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MIGRATION AND THE DEEPENING OF THE EUROPEAN COMMUNITY*

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1. Introductory remarks

Under 90% of the White Paper had been implemented by September last year.¹ According to the Commission almost all had been done in order to respect the official deadline of completing the Internal Market by January 1 1993. The Commission had tabled since long time all the proposals required by the White Paper. The Council needed still to adopt 32 measures (out of a total of 282), but 9 of them were not considered crucial to the achievement of the White Paper programme. However it is of public knowledge that precisely in the domain of labour movements, the Internal Market was not in place by January 1 this year because controls on people at the EC's internal borders were not totally abolished. Moreover, EC airport authorities have been given January 1 1994 as deadline to rearrange their installations so as to guarantee the free movement of passengers in internal EC flights. And the Maastricht Treaty signed in February 1992 has not yet been ratified by Denmark and the United Kingdom and therefore has not been implemented in any of its aspects. Thus this paper deals with the impact of EC moves which on the main have not taken place yet. Given the complexity of what has to be achieved by the end of this century, many of the changes to be implemented can have an indirect impact on non-EC citizens working or planning to work in the EC. I will only refer to changes which seem to me to have a direct bearing on the former.

My second preliminary remark is that the EC-92 programme and negotiations towards the adoption of the Maastricht Treaty have not taken place in a vacuum. There were other events which up to the end of 1992 were very much part of the ECs agenda and which are bound to have an influence on the economies of the external periphery of the Community and thus on migratory movements, such as the Europe Agreements concluded in 1991 with the three Visegrad countries to be followed by agreements with other Eastern European countries. Caution must be taken therefore not to mix the different events so as not attributing a negative or positive impact to the Internal Market programme or to the Maastricht Treaty of other EC initiatives that have not much to do with it.

There are however what could be called "border cases". For instance, Southern European countries and Ireland gave their final agreement to the 1992 package, once they had been assured in February 1988 that the so-called structural funds (comprising the European Agricultural Guidance and Guarantee Fund, the European Regional Fund and the European Social Fund) would be doubled by the end of 1992. Again, in the context of the EEA negotiations, poor countries in the EC have been able to obtain for the coming years a further substantial increase of the structural funds. These political decisions enter into what is officially called "economic and social cohesion" of the EC, an official objective of the EC

¹ Commission of the European Communities (1992).

complementing the "deepening" of the EC (i.e. EC-92 and Maastricht),² along with other so-called "horizontal measures" like social policy, environment, research and technological development and monetary capacity. Clearly the reform and increase of the structural funds are directly linked to the 1992 programme and the creation of the EEA. All these so-called "flanking measures" have implications for the EC's external periphery which could be ignored by those exclusively focussing on the White Paper of Lord Cockfield or on the Maastricht Treaty.

A third introductory remark is that I will not deal here with the implications that the application of Internal Market rules to EEA countries may have for migrants there. This would require a separate paper.

My final introductory remark is that this paper concentrates on the impact of EC-92 and the Maastricht Treaty on current and potential immigration into the EC. It disregards other variables which may have an even more drastic influence on migration flows or on the immigrants' status in the Community, such as the disintegration of the CIS or political and economic turmoil in the Balkans or in Northern Africa.

2. EC legislation in the EC-92 programme and the Maastricht Treaty affecting non-EC residents and potential non-member states immigrants: What is in and what is not

a) New Directives affecting the free movement of EC nationals and their families in the Community.

The White Paper aimed at 1) widening the circle of nationals of the EC eligible to immigrate to another EC member state and to bolster their legal position; 2) strengthening the principle of equal treatment of nationals and itinerant workers, e.g. increasing the portability of social security benefits and 3) reinforcing the right of residence of students and of those itinerant workers in the host country who either become unemployed or are employed for only a short period. Geographical mobility, occupational mobility and social integration are only applicable to EC nationals as in the Rome Treaty and in the Single European Act.

b) A proposal for a Council Regulation amending Regulation 1612/68 extending rights of residence and employment to non-EC citizens who are members of the family of a worker employed in a member state which is not his own.

c) New directives relating to the freedom of movement of professionals.

² As stated in Commission of...(1992), op.cit., p.8.

d) New directives relating to the abolition of border controls on individuals carrying goods.

