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MIGRANTS' INVOLVEMENT IN IRREGULAR EMPLOYMENT IN THE MEDITERRANEAN COUNTRIES OF THE EUROPEAN UNION

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Foreword

The *International Migration Papers* (IMP) is a working paper series designed to make quickly available current research of ILO's International Migration Programme on global migration trends, conditions of employment of migrants, and the impact of state policies on migration and the treatment of migrants. Some ten to fifteen such papers are published each year as working papers. It continues the *Migration for Employment* series started in 1975 under the World Employment Programme.

Its main objective is to contribute to an informed debate on how best to manage labour migration, taking into account the shared concerns of countries of origin and employment for generating full and productive employment of their nationals, while at the same time respecting the basic rights of individual migrant workers and members of their families.

In this paper Emilio Reyneri, a sociologist at the University of Milan, examines the different patterns of "incorporation" of foreign workers in the regular and underground labour markets of the Mediterranean countries of the European Union. He brings together evidence of the impact of different approaches to regulate these markets on the growth of the underground economy and its absorption of foreign labour. His comparative review of attempts to regularize the status of "undocumented migrants" is particularly rich in insights into how ill-conceived administrative measures taken to implement the policy may themselves contribute to the problem of continued "irregularity" of migrant workers.

Geneva, 11.01

Manolo I. Abella
Chief, International Migration Branch

1. Countries covered and terminology

Among the four Mediterranean countries of the European Union three, i.e. Italy, Greece and Spain, have a long tradition of out-migration and began receiving sizeable inflows of migrants only recently. France, was for decades an important country of settlement for immigrants and closed its borders to labour immigration in the mid-1970s. Thus, their backgrounds are very different as well as their economic and institutional frameworks. At present, however all of them are affected by a similar phenomenon: since the late 1980s numerous unauthorised migrants from Third World countries and Eastern Europe have been entering them. Analysis of both in a cross-national analysis of both the characteristics of those inflows and their impact on the receiving labour markets, show that the main divide will be between the three new receiving countries and France, but important differences will be emphasised also between Italy, Greece and Spain. Stressing what is common to them all and what is different for each receiving country and migratory inflow should allow us to achieve a better understanding of contemporary immigration towards the European Mediterranean countries and to suggest a more viable policy to reduce its negative effects.

In the terminology recommended by the United Nations (“non-documented migrant workers”) makes no distinction between employment status and residence status. The case of a migrant holding a residence permit for work reasons, but working in the underground economy is not even considered. However, in Italy and Spain large numbers of migrants continue to work in irregular jobs despite having obtained (largely through a regularisation) a residence permit that entitles them to hold a registered job. For opposite reasons this is less the case in Greece and France, but in a cross-national perspective a new terminology is needed that makes a clear distinction between the two dimensions, that concerning the sojourn and that concerning employment.¹ Therefore, we will always refer to residence status as authorised vs. unauthorised and to employment status as regular vs. irregular. Both dimensions, of course, are defined by the legal and the administrative guidelines of each country.

More generally, we will refer to irregular employment or the underground economy as including “all income-earning activities that are not regulated by the state in social environments where similar activities are regulated” (Castels and Portes 1989). They comprise those paid work activities leading to the production of legal goods and services that are excluded from the protection of laws and administrative rules covering commercial licensing, labour contracts, income taxation and social security systems. A “marketable” definition excludes both self-service economy and mutual help among relatives, friends and neighbours, as they are usually unpaid activities, and the criminal economy, as activities such as drug trafficking and prostitution are illicit (but production and distribution of counterfeit goods as well as selling of smuggled goods are considered borderline between irregular and illegal economy). In all the countries concerned, state regulation of economic activities is particularly strict, so that the division between registered/declared activities and

¹ The latest reference is Portes (1995), whereas Tapinos (1999) makes the distinction for the first time.

unregistered and undeclared activities is very evident, both for employees and for the self-employed.²

2. The migratory inflows: size, trend and countries of origin

The overwhelming majority of immigrants entered Italy, Greece and Spain without a residence and work permit, which they were able to obtain only subsequently, thanks to the frequent regularisation schemes. Table 1 summarises how many people availed themselves of those schemes in the concerned countries.

Table 1. Unauthorised immigrants who availed themselves of regularisation schemes (thousands)

Italy							
1986-‘87		1990		1995-‘96		1998-‘99*	
Morocco	21.7	Morocco	49.9	Morocco	36.2	Albania	35.0
Sri Lanka	10.7	Tunisia	25.5	Albania	32.2	Romania	20.9
Philippines	10.7	Senegal	17.0	Philippines	28.1	Morocco	20.0
Tunisia	10.0	Ex-Yugoslavia	11.3	Peru	14.0	China	17.0
Senegal	8.4	Philippines	8.7	China	13.6	Nigeria	10.2
Ex-Yugoslavia	7.1	China	8.3	Romania	9.3	Senegal	9.5
Other	50.1	Other	97.1	Other	104.	Other	80.6
Total	118.	Total	217.	Total	238.	Total	193.

** Nearly 13.000 applications had been not yet filed; the breakdown by country of origin is estimated on the basis of applications for working reasons.*

² Regular workers, too, may also perform irregular activities: moonlighters who have their own second job in the underground economy, self-employed workers who evade taxes, employees who get paid overtime under the table. But a broader definition is not required to study the migrants' insertion in the Mediterranean labour markets.

Spain

<i>1985-'86</i> ^o		<i>1991</i>		<i>1996</i>	
Morocco	7.9	Morocco	48.2	Morocco	7.0
Portugal	3.8	Argentina	7.4	Peru	1.9
Senegal	3.6	Peru	5.7	China	1.4
Argentina	2.9	Dominican Rep.	5.5	Argentina	1.3
Great Britain	2.6	China	4.2	Poland	1.1
Philippines	1.9	Poland	3.9	Dominican Rep.	0.8
Other	21.1	Other	33.4	Other	7.8
Total	43.8	Total	108.	Total	21.3

^oNumber of applications received.

Greece

<i>1998-'99</i> ^o	
Albania	195.
Egypt	23.1
Bulgaria	22.0
Pakistan	22.0
Romania	16.0
Poland	11.6
Other	82.5
Total	373.

France

<i>1981-'82</i>		<i>1998-'99</i>	
Tunisia	17.3	Algeria	11.3
Morocco	16.7	Morocco	8.9
African	15.0	China	8.9
Portugal	12.7	Congo	6.4
Algeria	11.7	Mali	5.6
Turkey	8.6	Tunisia	4.0
Other	39.1	Other	35.5
Total	121.	Total	80.6

^oNumber of "white cards" granted; the breakdown by country of origin is based on a sample of 51.000 applications.

However, because of inexpert and inefficient bureaucracies, data regarding residence permits often give an inaccurate picture even of the number of migrants present legally: often new permits were registered late and, even more frequently, expired permits were not cancelled. For instance, in Italy the Institute of Statistics (Istat 1998) recently revised data on permits issued by the Ministry of the Interior, showing that they were overestimated by more than 10%. Finally, in the new immigration countries, labour force surveys are of little use, because they consider in practice only the settled households, neglecting the huge majority of single immigrants, even when they have a valid residence permit. Notwithstanding, by using estimates³, local surveys and data from the regularisation schemes, it is possible to obtain a general picture of the size of immigration flows, both authorised and unauthorised, from the various countries of origin⁴ (see Table 2).

Table 2. Numbers of authorised foreign people (residence permits) and estimates of unauthorised immigrants.

<i>Country</i>	<i>Year</i>	<i>Authorised migrants (thousand)</i>	<i>% of local population</i>	<i>Unauthorised migrants (thousand)</i>	<i>% of local population</i>	
Italy	1984	404	0.7	190	0.3	total foreign population
	1988	645	1.1	212	0.4	° including expired permits.
	1990	780°	1.4	236	0.4	which amount to 10-20%
	1994	977°	1.6	272	0.5	of all permits
	1998	1240°	2.2	250	0.5	
Spain	1990	484	1.2	200	0.5	total foreign population
	1995	532	1.4	150	0.4	(nearly 30% of authorised foreigners are EU retirees)
Greece	1992	140	1.3	180	1.7	foreign population
	1993			220	2.1	(Greek nationals and EU
	1998	100	0.9	525	5.0	people excluded)
France	1990	1700°	3.0	150	0.3	North Africans and people

³ Most guess-estimates given by newspapers, experts and government sources overestimate the presence of undocumented immigrants in all these countries. It is interesting to remark that in Spain, and especially in Italy, where it was possible to reconstruct the progression of estimates published over the past twenty years, the estimates were particularly overblown during the initial stages of immigration, when the phenomenon was less familiar.

⁴ The report is partly based on an EC-TSER project, "Migrants' insertion in the informal economy, deviant behaviour and the impact on receiving countries", which I coordinated. Three articles concerning Italy and Spain have been published: see Solià *et al.* (1998), Reyneri (1998) and (1999a). To make the text more readable, most of those references have been omitted. In case of information drawn from other sources the references are always specified.

1994

175

0.3

from East Mediterranean Basin
° registered in 1990 Census

Source: Modified from Strozza 1999.

Italy (population: 57,000,000). The migratory inflow from non-EU countries became important during the late 1980s, when it was estimated at more than 100,000 people per year. In the 1990s the foreign population grew slower, so that by 1999 migrants living in Italy, either legally or illegally, were estimated to number between 1,300,000 and 1,500,000 people, or about 2.3% of the domestic population. Few of them entered Italy holding a residence permit. The number of permits granted to people from East European and underdeveloped countries increased substantially (from one third to 40%) after each of the four regularisation schemes: in 1986, 1990, 1996 and 1998. Taking into account their high economic activity rates as well as employment rates, the proportion of migrant workers can be estimated at 4.1% of the labour force and 4.6% of those employed.

The first regularisation, in 1986, required migrants to be irregularly employed by an employer willing to 'regularize' them, but applications of job seekers were also accepted. Less than 120,000 migrants were legalised, but not even 45% were able to hold an employment contract. As far as the second regularisation is concerned, in 1990, migrants were required only to prove that they had been living in Italy before the end of 1989. About 220,000 migrants were legalised: 21,000 as wage earners, 13,000 as self-employed workers and more than 180,000 as job seekers. Many newcomers, though, were attracted by the prospect of being legalised and the number of unauthorised migrants increased again. In 1995 the third regularisation managed to only partially reduce the size of the undocumented population because of its stricter requirements (a job offer by an employer was needed to apply). More than 256,000 applications were filed, of which 93% were approved, but an estimated 100,000 to 150,000 unauthorised migrants did not even file an application. In addition, new undocumented migrants entered Italy; so, in implementing the new immigration act, in 1998, a fourth procedure of regularisation was adopted with the same requirements as in 1996. About 251,000 migrants applied and a bit more than 193,000 applications have been approved thus far, but nearly 13,000 have still not been processed as of mid-2000.

The number of migrants who obtained their residence permit thanks to regularisation schemes rose to about 850,000: three out of four people from East European and other underdeveloped countries were holding a residence permit by 1999. The estimate is, of course, very rough, since many may have availed themselves of more than one regularisation scheme and there are no figures for returns, but it gives a good idea of the very low number of migrants entering Italy with a residence permit. On the other hand, no procedure existed for entering the country for working reasons before 1986, apart from domestic helpers. This remained the case afterwards too, as after 1991 a restricted quota system allowed only very few migrants to enter Italy holding a work permit: 3-4,000 per year, most of whom with a fixed-term contract in a single Northern region, characterized by nearly full employment and a scarcity of irregular jobs. The yearly inflow of housekeepers amounted to 10-12,000 people till 1995, when this job became also regulated by national labour demand control and new entries decreased dramatically.

The number of sending countries is huge and many of them are very distant and have never had economic or cultural relationships with Italy. This fragmentation has prevented the formation of predominant groups and has probably contributed to slowing the establishment of ethnic-based communities. Furthermore, the relative importance of different flows has changed quite quickly over time. In the 1990s the largest groups were Moroccans (around 15%), citizens from the former Yugoslavia (about 10%), Tunisians (5-6%), Albanians (5-8%), Filipinos (5-6%) and Senegalese (about 3%), but important inflows also came from Egypt, Brazil, India, Sri Lanka, Poland, Romania, Peru, China, Somalia and Ghana (every one of those groups represents over 1.5% of the total).

Italy has followed a strict policy towards refugees, so much so that only 20-30,000 people from Bosnia were admitted, after having been granted a special status that entitled them to work. Instead, many migrants from the ex-Yugoslavia had the characteristics of a more customary economic immigration: mainly seasonal or temporary, as they were mostly commuting into Italian border regions. As regards Albanians, even the three brief “invasions” (1991, 1992 and 1997) can be referred to social and economic factors as much as to political reasons. Nevertheless, people from Albania and the ex Yugoslavia never reached one fourth of the total immigration from underdeveloped countries, and almost every year they numbered around 15 to 16%.

The territorial distribution of migrants was characterized by a progressive shift from the Southern regions (where important gates of illegal entry are located) to the Northern ones, and in particular to metropolitan and newly industrialised areas in the Northeast and Centre. Thus, nearly one out of three migrants is now living in the Rome and Milan areas and nearly two out of ten are living in the “industrial districts”.

Spain (population: 39,000,000). The number of migrants rose rapidly from 1980 to 1985, with a still faster increase from 1986 to 1991 and a slower increase, coupled with an initial settlement process, from 1992 till the present. In Spain, too, the majority of migrants were undocumented for a while.

At the end of each of these three periods a regularisation scheme was implemented: nearly 44,000 people were legalised in 1985 and over 110,000 in 1991, whereas less than 25,000 applications were filed and a little less than 21,000 were approved in 1996, when only migrants who had held a residence permit in the past (and their relatives) were entitled to apply. However, many migrants who, either did not succeed in availing themselves of the 1991 regularisation (as many as those who did), or who entered Spain illegally afterwards, were able to avail themselves of the quota system, because migrants already living in Spain without authorisation were entitled to apply for a residence and working permit provided they had a regular job offer from an employer. Since 1992, about 20-30,000 permits have been issued each year to migrant workers, most of whom (over 80% in some years) were irregularly employed either as domestics or for personal services (women) or in agriculture (men) (Escriva 1997). Thus, the quota system served basically as a hidden *de facto* permanent regularisation. About half of these permits were issued for seasonal jobs, but the outcome was the same.

All told, over 250,000 people got a residence permit, thanks either to a regularisation scheme or the quota system. As of 1997, foreigners from non-EU countries holding a residence permit numbered about 360,000, which means that seven out of ten migrants were living in Spain illegally for a more or less long period of time. The comparison is, of course, very rough, because many people, even more than in Italy, are likely to have availed themselves of more than one regularisation procedure. However, it is worthwhile to remark that after the 1991 regularisation the number of non-EU migrant workers without a residence permit did not increase and, according to the estimates of Schoorl *et al.* (1996), even decreased. In 1993, they were estimated as ranging from 75,000 to 150,000 (Cachon 1994), and it seems that few of them had entered Spain after 1991. New unauthorised entries are estimated low in number afterwards, as well. Thus, the quota system and the special 1996 regularisation may have succeeded in substantially reducing the unauthorised sojourners, most of whom had failed to renew their annual permit. Nevertheless, in spite of Spain's success in reducing new unauthorised entries from 1992 onwards, the number of migrants not holding a valid residence permit has been increasing again. Thus, as of January 2000, when a new immigration act was passed providing for another regularisation scheme, over 200,000 people applied. However, government sources have estimated that about 50,000 applications should be rejected, for concerning people who, lured by the mirage of a new regularisation, entered the country after the deadline of June 1999.

At the end of 1990s Spain was, nevertheless, the European country with the lowest insertion of migrants from East European and underdeveloped countries. Their 15-20% share of undocumented people only amounts to at around 1%. They have, however, far more than doubled their numbers since the early 1980s. In the regular labour market, in 1992 for every 100 people working in Spain only 1.5% were foreigners, and workers from non-EU countries were less than 1.2%. In 1993 non-EU migrant workers (unauthorised ones included) were estimated to number from 1.2% to 1.7% of the total labour force (Cachon 1994). These proportions are thought to have remained fairly similar in the following years (Colectivo Ioñ 1998).

Two groups are largely prevalent in the Spanish immigration, both linked to Spain by long-term economic and cultural relations. In the 1990s Moroccans (the "southern neighbours") numbered one fourth of non-EU people, and migrants from Central and South America (the "Latin-American brothers") were just as numerous. Minor groups, but still important in size, include Filipinos, Chinese, Poles, Gambians and Indians. The number of migrants from other countries is negligible.

The highest concentrations of migrants are found in the developed regions (Catalonia and Castilla) and even more so in the metropolitan areas (Barcelona and Madrid), in the region neighbouring Morocco (Alicante) and in a region characterized by high seasonal employment in tourism and agriculture (Andalusia). For instance, over 50% of Moroccans live in the Barcelona and Madrid metropolitan areas, and two other provinces in Catalonia account for more than 10%. Smaller numbers of Moroccans also congregate in Malaga, the Canary and Balearic Islands and along the Mediterranean coast.

Greece (population: 10,000,000). Although some thousands of migrants have been working in the merchant marine and as seasonal workers in agriculture since the 1960s, an explosion of the phenomenon occurred only in 1989-1990, with the massive influx of migrants from the former socialist countries, mainly from Albania, and Greece quickly became one of the European countries with the highest proportion of foreigners. Since then, the increase in the number of migrants is estimated to be not very dramatic. The number of Albanians, who constitute the great bulk of the migrants, seems to have stabilized, although their turnover, reinforced by mass deportations, is huge. Seasonal labour immigration from other countries, both authorised and unauthorised, account for the changes within the same year. Since mid-1996, entries of clandestine migrants brought by traffickers (mainly from the Middle East and Asia) have been increasing, so the number of foreigners is expected to grow even more.

The vast majority of migrants are unauthorised, but it is very difficult to estimate even the “few” authorised ones because of a great discrepancy in the statistics, mainly because Greek nationals with foreign citizenship (from Russia, Turkey and Albania) are classified in different ways. In the early 1990s, the number of all foreigners with a residence permit amounted to 250,000, but 60,000 of them were Greek nationals and 80,000 were either from North America or EU countries, so that authorised migrants either from East European or underdeveloped countries numbered only 100,000, of whom 20,000 were Albanians. On the other hand, in the 1990s the number of residence permits (generally for one year) issued yearly fluctuated around 80,000 (one-third for ethnic Greeks), but the recent trend is decreasing, so that the total number of permits dropped to 150,000 by 1995 (Droukas 1998). The number of work permits is even lower, because of a very restrictive law. From the late 1970s to the mid-1990s, the work permits (both newly issued and renewed) totalled about 28,000 per year. If one takes into account that some working permits are given for a duration of more than one year, the number of those holding work permits can be estimated at 35,000 (among whom the share of ethnic Greeks and workers from EU countries is large). And the recent trend is decreasing for work permits, too (Baldwin-Edwards and Fakiolas 1999).

Greece is the South European country most often sought by refugees, but it has been a country of transit for most of them. However, the refusal of some countries to accept any more refugees, as well as the loss of refugee status by Eastern European people, such as the Poles, resulted in an increase in overstayers in Greece. And a “residue” of refugees remained in Greece as a “waiting room” for an indefinite period of time. These people began to resemble to economic migrants, although they were not entitled to work. Moreover, they created a pole of attraction for other people from their countries, who came and went illegally. The situation changed only recently, when refugees gained the right to work, and were no longer forced to work in the underground economy.

Ethnic Greeks are peculiar refugees. Greek Pontians, who came to Greece from the ex-USSR in the late 1980s, were entitled to naturalisation provided that they were able to supply the necessary documents. Those holding documents are estimated to have reached 70,000, but just as many unauthorised persons are estimated to have arrived with them. However, many returned home afterwards. North Epirotes, who have been coming from southern Albania since 1990, were estimated at about 170,000, but only 80,000 settled (Pteroudis 1996). They were allowed to enter Greece legally and reside there for a fixed period of time. Even if their visas could be renewed, it was not automatic, so their situation remained very precarious.

