



Geneva Centre for Security Policy  
Centre de Politique de Sécurité, Genève  
Genfer Zentrum für Sicherheitspolitik

# The Global Financial Crisis and International Migration

**Khalid Koser**

**Director**

**New Issues in Security Course**

# Recent headlines

- ‘Foreign labour row at Lindsey Oil Refinery’
- ‘Lives of migrants in Russia spiral from bad to worse’
- ‘20 million migrants in China can’t find work’
- ‘Slum fire reignites housing concerns for Karachi’s migrant poor’



# Agenda

- Why it matters
- Lessons from past financial crisis
- Current impacts
- Future predictions
- Major 'unknowns'
- Policy responses

# Why it matters

- Migrants comprise 7% workforce EU27
- Net annual contribution to US economy US\$60 billion
- 50% PhDs, scientists and engineers in US born overseas
- Heavy reliance of certain sectors of the economy on migrant labour
- US\$300 billion remittances

# Learning lessons

1. The impact of the crisis need to be monitoring
2. There is an impact on migration
3. The impact on labour markets is complex
4. The impact on migration is unpredictable
5. Policy responses vary
6. The impact of policies are complex
7. Financial crises can represent an opportunity
8. Impacts on international migration in context

# Current impacts

- Slowdown in migration flows but migrant stocks stable
- Increasing EU mobility
- Sectors in which migrant workers over-represented hit first
- Modest decline in remittances
- Rising xenophobia
- Suspension of migration policies

# Predictions

- Family immigration will be least affected
- Highly-skilled migrants particularly mobile
- Less-skilled migrants will stay put even if they lose their jobs
- Irregular migration flows will reduce, but stocks of irregular migrants will remain stable
- Student inflows will reduce
- Remittances will fall further in 2009



# Major 'unknowns'

- Impact on the labour market and fiscal impacts
- Humanitarian migration
- The Middle East



# Policy responses

- Targeting irregular migrants
- Restricting migrant labour recruitment and permit renewals
- Strengthening border controls
- Promoting highly-skilled migration



# Alternative policy responses

- Immigrant integration policies
- Social protection
- Cyclical immigration policies
- Return and reintegration policies