In comparison to the EC-92 programme, the Maastricht Treaty adds the following in matters relating to migration:

a) Provisions on cooperation in the fields of justice and home affairs.

This is the third pillar of the Greek temple to which the Maastricht Treaty is supposed to look like (namely Title VI). It is an inter-governmental agreement between member states compelling the latter to inform and consult each other on matters regarding asylum policy, rules governing the crossing by persons of external borders of the member states, immigration policy (including conditions of entry, movement and residence by non-EC nationals and combating illegal immigration). Article K.3 goes slightly beyond this when it says that the Council may adopt joint positions and even joint action in some circumstances. Ensuing conventions may stipulate that the EC's Court of Justice has jurisdiction to interpret provisions and rule disputes. By unanimous decision, the Council may decide to shift some of the domains mentioned before to pillar number one which would thus fall from then on under Community jurisdiction.

b) New article 100c.

Visa policy is for the moment the only area which is moved into the Community framework (pillar number one) under article 100c. This means in particular that the list of countries for which an entry visa will be required will become a Community matter under the Maastricht Treaty. Until 1996 the Council will decide on this by unanimity; afterwards by qualified majority. Moreover the latter has the obligation to adopt measures relating to a uniform format for visas. In exceptional circumstances the Council can introduce for a period not exceeding six months a visa from a particular country not in the list.

c) New article 138d.

Under this article, any resident (including non-EC citizens) has the right to address a petition to the European Parliament on any Community matter. A new Ombudsman named by the EP can also receive complaints from legal migrants.

d) Protocol on Social Policy.

The agreement on social policy (which is a follow-up of the

previously-adopted Social Charter and to which the UK is not a party) includes a provision whereby the Council shall act by unanimity (among others) on all what relates to conditions of employment for third-country nationals legally residing in the EC (article 2).

It seems to this author very important to specify as well what cannot be found neither in the EC-92 programme nor in the Maastricht Treaty.

1) Directives on easing of controls and formalities included in the EC-92 programme apply only to member state nationals crossing internal borders. Even on the latter spot checks are permitted and temporary border controls can be implemented in case of emergency. To indicate that everybody in the car is a member state national, it has been suggested that a disk with an "E" on the window of the car will suffice.

2) While the abolition of internal border controls is part and parcel of a programme for the creation of a true Single market for production factors, the reinforcement of the external frontier, which is not included in the White Paper but which had been requested by the Commission, is not and must be understood therefore as a political decision with no economic justification behind. Observe also that legally speaking the abolition of intra-EC border controls on individuals as such is not among the 282 directives of the White Paper. All this is left to inter-governmental conventions which have not yet entered into force (see below). In this context it is important to stress that a common immigration policy was not deemed necessary to achieve the completion of the single market for labour.³

3) At the European Council of Strasbourg in December 1989 it was decided that the progressive abolition of border formalities should not affect the right of members states to take such measures as they would consider necessary for the purpose of controlling immigration from third countries and that an inventory should be prepared for late 1990 on national positions on immigration so that a discussion on the subject could be held at the Council of Ministers. Such preliminary discussions took place among ministers in charge of immigration only in December 1991, who submitted a work programme to be endorsed a week later by the European Council at the Maastricht summit. Since then, Ministers in charge of immigration have adopted a series of recommendations (i.e. on expulsion of illegal immigrants). At the Edinburgh summit of December 1992, the European Council adopted a very general "Declaration on principles of governing external aspects of

³ But this is actually what Germany and Italy are requesting from other member states since mid-1991.

migration policy", which is not binding.⁴ The idea seems to be to arrive to common principles which would serve as base for the adaptation later on of the divergent national legislations. In practice in the foreseeable future (say, until the end of the century) as in the past each member country will decide who can be considered a national⁵, who can immigrate, what is the minimum period a non-EC immigrant must hold the same job before being allowed to take another job in the same host country, and so on. This has many curious implications after the completion of the Internal Market. For instance second-generation migrants in France, being French citizens, will be able to move and work freely in the EC, while second-generation migrants in Germany, where ius sanguinis applies will not. In many cases the status of immigrants is fixed by bilateral conventions on manpower and social security between third countries and individual member states. Some agreements with third countries include privileges in matters of access to employment, in which case the member state is not bound by the EC's employment priority (e.g. Nordic citizens in Denmark, Algerians in France). But those workers cannot use the privilege to work in another member state. Of course, the EP is far in advance of what the member states are prepared to accept in the domain of immigration, but this has not much practical relevance. For instance, the EP's Committee on Civil Liberties and Internal Affairs calls in a recent report for the establishment of a coordinated European immigration service, creation of a European Coast Guard service, the right of naturalization in any EC member state for non-EC citizens five years after acquiring residence there.⁶ In November 1992, the EP made a public call for a genuine Community immigration policy (including Community standards to control illegal employment).⁷