Only a small minority of the migrants living in Greece are authorised: one out of ten, according to some estimates. These estimates also vary widely, because many unauthorised migrants enter and leave Greece very frequently. During debates in Parliament in 1991, estimates of 250,000 and 400,000 were advanced, while in 1994 their number was estimated at 600,000. In 1994 a figure of 395,000 was estimated concerning only the overstayers who

entered Greece with a temporary visa (the so-called “active tourists”). Pteroudis (1996) reports nine estimates, dated 1993 or 1994, ranging from 260,000 to 600,000.

In 1998 Greece finally adopted its first regularisation scheme. Nearly 375,000 non-EU people applied for and received a certificate (the “white card”) that entitled them to reside legally in Greece for some months. But to get a work permit for 1 to 5 years (the “green card”), migrants had to make a second application, including proof of employment during their temporary stay, which they were entitled to by the “white card”. Because of the stricter requirements, only 220,000 migrant workers applied for the green card. Both applications were processed very slowly, so that at the end of 1999 the regularisation process was far from over and most applicants were still in a very precarious position, particularly concerning the working permit (Baldwin-Edwards and Fakiolas 1999). In particular, over 150,000 people, who got a white card and were registered at employment offices, were unable to meet the requirements for a green card and returned to unauthorised status. Furthermore, the immigrants who for various reasons (too recent entry, fear either of being fired by their employer or being identified by authorities) did not even apply for the “white card” were estimated at over 150,000 (Cavounidis 1998; Fakiolas 1998).

Therefore, it is reasonable to estimate that all migrants, both authorised and unauthorised, number around 650,000 to 750,000, equal to about 7% of the national population. Owing to their very high rate of economic activity (even among authorised ones, few migrants are entitled to family reunion), we can estimate that migrant workers represent some 12-13% of the labour force. At the end of the 1990s, Greece is the South European country most strongly affected by recent immigration, despite the fact that it is not at all the richest one. Also, the proportion of unauthorised migrants is the highest, although it is difficult to compare Greece with Italy, where frequent regularisation schemes have periodically reduced the number of unauthorised migrants. However, we can estimate that migrants, authorised or unauthorised, are now nearly five times as numerous as they were in the early 1980s. Therefore, the growth of migrants is also the fastest among the new receiving countries and the gap is even larger if we consider that they first started coming in 1990.

About four out of ten unauthorised immigrants are estimated to be Albanians, despite repeated and massive deportations: over 1,400,000 Albanians were deported from 1990 to 1998. This figure is nearly half of the total population of Albania, but, of course, a lot of Albanians were deported many times. According to Albanian sources, the number of Albanians who moved to Western Europe is nearly 500,000, more than half of whom can be found in Greece and most of the others in Italy. Poles are estimated in second place, at nearly 20% of the total population of unauthorised migrants.⁵ They started to enter Greece in 1981 as refugees, but after 1985 they continued to arrive illegally as economic migrants. The proportion of the two groups of ethnic Greeks is uneven: 13% are Pontians from Russia and 3% are North-Epirotes from southern Albania. Egyptians are estimated at 10%. Most Egyptians are undocumented, too, but their proportion among undocumented migrants is the lowest, as most of them arrived through a bilateral labour agreement. Filipinos, who are estimated at a bit fewer than 10%, are the only important group of migrants who come from a distant country. Many of them entered the country legally, but their residence and working permits have since expired. Only few thousand people come from other countries, so that the heterogeneity of immigration in Greece is relatively low, even lower than in Spain.

Most migrants live in the area of greater Athens, where about 40% of the Greek population resides. Many migrant workers, however, move to the countryside to cover

⁵ Poles and Filipinos are under-represented among applicants for regularisation, whereas Albanians are over-represented. According to Baldwin-Edwards and Fakiolas (1999), who outline the costs of obtaining authorised status, Poles and Filipinos are more likely than Albanians to remain in Greece illegally, as they are less visible and have fewer difficulties with the police.

seasonal needs in agriculture and return to Athens during the winter. At the beginning, migrants entering from the North usually remained near their entry point for a certain period, but more recently many have been moving south. Numerous migrants have reached the islands, where they can find jobs during the tourist season.

France (population: 58,000,000). About 3,600,000 foreigners are living in France, i.e. 6,5% of the total population. The figure has been basically unchanged since the early 1980s, but we must remember that every year large naturalisations reduce the foreign population. This amount is mainly the result of huge waves of labour immigration till the mid-1970s and of the subsequent process of settlement. After the ban on new inflows of migrant workers in 1974, family reunion is the main reason for permanent entry, whereas asylum seekers and workers (mostly either skilled or seasonal⁶) account for only a small part of the total inflow, whose annual number fluctuated around 100,000 in the 1990s (temporary permits included). Two out of five foreigners are from Italy, Spain and Portugal, whereas immigrants from Algeria, Morocco and Tunisia account for nearly three-quarters of the people from non-EU countries. They represent about 2,300,000 in number and almost 85% of them have a ten-year residence permit (Sopemi 1999).

⁶ The decline in seasonal inflows is partially explained by the fact that migrant workers from Portugal and Spain became EU citizens.

Unauthorised migrants entered France as well, many of them as asylum-seekers, since rejection of asylum applications is considered the main reason for undocumented immigration (Brachet 1997). However, the number of unauthorised migrants is very low, particularly if we consider the huge population from non-EU countries, which should exert an important pull-effect on relatives and friends still living in the countries of origin. Estimates dated from 1990 to 1994 range from 150,000 to 200,000 (Schoorl *et al.* 1996). Estimates from the 1997 regularisation, the first one after the one in 1981,⁷ and a special amnesty for 15,000 asylum-seekers in 1991, appear to confirm this figure, as about 128,000 people applied and 80,600 to 95,000 of them managed to be regularised (Thierry 2000). It is true that the only migrants who were eligible to apply were those who had been living in France for at least seven years or who had family ties with authorised migrants. But a yearly average of less than 10,000 new unauthorised sojourners is not at all an important number. Furthermore, a large proportion of permits were granted to family members of well-settled authorised migrants. Thus, new unauthorised entrants looking for a job turn out to have been quite scarce. Even the proposals from pro-migrant associations for relaxing regularisation requirements focused on the idea of well-inserted migrants who should be legalised, overlooking supposed recent entrants and poorly inserted migrants.

According to the labour force survey, foreign labourers total 1,600,000 people, equal to a bit more than 6% of the total labour force. Four out of ten foreign workers come from EU countries (above all from Portugal), whereas non-EU workers are mostly from Algeria and Morocco, but the number of Tunisian and Turkish workers is also sizeable. Non-EU workers are more likely to be unemployed than French and EU nationals. The gap is increasing: in the late 1990s the unemployment rate was around 31-32% for the former and around 10-11% for the latter. Youths from Algeria and other African countries were the most likely to be out of work.

3. The new immigrants: who migrates and why

The largest outflows of migrants are not from the poorest countries. In fact, there is an inverted U-shaped correlation between the level of development of a country and the likelihood of its residents emigrating, so it is more likely that the largest emigrations are from countries with an intermediate level of development, which are at a disadvantage, but not completely poverty-stricken (Rowlands 1998). Similarly, those who emigrate are not the poorest people from these countries, but rather those who are at a relative disadvantage, but possess the material and cultural resources to face the costs and hardships presented by emigration (United Nations 1997). These costs and difficulties have only seemingly diminished, thanks to easier communications and cheaper transport, because almost all countries of destination have distinctly reduced their willingness to receive new migrants and have tightened their border controls, so that the ways of migrating have become illegal, expensive and risky.

The personal characteristics and the migratory projects of the vast majority of migrants who entered Italy, Greece and Spain, as well as France, over the last 15 years confirm that picture, thus contradicting the popular cliché of an invasion of desperate people, with no material or cultural resources, running away simply to survive, which is suggested by studies

⁷ The undocumented immigration following the ban on new legal entries in 1974 was not large-scale by contemporary standards in South European new receiving countries. Only 132,000 migrant workers availed themselves of the 1981 regularisation: an average of less than 20,000 illegal entries per year. Unauthorised immigration was never a mass phenomenon in France after the decision to halt recruitment and enforce strict measures against illegal residents and “black” labour. On the contrary, before 1974 regularising migrant workers who entered the country without a permit was normal practice.

showing how the dramatic demographic growth in underdeveloped countries is not matched by an equally rapid economic growth.

3.1. Personal characteristics: a great many educated and/or middle-class youths

Italy. Most immigrants are from African, South American, East European and Asian countries that have not recently suffered dramatic upheavals. The number of *de facto* refugees from Bosnia and Albania was important only for short periods (as their residence was mainly temporary) and the asylum-seekers were always only a few thousands each year (perhaps because it was well-known around the world how unprepared the Italian system was for providing asylum).

Some of these migrants are poor peasants and out-of-work farm-labourers, not educated and from rural societies. However, many, perhaps the majority, were living in urban areas before emigrating. This is the case not only among the “pioneers”, but among the “second comers”, too. Most immigrants are young adults, either highly educated people or with middle class origins. Local surveys agree in noting a 35-50% proportion of graduates and high school people, though with differences depending on the country and area of origin. The proportion of educated migrants generally becomes lower and lower as inflows continue, but this is not true for North Africans, whose early migrants were mainly from rural areas. The most educated groups are Latin Americans, Filipinos, Egyptians and East Europeans, while the least are Moroccans, Tunisians, Senegalese, Cape Verdians and Chinese. Table 3 shows the findings of two consecutive surveys carried out in the Milan area, although the educational level of migrants there is higher than in other areas of Italy.

Table 3. Level of education of migrants living in the Milan area (percentages)

Country of origin	1991					1997				
	No school	Compulsory school	High school	Graduated	Total	No school	Compulsory school	High school	Graduated	Total
Eastern Europe	6.1	17.9	54.0	22.0	100.0	7.9	27.1	41.2	23.8	100.0
North Africa	18.0	25.0	45.0	12.0	100.0	11.6	31.1	49.8	7.5	100.0
Other Africa	15.4	29.1	44.0	11.5	100.0	15.1	25.9	44.1	14.9	100.0
Latin America	2.2	34.5	54.7	8.6	100.0	11.5	18.3	59.4	10.8	100.0
Asia	5.3	41.7	47.3	5.6	100.0	5.9	37.3	42.8	14.0	100.0
Total	11.1	31.3	47.3	10.3	100.0	10.3	29.3	46.7	13.7	100.0

Source: Colasanto *et al.* 1993; Blangiardo 1998.

Either status inconsistency or relative deprivation affect many migrants. In a qualitative field study carried out in Milan (Reyneri 1999a), migrants who applied for the 1996 regularisation turned out to be distributed rather evenly in four groups: the “underprivileged”, with low social status as well as poor education; the “underachievers”, with poor education, but middle-upper class origins; the “upwardly mobile”, with high educational level, but low social status, and the “privileged” with high educational level and middle or upper class origins. Both social climbing and avoiding a risk of downward mobility have an important impact on the propensity to emigrate.

Until now, the large majority of migrants have been single youths, both male and female, although family reunions are rapidly increasing, particularly after the last regularisation scheme. The increasing proportion of women, who at present account for more than 4 out of 10 people from undeveloped and East European countries, is only partially an indicator of a settlement of migrant households. The gender ratio for women ranges from 5% for Senegalese to 66-70% for Filipinos, Peruvians, Brazilians and Poles. The high polarisation means that in some groups single men are still largely prevalent, while in others the new phenomenon of women emigrating alone concerns Italy also, as well as Spain and Greece.

Regarding occupational status before emigrating, local surveys have shown that those out of work were relatively few, with many indeed having permanent jobs (mainly in the construction industry, transport and retail trade) and a sizeable number still studying. It is true that in some countries a great share of the working activities were self-employment or carried out in family firms, at a near-subsistence level, and that sometimes “students” were actually youths looking for their first job. Nevertheless, the category of the unemployed was not a dominant one, and present jobs are often worse, from a professional or social point of view, than those held before emigrating.

To sum up, above all in the early stages of migration, a lot of migrants belonged to the elite youth of their own countries, who both most intensely feel the gap between expectations and reality and have the personal and material resources necessary to support the costs and hardships involved in illegally entering a country they generally have no relationship with.

Spain. Most migrants from the two largest groups living in Spain (Moroccans and Central-South Americans) come from big cities. The great majority of them are young adults and those holding only temporary work permits are even younger. People who decide to migrate are usually well educated and have job skills. Similarly to those entering Italy, there are important differences in educational background among Moroccans. Many of them have a secondary school or higher education and consider themselves members of the middle class. Latin Americans, who are predominantly male, have a fairly high level of education, with Peruvians being the best educated. Many Latin Americans are educated youths from the lower class who were not able to find adequate jobs and were obliged to emigrate to satisfy their increased expectations. On the contrary, most female migrants from Central America and males from Gambia are very poorly educated.

Many migrants are working-class youths from large cities, which they describe as places where job opportunities are scarce and present few opportunities to improve themselves. But most of them were employed before emigrating: Africans in construction, Moroccans in the wholesale and retail trade; others worked as teachers, farmers and sales clerks. Migrants are the most qualified members of a needy society. More than one out of ten migrants who sought to legalise their status in 1991 had a higher than average education and would be classified as a member of the middle class in their country of origin.

Socio-professional downgrading is the norm for migrants who were employed before migrating and there is also no link between educational background and the jobs held in Spain for migrants who had no previous working experience. The gap between qualification or education and occupation is particularly evident in the case of both Moroccan and Philippine women and men from the West African countries. They are trained teachers, nurses or at least high school graduates, and they are employed as live-in maids by the city's wealthier families. In case of seasonal employment in agriculture, some immigrants from urban backgrounds are forced into a rural setting.

As the proportion of women among the applicants for the regularisation schemes (39% in 1986 and 32% in 1991) is larger than among migrants holding a residence permit, unauthorised immigration is more common among women than men. This is due to families

attempting to reunite and to the high demand for workers in “female” jobs (housekeeping, nursing and cleaning). This proportion was almost twice as high as the percentage found in France and considerably higher than the proportion of female immigrants who illegally entered Italy. The majority of male immigrants come from Morocco or Sub-Saharan Africa, while most of the women come from Asia (Filipinos) and Central-South America.

Greece. The overwhelming majority of migrants are young adults. Men are largely prevailing among Albanians as well as other migrants. On the contrary, Ukrainians and Filipinos, as usual, have a very high proportion of women. Unauthorised migrants generally come as individual workers, whereas families are more frequent among refugees (as for Poles) and ethnic Greeks. However, as migrants become more settled, the number of families increases, even among the unauthorised population.

The level of education is generally high, although it varies across groups (refugees are more educated than economic migrants). On average, it is probably lower than for migrants who entered Italy, because of the poorer education of Albanians. According to some surveys, though, many Albanian workers have a high school degree, but among the youngest who recently entered the country, the proportion of poorly educated was rapidly increasing (Iosefidis and King 1999). These youths are lacking even the rudiments of socialization, from a disintegrated society no longer able to transmit social norms to the new generations. Particularly high is the educational level of Black Africans, many of whom came as students. Many Pakistanis, too, are middle class and sometimes left a “good” job behind. The educational level is usually good among Poles and many have a secondary school degree or professional training. Filipino women are typically the most educated among the Third World migrants.

Almost all Albanians, even the educated ones, were unemployed or had lost their jobs, while the youngest had never had a job. They are certainly poor people or impoverished people, but most of them had good jobs during the previous regime, jobs that would be considered middle class jobs in western societies (for example, teachers). Other Albanian migrants are of rural origin and their parents worked in the fields. As Albania is close to Greece, migration is possible without investing any material or cultural resource. However, in this case, too, successful migration and success in remaining in Greece involve costs (for example, to buy a visa, while the chances of being turned back are high, as well as the risk of losing their lives in crossing the borders). Finally, many migrants entering Greece were really escaping for survival, in contrast with what occurred in Italy and Spain. A sizeable number of people arrived as political refugees. Concerning Albanians, we could say that they were escaping, as economic collapse had brought the population to a subsistence level; nevertheless it is more accurate to view the cause of emigration as the disintegration of an entire society.

France. The 1997 regularisation supplies some information on unauthorised migration since the mid-1980s. Concerning the breakdown of applicants by countries of origin, in comparison with settled migrants, traditional groups like North Africans appear under-represented, whereas other groups are over-represented: first of all Chinese, then people from Black African countries. That breakdown is largely due to the considerable proportion of asylum-seekers whose applications were turned down (Thierry 2000). However, we should note that, although most applications were based on family connections, family networks mattered less than the ability to make insertion into the receiving economy and society in a more hidden and less detectable way, a situation that is common among the over-represented groups.

From another point of view, most regularised migrants belonged to the relatively privileged social classes, less affected by unemployment in their countries of origin, rather than the poorer classes (Sopemi 1999).

New migrants aiming at which goals? To sum up, the stereotype of poor people “escaping to survive” does not correspond to the individual characteristics of the vast majority of the over 1,500,000 immigrants who have illegally entered Italy, Spain and Greece, as well as France, although there are significant differences both by country of origin and of destination. Sizeable inflows of refugees have entered Greece and also Italy, although to a much lesser degree and only temporarily. Thus, escaping to survive does occur, but most new migrants are simply escaping from the downfall of their growing expectations caused by the globalisation of Western everyday life models, as evidence on their employment and educational characteristics. The clearest case is Italy, the country receiving the largest inflows, which is attracting people coming mainly from countries that had no previous special relationships with it.

The fact that most migrants come from urban areas, are highly educated young people, are not long-term job seekers, and that their families are not at all the most deprived in their countries, is a result of the deep changes that developing countries are undergoing and, in particular, of a policy that, by privileging higher education, produces a surplus of educated workers who are no longer willing to enter the subsistence economy and also have the information and autonomy required to emigrate. But what are those people looking for when they migrate? Only “making as much money as possible”, even if they must suffer a painful socio-professional downgrading, according to the usual “temporary and targeted migration” project?

Before analysing the wide range of contemporary migratory projects, it is useful to underscore that a high educational level and/or middle class origins often prevent migrants from satisfactorily entering even the best “jobs for migrants”, which are very seldom outside the manual work area. According to studies in Italy and Spain, educated migrant workers experience even skilled blue-collar jobs not as a “success”, but rather with a deep feeling of frustration. Thus, they are equally prone to taking occasional jobs, as in both cases their occupational and social identities are not at all affected. And their orientation towards migration remains temporary, just as their availability for precarious and irregular employment remains high.

3.2. The migratory projects: in search of better opportunities or new dreams

If we cross-analyse the different typologies of migratory projects⁸ that national research traditions have identified, some common features emerge; thus, a comprehensive overview can be shown.⁹ This result would be more evident if we had the time to correlate the typology of projects to migrants coming from various countries, as people from the same country generally have very similar orientations to migration, regardless of the country they enter.¹⁰

⁸ Of course, we do not at all intend by “projects” rational choices and behaviours, because, like all crucial (and, to a large extent, non-reversible) decisions, deciding to emigrate also involves one’s whole identity. Nor do we refer to the occasions that emigration is often related to (the death of a relative, a scholastic failure, loss of a job, economic misfortune of a friend, etc.). On the contrary, “projects” are conceptual categories used to represent the different meanings people give to their action of emigrating, when they are living in a receiving country. This is of interest if one wants to grasp immigrants’ motivation to their actions, in order to better understand their behaviours, expectations and inclinations. These types are analytical, so that more than one project could co-exist in the same person, thus exerting a contradictory influence on his/her motivations.

⁹ In this case we refer only to migrants who entered Italy, Greece and Spain, as clarifying migratory projects is a typical issue for research in new receiving countries, where migratory chains are not yet established. Nevertheless, it is very likely that people living in France illegally also came with the hope of escaping from ethnic and civil conflict, as well as pursuing targeted socio-economic needs, looking for new opportunities for a better life.

¹⁰ This is the case for Albanians who emigrated to Italy and Greece, not to mention Chinese, who tend to stick to their unique migratory patterns wherever they go. Also similar are the migratory

projects of Filipino women, whatever the country of destination. The greater differences concerning North Africans in Spain and Italy depend on the different mix of the various components in those inflows, so that some projects are more evident than others.

The element of “escape” (either from war or poverty) appears dominant only for refugees, whose inflow, however, was consistently sizeable only in Greece. And most of them remain in Greece unwillingly, as it has become more difficult to be accepted by the countries they originally intended to enter. Italy has a very strict policy towards refugees, including those from ex-Yugoslavia, so that emigration from Bosnia and Croatia seemed more like an economic move: mainly seasonal or temporary, as often occurs between bordering regions.

