A CHANGING CULTURE: THE ECONOMIC EFFECTS OF IMMIGRATION INTO SPAIN SINCE 1986

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ABSTRACT

This paper seeks to explore immigration patterns into Spain since the country’s accession to the European Community and later European Union, to identify the effects of exponential immigration rates, and to indicate the importance of studying this phenomenon. The paper consists of an overview of history and policy, a discussion of overall Spanish economy and population demographics, fertility transition and population aging, cultural changes, and societal views. The author then addresses implications for the future, including potential effects of changing trends or strict regulation in a political move to better align with European Union goals.
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I wish to thank the IES: Granada program staff and particularly Dr. Eduardo Cuenca of the University of Granada, who provided the background and environment which sparked my initial interest and excitement to research the theme of immigration into Spain.

Finally, I would like to acknowledge my friends and family for their unyielding support, understanding, and teachings. Without them, this work would not have been possible.

Emily Blair Barfoot
INTRODUCTION

“El otro,” or “the other,” is a concept very familiar in Spanish households. It commonly refers to “them” or “those who are different from us.” In other words, “el otro” is an immigrant. Upon further examination of Spanish culture and immigration patterns, one can see a notably high and increasing immigration rate into Spain in the last twenty-five years since the country’s entrance into the European Community, the predecessor to the European Union (EU), in 1986. Much of this increasing rate has been during a highly productive time for Spain, but the alarming surge in unemployment in 2009 to 19%, highest of the EU nations, has caused many to question immigrant policy in Spain and encourage more alignment with restrictive EU policy. This work seeks to examine immigration into Spain in the last twenty-five years and the role and effect of immigration in the Spanish economy and society in order to determine potential implications of restrictive immigration policy.

In order to examine the implications of immigration, the paper will address several areas with the following outline. The first section will include figures and statistics on time periods of immigration in Spain, Spanish economic growth, Spanish economy composition by sector, Spanish labor force distribution, and unemployment rates. The second section will focus on demographic changes including data on total population, foreign population, illegal immigration, and a comparison to other EU nations. These figures will identify major changes and relationships to be discussed later in the paper and should provide a high-level overview of the current climate to lay the groundwork for discussion. The third section will be a historical overview of Spain and the European Union, addressing major developments along the process of including
Spain in the EU. Ideas in this section will explore dynamics between Spain and other EU member nations and clarify the EU position on immigration and unification of policy among members. The fourth section will cover major Spanish policy evolution since 1986 to reflect evolving political views toward immigration and economic reasons for these changes. The fifth section will explore social perceptions and general effects of the immigrant population, discussing the European Identity concept and views on specific immigrant groups\(^1\). The final section will explore the potential immediate and long-term effects of immigration restrictions after having reviewed statistics, EU expectations, political views and social views. It will include a discussion and prediction regarding Eastern European immigration increases, political alignment issues enforcing common policy, aging populations and low fertility concerns, unemployment, buffer theory, and the economic sectors of construction and agriculture. Following these sections will be an overview and reiteration of conclusions.

\(^1\): These groups are defined as Europeans, Latin Americans, North Africans or Maghrebians, and sub-Saharan Africans.
CHAPTER 1
OVERVIEW OF THE SPANISH ECONOMY

This section will include figures and statistics on the following: time periods of immigration in Spain, Spanish economic growth, Spanish economy composition by sector, Spanish labor force distribution, and unemployment rate changes. These figures will identify major changes and relationships to be discussed and expanded in Chapter 6.

The basic immigration changes in Spain can be divided into five stages. Table 1 provides the five stages, time periods, and characteristics of each stage.

<table>
<thead>
<tr>
<th>Stage</th>
<th>Time Period</th>
<th>Characteristics and Social Perceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1</td>
<td>1950-1970</td>
<td>Net emigration, low immigration</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Homogeneous population</td>
</tr>
<tr>
<td>Stage 2</td>
<td>1971-1985</td>
<td>Governmental transition from dictatorship to democracy</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Small increases in legal and illegal immigration</td>
</tr>
<tr>
<td>Stage 3</td>
<td>1986-1992</td>
<td>1986: Spain becomes a formal member of the European Communities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transition from net emigration to net immigration</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Policy efforts to control immigration levels</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increased border controls</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1992: Creation of the European Union</td>
</tr>
<tr>
<td>Stage 4</td>
<td>1993-2007</td>
<td>Large increases in foreign population within Spain</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low unemployment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Economic growth</td>
</tr>
<tr>
<td>Stage 5</td>
<td>2007-</td>
<td>Economic crisis</td>
</tr>
<tr>
<td></td>
<td></td>
<td>High unemployment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Negative social view of immigrants</td>
</tr>
</tbody>
</table>

First, between 1950 and 1970 Spain was a country of net emigration with very low immigration; the population was fairly homogeneous. The second stage is from 1970 to 1985 during which time illegal as well as legal immigrants began to enter in larger numbers, many of whom were uneducated (Huntoon, 1998). Along with the initial state of the country as homogeneous, this resulted in difficulties integrating immigrants into society and a social stereotype of immigrants as unskilled labor. The third stage is from 1985 to early 1990s; this stage begins with Spain’s efforts to join the European
Community (EC), the organization preceding the European Union (EU), and is characterized by increased border controls and new policy endeavors. In 1986, only 0.63% of the population of Spain consisted of foreign residents (Instituto Nacional de Estadística, 2010). In the late 1980s, high numbers of Spaniards living outside of Spain began to return to the country and new immigrants entered the country in increasing numbers. Thus, during this stage began the transition from net emigration to net immigration, although it is difficult to determine exactly when the transition occurred due to inconsistent estimates of illegal immigration. The fourth stage began in the early 1990s with a transition toward economic tolerance of low-wage immigrants and policies developed to promote integration. The pretense of acceptance, however, was accompanied by xenophobic fears of ethnically different communities, further stereotyping, and divided political and economic interests. Following the signing of the Treaty of Maastricht, the 1992 agreement which formally created the European Union and established the euro currency, Spain experienced heightened awareness of migration flows, increased controls against Moroccans and preference to immigrants from former colonies (Huntoon, 1998). This fourth stage, continuing through 2006, is also characterized by great economic growth and low unemployment rates. The fifth stage is from 2007 until today, during which time the booming Spanish economy has slowed significantly in growth rates, experienced a burst of the construction industry bubble, and faced high unemployment rates. Social views on immigration during the fifth stage are more negative and part of the motivation for this work.

In order to conduct an analysis of the changes that have occurred in Spain since 1986, it is important to examine data regarding the country’s economy and demographic
information. Data was obtained through the Instituto Nacional de Estadística (Spain’s National Institute of Statistics), United States Central Intelligence Agency, Eurostat Yearbooks, Nation Master, the Organization for Economic Cooperation and Development, regional statistics groups in Spain, and other publications. Presented here is a broad look at the Spanish economy, including economic production, role of various sectors, and unemployment rates. Included in Chapter 2 are data on demographics and fertility changes in Spain and a comparison of Spanish population statistics to other EU member states. It must be noted that statistical information is only available for certain years in many sources, and these years vary from source to source; thus, some inconsistencies may arise in what years are being examined. Further, hard data was supplemented by the author’s own calculations. The intent of the data is to equip the reader with a high-level overview and understanding of the Spanish economy and population.

In the last two and a half decades, the Spanish economy has experienced significant and unprecedented growth. According to Nation Master statistics, in 1985, GDP was $175.5 billion (Nation Master, 2009). By 2006 it was $1.2 trillion; adjusting this nominal growth for inflation reveals a near four-fold increase in GDP over a ten year time span (Nation Master, 2009 and author’s calculations). Table 2 contains data on real GDP and annual growth rates between 1986 and 2009 according to data from the World Bank World Development Indicators.
Between the years of 2002 and 2007, Spain averaged an annual GDP real growth rate of 3.1%, making it the highest-performing European economy at the time in terms of growth rate (Business Week, 2007). During this time, its economy was growing at three times the European average and between 2000 and 2005, the country created more than half of all of the new jobs in the EU (Spain Expat, 2010). As shown in Table 2, after 2006, the real growth rate began to decrease, hitting the recession during the third quarter of 2008, and the rates face negative projections for 2010. In 2008 $US, GDP was $1.402 trillion, putting the country as the 13th highest in the world with over 9% of the EU overall GDP (Central Intelligence Agency, 2009).

<table>
<thead>
<tr>
<th>Year</th>
<th>Real GDP (in 2005 $US billions)</th>
<th>Annual growth rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>602.48</td>
<td>3.2</td>
</tr>
<tr>
<td>1987</td>
<td>636.47</td>
<td>5.64</td>
</tr>
<tr>
<td>1988</td>
<td>669.32</td>
<td>5.16</td>
</tr>
<tr>
<td>1989</td>
<td>701.04</td>
<td>4.74</td>
</tr>
<tr>
<td>1990</td>
<td>727.26</td>
<td>3.74</td>
</tr>
<tr>
<td>1991</td>
<td>743.75</td>
<td>2.27</td>
</tr>
<tr>
<td>1992</td>
<td>748.87</td>
<td>0.69</td>
</tr>
<tr>
<td>1993</td>
<td>740.15</td>
<td>-1.16</td>
</tr>
<tr>
<td>1994</td>
<td>756.81</td>
<td>2.25</td>
</tr>
<tr>
<td>1995</td>
<td>778.37</td>
<td>2.85</td>
</tr>
<tr>
<td>1996</td>
<td>797.34</td>
<td>2.44</td>
</tr>
<tr>
<td>1997</td>
<td>829.44</td>
<td>4.03</td>
</tr>
<tr>
<td>1998</td>
<td>865.48</td>
<td>4.35</td>
</tr>
<tr>
<td>1999</td>
<td>902.04</td>
<td>4.22</td>
</tr>
<tr>
<td>2000</td>
<td>971.68</td>
<td>7.72</td>
</tr>
<tr>
<td>2001</td>
<td>1006.12</td>
<td>3.54</td>
</tr>
<tr>
<td>2002</td>
<td>1033.09</td>
<td>2.68</td>
</tr>
<tr>
<td>2003</td>
<td>1063.19</td>
<td>2.91</td>
</tr>
<tr>
<td>2004</td>
<td>1096.07</td>
<td>3.09</td>
</tr>
<tr>
<td>2005</td>
<td>1133.62</td>
<td>3.43</td>
</tr>
<tr>
<td>2006</td>
<td>1177.38</td>
<td>3.86</td>
</tr>
<tr>
<td>2007</td>
<td>1220.52</td>
<td>3.66</td>
</tr>
<tr>
<td>2008</td>
<td>1234.64</td>
<td>1.16</td>
</tr>
<tr>
<td>2009</td>
<td>1182.70</td>
<td>-4.21</td>
</tr>
</tbody>
</table>

Source: Economic Research Service, 2009
The Spanish economy is built on services, industry, and agriculture. The 2008 GDP composition by sector was 68% services, 11% industry (excluding construction), 18% construction, and 3.4% agriculture. Figure 1 illustrates GDP composition by sector in 2008.

In Figure 1, the contribution to GDP of the construction industry is separated from other industry because of its large particular share of the economy and interesting trends in the last decade. In 2008, it accounted for 18% of the whole economy and was a major employer of immigrants, and the industry slowed significantly with the start of the recession and bursting of the housing bubble (Central Intelligence Agency, 2009). Other industries include production of textiles and apparel, food and beverages, metals and metal manufacture, chemicals, shipbuilding, automobiles, machine tools, tourism, clay and refractory products, pharmaceuticals, and medical equipment. The major agricultural products are grain, vegetables, olives, wine grapes, sugar beets, citrus; beef, pork,
poultry, dairy products, and fish. Although agriculture only made up 3.4% of Spain’s 2008 economy, a third of the country geographically is devoted to agriculture, and it is the top producer and exporter of olive oil in the world (Central Intelligence Agency, 2009).

Spanish labor in 2008 was distributed among the various sectors. With 22.8 million in the labor force, 69.5% worked in services, 26.4% in industry, and 4% in agriculture (Central Intelligence Agency, 2009). Past sources claim higher participation of the labor force in agriculture, up to 10% (Vossen, 1997). This difference indicates a decreasing proportion of the labor force dedicated to agriculture today compared to fifteen years ago. Furthermore, estimates of labor force participation may be different due to characteristics of the industry; agriculture relies on seasonal, temporary employment, and numbers of migrant workers may be difficult to estimate.