4) The principle of Community priority just mentioned dates back to a Decision taken in 1968 and is therefore not part of the EC-92 package or the Maastricht Treaty. Workers of any member state have the same priority for employment vis-a-vis non-EC workers as enjoyed by nationals. In other words, Community preference applies already nowadays. In practice it means implementation of information procedures common to the employment services of the member states relating to vacancies and applications for employment, operational since 1972. Moreover member states must extend an "EC national residence permit" for five years (and automatically renewable) once they are sure that the presence of

⁴ Europe, December 13/14 1992.

⁵ For instance Portugal gave in the early 1990s 25000 passports to residents of Macao.

⁶ Europe, October 3 1992.

⁷ Europe, November 23/24 1992.

the foreigner of the other member state is to get gainful employment or to form part of a family group.⁸ In that respect and very relevant for the discussion that will follow is that the EC's Court of Justice has confirmed that EC rights apply as well to non-EC citizens married to a member state national as well as his or her children and this even if later on the marriage breaks up. This ruling was only preliminary for long time but has become legally binding after a new regulation was passed in the context of the "1992" package (see above).

5) There are no plans whatsoever (e.g. in the context of the "renovated Mediterranean Policy" or the new "association" policies of the EC in Eastern Europe) to extend the principle of recognition of diplomas or professional qualifications to non-EEA countries.

6) There is nothing in the justice and home affairs pillar of the Maastricht Treaty which commits any member state to anything much beyond cooperating in various ways as they already have been.⁹ And the use of majority voting is in any case optional and not mandatory. Internal EC border controls on visitors do not disappear neither.

7) Work and residence permits for non-EC citizens will remain an exclusive competence of national governments even after the Maastricht Treaty enters into force, although there is some room for manoeuvre in the new social policy provisions for joint action under the heading of "conditions of employment of non-EC nationals". The European Social Charter, a so-called flanking measure to the completion of the Internal Market, adopted several years ago, does not yet discuss the issue of non-member state immigrants residing in the EC and is a non-binding statement of intent anyway. Note as well that European citizenship as proposed in the Maastricht Treaty does not extend to non-EC migrants legally established in the EC. Several Euro-deputies have proposed to introduce an EC right of residence for legal immigrants which have resided in the Community for a long time (e.g. 10 years, or shorter for regularized refugees). Both the Commission and the 12 member states reject such a proposal. An EC right of residence for legal immigrants would imply that Community priority be extended to them. Clearly some member states would oppose a strict application of the principle and ask for a continuation of the possibility of admitting new outsiders from particular third countries with which they are close geographically, historically or culturally.

⁸ Working permits are abolished.

⁹ The Economist Intelligence Unit (1992b), p.2.

3. Static effects

All the changes introduced by the EC-92 programme or the Maastricht Treaty which were mentioned above may in principle affect directly and in the rather short term both non-EC immigrants already residing in the Community ("the insiders") and those who would wish to enter it in the future ("the outsiders"). Below is a brief analysis of the economic implications of the new directives and provisions.

a. Impact of EC-92 and of the Maastricht Treaty on non-member state immigrants residing legally in the EC.

1) Legal migrants (i.e. about 8 million "insiders") had no right to work in another member state and this has not changed after January 1 1993 (but for those who are members of a family with at least one of the spouses holding a member state nationality). Since in a more or less distant future there will be no border controls inside the EC, immigrants may risk working illegally in another member state than the one they are allowed to work. In particular, I would expect many immigrant workers, legally residing in one EC state to cross daily to a neighbouring country for work (e.g. immigrants from the Maghreb residing in France offering their services across the border in Germany).¹⁰ Enforcing existing laws will be clearly more difficult in the post-1992 Community.¹¹ In order to prevent this, the Commission has said tighter and more frequent inland checks on non-EC residents will be applied. This does not square well with the fact that identity checks are infrequent and traditionally unpopular in Britain, Ireland, Netherlands and Denmark.