With reference to the Albanians who “invaded” Italy and Greece, the cause is better characterised as the disintegration of an entire society: they were seeking a new society, more open and freer, as well as for jobs to survive. Albanians came with aspirations and expectations, ready to work under any conditions and totally open to whatever differences they might encounter. They expected to find was not only a society where freedom and social justice was available to everyone, but also a land of plenty, where access to material goods was very easy. Such a “consumption-oriented” migration owe is no small measure to Italian and Greek television, which broadcast an opulent and unrealistic image of the receiving societies.

Furthermore, the very high turnover of Albanians, although caused mainly by mass deportations, is more similar to circular or pendulum-like movements from outlying areas towards metropolitan centres. This is also the case for many North African youths, who are attracted by the “downtown mirage” of Italian and Spanish cities, with their shop-window lights, pastimes, welfare checks and sexual freedom, just like the suburban youths in developed countries. A variant of that “next-suburb youth” migration concerns middle-class educated youths, who are escaping from their families in search of personal independence and new experiences. The economic aspect is subordinate to that of “travelling”, but when the myth’s appeal overwhelms the starting project of a brief stay, a high proportion run the risk of falling into marginal or even deviant labour markets.

On the contrary, the old fashioned “temporary and targeted migration”, which in the 1970s was considered the only migratory project, is part of a family strategy of social climbing. In that case, which is still the most common, migrants’ goals are merely saving money and returning home within five-six years. Their social identity is linked to the society of origin and all activities are aimed at sending money home. These migrants easily enter the “lower” area of the labour market and do not feel this status as painful from a social point of view, in part because they are often poorly educated. Even people who emigrated for these reasons were not actually poor, however: they were looking to improve their living standards, ranging from satisfying family needs (housing, savings, children’s education, etc.) to owning consumer goods that are typical of the Western lifestyle.

However, low earnings and precarious jobs often frustrate their expectations, so that many have modified their initial temporary project into an “undetermined time” one, in which any time-plan and specific goals disappear. A “temporary project” is also negatively affected by the irregularity of their residence, which prevents migrants from periodically returning to their country of origin, so that the project is likely to change into a permanent migration, aimed at merely supporting the family back home. In other cases, thanks to regularisation schemes, a trans-national type of migrant is emerging. Although well settled in Spain or Italy, some migrants (Moroccans, Senegalese, Chinese) manage to maintain close links with their native country (through trips home, telephone calls, etc.), so that it continues to be an important point of reference in their lives. A new channel for international trade is also growing, largely within the underground economy, as grass-roots exchanges often manage to avoid administrative scrutiny.

Seasonal migration concerns many North Africans and more and more men and women from Eastern Europe. The “rotating” migration of people who go back home in wintertime, when farming and construction work or peddling activities are slow, includes

many men from Morocco, Tunisia and the Balkan countries. In Greece, for many years now, “active tourists” have worked irregularly during the summer months in hotels, catering and other tourist activities. More recently, temporary visas for tourist reasons allow a rotating migration of women from Eastern Europe, who work as maids or care for the aged.

Many women emigrate alone to look for work: this is a new phenomenon for long-distance movements, as in the past women mainly had a family role, though they were often active in the receiving labour market. Women who migrate alone from the Philippines, Cape Verde, Mauritius, Latin America, Eritrea and Guinea are for the most part young, single or widow-divorcee-repudiated women, generally educated, though there are also married women, often with children living in their country of origin. Sometimes it is difficult to say whether the emigration originated from an individual choice of breaking off from the community or is part of a family strategy of social climbing, as both these elements are present. Especially when the second kind of motivation prevails, the migratory project starts off as the usual “temporary and targeted migration”. Nevertheless, as time goes by, this aim frequently loses its importance, while personal motivations tend to prevail. The outcome is either a definitive breaking off or a family reunification in the receiving country, causing serious psychological difficulties in the former case and logistic-economic ones in the latter, as a migrant woman working as maid does not usually have an accommodation of her own.

More generally, cultural motives often accompany economic ones: from the rejection of family restrictions and traditional societies to the desire for a Western lifestyle. But even those emigrating for purely economic reasons are driven less by the need to make money than by the desire to improve their quality of life and that of the members of their families who have remained behind. Thus, in the new migratory movements towards South European countries, an important role is played by economic, social and cultural factors of attraction, as they are transmitted by the various channels of communication, from the usual migratory social networks to the increasingly accessible mass media.

The image of the country of destination is also important if we consider the powerful self-selection imposed by the obstacles the receiving countries have created against entry, by implementing strict migration policies. In order to overcome them, migrants must have considerable economic and personal resources and must be prepared to undergo high risks, both at the time of entry and afterwards. These risks have another important implication. They promise commensurate benefits, or no one would try to overcome them. In other words, those who emigrate must know (or believe they know) that the benefits they will find in the receiving country (economic, cultural and existential) will make up for all the sacrifices they shall have to make. The image, real or distorted, of the prospective country of destination is thus an important factor to consider in order to understand contemporary migratory movements.

3.3. Receiving countries where it is easier to make money without documents

Most migrants cite geographical and cultural proximity, along with family-based migratory chains, as their main reasons for entering Spain. This is largely to be expected, because the great majority of migrants come from countries that are very close and/or have long-established special relations with the receiving country. On the contrary, in Italy, where most migrants come from distant countries without any special ties to Italy, very few migrants refer to cultural proximity, and only Tunisians and Albanians to the geographical one. However, not only in Italy, but in Spain as well, many immigrants either had relatives and friends in other receiving countries, or they themselves had previously migrated to other receiving countries. So, many immigrants were able to at least make a comparison between different countries of destination.

People who applied for the 1996 regularisation in Spain and Italy were asked why they chose that specific receiving country (Reyneri 1999a; Soliř 1999). Concerning migrants

living in Spain, some of the interviewees, particularly North Africans and Gambians, mentioned that they thought it would be easier to find work in Spain than in other European countries, although they did not actually have any specific job offer. Other Moroccans said that it was easier to enter and/or reside in, although they would have preferred to go elsewhere. However, fear of being stopped by the police and possibly deported was widespread. According to another survey (Gonsalvez Perez 1996), about one out of five African migrants living in Southern Spain had previously migrated to other European countries. Most of them left those countries because they did not succeed in finding jobs, whereas they were sure that in Spain finding work was easy, although in marginal and underground jobs.

The image of a country where it is possible to be regularised and easy to live and work informally, is typically the case of Italy. Few migrants said that they chose Italy because it was the easiest and/or cheapest country to enter, contrary to a widespread opinion (Foot 1995). On the contrary, the opinion is widely held that remaining in the country is relatively easy, because controls by police are infrequent and, even when caught, unauthorised migrants are rarely deported. Many also mention the possibility of availing themselves of the frequent regularisation schemes, which have had a “pull effect” on migrants. The picture that emerges is of a country where, sooner or later, you manage to get a residence permit, so it is against your interests to respect the orders of expulsion. Official records confirm that till 1998, very few of those who were issued expulsion orders were actually deported: one or two out of ten.¹¹ Moreover, those who had ignored expulsion orders were not excluded by the regularisation. Thus, undocumented migrants interviewed in 1997 reported hardly any risk of being deported.

The expectations migrants had regarding Italy before they left their countries of origin fit this stereotype exactly: a country where it is easy to live and to make money even without a residence permit, so that it is worth the hardship, expense and risk required to get around border checks. Although few immigrants knew the difference between “regular” and “irregular” jobs before migrating, the prevailing view was that work is easy to come by in Italy, even without documents. Some migrants explicitly mention this state of affairs as an explanation for why they chose this country. Many of the Albanians also had the same impression of Greece, but they preferred the Italian underground economy because of the higher earnings obtained. The opportunity for irregular jobs was cited by many Moroccans, too, most of whom entered Italy by travelling illegally through Spain. Generally speaking, migrants from the Mediterranean Basin agree that Italy’s underground economy offers the most job opportunities and the highest earnings.

Even if migrants who illegally entered a South European country are able to reside there easily, making money in its large underground economy, this does not at all mean that all of them are living according to their expectations. Nevertheless, unsatisfactory situations have little impact on migratory flows. Among migrants declaring themselves to be in

¹¹ That situation was changed dramatically by a new immigration act in 1998. Since then, most unauthorised migrants are shut up in detention centres and actually deported, as has long been the case in all other European countries.

difficult situations, not one even vaguely hints at the possibility of returning to his country, and they all say that their negative opinion would never suffice to prevent their friends and relatives from emigrating, too. Emigration is a kind of wager between those who leave and those who remain. Whether it is a family investment or an escape, those who emigrate feel obligated to show those who stayed behind that the hardships they have suffered were worth it. Migrants will try to avoid coming home without money and gifts, because they would be “walking dead men” for their friends and relatives. They are thus forced to prolong their stay, even if their lives become increasingly difficult.

For the same reasons, migrants tend to paint a rosy picture of their situation to those who have remained home. Emigrants can only justify their behaviour by concealing the negative aspects of their living and working conditions in the country of destination. But, even if they advised anyone against emigrating, all of them add that their advice wouldn't be heeded and would not at all serve as a deterrent. Apart from frequent contradictions between verbal and non-verbal communication in messages given by migrants when they return home, their negative comments wouldn't be heeded because they would be interpreted as a sign of hostility or rivalry. The migratory chain spurs additional migration regardless of the information it transmits. The new immigration in Italy is seldom a success story, as was true in the past in the old receiving countries. The self-sustaining effect of the migratory chain is, nevertheless, still powerful (Portes 1995).

4. How migrants become unauthorised sojourners

In all European countries, citizens from a non-EU country are forbidden to work regularly (that is, as a contract employee or a registered self-employed worker) without a residence permit for working reasons. Authorisation to work may be restricted to specific jobs and/or regions and it is only temporary. Usually, the renewal is not automatic, but subject to the condition that the immigrant holds a regular job, or can demonstrate a monthly income sufficiently high to support himself and his family, if present. In some countries, this condition is only required for the first or second renewal of their residence permit. The duration of the first residence permit for working reasons (and frequently for subsequent ones as well) is usually one or two years. However, some countries have at times issued permits of unlimited duration for humanitarian reasons to people who would otherwise have been classified as refugees. Those permits authorise their holders to work. Holding a residence permit for working reasons is necessary for holding a regular job, but it is not, obviously, a sufficient condition.

In order to work in the country of destination, you should hold a residence permit for working reasons before emigrating. You can cross the border without this permit, but only with a tourist visa, as a student, for health reasons, or to visit relatives. Sometimes, though less often, one can enter by simply presenting a valid passport. But those who enter for these reasons are not entitled to work, and their residence should be brief, because permits for non-work reasons are short-term (a few weeks or months, except for students). Finally, there are the residence permits issued for families of migrants who already hold a valid working permit. Generally, these permits forbid working for a certain period of time (one year) and are not issued automatically, as they are granted after a check of income and housing conditions of the immigrant, who must demonstrate the capacity to support and house his/her family members.

4.1. The ways of entry without proper documents

The routes through which non-EU migrant workers were able to enter Greece, Italy, Spain and France and to live in those countries illegally vary widely. There are four typical alternatives, but some of these have variants.¹²

1. Illegally crossing a land border (hidden in trains, buses or trucks) or sea border (boat people);
2. Authorised entry, with a short-term permit (for tourism, health reasons, etc.) and subsequent unauthorised overstaying after its expiration;
3. Apparently authorised entry using false documents, purchased in the country of origin;
4. Entry as asylum seekers and not leaving the country when the application is denied.

Both the first and the third way have two variants according to whether migrants move on an individual/family basis or in the case where an organisation sets up the clandestine entry. Only for the Chinese, in every destination, does the role of traffickers continue after entry, because they continue to exploit Chinese migrants' work in order to exact payment of the large sums they charge for the long and hard "trip", illegally crossing the borders of several countries. For the same reason, a similar situation holds true for Kurds, too. The frontiers of Greece, Italy, Spain and France are crossed by many millions of tourists every year, so police controls on "tourist status" (having a return ticket and an adequate sum of money) at the entry points are difficult or ineffective. Thus, many people who enter with a tourist visa overstay beyond the brief period authorised, becoming unauthorised. In some cases compliance in granting bogus tourist visas was discovered in receiving countries' consulates.

Italy. Clandestine entries are thought to be numerous, as Italy has thousands of kilometres of coastline. The main gates for illegal landings are Southern Sicily for North Africans and the Adriatic coast of Puglia for Albanians, Bosnians and other people from Middle and Far Eastern countries. Apart from repeated mass landings of Albanians, the sea crossing is organised by traffickers, who in Albania have turned this into a large-scale business. On the other hand, most Moroccans and Senegalese enter Italy by land, clandestinely crossing the supposedly strict French borders, as well as the Moroccan and Spanish ones. These inflows are also organised by traffickers, who are generally organised in small groups and come from the same countries as the migrants. As border controls have recently become stricter and the risk of being stopped has increased, traffickers are using fake documents more and more often.

However, until 1998, it was sufficient to cross the border to succeed in staying in Italy, although illegally, because even clandestine migrants who received an order of deportation were not deported, because it was seldom enforced by the police. The number of migrants who received that order increased from 10,000 in 1990 to over 50,000 from 1993 to 1997. But, as only a few of these deportations were enforced, most of those affected probably remained in Italy without documents. The number of enforced deportations increased to over 40,000 in 1999, thanks partly to readmission agreements that were arranged with Morocco, Tunisia and Albania.

Apart from short-term visas, another way of entering legally and afterwards overstaying concerns housekeepers, who until 1996 could easily obtain a working permit. Many of the yearly quota of 10,000 to 20,000 people who entered as housekeepers from

¹² For a slightly different typology see Jahn and Straubhaar (1999).

1992 to 1996 did not even collect their documents at labour offices and thus became unauthorised. This was mainly true for males, who accounted for 35% of these permits.

Spain. Until 1991, unauthorised immigrants only rarely arrived on Spain's shores, as North Africans were entitled to enter the country without a visa. Since then, crossing by boat has become a common way to enter Spain, as well. Trafficking is probably less widespread than in Italy and Greece, as the sea-channel is narrower and people can try to cross it even without the help of traffickers. Furthermore, although limited and easily controlled, there is a land border between Morocco and Spain. Also, sea traffickers are complemented by land traffickers, who transport unauthorised immigrants in trucks or buses to the Northern areas of the country or even beyond, into France or other European countries (especially Italy). After 1994, thanks to stiffened controls and the implementation of the readmission agreement with Morocco, the importance of this gateway for illegal entry has lessened considerably (Marie 1995). In fact, the number of Moroccans turned back at the border, which had ranged from 800 to 2,000 per year before 1993, abruptly rose to 17,000 - 25,000 yearly.

Greece. The majority of economic migrants and asylum seekers arrived by illegally crossing the borders. Illegal entries are facilitated by the existence of long, deserted coastlines and by the topographical features of the northern borders, which make them very difficult to patrol effectively. Efforts have been made to secure these borders more efficiently, but the results are very poor.

The most common route of organised entry into Greece is across the Turkish border. Sometimes the organisation of the trip starts from the country of origin and Greece is an intermediate stop towards other European countries, as it often is for refugees. When a longer trip is planned, many people are involved in the trafficking and they are of different nationalities (mainly Turks and Greeks). When a Turkish boat is found carrying illegal foreigners in Greek waters, the ship is stopped, but the foreigners are neither accepted on Greek soil, nor taken back by Turkey, so they are allowed to land and are looked after by the inhabitants of the place or by the church. Albanian borders, on the contrary, are mainly crossed on an individual basis. Crossing those borders is also very easy, because people with the same ethnic origin live on both sides of the frontier. Thus, deportations do not worry Albanians, who know that returning will not be difficult.

Migrants can also enter Greece using forged documents: either by cheating the authorities or with the support of networks linked to border police, airport officials, etc. In Albania, people may pay in the Greek consulates' corridors for a visa that is not forged, but not fully authentic, so that it could pass a cursory inspection, but not a stricter one.

Finally, in Greece there is a sizeable inflow of asylum seekers, who overstay illegally as economic migrants when their application for asylum in Greece (or, more often, in other countries) is rejected. The journey of refugees, who mainly come from the Middle East, is very long; it might take months, or even years, including long periods spent in one country while waiting for an opportunity to pass on to the next.

France. The large majority of migrants who applied for the 1997 regularisation held valid visa or residence documents at some point in the past. Many of them were asylum seekers whose application was rejected (in the 1990s the rejection rate increased up to 80% for the 13-20,000 applicants yearly) and who did not manage to avail themselves of the 1991 amnesty. Others entered France with a short-term visa (for tourism, as students, to visit relatives) and then overstayed. Those who entered the country illegally were generally smuggled in by traffickers. This was the case for many Turks and above all for the Chinese, who for a short time, just after the 1988 events of Tienanmen Square, had the opportunity of applying for asylum.

Migrants smuggled by countrymen traffickers are usually expected to pay their debts for an expensive trip by working hard in sweat shops or restaurants. Thus, they remain in a

very clandestine situation and they depend either on those who organized their travel or on their new bosses. Others, on the contrary, are socially integrated, in the sense that they live in families and ethnic networks which are characterised by a variety of residence statuses, from undocumented to temporary or permanent legal papers. They might be considered to be in a hybrid situation: without a recognized status for their residence, but otherwise integrated in French institutions such as banking, holding salaried positions, educational facilities or even insurance systems.

4.2. The internal resurgence of unauthorised residence

Both in Italy and in Spain many migrants who had managed to get a residence and working permit thanks to a regularisation scheme soon reverted to an unauthorised residence status. Both countries strangely ignored their large underground economy and stipulated a strict connection between residence status and employment status and short-term controls on the employment status, making the migrants' condition precarious and the resurgence of unauthorised residence relatively frequent.

Italy. To renew their two-year residence permit, migrant workers are required to prove they have a registered labour contract or a minimum income, difficult criteria to satisfy for those holding only occasional and irregular jobs. Becoming unauthorised again is easy for other reasons, too: not obtaining a document in time, forgetting a date, losing a job at the wrong time, leaving for the home country without waiting for permission to re-enter, etc. Although we cannot know how many people returned to their home countries or migrated elsewhere, it is quite possible that most of the 80,000 migrants legalised in 1990, whose permits expired in 1992 and were not renewed, remained in Italy again without a residence permit. Thus, nearly one-third of those who availed themselves of the amnesty reverted to unauthorised status very soon.

Spain. A similar vicious circle occurred in Spain after the 1991 regularisation: one out of four legalised migrants did not succeed in renewing their residence permit in 1994 (Sopemi 1997). The risk of becoming unauthorised again was even higher among those who availed themselves of the regularisation as workers in the two sectors where it is most difficult to keep a regular job: agriculture and housekeeping. In all these cases, regularised migrants were not able to renew their permits, as having a regular working activity was a necessary condition. In addition, in Spain as well, migrants may return to unauthorised status due to bureaucratic absurdities: for example, when the expiration dates of the residence permit and the labour contract do not coincide (Domingo 1996). And most permits had to be renewed every year, as five-year working permits were first issued only in 1996.

Some of those who were unable to renew their residence permit were able to do so later on, thanks to the opportunity offered by the quota system. Some 30,000 people, though, had to wait for the third regularisation, in 1997, which was expressly aimed at legalising migrants who had lost a previous permit of residence. As in Italy, the considerable difficulty in coming out of the underground labour market has a "one-way" effect on authorised/unauthorised residence. Having an irregular job prevents authorised migrants from renewing their residence permit; then, when they have again become unauthorised, migrants are forced to look for irregular jobs only. In Spain, the quota system lets some people break this vicious circle, at least temporarily. Thus, some migrants have seesawed back and forth between authorised and unauthorised status throughout their stay in the country. This is also the case for migrants living in Italy, who are able to avail themselves of the frequent regularisation schemes.

France. In the recent years legislation on foreign status has changed substantially several times. Some foreigners lost their authorised status, as they no longer met the requirements required by the new laws. The debate on this issue has been very bitter both

politically and socially, and has contributed to a continuous oscillation in determining who was really eligible to apply for the 1997 regularisation.

