



## European Migration Policy: Recent Developments and the Way Forward

GREEK & EUROPEAN ECONOMY OBSERVATORY

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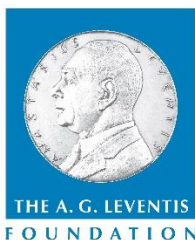
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### Summary

- European policymakers should prioritize targeted immigration policies to address demographic shifts and skill shortages.
- Sustainable economic growth requires contributions from both high-skilled and low-skilled immigrants.
- High-skilled immigrants directly contribute to innovation and economic growth.
- Low-skilled immigrants play essential roles in sectors such as agriculture, healthcare, and services.
- The EU’s New Pact on Migration and Asylum reflects a shift towards a more comprehensive and coordinated approach.
- Despite new policies, significant challenges remain in implementing these changes effectively.
- Greece can learn valuable lessons from the EU’s experiences to address its own migration challenges.
- Leveraging the skills of immigrants can enhance Greece’s economic development.

## Introduction

*This policy brief delves into the recent shifts in EU migration policy, aiming to illuminate the current challenges and future opportunities in Europe's migration landscape.*

Migration significantly influences the EU's demographics, labor markets, and social cohesion. Europe's struggle with an aging population and skill shortages raises the question of how policymakers can leverage immigration to fuel economic growth while mitigating political repercussions. This policy brief delves into the recent shifts in EU migration policy, aiming to illuminate the current challenges and future opportunities in Europe's migration landscape.

The brief begins by examining the demographic crisis and the megatrends, such as artificial intelligence and automation, that are reshaping labor markets. We assess the potential contributions of both low and high-skilled immigrants and their interaction with technological progress, drawing insights from the latest economic research. We analyze the implications in two major receiving economies, the United States and Germany, which provide valuable benchmarks. Subsequently, we explore the recent alterations in EU migration policy, with a focus on the New Pact on Migration and Asylum. We address several policy-oriented questions and extract lessons applicable to Greece. The brief concludes with a synthesis of policy-relevant insights.

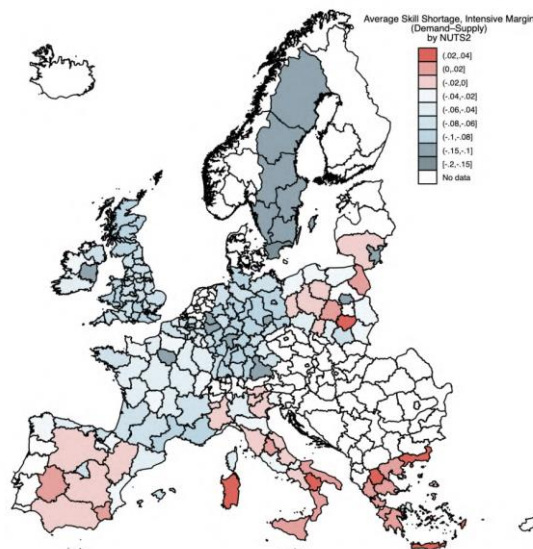
## The current outlook of labor markets

*Europe faces today a swift decline in its working-age population because of low fertility rates, resulting in substantial and ongoing labor force shortages.*

Europe faces today a swift decline in its working-age population because of low fertility rates, resulting in substantial and ongoing labor force shortages. According to the [European Commission](#), nearly two-thirds (63%) of small and medium-sized businesses said in a recent Eurobarometer survey that they cannot find the talent they need.

Furthermore, data on the skill mismatches among workers currently employed in an occupation reveal the existence of a skills shortage, which affects EU member states unevenly. Figure 1 from the report by Guo et al. (2022) shows considerable variation in the average extent of skill shortage across European regions. For instance, while in Sweden skills are on the whole abundant, several regions in Greece, Italy, Spain, and Poland are characterized by skill shortages.