2) The EC may relax well after the full implementation of the Maastricht Treaty the present regime somewhat, allowing legal immigrants in a given member state to visit any other member state

¹⁰ It is true that currently hardly more than a quarter of a million EC citizens cross borders daily for work and half of them go to Switzerland. But many experts predict this number will sharply increase as a consequence of EC-92 regulations.

¹¹ The assumption of many immigrants of being able to work all over the EC in a near future, whether right or wrong, may explain partly why in spite of the recent liberalization efforts by several North African countries (e.g. relating to exchange controls, customs duties, investment laws) workers' remittances have not drastically increased. In fact in some cases they are on the decline (e.g. in the case of Morocco since 1988).

without having to obtain an entry visa.¹² This would be an advantage, particularly for immigrants having to cross several EC member countries to reach their home country for vacation (e.g. those residing in the Netherlands).

3) The fact that EC citizens will be able to move more freely than at present to look for work may indirectly affect favorably "insiders" even if they are not allowed to work beyond the borders of the country where they reside. Assume a sudden burst in demand for non-qualified work, e.g., in Belgium. Assume further, that Belgium has coordinated, as requested by the Single European Act and other decisions taken by the Twelve, its immigration policies with other member states and that the rule of EC priority is enforced. In such an event, I would expect Portuguese immigrants in France to be attracted to the Belgian labor market, creating in turn new opportunities than otherwise for non-EC citizens legally working in France. Or suppose that demand for non-qualified labor drops in France. The unemployed Portuguese worker will try to find a job across the border in Belgium, thus diminishing the pressure on the unskilled labor market. Or assume instead that the opening-up of government procurement to Community suppliers on a level playing field basis leads Portuguese firms to win construction bids launched by the Deutsche Bundespost. The Portuguese entrepreneur which currently employs Africans can use them for those parts of the product or service produced in the Portuguese territory and send Portuguese or other EC nationals to complete the project in Germany. In all the three cases the immobile factor (i.e. the legal migrant in a given EC country) benefits from the increased mobility of the mobile factor (i.e. the EC citizen). On the other hand, it is unlikely that increased intra-EC migration of unskilled member state nationals (foremost from Portugal) could endanger the legal status of non-member states immigrants already in the EC. Undoubtedly, from an economic viewpoint, they will confront more competition, may have to take a cut in their wages or risk unemployment, which in time may lead to deportation to their home countries.¹³ All this should not be exaggerated. Internal EC growth due to the completion of the Internal Market or the creation of a Monetary Union may mitigate or entirely wipe out these pressures.

4) Holders of professional qualifications in one EC state will be able to work anywhere in the Internal Market. There seems to be a general agreement that the new EC regime will lead to an increased

¹² This is actually what is contemplated by the Schengen agreement (see below).

¹³ The fact that East Germans may displace in the future foreign workers in Germany cannot be attributed to EC-92 or to the Maastricht Treaty. The same can be said of a future preference that the EC may have for Eastern Europeans in relation to Southerners.

number of professionals and managers moving inside the EC. This however cannot be the cause of professional labour diversion against non-member state nationals since there were almost no professional labour exchanges before! Moreover, all experts are predicting strong demand in EC countries for skilled workers, something which would neutralize any trade diversion tendencies against non-EC skilled citizens already working in the EC. More generally, the completion of the internal market for goods, particularly high-tech, will lead to complementary flows of commodities and factors, particularly skilled labour. Ethier (1984) developed a model showing that productive factors can be expected to migrate to the place with a comparative advantage in the goods which make relatively intensive use of the now mobile factors. One can foresee however a situation where the principle of Community preference in government procurement and international tenders could lead to a situation where there is de facto discrimination against professionals in possession of diplomas issued in non member state countries. This is why EFTA countries were so keen to reach an agreement on the issue of diplomas in the context of the European Economic Area (EEA) discussions. The implication is that it is likely that in the future if a non-EEA immigrant with professional acceptance in one EEA country is given permission to move to another EEA country, the place in the EEA where his diploma was issued will not play any role. This seems to be a "bonus" for migrants planning to study in Europe. This applies in particular for second-generation immigrants. Alas, there is a "snag" to all this: It is not 100% clear yet if the mutual recognition principle applies to all EC residents or only to EC citizens.¹⁴ However, after the Maastricht Treaty is fully implemented, immigrant associations in the EC having the right to petition the European Parliament and to plead to the Ombudsman may be instrumental in obtaining that non-EC nationals benefit from the mutual recognition principle among EEA countries.