5. Migrants' incorporation into either regular or underground labour markets

Migrant workers entering Greece and Italy found a huge, firmly rooted and flourishing underground economy, which offered them a wide range of jobs without demanding any documents, either for working or for staying. This was not the case for France, whereas the Spanish labour market has changed in the last few years.

The structure of employment (small vs. big firms, the proportion of self-employment and subcontracting), the tax and social contributions wedge, the level of efficiency of state controls and the degree of social acceptance of economic informality vary from country to country, creating different social and economic contexts, some of which are more conducive than others to the development of underground activities. The mix of these factors not only creates different national, social and economic contexts, but within the same country they may promote different opportunities for irregular employment, according to the economic sector involved. A recent in-depth review on the social and spatial distribution of the "black" labour market in European countries (Williams and Windebank 1995) came to the conclusion that, at the regional level, there is no straightforward correlation between level of economic affluence and size of the underground labour market. Throughout Europe, the underground economy has an important impact in deprived as well as in affluent localities. Neither economic backwardness nor rigidity in labour market regulation are sufficient, by themselves, to account for the level of irregular economic activities. The social and cultural background does matter either. Both the state and the judicial systems are, in principle, absent from this segment of the market. Thus, its regulation must be ensured in a different way: mutual trust on the part of the employer and the worker, community and kinship networks or belonging to a reference group are usually pre-requisites for entering this segment of the market. Compliance with norms comes, above all, from social control. Sanctions must be essentially determined by those within the group or network and those involved in these arrangements must be aware of them.

All sources agree in estimating that the underground economy in Greece and Italy is much larger than in all the other European countries. In France, on the contrary, the underground economy is at a medium-low level. As for Spain, the estimates are quite uncertain, but the more recent ones seem to show a decrease, so that the size of the Spanish underground economy is now estimated to be only a bit over the European Union average. The cross-national estimates are based on methods¹³ that without a doubt overestimate the

¹³ The macroeconomic and monetary approaches estimate how much of the GNP is not registered by income tax and social security bureaux. However, some of that income is not the result of irregular workers, but the product either of criminal activities (prostitution, smuggling and drug trafficking) or of registered workers who evade taxes (moonlighters or the self-employed).

proportion of irregular jobs with respect to total employment, but it is reasonable to suppose that the comparison between countries remains valid. Table 4 shows the results of those methods according to various studies.

Table 4. Estimated underground economy as a percentage of GNP

	<i>Average estimates (*)</i>		<i>Range of estimates (**)</i>
United Kingdom	6.8	13.0	7- 13
Germany	8.7	15.0	4 - 14
The Netherlands	9.6	13.6	5 - 14
France	11.4	14.6	4 - 14
Spain	11.1	23.1	10 - 23
Italy	17.4	27.3	20 - 26
Greece	29.4	29.0	29 - 35

Sources: (*) Williams and Windebank (1995) and Corriere della Sera 1998 (quoted in Baldwin-Edwards (1999)

(**) Flynn Report to Commission on undeclared labour 1998

In Southern Europe more people work in sectors where it is easier to ignore administrative rules: agriculture, building, small manufacturing firms and services or self-employment. Furthermore, state regulation of economic activities is traditionally strict, but enforcement is slack and “free rider” behaviour is not firmly condemned by public opinion. The informal labour market, though, has some characteristics specific to the various countries. Finally, there are estimates of the extent of irregular employment for some countries, but they are not comparable.

Italy. According to National Accounts estimates, in 1995 wage earners not registered on firms’ payrolls and self-employed workers lacking the required permits numbered about 2,900,000, equal to 13.6% of those employed (moonlighting¹⁴ excepted). The trend is decreasing, since in 1980 there were almost three and a half million irregular jobs, representing more than 16% of total employment. In contrast, the number of workers holding a part-time second job is holding steady at around 4 million people, although there is a sharp increase in moonlighters who work in industry and services: in 1995 they numbered 3,200,000, equal to 15% of people in employment, whereas they were only 11% in 1980.

The proportion of irregular labour in Northern Italy remains below 8% and in Central Italy it slightly exceeds 11%, but in the South it is over 25%. The difference is even greater when only employees are considered. The gaps become smaller if we compare economic sectors, but they still remain significant. Southern Italy is one of the areas of developed countries where irregular work is most widespread. Nevertheless, irregular employment is high even in some areas of the Northern and Central regions, which are leaders in Europe for high income and low unemployment. Irregular employment is much more frequent among self-employed workers than employees (almost twice as high). The sectors where it is more common are agriculture (over 60%) and construction (over 33%), followed at a distance by the garment industry, repair firms, transport and entertainment. On the contrary, the least concerned are many manufacturing sectors and some services.

¹⁴ Moonlighters are named those workers holding a registered occupation who have in addition a second job in the underground economy.

Even if an irregular worker is paid union scale, the employer in any case saves almost 50% of the labour cost by not having to pay social security contributions, income tax and other components of the total labour cost. "Savings" are equally important for self-employed workers. However, irregular employment cannot be blamed only on unilateral exploitation by employers. Many workers receive either retirement pensions or other welfare benefits, so they have no interest in being registered. Others are youths living with parents, waiting for permanent and regular jobs. The underground economy is usually based on personal ties. First, it is only through a "word of mouth" recruitment system that firms can find workers amenable to taking irregular jobs or that irregular self-employed workers can find their customers. Second, connivance guarantees against complaints to the labour inspectors. The strength of the underground economy, which allows it to escape any control, comes from its deep roots in the society itself.

Spain. According to an in-depth study done in 1985, one out of four Spanish workers had no legal coverage or pension benefits. These were mostly young people, women and unskilled workers, employed in agriculture, repair shops, small textile factories, retail, tourism and domestic work (Colectivo Ion 1992). Therefore, the estimates of the size of the underground economy cited above would suggest that the phenomenon is declining slightly. On the other hand, Spain is the only South European country in which, since the early 1990s, a concerted campaign has been waged against informal work, involving both public opinion and legal action.

Greece. The underground economy in Greece cuts across the entire social and economic structure. It has been estimated that as many as 16-20% of wage earners are not registered (Fakiolas 1998). Moreover, a large proportion of self-employment is not under any control whatsoever and moonlighting is common among public employees, who are the largest group of regular wage earners. The Greek economy is split into three areas: the public sector, the regular private one and the irregular private one, which is probably the most important. This is the outcome of the widespread persistence of family-based production: self-employed and family workers account for nearly half of those employed (Cavounidis 1998). The sectors most likely to be uncontrolled are tourism, agriculture, construction, housekeeping and the retail trade, but small manufacturing firms (especially textile and clothing) are also concerned. The "black" economy is widespread among powerful social groups, too, such as lawyers and doctors. As it allows whole sectors of the economy to survive, everyone, including public bodies, avoids the issue of irregular employment, particularly of foreign workers. Since 1988, the government has tried to combat tax evasion, hoping to limit the underground economy, but with poor results.

France. The relatively small size of the local underground economy is largely due to close surveillance by the competent authorities and a widespread opinion that unregistered labour practices are a crime against society and a challenge to the authority of the state, whose legitimacy is usually unquestioned in France. Since the 1940s, labour legislation has prohibited unauthorised commercial activities, in order to prevent moonlighting, and in the 1950s, the idea of "black" or unregistered labour was introduced in the legislation. A French law, passed in 1972, which became a guideline for legislation in other European countries, defines an offence referred to as "clandestine labour", but creates some confusion with "clandestine immigration", making it appear that it is only unauthorised immigrants who are involved in the phenomenon (Marie 1994). This misunderstanding was finally resolved by a law passed in 1997 (Marie 1997), which specifies that unauthorised labour consists primarily of:

- dissimulated work, i.e. non-registered self-employed, employers hiring workers (either nationals or foreigners) without declaring them, employers as well as households contracting a dissimulated worker;
- hiring a foreign worker not holding a work permit;

- illegal leasing or sub-contracting of workers;
- infractions concerning fixed-term work.¹⁵

The real “war against unregistered work” began in the mid-1970s, with the establishment of a labour inspection bureau, and its effects became more intense in the mid-1980s: sanctions were stiffened, irregularities were outlined more specifically, inspections were more frequent. Thanks to the involvement of other public bodies and the co-operation of professional associations and labour unions, vast public information campaigns were launched and preventive measures were taken (Barthélemy 1988; Marie 1997). Among the latter were the simplification of hiring procedures in some sectors and the creation of service cheques, aimed at promoting the regular hiring of housekeepers by conceding tax breaks for the families involved (Finger 1997). Another powerful blow to underground labour was dealt by a 1991 law that made it a criminal act to knowingly hire an immigrant without working papers or to retain the services of a non-registered self-employed worker. All forms of undeclared work are considered crimes according to French legislation and severely punished. Besides the high fines, it is relatively common to receive prison sentences rather than being placed on probation: from 4% to 5% of the sentences for unregistered work involve prison time: in absolute numbers, they increased from over 200 a year in the late 1980s to over 400 in the late 1990s (Bizard and Marie 1993; Lebon and Marie 1999).

According to the only official estimate available, in 1989 the underground economy accounted for little more than 4% of the GNP, but the principal component was tax evasion, with unregistered work estimated at only 1.1% of the GNP. Without a doubt, unregistered independent activities greatly outnumbered the undeclared hiring of employees, as we can see by the stronger reaction against unregistered workers among artisans and small retailers (Barthélemy 1988). Unfortunately, the statistics do not distinguish between the two categories, because the same labour charge (dissimulated work) covers both of them. However, the judicial records do reveal a sharp increase in unregistered work. The number of convictions for illegal work grew by over 75% from 1990 to 1997 and a still sharper rise had occurred in the late 1980s, caused by the legislative modifications of 1985 and 1987. Again, we cannot say whether this is due to the phenomenon’s actually being more widespread or to an intensification of enforcement, which was certainly the case during those years (Bizard and Marie 1993). In any case, to get an idea of the smaller size of the black labour market for employees in France, it is sufficient to make a rough comparison with Italy. In the mid-1990s, labour inspections in France uncovered between 15,000 and 22,000 unregistered employees. In the same period, Italian labour inspectors, undoubtedly much less efficient than their French counterparts, found 15,000 unregistered employees in the region of Lombardy alone, a region that accounts for less than 20% of the Italian labour force, with a distinctly lower proportion of unregistered labour than the national average. It would thus appear that the proportion of irregularly hired employees in France is not more than one-fifth of that in Italy.

As far as territorial distribution, unregistered work is more common in the southern regions, although almost a fifth of the country’s infractions occur in the Paris area, where a

¹⁵ Minor infractions are also listed, whereas other infractions do not concern employers, but workers who carry on undeclared economic activities although either holding a registered job as employees or receiving unemployment benefits.

far greater proportion of the French labour market is concentrated. Among the various economic sectors, construction is in the lead, with over one-fourth of the infractions for irregular work. In the construction sector, unlimited sub-contracting sometimes results in work filtering down to unregistered artisans or to micro-businesses that hire irregular workers. Almost 60% of infractions are in the services sector, especially in retailing and in the hotel-café-restaurant segment, but there are also significant levels in housekeeping, appliance and auto repair, accounting, secretarial work, private lessons and transport services. The proportion in agriculture is related to that sector's now-reduced proportion of regular employment. Irregular work is very scarce in manufacturing, with the partial exclusion of the garment industry (3-4% of infractions): these are mostly typical Chinese sweatshops, which are concentrated around the Paris area.

The above-mentioned background in local labour markets easily explains why the huge majority of immigrants in Greece, Italy and Spain work for more or less long periods in irregular jobs, just as they live, at least for a while, without a residence permit. As is the case for unauthorised residences, the insertion of immigrants in the underground economy is different from country to country and changes over time. The relationship between these two factors is complex everywhere, however, as we pointed out in section 1. In fact, a migrant worker can find himself in any one of the three following situations:

1. Holding a valid permit of residence for working reasons, as well as a registered job; that is, authorised as far as residence is concerned and regular in terms of work;
2. Holding a valid residence permit for working reasons, but working at an unregistered job; that is, authorised as far as residence is concerned, but irregular in terms of work;
3. Not holding a residence permit for working reasons and working at an unregistered job; that is, unauthorised as far as residence is concerned and irregular in terms of work.

The fourth possibility, i.e. holding a registered job but not having a valid residence permit for working reasons, should be logically excluded, although a few cases were found in Italy, Spain and France.¹⁶ In Greece, however, a truly unique case of labour legislation made that situation widespread, as we will see. But, as its effects involve only employers, not migrant workers, migrants who are in that situation in Greece are, in fact, in the same condition as those who in the other countries are in situation 3 above.

In order to obtain a complete picture, we must also include immigrant job seekers, whether or not they hold a residence permit. However, long-term unemployed migrants are not numerically significant in the labour markets of the South European countries.¹⁷ In fact, even immigrants who hold a residence permit for working reasons rarely get unemployment benefits of any kind. This also occurs in countries like Italy, where labour legislation does not distinguish between citizens and others. The *de facto* exclusion of authorised migrants from unemployment benefits stems from the fact that in South European countries people working in short-term jobs and with high territorial and occupational mobility generally lack coverage of this type. Yet these are precisely the conditions of the vast majority of migrant

¹⁶ Apart from immigrants who manage to get a registered job using fake residence permits, the most frequent case is that of regular migrant workers who forget to renew their residence permits or are no longer entitled to have a residence permit because the legislation has changed.

¹⁷ Neither Italian nor Spanish labour force surveys supply reliable information on the unemployment rate of foreigners legally living in the country, because their samples include only well-established households, which of far constitute a small proportion of even authorised immigration.

workers with a registered job. Changing that structural discrimination would require a deep modification of the national unemployment insurance system. Moreover, the coverage is low both in terms of duration and compensation level of unemployment benefits. But extending and improving the coverage, both for local and foreign workers, would involve a sizeable increase in expenditures for passive labour policies.¹⁸

Since both authorised and unauthorised immigrants can only rely on their savings and on the help of friends, countrymen and welfare organisations to survive between jobs, their spells of joblessness must be short. Otherwise, if migrants remain jobless for a long time, there is a high risk of their leaving the labour force, either becoming deviant or being forced to return to their country of origin. On the other hand, migrants usually hold registered jobs for short periods, even when their contracts are not for a fixed term. When short spells of work are interspersed with short periods of unemployment without benefits, jobless people are difficult to distinguish from occasional workers. And this is the prevailing situation among immigrant workers, even when the jobs they hold are regularly registered.

Of course, the French case is completely different. In France, the huge majority of migrants have been there for a long time with their families, and many foreign workers are even born in France, like the “*beurs*”, who are children of North-African immigrants. Furthermore, besides their family’s support, unemployed migrants can rely on generous unemployment benefits. Therefore, discrimination against migrants in the labour market in France leads not only to a huge casualisation of their jobs, but also to high unemployment. According to a labour force survey, in the mid-1990s the unemployment rate for non-EU citizens was over 30%, nearly three times as high as the rates for French nationals as well as people from EU countries.

As in Italy and Spain, there is no neat dichotomy between documented and undocumented migrants, but three situations (authorised migrant regular worker, authorised migrant irregular worker and unauthorised migrant irregular worker). This obviously makes analysing the insertion of immigrants in the labour markets more difficult. In fact, while some immigrants move from one situation to another without returning to their initial condition, others frequently change their situation, shifting back and forth. These “loops” are usually seen as an “adaptive response” to the serious difficulties involved in obtaining and keeping a residence permit and a registered job, but they can also be viewed as the result of rational choices, intended to maximise the value of registered jobs (necessary to obtain or renew a permit of residence), as well as that of unregistered ones (greater “cash” earnings). Employers, too, are faced with more alternatives, because they can also “hire” an authorised migrant to do unregistered work. The behaviour of employers is strongly conditioned by the legal norms and how strictly these norms are enforced, as well as by labour market conditions.

Italy. In recent years, the incorporation of immigrant workers in the regular labour market has increased substantially, mostly thanks to the 1996 regularisation. However, if we compare the number of wage earners registered by the Social Security Institute to the number of immigrants entitled to work as employees, the gap remains significant. From 1994 to 1997, the proportion of registered wage earners increased from 37% to 70%, considering all people entitled to work as employees. Although the number of permits of residence is likely to be over-estimated, as expired ones are often not cancelled, and the number of registered wage-earners is likely to be under-estimated, this undoubtedly shows

¹⁸ For a cross-national analysis of labour policies see Ocde (1998).

that many documented migrants are still working irregularly, because unemployment is not high among people who can rely neither on the help of relatives nor on public subsidies.

All local surveys report a huge proportion of irregular employment, even among migrants who could have a regular labour contract, as they hold a residence permit for working reasons. A more complete picture of migrants' employment conditions is revealed by the inspections carried out by the Ministry of Labour. Both at the national and the regional levels the proportion of irregular non-EU wage earners was lowest in the same years as the 1991, 1996 and 1998 regularisation schemes. Nevertheless, the proportion at the national level is never lower than 31%, more than twice that of local workers. The percentage of unregistered migrant wage earners is always lower in the North-Eastern and Central regions, which are characterised by growing integration of migrant workers in regular manufacturing jobs. By far the lowest proportion of irregular migrant wage-earners is in Trentino, a North-Eastern region that is an exception in Italy, in that almost no migrant is employed who does not hold a residence permit and the domestic underground economy is almost non-existent as well. In contrast, the percentage of irregular migrant workers is above the national average in the South, Latium and Lombardy (where the large metropolitan areas of Rome and Milan prevail) and it is steadily increasing in the de-industrialised regions of the Northwest. Taken by economic sectors, the proportion of irregular migrant wage earners is higher in hotels/catering, cleaning; housekeeping and the retail trade and lower in transport and manufacturing.

Not all irregular migrant wage earners are undocumented migrants. As Table 5 shows, the proportion of irregular migrant workers not holding a residence permit for working reasons is always lower than the proportion of those holding a residence permit. Furthermore, the former has decreased since 1994, whereas the latter is fairly steady. As we will see, the number of authorised migrants working irregularly is decreasing far more slowly than the number of unauthorised migrants working irregularly.

Table 5. Proportion of irregular non-EU wage earners (percentages)

	1993	1994	1995	1996	1997	1998
Without residence permit	16.8	27.6	12.9	15.7	11.2	8.8
With permit of residence	31.5	29.2	24.2	15.9	22.7	22.5
Total	48.3	56.7	37.1	31.6	33.8	31.2
<i>Non-EU wage earners subjected to inspections</i>	(15,054)	(18,475)	(17,913)	(26,687)	(17,750)	(19,452)

Source: Italian Ministry of Labour

That distinction, though, does not imply a different level of discrimination; on the contrary, the most excluded may be the most in demand for firms employing irregular labour. Paradoxically, employers may risk less by hiring and, of course, not registering, migrants who do not hold a permit than by failing to register migrants holding a permit. The former case leads to a criminal lawsuit and the employer risks being fined a modest amount, but the related evasion of social security contributions and taxes is not taken into account (although Italy recognises unauthorised migrants' social security rights). In the latter case, an administrative lawsuit would concentrate on the avoidance of these payments, which can be far more costly. Furthermore, unauthorised migrants are less likely to call for labour inspectors than permit holders.

By combining data from various sources, we can estimate how many migrants are regular workers, both employees and self-employed, and how many are irregular, either with or without a residence permit. Table 6 shows these estimates.

Table 6. Migrants in employment

1994		Employment	
Residence	Registered	Non registered	Total
Authorised	211.000	138.000	349.000
Unauthorised	-----	341.000	341.000
Total	211.000	479.000	690.000
1996		Employment	
Residence	Registered	Non registered	Total
Authorised	391.000	166.000	557.000
Unauthorised	-----	182.000	182.000
Total	391.000	348.000	739.000
1999		Employment	
Residence	Registered	Non registered	Total
Authorised	564.000	260.000	824.000
Unauthorised	-----	100.000	100.000
Total	564.000	360.000	924.000

Source: Zincone 2000.

