Europe’s Refugee Crisis Getting Worse

WASHINGTON – According to UNHCR, the UN refugee agency, so far in 2015 Europe received about 300,000 refugees who landed on EU countries after crossing the Mediterranean Sea from North Africa. For the entire 2014 the number was 219,000. So, we are trending up. And there is no end in sight. People escape from poverty, war, persecution and civil strife. Unless major changes occur in their countries, they will continue to flee.

Many are coming

And these numbers are about those who were processed, and therefore counted. It is a safe bet to assume that the actual numbers are much higher. (And here we are not adding to the total count other refugees streaming into Europe from the Balkans, through Macedonia, Serbia, Hungary and other countries).

Well, beyond the humanitarian crisis, is this injection of millions and millions of new people (over many years) good or bad for Europe?

Mostly bad for Europe

Unfortunately, it is mostly bad. In order to explain why, let’s understand the broader context.

In most European countries the indigenous population is slowly declining, while on average it is getting older. All statistics about fertility rates point to a steep fall, especially in Southern and Eastern Europe.

This means that existing (and often generous) entitlement programs that provide cash transfers and free health care services to seniors citizens can no longer be funded via the
financial contribution of the active population.

**Costly entitlements**

Add to this worrisome trend anemic economies that generate very little wealth, and you get an ugly picture of older populations progressively consuming more resources in countries that produce less and less.

As politicians are afraid of engaging in reforms that would amount to lower benefits, the only “solution” is to borrow part of the funds destined to transfer payments. This means that these shrinking and increasingly older societies, bit by bit, are also getting more indebted, and therefore poorer.

**Is immigration a remedy?**

Given all this, allowing, in fact promoting more immigration could be a remedy. New, younger immigrants getting into the labor force would strengthen the productive base, while adding to the pool of active workers paying into the welfare systems.

*Yes, this is true. Except that much depends on what kind of immigrants you get. Unfortunately, most of the refugees getting into Europe seek help rather than work. They are mostly unskilled. Many of them are Muslims, something that makes it even harder to be integrated in historically Christian societies.*

**Immigration into America**

On balance, America, with all its real problems caused by a broken legal immigration process, is still a magnet for people “who want to do something”.

On balance, America is still viewed by would-be immigrants as the “Land of Opportunity”. “Over there, we shall be able to do things that we cannot do here at home”. The perception of a country that offers a good combination of personal freedom and economic freedom creates a real incentive for motivated
immigrants.

Needless to say, America also gets a lot of poor, illiterate people who have a really hard time adapting, once they get to the USA. They do not speak any English. They have no education. They have no skills.

High end

But, on balance, most immigrants come to America seeking opportunity, not welfare. At the very high end, the highly educated Indians, Chinese or Korean immigrants who settle in Northern California quite often end up setting up and running successful high-tech ventures. While they make money, they create businesses. They create jobs. They enrich America.

The poor

Sure, there are also hundreds of thousands, in fact millions, who end up at the bottom of the labor market. We find them as janitors, entry level construction or landscape workers. We see plenty more behind a counter at a 7/11, or working as parking attendants.

Still, on average, the new immigrants try to fit in, and eventually they rise within the existing economic and social fabric.

And then there are also truly remarkable stories. The Vietnamese “Boat People” who came to America, back in the 1980s, had nothing. Well, in many cases, because of their incredible ability to work hard and use any opportunity for economic advancement, their children ended up going to good universities. And this is also the case for other Asian immigrants who tend to value work and education.

In Europe, a different story

Well, in Europe it is mostly a different story.
First of all, we are dealing with a different group of immigrants, with vastly different motivations. These immigrants are mostly poor or very poor people who come from Africa, North Africa, and the Middle East. Many of them are real refugees, escaping from conflict or civil strife in Syria, Iraq or Afghanistan. Just like the Central American immigrants crossing the US-Mexico border, most of them are illiterate.

But here is the fundamental distinction. America is viewed as a “Land of Opportunity”. America is a “Can do country” that is natural magnet for “Can do people”.

Go to Europe to get help

Europe instead is viewed by the would-be immigrants as a peaceful, tolerant place where the state has many generous social programs. In other words, you go to America to get work, while you go to Europe to get help.

Granted, this is a broad generalization that will not do justice to many highly motivated people. Still, by and large poor people are attracted to Europe as the place to go to not in order “to do something”, but in order to “get something”.

No benefit for Europe

For all these reasons, demographically challenged Europe will get very little benefit from this relentless migratory wave from Africa and the Middle East. Instead of the immigrants learning European customs, while focusing on improving their education, skills and work opportunities, we see that larger and larger parts of Europe start resembling the countries where the immigrants came from.

A giant welfare agency

Look, I am not against multiculturalism –as long as the new cultures enrich the existing one. But this is not the case.
The immigrants bring into Europe mostly their problems, including out of step customs regarding the value of education, and the place of women in society.

In the meantime, Europe has become an extra-large social welfare agency that has just received and will continue to receive millions of new applicants, while its funding sources are dwindling.

This does not look good.