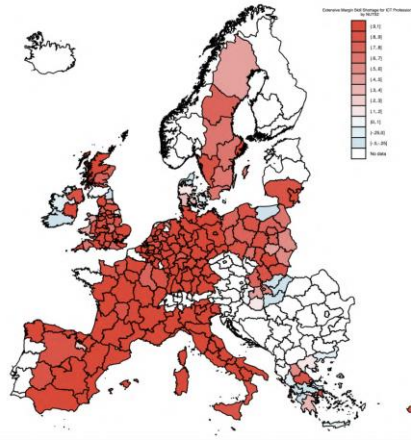
Figure 1: Skill Shortage across European Regions



Notes: Figure shows the average intensive-margin skill shortage, weighted by occupation shares, for NUTS2 regions in Europe. Data are from CEDEFOP and PIAAC. Source: Guo et al. (2022)

The picture appears more symmetrical for EU countries when examining the number of people who are qualified to work in certain high-demand occupations, such as information and communication technology (ICT) and science, technology, engineering and mathematics (STEM) occupations. In Figure 2, Guo et al. (2022) present evidence for such “extensive-margin” skill shortage.

Figure 2: Skill Shortage (Extensive Margin) for ICT Professionals across European Regions



Notes: Figure shows skill shortage at the extensive margin for information and communication technology (ICT) professionals by NUTS2 region in Europe. Data are from CEDEFOP (demand side) as well as from PIAAC and ETER (supply side). The measure of extensive margin skill shortage is calculated as the difference between the number of OJAs for ICT professionals (demand) and the number of university graduates suited to work as ICT professionals (supply), divided by demand. Thus, the measure depicts the share of vacancies in a region that cannot be filled by the regional pool of university graduates. The average skill shortage for ICT professionals across European regions is 74 %. Source: Guo et al. (2022)

Another crucial factor is the rapid pace of technology development and deployment.

Another crucial factor is the rapid pace of technology development and deployment. New technologies can either replace or enhance the work of employees. For example, robots are primarily designed to replace low- and medium-skilled workers, while data-intensive technologies tend to complement human labor. The number of sectors affected by digital automation technologies is expanding rapidly, especially considering the sluggish productivity growth and the impact of an aging population on economic growth.

...two fundamental questions arise: (a) Can low-skilled and high-skilled labor immigration contribute to alleviating labor force and skills shortages? (b) How might investment in automation interact with low-skilled and high-skilled immigration?

These developments place policymakers under significant pressure to design effective policies that address labor force and skills shortages, while harnessing the benefits of new technologies. Governments must balance two opposing demands: addressing skills shortages and managing opposition to migration among large parts of public opinion. Because politicians also care about re-election, they must worry about the risk that more migration might put extra wind in the sails of xenophobic political parties. In this context, two fundamental questions arise: (a) Can low-skilled and high-skilled labor immigration contribute to alleviating labor force and skills shortages? (b) How might investment in automation interact with low-skilled and high-skilled immigration? Below, we first take a look at migration in the EU today. Then, we delve into the current state of the economics profession to shed light on the questions asked above and offer insights for evaluating European migration policies.

## Migration at a glance in the EU

The EU hosts a diverse mix of migrants, including refugees, asylum seekers, and economic migrants. As of 2022, approximately 8% of people living in EU countries were non-

nationals. Among them, 3% were citizens of another EU country, while 5% were citizens of non-EU countries.<sup>1</sup>

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Let us report some key facts for 2021. In this year, 2.3 million immigrants arrived in the EU from non-EU countries, marking an 18% increase compared to 2020. However, this figure remains below the pre-COVID-19 level of 2.7 million in 2019. Germany and Spain were the most popular destinations for immigrants from outside the EU, followed by Italy and France. These four countries accounted for 60% of all immigrants entering the EU from non-EU countries. Germany received the largest number of immigrants from other EU countries, followed by Poland, Spain, the Netherlands, and Romania. About 1.1 million people emigrated from the EU to non-EU countries, showing an increase compared to 2020. This number is almost back to the pre-pandemic level of 1.2 million. France, Slovenia, and Lithuania had the highest proportions of emigrants heading to non-EU countries.<sup>2</sup> Overall, the difference between the number of immigrants and emigrants resulted in a positive net migration for the EU, meaning that more people moved to the EU than left.

*...opinion surveys reveal that natives often overestimate the number of migrants in their country.*

Interestingly, opinion surveys reveal that natives often overestimate the number of migrants in their country. This phenomenon occurs despite the actual figures being lower than perceived (see, e.g., Alesina et al. (2023)). The EU's share of the world's refugees and asylum seekers remains limited, challenging the perception of a dramatic increase in migration.