In 1994, only one out of three migrant workers had a registered job, with the others working either without a labour contract or without a valid self-employment permit. The percentage of those registered reaches 60% if we consider only those with a valid residence permit for working reasons. Finally, slightly less than half of those working did not have a residence permit for working reasons. The proportion of unauthorised migrants among those working irregularly was 70%, although many probably had a permit granted for other reasons (tourism, in particular). In 1996, just after the regularisation, the scenario was quite different. "Only" one out of two migrants was working without a contract. The percentage of registered workers among immigrants with a residence permit for working reasons was over 70%. Thus, almost one-third of unregistered migrant workers faced no legal impediments to securing regular jobs. Finally, just one-quarter of those working did not have a residence permit for working reasons, and the percentage of unauthorised migrants among unregistered workers dropped to little more than half. The last regularisation, in 1998-1999, further reduced the proportion of migrants working in the underground economy, to about 40% overall. Over 30% of authorised migrants who were entitled to get a regular job, however, were still working in irregular jobs. Yet the emergence from the underground economy brought about by the 1996 and 1998-1999 regularisation schemes was only partial and temporary, as we will see.

The increasing insertion of migrants in the regular labour market is due to the combination of two factors, both linked to the regularisation process: a movement from the Southern regions to the Central and Northern ones and a shift from street selling and agricultural jobs to manufacturing positions. Nevertheless, the path towards a registered occupation is not always smooth or unidirectional. Relapses are frequent. One-third of those legalised in 1990 were unable to renew their residence permit because they no longer held a valid labour contract, and many of those legalised in 1996 had lost their registered job only a few months later, despite the fact that a labour contract was required for the application. Furthermore, many immigrants consciously attempted to find a fixed term registered job in order either to renew their residence permit or to obtain one thanks a regularisation. However, this is not always indicative of rational free-rider behaviour. As immigrants

change jobs frequently, they are often faced with the alternative between the relative ease of finding an irregular job and the great difficulty of finding a registered one. Since they are not covered by unemployment benefits nor sustained by family support, migrants are ill-equipped to face extended periods of job-seeking, so that only the need to obtain or renew their residence permit motivates them to undergo the financial sacrifices required to locate a registered job. Not to mention the cases where an immigrant must pay to obtain a registered job, or accept significantly lower pay.

Table 7. The breakdown by economic sector of migrant workers who availed themselves of a regularisation program in 1996 and 1998-1999 (percentages)

<i>Sector</i>	1996			1996	1998-
	<i>Italy</i>	<i>Lombardy</i>		Milan	
Agriculture	13.8	3.1	Agriculture	0.8	0.9
Industry	21.3	20.8	Industry, <i>of which</i>	17.6	31.6
			- <i>building</i>	8.5	20.8
			- <i>metalworking</i>	3.6	5.4
			- <i>garment</i>	3.1	2.8
			- <i>other</i>	2.4	2.6
Housekeeping	40.0	43.4	Housekeeping	48.1	28.5
Hotels and catering	7.3	6.7	Hotels and catering	6.7	7.4
Other services	17.6	25.9	Other services, <i>of which</i>	26.8	31.6
			- <i>retail trade</i>	7.2	6.5
			- <i>cleaning and transport</i>	15.7	23.7
			- <i>other</i>	3.9	1.4
Total	100.0	100.0	Total	100.0	100.0

The results of the most recent regularisation schemes allow us to look at which irregular jobs unauthorised migrants were holding. The proportion of housekeepers is likely overestimated, particularly in the 1996 regularisation, because most of the approved applications that were based on false labour contracts concerned precisely housekeeping (see point 7). However, the breakdown by economic sector is revealing. Furthermore, Table 7 shows both the important differences between the metropolitan area of Milan, the industrialised region of Lombardy and the Italian average, and the trend towards increasing insertion of migrant workers in the construction industry and the cleaning sector.

Greece. By the mid-1990s only a bit more than 40,000 foreign workers had a permit for working reasons, whereas migrant workers were estimated at 600,000. Authorised migrants are totally different from unauthorised ones both in terms of country of origin and sector of employment. Almost one-third of migrants with work permit work as seamen on merchant ships; most of them are from Pakistan, India, Sri Lanka and Egypt. Most of the others are employed in the retail trade, restaurants, hotels and housekeeping (the Philippines). A large proportion of people from EU countries and of ethnic Greeks is employed as technicians, professionals, executives and clerical workers. The proportion of self-employed and employers is also significant, although lower than the extremely high local rate. On the contrary, few authorised migrants are employed in agriculture, construction and manufacturing, which use almost exclusively unauthorised migrants. Housekeeping is the only sector where both authorised and unauthorised migrant workers are employed.

Authorised migrants are hired only in those sectors and jobs where it is too risky for the employer to hire unauthorised ones, or when professional qualifications are required. On

the other hand, Greece, like Italy until 1999, has a restrictive policy concerning labour immigration: employers can apply to invite and employ a foreign worker only when local workers cannot fill the vacancy. In 1993 a quota system was implemented, but the number of work permits issued was very low and some sectors (i.e. construction) and nationalities (all African and Asian countries) were excluded. Residence permits for working reasons must be renewed yearly for up to five years, on the condition that migrants have a labour contract; then they expire. Regular migrant workers are covered by the main social services, i.e. health services. Their social security contributions, though, do not necessarily guarantee unemployment benefits, which are generally very restricted in Greece.

We can estimate that over 550,000 unauthorised migrants were working in Greece by the late 1990s, although their numbers varied widely during the course of the year, as most of them are employed in seasonal work and return home in the off season. Easy entry has favoured temporary residence. Irregular migrant workers, of course, are not entitled to social service coverage. Furthermore, any kind of assistance to them is penalised: public and private institutions are not allowed to offer any kind of services, although individual unauthorised migrants are in practice assisted by a few well-disposed public servants and non-governmental organisations.

However, a very unusual and exploitative relationship does exist between irregular employment and the payment of social security contributions, which amount to half of the nominal wages. Employing undocumented workers is illegal and subject to sanctions, nevertheless very few employers have been prosecuted. In fact, in order to avoid those sanctions, since 1993 employers have been required to declare the unauthorised migrants they employ to the Social Security department and to pay social security contributions for them. However, no effort has been made to discover employers who illegally employ foreigners through the files of the social security administration, nor do migrant workers actually receive any of the benefits that are normally guaranteed by these contributions. Social security contributions on behalf of unauthorised migrants simply finance the social security of Greek workers through a new form of "state-sponsored underground economy".

As both illegal entry into the country and working without a permit are criminal offences, for which penalties range up to five years' imprisonment, undocumented migrant workers are subject to blackmail by employers, who can denounce them to the police without any risk, at least before the passing of a new act that imposes sanctions on firms employing unauthorised migrants. Some employers detain migrants' documents, so that they are completely under their control. On the other hand, it also happens that migrant criminal groups offer unauthorised migrant workers protection against being fired by their employers. Some employers are blackmailed and forced to hire the workers they are given. At the same time, some Albanian workers are obliged to pay for protection they have not asked for.

The impact of the very unequal relationship between employers and unauthorised migrant workers on wages and working conditions is evident. Albanians are often paid at a rate that is almost half as much as the daily minimum wage of an unskilled Greek worker (but at least five times more than they could earn in their own country), and frequently they are not paid at all (Droukas 1998; Fakiolas 1998; Iosifides and King 1999). In 1992-1993, unauthorised Albanians in Athens tried to organise themselves to fight against excessively low wages and abuses by employers, but they failed because of the competition from new mass entries (Pteroudis 1996). Undocumented Albanian workers, who have the greatest degree of job instability (Iosifides and King 1999), are exploited by employers as a useful underclass, the "new helots", a reference to the serfs in ancient Greece (Droukas 1998). Some employers, though, have a paternalistic attitude towards unauthorised migrant workers, as they consider it to be their duty to offer people working for them and their families a minimum of services and assistance. Such a paternalistic attitude implies a moral domination over migrants, who sometimes react with a compliant attitude. Some employers

even offer to baptise Albanian Muslims as a kind of protection. On the other hand, some Albanians undergo multiple baptisms to acquire many protectors.

Unauthorised migrants are generally employed on a seasonal or occasional basis in sectors noted for informal activity and unskilled labour-intensity: construction, small scale or “informal” factories (garment), house maintenance and repairs, agriculture, housekeeping and family care, tourism, catering and street selling. Migrants working in agriculture are heavily under-represented among applicants for regularisation, since Albanians, who predominate in agriculture, are mainly characterised by a circular migration that prevents the formation of social networks, which are necessary both to get information about regularisation and to obtain documents from employers. Preliminary data from the regularisation also show that many migrants work as day labourers, frequently changing employers and manual occupations (Cavounidis 1998). Because of their unauthorised status, they are prepared to accept any job they are offered. Above all, Albanians usually hold poorly qualified, dirty, dangerous and servile jobs, although many of them have either technical training or a formal education beyond the primary school level (Droukas 1998).

The results of the regularisation allow us to look at which irregular jobs unauthorised migrants are holding. Table 8 is based on a sample of migrants who applied for the white card. Those people had to declare their last employment, which was supposedly in the Greek underground economy. That sample, however, is biased towards migrants living in Athens. Thus, agricultural workers are grossly underestimated, whereas housemaids and cleaners are overestimated.

Table 8. The breakdown by occupation of a sample of migrant workers who availed themselves of the regularisation in 1998 (percentages)

	Men	Women	Total
Qualified nurses	0.1	1.3	0.4
Administrative and clerical employees	1.6	1.8	1.6
Sales personnel	1.9	1.6	1.8
Street-sellers	0.9	0.2	0.7
Waiters	3.5	8.4	4.9
Housemaids	0.7	32.6	9.5
Cleaners	1.3	31.1	9.5
Hairdresser and barbers	0.2	0.7	0.3
Agriculture workers	8.2	3.3	6.8
Textile and garment workers	4.2	2.2	3.6
Food and drink processing workers	1.5	0.5	1.2
Carpenters and wood machine operators	0.5	0.0	0.5
Metal workers	0.5	0.0	0.4
Electrical workers	1.3	0.1	0.9
Plumbers and welders	2.5	0.1	1.9
Painters of buildings	4.5	0.1	3.3
Construction workers	26.9	0.5	19.6
Transportation workers	0.7	0.0	0.5
Other manual workers	33.4	12.3	27.5
Other occupations	5.7	3.3	5.0
Total	100.0	100.0	100.0

Source: Cavounidis (1998)

Spain. Before the 1991 regularisation, it was estimated that three out of four migrants from underdeveloped countries were working in the underground economy. This amounted to 5% of the total irregular employment. In contrast, foreign labour accounted for only 0.3% of registered employment. Since the mid-1990s, new unauthorised entries are estimated as few in number. Moreover, regularisation schemes and the quota system reduced the number of migrants holding irregular jobs because they lacked a residence permit. Of course, many authorised migrants may go on working in the underground economy even if entitled to hold a regular job, just as many domestic workers do. However, not managing to renew their residence permit, subsequently most of them come back to an unauthorised position.

In 1993, at the same time as the quota system was instituted, a campaign was launched against the underground economy, concerning both local and foreign workers, and in 1994 a bill providing sanctions for both employers and employees was ratified. Many of the migrants interviewed in a field study carried out in 1997 in Barcelona (Solñ 1999) shared the opinion that tighter government controls make finding irregular jobs much harder than in the past, when the underground economy commonly provided the means of survival for migrants whose residence status was unauthorised. These changing circumstances are especially noticeable in manufacturing. Whereas years ago migrants could find factory jobs even if their papers were not in order, this is now practically impossible. Not only are many employers more afraid of controls and sanctions; among migrants, too, the fear of being stopped by the police and possibly deported is commonplace. The only people who still have no trouble finding work despite their irregular residence status are those employed as domestic servants (most of them women).

There have been important changes since the early 1990s. In the 1980s migrants were almost never asked to show their papers, except in certain areas of larger cities and at particular times of the day. For some years now, migrants have been frequently stopped and asked for their papers. On the other hand, a strict and punitive control on the underground economy increased competition in the segments of the labour force whose existence is already the most insecure: i.e. people who are working at the lowest levels of the occupational structure, whether they are locals or migrants, with the latter having no choice but to work irregularly. In spite of stricter controls, many authorised migrants, of course, continue to work without regular job contracts or social protection, just like their unauthorised counterparts. They are paid less and/or work longer hours than permitted by the labour unions; nevertheless, they are not as vulnerable as the unauthorised migrants because they can take legal action or file formal complaints, although in practice this is not always so easy to do. Although unauthorised migrants have no trouble finding jobs as maids and nurses, their wages and working conditions are much worse than those of their authorised counterparts.

However, a perverse positive discrimination may concern unauthorised immigrants. Many employers who persist in a still sizeable underground economy prefer to offer irregular employment to unauthorised migrants rather than authorised ones, who could file formal complaints for better working conditions (paid vacation and severance pay in case of dismissal) and compel them to pay fines. Like in Italy, employing unauthorised migrants entails higher fines than hiring authorised migrants without a labour contract, but what matters for the employers is the relative likelihood of being either reported or detected. Nevertheless, authorised migrants are often blackmailed by employers, because they are required to have a labour contract to periodically renew their residence permit. Especially in housekeeping, where state controls are still very scarce, employers may “bestow” a fixed term contract on authorised migrants holding a short-term residence permit on the occasion of its renewal, in exchange for acceptance of irregular status and poor working conditions outside this short time span.

Migratory and occupational histories of migrants (Solñ 1999) reveal that they frequently shift from irregular to regular employment and vice-versa, as well as from unauthorised to authorised residence status and vice-versa. Although working in the underground economy probably decreased during the 1990s, particularly in manufacturing and construction, and getting a job contract is vital for migrants who wish to go on staying in Spain legally, many migrants are still relegated to unregistered jobs. The typology consists of a continuum that ranges from those migrants who have had labour contracts for all the jobs they have held since entering Spain to those who have never signed a contract and have always worked in the underground economy. The majority of migrants fall midway along the continuum, having worked in both the formal and “shadow” economies. Among these there are three sub-categories: people who started out in the underground economy and afterwards managed to move into the formal economy; people who had moved in exactly the opposite direction, i.e. starting out with regular work contracts and subsequently, having lost them, being forced to look for employment in the shadow economy; and lastly, people who have switched back and forth throughout their sojourn in Spain.

Very few migrants are working or have ever worked voluntarily in the shadow economy (Solñ 1999)¹⁹. Most of them aspire to a registered labour contract, both in order to obtain or renew a residence permit and to acquire employee rights and more job security. It is the receiving labour market that offers migrants only irregular jobs. Migrants change jobs frequently and it is normal for them to be unemployed only for few days or weeks from the time they lose or quit one job until they find another. Their employment situation is very precarious, not only because many of them are currently working without contracts or have worked without contracts in the past and therefore have serious problems breaking into the formal economy, but also because those who manage to get jobs in the formal economy only get fixed-term contracts, which are generally not renewed, or contracts as housekeepers, which may be rescinded by employers at any time. This explains why most migrant workers shift back and forth between the regular and underground economies. As it is very difficult to break into and remain in the regular labour market, a vicious circle may start, which tends to drive migrants back to unauthorised status, making it still harder for them to integrate and less likely that prospective employers will offer them a regular labour contract.

Residence and employment status are closely linked. Unauthorised migrants are not able to take regular jobs, except when applying for regularisation or through the quota system. People working in the underground economy cannot renew their residence permits and many employers will only employ migrants who have authorised residence status. However, migrants who managed to legalise their residence status commonly try to maintain that status even though they are subsequently forced to take an irregular job. Loss of a regular job is not always synonymous with loss of authorised residence status. Some migrants working in the underground economy use a variety of strategies that enable them to renew their residence permits for working reasons: looking for labour contracts or registering as self-employed when their permits are about to expire, presenting false contracts, etc.. Applying for only residence permits and working in the shadow economy is another way, although one that is open only to migrants, generally women, who have relatives holding a residence permit for working reasons and are in a position to claim them as dependents.

Migrants' strategies for entering the labour market vary according to their residence status (authorised or unauthorised), their qualifications (education, occupational skills, work

¹⁹ This result from a fieldwork confirms a more general statement by Tapinos (1999).

experience, knowledge of the local language) and, finally, their migratory projects. They either feel like temporary intruders and accept whatever working conditions they find, or like permanent members of a multicultural society, in which case they demand the same rights and opportunities as the local workers. Social networks are rarely used by migrant workers to look for jobs, both in the regular and irregular labour market. Hiring bosses used to play a major role in the recruitment process both in agriculture and construction. Now, bosses are still important only in construction. As immigration stabilised, bosses in agriculture became unnecessary, because migrants started going to the fields and offering their services directly. "Door to door" is the usual job-hunting method in manufacturing, too. Nevertheless, some ethnic-based networks do exist. The main example concerns women working as housekeepers, who meet every week in a specific place, grouped by ethnic origin (Martinez Veiga 1999).

With few exceptions, jobs are open to migrants only when local labourers are not available to fill the vacancies or when employing migrants enables employers to save on labour costs and to make operations more flexible. In spite of their educational level, migrants only have access to unskilled jobs in selected branches of activity, in either the formal or underground economy. Employers prefer migrants for some jobs because they are docile and will accept harsher working conditions. They are docile both when their residence status is unauthorised and when it is authorised, because residence permit renewal depends on having a regular job. The sectors most concerned are seasonal agriculture, construction, manufacturing segments such as textiles, garments, metalworking and leather tanneries, and above all services: housekeeping, cleaning, child care, nursing the ill and the elderly, gardening, hotels and restaurants, the retail trade and street selling. The breakdown by sector of permits issued in the 1991 and 1996 regularisation schemes is similar: about 15% for both agriculture and construction, around 21% for housekeeping, a bit under 40% for other services (mainly hotels and retail trade) (Sopemi 1997).

France. In a labour market within a traditionally small underground economy, irregular work, especially as an employee, has long been associated with immigrants, particularly undocumented immigrants. Even the terminology used in the applicable legislation until 1997 (clandestine labour) was ambiguous. In fact, the results of labour enforcement efforts reveal that foreign workers, and especially unregistered ones, constitute only a small portion of the underground economy, although they are disproportionately represented among unregistered workers as a whole. Table 9 shows that the offence of having hired unregistered workers, who did not have a residence permit for working reasons, represented one fourth of all the convictions for labour infractions at the end of the 1980s, but its relative standing has dropped to less than 4% since then, and even the absolute number of employers convicted of hiring unauthorised immigrants has dropped to one half of its former level.

Table 9. People sentenced because of irregular work (percentages)

	1988	1990	1997
Dissimulated work	63.2	66.3	88.4
Hiring foreign workers without permit	29.6	24.9	3.9
Subcontracting and fixed term work	7.2	7.1	2.7
Other reasons concerning labour contract			1.75.1
Total	100.0	100.0	100.0
	(2375)	(4573)	(8931)

Source: Brizard and Marie 1993; Lebon and Marie 1999

If we look at the infractions for irregular work found by the labour inspection teams, we come to the same conclusion. Despite the increase in the other causes of irregularity, the hiring of foreign workers without a work permit diminished slightly, in absolute terms, during the 1990s, thus dropping as a proportion of overall infractions (Table 10). Given that the increase in the other types of infractions is due to the greater attention paid to irregular work by all the public agencies involved, it is probable that the phenomenon of irregular work by unauthorised immigrants is truly on the wane. This trend is evident also in the sectors where the hiring of foreign workers without a work permit is more frequent. From 1992 to 1997 the proportion of that infraction fell from 40% to 25% in the garment industry and from 12% to 5% in the hotel-café-restaurant sector (Marie 1999b).

Table 10. Infractions concerning irregular work

	1992	1993	1995	1994	1997
Dissimulated work	66.9	68.0	74.5	72.4	74.8
Hiring foreign workers without permit	13.4	9.3	5.6	6.3	4.1
Subcontracting and fixed term work	4.2	4.4	2.5	2.9	2.8
Other reasons concerning labour contract	15.5	18.4	17.4	18.4	18.3
Total	100.0	100.0	100.0	100.0	100.0
	(10918)	(12941)	(18945)	(17983)	(16930)

Source: Milutmo; Marie 1999b.