b. Impact of EC-92 and of the Maastricht Treaty on non-member state citizens legally residing in the EC's periphery and intending to work in the EC.

There is some ground to fear that the "deepening" of the EC should lead to "fortress Europe" in the domain of production factors. From an analytical viewpoint, an increase of external barriers on outside factors wishing to enter the EC is the most rational way for the latter of exploiting its increasing bargaining power. In

¹⁴ EC institutions have found it difficult to determine in many instances in the past to what extent the rights given to EC citizens should be extended to non-EC citizens, e.g. in the realm of employment conditions. The Maastricht Treaty clarifies this point in favour of a large interpretation. See The Economist Intelligence Unit (1992a), p.50.

other words, the more integrated the EC becomes, the higher its "optimal barriers to trade" should be, in particular with developing countries without much capacity of retaliating or reciprocating. This includes trade in production factors. Calls by the EC Commission in favour of a reinforcement of the EC's external border is therefore a practical application of a theoretical principle. A strengthening of controls of the external Community borders is not the only way in which non-EC citizens not residing in the EC but wishing to work in the EC may be (negatively) affected. The EC commission has also requested early on in the "deepening" process which started in 1985 a common visa policy. This may mean basically common (but not supra-national) rules, for the crossing of the external frontiers of the member states.¹⁵ Traditionally there has been among the Twelve a wide disparity of treatment of citizens of individual developing countries (including those in Eastern Europe) wishing to visit or study in countries of the EC. Some member countries never asked in the recent past for an entry visa from citizens of particular developing countries, either because they were sure that those foreigners would for practical reasons never stay for work given local conditions (e.g. in the poorer EC members) or because they did not care much if the foreigner stayed, e.g. because he originated in a former colony of the member state. By way of example, this author found out in previous research that in early 1990, visitors from 19 out of 45 Sub-Saharan Africa countries possessing normal passports did not need visas to enter at least one EC country.¹⁶ More generally, Denmark, Britain and the Netherlands think visas must be avoided as far as possible.

At the other extreme France until now maintains for security reasons the principle that every non French, excluding citizens of about 20 other developed countries (such as all the other EC member states), must have entry visas.

A major effect of the Commission's call for a common visa policy in order to make implementation of the EC-92 programme possible has been that it has pushed different EC member countries to act unilaterally well before a common policy is designed and impose visitors' visas on third country citizens, which were previously exempted from this obligation. This has been the case, e.g., of nationals of Morocco, which until 1990 or 1991 were not required to

¹⁵ The latter agreed since long that this could be obtained by an inter-governmental convention which has been ready since June 1991 but has not been signed yet. According to the Convention, non-EC citizens, whether legally residing in the EC or simply visiting, will be able to circulate freely for up to three months in the territory of the 12 member states. But because of British opposition, no mention is made about abolishing EC internal border controls!

¹⁶ Tovias, A. (1990), p. 22.

obtain visas to enter Spain, Italy, the UK and Portugal. Member countries agreed in principle already several years ago that it was necessary to identify a list of countries which pose a problem for one or the other member state (e.g. Moroccans in Belgium) and then commit each of them to impose a visa to prevent back door entry. However, until the full implementation of the Maastricht Treaty it is unrealistic to expect the 12 EC member states to establish a totally unified visitors visa list. What was conceivable since the end of the last decade is that they would agree to draw a negative list including 60 to 70 countries for which all states would have to impose visas. According to Commission sources, even for countries not on the list, individual member states will be allowed for quite a while to continue to impose a visa.¹⁷ It is obvious that the visa request amounts to the imposition of a new barrier in those countries where there was none before. This is likely to happen or has already happened in recent months in respect to many former British colonies in Africa. For instance, in early-1990 6 out of 12 EC countries exempt Kenya nationals from holding entry visas. Table A1 gives more data on the exemption of entry visas granted by the various EC member states to some Sub-Saharan Africa countries. France, Spain and Portugal had the shortest list; Denmark, Britain and Italy had the longest. It appears now that the more liberal countries, such as Britain or Denmark have been practically coerced to act as the more restrictive ones. Some non-members have retaliated. For instance, Spain under EC pressure has had to apply visas on Turkish visitors. As a result Turkey has decided to retaliate and impose visas on Spanish visitors. The imposition of visas on African and Turkish visitors in practically all EC countries appears particularly discriminatory with even racist overtones at a time the same countries have been or are abolishing one after the other entry visas on Eastern European nationals.