In summary, migration in the EU is dynamic, with varying patterns across member states. While perceptions often diverge from reality, understanding the actual data is crucial for informed policy decisions and public discourse.

## The Basic economics of migration

*In spite of popular perceptions, most empirical studies find negligible effects of migration on wages and employment among natives.*

The economics of migration has developed as a significant research field. Extensive academic work exists on the microeconomic aspects of migration. However, there is less research specifically focused on the macroeconomics of migration, even though macroeconomic factors can help explain why migration has become such a debated and contentious topic (see, e.g., Vella et al. (2020)).

Natives often perceive immigrants as threats to jobs and as factors driving down wages. There is also a view that immigrants are a fiscal drain on the host economy, particularly when they are unable to secure employment and thus benefit from public services without contributing. Natives may also perceive unemployed immigrants as engaging in illegal and criminal activities. Conversely, others recognize that immigrants contribute to the host economy's growth through various channels: by providing different skill sets and complementing the local labor force, by easing labor supply shortages, and by stimulating aggregate demand through their consumption of goods and services. The fiscal contribution of immigrants is more significant when they are younger than natives, especially if they are of working age and occupy high-skilled positions. In spite of popular perceptions, most empirical studies find negligible effects of migration on wages and employment among natives.

<sup>1</sup> See <https://ec.europa.eu/eurostat/web/interactive-publications/migration-2023#about-this-publication>

<sup>2</sup> See <https://ec.europa.eu/eurostat/statistics-explained/SEPDF/cache/1275.pdf>

Immigration affects income distribution only insofar as it affects the skill composition of the population (see, e.g. Boeri et al. (2014), chapter 9). If most migrants are low-skilled, income inequality increases. If most migrants are high-skilled, income inequality declines. However, one needs to take into account the potential skill downgrading of the highly-skilled putting pressure on low-skilled workers: for example, doctors or teachers from Eastern Europe working as cleaners or carers in Western Europe. Over-qualified persons are defined as having a tertiary level of educational attainment but working in low-or medium-skill occupations. The over-qualification rate varies a lot among EU member states. Countries like Spain and Greece have high levels of over-qualification for migrants as well as for natives. Everywhere in the EU the over-qualification rate is lower for natives than it is for migrants.

### The role of migration in the U.S. and the German economies

*43 % of the U.S. labor force growth between 2000 and 2017 was attributed to immigrants.*

We now turn to analyze the implications of immigration in two major receiving economies, the United States and Germany, which provide valuable benchmarks.

The 2024 Economic Report of the U.S. President discusses this issue in Chapter 3. A delicate balance between age groups and immigration plays a crucial role in shaping the nation's demographic landscape. Between 2023 and 2052, the U.S. population aged 25 to 54 is projected to grow at an average annual rate of 0.2 %. Simultaneously, the senior population—those aged 65 and older—will experience a more robust 1.2 % growth rate. Notably, 43 % of the U.S. labor force growth between 2000 and 2017 was attributed to immigrants, who tend to be of working age. Without immigration, the United Nations estimates that the U.S. population would begin to shrink within 14 to 16 years.

*The body of economic literature consistently highlights that immigration yields significant net benefits for the U.S. economy.*

Historically, immigration played a role in narrowing occupational and geographic labor force gaps, largely due to immigrants' greater mobility. Since the onset of the COVID-19 pandemic, foreign-born workers have become indispensable across various industries, especially in food services and agriculture. Additionally, they fill essential positions that local workers often cannot due to skill mismatches and other challenges.

The body of economic literature consistently highlights that immigration yields significant net benefits for the U.S. economy. These benefits manifest through positive impacts on productivity, entrepreneurship, and scientific innovation. While the entire nation gains from the economic activity and enhanced productivity brought about by immigration, it's essential to recognize that the costs and benefits are not evenly distributed among different stakeholders and regions. Although most studies indicate that the wage effects of immigrants on native workers are minimal and hover around zero, immigration may exert downward pressure on the earnings of certain low-wage workers.