The diminishing importance of irregular hiring of unauthorised immigrants is confirmed by Table 11, which gives a breakdown of non-registered wage earners by nationality and distinguishes between authorised and unauthorised immigrants. The percentage of non-registered immigrants who do not have a residence permit for working reasons drops sharply, from 17% to 6%, while that of immigrants who could have been registered, because they held valid work permits, remains basically steady, around 30-32%. This means on the one hand that in the 1990s employers substituted unauthorised immigrants with irregular national workers, and on the other that authorised immigrants are strongly over-represented in the ranks of irregular wage earners found by inspections, because they only account for slightly over 6% of all employees. An authorised immigrant is almost six times more likely to be hired irregularly than a French wage earner. However, despite an efficient and imposing apparatus geared particularly towards the control of irregular work by immigrants, from 1992 to 1997 only 5,000-6,000 irregularly hired authorised immigrants were found yearly (out of about 1,400,000 immigrants with work permits), along with 2,000-2,500 unauthorised immigrants. As a comparison, during the same period, when controls were far less common in Italy, 4-5,000 authorised immigrants hired irregularly were discovered each year (out of about 500,000 immigrants with a residence permit for working reasons), as well as about 3,000 unauthorised immigrants.

Table 11. Unregistered wage earners

	1992	1993	1994	1995	1997
French	51.0	49.8	57.3	59.5	65.3
Foreigners holding a work permit	31.9	33.9	32.3	31.8	28.6
Foreigners not holding a work permit	17.1	16.3	10.4	8.7	6.0
Total	100.0	100.0	100.0	100.0	100.0
	(15774)	(15664)	(21543)	(21622)	(21059)

Source: Milutmo; Marie 1999b.

Unauthorised immigrants are often hired by employers from their country of origin. Table 12 shows that, in fact, about half the employers convicted of hiring unauthorised immigrants had foreign citizenship, whereas only 30% of those convicted of other infractions were not French citizens. The difference has, however, been diminishing substantially, and in order to affirm that ethnic businesses favours the entry of unauthorised immigrants, other data are required (citizenship before naturalisation, citizenship of employers who irregularly hire both Frenchmen and immigrants with a residence permit for working reasons). In any case, the increase in Chinese and Asian employers convicted of hiring unauthorised immigrants demonstrates that it is the most closed-off and segregated situations that persist in the face of greater enforcement. In terms of sanctions, the hiring of an unauthorised immigrant is punished more severely than simple dissimulated labour: prison sentences are more common and the terms imposed are longer, and fines are higher as well. The most severe punishment, however, is reserved for those workers who are unregistered but also collect unemployment benefits.

Table 12. People sentenced because of infractions concerning irregular work

Country	Hiring foreign workers without permit	All other infractions
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	1990	1997	1990	1997
French	43.9	53.7	70.2	72.7
Europe	10.6	6.6	6.4	5.8
North Africa	21.7	6.9	10.0	7.5
Africa	2.5	3.4	2.6	2.3
Turkey	7.3	7.8	3.7	4.2
Asia	8.6	15.2	1.4	3.0
America	1.6	0.9	0.1	0.3
Non declared	3.9	5.5	5.6	4.2
Total	100.0	100.0	100.0	100.0
	(1137)	(348)	(4510)	(9691)

Source: Lebon and Marie 1999

The territorial distribution of unauthorised immigrant labour is rather different from that of French natives and authorised immigrants working irregularly, as it is strongly concentrated in the Paris area, where half of all migrant workers not holding a residence permit were detected (Marie 1999b). This can be explained by the fact that a considerable proportion of unauthorised migrant workers are employed in Chinese or Turkish sweat shops in the garment industry, which are usually in or around Paris. Unauthorised immigrants are also an important presence in the hotel-café-restaurant sector. On the other hand, unauthorised immigrants are relatively less numerous in the construction industry: the dangers inherent in this type of work probably make it too risky to employ them. The need to “keep a low profile” makes their employment in other sectors that commonly use unregistered labour problematic, as in the retail trade and other services, so that unauthorised immigrants are concentrated mostly in housekeeping. Finally, their presence in agriculture is comparable to that of French natives and authorised immigrants working irregularly in the sector. The picture is quite different today than it was in the 1980s (Barthélemy 1988), and it is also unlike the situation in Italy, Greece and Spain, which are all similar to each other. The reason may lie in the growing need to avoid the increasingly frequent inspections aimed at cutting down the size of the underground economy.

6. Which regular and irregular jobs for migrant workers

The occupational pattern of migrant workers' insertion in the labour market of Italy, Greece and Spain is quite similar and there is no significant difference both between authorised and unauthorised migrants and regular and irregular employment. The economic sectors where migrants predominantly work are housekeeping, street selling, agriculture, construction, small manufacturing firms, catering and low-level urban services. Variations do exist, though, both by country and by the status of migrants. Also, the French case is increasingly similar to that pattern, because the process of de-industrialisation and downgrading heavily concerned both settled foreign workers and even more so the relatively few new immigrants.

Housekeeping. In South European countries housekeeping is by far the most common occupation open to immigrants, and in particular it is almost the only one which women are able to enter easily, although some men are also employed as household servants. Although numerous migrants entered Italy, Greece and Spain holding a residence permit as housekeepers through the quota system, a very significant proportion of people who availed themselves of the regularisation schemes filed an application as domestic workers. This

means, on the one hand, that migrant domestic servants generally work without a labour contract (just like their local counterparts), and on the other, that such a job is the easiest one to get in order to qualify for regularisation. In fact, living within a household, as most housekeepers do, is the best way to avoid any controls.

Three factors account for the far greater demand for housekeeping in South European countries, as compared to the much wealthier North European societies. First, having a housemaid is still a status symbol for upper and middle-class households; second, social service provisions for child care and for the elderly are generally scant; third, old values and a traditional gender division of housework within households still persist. Thus, the increasing participation rates of local middle-aged women in the labour market largely depend on a migrant worker's being available for domestic work. On the other hand, the local labour supply is increasingly scarce for that kind of work, in particular for the "full time live-in" jobs, which not only imply very long working hours, but are also reminiscent of a recent past, in which they were socially disqualifying. Young local women, even those living in high unemployment regions, are not willing to take those jobs, so that most local older housemaids will not be replaced by youths. Therefore, the proportion of migrants will tend to increase in the future and housekeeping is destined to become increasingly ethnicised. Only "part-time live-out" jobs are still attractive to local young women.

Migrant housekeepers are concentrated in the larger cities and they generally begin as full-time maids, living in their employer's home. This is a very restrictive situation (up to 12-hour workdays, no privacy), but a place to sleep is an important trade-off for women who migrate alone, as many women do. Afterwards, many of them look to improve their occupational status in one of four ways: getting a job in a hotel or restaurant, becoming a "part-time live-out" maid, getting a job in the cleaning sector, and finally, changing to a better paid, although equally burdensome type of housework, i.e. caring for children or the elderly. In those cases, earnings are higher, but so are costs (accommodation, meals), the chances of being registered at the labour office remain slim and, even if their jobs are regular, the labour contract is seldom permanent. However, what matters for these women is the opportunity to have an accommodation of their own, and thus of rejoining with their relatives.

In all the countries, the vast majority of women employed as housemaids are from the Philippines, where female emigration has long been supported by the state. At the beginning, they entered these countries in part through a recruitment effort organised by religious groups, which also organised the subsequent migratory chain. In Spain and Italy a sizeable proportion of migrant maids and caregivers for older people come from Central and Latin American countries, too. In Greece the number of women from East European countries (chiefly Albania and Poland) is increasing; however, some of them risk ending up working in the "sex industry", just as in Italy.

Street selling. Migrant street selling was an important phenomenon in Italy only at the beginning of mass inflows: in the 1980s, peddlers were estimated at 15% of workers from undeveloped countries, although peddlers are very visible as well as mobile and they are likely to have been "counted" more than once. That situation changed after the 1990 regularisation, which allowed many migrants to move to the Northern-Central regions and find work as wage earners in other activities. But a sizeable proportion of migrants continued street selling, a form of trade that had a long tradition in Italy, but was by then dying out. Migrants' incorporation into this sector was much less common in Greece and Spain. The reason may be the difference in the supply of local labour for this activity: in Spain and Greece migrants found many nationals vending on the street and in weekly markets and could not manage to enter the sector en masse. Furthermore, in Spain there is greater police control on these matters.

The relative decrease of peddlers in Italy was coupled with more “targeted” sites: in summertime the tourist resorts and beaches, in winter the big cities. Many migrants, who during the rest of the year work as wage earners in other sectors, become peddlers in summer, whereas some peddlers spend the winter in their home country. Peddlers are mostly Moroccans and Senegalese, but recently Chinese vendors have appeared on the streets. Although few peddlers sell counterfeit goods and, anyhow, they are not thought to cheat consumers, laws are infringed, as they rarely hold a permit to sell. Therefore, they are exposed to sanctions: a fine and, most importantly, the confiscation of their goods. Moreover, migrants not holding a residence permit can be issued a deportation order. Thus, migrants are allowed to sell on the street by virtue either of scarce enforcement or with the tolerance of the police, who only intervene when seriously illicit acts are committed (drug-dealing, robberies, harassment) or when shopkeepers protest because the sidewalks are too crowded.

A large number of wholesale dealers and middlemen supply peddlers, who are self-financed or supported by relatives and friends. Many of them, often migrants with experience in trade, operate legally, but others are specialised in clandestine manufacture and the illegal vending of counterfeit goods. Most goods sold by peddlers are made in Italy by “underground” factories and clandestine sweatshops. Employers, as well as most of the people working in these firms are Italians. The opportunity to avail oneself of a widespread irregular distribution network has provided a stimulus, for instance, to Naples’ underground economy, which formerly manufactured goods for local sellers. Therefore, migrant street-sellers not only contributed to reviving a traditional Italian activity, but also helped an important section of the domestic underground economy to grow.

In Greece, migrant street sellers (mainly Egyptians) are concentrated in a central area of Athens, side by side with Greeks doing the same job. Smuggled goods are among the merchandise offered. In this area both informal economic and deviant activities are organised. Certain street corners became special gathering points for migrants, who wait there for those who want to hire them for a daily job, particularly in construction. At the same time, it becomes easier to come into contact with illegal networks. In Spain migrant peddlers (mainly South Americans and Moroccans) are scattered in all the regions, but those without a permit to sell often work under their fellow countrymen, because of strict controls by the police.

Agriculture. The use of migrant labour in seasonal harvesting increased and spread through all South European regions over time until it became a fundamental feature of Mediterranean-type agriculture and migrants had replaced national workers. Furthermore, migrants are also increasingly found working in greenhouses, stock raising and even in intensive animal farming (beef cattle and pigs). Most farm labourers, who are usually men, are Tunisians, Moroccans and Albanians, but there are also Senegalese, Gambians and East Europeans. Some are commuters: they come for the harvest and return to their home countries when it ends. Others follow the various harvesting seasons from one region to another. Still others alternate agricultural work with street selling and jobs in either construction or low-level services. In Northern Italy, besides Moroccans, more and more Poles and above all Indians are employed in pig and cattle farms, since local youths are not willing to replace the older workers in these hard and unpleasant jobs, well paid though they might be.

In Italy, by the mid-1990s, migrants working in agriculture were estimated to account for over 8% of all agricultural labourers and about 10% of all migrant workers. Most migrant labourers work in the poorer Southern regions, where it is estimated that only one worker out of ten holds a registered labour contract. Usually they are hired on a day-to-day basis, according to the old fashioned “hands’ market”, which, after a crisis in the 1970s owing to trade union achievements, once again involves many Italian workers, too. They are recruited

by illegal “straw bosses”, often migrants themselves, who take them to the workplace and hire them out to landowners. They are paid by the piece (per box of grapes, tomatoes, etc.) and not only below trade-union rates, but sometimes less than half the rate of irregular Italian workers, who are employed in lighter tasks. Often, migrants work up to 12 hours a day and are lodged in old barracks without running water or electricity. On the contrary, in the North most migrants harvesting apples, tomatoes, etc. are registered and paid at trade union rates. Not only regular, but also permanent labour contracts are common in intensive animal farming.

In Spain migrants usually work in agriculture on a seasonal or daily basis. The exceptions are workers employed in year-round agricultural jobs, such as in greenhouses. The employers use migrants as cheap labour, taking advantage of their vulnerability and their unauthorised status. They have no contracts and they live in shacks, with neither electricity nor running water. Farm workers lead an itinerant life, forced to follow the rhythm of the various harvests, and most of them are recruited through illegal hirers. Some North Africans have been living in Spain for a long time, while others stay for short periods. Migrants occupy the lowest positions, because while local workers do not have contracts either, they enjoy better working conditions and earn more money. Thus, migrants usually look for better jobs when they manage to get a residence permit. Since the mid-1990s, though, inspections have increased and irregular employment has fallen considerably. Nevertheless, a more general contradiction arises. The success of Mediterranean agriculture is based on a particular way of organising the labour force, which includes segmenting the labour market (by crops) and establishing an employment hierarchy (by jobs). The latter point involves continually hiring new agricultural labourers from the lowest segments of the job market, assigning them the least skilled jobs and/or hiring them on a casual and irregular basis. The situation in Greece is very similar, except, of course, for fewer controls and the steadiness of irregular employment: unauthorised migrants are estimated to supply almost half of the total dependent labour force in agriculture.

The building industry. Construction is the main sector of employment of male migrants in Greece and it employs many migrant workers in Italy and Spain, too. In Greece, unauthorised migrants are estimated to account for half of the total employment in the sector. Most of them are Albanians. Many migrant workers are hired on a day-to-day basis through the street corner labour market. As a lot of the labour demand is from households, for house maintenance and repairs, they are hired by small, independent employers who work directly for their customers.

In Italy a lot of migrants, mostly from Morocco, Albania and Eastern Europe, work in construction in all regions: manual labourers and bricklayers on construction sites account for 5% to 8% of registered foreign wage earners. The “hands’ market” is widespread, where migrant workers are hired on a day-to-day basis, often through a migrant “broker”. The proportion of irregular workers among migrants is even larger than among local ones, who are mostly working as false self-employed artisans. The “grey market” of construction sub-contracting so-called “co-operatives”, whose members are formally self-employed, involves more and more migrants, too. In Spain most of the migrants working in the building industry are Moroccans or, to a lesser extent, Poles. Their working conditions are harsh and very hazardous. Some of them live in makeshift housing adjacent to construction sites and their ‘rent’ is deducted from their wages. Until the early 1990s, they had no labour contracts and they were paid less than the minimum wage. Since then, because of increasing controls from labour inspectors, irregular employment has decreased. However, contracts for migrants are always short-term and the working conditions are often abusive, so that migrant workers usually earn less than Spaniards even when they are formally employed. They are at the lowest levels of a destructured work process based on sub-contracting.

Small manufacturing firms. In Italy, a sizeable and still growing proportion of migrants are employed in manufacturing. The areas most concerned are the Central and North-eastern industrial districts, among the wealthiest zones in Europe, whose labour market is near full employment. The trades most concerned are plastics, ceramics, tanneries, garments, stonecutting, metalworking and cement factories. Firms employing migrant workers are usually small or medium-sized, whereas only a few migrants are employed by artisan micro-firms, whose organisation is usually family-based, and almost none by big firms, which are in any case not numerous in the areas where migrants are employed as factory workers. Large firms are not only downsizing their labour force, but also changing its mix: fewer blue-collar workers and even fewer unskilled ones. Furthermore, they still offer permanent jobs, so that competition with local workers is often too strong.

Migrants are mainly employed in jobs that have the toughest conditions with respect to physical effort, endurance, overtime work and night shifts, as well as the highest risk of accidents. But this does not at all mean that they are employed in backward and marginal firms, as unskilled and physically demanding jobs are still available even in small firms engaged in technological innovations. The main issue for firms employing migrants is stability, because they need a labour force that will put up with poor working conditions over a long period, avoiding the quick turnover of young local workers. Yet this problem exists with migrants, too, because they often leave their job for one that is better paid and/or offers better working conditions. Some migrants are also starting to work in traditional jobs that require physical strength as well as skill: welders, milling machine operators, carpenters. Even these jobs cannot be filled locally, since the less educated youths willing to accept them frequently lack the personal qualities necessary to learn the required skills. Most of the migrants hired by manufacturing firms have regular labour contracts. However, many firms manage to save on labour costs by placing them in the lowest positions and paying them at entry-level union rates. Nevertheless, migrants entering factories, even those who worked in irregular jobs in the past, often seek out union protection and pay close attention to their payslip deductions.

In Greece, manufacturing share is not important and unauthorised migrants work at the lowest positions and only in few very small firms, which operate in the underground economy. Migrants' insertion in manufacturing is a bit larger in Spain, but it is not increasing and it includes women as much as men. The main sector, in fact, is the textile and garment industry: small clandestine sweatshops employ Spanish and migrant women (mostly from Morocco), who are paid at the same rates (low, because of low productivity and stiff competition), although the latter get the worst jobs. Some migrants sub-contract work to do at home on a clandestine basis. Some employers are migrants themselves and employ people from the same areas of origin. As it is difficult for labour inspectors to even locate these sweatshops, irregular employment remains important. In contrast, it is increasingly difficult for migrants to find work in other industrial sectors. In recent years the move into the regular economy has been very important in manufacturing, so that nowadays it is almost impossible for companies registered with the social security system to employ immigrants on an irregular basis, because they are likely to be heavily fined. Even tanneries increasingly employ workers with a contract, except for the smallest ones, which remain in the shadow economy. Working conditions in manufacturing have become very attractive to local workers and there is tremendous competition for jobs.

Low-skill services in metropolitan areas. In South European countries migrants hold a wide range of jobs in the least skilled services: dishwashers, waiters, cooks and other jobs in restaurants; gas-pump operators; guardians, concierges, night watchmen; painters; blue collar workers in repair workshops, garages and cleaning firms; porters and transport workers; home delivery workers; cleaners, low level workers in butcher shops and bakeries and so on. The common feature of these jobs is low skill requirements, a need for physical

effort or great endurance, long or inconvenient working hours, little opportunity for professional advancement and the lowest social status. Even in the infrequent cases in which employment is regular, labour contracts are precarious, as most firms are very small and have a high turnover. Finally, wages are usually very low. Employment in tourist-related activities further swells the number of those “bad jobs”, increasingly needed to meet the needs of modern Western societies, even of those that are not high-income ones.

In Italy, they account for the employment of 13-18% of the migrants who are hired yearly with a contract (bars, hotels and restaurants alone account for 7-9%). In metropolitan areas the proportion is even higher. Most jobs in these occupations are not registered. The situation in Spain is similar: migrants, mainly Latin Americans and Asians, work in the retail trade, small hotels and restaurants and house maintenance firms. Many of them do not hold a regular labour contract, but, even if they do, their working conditions are considerably worse than those of their local counterparts: short-term contracts without opportunity of renewal, low wages, long working hours, unskilled and physically demanding jobs. Both in Italy and in Spain, many Chinese work in Chinese-owned restaurants

White-collar jobs are not commonly held by migrants from underdeveloped countries. They are concentrated in large cities, within the service industry, and most of them are self-employed: translators, artists, clerks, social workers, professionals, and small employers. They are mainly migrants who have settled in the country for a long time or who come from countries having cultural ties with the receiving country.

Self-employment. The proportion of self-employment among migrants is quite low, especially if the very high proportion of local self-employment is taken into account. Greece is the extreme case: in comparison with the very high proportion of self-employed people in Europe, the number of self-employed migrants is negligible. In Italy, among those migrants holding a residence permit for working reasons, the proportion of those entitled to self-employment is very low and has decreased in the last few years, from 6% to 4%. The large majority of them applied for the 1991 regularisation, the only one that allowed applicants to be self-employed. Until 1999, it was very difficult for migrants holding a work permit as employees to get a permit that entitled them to self-employment. Moreover, many migrants entitled to be self-employed are actually working as members of a co-operative. In large cities, the few truly self-employed migrants can be found in sectors such as the retail trade, restaurants, artistic or intellectual professions and artisans. In Spain, the proportion of self-employment is higher, but decreasing both in terms of work permits and in the number of migrants who applied for the regularisation schemes: from 1 in 3 in 1985 to 1 in 7 in 1991. They are mainly Latin Americans and Asians, who work as retailers and street vendors, just like in Italy.