Immigrant employment in various sectors of the Spanish economy has seen changes in agriculture participation. Data from the Migration Yearbooks of the 1990s and the National Statistics Institute on labor force by sector are displayed in Figures 2, 3, and 4. Overall changes do not appear to be particularly significant, although during the 1990s, the percentage of the labor force participating in construction and agriculture both increased. Agriculture, in particular, went from having the lowest percentage of the labor supply in 1990 to the second highest by 1994, dropping to the lowest again by 2009.
Figure 2: 1990 Labor by Sector

1990 Labor by Sector

- Services: 77%
- Industry (non-construction): 12%
- Construction: 7%
- Agriculture: 4%


Figure 3: 1994 Labor by Sector

1994 Labor by Sector

- Services: 69%
- Industry (non-construction): 9%
- Construction: 11%
- Agriculture: 11%


Figure 4: 2009 Labor by Sector

2009 Labor by Sector

- Services: 71%
- Industry (non-construction): 14%
- Construction: 10%
- Agriculture: 5%

Source: Instituto Nacional de Estadística, 2010
In 2001, an article by Dr. Cristóbal Mendoza regarding Spanish farming revealed his estimation that while agriculture had only employed 9% of the total labor force at the time, it provided jobs for “around 30% of legally-resident African immigrants (which constitute the bulk of new immigrants in the 1980s and 1990s),” and the author cited Spanish quota procedures which reserve a third of immigrant labor permits for farm workers (Mendoza, 2001, p.1). Additionally, according to Nation Master statistics, 2009 saw an increase in the share of agriculture in the Spanish economy, from 3.4% to 5.3% (Nation Master, 2009). Immigrants are filling an increasingly larger portion of jobs in agriculture, though the top sector for immigrant labor participation is services.

With the high growth rates of immigrants in Spain, unemployment is a reasonable concern, especially in recent times of economic struggle. Table 3 displays the unemployment rate for 1995 and 2000-2009.

<table>
<thead>
<tr>
<th>Year</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>22.9</td>
</tr>
<tr>
<td>2000</td>
<td>13.9</td>
</tr>
<tr>
<td>2003</td>
<td>11.3</td>
</tr>
<tr>
<td>2004</td>
<td>11.3</td>
</tr>
<tr>
<td>2005</td>
<td>10.4</td>
</tr>
<tr>
<td>2006</td>
<td>9.2</td>
</tr>
<tr>
<td>2007</td>
<td>8.1</td>
</tr>
<tr>
<td>2008</td>
<td>8.3</td>
</tr>
<tr>
<td>2009</td>
<td>18.1</td>
</tr>
</tbody>
</table>

Source: Organisation for Economic Co-operation and Development, 2010

The country saw great reductions in unemployment from over 20% in the 1990s to a 2007 low of 8%. Between 2008 and 2009, the unemployment rate jumped significantly to 18.1% as shown in Table 3. After considerable success since the mid-1990s in gradually reducing unemployment to the 2007 low of 8%, Spain suffered this major spike in unemployment in the last few months of 2008, finishing the year with an
unemployment rate over 13% (Central Intelligence Agency, 2009). The 2009 unemployment rate as of the first quarter was 17.9%, forming the highest quarterly jump since the 1970s (Keeley, 2009). The immigrant unemployment rate, however, was a much higher 30% (The Economist, 2010).

In addition to revealing trends in the total unemployment rate, OECD statistics provide further insight into labor market outcomes with data available from 2001 to 2006 on unemployment rates by gender and birthplace (native-born or foreign-born). This data is shown in Table 4.

<table>
<thead>
<tr>
<th>Year</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Native-born</td>
<td>Foreign-born</td>
</tr>
<tr>
<td>1995</td>
<td>18.0</td>
<td>24.4</td>
</tr>
<tr>
<td>2000</td>
<td>9.5</td>
<td>12.4</td>
</tr>
<tr>
<td>2003</td>
<td>7.9</td>
<td>10.4</td>
</tr>
<tr>
<td>2004</td>
<td>7.8</td>
<td>11.4</td>
</tr>
<tr>
<td>2005</td>
<td>7.0</td>
<td>9.5</td>
</tr>
<tr>
<td>2006</td>
<td>6.1</td>
<td>7.7</td>
</tr>
</tbody>
</table>

Source: Organisation for Economic Co-operation and Development, 2010

Between 2001 and 2006, an average of 73.3% of native-born men between 15 and 64 and 46.8% of native-born women in the same age range were employed (Sopemi, 2008).

Employment of foreign-born men and women was higher based on percentage within the foreign population: on average 79.6% of foreign-born men and 55.8% of foreign-born women were employed. The average unemployment rate showed significant reductions between the 1995-2000 data and the 2001-2006 data. The average unemployment rate saw percentage point reductions of 6.9 for native-born men, 12.2 for native-born women, 5.9 for foreign-born men, and 9.5 for foreign-born women (Sopemi, 2008). Overall, unemployment rates decreased more for native-born individuals than for foreign-born,
though both categories experienced a reduction in average unemployment rates between 1995 and 2006.

Important to note is that part of the unemployment spike is a result of the collapse of the construction sector, an industry which employs a significant amount of immigrant workers (Organisation for Economic Co-operation and Development, 2010). The government responded by increasing border controls on immigration; however, it is not evident that this has helped in decreasing unemployment for Spanish nationals, only that it may help decrease the overall unemployment rate because the labor force is limited.

This final section for the overview of the Spanish economy will outline basic information about the wage structure of the Spanish economy. García de Lomana and Corral examined wage disparities in the Spanish labor market following the December 2006 National Institute of Statistics publication of a wage structure survey analyzing differences according to sex, age, job sector and occupation, and type of contract. They note that the average annual wage of a worker was at €18,182 for 2004 and then make observations including the following:

1. Gender: Men earn more than women. In 2004, average annual earnings for women were 73.1% of average earnings for men.

2. Age: Older employees earn more, and gender pay gap increases among older age groups.

3. Regional: Workers earn higher incomes than the national average in Madrid and three northern regions, Basque, Navarre, and Catalonia. All other regions fall below the national average, with the three lowest being Extremadura, Canary Islands, and Murcia.

5. Occupation: Managers of enterprises with 10 employees or more were 171.10% above the average wage level. Comparatively, workers in the food industry and services sector earned 34.87% and 40.56% less than the average wage respectively.

6. Type of contract: Temporary, fixed-term workers earn an average 35% less than permanent workers inclusive of all sectors. Part-time workers earned half of average annual wage compared to full-time workers.

García de Lomana and Corral did not address wage differentials by race or nationality; however, combining general trends noted in the study with information on immigrant participation in particular sector, immigrant age structure, and the fact that most have fixed-term work visa contracts provides insight into differences in wages between nationals and non-nationals as well as the association of certain sectors and lower wages with immigrants (García de Lomana and Corral, 2007).

Having reviewed data on the Spanish economy, including GDP, sector shares in GDP, divisions of the working population in Spain, and unemployment rates, the analysis can proceed to examining changing population demographics in Chapter 2.
CHAPTER 2

POPULATION DEMOGRAPHICS

This section will examine changes in the total population of Spain, motivations for immigration, changes in the composition of the foreign population, fertility rates and population aging, illegal immigration, and a comparison to other EU nations.

Spanish population censuses were conducted in 1981, 1991, and 2001. Between 1991 and 2001, the population residing in Spain grew almost two million, from 38.8 million to 40.8 million, over half of which can be attributed to increases in foreign nationals living in Spain, by author’s calculations and figures from the Instituto Nacional de Estadística (2010). In 1991, there were 353,387 people of foreign nationality living in Spain, about 0.9% of the total population. By 2001, this number had grown to 1,572,017, almost 5 times the foreign population of the previous decade and 4% of the total population. In 2009, the number of immigrants in Spain was up to 5.5 million, roughly 12% of the total population. From the data in Table 5, it is evident that the foreign population in Spain has increased significantly since the country’s entrance into the EU and now comprises a much larger percentage of the total population than it did 25 years ago. Figure 5 shows the steady increase in population in the last fifteen years. From the figure, the reader may discern that most of the growth in total population is attributable to increases in foreigners residing in Spain. Additionally, Table 5 data from year 2006 shows a negative population growth rate but an increasing foreign population; this data would suggest that even with foreigners entering the country in larger numbers, the Spanish national population has slowed dramatically in growth. Table 6 estimates migration flows for the 2002-2007 period.
Table 5: Total Population, Population Growth Rate, and Foreigners in Total Population (1996-2009)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Population (000s)</th>
<th>Population Growth Rate</th>
<th>Foreign Population (000s)</th>
<th>Percentage of Foreigners in Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>38,519</td>
<td>---</td>
<td>243</td>
<td>0.6%</td>
</tr>
<tr>
<td>1991</td>
<td>38,872</td>
<td>0.09%</td>
<td>353</td>
<td>0.9%</td>
</tr>
<tr>
<td>1995</td>
<td>40,460</td>
<td>2.96%</td>
<td>500</td>
<td>1.2%</td>
</tr>
<tr>
<td>1996</td>
<td>39,478</td>
<td>-2.43%</td>
<td>539</td>
<td>1.4%</td>
</tr>
<tr>
<td>1997</td>
<td>39,582</td>
<td>0.26%</td>
<td>610</td>
<td>1.5%</td>
</tr>
<tr>
<td>1998</td>
<td>39,721</td>
<td>0.35%</td>
<td>637</td>
<td>1.6%</td>
</tr>
<tr>
<td>1999</td>
<td>39,926</td>
<td>0.52%</td>
<td>749</td>
<td>1.9%</td>
</tr>
<tr>
<td>2000</td>
<td>40,500</td>
<td>1.44%</td>
<td>924</td>
<td>2.3%</td>
</tr>
<tr>
<td>2001</td>
<td>40,847</td>
<td>0.86%</td>
<td>1,371</td>
<td>3.4%</td>
</tr>
<tr>
<td>2002</td>
<td>41,314</td>
<td>1.14%</td>
<td>1,978</td>
<td>4.8%</td>
</tr>
<tr>
<td>2003</td>
<td>42,005</td>
<td>1.67%</td>
<td>2,664</td>
<td>6.3%</td>
</tr>
<tr>
<td>2004</td>
<td>42,692</td>
<td>1.64%</td>
<td>3,034</td>
<td>7.1%</td>
</tr>
<tr>
<td>2005</td>
<td>44,100</td>
<td>3.32%</td>
<td>3,731</td>
<td>8.5%</td>
</tr>
<tr>
<td>2006</td>
<td>44,092</td>
<td>-0.04%</td>
<td>4,144</td>
<td>9.4%</td>
</tr>
<tr>
<td>2007</td>
<td>44,876</td>
<td>1.78%</td>
<td>4,520</td>
<td>10.1%</td>
</tr>
<tr>
<td>2008</td>
<td>45,618</td>
<td>1.65%</td>
<td>5,269</td>
<td>11.5%</td>
</tr>
<tr>
<td>2009</td>
<td>46,746</td>
<td>2.47%</td>
<td>5,649</td>
<td>12.1%</td>
</tr>
</tbody>
</table>

Source: Instituto Nacional de Estadística, 2010, and author’s calculations

Figure 5: Population of Spain: Nationals and Foreigners (1986-2009)

Source: Instituto Nacional de Estadística, 2010 and author’s calculations
Table 6: Estimated Migration Flows (2002-2007)

<table>
<thead>
<tr>
<th>Year</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number leaving Spain (a)</td>
<td>36,605</td>
<td>64,298</td>
<td>55,092</td>
<td>68,011</td>
<td>142,296</td>
<td>227,065</td>
<td>---</td>
</tr>
<tr>
<td>Number entering Spain (b)</td>
<td>443,085</td>
<td>429,524</td>
<td>645,844</td>
<td>682,711</td>
<td>802,971</td>
<td>920,534</td>
<td>692,228</td>
</tr>
<tr>
<td>Net (b-a)</td>
<td>406,480</td>
<td>365,226</td>
<td>590,752</td>
<td>614,700</td>
<td>660,675</td>
<td>693,469</td>
<td></td>
</tr>
</tbody>
</table>

Source: Instituto Nacional de Estadística, 2010 and author’s calculations
---: data unavailable

As shown in Table 6, the country is in a state of net immigration, although it has seen increases in migration flows for both persons leaving Spain and persons entering the country. Data on emigration was unavailable for 2008, but it is interesting to note the large drop in number entering Spain between 2007 and 2008, possibly indicating that immigrants responded to a lowered labor demand at the start of the recession.