*Similar messages emerge for the German economy.*

Similar messages emerge for the German economy. For example, the analysis of Maffei-Faccioli and Vella (2021) for the period 2006–2019 finds that net migration stimulates job creation, wages, house prices, consumption, investment, net exports, and GDP. Native unemployment rates decrease due to new job opportunities, while foreign unemployment rates increase due to competition for jobs. The geographic origin of migrants and the education level of the resident population matter crucially for the effects. The findings suggest that policy discussions in Germany should concentrate on developing redistributive measures to balance the interests of native-born and foreign-born workers.

Regarding the interplay between automation and migration, a recent study by Barker et al. (2024) explores how German firms adjust automation investments in response to immigration. Low-skilled immigration leads to lower wages and subsequently a decrease in automation investments, negatively affecting the economy. High-skilled immigration, on the other hand, encourages more automation due to its synergistic effects, thereby increasing per capita GDP.

In conclusion, our analysis of immigration in the United States and Germany underscores its critical role as a demographic driver and economic catalyst.

### Evidence on the economic effects of migration in Greece

*The influx of nearly one million Albanians and other migrants to the Greek labor market during the 1990s is a testament to the dynamic nature of labor markets.*

The influx of nearly one million Albanians and other migrants to the Greek labor market during the 1990s is a testament to the dynamic nature of labor markets. Contrary to the lump-of-labor theory, which posits a fixed amount of work that can be divided among workers, this migration did not lead to an increase in unemployment among native Greeks. Instead, it highlighted the elasticity of the labor market and the creation of new opportunities as the economy adjusted to the increased labor supply.

However, the abundant supply of cheap, low-skilled labor in the 1990s revitalized Greece's low-productivity growth model, boosted construction and tourism, and indirectly delayed the reallocation of capital and labor from low- to high-value-added sectors. The decade-long crisis that followed exposed the weaknesses of an economy overly dependent on certain sectors and underscored the need for a more diversified and resilient economic model.

### Recent changes in EU migration policy

*Key components include streamlining asylum procedures, enhancing border controls, and fostering cooperation among member states.*

Let us now discuss key aspects of recent changes in Europe's migration policy, partly drawing on Georgiou (2024).<sup>3</sup> The migration agreement, on which the European Parliament voted in April 2024, was hailed as a historic breakthrough after prolonged negotiations dating back to 2015. The new *Pact on Migration and Asylum* represents an effort to address the complexities of migration within the European Union and aims to establish a fair and sustainable approach to migration management. Key components include streamlining asylum procedures, enhancing border controls, and fostering cooperation among member states. The new pact introduces the *EU Framework for Talent Partnerships*, which are mobility programs between member states and selected countries (currently prioritizing Bangladesh, Egypt, Morocco, Nigeria and Senegal, Tunisia and Pakistan). These initiatives aim to align skills with labor needs within the EU while providing opportunities for education, work, and training mobility. Additionally, the pact emphasizes the importance of addressing root causes of migration, such as conflict and poverty, through external partnerships and development aid. The pact also underscores the need for swift and effective responses to humanitarian crises and irregular migration flows.

On 15 November 2023, the Commission unveiled its Communication on Skills and Talent Mobility, which features a proposal for a Regulation establishing an *EU Talent Pool*, complementing the Talent Partnerships initiative. The Talent Pool serves as a voluntary platform for member states interested in recruiting low, medium, and highly skilled

<sup>3</sup> See all publications on Migration by ELIAMEP here: <https://www.eliamep.gr/en/topics/migration/>

workers and targets sectors such as healthcare, construction, transport and ICT. Additionally, the Communication includes a Recommendation on recognizing qualifications of third-country nationals.

Two notable examples of previous EU initiatives to assist member states in attracting and retaining labor immigrants are the Single Permit Directive (2011/98/EU) and the Long-term Resident Directive (2003/109/EC), which were both revisited in 2022, in the aftermath of the COVID-19 pandemic.

The *Single Permit Directive (SPD)* streamlines the process for third-country nationals (TCNs) by providing a combined work and residence permit through a single application. In 2022, European statistics agency Eurostat reported that 3.6 million non-EU citizens received such permits. Changes agreed upon by the European Parliament now enable permit holders to switch jobs, sectors, or employment status by simply notifying competent authorities. Member states have the option to enforce a 6-month period with the initial employer. Applications for the permit can be made both from outside the EU and within, provided the individual holds a valid residence permit. Issuance time has been reduced to 3 months instead of 4. Additionally, individuals who lose their jobs can remain in the EU for either 2 months (while the permit is valid) or for 6 months if they have been in the EU for at least 2 years. These amendments aim to facilitate workforce retention by allowing individuals to seek new employment opportunities and renew their permits while residing in the EU.