To sum up, there are no enclaves closed to the receiving society, nor do we find ethnic businesses based on the exploitation of human and monetary resources of their own ethnic group. Only Chinese, as usual, organise their businesses (restaurant and garment sweatshops) on the basis of an intense use of family and co-ethnic labour. Customers, though, are external and activities are only in part traditional. Therefore, in the South European countries, which are the developed economies with the highest proportion of local self-employment, immigrants' over-representation in the underground economy is not at all related to their over-representation in ethnic small businesses, as we find in most receiving countries, from North European ones to the United States (Portes 1995).

On the contrary, in Greece, where most economic activities are carried out by small businesses employing only unpaid family labour, the employment of migrants in the underground economy has been accompanied by an important shift from family labour to wage-labour. Various economic activities previously carried out by family labour are now carried out by hired wage-labour. The availability of cheap migrant labour has facilitated the transfer of this type of work to the paid sector. The substitution of migrant labour for family

labour has occurred most spectacularly in agriculture (Cavounidis 1998). The large supply of migrant labour willing to work at rates below the minimum daily wage made the hiring of wage-labour possible at a time when family labour was increasingly difficult to draw on, since Greek youths shun agriculture and aspire to urban jobs. The substitution of migrant wage-labour for family labour has no doubt occurred in non-agricultural family enterprises as well, particularly in small enterprises in the manufacturing sector. Thanks to the irregular hiring of unauthorised migrant wage earners, the proportion of employees on total employment increased and capitalistic work relationships became more widespread.

7. The impact of regularisation schemes forcing migrants out of the underground economy

The South European new receiving countries have repeatedly resorted to special legislation for regularising unauthorised foreigners within their borders. Italy carried out mass regularisation schemes in 1986, 1990, 1996 and 1998; Spain in 1985, 1991, 1996 and 2000; Greece started its first amnesty in 1998. The procedures and the target population, as defined by the conditions set out for eligibility, vary from country to country and from one campaign to another, but one of the main political justifications for launching these schemes has been to prevent unauthorised foreign workers from remaining trapped in the underground economy. In several cases, migrants applying for regularisation were explicitly required to prove that they had a regular job offer, in contrast with ILO recommendations that suggest avoiding such strict requirements. However, in countries with a large and well-rooted underground economy, regularisation schemes managed to force migrants out of irregular jobs only partially and/or temporarily.

The French case, instead, is different. France, which had relied on regularisation schemes until 1981 for the reasons cited above, repeated that procedure in 1998 for a different reason: resolving critical cases that prevented the final settlement either of migrant households or of singles who had been living in the country for a long time (Marie 1999a). In the 1990s France chose not to embark on new regularisation schemes in order to avoid a pull effect on unauthorised immigration, but only the limited entry of new unauthorised migrants holding irregular jobs allowed that hard line to remain in force. This appears to be a self-fulfilling policy, but its success actually depends on the small scale of the local underground economy, a result achieved thanks to strict controls on the inner labour market.

Italy. The first regularisation, in 1986, required migrants to be irregularly employed by an employer willing to “regularise” them, but applications of job seekers were also accepted. Less than 120,000 migrants were regularised, but not even 45% were able to hold a labour contract. To apply for the second regularisation, in 1990, migrants were required only to have lived in Italy before the end of 1989. About 220,000 migrants were regularised: 21,000 as wage earners, 13,000 as self-employed and more than 180,000 merely as job seekers. Few unauthorised migrants failed to apply for the 1990 regularisation. But many new ones entered Italy afterwards without a residence permit for working reasons. And the number of undocumented migrants continued to increase, partly because many migrants regularised in 1990 failed to renew their two-year residence permits, as they lacked regular jobs.

For the 1996 regularisation, rigid requirements were set out to force migrants to emerge both from unauthorised residence and the underground economy. In addition to demonstrating their past presence in Italy, migrants had either to be employed during the last six months, or to have an ongoing labour position or a written job offer by an employer. In order to prove that either the past job or the job offer they declared actually existed, a significant amount of money had to be paid to Social Security (up to two-three months’

wages for a migrant worker), supposedly by employers, but in practice usually by the migrants themselves. A large number of migrants, nevertheless, managed to avail themselves of regularisation and the amount of regular hires of migrant workers more than doubled on a yearly basis. As more than 256,000 applications were filed, of which 93% were approved, those “excluded” should have numbered 150,000, equal to 40% of those who could have applied. The proportion of migrants who did not avail themselves of the regularisation was lower in Northern Italy, where migrants have more opportunities of finding regular jobs, as well as of being subjected to police controls.

Among the regularised migrants, 11% were officially unemployed, whereas only slightly more than 3% were hired permanently. As to the great majority of job offers (almost 86%), it was not known how many reflected real jobs, although the social security payments were substantial. Survey findings indicate that it is reasonable to assume that at least 15% of the applications approved were actually based on false labour contracts or on jobs specifically created for the purpose of satisfying the regularisation requirements. This figure is basically confirmed by the controls carried out by labour inspectors: of the applications checked (10% of the total) slightly more than 20% were false. However, at the end, a residence permit entitling migrants to be registered in the unemployment rolls was granted even in cases where the employer did not honour the declared job offer.

Each regularisation exerts an important attraction on people, who are drawn by the hope of obtaining authorised status. Several sources and estimates concur in showing that many migrants entered the country just after the deadline and were not entitled to apply for regularisation. Other important inflows occurred afterwards, at least until 1998, when tighter controls were implemented. However, to explain the number of people who applied for a new procedure of regularisation in 1998 (over 235,000), it is reasonable to suppose that many migrants regularised in 1996 did not manage to renew their one or two-year residence permit, although data to confirm this are still lacking.

The regularisation did cause a huge and sudden increase in the regular hiring of migrant workers: we can estimate that the amount more than doubled, compared to previous year. However, based on the unemployment rolls trends, we can estimate that a third of migrant workers who had obtained a regular job from the regularisation, lost it within a few months, re-joining the ranks of the unemployed (or, more likely, returning to the “underground” economy) despite their new status, which would qualify them for a regular labour contract (Reyneri 1999a). It would thus appear to be a repetition, on a much larger scale, of what had already occurred after the 1990 regularisation.

The increase in the number of unemployed migrants is particularly large in the North-Western regions, where manufacturing is declining, as well as in the South, but remains minimal in the North-Eastern regions, where more migrants have been able to find regular work in small and mid-sized factories. Once more we can confirm that these are the Italian regions where there is a sizeable demand for regularly-hired immigrants, whereas in all other regions, where there was a pressing need to find or “buy” a regular labour position in order to obtain a residence permit, many returned to their usual irregular jobs. An important demand for regularly hired migrants comes from households, too. Among migrants least prone to return to the underground economy after the regularisation, we find the groups most involved in housekeeping and in helping elderly people (Filipinos and Peruvians), those most supported by their communities (Chinese) and those who have achieved a high degree of integration (Egyptians, Somalis, Poles and Romanians).

Migrants’ behaviours after they had obtained their residence permit, which gave them access to regular jobs, were as different as the ways in which they managed to avail themselves of the regularisation. The stories related by migrants interviewed in the Milan metropolitan area (Reyneri 1999a) outlined their job histories after the regularisation and, in particular, emphasised the close correlation between the way in which immigrants became

authorised and their subsequent work situation. In particular, the way in which social security contributions were paid is a key to understanding what subsequently happened to the large majority of immigrants who declared a real, not expressly sought, job in their applications.

When the employer paid the social security contributions, the migrant almost always remained at the same job. In those cases, the employer and the immigrant had established a mutually rewarding relationship. The employer was willing to pay the social security because he needed the migrant worker. In other words, the employer was employing the migrant irregularly because the migrant had no residence permit, not to save on labour costs. On the other hand, by remaining with the same firm, the migrant showed that he viewed his situation as acceptable in terms of both wages and working conditions, even if it often involved heavy work and/or long hours, and he was qualified for a much better position. If, instead, the migrant was forced by his employer to pay all his own social security, the migrant was very likely to look for a better paying job and/or one with better working conditions. In those cases, the employer had hired the unauthorised migrant in order to cut down on labour costs and was not interested in keeping him on if it meant paying the full cost. Among employers who exploited unauthorised migrants, some fired them when they applied for the regularisation, while others were willing to sign the job offer, even without any charge, as a “favour” to the migrant, but they made it clear to him that they did not want to keep him at the full labour cost. The migrant worker, of course, knowing the restrictions his former situation placed on his bargaining position and with a residence permit, was able to look for a better job.

For migrants who declared a fictitious occupation, the prospective path was generally outside the regular labour market. That is, they went back to “working” as they did before just a few months after the regularisation deadline elapsed. This was the case both for people who were excluded even from the irregular labour market, as they were street vendors or black market cigarette sellers, and for those who were not willing or not able to get a registered job for a long time. Some of them looked for a labour contract as a temporary situation, drawn up only for the purpose of applying for regularisation. They had to rely on friends or find an Italian disposed to hire them, mostly for housekeeping (which required the lowest social security payments), or for part-time jobs. All this supports the serious misgivings raised by the disproportionately large number of male migrants who succeeded in regularising themselves as housekeepers. Other migrants “arranged” to “buy” labour contracts for the regularisation, sometimes without even a real employer. These migrants were either self-employed or engaged in illegal activities, or were marginalized, but supported by their fellow countrymen. In fact, they had neither the time nor the resources to find a real job offer. Yet they did have money to pay more, because in addition to the social security payments, they also had to pay the prospective employer for making a false declaration, and usually a middleman, too.

Few migrants mentioned the chance of getting a regular job as an advantage of the regularisation, although this should have been their primary motivation. Although there was a sizeable minority that chose to continue working at marginal or irregular jobs to get higher earnings, the vast majority simply believed that there were few job opportunities for migrants outside the underground economy. The few who said that there were some regular jobs available were referring to jobs that Italians were reluctant to take: from assisting the elderly to heavy factory work, from construction to cleaning or restaurant jobs. In contrast, the main advantage, quoted by all migrants, was that the residence permit allowed them to return to their country of origin for a visit. This is not necessarily a signal of a desire to settle in Italy, as the possibility of periodic returns also gives migrants who work on seasonal or odd jobs considerable savings on living expenses during the slack periods.

The 1996 regularisation succeeded in getting nearly 250,000 migrant workers to emerge from unauthorised residence as well as from the underground economy. In practice, though, this success was less impressive, even in the short run. In a substantial number of cases the accepted job offers were fictitious, as they were either “bought” or “arranged” by migrants who continued to work in the underground or even illegal economy. In other cases, the exit from the underground economy was partial, as many irregular full time jobs were regularised as part-time ones. Furthermore, some migrant workers lost their jobs just after the regularisation, as they were fired or resigned, and they had to find a new regular job, a difficult task even for those holding a residence permit. In the long run, although reliable data are lacking, it is likely that many migrants were not able to renew their two-year permit, showing that they were regularly employed, and were forced to re-apply for the 1998 regularisation.

As regards the 1998 regularisation, most of the applications were processed a long time after they were submitted (up to one year). The reason depended less on administrative failure than on policy-making, concerning the new immigration act implementing that regularisation. Nevertheless, during this long period of time, applicants were considered authorised from the residence point of view, but they were not entitled to get regular jobs. Thus, thanks to this singular situation, the number of “regularised” migrants working in the underground economy increased a lot, as Table 6 shows.

Spain. In the first regularisation scheme, in 1985, given the restrictive conditions set out for eligibility, the proportion of unauthorised immigrants who did not even apply was estimated to be very large, from 50 to 75% of those who could have applied. Furthermore, of the 44,000 applications, only 23,000 (52%) were approved, and, since a valid work permit was necessary to renew the residence permit, by the end of 1989 of these 23,000 immigrants only 56% had maintained their authorised status. The 1985 regularisation campaign revealed that a high percentage of women (39%) were in the country without authorisation. This was almost twice as high as the proportion found in the 1981 French regularisation and considerably higher than the proportion found in the simultaneous Italian regularisation.

More than 4 out of 10 migrants applied only for a one-year residence permit, which did not allow them to work. As it is unreasonable to assume that all of them had enough money to survive without working for such a long period of time, these people must be considered as irregular workers who did not meet the conditions required to apply for a work permit, i.e. proof of a labour contract from an employer. By issuing permits only for residence, Spain was giving employers tacit permission to continue exploiting migrants who were officially ineligible to work. This was a kind of legitimisation of the migrants’ insertion in the underground economy. Thus, particularly in agriculture, the number of itinerant workers declined, because unauthorised immigrants were forced to remain semi-hidden in a location where there were fewer chances of being arrested. This resulted in a permanent “reserve army” which, on the one hand, made it easier for employers to ignore demands for better wages and, on the other, provided a source of labour that could be used during peak production periods without the need for a formal labour contract.

The employers’ response to the regularisation took different forms. As the start had been accompanied by the announcement that there would be stricter controls to prevent employers from hiring unauthorised immigrants, some employers simply got rid of most of their migrant labour force rather than face the consequences and/or be forced to formally hire them. Most of the employers who did hire migrant labourers continued to employ them irregularly once the regularisation process was underway. Others promised to officially hire them, which meant the immigrants could apply for regularisation, but did not actually employ them until they had been issued work and residence papers and could be given regular contracts as seasonal workers.

In the second process of regularisation, in 1991, more than 110,000 applications were accepted. However, three years later 26% of the regularised migrants failed to renew their permits and either returned to their homeland or stayed on illegally in Spain. The regularisation campaign of 1991 produced two parallel phenomena. On the one hand, many of the workers managed to secure authorised status, and on the other, the campaign served to attract new migrants who immediately became unauthorised. For those who were already settled it was not too hard to obtain a tentative labour contract (a requisite for a work permit). Since 1991, the *Ley de Extranjeria* has been applied strictly. This renders unauthorised workers even more defenceless, inasmuch as labour conditions can only be inspected when requests are made by employees with work permits. Unauthorised employees must therefore accept whatever working conditions their employers choose to offer. The regularisation campaign meant that the majority of foreign agricultural labourers (4 out of 5 agricultural labourers were unauthorised migrants) had no legal protection and led to the creation of a “reserve labour force” of immigrants attracted by the chance to enter Europe through Spain.

The third process of regularisation, in 1996, contained very restrictive conditions for eligibility: to have lived in Spain since January 1996, to have a working or a residence permit issued after May 1986, not to have been involved in a deportation procedure, or to be a member of the family of a migrant living in Spain before January 1996. The aim of this campaign was not to allow the emergence of unauthorised foreign workers from the underground economy, but primarily to regularise foreign workers who had either entered Spain legally or obtained a permit afterwards between 1986 and 1991 and who failed to renew their residence permits, or who entered the country afterwards under the quota system implemented in 1993, as well as their family members. Thus, 59% of the applications were from people who were former holders of a residence and work permit and 34% from family members of immigrants in lawful situations. Those figures confirm how common it is for a regularised migrant worker to return to the underground labour market, even in a country such as Spain, where the quota system acts as a permanent “soft” regularisation.

Greece. The regularisation process, which began in January 1998, consisted of two stages. In the first stage all undocumented migrants who were already living or working in Greece were eligible to apply, supplying documents such as health and criminal records. Over 370,000 people applied, but they received a “white card” that entitled them to stay and to work in the country only for a few months. To get a “green card” valid initially for 1-3 years and then renewable, migrants had to submit a new application providing evidence that they had been employed for at least 40 days at the minimum wage, with the accompanying social insurance contributions. Only 220,000, though, managed to do so.

Thus, 40% of regularised immigrants were not able to emerge from the underground economy and continued to work in unregistered jobs, as usual (Cavounidis 1998). However, even those who applied for the “green card” were probably shifting back and forth between spells of regular and irregular jobs (Frangouli 1999). Heavy sanctions were stipulated for those employing migrants without declaring them, but very poor control made them ineffective and many employers refused to give migrants the working documents necessary to apply for the “green card”. Even more so than in Italy, regularisation managed to reduce unauthorised residence, but not irregular employment, although it was also explicitly devoted to the latter aim.

France. The 1998 amnesty was aimed mainly at regularising people who were either married to French citizens or who had entered France outside the family reunion procedure, the spouses of refugees and long-settled foreign families. People eligible to apply had to have either family ties with authorised migrants or had to have been living in the country for at least seven years, with evidence of their own long-standing integration. Thus, 85% of permits were granted on family-related grounds. Most applicants were people from

traditional countries of emigration towards France (North African and French-speaking African countries), but people from China and Turkey were numerous, too, particularly in the Paris area. Although most applicants had entered France legally, as asylum-seekers, tourists or family visitors, many Chinese and Turks were smuggled into the country by traffickers. Data on regularised migrants are still scarce, but it appears that most of them had middle-upper class origins and were regularly employed before emigrating (Sopemi 1999).

According to a field study conducted in Paris (Brun 1997), a large proportion of applicants for regularisation had been living in France legally for a while as asylum-seekers and during that period they had held a regular job. Other applicants had a registered job, but an unauthorised residence status, because of forged documents; in that situation there were above all migrants who were working in jobs with a higher risk of being inspected, such as those in shops, caf  s and restaurants. Just like those who availed themselves of the 1981 regularisation, most migrant workers applying for the 1998 regularisation found a registered job easily after they managed to obtain authorised status. Many migrants continued working in the same job and with the same employer as before the regularisation, although most employers did not support their regularisation by providing written testimony, because of fear of sanctions. Also, their earnings and working hours did not change substantially. The main reason is that only former unauthorised migrants are able to tolerate such poor working conditions. The risk that legalised migrant workers will return to the underground economy appears to be lower in France than in other countries. This outcome can be explained by the smaller size of the French underground economy, so that migrants' irregular working conditions are in most cases simply the result of an unauthorised status concerning residence. This scenario is very different from what occurs in Italy, Greece and Spain, where a great many migrants hold irregular work although holding a residence permit that entitles them to get a regular job.

8. Competition, replacement or complementarity?

High unemployment rates in European countries and above all in the new Mediterranean receiving ones are generally used to support the hypothesis that new migratory inflows are caused by a "push effect" from the underdeveloped countries, so that migrants find themselves either in competition with local workers or redundant, thus generating the underground economy. Previous sections showed that most migrants were not escaping without a migratory project and that they entered well-rooted and flourishing local underground economies. Now, we shall examine another clich  , regarding the supposed competition between migrants and local job seekers.

It is certainly true that, throughout the 1990s, unemployment rates in the Mediterranean countries of the European Union were high: 18-22% in Spain, around 11% in Italy and France, increasing from 7% to 10% in Greece. However, a macro approach, which does not take into account the personal characteristics and the household status of the jobless, is misleading. We cannot assume that all the local jobless are looking for the heavy, poorly paid and low status jobs that are taken by migrant workers. Most of the local jobless are educated youths, who have high professional and social aspirations and are able to wait in order to enter highly qualified and rewarding jobs. Some are merely youths or women who are living in a household whose head has a permanent job and can support his/her waiting for a "good" job. Finally, the labour market situation may be very different from region to region, because internal migrations have been very low for many years. So, in spite

of a high total unemployment rate at the national level, a lack of labour can occur both in specific regions and for some types of low-level jobs.

In Italy, Spain and Greece, an unemployment pattern prevails that penalises women, young people living with their parents and the well educated, while protecting prime-aged men, heads of households and poorly-educated people.²⁰ In these countries, discrimination against women and youths is far higher than in any other European country, so that the huge majority of job seekers are women and young people without any working experience. Furthermore, while everywhere the risk of being a job seeker decreases as the educational level increases, in Italy, Greece and Spain the relative advantage of educated youths is far lower. It is irrelevant whether the reason is a subjective rigidity on the part of the educated labour force or the backwardness of the economic system. In either case, the pattern reveals a serious mismatch between demand and supply of labour; thus, in spite of large-scale unemployment, the number of poorly educated youths out of work is actually not very high.

²⁰ This pattern contrasts with the North European one, whose features are just the opposite (Gallie and Benoit-Guilbot 1995; Reyneri 1996; 1999b).

Finally, although everywhere the likelihood of a head of household's exposure to unemployment is lower than that of a youth's, the gap between the two is much larger in Spain, Greece and particularly in Italy. Young people seeking their first job, who account for the largest proportion of the unemployed, are thus very often living under their family's roof, with their fathers holding gainful employment or at least receiving a pension. Conversely, heads of household are only a small minority among job seekers. Therefore, even in the South European countries, where the jobless are very poorly covered by welfare provisions,²¹ only a small proportion of them are really forced to look for any job available, because most of them are well-educated youths who can afford to wait for suitable jobs in their families' shelter.

