theory links immigration to the structural requirements of modern industrial economies. World systems theory sees migration as a natural consequence of economic globalization and market penetration across national boundaries. The world society approach focuses on cultural globalization, where people increasingly share cultural values world wide, and therefore also perceive economic imbalances and migrate as a consequence.

1-2-2: Theories Explaining the Perpetuation of Migration

Starting with Tilly and Brown (1967) and Lomnitz (1977) the 1970s scholars emphasize the importance of kind and friendship networks in shaping and sustaining internal as well as international migration. These interpersonal ties connect migrants, former migrants and non-migrants in origin and destination. They encourage circular migration and reduce migration risks. This is accompanied by the theory of cumulative causation, which states that migration sustains itself by creating more migration. In all approaches migration is seen as an integral part of life for many people and a continuing social process. Migration is embedded in societal rules and norms by migrants' 'home society' and their 'society of arrival'. All approaches aim to explain complex migration processes in answer to the question: what does migration perpetuate and is there a new quality of migration caused by globalization?

One example of migration networks are ethnic

economies or ethnic enclaves or niches. Studies of immigrants and their entrepreneurship show that their kinship networks are a key resource for the creation of small businesses. An ethnic economy exists whenever any immigrant or ethnic minority maintains a private economic sector in which it has a controlling ownership stake. Ethnic enclave economies are dense concentrations of immigrant or ethnic firms that employ a significant proportion of their co-ethnic labour force and develop a distinctive physical presence in urban space. Ethnic niches emerge when a group is able to colonize a particular sector of employment in such a way that members have privileged access to new job openings, while restricting that of outsiders.

As in the case of enclaves, mobility opportunities through niches are completely network-driven as members find jobs for others and teach them the necessary skills.

The various network approaches and theory of cumulative causation all suggest that migration flows acquire a measure of stability and structure over space and time. The migration system theory allows the identification of stable international migration systems. It includes a core-receiving region, and a set of specific sending countries. They are linked by intense exchanges of people, goods, and financial capital, as Zolberg and Smith (1996) identified and compared on the basis of the Inter-American and the Mediterranean-European migration systems.

A last trend in migration approaches is the discussion about transnationalism and transmigration. To summarize, migration requires regular and sustained social contacts over time across space in these approaches. It involves individuals, their networks of social relations, their communities, and broader institutionalized structures such as local and national governments. The approach of transnationalism is based on the unit of countries, while transmigration refers to the social unit of transnational communities ⁽³⁾.

2- THE IMPACT OF THE FINANCIAL CRISIS ON INTERNATIONAL MIGRATION

2-1: crisis impact on migrant workers

The financial crisis has a higher impact on a few sectors of the economy, some of which employ large

numbers of migrant workers. Worldwide, migrant workers are particularly concentrated in construction, manufacturing, agriculture, hotel and catering, and health and care work, including domestic services. These sectors are also especially hit by the current crisis. The impact on migrants is also more visible in countries where the crisis began earlier, such as Spain, Ireland, the United Kingdom and the United States. For example, in Spain, the unemployment rate of migrants reached 17 %.

2-1-1: Loss of employment

In terms of the EU as a whole, the unemployment rate rose by 3.5 percentage points for natives between 2008 and 2013, 4.1 percentage points for migrants from other EU member states and 7.5 percentage points for migrants from non-EU countries. In this context, however, the labour market success of migrants varied considerably between the individual countries, which can be attributed to the differing breakdown by sector of migrants ⁽⁴⁾

Construction, wholesale and hotels and restaurants are particularly sensitive to swings in employment but others such as health and social work and education are not. Pre-crisis employment rates of foreign workers in construction were especially high in southern European countries that have recently known a boom in residential development. In Greece 32% of all construction workers are foreign born, in Spain 21%, in Portugal almost 15% and in Italy close to 14%. The housing boom that was fuelled in these countries by a combination of retired people based in northern Europe seeking to spend time in warmer climates, cheap credits, and lower airline prices has come to a halt, as has the boom in Ireland. In Ireland, employment in construction fell by 12% (-28,000 jobs) in the 12 months to second quarter 2008⁷. Migrant labour has played a key role in the expansion period of these countries and now migrants are the first to suffer ⁽⁵⁾. Victims of the rule "Last-In-First-Out" ⁽⁶⁾