Spain, like other Western European nations, is undergoing a demographic transition with an aging population and low fertility rates. According to Eurostat data, the old age dependency ratio in Spain has increased over 7 percentage points since 1980 (European Commission, 2009). Eurostat data projects that low fertility levels of 1.17 and 1.2 in 1995 and 2000 will alter the proportion of the population over the age of 65 significantly, raising it from 16.96% in 2004 to a projected 35.6% by 2050 (cited in Izquierdo et al., 2007, p.7). The age structure of immigrant populations could counteract the low fertility rates and lower the fear of looming future pensions.

Table 7: Fertility Rates in Spain (1986-2009)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fertility Rate</td>
<td>1.56</td>
<td>1.5</td>
<td>1.45</td>
<td>1.4</td>
<td>1.36</td>
<td>1.33</td>
<td>1.32</td>
<td>1.27</td>
<td>1.2</td>
<td>1.17</td>
<td>1.16</td>
<td>1.18</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fertility Rate</td>
<td>1.16</td>
<td>1.19</td>
<td>1.23</td>
<td>1.24</td>
<td>1.26</td>
<td>1.31</td>
<td>1.33</td>
<td>1.35</td>
<td>1.38</td>
<td>1.29</td>
<td>1.3</td>
<td>1.31</td>
</tr>
</tbody>
</table>

Source: Instituto Nacional de Estadísticas 2010

As the data in Table 7 shows, fertility rates began at 1.56 in 1986, decreased to a low of 1.16 in 1996 and have since increased to 1.31 in 2009. The age structure of immigrants is younger than that of Spanish nationals, and the exponential increases of immigrants in the
past 15 years are likely in part responsible for slowing the transition. Another indication of aging population is that Spain has seen an increasing proportion within the population of people over the age of 65 and a decreasing proportion of children under the age of 15 (European Commission, 2009). Figure 6 graphically presents changes in the birth rate.

**Figure 6: Gross Birth Rate (1975-2010)**

![Birth Rate Graph](image)

Source: Instituto Nacional de Estadísticas 2010

Figure 6 illustrates the rapidly decreasing birth rates in Spain, slowed decrease in the late 1980s and early 1990s, and increase beginning around 1995. With corresponding foreign population increases, one may argue that higher immigrant fertility is counteracting low Spanish national fertility. Low birth rates in almost all of the European nations have presented immigration as assistance, if not solution, to the depopulation process and ageing population: “[...] immigration can have the effect of rendering the depopulation process less difficult, and can affect the age structure in a manner that might cushion—
particularly in the context of later retirement ages—social [programs] under pressure through an ageing population” (Favell and Hansen, 2002, p.592).

The increase in the foreign-born population in Spain is changing Spanish demographics. Based on 2001 census data, foreign nationals residing in Spain were younger than the Spanish national population. The highest numbers of immigrants were in the 25-34 years age group, the time of highest fertility. This coupled with reuniting families likely contributed to the increase in the birthrate in 2001. There is also a difference in age structure among various foreign groups. Between the ages of 20 and 39, the most common nationalities of immigrants in 2001 were from Latin American and North African regions. For older populations of foreign-born residents, however, there was a much higher presence of EU-nationals (excluding Spain) such as British, German, and French (Instituto Nacional de Estadística, 2003).

According to a report by the Spanish National Institute of Statistics, the difference in age structure among groups of foreigners created a sort of rejuvenating effect divided into two groups with different motivations for coming to Spain. The first group is comprised of mostly older individuals from northern and central Europe who presumably are attracted by the climate as a comfortable place in which to retire. Most established residence in the Canary Islands or somewhere along the Mediterranean coast, supporting this explanation of climate motivation. The second group is comprised mostly of younger, working-age individuals who cite economic reasons (i.e., employment) as the main motivation, followed by family reunification (Instituto Nacional de Estadística, 2003).
The various classifications for a person’s motivation to immigrate are economic, asylum-seeking, family reunification, and retirement. The next two sections will explain the two major classifications: economic and asylum-seeking. Those who for immigrate for economic reasons believe that the net returns from moving are positive; in other terms, this may be called labor migration. In order for this to exist, there must be significant differences in wages and overall earnings between the host and sending countries. In evaluating the worth of the move, a person would also consider cost of the move itself, as well as non-monetary aspects such as distance from family, family size and ability to uproot, worker and living conditions in the host country, and other costs of adjustment. For example, a Spanish-speaking individual may have a lower cost of adjustment/integration than a non-Spanish speaker. Migrations of this type would be regulated through governmental limits (or quotas) on work visas and residency permits.

The second major classification of immigrant motivations is asylum-seeking. Immigrants with motivations for asylum may also benefit from positive economic returns as well, but the main motivation for leaving their sending countries is to escape from racial, religious, or other forms of persecution. The EU seeks to harmonize policy efforts of individual nations under a Common European Asylum System. While the member states demonstrate a commitment to upholding high standards of human rights and protection of individuals from oppressive environments, there is concern that some people may attempt to apply for asylum solely as a means to gain entry to a country and have no related conditions of persecution in the sending country. With the assurance of freedom of movement throughout most of the EU, the member nations seek to unify procedures of granting asylum to be as fair and objective as possible. By harmonizing
policy, the EU can streamline its system and support asylum-seekers with speed and equity, preventing multiple demands and spreading the cost of refugee application processing from individual nations to the EU as a whole.

Illegal immigration can fall into both economic and asylum-seeking classifications. If a person is unable to obtain the proper documents, such as a work visa or passport, to enter a country, he or she may decide that the economic returns from emigrating still exceed the risk of doing so illegally. Similarly, an applicant for asylum may not qualify; in this case, he or she again may choose to emigrate illegally. For both economic and asylum-based migration, foreigners are allowed only a specific amount of time to work and live in the country before having to reapply for a visa or for permanent residency status. In this case, governmental regulation of labor migration becomes particularly tricky because the labor market may not respond quickly to demands. In other words, if production in an industry where many foreigners are employed is expected to slow, the government will not renew as many work visas. These foreigners may choose to stay in the country and shift to an illegal status rather than leave the country.

Returning to the presentation of demographic changes, there have been changes over the last 25 years in the countries from which people are emigrating. In the 1980s and 90s, foreigners from other EU nations comprised the majority of the foreign population. By 2001, however, there was an observable shift, as Moroccans and Ecuadorians surpassed EU foreigners to become the two largest nationalities. The Ecuadorian population, though it became a smaller share of total immigrants of Latin American descent, became the largest nationality by 2004, followed by Moroccans and
Colombians. In the past few years, the country has seen another shift; of the 5.6 million immigrants living in Spain in 2009, the highest population was Romanians, followed by Moroccans and Ecuadorians. Compared to 2008, the Romanian population increased while the number of Ecuadorians fell, as did groups of other Latin Americans including Bolivians and Argentineans. Table 8 show trends in the composition of foreign populations. In the last decade, the share of foreigners from other nations of the EU (15) has dropped from over 40% to around 20%, while foreigners from other EU member nations, becoming part of the Union post-Spain’s entrance, have increased from under 2% in the late 1990s to 20% in 2009. These changes are represented in Figure 7 as well. (Instituto Nacional de Estadística, 2010 and author’s calculations).

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>EU(15)</td>
<td>43.6</td>
<td>30.4</td>
<td>19.4</td>
<td>21.2</td>
<td>20.8</td>
</tr>
<tr>
<td>Other EU</td>
<td>1.7</td>
<td>4.6</td>
<td>10.7</td>
<td>16.6</td>
<td>19.5</td>
</tr>
<tr>
<td>Other Europe</td>
<td>3.7</td>
<td>3.9</td>
<td>4.4</td>
<td>4.1</td>
<td>4.0</td>
</tr>
<tr>
<td>South America</td>
<td>12.8</td>
<td>25.8</td>
<td>36.8</td>
<td>31.2</td>
<td>28.3</td>
</tr>
<tr>
<td>Central America, Mexico, Caribbean Islands</td>
<td>5.7</td>
<td>5.1</td>
<td>3.9</td>
<td>3.6</td>
<td>3.9</td>
</tr>
<tr>
<td>Africa</td>
<td>23.2</td>
<td>23.1</td>
<td>19.1</td>
<td>17.9</td>
<td>17.9</td>
</tr>
<tr>
<td>Rest of World</td>
<td>9.2</td>
<td>6.9</td>
<td>5.5</td>
<td>5.5</td>
<td>5.8</td>
</tr>
</tbody>
</table>

1: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Sweden and the United Kingdom
2: Bulgaria, Cyprus, Slovenia, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Czech Republic, Slovak Republic, Romania
Source: Instituto Nacional de Estadística, 2010
Figure 7: Foreigners by Region of Origin (1998-2009)

Source: Instituto Nacional de Estadística, 2010


<table>
<thead>
<tr>
<th>Year</th>
<th>Nationality</th>
<th>Residents (000s)</th>
<th>Percent of Foreign Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>United Kingdom</td>
<td>36.9</td>
<td>15.2%</td>
</tr>
<tr>
<td></td>
<td>Germany</td>
<td>27.3</td>
<td>11.2%</td>
</tr>
<tr>
<td></td>
<td>Morocco</td>
<td>25.1</td>
<td>10.3%</td>
</tr>
<tr>
<td></td>
<td>France</td>
<td>20.9</td>
<td>8.6%</td>
</tr>
<tr>
<td></td>
<td>Portugal</td>
<td>19.7</td>
<td>8.1%</td>
</tr>
<tr>
<td>1996</td>
<td>Morocco</td>
<td>90.0</td>
<td>16.5%</td>
</tr>
<tr>
<td></td>
<td>United Kingdom</td>
<td>70.6</td>
<td>13.1%</td>
</tr>
<tr>
<td></td>
<td>Germany</td>
<td>53.7</td>
<td>10.0%</td>
</tr>
<tr>
<td></td>
<td>Portugal</td>
<td>32.7</td>
<td>6.1%</td>
</tr>
<tr>
<td></td>
<td>France</td>
<td>32.2</td>
<td>6.0%</td>
</tr>
</tbody>
</table>
Table 9 quantifies foreign population increases of certain groups. In the 1980s and 90s, EU nations such as the United Kingdom, Germany, France, and Portugal, comprised four of the top five nationalities. Latin American foreigners became more prevalent in the 2000s as well. For the mid-1990s through 2000s, Moroccans were the number one nationality, to be surpassed by Romanians in 2009. Romanian total residents in Spain more than doubled between 2005 and 2009.

We can examine these changes more thoroughly as a comparison to other members of the EU. In relation to the rest of the EU, Spain has notable statistics in several fields. By comparing Eurostat data from the 2009 Yearbook, one can examine these differences in general population and immigration. Regarding general population, we examine total population and projections. Comparing 2007 population to 2010 projections, the total population of Spain is expected to increase 2.2 million (from 2007 to 2010); this increase is over 200% higher than projected population growth in any other European Union member nation. By age class, in 2007 Spain had the highest proportion
of the population in the 25-49 year age range (40.5% of the total population). Eurostat data also indicated an increasing proportion of people over the age of 65 and decreasing proportion of people under the age of 15 through the age related dependency ratio; comparing 2007 data to 1980 data, Spain had the second greatest decrease of young age dependency ratio of any EU member state as a consequence of a large reduction in fertility. The country also experienced an increase of over 7.1 percentage points in the old age dependency ratio, though this was surpassed by data from Italy, Portugal, Slovakia, and Malta. Finally, the data also indicates a high increase in natural population change from 1980 to 2007. Regarding comparative immigration data, we examine immigration by age and by broad group of citizenship; these data are available from 2006. Spain’s total Immigration in 2006, at 840,844, was over three times the average of the EU member states, significantly higher than any other nation in all three age categories (0-14 years, 15-64, and 65+ years). By group of citizenship, immigrants were divided into three categories: nationals, non-nationals but citizens of other EU-27 member countries, and citizens of countries outside the EU-27. Out of the recorded legal immigrant population from 2006 in Spain, 4.5% were returning nationals compared to a 23% EU average, and 36.1% were citizens from other EU-27 states, just slightly over the EU average of 36.0%. Finally, in the third category, Spain had the highest number of immigrants from outside the EU-27, comprising 59.3% of the total immigrant population in 2006 compared to the EU average of 46.2% (European Commission, 2009).

