

# Recession and its effects on immigrants

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Confronted with the very severe economic crisis in decades and rising unemployment, governments in locations across the globe embraced a range of policies to for example suppress the inflow of migrants and encourage their departure. The United Kingdom has tightened admission requirements. One policy response has been the “pay-to-go” schemes that encourage unemployed migrants to return home. Spain and the Czech Republic are offering economic incentives such as a paid one-way ticket home and lump sum payments typically pegged to unemployment insurance benefits in exchange for migrants’ promise to leave the country for some period of time or even indefinitely. In Czech Republic the policy is targeted largely at Vietnamese and Mongolian contract workers who have lost their jobs. This is a sharp contrast to the Spanish programme which is targeted at settled immigrants.

From the humanitarian perspective, there have been very unsuccessful situations among immigrants during recession in the host countries. In the case when a person has bought an apartment or other housing in the host country, the value of the property has declined dramatically during recent recession. Loans, property value decline and unemployment, for immigrants as well for natives, is not a good combination. In this situation, for example Ecuadorians in Spain have had difficulties to decide weather they can return back home. The salaries there are smaller than in the host country and the payments should be paid in time in the host country or sell the property in low market price. Some Ecuadorians said in a recent TV-document film that the situation is even worse now in monetary terms for them after working and earning some years in Spain than before leaving home.

Immigrants tend to be overrepresented in sectors which are the most sensitive to the business cycle and

thus they may suffer particular hardship during the recession. Migration decisions are strongly linked to economic opportunities. Economic migrants move to the host country because they want to improve their own opportunities towards upward mobility. Migrants are unlikely to return home unless they believe their prospects there are substantially better. Immigrants who intended to immigrate permanently are much less likely to return home in a recession. Also strong family ties in the host country will discourage return migration. Workers who are not eligible for benefits, cannot find employment, and do not have family or friends to support them may decide to go home or they face a high risk of falling into poverty. It is worth to notice that many work in sectors such as health and social services that are not traditionally cyclical and that are expected to continue to grow at a robust pace.

Education is a very important tool and it empowers immigrants. Language education and language learning through hobbies like sawing groups, preparing food groups and so-called non-stop language education are some of those tools. Further education to get qualifications updated for host country standards is useful since many countries will need in the near future new labour because of population ageing.

## References

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