According to the *Long-Term Residence Directive (LTRD)*, established 20 years ago, TCNs who have resided in the EU for at least 5 years are granted rights and obligations comparable to those of EU citizens. In 2020, as part of unveiling the new Pact on Migration and Asylum, the Commission expressed its commitment to rectifying deficiencies in the implementation of the LTRD and harmonizing the regulations to better attract essential skills and talent to the EU. In April 2023, the European Parliament approved the Commission's proposal to reduce the residency requirement from 5 to 3 years and recommended allowing the accumulation of periods of legal residence across different member states. However, the Council of the EU opted to maintain the 5-year residency requirement. Representatives of EU governments also suggested that TCNs could combine residency periods of up to 2 years in other member states to fulfil the 5-year requirement, but this would apply only to certain types of legal residence permits, such as EU Blue Cards or permits issued for highly qualified employment purposes.

Key components include streamlining asylum procedures, enhancing border controls, and fostering cooperation among member states.

### Assessment and the way forward

Given that the EU experiences increasing labor and skills shortages, existing instruments may be underperforming. Furthermore, critics of the new Pact on Migration and Asylum argue that it continues the EU's controversial approach to immigration. For example, the agreement permits member states to decide what qualifies as a "safe third country" for returning individuals. This concept relies on a vaguely defined "connection" to the country in question, which could be as minimal as having travelled through it or having a family member residing there, even if the individual has never been there themselves.

Notably, under the new agreement, each EU country is assigned responsibility for a specific number of refugees and countries hesitant to accept asylum seekers can contribute to a common fund through equipment, personnel, or cash donations – amounting to approximately 20,000 euros per person. These funds will be allocated to loosely defined projects in non-EU countries, aiming at reducing emigration. A resulting



militarization strategy at the EU's external borders could prove financially beneficial for the defence, security, and IT sectors.

In a nutshell, there are concerns that the tightening of rules may limit the rights of asylum seekers and hinder access to safe refuge. Some human rights organizations and humanitarian groups express worries that the new policies could lead to rights violations and increase risks for migrants.

*EU countries have two years to develop their implementation plans, making this period crucial.*

Conversely, the supporters of the new Pact on Migration and Asylum argue that the policies introduced improve the effectiveness and speed of handling migration flows. Key positive aspects include the mandatory solidarity among member states and the requirement for them to meet specific standards for asylum seekers concerning accommodation, training, and healthcare. Yet, success in implementation and enforcement, largely dependent on member states, remains to be seen. EU countries have two years to develop their implementation plans, making this period crucial.

With an eye on the way forward, a number of policy-relevant questions arise in this context:

1. How could EU migration policy boost the European economy?
2. How can the financial costs be distributed among the member states as well as between national governments and the EU?
3. What are the main policy lessons for Greece?

We address each of these questions below.

## Rethinking EU migration policy

*How could the EU leverage immigration for economic revitalization?*

How could the EU leverage immigration for economic revitalization? Shifting the perspective on immigration from a burden to an asset seems vital in that direction. To enhance economic growth, we propose focusing on the following:

1. **Target Skills-Based Immigration:** There should be a clear strategy to attract highly skilled professionals in fields such as technology (for instance, artificial intelligence and robotization), healthcare, and engineering. Indicatively, a recent study by Prato (2022), focusing on the US-EU corridor of migrant inventors, finds through model simulations that a 10 %age-point decrease in the tax rate for foreigners and return migrants in the EU eliminates the brain drain. On net, after 25 years, EU innovation increases by 9% and productivity growth by 5%.
2. **Streamline Visa Processes:** Visa procedures to attract talent from outside the EU should be simplified. Despite the potential difficulties in creating a unified approach, member states should be encouraged to collaborate in order to pursue this goal.
3. **Encourage Entrepreneurship and Innovation:** Diverse perspectives and skills brought by immigrants can drive innovation and entrepreneurship, fostering economic growth and competitiveness. For instance, in the U.S. innovation is disproportionately driven by immigrants. Therefore, facilitating immigrant entrepreneurs' access to funding and resources, and encouraging startups and innovation hubs are crucial steps forward.
4. **Invest in Integration Programs:** By investing in language training, education, and vocational programs, the EU can help immigrants integrate more effectively into the workforce, maximizing their economic contributions.