A major contributing factor to immigrant levels as well as perceptions of immigration is the illegal population in Spain. Spain has one of the highest estimated illegal immigrant population flows, total number estimated between 600,000 and
1,000,000; obviously this would distort calculated data and increase the percentage of non-nationals from countries other than the EU-27 in the total population. Since Spanish immigration law links work permits to residence permits, different combinations of legal/illegal residency and employment can create an illegal immigrant status. Michael Jandl provides definition to the concept through Table 10:

Table 10: Relevant Illegal Migration Categories (Categories of Clandestinity)

<table>
<thead>
<tr>
<th>Entry</th>
<th>Residence legal</th>
<th>Residence illegal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal</td>
<td>Work illegal</td>
<td>Work illegal</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No work</td>
</tr>
<tr>
<td>Illegal</td>
<td>Work illegal</td>
<td>Work illegal</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No work</td>
</tr>
</tbody>
</table>

Source: Jandl, 2004, p.2

Thus, there are six potential options to be considered an illegal immigrant.

1. One could enter the country legally, obtain legal residence, and work illegally in the underground economy

2. Legal entry, illegal residence and illegal work

3. Legal entry, no work, illegal residence

4. Illegal entry, legal residence, illegal work

5. Illegal entry, illegal residence, illegal work

6. Illegal entry, illegal residence, illegal work

From the table, it is clear that an individual who does not work but enters a country legally and obtains legal residence is not considered illegal by this definition. A less obvious revelation of the table is that an individual living in legal residence who is not working is not considered illegal, regardless of whether he or she entered the country legally or not. The important ideas to glean from the discussion of definition are two-fold: one, various estimates of illegal immigration totals in any given year do not
stipulate a definition and thus may misestimate, and two, the definition is a snapshot of an individual’s status at one particular time. Thus, it allows for changing status over time. Jandl explains, “[…] a person may enter a country legally, but then overstay his visa. First his presence is legal, then illegal. He may later be regularized, thus becoming legal again, and still later fall back into irregularity, becoming an illegal immigrant again (as happens often after regularization [programs] in southern European countries)” (Jandl, 2004, p.3). Time-sensitivity and lack of consistency in definitions make the already complicated estimates of illegal immigration even more complex and difficult to compare.

One way to estimate illegal immigrant populations is by examining the use of regularization programs and governmental-issued amnesties. A British think tank, Migration Watch UK, cited a report with estimates of the number of illegal immigrants granted amnesty by the Spanish government throughout the past 25 years. These estimates are provided in Table 11.

### Table 11: Amnesty Grants, 1985-2005

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number granted amnesty</td>
<td>44,000</td>
<td>135,000</td>
<td>21,000</td>
<td>127,000</td>
<td>314,000</td>
<td>700,000</td>
</tr>
</tbody>
</table>

Source: Migration Watch UK, 2006

These estimations of amnesties provide an idea of the number of illegal immigrants through 2005. The most noteworthy is the 2005 amnesty; this policy decision by Prime Minister Zapatero will be addressed in Chapter 4. Between any two sets of years, immigration laws requiring annual permit renewals and other regularization procedures likely contributed to a need for amnesty issuance in later years. For example, some of the 127,000 foreigners granted amnesty in 2000 could have entered Spain legally initially but for whatever reason were unable or neglected to renew a visa, became illegal, and were
then granted amnesty in 2000. Due to this potential succession of events, media surrounding a granting of amnesty may be skewed, making it seem like more people were entering the country illegally than is true.

Hogart and Mendoza explore the difficulties of permit renewal process in their 2000 working paper on African immigrants in Spanish agriculture. First, they note that due to the linking of work permits to residence permits, most illegal immigrants are unable to obtain legal work (Hogart and Mendoza, 2000, p.11). This has implications in fueling an underground economy, such as black market goods and prostitution, or simply working without papers. They extend this argument to discuss that “processes associated with obtaining and retaining legal permits are so complicated that they heighten possibilities of slippage into illegality” and provide the following example in their study:

Of the 143 non-EU workers interviewed for this study (eight had EU status through naturalization or marriage), only 122 had legal permits for both residence and work (21 worked illegally). Thirteen of these 122 declared that they had lost their legal status at some time during their stay in Spain. Furthermore, three-quarters of the 122 obtained their legal standing because of either the 1985-86 or the 1991-92 government legalization campaigns, with those who fell into an illegal standing managing to regain legality through these legalization processes. (Hogart and Mendoza, 2000, p.12)

In this example, 11% of the legal workers had at one point lost a former legal status. Difficulties along the permit obtain/renew process would likely restrict mobility of immigrants to work in different economic sectors, thus hampering the natural motion of labor supply and demand.

The issue of illegal immigration is ever-present in Spanish media. Dr. Javier García Castaño of the University of Granada, professor of anthropology and coauthor of several publications on immigration in Spain, presented a study on children’s perceptions of immigration. The study was conducted in several hundred elementary schools in the
southern regions of Spain; children were asked to draw what they thought of when hearing the word *immigration*. The results were very interesting from a social standpoint. Roughly half of the drawings had some “positive” ideas, as Dr. García Castaño noted, involving different colored figures holding hands or some other indication of friendship and peace. Many of these drawings also involved depictions of the Moroccan flag next to the Spanish flag. The other half of the drawings had more “negative,” even disturbing ideas, such as depictions of capsized boats, drowning dark-colored people, and Spanish soldiers pointing guns. Dr. García Castaño discussed the potential effects of media on social perceptions of immigration. Events like police interceptions of illegal Mediterranean crossings, minor skirmishes along the border of Morocco and the Spanish enclaves in Africa, or dead bodies washing up on Spanish shores paint a gruesome and powerful picture of the extent of illegal immigration in Spain, albeit likely exaggerated in persuasiveness of public perception (García Castaño, 2009).
CHAPTER 3

SPAIN AND THE EUROPEAN UNION HISTORICAL OVERVIEW

This section will address major developments along the process of including Spain in the European Union (EU). It includes the following components: an overview of EU basic ideals, initial negotiations and Spanish commitment, the 1997 Treaty of Amsterdam and Schengen Agreement, and the European Commission’s 2008 recommendation for common immigration policy. Ideas in this section will explore past and current dynamics between Spain and other EU member nations and clarify the EU position on immigration and general unification of policy among members.

The EU is a unique organization, unlike any other in the world. The concept of forming a cohesive union of different countries provokes a two-sided idea—cooperation and stronghold. In its formation, the EU promotes the following ideals: respect for human rights standards; free movement of capital, goods, services, and persons; mutual respect and interaction of members; and a challenge to the nation-state-centered conceptions of citizenship in exchange for a high-level coalition and accord. This presents a difficult challenge as the member states of the Union maintain individuality of culture and politics. At the same time, the concept of the EU also provokes a consideration of the Fortress Europe idea. This phrase, commonly used as a negative description of European immigration, promotes a unified EU identity, distinguished from the inferior, hostile “other;” it also creates a possible image of Europe as impenetrable to outsiders: “As the EU expands, and as competencies over internal cooperation are increasingly transferred to the supranational level, the EU will seal its external borders to immigrants, and especially to non-white immigrants” (Favell and Hansen, 2002, p.586).
The flaws of the Fortress Europe idea lie in that it does not consider the acceptance or rejection of asylum-seekers, family reunification, temporary labor migration especially from EU candidate countries, and political pro-immigration shifts of policymakers. The negative view could be seen as promoting racism and religious opposition (to Islamic nations, for example). Ultimately, whether policymakers choose to promote the concept of mutual cooperation or the Fortress Europe idea is important to agreeing on immigration policy and thus either promoting integration or establishing a clear distinction from outsiders. If market forces are allowed to determine immigrant policy, then labor migration will occur as needed. Significant differences between Spain and other European nations such as France and Germany regarding timing of immigration increases and migration flows in general make any attempt to create cohesive policy quite difficult. In order to establish a more unified immigration policy, one must consider the differences of each country and its interests in promotion of the general interests of the EU.

The integration of Spain into the European Communities, or the EU’s predecessor, was a lengthy and difficult process in economic, social, and political ways. Following the 1975 death of the Spanish dictator Francisco Franco and consequent political instability, the decision to pursue accession was one which required strong national will and commitment to the European vision. Ultimately, accession to the Community and related inclusion in the EU united Spain with one of the most powerful economic blocs in the world, equipping it with economic diversification and political stability. Such development directly affected Spanish society, employment opportunity, and attractiveness to foreigners, as Spain transitioned to become one of the more
powerful and influential members of the Union. In order to understand Spain’s economic past and transitions, we can examine aspects of the integration process into the EC which shaped its economic development and current relationship with other member nations.

Throughout the process of soliciting accession to the EC, Spain demonstrated a strong commitment to the project and to a unified Europe. Their transition to democracy aligned politically with the EC commitment to respect of freedoms and democratic principles. Economically, over half of Spanish foreign trade was conducted with other European nations, making the prospect of open borders and trade very appealing. The first application for accession was submitted in 1977. Several years of disheartening negotiations followed, including revisions of the Common Agricultural Policy due to Spain’s high agricultural contributions to Europe, but when the Spanish government experienced an attempted coup in 1981 and other EU powers risked losing the country to political instability, negotiations were accelerated. The European Council, a body of the EU charged with general political direction, identified several areas which needed improvement before the country could join, involving resources and the budget, Mediterranean agriculture, free movement of workers, and the common fisheries policy. Once certain agreements were forged and problems resolved, Spain was formally annexed in January 1986, faced a seven year transitional period to open industrial trade and dismantle tariffs, and was recognized as a full member in 1992. Following its accession, Spain received extensive financial support from other EC members and experienced significant GDP growth during this time. With eventual move toward monetary union, an influx of EC funds helped the country achieve structural reforms and convergence goals before the Euro could begin circulating (Cuenca, 2007).
The Treaty of Amsterdam of 1997 made several adjustments, including the notable integration of the Schengen Agreement into the EU. The Schengen Agreement abolishes all internal borders in favor of a single external border for a group of territories, thus allowing the free movement of people within the EU regions, excluding Great Britain and Ireland. This remarkable advancement in the circulation of European citizens called for common procedure regarding short stay visas, requests for asylum, and border controls. According to Europa EU legislative summaries, some of the key rules within the framework include the following: removal of internal border checks, a common set of rules for crossing the external borders of the EU member states, harmonization of the conditions of entry and of the rules on visas for short stays, enhanced police cooperation, stronger judicial cooperation, and establishment and development of a common information system (Europa, 2008). Thus, any misalignment between Spain and other Schengen members could become a problem.

Amidst heightened concern for national security, the Commission of the EU formally communicated a need for further progress toward a common immigration policy in December 2007. The Commission noted positive aspects which had already been instigated, including the Schengen provisions, an EU agency for border security called Frontex, and the development of funds including the External Border Fund and the Integration Fund. However, the Commission also acknowledged inconsistencies in approach to recruitment of immigrants for particular jobs and identified a need for more defined common objectives following assessment of each member state. In pursuit of this recommendation, the Commission issued a communication entitled “A Common
The first element of the Commission’s recommendation, Prosperity, refers to contributions of legal immigration to socio-economic development. Promoting prosperity, the Commission proposed clear rules for entry and residence, communication of rights to immigrants and applicants, assessment of current and future labor market needs, the need to gather comprehensive immigration data, training in countries of origin, measures to increase employment among third-country nationals especially women, and the provision of alternatives to illegal employment. The Commission also renewed a commitment to integration procedures, programs for equal opportunity, social security plans, family reunification, and asylum (European Commission, 2007).