Construction also has a large share of foreign-born workers in the United States (13%), and the impact of the financial crisis was particularly noticeable in this sector with 900,000 jobs lost between September 2006 and late 2008. Other large job losses in the US in this period concerned manufacturing (-790,000), the retail trade (-522,000) and financial services (-150,000). Foreign worker employment in manufacturing of

durable goods is considerable in countries such as the Czech Republic (23.3%), Germany (19.9%) and Italy (13.4%), countries whose automobile industries have been particularly hard hit by the financial crisis.

In the Russian Federation, the financial crisis has resulted in massive lay-offs. First to suffer from the economic slowdown are migrants. News reports indicate that that in Russia the financial crisis affected irregular migrant workers, but also regular ones. Employers are not paying salaries and have also started to lay off migrant workers without giving them their back pay.(figure 1)

► The impact of the economic crisis on the labour market situation of migrants has varied and continues to vary from country to country. When the average unemployment rates for foreign workers and nationals between the first three quarters of 2008 and 2009 are compared in selected European countries, the highest increases in unemployment rates for foreign workers, including those from EU countries, can be seen in Estonia, Spain, and Portugal.

2-1-2: Gender impact

The impact of the financial crisis on migrant workers affects men and women migrant workers differently, as they are differently clustered in jobs and economic sectors. In the United States, 82 % of job losses have directly impacted men. Women, who tend to be employed in education and health care, are less sensitive to economic fluctuations.¹¹ “In recessions, the percentage of families supported by women tends to rise slightly, and it is expected to do so” this year.¹² **OECD** data shows that women migrants exceed the presence of men in the sector health, social work and education. In the hotel and restaurant sector, the presence of men and women is almost equal.

In Hong Kong, women migrants comprise between 30 and 45 per cent of all migrant workers in manufacturing, wholesale retail trade and repair, communication, financial intermediation; women migrants comprise 95 per cent of the other social and personal services sector. These are sectors with high job losses, and both women and men migrant workers in Hong Kong are affected.

2-1-3: Terms and conditions of employment

In the **OECD** zone immigrants are highly represented in temporary work, especially in Belgium, the Czech

Republic, Greece, Finland, Hungary, the Netherlands, Norway, Portugal, Spain and the United Kingdom. In these countries the share of immigrants exceeds that of native-born by at least 50 %. In the United States, the sectors with the most part-time employment are retail trade, food services, and construction, and this is generally the result of an increase in workers whose hours have been reduced because of a lack of work.¹⁴ Migrants in these sectors can either accept forced part-time work or may have to consider returning home.

2-1-4: Xenophobia and explicit discrimination

Xenophobic manifestations have mounted in the UK where elite petroleum and chemical industry workers across the country manifest against employing foreign –albeit EU origin-- workers. Expression of similar sentiments has been registered in other migrant host OSCE member countries. The impact of the financial crisis on the Russian Federation has been linked to unemployment and to anti-immigrant manifestations in that country. An independent human rights monitoring bureau in Moscow reported 113 migrants murdered between January and October 2008, double the rate of the previous year.

Reports account for xenophobic attitudes towards migrants also in Malaysia where employers have been asked not to hire foreigners and to dismiss non-nationals first if necessary ¹⁷.

Several examples from Thailand point to discrimination against foreign workers; “the Labour Ministry is delaying the registration of 700,000 foreign workers in a bid to keep jobs open for Thai workers during the economic slowdown.” The Thai officials want to prepare a list with occupations that Thai would not accept and only accept migrants to fill in these positions ⁽⁴⁾.