## Distribution of financial costs

The costs of managing migration are a source of debate in the EU. The key question is how to distribute the costs among the member states as well as between national governments and the EU. The answer is that there should be a structured and equitable approach possibly encompassing the following strategies:

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- Design and develop concrete mechanisms for distributing migration costs among member states in a way that balances the burden.
- Allocate a sufficient portion of the EU budget to migration management, drawing from contributions by member states.
- Contributions from member states to the EU migration fund could be proportional to their GDP, ensuring that wealthier states contribute more.
- Establish a migration solidarity fund where member states contribute based on their economic strength, and funds are disbursed to those facing the highest migration pressures.
- Implement a financial redistribution mechanism where member states that accept fewer migrants contribute more to the fund, supporting those who host more migrants.
- Engage private sector stakeholders in funding integration programs and migration-related infrastructure and services, so that the financing of costs becomes a shared responsibility.
- Utilize EU cohesion and structural funds to finance projects aimed at integrating migrants, such as housing, education, and employment programs, in regions most affected by migration.
- Encourage national governments to invest in migration management, with the EU providing co-financing to match national expenditures, thereby sharing the financial burden.
- Create a rapid response fund within the EU budget to provide emergency financial assistance to member states experiencing sudden migration surges, ensuring timely support.

Overall, the outcome should be that financial costs of managing migration can be more equitably shared among member states and between national governments and the EU, ensuring a fair distribution of responsibilities and resources.

*Greece now grapples with one of the oldest populations in Europe.*

## Lessons for Greece

Greece now grapples with one of the oldest populations in Europe, marked by a significant decline in births among women aged 20-40. Aging societies face challenges such as funding social insurance systems, addressing the social and infrastructure needs of seniors, and adapting to a smaller labor force as a proportion of the overall population. The demographic decline – characterized by both population shrinkage and aging – poses an existential threat to in Greece's future, as emphasized by Prime Minister Kyriakos Mitsotakis during the "Demographics 2023, Time for Action" conference. Over the past decade, Greece's population has decreased from 11 million to 10.5 million, with variations across regions, necessitating targeted local interventions.

*...since 2011, the number of deaths has consistently exceeded the number of births.*

Birth, death, and net migration patterns significantly shape a population's age structure. According to data from the Hellenic Statistical Authority (ELSTAT), since 2011, the number of deaths has consistently exceeded the number of births. In 2022, Greece witnessed only

one birth for every two deaths —a concerning trend that has persisted for five decades. In addition to the negative balance between the number of births and deaths, Greece also faces a negative balance in migration flows in the last years, negatively impacting the economy through the effects on both the labor force and the tax base. This negative balance is the combined outcome of a decline in migration inflows and a substantial increase in migration outflows, commonly referred to as the “brain drain”, during the decade-long crisis (see e.g. Bandeira et al. (2022) and Oikonomou (2023)).

*However, given the declining population of women in their reproductive years, these policies may yield limited results in the short to medium term. Therefore, the demographic crisis calls for a proactive immigration policy to meet labor market needs with a shrinking labor force.*

Though there are no quick fixes, experts point to successful strategies from Sweden and France. These countries have enhanced fertility rates by providing comprehensive support to young couples—socially, professionally, and economically. Balancing work and family life, maintaining public health for the elderly, and creating quality job opportunities for the youth are crucial measures to address Greece's demographic challenges. However, given the declining population of women in their reproductive years, these policies may yield limited results in the short to medium term.