Along the second element, Solidarity, the communication called for transparency and trust in information sharing, a more detailed and financial consideration of certain member states facing particular border challenges, and collaborative partnerships with third-nations, especially enhanced cooperation with African partners to implement the 2006 “Rabat process” and shared discussion on migration challenges with European Neighborhood countries, Latin America and the Caribbean, and Asia (European Commission, 2007).

Finally, the third pillar of Security focused on a unified approach to fighting illegal immigration. This included a common visa policy, strengthened border management, expanding resources for investigating illegal immigration and employment, a zero-tolerance policy for human trafficking, effective and sustainable return policies, and a common approach to giving legal status to illegal immigrants. Differences in
immigration policy would create channels for immigrants and pressure on more liberal states. Thus, effective management of immigration and integration processes is important for the overall cooperation of the member states. Ultimately, the immigration discussion calls into question whether the EU is making steps toward more political unification and shared policy or maintaining strong divisions among member nations. It is unclear whether or not the nations will be able to achieve the three elements of the Commission’s recommendation toward common policy (European Commission, 2007).
CHAPTER 4

SPANISH POLICY

This section will cover changes in Spanish immigration policy since the country’s entrance into the EU. Changes in policy beginning in 1985 are reflective of evolving views toward immigrants, changes in the labor market, and pressure from other European states. By examining the policies and related amendments or adjustments, we can identify governmental positions and cultural trends. Policies will be presented in chronological order, including the following: the 1985 Ley de Extranjería (Foreigner’s Law), regularization processes and amendments in the 1990s, laws defending foreigners’ rights and freedoms passed in 2000 and subsequent amendments, the 2000 Plan Greco, and actions of Prime Minister José Luis Rodríguez Zapatero since his election in 2004. It will also include bilateral agreements with other countries and the quota system.

The first wide governmental action on rising immigrant rates occurred with the 1985 passage of the Ley de Extranjería (Foreigner’s Law), a policy focusing on the control of immigrant access to the labor market. A regional phenomenon at this time made some of the Mediterranean countries receiving grounds for North African immigrants. The phenomenon had several potential contributing factors including the following: border closings in traditional receiving countries such as Germany, France, and Switzerland; geographic proximity to Africa; ending authoritarian regimes and more progressive attitudes; ending guest worker programs in collaboration with other countries; poor performance in sending countries; developing underground economy; and transition of these Mediterranean countries into gateway countries to the EC. Since 1970, Spain had experienced net emigration with a slight growth in immigration by 1985. Born
during times of high unemployment rates and low economic development in Spain, the slight growth in immigration faced both internal pressure and pressure from the other EC members to take initial steps in controlling immigration. The Foreigner’s Law was the first remarkable regularization process and the first real governmental recognition of the rising rates (Perez, 2003).

Enforcement and efficacy of the Foreigner’s Law is disputed. A major provision was to require a job offer to apply for work visas and residency permits; this combined with a more difficult process to renew permits was criticized to have hindered foreign settlement in Spain and delayed family reunification, and many immigrants already in Spain slipped into illegal status when permits could not be renewed. A further provision required employer sanctions, but these were weakly enforced. It is likely that employers began to benefit economically from the increasing supply of low wage workers. Overall, the law was restrictive, treated immigration as a temporary phenomenon, and made little attempt to address immigrant rights. Immigrants were conceptualized as workers requiring stringent regulation (Perez, 2003).

Throughout the 1990s, several changes occurred regarding policymaking in Spain. In the early 1990s, attempts at immigrant regularization were confounded by an annual permit renewal process, resulting in many legal immigrants shifting to illegal status and subsequent problems for monitoring and tracking migrations (Huntoon, 1998). As the immigrant population continued to increase, there was a shift from viewing immigrant populations as temporary members of the labor market to part of the future structure of the country. An amendment to the 1985 Foreigner’s Law made steps toward addressing immigrant rights. Passed in 1996, the amendment recognized the rights of
legal immigrants to education, equality, legal counsel, and an interpreter when interacting with authorities. Furthermore, the amendment established a formal category for permanent residents, a quota system for temporary laborers, formal inclusion of family reunification in the policy, and higher power allocated to regional governments to monitor immigrants, especially those changing residence frequently, in their regions (Perez, 2003).

Further legislation supporting immigrant rights was passed in 1996 and took full force by 2000, signifying a shift in society toward a broader view of immigration and integration. The Law 4/2000, or the Law on the Rights and Freedoms of Foreigners in Spain and their Integration, focused on non-EU foreigners’ political and social rights, taking a more supportive stance on societal integration and recognizing that non-EU foreigners were having more difficulty establishing permanent residency in the country. Immigration at this point had been recognized as a continuing phenomenon rather than the more transient status of the early 1990s, and the law acknowledged such permanence. Although it was widely supported across three political parties, Law 4/2000 faced extensive criticism from the ruling party at the time, Partido Popular (People’s Party); critics within the party suggested that the integrative law was too supportive, lenient, and not aligned with EU goals. Pushing additional policy, the party was able to pass Law 8/2000 in 2001 as an amendment to the original. This included reforms to work visas and residency permits and aligned with more restrictive EU policy. However, failures of previous policy indicated that immigrants were a significant and more permanent population at this point; therefore, to avoid previous problems such as a shift back to illegal status, the amendment was an effort to integrate legal immigrants and ensure their
rights while limiting unauthorized immigration. Furthermore, the amendment included provisions to cooperate with countries from which people were emigrating. At the time, Moroccans comprised the largest flow of immigrants. Both 4/2000 and 8/2000 were clear indications as to the enduring concept of immigration (Perez, 2003).

In 2000, the Spanish government designed and passed the Plan GRECO, or Programa Global de Regulación y Coordinación de la Extranjería e Inmigración (Global Program to Regulate and Coordinate Foreign Residents' Affairs and Immigration in Spain). This indicated another shift in societal view toward immigration as a desirable phenomenon, as immigrants became more present in industry and services. The plan addressed four key areas: integration of foreign residents and families, shelter for refugees, peaceful coexistence of Spaniards and foreigners, and decentralized political regulation. Decentralization of power toward regional governments allowed for specific needs from region to region to be addressed more effectively, making the plan particularly innovative. For example, consider the urban Madrid region in contrast to mainly rural Andalusia. For the former, the regional government would have to address issues with the formation of urban ethnic communities and immigrant entrepreneurship (ethnic restaurants, artisanship, etc.). For the latter, on the other hand, the government would need to employ more efforts in monitoring migrant laborers in the agriculture sector and assisting them in finding sufficient temporary housing. Essentially, the decentralization of power to regional governments allowed for more local, specialized integration efforts and better follow-through on guaranteeing immigrant rights. Additionally, an organization called the Government Delegation for Foreigners and Immigration was created in 2000; this established the Inter-Ministerial Commission on
Immigration Affairs and the Superior Council on Immigration Policy. These efforts signified greater attention to immigrant rights and role in Spanish society. The Plan GRECO was in effect until 2004 and established the groundwork for future integration plans (International Labour Organization, 2009).

Becoming Prime Minister in 2004, José Luis Rodríguez Zapatero has made several important decisions affecting the immigration climate today. Recognizing regularization problems and speculated high illegal immigration rates, Zapatero offered blanket amnesty to an estimated 700,000 illegal immigrants in 2005. This decision was highly controversial to leaders of the rest of the EU who criticized his liberal attitude which painted Spain as an easy gateway. However, policies were not affected until the construction bubble burst, economic crisis in Spain began, and unemployment rates started to increase in 2007-2008, with immigrants as the scapegoat. In 2008 Zapatero devised a program offering payment to immigrant laborers if they returned to their home countries. In response to political pressure and controversy, Zapatero made a switch in views to support the EU Return Directive of illegal immigrants. In general, inconsistency in policy has generated wavering support for the prime minister, but the general trend seems to be toward adopting common policy with the rest of the union. However, successes in political decentralization show that a balance must be met between adopting common policy, properly allocating resources to regions of higher need, and allowing regional control and regulation.

With respect to regulation and cooperation for immigrant flow, Spain has several bilateral agreements with individual countries including Ecuador, Colombia, the Dominican Republic, Morocco, Bulgaria, Mauritania, Nigeria, Poland, and Romania.
According to the Ministry of Foreign Affairs and Cooperation, similar agreements are being examined with the Ukraine, Senegal, Peru, El Salvador, the Philippines, and Mexico. These agreements provide for communication and negotiations regarding employment opportunities in Spain, including assessment of professional requirements and special provisions for seasonal workers such as financial help traveling home. The general idea is to prevent miscommunication of opportunity and enhance social rights and work conditions. Furthermore, the Spanish government is sponsoring training efforts in the country of origin to raise qualifications of potential immigrants, promote professional improvement, and ease integration. Focusing particularly on Morocco, the Moroccan government is more restrictive of passport and visa issuance, making entrance to Spain more costly and time consuming. However, this has had the speculated negative effect of increases in illegal immigration, especially particularly dangerous Mediterranean crossings to the mainland or the Canary Islands (Ministry of Foreign Affairs and Cooperation, 2008).

Throughout the last 15 years, the Spanish government has also attempted immigrant regularization through the use of a quota system. Periods of quotas were used in 1993-1995, 1997-1999, and 2002. In the first two periods, the government responded to shortages in native employment in areas of industry, construction, or services by increasing quotas for immigrant workers in these areas, channeling a sort of replacement labor. One result of this system, however, was that many undocumented, illegal immigrants already in Spain applied to the quota system to reach legal status. Reformations to the system in 2002 reflected the change in societal view of immigration toward a more permanent system. Each year the National Employment Institute would
report on the economic and employment situation, identifying higher or lower labor needs in specific areas of the economy. To fill these needs, the Institute would corroborate through the bilateral agreements to hire foreign candidates directly from their home countries rather than from within Spain, thus preventing illegal use of the system. However, according to the Migration Information Source, employers argued that the labor need was underestimated and thus an unsuccessful endeavor:

While the government set a quota of 32,079 workers (10,884 permanent workers and 21,195 temporary workers), it was widely viewed of falling short of meeting labor needs. In particular, some labor unions estimated that another 10,000 workers were necessary in the agricultural sector. In 2003, the quota [was] fixed at 24,337 foreign workers (10,575 permanent workers and 13,762 temporary workers). By reducing the quota for temporary workers by almost 10,000 less than the 2002 number, the government [signaled] that it [continued] to seek to limit immigration. (Perez, 2003)

Arguably, higher quotas would better fill labor shortages. While this program treats immigration as a continuing trend, the solicitation of foreign workers in times of shortages seems to signal a view on particular workers as temporary. Thus, in times of surplus (or otherwise phrased, times of high unemployment), the converse idea would be to expel foreign workers to have lower native unemployment. In this era, should overall native unemployment reverse quotas and send workers back to their home countries?

Herein is the need to examine particular sectors of the economy; if native workers are not participating in sectors which are filled with immigrant workers, a program to expel the immigrants would not improve unemployment for Spaniards unless wages were increased enough to entice the Spaniards to take the less appealing jobs. Another potential change to consider would be decreasing unemployment insurance, making it necessary for natives to find employment. Still, it could temporarily hurt sectors of the
economy in which immigrant workers are prevalent and make overall economic recovery a longer process.

Current public perception of immigration is more negative than it has been in the past as a consequence of the recession and high unemployment. This is reflected in media coverage of the economic crisis by charts similar to Figure 8.