2-2: Fall in irregular migration

Several observers have pointed out that irregular migration (also referred to as unauthorized, undocumented, illegal or spontaneous migration) is highly sensitive to labour market demand in destination countries. Irregular employment is particularly common in low-skilled jobs in low-productivity sectors of the economy, such as agriculture, construction, catering and certain services. These jobs – which often have insecure and exploitative

conditions – are often strongly affected by economic downturns. Since irregular migrants move through networks and tend to rely on information and support from previous migrants, potential migrants quickly learn of the lack of work opportunities in recessions. Moreover, irregular migrants, unlike those with appropriate residence and work permits, generally lack entitlements to welfare support, and have little motivation to come to a destination country or to stay there if work is not available. Finally, destination countries.

2-3: Reduced remittances

The trends in global migration and remittance flows in 2009 appear to have been influenced by the following factors:

- effects of the economic crisis on migrant stocks,
- diversification of migration destinations,
- currency effects,
- the link between barriers to labor mobility and the impact of economic cycles on remittances ⁽⁷⁾ (**show figure N°2**)

for some countries, declines in remittance inflows have been compounded by unfavorable exchange rate movements. Particularly problematic is the situation of countries like Tajikistan, Moldova, Kyrgyz Republic, and Armenia for which remittances are large relative to GDP and Russia is the main source of remittances. Many of these workers are employed in the oil and gas industry sectors, which are suffering from a precipitous decline in prices ⁽⁸⁾.

- Impact in migrant origin countries

Origin countries are voicing concerns over the loss in remittances and large scale-return of their nationals that the financial crisis may cause. Economy, Trade, and Energy Minister of Albania, Genc Ruli expressed concerns that the crisis will impact Albanian exports and the flow of remittances from other European countries. Euroasia.net raised concerns of the impact of the financial crisis on the economies of Central Asia, stating that immigrants from these countries are barely able to find permanent work in Russia and Kazakhstan”. The loss of remittances would result in severe economic and social consequences in Central Asian countries. The impossibility to remit money home starts affecting both migrants’ families and

also the economies of the neighbouring countries:

Armenia, Azerbaijan, Uzbekistan, Tajikistan and others. For example, according to a World Bank study, in Tajikistan, remittances constituted 35.5 % of the GDP in 2007; and in Moldova, 38.3 %. The economy of Tajikistan is not sustainable without migration, and Dilip Ratha, a senior economist at the World Bank states that “there’s definitely a serious moderation in the growth of remittances”.

2-4: Labour market and return migration

In the context of the crisis of 2008, contrary to popular belief and expectations, there has been no mass return of migrants to their countries of origin., a number of countries of destination have witnessed rising emigration during the economic crisis. Much of this emigration, however, concerns nationals of new EU Member States and may only involve temporary return or onward migration ⁽⁹⁾.

increasing unemployment has made many EU governments introduce measures to protect domestic labour markets. Sward (2009) observes that “in the UK, immigration from Poland for the summer of 2008 was at its lowest level since 2004—down 36 % from 2007—reflecting an overall decline in immigration to the UK. The UK has also recently tightened its immigration guidelines, making it more difficult for skilled migrants from outside the EU to get visas if they work as doctors, nurses or secondary-school teachers.” However, *there is no reason to assume that migrants in advanced economies will return home massively, as some migrants have compelling reasons to stay—particularly if economic prospects at home remain dim*. Indeed, migrants who invested large sums of money in order to migrate, who earn higher wages, may have settled with a family and may have integrated into the host society are likely to try to wait out the crisis rather than return home empty-handed

Finally, illegal migration is severely hit. Border management is enhanced and many illegal would-be migrants postpone their decision of trying to enter a country unlawfully. However there may be a time-lag as a large proportion of the sea-crossing occurs in multiple stages: those who were already on their way to or almost at the (sea)border in the beginning of the crisis probably had no other option than continuing

their journey. Illegals already present in the EU are likely to try to stay.⁽¹⁰⁾

3- POLICY REACTION TO THE CRISIS : RESTRICTIONS ON NEW ADMISSIONS OF MIGRANT WORKERS AND NON-RENEWAL OF WORK PERMITS:

A number of destination countries have responded to the crisis by taking steps to decrease the inflow of migrant workers, often as a result of public pressures during the economic crisis. Generally speaking, policy-makers have tried to regulate migrant inflows by : adjusting numerical limits (quotas, targets, caps) ; tightening labor market tests ; limiting possibilities to change status and to renew permits ; applying supplementary conditions to non-discretionary flows (i.e. family unification and humanitarian flows) ; and promoting return migration. Further, a number of countries have intensified their efforts to curb irregular migration⁽¹¹⁾.

A stop on all new entries of foreign workers has been put in place in a number of countries, in particular in Asia. In January 2009 the Malaysian authorities stopped issuing work permits in the manufacturing and services sectors, while from February 2009 the Republic of Korea stopped issuing new visas to temporary migrant workers. In the same year, the government of Thailand also announced that it will not issue new work permits or renew the work permits of about half a million foreign workers, dropping the number of Cambodian workers entering Thailand by ten percent. In Malaysia the duration of many short-term work permits has been arbitrarily reduced from six months to three months. In Kazakhstan the authorities imposed a moratorium on the admission of less-skilled workers from April 1, 2009.

Other countries have reduced, but not halted their admission of migrants for employment. Italy and the Russian Federation, for example, have reduced their quotas for the admission of foreign workers in 2009; and the United Kingdom is raising academic and financial requirements for migrants applying to enter the country. In Australia the government has decided to reduce the intake of skilled foreign workers for the first time in a decade, while quotas for working holidaymakers (a visa that allows visitors for less than 12 months to work part-time to supplement the cost of their holiday) are also under review⁽¹²⁾. (table 1 shows

some examples of policies change) .

4- Case study Of Spain

4-1: The economic crisis and its impact on immigrants

By the 2000 Spain's economic growth came to rely more on a handful of labor-intensive sectors, including services, tourism, and construction. Scholars and policymakers are increasingly concluding that Spain's dependence on these sectors structurally weakened the country's economy and created a growing productivity gap relative to other European economies. This dependence is also at the root of Spain's current malaise.

Over the past decade, immigrants filled jobs in many of the rapidly growing sectors. But immigrants also filled jobs in stagnating or contracting industries such as agriculture that were increasingly shunned by Spanish workers as education levels and employment expectations increased. Many formerly booming industries have contracted sharply over the course of the recession: of the 1.6 million jobs lost in Spain between March 2007 and December 2009, over half were in the construction sector. The agricultural sector actually has gained jobs during the recession, and in contrast to the past, emerging evidence suggests that many Spanish workers appear to be willing and available for these jobs. As a result, immigrants in the Spanish labor market have been particularly affected by the economic crisis.

► Unemployment

Rising unemployment has had profound impacts on the immigrant population. Between the fourth quarter of 2007 and the second quarter of 2010, the immigrant unemployment rate increased from 12.4 % to 30.2 %, while it increased from 7.9 % to 18.1 % among native-born Spaniards. Prior to the recession, unemployment among immigrants was higher than among natives, and the gap has grown since the recession began, particularly during the first year of the recession. Immigrants represent one in six workers in Spain's labor force, but now account for nearly one in four unemployed. All immigrant groups have experienced rising unemployment, but the increase has been particularly severe for the category ("Rest of the World") comprised of immigrants from Asia, Africa (dominated by Moroccans), and Oceania, who saw

unemployment increase from 17.1 % to 43.5%⁽¹³⁾

4-2: The policy of migration in Spain during the recession

Spanish migration policy has become more proactive in several important ways:

□ **Adjustment of status prohibited.** Spain’s quota system for admitting foreign workers changed in 2000 to prohibit individuals currently residing in the country from taking part in what was ostensibly a labor recruitment program. Migrants can no longer convert their status from within Spain, and all recruitment of foreign workers by Spanish employers must take place abroad. Also, in 2006, the quota system was again modified, allowing flexibility over the year in order to cover demands of entrepreneurs.