Note that among EC members requesting tourist or study visas, there are until this very day sharp differences in administrative procedures and in the rights attached to the visa. For instance, in the case of Hungary, in early 1990 a visa to France took on average three weeks to be obtained, compared to an hour if the visa was for the Federal Republic of Germany. Or in the case of visas for studying, some countries (i.e. France) allow students to work several hours per week while others none at all (e.g. in Germany). On the other hand, the fact that there are not yet unified requirements for visa delivery is a complicating factor for the third country visitor of the EC. The unification of criteria to deliver a visa by all the EC member states, which is scheduled to take place several years after the Maastricht Treaty is in force, will improve the situation in some respects (e.g. a uniform set of

¹⁷ For instance at the time these lines are written, Israelis travelling to France or Spain are requested by these two countries to obtain previously entry visas.

documents will have to be presented by the prospective visitor), but is likely to worsen things in other respects. For instance, the unification of the time period for which the visa will be issued will lead in all likelihood to a shortening of the period for which a visitor's visa into Britain will be valid. The current practice in continental Europe is to issue visas for three months, while in Britain a six-months period is the rule. Or assume for a moment that after implementation of the Maastricht Treaty the German model is applied. That would have negative implications for the North African citizen wishing to work in France to cover his studies there. In the opinion of this author, new common EC rules on visas should come closer to the lowest common denominator rather than to the most liberal regime, since this reinforces the external borders of the EC.

c. Impact of the Schengen Agreement on non-member state citizens

Five EC countries (namely France, Germany, Luxembourg, the Netherlands and Belgium) agreed in June 1990 to deliver in the future a common visa under the so-called Schengen Agreement, which has been signed meanwhile by additional Member states (but not by the UK, Ireland and Denmark).¹⁸ This will be a really resource- and time-saving step for the non-EC citizen with no automatic entry into the EC. Note however that the common visa will be for a maximum of three months and non-EC nationals holding the visa for one of the Schengen countries will have still to announce themselves when crossing from that country into one of the other signatory countries.¹⁹ How does this square with the intention of the signatories to abolish passport controls at the internal borders or on flights between Schengen partners is not clear to this author. In fact the idea seems to be to "facilitate" the free movement of non-EC citizens without a full guarantee. There will also exist a totally unified visa list. Finally and not to be forgotten, non-EC legal immigrants residing in one of the Schengen countries will have the right to visit without visa the other signatory countries, but still not have the right to legally reside or seek employment in them. Experience, however, shows precisely that illegal immigrants are mainly "overstayers" which enter as tourists (the other main category being asylum seekers). In fact illegal crossing of borders is minimal. If this is the case, the consequences for immigration of the Schengen Agreement will be large, since "overstayers" will have a more easy time than now. It seems simpler to remain undetected in a market of 341 million

¹⁸ The Agreement has not yet been ratified by all the signatories and will not be in force before September 1 1993 at the soonest. See Europe, March 11 1993.

¹⁹ It is not true therefore that foreigners will be able to move unchecked in Schengenland, as some experts say.

people, which is much larger than the US (240 million), than in the largest EC member state one can think of, namely Germany (80 million). This applies even more so for non-member state citizens which for different reasons will be exempted from presenting a visitor's visa to enter the Schengen area, such as citizens from some Eastern European countries.