Figure 8: Spanish Unemployment vs. Foreign Population

Before the recession, Javier Vallés, economic policy chief for Prime Minister José Luis Rodríguez Zapatero, indicated the governmental view that immigration was a large part of the country’s success in the 90s up to 2007: “We are very thankful for all these people who have come here to work with us” (Business Week, 2007). The government recognizes foreign immigrant contributions to the country’s growth although public perception is less favorable, as will be explored in Chapter 5.
CHAPTER 5
INTEGRATION OF IMMIGRANTS AND SOCIAL PERCEPTIONS

Overall, changes in societal views reflect evolving political views toward a more accepting attitude which promotes effective integration of immigrants into Spanish society. In light of the recent highs in unemployment, however, debate has centered on immigration, making immigrants the scapegoat for unemployment rates. One recent proposition by political parties in the Catalonia region involved keeping immigrants off of resident lists, in effect denying them health care and education for their children (The Economist, 2010). Active supporters of equal rights would oppose this type of plan, but guaranteeing access to health care and education for all, including potentially illegal immigrants, comes at the expense of the government. However, while providing benefits and securing rights to immigrants may be argued as an expense, they are a social net for the aging Spanish population and can help lessen future pension burdens because they are of a younger age structure and increase the labor force. It is important to address the public view of immigrants, because this may help reveal the extent to which immigrants are able to adjust to Spanish life. If able to adjust well, this may signify stronger economic ties, a greater ability to maintain a steady job, more permanent residency, more influence in the Spanish economy, and a success story prompting others to seek entry as well. If immigrants are not adjusting to society, it may indicate difficulty in establishing economic stability or a sort of surplus of “extra” labor. This section will cover general effects of an increasing immigrant population, the European Identity concept, and views on specific groups (defined as Europeans, Latin Americans, North Africans or Maghrebians, and sub-Saharan Africans).
General effects of the immigrant population include demographic changes, religious tensions, a generation gap, altered composition of cities, heightened xenophobia, and association of immigrants with particular industries. The current Spanish population is drastically different from the fairly homogeneous population it was twenty five years ago. More and more foreign-born people are settling in urban as well as rural communities, altering the concept of what it means to be Spanish. Spanish pride and tradition are strong, causing resistance to change and development of a generation gap. During much of the 20\textsuperscript{th} century, a repressive Spanish dictatorship made it illegal to speak the less prevalent languages of northern Spain, such as Catalan or Basque, and groups practicing these dialects and cultural differences were forced underground until the post-Franco era. That alone caused significant division within the Spanish population. In modern times, the Spanish identity is stretched from its original strict and homogeneous state to now including other Europeans, Africans, Latin Americans, and Asians. Jobs which these new groups are seeking, especially unskilled positions, are becoming increasingly associated with foreigners and subsequently less desirable for nationals. How is the society adapting to the changing demographics? Is the political trend toward accepting immigrants as permanent residents within Spain pushing the public view toward acceptance as well? Are some groups of foreigners more accepted than others?

The European Identity concept, strengthened by economic union, serves to establish a divide between what defines European and non-European. This concept, linked to its sister idea of Fortress Europe, poses the question of what is the purpose of the EU and creates a potential hidden political agenda, taboo in conversation, to maintain
the European Identity. Joining several nations into one economic bloc is a sweeping move which could, naturally, cause each different culture to want to express itself more fully. In the 21st century, world wars, border shifts, and the collapse of the Soviet bloc called for institutionalized legal and illegal migration. The initial development of the EU included four points with respect to migration: to respect human rights standards, allow the free movement of capital, goods, services, and persons, allow market forces to dictate migrant labor, and challenge the nation-state-centered conceptions of immigration and citizenship toward a collective agreement (Favell and Hansen, 2002, p.585). The reason for European migration evolved from inter-ethnic conflict and war to basic economic motivation. However, the EU could also be a symbolic fortress against non-Europeans with the prediction to seal external borders.

There are three main versions of the Fortress Europe concept: the British version, a version promoting the EU racial identity, and the policymaker-excuse version. Along the British version, Britain maintained a strong closed-door policy, an idea reflected in their chosen exemption from the Schengen Agreement. This idea would be spread to the rest of the EU member states. The second version regarding the EU racial identity would theoretically use restrictions on immigration as a method to distinguish EU citizens from the “inferior, hostile ‘other’” (Favell and Hansen, 2002, p.586). It defines the EU identity as a racial identity, with a mission of the civilized world confronting the Third World and Christianity confronting Islam. Maintaining the EU identity would create an “implicit set of concentric circles around Europe that offers partial integration to Central and East European nations, and even less to peripheral, non-European dependents such as Morocco and Turkey” (Favell and Hansen, 2002, p.586). Finally, the third interpretation
of Fortress Europe is that of policymakers of individual nation-states. These policymakers, “keen to escape the progressive, human rights bias of domestic constitutions and constitutional courts, turn to EU forms where, sealed off from activists, lawyers and national courts, they can pursue the ‘remote control’ restrictive policies demanded by anti-immigrant publics” (Favell and Hansen, 2002, p.587). This third interpretation could be motivation for Prime Minister Zapatero’s political switch in recent years toward alignment with EU policy.

Regardless of individual opinion, there are flaws in the three interpretations of the Fortress Europe concept. First of all, it is very difficult to capture net arrivals of migrants since 1985, whether asylum-seeking, family reunifying, or labor migrants. Temporary labor migration and cross-border movements are similarly difficult to track. Finally, nation-state politicians may develop domestic reasons for policy switch toward anti-immigration, and on the flip side, EU policymakers may see real economic benefit of immigration and make a pro-immigration shift. None of the three interpretations wholly considers the impact of immigrant restrictions.

The EU view on immigration has been affected by altered perceptions of asylum-seeking immigrants, comparison with the United States, and recent events and considerations. For example, in 1989, there was a mass movement of Bosnians and others fleeing war in Yugoslavia by escaping to the West, altering the image of the refugee from a solitary hero’s struggle to the unwelcome invasion of mass groups. In general, views on asylum-seeking change as more and more people use this option. One may ask to what extent are receiving countries responsible for upholding human rights standards, especially if asylum-seekers are illegal. Regardless, discussing who is responsible does
not matter if states do not have effective return policies. Furthermore, there is a somewhat justified perception in Western European countries that many aspiring immigrants have identified asylum-seeking as a method of entry for unsolicited labor, even if the true motivation is economic. Favell and Hansen explain this phenomenon’s effect on the market: “Beyond nativist hostility to sudden new arrivals of visible minorities…the use of asylum channels for economic migration in fact distorts the ability of the market to select the best and most appropriate migrant workers for the low-level labor opportunities that exist” (Favell and Hansen, 2002, p.589). Governments and employers have the ability to review candidates’ basic skills and requirements in order to hire; by not going through the labor migration recruitment process, immigrants utilizing asylum channels create a surplus of labor migrants with little to no prior information or signaling. Thus, governments lose the ability to select migrants with greater potential to be successful or lower cost of integration:

[…] new forms of legitimate economic migration is thus likely to be used to give governments and private firms the opportunity to hire, more or less officially, and for the same poorly-paid service jobs, ‘closer’ migrants—say, from Eastern Europe, peripheral European nations or former colonies—as opposed to trying to integrate Tamils from Sri Lanka or Sudanese from East Africa. (Favell and Hansen, 2002, p.589)

By allowing the market to determine migrant selection, a process “formerly centered on non-economic criteria such as persecution, human rights violations or vulnerability to violence, the state may accede to the creation of new migration opportunities that basically signal a loss of its sovereignty over migration entry decisions and the granting of migration rights” (Favell and Hansen, 2002, p.589). However, this loss of sovereignty and gain of market freedom may be an efficiency increase, allowing markets to better
regulate labor migration without stringent regulation and process. Asylum migration has replaced economic migration as the least desirable form.

The EU view on immigration has also been affected by changes in the United States labor migration market. In competition with the United States, European governments identified a prominent source of US growth as new IT applications from skilled US labor. In the past, unskilled labor was the main issue with labor migration, but this transition to identifying skilled immigrant labor as beneficial to productivity prompted new European considerations since the 1990s: “the liberal US immigration policy on H1 visas for highly-skilled workers, through which Indians, Koreans, Chinese and (even) many brain-drained Europeans have, in recent years, poured into America” (Favell and Hansen, 2002, p.591).

The third outlined factor in changing European perceptions includes more recent considerations, namely terrorism and low birth rates throughout Europe. In the first years of this century, terrorism across the world, most often applying blame to Islamic extremist groups, has intensified xenophobia and led to stricter regulation of certain migrant groups. Additionally, low birth rates in almost all the European countries have presented immigration as assistance, if not solution, to the depopulation process and ageing population (Favell and Hansen, 2002).

Shifts toward market-led labor migration were evident in other major European nations in the early years of this century, though still more restrictive than Spanish policy. In Germany, a modified nationality law eased naturalization requirements, and a Green Card visa program encouraged documented labor migration. In 2000, the European Commission recommended increased economic migrants, a federal immigration bureau
to deal with policy differences, and affirmed the EU belief in a right to asylum. In
Britain, the government made a clear shift toward utilizing immigration during labor
shortage; new policies in 2000 allowed British businesses to bypass normal rules for
employment of non-Europeans in sectors of severe shortage, namely information
technology and health. Likely relating to the competition with the U.S. in the sciences
and technology, the British government also created a program allowing immigrant
entrepreneurs in these fields to enter as well. Perhaps a closer example to the situation in
Spain, Italy established annual quotas in 2000 for new immigrants and temporary
workers, recognizing an economically beneficial role of migrant workers in northern Italy
and a social change toward employing immigrants as domestic workers. Favell and
Hansen point out, however, that these political endeavors do not reflect the public
outlook: “To be sure, developments in immigration policy across Europe have in no way
received the endorsement of public opinion, which is increasingly hostile to these market-
led demands” (Favell and Hansen, 2002, p.593). High fear of terrorism is one factor
contributing to stiff public views. Still, in the early 2000s there was some open political
movement toward adopting positive, economically-motivated, immigration policies. The
EU as a whole was able to extend its economic, market-based logic to a wider territory,
albeit weakening public approval (Favell and Hansen, 2002, p.594).

The public view toward Europeans seems to be more accepting than toward
people of non-EU descent. Perhaps this can be attributed to a shared European identity.
In more objective terms, data addressed in Chapter 2 found that populations of Europeans
settling in Spain, specifically of the EU (15), are older than populations of immigrants
from other regions and many cited retirement as a reason for migration. Thus, they may
be less likely to compete for jobs, are not dependent on social networks for work and thus are less likely to form individual communities than non-EU settlers. Additionally, if older, they are not as likely to have young children to enroll in schools, so they may seem less invasive into the community. Furthermore, the Schengen Agreement promotes European students to study at other universities in Europe, and foreign (EU) enrollment in Spanish universities is high. This would suggest that young Spanish adults are more accustomed to having close interaction and possibly living with “Erasmus” students, a designation signifying non-Spanish Europeans studying in Spain. Higher youth acceptance and exposure to foreign populations is creating a generation gap.

Immigrants of Latin American descent seem to be the second best group in terms of adjustment to Spanish life. Many of these immigrants may have an ancestor from Spain, and there is virtually no language barrier, allowing for greater ease in communicating and integrating. This is especially important for integrating children into the education system. Additionally, most Latin American immigrants are Catholic or other Christian, and with the large majority of the Spanish population being Roman Catholic, they do not face significant religious prejudice or barriers from connecting with the society on religious holidays, except for some differences in traditional celebrations. Furthermore, there are currently high populations of immigrants from the same country of origin, such as Ecuador and Colombia, who may create small urban communities with other people of that nationality; this tendency to form urban communities with others of similar descent, due to cultural ties or a need for a social network to find work and residency, may make integration into Spanish society more problematic but signifies a greater ability to maintain permanent residence. These suggestions that Latin Americans
have greater ease in integrating are supported by data indicating that while Moroccan immigrants used to be the largest group, the rate of increasing Latin Americans has surpassed that of North Africans, as presented in Chapter 2. Huntoon notes that integration of Latin Americans is difficult but less problematic than integration of Africans and Asians (Huntoon, 1998, p.441).

In general, North Africans have the most difficulty in immigrating to Spain and adjusting to Spanish life. People who are considered “North Africans” are also known as Maghrebians; the Maghreb is a collection of five countries in northern Africa: Morocco, Algeria, Tunisia, Libya, and Mauritania. In Arabic, the Maghreb means the west or the place of sunset, from the reference point of eastern Arab nations. We focus particularly on Morocco because of the country’s history as a former Spanish colony\(^1\), geography\(^2\), and various political agreements since the 1990s promoting smoother relations. The Spanish-Moroccan relationship has faced substantial conflict in the past, evolving and progressing in many ways. Spain, while in agreement with the EU to control unauthorized entry to the country, also has individual agreements with Morocco to promote mutual collaboration. Events such as controversial expulsion of illegal immigrants and potential maltreatment of unaccompanied illegal minors in the Canary Islands are human rights issues which call attention to the need for collaboration between the two countries. Similarly, historical tension from conflict over the Spanish territories in Africa, Melilla and Ceuta, make collaboration and negotiation more complex.