□ **Workplace regulation.** The ministry began more effective enforcement of labor regulations through workplace inspections.

□ **Seasonal worker enforcement.** The government began greater monitoring of seasonal work permits to ensure that temporary workers do not overstay the terms of their visas and implemented new seasonal worker programs promoting circular migration.

□ **Bilateral agreements.** Spain negotiated and signed a number of bilateral agreements with Latin American, Eastern European, and African countries to ensure cooperation with countries of origin on managing labor immigration flows

□ **Manage and facilitate highly skilled immigration.** Finally, in February 2007, the Labor and Immigration Ministry created a Division of Large Employers (Unidad de Grandes Empresas, UGE), an office responsible for allocating work authorizations and residence permits for highly skilled immigrants such as business executives, Internet technology workers, scientists, university professors, and internationally renowned artists. The UGE represents one of the Spanish government’s first initiatives to manage the flow of highly skilled workers.

□ The Spanish government had expected migrants who had not yet come to Spain postpone migration plans and migrants who had already arrived in Spain to repatriate. As far as the new flows are concerned, the economic crisis marked a decline in migration flows across all categories of migrants. Between 2008 (690,000) and 2009 (470,000), migration flows to

Spain declined by over 30 %.⁽¹⁴⁾

4-3: The voluntary return programs

In November 2008, the Spanish government approved a new voluntary return initiative called the Program for Early Payment of Unemployment Benefits to Foreigners (APRE). Under the program, foreigners who had worked in Spain and were eligible for social security could receive a single lump-sum payout from the Spanish social security system upon returning to their countries of origin for at least three years. On average, participants receive about 9,149 euros, the equivalent of about ten months of unemployment benefits. Not all immigrants qualified for the program. Among other limitations, the program was restricted to nationals of a dozen countries that had (a) signed bilateral repatriation agreements with Spain and (b) had registered as unemployed with Spain’s Public Employment Agency.

As of April 2010, 11,419 immigrants had participated in the program. Nearly half were Ecuadoreans (5,005), followed by Colombians (1,990), Argentineans (1,113), and Peruvians (1,025); and almost all (98 percent) were from Latin America. Ukrainians (129) and Russians (46) were the largest non-Latin American immigrant group participating in the program). Notably, few Moroccans applied to the program (29), though they are the oldest community in Spain and have the most potential candidates.

The government has concluded that the program has been a success, citing the statistic that 10 percent of potential participants (around 120,000 people) have applied. Still, this is well below the government’s early estimates of participation levels. Critics point to the small number of participants in the program relative to the overall foreign population. Regardless of the arguments for and against the program, participation is fully voluntary

→ These policies can be summarized In the table N°2:

CONCLUSION

The economic recession that followed the financial crisis is major and its effects on international migration and migrants are diverse.

During economic downturns migrant workers are often the first to lose their jobs because of the sectors of the economy in which they are employed.

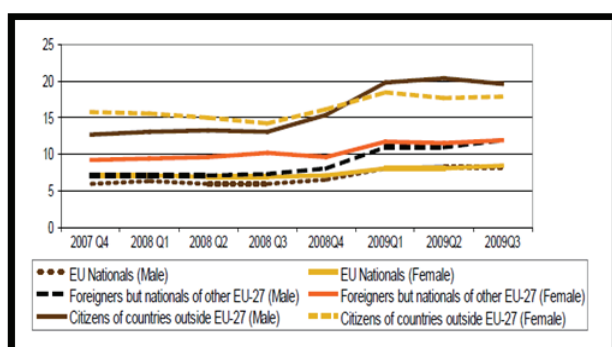
So the financial crisis may be an opportunity to improve migration policies. International cooperation, including between countries of origin and destination, can be helpful in devising sustainable policies that avoid short-sightedness and look beyond the crisis. As the economic crisis has differentially impacted migrant workers' employment and migration opportunities, in crafting effective policies policy makers ought to consider these differences. A rights-based approach to labor migration governance should be at the centre of a concerted policy response to mitigate the economic and social impact of the crisis on migrant workers