Therefore, the demographic crisis calls for a proactive immigration policy to meet labor market needs with a shrinking labor force. Immigrants with complementary skills to the ones of natives or willing to take jobs that are unwanted by locals pose little threat in terms of job competition to the native-born population. Actually, immigrants can boost the economy in several ways:

1. Labor Force Expansion: Immigrants increase the labor supply, filling essential roles and addressing shortages in various sectors, including healthcare, agriculture, and technology.
2. Entrepreneurship: Many immigrants start businesses, creating jobs and stimulating economic activity. Their entrepreneurial ventures can lead to innovation and increased competition.
3. Consumer Demand: Immigrants contribute to consumer demand by purchasing goods and services, which supports local businesses and economic growth.
4. Skill Diversification: Immigrants bring diverse skills and perspectives, enhancing productivity and fostering innovation in the workforce.
5. Tax Contributions: Working immigrants pay taxes, which help fund public services and social programs, supporting the overall economy.
6. Population Growth: Immigrants help counteract demographic challenges such as aging populations and declining birth rates, sustaining economic vitality and supporting social insurance systems.

In September 2023, Dimitris Keridis, the newly appointed Minister of Migration and Asylum in Greece, announced the government's plans to regularize thousands of undocumented migrants to address labor shortages in agriculture, tourism, and construction. The Greek parliament passed an amendment in December 2023 permitting the regularization of approximately 30,000 undocumented migrants. This amendment, part of a draft law by the Ministry of Labor and Social Security (Article 187), allows for the issuance of residence permits with employment rights to third-country nationals who meet specific criteria: they must have a job offer, have resided in Greece without a permit until November 30, 2023, and continue to reside in the country, or have completed at least 3 continuous years of residence before submitting their application. However, concerns have been voiced that the legalization policy may reward informality.

*A crucial factor is the integration of immigrants and refugees.*

A crucial factor is the integration of immigrants and refugees. To this direction, the country has adopted an integration policy aiming at familiarizing immigrants with the European lifestyle and culture, gender balance, democratic institutions, parliamentary democracy, and deterrence of violence and trafficking. In terms of the way forward, Greece could learn

from successful integration models in other EU countries, such as Germany, and continue investing in language education and vocational training.

The demographic crisis calls also for a well designed strategy to encourage the return of Greeks who emigrated since 2010. Among other things, policymakers should focus on enhancing the quality of public education and healthcare systems. Additionally, it's worth noting that, immigration, by contributing to economic expansion, could indirectly facilitate the repatriation of recent Greek emigrants.

In sum, there are challenges and opportunities that emerge for Greece in these changing times. Capitalizing on immigrant labor to boost economic sectors such as tourism, agriculture, and healthcare seems of paramount importance. Managing the demographic crisis should go hand in hand with responding to other megatrends of the 21st century, such as the exponential technology growth with artificial intelligence and robotization, and the climate crisis.

## Conclusions

In light of the challenges posed by demographic shifts, labor market dynamics, and the need for sustainable economic growth, European migration policy must adapt to the evolving landscape. Here are the key conclusions drawn from our analysis:

1. **Addressing Labor Shortages:** Europe faces a critical shortage of skilled workers, particularly in information and communication technology (ICT) and STEM fields. While some regions exhibit abundant skill supply, others grapple with significant shortages. Policymakers should prioritize targeted immigration policies to address these gaps and ensure a steady workforce supply.
2. **Balancing High and Low-Skilled Immigration:** The interplay between low and high-skilled immigration is crucial. While high-skilled immigrants contribute directly to innovation and economic growth, low-skilled immigrants play essential roles in sectors like agriculture, healthcare, and services. Striking the right balance is essential for sustainable development.
3. **Technological Advances and Labor Market Disruptions:** The rapid pace of technological development necessitates agility in migration policies. Automation, artificial intelligence, and other megatrends impact job profiles, making it essential to align immigration policies with emerging labor market needs.
4. **The New Pact on Migration and Asylum:** The EU's recent policy changes, as outlined in the New Pact on Migration and Asylum, signal a shift toward a more comprehensive and coordinated approach. However, implementation challenges remain, and member states must collaborate to ensure effective management of migration flows.
5. **Lessons for Greece:** As a country grappling with its own migration challenges, Greece can draw lessons from EU experiences. Tailoring policies to address regional disparities, fostering integration, and leveraging immigrant skills are critical steps for Greece's migration strategy.
- 6.

In summary, Europe's migration policy must strike a delicate balance between economic imperatives, social cohesion, and political realities. By harnessing the potential of immigration while addressing labor shortages, Europe can build a more resilient and prosperous future.

*...Europe's migration policy must strike a delicate balance between economic imperatives, social cohesion, and political realities.*

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