\(^1\): Although Morocco was a former Spanish colony, the country does not enjoy the same migration rights as other colonial nations.
\(^2\): The two Spanish territories in Africa, Ceuta and Melilla, lie within Morocco, bordered by the Mediterranean.
Laura Huntoon, in her 1998 paper on Spanish immigration, provides a comprehensive overview of Spanish policy regarding Morocco, indicating that the Spanish-Moroccan relationship is a good example for control of illegal entry and programs for providing development aid. She begins by acknowledging the assumption that Maghrebians were using Spain as an entrance to other European nations, an assumption which persisted through 1988. Perhaps as a result of this assumption or perhaps in an attempt to better align with EU concerns, by the late 1990s Moroccans needed a visa for extended stays instead of only a passport. They did not receive privileged entry status and shorter residency requirements prior to naturalization as did all other former Spanish colonies. The visa program made passports more attainable (Huntoon, 1998).

The Spanish-Moroccan relationship can be examined through changes in recent history. Dealing with significant conflict over illegal movements, fishing rights in the Mediterranean, and adjustment problems for legal immigrants already residing in Spain, the two countries have made some efforts to establish common ground and policy. In 1991 they signed the Treaty of Friendship which established a process for negotiating the aforementioned problems as well as others. This process has arguably not been used since (Huntoon, 1998, p.429). The following year, they created a bilateral agreement to return illegal immigrants to Morocco, acknowledging the financial expense. In 1995 an article in *The Economist* suggested that Spain and the EU member nations would provide development aid to reduce immigration; arguably, improved economies, worker conditions, and opportunities within the host country would discourage a need for economic migration (cited in Huntoon, 1998, p.440). Development aid is controversial,
however, as it does not directly address the problem but rather provides incentive for the Moroccan government to control emigration more effectively. In 1996, a Joint Committee (“Comite de Enlace”) was created to establish an easier procedure for further negotiations, renewal of legal permits, and discussion of development fund allocation.

Potential general reasons for Africans’ difficulties in adjustment include historical prejudice, religious differences, association with illegal immigrants, and association with terrorist attacks. We address each of these briefly. Historically, Spain and North Africa are closely interconnected, perpetuating biases from long ago. A very basic overview would begin with the Islamic conquest of the Iberian Peninsula (modern day Spain, Portugal, Gibraltar, and Andorra) in the eighth century. Muslim armies out of North Africa conquered almost all of Spain except for a few north-west territories and then began to face strong resistance. They lost their final stronghold, the Andalusian city of Granada, in 1492 to the Catholic King Ferdinand and Queen Isabella who pushed the armies out of the peninsula and into Africa. Some say that there are descendents of early Muslim inhabitants of Granada who, to this day, claim ownership to dwellings in the oldest section of the city.

The historical ties are closely linked to the second potential reason for adjustment difficulties: religious differences. As of 2005, there were over 1 million practicing Muslims living in Spain (BBC, 2005). Throughout the 600 years or so of Islamic rule, the Islamic inhabitants constructed beautiful mosques and other structures which now are sources of controversy; in particular, a mosque in Cordoba, famous for its size and exceptional architecture, was converted into a church during the Reconquista, the period in the Middle Ages during which Ferdinand and Isabella and other Spanish Christian
rulers “retook” those territories which had been conquered by Muslim groups. To this
day, Muslim leaders in Spain are arguing for dual religious use of the structure, but
Catholic leaders contend that it will not promote peace. This is the opposite of the case
for Latin Americans, whose religious similarities create ties with Spain rather than being
a source of conflict and separation.

The third reason for African’s difficulty integrating into Spanish society is the
public perception associating Africans with illegal immigrants. As presented in Chapter
2, illegal immigrant populations are estimated to be quite high in any given year, and
issues with illegal immigration resulted in several government grants of amnesty since
the 1980s. Though very difficult to estimate (resulting in drastically different estimations
from various sources), the majority of illegal immigrants in Spain are considered to be
North Africans, due to geographic proximity and resulting availability of dangerous
Mediterranean crossings. No matter whether a person entered legally or is working
legally, he or she faces the initial prejudice of being a criminal and not making the
necessary government contributions through fees and taxes.

Similarly, and perhaps an even stronger association than with illegal immigrants,
is the fourth reason—a public perception associating North Africans with terrorist
attacks. Islamic extremists are blamed for terrorist attacks in Spain in the last 20 years,
causing a stigma not unlike that in the United States post-September 11th where virtually
all Muslims are considered to be higher threats of terrorism than other people. This
prejudice would cause another separating effect and a widespread call for controlled
access to the country. These four reasons, among others, are potential sources of
maladjustment of North African immigrants to Spanish society.
Another curious phenomenon is also of note: once in Spain, sub-Saharan Africans are preferred over Maghrebians for jobs. Sub-Saharan Africans migrate through the Mahgreb on the way to Spain, so they face many of the same problems and prejudices regarding immigration as North Africans. However, in job selection, Spanish employers show preference for sub-Saharan Africans as opposed to North Africans (mainly Moroccans) (Morocco Exchange, 2009). This could be perpetuated by police quotas which favor North African illegal immigrants due to a lower expense to return the immigrants home. It is likely tied to the historical argument discussed in the preceding section; for centuries, there have been territorial conflicts over current Spanish land. Regardless of the motivation, this topic is rarely addressed publicly or given legislative attention for its racial implications: “The [preference] of Spanish employers for immigrant workers by ethnicity has been recorded in focus group research which suggests that black Africans are perceived as more reliable than North Africans” (Huntoon, 1998, p.435). The ideal ethnic composition of Spain is not explicitly discussed, but integration difficulties reflect a strong sense of Spanish pride and distinction from “the other.”
CHAPTER 6

DISCUSSION AND PREDICTIONS

In light of the social perception, political transition, and EU viewpoint, the further (or complete) restriction on immigration in Spain would have several effects. In this section, the following ideas will be addressed: Eastern European immigration increases, political alignment issues enforcing common policy, aging populations and low fertility concerns, other ways of unemployment mediation, buffer theory, and the economic sectors of construction and agriculture. Following these sections will be an overview and reiteration of conclusions.

A tightening on immigration would lower immediate unskilled labor availability. Rapid demographic change and heightened xenophobia coupled with the higher presence of immigrants in low-skilled labor sectors led to an association of certain jobs with “lower” immigrant status. If immigrants are restricted, this would result in a void in certain job sectors because nationals will not replace them at current wages and high unemployment benefits. Therefore, wages would likely have to increase or working in these jobs would have to be otherwise incentivized. One consideration is a replacement of non-EU unskilled workers with Eastern Europeans; this is a likely occurrence in the long-term because the Spanish minimum wage, lower than some more productive European nations, is still higher than that of countries such as Romania, Bulgaria, and Poland. Therefore, with the Schengen Agreement promoting free movement of persons, economic motivation to move to Spain and work would be feasible for many unskilled workers from these countries.
An important consideration is the recent rapid rise in numbers of Romanian immigrants in Spain. Romania applied to enter the EU in the early 1990s and began to implement changes which would allow the country to join in 2004 along with several other former members of the Soviet Union. The transition and implementations took a bit longer than expected, and it wasn’t until 2007 that Romania formally entered the EU and the Schengen territories. Over this process, beginning in 2004 and accelerating over 2006-2008, the Romanian immigrant population skyrocketed to becoming the number one nationality of foreigners residing in Spain, surpassing Moroccans and Ecuadorians. Referring back to Table 9, we observe initial stages of this transition; 312 thousand Romanian immigrants resided in Spain as the third highest nationality in 2005, and by 2009 their numbers had increased just under 250% to 762 thousand, making it the largest foreign nationality and 13.5% of the foreign population (Instituto Nacional de Estadística, 2010). This transition suggests that, with proper notification and information dissemination, Eastern European workers could fill labor voids created by expiration of non-EU immigrant work visas.

Similarly, Eastern European labor migrants may support economic recovery if non-EU immigration is restricted. By expelling non-EU foreigners, these EU legal migrants could fill the void and increase the overall employment of EU citizens. Obviously this could be very costly to document and send home non-EU workers in Spain in addition to potentially damaging solid agreements with other countries. (Based on significant difficulties with return migration of asylum-seekers, it is doubtful whether institutions could handle this process). Market-led labor demand is not instantaneous, however, and in the short-term, this analysis finds that problems would arise for
recovering sectors where immigrant labor is significant. Therefore, applying strong restrictions now would be detrimental to quick recovery. Furthermore, the general trend is that many non-EU immigrant workers view Spain as a destination, whereas EU workers are less likely to remain in the country (Instituto Nacional de Estadística, 2010). Family reunification would be less of an issue, but these populations would be less likely to reinvest in Spain, sending remittances back to home countries. With stringent immigration restrictions, however, new labor market opportunities calling for labor migrants will attract Eastern Europeans, and trends in the past 15 years as explored in Chapter 2 indicate that more Eastern Europeans are willing to settle in Spain with labor opportunities.

If more restrictive policy is the aim, Spain and the EU will have extensive alignment issues. First of all, the decentralization of government leading to focus on regional government control is an issue if the EU wants a coordinated immigration policy. Extremadura and Andalusia are the two poorest regions of Spain and are in the top 5 regions for immigrant population. Figure 9 provides a regional map of Spain. These two regions also have high contribution/participation in agriculture. This requires more specific regulation on the regional level, found to be more effective than national policy. Coordinated EU immigration policy would have to be general and overlaying, allowing for individual regions to delegate and monitor, and providing for increased funds to areas of particular need. According to the OECD, the Spanish government must address unclear distinctions in responsibilities between the central government and regional communities and disseminate best practice information and incentives (Organisation for Economic Co-operation and Development, 2010, p.8).
Aging populations and low fertility is a significant concern for many European nations future stability. With restrictive immigration policy, Spain will lose a counteracting force to population aging and unsustainable fertility rates. The OECD identifies Spain’s aging population as a significant roadblock to economic recovery:

Life expectancy at birth is now among the highest in the OECD, while fertility rates are near the lowest in the Organisation. In 2050, there will be fewer than two persons of working age for every pensioner, compared to the current proportion of 4 to 1. Moreover, future income replacement rates are expected to be among the most generous in the OECD. According to the current pension system's rules, the average earner retiring after a full career will receive a pension equal to 81% of his previous income, compared to an OECD average of 59%. (Organisation for Economic Co-operation and Development, 2010, p.16)

The generous pension system in Spain is second only to that in Greece. Lower average ages and higher fertility rates of immigrant populations are a documented benefit to counter these dangerous predictions. Furthermore, the OECD identifies the elderly as the
most likely group to be poor (Organisation for Economic Co-operation and Development, 2010).

Unemployment must be mediated in other ways rather than just making a scapegoat of the foreign population for taking jobs. The OECD 2010 recommendation for economic recovery in Spain identifies several areas of needed improvement involving the unemployed:

Additional efforts are also needed to help unemployment benefit recipients find jobs and thereby reduce the risk of long-term exclusion and joblessness. Spain should make it compulsory to register on a placement waiting list as a precondition for receiving unemployment benefits, and applicants should be subjected to a thorough interview. (Organisation for Economic Co-operation and Development, 2010, p.9)

This recommendation was coupled by a suggestion for firms to consider reducing hours before resorting to full lay-offs, keeping people tied to the labor system longer and preventing loss of skills. These recommendations suggest that there are currently too many people on the unemployment benefits system for an extended amount of time with low incentive to actively search for job opportunities. Jimeno and Toharia discuss in their 1994 paper that unemployment insurance and a lack of appropriate vocational training have created disincentives to employment (cited in Huntoon, 1998, p.434). It is important to note that the unemployment benefits system is geared toward permanent workers rather than temporary workers; many more immigrants work within the latter group as opposed to the former. Thus, they are more likely to be unemployed and to not receive benefits.