From our article we can draw the following results

- Migrants employed in sectors that are most affected by the economic recession are more likely to lose their jobs than migrants employed in other sectors of the economy;
- The recession reduces the remittances sent by migrants and foreign workers to their families in their home countries;
- As not all migrants can or will return during a crisis, policies should undertake to combat discrimination and xenophobia and raise awareness of how migrants contribute to enriching their countries of destination both economically and socially
- In 2011, 65 % of all Governments in the world had less restrictive naturalization policies, and another 32 % allowed naturalization under more restrictive conditions. Five countries—Kuwait, Lebanon, Myanmar, Nauru and the United Arab Emirates—did not allow naturalization under any conditions. 78%

APPENDICES

Figure 01: Evolution of unemployment rates by citizenship and gender(%)



Source: EUROSTAT,2009

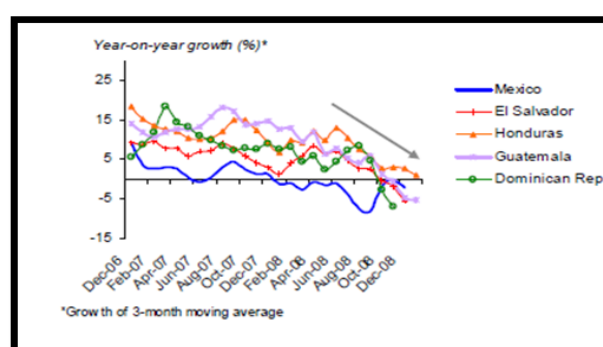
of Governments in more developed regions allowed less restrictive acquisition of naturalized citizenship in 2011, compared with 61 % of Governments in less developed regions and 47% of least developed countries ⁽¹⁶⁾.

- Among 58 countries with available data in 2011, 40 countries had program to facilitate the return of migrants to their home countries. Thirty-two out of 40 countries with data in more developed regions had such programs, compared with 8 out of 18 countries with data in less developed regions.
- Spain was hard effected by the financial crisis and it had an impact on migrants in this country that's why the Government of Spain adopted a restrictive policies in order to limit the new inflows of migration, and also it adopted a voluntary programs (Pay- To-Go) to encourage migrants to return home, but most of them prefer to stay in this country rather than leaving because the economic situation in origin country is not better than Spain.

RECOMMENDATION

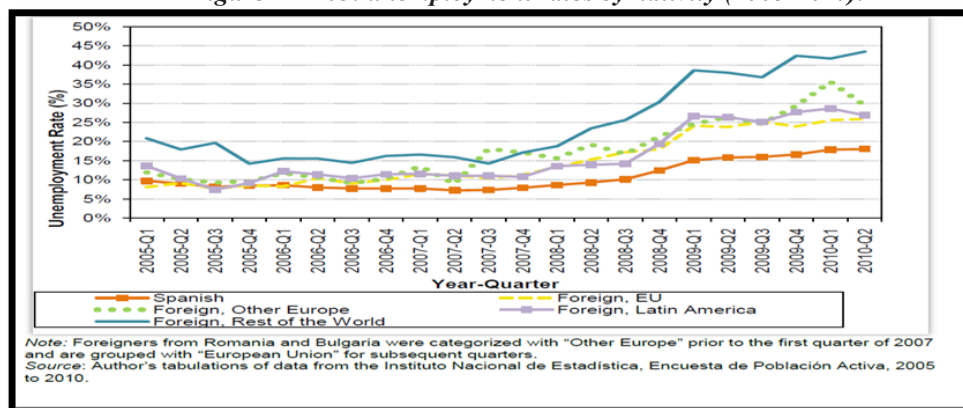
- Migrants should be protected more in labour market by agreements in order to not be always the victims of the rule : “ Last- Hire- First- Fire”.
- strengthening more the bilateral agreements and policies and work contracts to protect the rights of migrants.
- Reducing as much as possible the irregular inflows.
- facing the xenophobia and discrimination .
- Governments should integrate the returnees in local labour market .