Britain disagrees with Schengen countries in that it thinks that the Single European Act demands the relaxation, not the abolition of border controls and that those controls must be maintained on non member country nationals. In fact, it is the perspective of being flooded by illegal immigrants (a minor problem in Britain up to now) which terrifies its government. On the one hand, Britain does not want to introduce identity cards and internal checks as suggested by Schengen countries. On the other hand, it does not want to rely, say, on Greece or Italy for the enforcement of the law. The constitution of a European police force is very far away. Many officials, even from Schengen countries, feel that the abolition of checks on persons is a luxury not worthwhile the costs. As a Dutch official is deemed to have said ²⁰: "Abolishing controls on people and taking the necessary compensatory measures costs us money. Abolishing controls on goods saves us money".

Seen from the potential migrant perspective, all this is rather good news. On the one hand there would be undoubtedly a relaxation of border controls in Schengenland, not only on "insiders" but even on "outsiders". On the other hand, the reinforcement of the external frontier can only derive from the imposition of a common entry visa with tougher conditions attached than those prevailing until now. There are countries in the EC (particularly those in Southern Europe) with no tradition in controlling immigration and with weak enforcement possibilities.²¹

4. Dynamic Effects

The Schengen agreement notwithstanding, the danger as perceived by outsiders of an harmonization or even sheer coordination of immigration and visa policies at the EC level which should be, as we saw, more restrictive on average than in the past has in the view of this author precipitated migration to the EC. Potential migrants are tempted to accelerate the decision to migrate before they think it is too late (e.g. Latin Americans into Spain). On top of it, the new growth perspectives of the member countries economies announced in the Cecchini Report (Commission of ... 1988a) with much fanfare have pushed more than one potential non-EC migrant to move to the EC and to try his luck in what has been

²⁰ The Economist, September 16 1989.

²¹ The Courier(1991), pp.72-73.

perceived until the recent recession starting in 1992 as the new Eldorado. Non-EC citizens may think that the later they take the plunge the more difficult it will be to get in time an EC passport or simply an entry visa.²² Alternatively migrants may think of indirect strategies, like marrying a member state national and later ask for a divorce, given the new and very generous Community regulations which extend all the freedom of movement rights to non-EC family members. This is more likely to happen the smaller the cultural distance between immigrant and EC national is, like in the case of Eastern European professionals.

Conclusion

This paper has been mainly concerned by two questions: First, what will be the concrete impact of new EC-92 directives and the Maastricht Treaty on the 8 million non-member country nationals legally residing in the EC nowadays? Our analysis shows by and large that they will benefit in the medium and long run in many different ways. Second, what will be the net effect of EC-92 and the Maastricht Treaty on new migration flows into the EC? The answer to this question is rather complicate. The outcome of the economic analysis shows that there should be an influx of workers into the EC but that this will be neutralized in all likelihood by the political response of the EC. Economically, first, we must distinguish between demand and supply factors.

To begin with the demand-pull factors , many experts agree that most of the additional growth brought about by EC measures will be reflected in increased income and productivity, not additional jobs, particularly if they are unskilled. The increasing labour mobility for EC citizens coincides more or less with the end of the transitional period towards full access of Portuguese (and Spanish) workers to the EC market. The income gap between Portugal and the rest of the EC being larger than for any other member state make of the Greek and Irish precedent not good indicators. Many Portuguese go to work to Spain now, probably as a double consequence of both countries' entry into the EC and of the completion of the Internal Market. About 3000 regular workers move annually to other EC countries, and double that number including illegal immigration. In the near future there may be an increase. It is therefore not likely that there will be a net demand for new immigrants for several years, the more so if an EC right of residence for legal

²² We have clear evidence that the imposition by Spain of visas on Moroccan visitors on May 15 1991 led to an avalanche at the Spanish-Moroccan border several days before.

non-member state migrants is voted.²³

On the other hand my analysis leads to think that the supply will increase sharply, not only because of events beyond the control of the Community (e.g. demographic explosion in the South, economic instability in the East), but also because of the attractiveness of the European Community. Pressure would be even higher, should the EC increase further its barriers against labour-intensive imports originating in Mediterranean or Eastern European countries. Clearly some of the recent developments on the migration front are due in the view of this author to the "deepening" of the EC (i.e. EC-92 plus Maastricht Treaty) and not only to events happening in the EC's periphery as is sometimes implied in the EC's Commission documents. For example, Mrs. Vasso Papandreou, the former EC Commissioner in charge of employment, industrial relations and social affairs, in a report presented in 1990²⁴, stated that "immigration... has not been a major Community issue in recent years but it could easily become so now, given the pressure of population growth in countries of the South, as well as the new potential mobility of our neighbours to the East". Observe that she did not mention the EC's own "deepening" as a factor explaining immigration.