In the early stages of this era of Spain as a receiving country, motives for allowing immigration were mainly in response to economic growth, filling jobs in booming industries throughout the late 90s and early 2000s. As data from Chapter 2 indicated,
immigration flows in recent years were lower than before Spain entered a recession.
Specifically, comparing flows from 2007 and 2008, the recorded number of people
entering Spain annually had been increasing each year and saw a 2007 high 920,534; this
number decreased to 692,228 in 2008 (Instituto Nacional de Estadística, 2010). This
indicates that high unemployment is affecting immigrants and likely deterring many
potential immigrants from attempting entry. This is occurring in periods of little
additional restrictive measures and amnesty to illegal migrants. This illustrates that the
immigrant labor market is economically motivated in many ways. However, while
immigration population increases may slow due to the economy, restrictive policy would
increase illegal immigration. People who were willing to attempt unauthorized entry with
more open policy would still be willing, and people now unable to enter legally may
consider illegal entry. Given great discrepancies in measuring illegal immigrant
populations, this effect is difficult to determine empirically, but the logic and existence of
large governmental grants of amnesty throughout the last 25 years support this potential
effect of restrictive policy.

A current argument asserts that with unemployment very high, the Spanish
government should not allow any more immigrants to enter the country. A concept
closely related to this argument is known as buffer theory, which holds that labor
shortages could be filled by opening doors to immigrants, filling jobs when needed; in the
reverse situation, restricting immigrant access to the labor market through limited work
visa issuance or deportation would free jobs for unemployed nationals, essentially
“buffering” the national population from high unemployment. The crucial assumption
here is that nationals fill the jobs which are vacated by non-nationals. Otherwise, policy
efforts to limit work visas or deport foreigners would not improve the unemployment rate and rather would create pockets of labor shortage in particular industries in which immigrants are frequently employed. Evaluating this theory in the Spanish case is somewhat complicated due to the transience of temporary workers and difficulty in monitoring the service, agriculture, and construction industries to determine whether nationals would fill these jobs if vacated. On a broad scale, however, the rapid influx of foreigners has created a social stigma with certain jobs; rapid economic growth would call for for large increases in employment in certain lower skilled jobs, immigrants would fill these job needs, and the proportion of immigrants in certain labor sectors would increase relative to the total employment in that sector. Thus, this analysis finds that limiting immigration now could be considered, but expelling immigrants who can prove employment would be detrimental and not lower the unemployment rate of Spanish nationals.

Theory and figures seem to point to this idea being effective, ideas which we now address. Historically, the Spanish government responded to economic growth by opening doors to immigrants, thus filling job openings. Applying the converse, one could think logically that an economic downturn would call for closed doors. Age figures seem to support this argument as well: unemployment rates are the highest for the 15-24 age group, while the highest percentage of total immigrants is also in this age group. This seems to signify that as more young immigrants are entering Spain, they are taking the jobs of people in their similar age group, thus increasing the unemployment rate for that group. Based on high-level figures, this argument would call for limits or restrictions on the regularization of immigrants in the 15-24 age group. However, it is important to note
that during recessions, it is likely for more young people to see increased unemployment rates due to little to no experience, only a few years with a company, insufficient training, and a greater flexibility to return to school. Thus, young immigrant populations may have much less to do with unemployment of the younger working age group than simply the recession. Here requires a detailed examination of where this age group of Spaniards is employed versus the young immigrant employment.

The construction industry is an industry with a high level of employment for immigrants. During economic growth, the industry performed well and expanded, requiring a surge of additional available workers. Today, however, the industry is down. Based on trends, we expect overall employment in construction to decrease. Bayona and Gil made the same prediction in their 2007 study, noting that the construction sector has been one of the main factors explaining massive entry of foreign immigrants, and the current economic crisis should lower the number of entering immigrants and lessen internal mobility due to the decrease in jobs (Bayona and Gil, 2007, p.19). Regarding composition of employees, we see an opportunity for government regulation in terms of previously employed quotas. This industry caters to nationals and non-nationals in similar income groups, so once the supply of nationals pursuing construction jobs is exhausted, the economy benefits from immigrant labor. The government could consider lowering the quota or capping immigration in current times but should anticipate a recovery in the near future. Additionally, as the current economy recovers, the construction industry will see increases as well and will rely on future immigration flows to fill this labor need. Therefore, it seems unwise to alienate immigrants on the edge of pending recovery.
Agriculture in Spain has a surprisingly low percentage of GDP for the country currently, yet it is a significant source of export to other European countries and, by percentage, produces the majority of certain products compared to the rest of the world. It is obviously an industry which cannot be ignored. Immigrants comprise the majority of the migrant labor market in Spain (coinciding with higher residential instability and overall higher migratory intensity), a market which is crucial to the success of the agriculture industry as levels of production change seasonally in each region of the country (Instituto Nacional de Estadística, 2010). Limiting immigration would have an adverse effect on this industry.

Population growth in Spain was very low until the late 20th century. Since then, fertility of Spanish nationals has decreased, yet the overall population growth is positive. Data presented in Chapter 2 suggests that the counteracting force against fertility decreases and slowed population growth is immigration. In a similar sense, immigration is counteracting suburbanization trends and outflows of Spanish nationals from metropolitan areas. The biggest increases in foreign population by region are Catalonia and Madrid, regions hosting the cities Barcelona and Madrid. In a study conducted by Bayona and Gil on migratory trends in the Barcelona region (up to 50 kilometers around the central city), the authors found that in 2006, “more than 40% of the exits from Barcelona and nearby municipalities due to residential mobility were carried out by foreigners and, unlike in the rest of the metropolitan territory, they also were responsible for more than 50% of the entries” (Bayona and Gil, 2007, p.12). It is evident that non-nationals have a much higher and more intense migration within the country due to factors such as higher residential and labor instability. Recaño-Valverde makes note of
this general trend, mentioning age structure and life-cycle stage, family, duration of
residence, labor market situation and education as contributing factors for foreigners’
internal migration (Recaño-Valverde, 2009, p.8). However, the Bayona and Gil study
indicates that the net entry rate into the inner metropolitan ring of Barcelona (defined as
within 10 km from the center of the city) is positive, much of which is attributable to
immigrants. Beyond the inner ring, net migration is positive for both Spaniards and
foreigners, more of which is caused by Spaniards (Bayona and Gil, 2007, p.13).

Regarding age structure and fertility concerns, the Bayona and Gil study also
examines the effect of immigrant populations on age dynamics in Barcelona. The authors
found that between 2000 and 2007 the average age of Spanish nationals increased from
40.1 to 42.2; when including the foreign population, the average age still increased but at
much diluted level, from 40.0 to 40.7 (Bayona and Gil, 2007, p.14). In the metropolitan
region as well as the surrounding areas, immigrants have helped to lessen the effect of
rising age rates but only partially.
CONCLUSIONS

The influx of immigrants into Spain in the last twenty-five years is a phenomenon which has contributed to and accompanied dramatic change in the country. This analysis has presented data and discussion on the Spanish economy and changing population demographics, a historic and theoretical overview of the integration of Spain into the EU, policy efforts in Spain to control immigration, social perceptions of immigrants, and an analysis of the potential affects of restrictive immigration policy. All of these aspects were presented to paint a comprehensive picture of how Spain has arrived at its current state and what role immigrants played in that process. Ultimately, the analysis sought to identify important relationships and concepts, explore them in the realm of economics, and make predictions for changes of policy that could occur in the future.

It should be noted that, while this investigation presents and explores a variety of statistics and noteworthy analysis, there is considerable room for improvement and further research. Identifying aggregate effects of immigration encompasses a substantial amount of information, and detailed statistical analysis will likely reveal additional interesting findings. Towards that end, this analysis recommends more detailed analysis of individual relationships or particular populations to achieve an even more comprehensive picture. For example, it would be interesting to further examine age structure and fertility of certain groups, the mechanics of issuing amnesty to illegal populations, and costs of the underground economy. Additionally, this analysis encourages the reader to take an open-minded, analytical approach to social/economic phenomena like immigration in order to make well-informed recommendations and judgments.
This section will outline general conclusions as formulated throughout the analysis on the following: unemployment, societal views, illegal immigration, fertility changes, short-term predictions, and long-term predictions.

Part of the motivation for this research was the use of foreigners in Spain as a scapegoat for recent spikes in unemployment. It is true that the foreign population is currently contributing to high unemployment; however, this is because immigrant workers’ unemployment rates are higher than that of Spanish nationals and not because foreigners are taking jobs from nationals. Secondly, trends show that immigration levels have been rising for several years at an exponential rate, whereas the recent high in unemployment was a spike. If immigrants were a significant contributor to unemployment of Spanish nationals, these rates should have trended together. Examining these trends further will reveal that the lowest unemployment levels in the last several decades in Spain were accompanied by high immigration rates; one could reasonably contend that immigration increases employment through a positive impact on the age structure of the working population and by fulfilling labor needs.

Spain has also seen great changes in social and political acceptance of immigration. These changes indicate that immigrants are becoming a more permanent part of the Spanish population and culture. The paper also finds that EU-citizens have the greatest ease of integrating into Spanish society, followed by Latin Americans and Africans.

The conclusions regarding illegal immigration are two fold: on the one hand, populations of illegal immigrants are strong labor supplements in sectors where quotas are not estimated and set high enough, like agriculture. Similarly, the unskilled labor of
undocumented individuals is cheaper and may help struggling small businesses and industries recover post-recession. On the other hand, illegal immigrants, struggling to find legal employment, may take part in the underground economy in Spain, are a financial drain to regulators and law enforcement, and fuel political disagreements and racial fears. The issue of illegal immigration in general is a sensitive and dividing topic within Spain and among the EU member nations, and Spain would benefit both from an economic standpoint and a human rights standpoint from better tracking and efforts to regularize illegal immigrants or return them home. Furthermore, the EU together with Spain should continue efforts to promote education and reduce persecution in countries from which immigration is high.

Fertility transition and aging populations is a major concern of many European nations, including Spain. This analysis finds that immigrants, of younger age structure and higher fertility, are helping to slow this process, thus alleviating some of the future pension burden and serving as a social net for the aging population.

If Spain attempts to align policy closer to EU ideals and significantly restrict immigration flows (allowing work visas to expire and limiting or eliminating new entry), this analysis predicts differing effects in the short-term and long-term. In the short-term, restrictive policy will not be beneficial to the Spanish economy. It would be costly to implement, and it would result in many individuals currently in Spain slipping into illegal status to remain in the country, creating further financial troubles for the government. Furthermore, Spanish nationals will not significantly increase their employment because jobs relying on foreign labor are not desirable to Spanish nations. Subsequently, job
vacancies caused by restrictive policy will persist when economy begins to recover, and recovery will take longer.

In the long-term, Spain may see adjustments to policy favoring restrictive immigration to non-EU countries and benefit from these policies. Non-EU migrants have extended difficulties of immigration and integration into society, including complicated work permit and renewal processes, potential to slip into illegal status, high costs of returning to sending countries, and more difficulties adjusting to Spanish life and being embraced within the culture. In the past few years, Spain has seen high numbers of Eastern European migrants, particularly from Romania. Because of EU guarantees of free movement of persons and Romania is an EU member nation, these migrants face lower costs of migration, greater ease in returning home, lower risk of illegal status, and in general better responsiveness to changes in labor market demands. Furthermore, as EU citizens, the Spanish government would achieve political support and alignment with its fellow EU member nations. In short-term interests toward economic recovery, policies favoring EU labor migrants from Eastern Europe should not be implemented until on the path to strong, stable recovery; toward long-term predictions, the Spanish and Romanian governments should work together to maintain clear communication of labor needs and opportunities, evaluate candidates, and forge a beneficial partnership.

The issue of immigration is very important, especially in today’s globalized economy and ease of information sharing. It is clear that the phenomenon has had a significant impact on Spain, and lessons from this case study may serve for immigration issues all over the world. Policymakers must consider the broad implications of their decisions as well as the detailed, for they have the ability to influence millions of lives.
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