Figure N°=02: Remittance in selected countries between (2006-2008)



Source: Source: The Impact of the Global Financial Crisis on Migration and Remittances/ Sanket Mohapatra and Dilip Ratha/ sitesources.worldbank.org ; Page 2

Figure N°= 03: unemployment rates by nativity (2005-2010):



Source: Demetrios G. Papademetriou, Madeleine Sumption, and Aaron Terrazas/ Migration and Immigrants Two Years after the Financial Collapse: Where Do We Stand? Report for the BBC World Service/MPI/ page 101

Table N°=01 : Levels of policies change

Country examples	Examples of policy change	Level of change
New Rules	New programs are introduced	Return programs in the Czech Republic, Japan and Spain
Adaptation of rules	-Points systems raise the “pass mark”	United Kingdom : Tier 1 of the Points Based System (PBS)
	Criteria for labour market tests become tighter	United Kingdom : Tier 2 of the PBS United States : H-1B Program
	Shortage occupation lists are reduced	Australia : Critical Skills List Spain : Regime General
	-Numerical limits (quotas, targets, caps) are reduced	-Italy : entry quota Spain : Contingente
Application of rules	Labour inspection becomes more frequent/ targets sectors and workplaces with a high concentration of migrants	French high profile worksite raids

Source: Protecting migrant workers beyond the crisis/ global jobs pact policy brief/ International Labor Organization (ILO)/ Brief N° 17. P=02

Table N°= 02 The impact of economic crisis: Policies change in Spain (15)

Migration policies	Return policies	Labour market/Social/integration policies
<p>Family reunification: Spain passed a new Immigration Law in December 2009 which contained more restrictive provisions on family unification. The residence requirements for family unification claims were extended and ascendants of more than 65 years of age</p> <p>Admission restrictions: Spain reduced admissions based on reductions of certain skills on labour shortages lists. The country drastically lowered its ceiling for non-seasonal worker to be recruited from abroad (Contingent) in 2009. In December 2008, the annual quota by occupation for non seasonal workers was set at 901 for 2009, compared to 15,731 in 2009.</p>	<p>Voluntary return program: Spain adopted a new regulation at the end of 2008 to support voluntary return of unemployed non-EU migrants who receive in advance a payment of their accumulated unemployment benefits in two lumps on condition that they return home and do not come back to Spain for at least three years. The “Program for the Early Payment of Benefits to Foreigners” (APRE) was approved in November 2008. Thereby, immigrant workers receive payments for any accumulated unemployment benefits. Applicants must have a legal status in Spain and be nationals of a country outside the EU, which has a bilateral agreement on social security with Spain Furthermore, an agreement with Ukraine was signed in 12 May 2009 regarding the return and/or recruitment of labour migrants.</p>	<p>Integration policy: The Spanish government set up a Fund to support the reception and social integration of immigrants and its educational reinforcement in 2005.</p> <p>Anti-discrimination policy: In December 2008, Spain approved a National Plan on Human Rights to strengthen the social inclusion of migrants and combat discrimination and is currently drafting a Law on Equal Treatment which will be accompanied by the creation of the Council of Equal Treatment and Non-discrimination.</p> <p>Social security agreements: Regarding social security agreements, Spain and Japan signed one in January 2009 and the Latin-American Multilateral Agreement on Social Security was signed on 26 June 2009</p> <p>Labour market mobility: they have modified work authorizations to eliminate geographic or activity restrictions and also to allow foreign workers to transition between employment and self employment</p>

Source: IOM thematic study - regional overview page 53

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