Whatever the reason for the Commissions's delay in realizing the reason for new supply trends, this author thinks that the EC will not let the market clear, but will try to restrict or deter entry mainly for social, political and cultural reasons. One of the aims of the "renovated Mediterranean Policy" is to deter potential migrants from crossing legally or illegally into the EC by granting to Mediterranean countries more aid. Up to very recently the EC was reluctant to engage in a full-blown dialogue on migration issues with those countries, arguing that the EC is only their right European partner for questions relating to the free movement of persons in the EC and the integration of legal immigrants. The Commission has stressed traditionally that the member states are those responsible for questions relating to external border controls and visas. But the EC seems to be overcome by events and in fact has reversed its position. It is proposing now, following the old Turkish-EC model, to deal with new migration and freedom of movement issues in the context of association agreements under article 238. I presume the idea is to arrive to "voluntary export restrictions" in the domain of labour maybe against 1) an employment priority for nationals of the Mediterranean or Eastern European partner in comparison with nationals of other non-EC countries ; 2) more trade concessions by the EC in sectors

²³ The present recession in the EC reinforces this prediction, whereas in the longer run account must be taken of the so-called demographic deficit of Western Europe.

²⁴ See Commission...(1990c), p.4.

considered by the latter as sensitive (e.g. textiles, steel, agriculture); 3) more aid and economic assistance to encourage would-be emigrants to stay in their own countries. The EC may request at a later stage that preferred partners (particularly those in Eastern Europe) harmonize their own external border regulations with non-preferred countries with those of the Community, thus creating a kind of security zone around the EC. What this paper shows is that the post-92 free-trade-area regime in the domain of labour services will be untenable politically and may push member states to unify (and not only coordinate) immigration policies in the EC. For instance, a potential non-EC migrant has a clear interest to settle down in those EC member states where citizenship is easiest to obtain, since that opens for him (or for his sons) a potential labour market of 340 million people. Moreover, what a member state does regarding its own labor market affects the other member states' labor markets. If, for some reason, Spain accepts a number of immigrants from Morocco, this detracts from jobs that could be taken by Portuguese, which are nationals of an EC member state or by legal Algerian immigrants in France. Moreover Spain impairs bilateral agreements that the EC has with Turkey. However Spain is not obliged currently to check for herself if other non-EC workers are available in the EC before admitting new non-member state immigrants. EC priority applies when the choice is between a non-EC citizen outside and an EC citizen inside! This is a clear legal loophole. To sum up, both the Internal Market Programme and the Maastricht Treaty may have a "spill-over effect" as neo-functionalists predicted in the 1950s and 1960s, in that they may lead to the adoption of an EC-wide immigration policy after all.

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Table A1. SUB SAHARAN AFRICAN COUNTRIES WHOSE NATIONALS ARE EXEMPTED FROM ENTRY VISAS BY EC MEMBER COUNTRIES

	It	Sp	Po	Fr	UK	Ire	Dk	Gr	FRG	Be	Nl	Lux
Benin	*						*		*			
Botswana	*				*	*	*			*	*	*
Burkina Faso	*								*	*	*	*
Chad											+	
Cote d'Ivoire	*			+	*		*		*	+	+	+
Gambia	*				*	*	*	*				
Ghana									+			
Kenya	*	*			*	*	*		*			
Lesotho	*				*	*	*			*	*	*
Malawi			*		*	*	*	*	*	*	*	*
Mauritania	*											
Mauritius	*				*	*	*					
Niger	*				*		*		*	*	*	*
Senegal	*										+	+
Seychelles		*	*		*		*	*				
Sierra Leone					*	*	*					
Swaziland	*		*		*	*	*			*	*	
Tanzania					*	*	*	*				
Togo	*						*		*	*	*	*
Uganda	*				*	*	*					
Zambia					*	*	*	*				
Zimbabwe					*	*	*	*				

* = Normal passports

+ = Diplomatic passports

Source: Travel Information Manual, January 1990.