As for France, its unemployment pattern is slightly different than that of the other South-European countries. Women and youths are penalised less than prime-aged men and unemployed people are mostly looking for a job after losing or leaving another. Youths living with their parents are not the large majority of unemployed people, like in Italy, Spain and Greece. Instead their number is balanced by an equal number of heads of households. Even more different is the impact of education on unemployment: the comparative advantage of educated youth is very important. The result is that among job seekers, a greater proportion than in other countries are young and prime-aged low-skilled workers, who could be in competition with new immigrants. However, most of those people are of foreign origin, as the very high rate of unemployment among non-EU workers shows. We should also add that in France the unemployed are covered by benefits far more comprehensive than those in Italy, Spain and Greece, especially those who are in a more vulnerable position (heads of household, singles). Thus, a relatively large supply of unskilled job seekers, most of whom are of foreign origin,²² could be a contributing factor in explaining the relatively low number of new unauthorised entries.

A geographical "balkanisation" must be factored into the unemployment segmentation by gender, age, education and household status. In Italy, while in Southern regions the unemployment rate is nearly 30%, in some Centre-Northeast areas blue-collar workers are near full employment. Cross-regional differences in unemployment rates are important in Spain, too. However, internal migrations have been very low for many years. The reason is the same in both countries: young job seekers would lose their family's support if they moved to other regions to look for jobs (Bentolilla and Dolado 1991). The number of migrants is highest exactly in those regions where the unemployment rate is lowest (as for Italy, Venturini 1996).

²¹ Cross-national differences in unemployment benefit coverage are closely correlated to differences in unemployment rate by household status. While in North European countries such as Germany and the United Kingdom, whose job-seekers are mainly prime-aged men, almost all prime-aged male job seekers get unemployment benefits for a long time; on the contrary in the South European countries, where state support for prime-aged male job seekers is low and of brief duration, they are relatively few, because the unemployed are mainly youths and women, who are generally living with income-earning heads of households.

²² Seasonal and temporary movements of Spanish and Portuguese workers, who are EU citizens, increased even more that availability, satisfying the flexible needs of the labour force.

This induces us to conclude that a demand for migrant workers can exist even if the overall unemployment rate is high. The employment structure supplies further evidence. The main recent trends by economic sector in Greece, Italy and Spain can be summarised as follows:

- job creation only in services, both in modern and even more in traditional activities (among these, tourism and private personal services are very important);
- stagnant employment in construction (except in Greece);
- job losses in agriculture, but employment in this sector is still important, in particular for seasonal workers;
- high employment in tourism and personal services, mostly as maids;
- job losses in manufacturing, but in areas with many small firms, the demand for blue-collar workers is still largely increasing.

A well-known feature of the employment structure is the high proportion of small businesses and self-employment. In the South European countries the large majority of jobs are in small firms, many of which are run on a family basis. And the demand for precarious jobs is still increasing. It is less commonly known that in Greece, Italy and Spain the employment structure is strongly biased towards low-level occupations. In fact, the proportion of the most qualified and a highest social status job (executives, professionals, and technicians) is far lower than that in the Centre-North European countries: 24-27% against 36%. On the contrary, there is a much higher proportion of semi-skilled or unskilled jobs: 25-27% in Italy, 33-34% in Spain and Greece, as compared with less than 20% in the Centre-North European countries. Finally, the greater number of micro-firms and self-employed workers explains the higher proportion of craft workers (17-21% against 15%), who combine technical skills and manual labour. France is in between: the proportion of executives, professionals and technicians (33-34%) is near that of the Centre-North European countries, whereas the proportion of semi-skilled or unskilled jobs (24%) is like that in Italy. Instead, the proportion of craft workers (14%) is relatively low.

Therefore, in the South European countries employment opportunities remain oriented towards low-skill and poor social status jobs, in small and unstructured firms. This partially explains the lower competitive advantage of educated youths, in spite of the relatively scarce diffusion of higher education. The serious mismatch between demand and supply and the subsequent segmentation of the local labour market also explain why employers seek foreign workers despite the widespread availability of educated young jobless at home.²³ Finally, we must remember that some jobs only exist, because they are inside the underground economy, because their full cost (i.e. including social contributions and income tax) would be too expensive to balance off their consistently low productivity. France is in a different position, especially because it has a smaller underground economy.

If both the state of receiving labour markets and the migrant workers' insertion in them are as mentioned above and in section 6, we can conclude that migrants are in competition only with marginal sections of the national labour force (young dropouts, uneducated women, elderly people, gypsies in Greece), when they are not sufficiently sustained by welfare provisions, in specific sectors (construction in Greece, manufacturing in Spain), and/or in the less-developed areas inside these countries. There is indirect evidence to

²³ Analysts of Italian, Greek and Spanish labour markets agree in emphasising a segmentation based on the "rigid" behaviour of educated youths living with their parents, who refuse unskilled working opportunities while waiting for suitable jobs (Cachon 1994; Fakiolas 1998; Reyneri 1996; Iosefidis and King 1999).

confirm this conclusion: conflicts between migrants and the local population only seldom concern labour market problems (except in Spain) and even in countries where the media strongly stigmatise migrants, competition for jobs is the last item they refer to. Also, national trade unions are generally pro-migrant, although they are, of course, in favour of “regulated” inflows of migrant labour and of more controls on migrants’ employment, so as to avoid social dumping and to prevent a deregulation of the labour market (Watts 1999).

There is little, if any, competition because both in the formal and even more in the underground economy, most activities carried out by migrants (the so-called “3-D jobs”: dirty, difficult and dangerous) are below the level accepted by domestic workers, even in high unemployment and low-income countries, as South European countries are in comparison with Central-Northern Europe. We can agree with the common opinion that *“The migrants take jobs that the locals refuse. It’s simply a matter of substitution”*. Therefore, a trend towards an ethnic segmentation of the labour market is growing, so that within the limited range of jobs available to migrants from a large number of countries, each ethnic group concentrates itself in a particular sector or activity. So far, the main reasons are two: the recruitment system, in which networking is essential to finding employment, and a “positive discrimination” as there are cases in which employers prefer certain migrants because they are cheaper, more vulnerable and more docile. In the future, negative discrimination will reinforce this process, which, moreover, is self-feeding. The risks not only for the functioning of the labour market, but also for society as a whole are as evident in the long term as the benefits are in the short term.

In Spain and Italy the concentration of migrant workers in some jobs assures the viability of sections of the economy and the society that would otherwise be in critical condition. This is the case for many small farmers and building contractors, who survive by employing migrants. In addition, broad sectors of the urban population now satisfy their need for housekeeping by hiring immigrant workers as maids, caretakers and nurses for the elderly. But the cases of complementarity are even more evident in Greece, where unauthorised immigrants account for a very large proportion of those employed in crucial sectors such as agriculture, tourism, construction and personal services. Only thanks to their work do those sectors remain productive, but migrants are a “blessing” for Greek households too, because they can easily recur to the cheap services of undocumented migrants for repairing their houses, housekeeping and caring for children, the ill and the elderly, and for Greek youths, who can upgrade to qualified, relatively well-paid and tenured jobs in the public sector (Fakiolas 1998).

9. A domestic underground economy having a pull effect on immigration and other negative effects

We can summarise the findings as follows: on the one hand, most migrants are not desperate people running away simply to survive, but educated youths, looking to improve their circumstances, who are deeply affected by information about what to expect in receiving countries. Italy, Greece and Spain are largely seen as countries where it is easy to live and to make money even without a residence permit, making it worth the hardships, expenses and risks to get around border checks. On the other hand, migrants are not in fierce competition with local workers, even in high unemployment countries, such as the European Mediterranean ones. Furthermore, the underground economy has long been a part of the national labour markets and the irregular jobs now held by migrant workers were not created *ad hoc* when immigrants began to arrive. The only exception may concern Chinese

restaurants, although they sometimes replaced local low-class restaurants. Even in street selling migrants revived an activity that had an ancient tradition.²⁴ Nevertheless, it is unquestionable that newcomer migrants are supplying a large labour force either forced or prone to engage in irregular work, making the reproduction of the underground economy easier.

Many migrants are employed in occupations (retail trade, personal services, construction, transport, tourism, catering) that cannot be transferred to lower labour cost countries. Many others are agricultural labourers, but a further decrease in local agricultural production in favour of imports from underdeveloped countries would have wide-ranging negative implications for many households, whose incomes are based on moonlighting in agriculture. As for small manufacturing firms, these are important for the competitiveness of South European countries, above all Italy. All these branches are unskilled and poor labour intensive; furthermore, their productivity remains low. So, there is a risk of many jobs being priced out of the market, if workers were paid at union rates. Although all South European countries are not alike, the labour cost ladder for regular jobs is generally narrow and minimum union wages are relatively high. Therefore, the only way to match the labour costs of those jobs to their productivity is to make them irregular, thus saving on indirect costs (social contributions and income tax) and sometimes even on direct wages (Mingione 1995). The underground economy remains a steady component of the economy, and possibly even expands if differences in productivity from one occupation to another increase. As the demand for a labour force amenable to giving up the guarantees of regular job contracts is likely not to decrease, once such a labour supply runs out within the national borders, the stage is set for immigration from underdeveloped countries. Their informalisation further reduces the appeal of low-skill jobs for the national labour force and opens the door to immigrant workers, particularly to unauthorised ones, who can find work only in the underground economy.

Thus, we can conclude that an important labour demand from the underground economy can have a sizeable pull effect, chiefly when external borders are formally closed and economic migration can only be unauthorised. Those who do not hold a residence permit for working reasons are obviously cut off from the regular labour market, and were it is not for the shelter of the irregular economy, they would soon be forced back to their home country, making the risks and costs of unauthorised entry useless. Thus, the ready availability of employment in the underground economy, where no documents are required, promotes unauthorised immigration. The French case is the counter-check of this hypothesis. If social networks of authorised migrants were really an important factor for the existence of unauthorised migrants (Jahn and Straubhaar 1999), France should have been the largest target for undocumented inflows, as France is the European country with the largest stock of settled foreigners. The fact that it did not occur is usually attributed to the geographical position of the country, which borders mainly on other EU countries. However, according to migratory stories collected in Italy, several migrants entered Italy from France, crossing its supposedly well-policed borders. The enforced control of the underground economy served

²⁴ According to Tapinos (1999), instead, street sellers are more the consequence of exogenous inflows than a response to a demand for labour in the receiving countries, as it is true for most of other jobs.

as a regulating valve of undocumented immigration in France. Controls on national borders were thus less important than controls on the local labour market. The Spanish case is rather similar. In Spain, since the mid-1990s, opportunities for migrants to enter the shadow economy have decreased substantially, because of tighter controls by labour inspectors. Since then, new unauthorised entries have decreased, too, as we can also infer from the characteristics of the 1996 regularisation.

A pull effect on undocumented immigration is the first of the negative effects that a large underground economy in South European countries has on migratory movements. As most migrants can find working opportunities only in the underground economy, they are prevented from achieving permanent authorised residence status as and from settling firmly into the receiving society. This is the second negative effect. In fact, the migrants' huge insertion in the lowest strata of the underground economy (the highest ones are for local workers, especially for moonlighters) is caused only partially by their unauthorised status. Even many migrants who managed to obtain a residence permit for working reasons thanks to a regularisation scheme are actually working as unregistered employees or in marginal self-employed activities. But their irregular working status usually prevents migrants from renewing their residence permits, so that for many of them the authorised residence status is not achieved permanently and a vicious circle starts, because migrants who lose their authorised residence status can only take irregular jobs. We have shown that in Italy and Spain an important contributing factor in the resurgence of unauthorised residence after the regularisation schemes was internal.

The third negative effect concerns the stigmatisation of migrants. Because of a large underground economy, both unemployment rates and the social pressure for jobs appear to be higher than they actually are. Thus, governments respond to public outcries by closing the borders to new inflows of migrants seeking work. But a mix of closed borders and easy access to irregular jobs exerts a pull effect on undocumented immigration. And another vicious circle starts, as their working in the underground economy, as well as living without documents, contributes hugely in rousing negative attitudes against migrants. Firstly, the working contribution of migrants to the economy and the social system is far less evident than it would be if they held regular jobs. Receiving societies usually have mixed feelings concerning migrants' insertion in the underground economy. On the one hand, this confirms the idea that there is scarce competition with the local jobless. On the other, irregular migrant workers may appear redundant, because it is difficult to admit that unregistered activities are necessary. Furthermore, most of the irregular jobs performed by migrants are low-visibility jobs. This is the case of agricultural labourers, housemaids and other jobs in personal services, which are the activities most "useful" to the local societies. In contrast, activities that appear unnecessary, such as street selling, are very visible.

Secondly, as irregular workers do not pay social security contributions and income taxes, those migrant workers may appear as claimants for public subsidies. Newspapers often give a similar picture of migrants, but we can find it also underlying some policies towards migrants by charities or public agencies. The fact that undocumented migrants are prone to taking the most "undesirable" jobs reinforces the idea that they are all poor people needing assistance. Third, even in South European countries, where local people working in the underground economy are quite legitimised by social consensus, migrants, instead, are highly stigmatised for doing so. One reason may be that in-group free riders are more tolerated than out-group free riders. We can recall that most regularisation schemes were aimed at forcing migrants to leave the underground economy as well as to regularise their unauthorised residence. The underlying idea is probably that migrants would be accepted only if they are working in the registered economy. This is a real paradox in countries where such a large proportion of domestic workers is involved in the underground economy.

The stigmatisation of migrant workers holding irregular jobs is even more intense in France, where local workers are also highly stigmatised and punished for working in the underground economy. From a symbolic point of view, it is worthwhile to recall that until 1997, the act devoted to opposing the underground economy was titled “against clandestine employment”, a title that closely linked that phenomenon with clandestine immigration, as if unauthorised migrants were the main driver behind the irregular economy (Marie 1999a).

10. A policy regulating both local labour markets and migratory inflows

The widespread informalisation of employment in South European countries is crucial to understanding the phenomena that govern migratory movements and their impact on receiving societies. Public opinion, politicians and state agencies devote a lot of attention and resources to controlling the external borders of the European “fortress”. All the major economic and social groups support such a policy, whose results, though, often have the opposite effect.

A formal “closed door” policy towards immigrants, justified by high domestic unemployment, coupled with sizeable unauthorised inflows attracted by the underground economy, the lack of a policy of integration coupled with a strong exploitation and stigmatisation of migrant workers employed in the black labour market: this mix is causing more and more perverse effects. Interrupting this cycle it is not at all an easy task, but the easy solution of tightening the border controls is without doubt destined to fail. On the contrary, a complex and detailed strategy should be implemented to really reduce migrants’ insertion in the underground economy as well as undocumented immigration.

First, South European countries should recognise themselves as immigration destinations. In fact, they should admit and institutionalise the segmentation of their own labour markets, i.e. that there can exist, side by side, both high youth unemployment and an unfulfilled demand for low skilled workers for bad jobs. Second, they should open the borders to a sizeable labour immigration, of course well monitored, in order to fulfil that labour demand. But for which jobs, if they are in the submerged economy, i.e. if they officially do not exist? At the same time, concerning the media and public opinion, a new rhetoric should be based on the idea that “we need migrant labour” to redress the present mismatch in the labour market and in the near future, the imbalance between generations, which is expected to have an increasingly negative impact on the welfare state. But, how can this rhetoric be sustained if migrant workers do not pay social contributions to the welfare state, as they are taking irregular jobs?

We return to the domestic underground economy, which is the main question to deal with in order to seriously address the issue of the unauthorised immigration (Jahn and Straubhaar 1999). The third and most important step of this complex strategy must be a set of policies aimed at reducing the size of the domestic underground economy.

Economists highlight the negative impact of the underground economy on the state budget, but its impact on social cohesion is just as negative: we must remember that the welfare state is less an economic than a socio-political issue. Undocumented immigration, of course, reinforces that negative impact. Unfortunately, the causes of the underground economy are deeply rooted in the economic and social systems of South European countries. Therefore, reducing their strength is a difficult and long-term job. As the underground economy is not at all a heritage of the past, no straightforward correlation between level of economic affluence and size of the black labour market exists (Williams and Windebank 1995). Neither economic backwardness nor rigidity in labour market regulation are

sufficient, by themselves, to account for the level of unregistered and irregular economic activities. Therefore, many factors should be taken into account when explaining the size of black labour markets.

Economic factors, of course, are of substantial importance. Economists usually emphasise the wedge of the non-wage costs for labour (social contributions and income tax) and the employment structure (the proportion of small firms, self-employment and subcontracting). While the latter factor is evident, the former is controversial. Non-wage labour costs are equally high in countries with large and small black economies. Such an approach, however, overlooks the social and institutional dimensions, which may be even more important than the economic ones.

The underground economy is necessarily based on personal networks. First, it is only through a “word of mouth” recruitment system that firms can find workers willing to take irregular jobs and irregular self-employed workers can find their customers. Second, connivance guarantees against complaints to either labour offices or other state authorities. More generally, the state and its legal norms are, in principle, absent from this segment of the economy. Thus, its regulation must be ensured by social control: the usual pre-requisites for entering the underground economy are mutual trust between the employer and the worker, kinship and community networks, or belonging to a reference group. Sanctions are determined essentially by those within the group or network and those involved in these arrangements must be aware of them. Beyond the intensity of the social networks, to function steadily, the underground economy needs social consensus, both in public opinion and in people’s attitudes. The strength of the underground economy, which allows it to escape any control, comes from its deep roots in the society.

When no negative stigma is attached to irregular economic arrangements, state enforcement against them can be tolerant and inefficient without raising any serious scandal. According to a widespread social feeling, punishment stipulated by the legislation can be soft and, in practice, the real risk of an irregular employer’s being detected and punished may be even lower. In fact, state regulation of economic activities often appears strict on paper, but enforcement is in practice slack, as labour inspectors are few in number and poorly organised. Moreover, rules regulating both the labour market and migration are often vague and contradictory. The inefficiency of state agencies is a widespread phenomenon in South European countries, but in this case it has the latent function of not disrupting the social harmony that the co-existence of formal and informal work traditionally ensures. Thus, the institutional dimension is also important.

An effective policy to reduce the size of the underground economy is a difficult task not only because it upsets consolidated social customs, but also because it may have some negative effects in the short term. This was the case of Spain. In fact, a stricter control on the labour market caused on the one hand an increasing competition between migrant and local workers for registered jobs, and on the other a process of social exclusion for migrants not able to take a regular job, who could no longer fall back on irregular jobs. Furthermore, a process of economic criminalisation may be started, because migrants may be easily identified as the workers most involved in an underground economy that now becomes highly stigmatised.

In conclusion, a strategy to deal with undocumented immigration as well as the domestic underground economy would have to be even more complex than is usually forecast. In particular, it should be coupled with an important regular jobs creation policy, more generous welfare provisions and a public relations program to inform public opinion of how useful the migrants’ work is for the receiving society. Furthermore, more severe sanctions for employers hiring workers without registering them and more frequent controls by inspectors should be coupled with fewer formalities and lower non-wage costs for low-wage jobs, which are more prone to be irregular (Jahn and Straubhaar 1999). The latter

labour policy was suggested some time ago in the EC White Paper, the former can follow the example of the “service cheque” adopted in France for housekeepers (Finger 1997). Increased income tax revenues and social contributions thanks to a smaller underground economy will provide economic resources for these measures, but timing could be a problem, because there could be a sizeable time lag between the results of the various policies. The high degree of complexity and difficulty of that strategy would require a committed and effective policy management and a governing class with long-range vision, willing to design and implement a series of long-term policies.

The French case confirms that prospective scenario: on the one hand, the set of policies against “black labour” was so firmly stated that it became a real “state ideology”, on the other, it was a by-partisan issue and was firmly supported by a succession of governments and by a skilful and powerful public administration. Finally, what is most important is social control, because only a strong consensus at the local level allows controls to work. Tapinos (1999) quotes the Swiss case as exemplary, but the French one is probably yet more evident.²⁵ By the way, this success story suggests that for Italy, Greece and Spain it will necessarily be a long, hard road, because the pace of social change is generally slow.

²⁵ Passel (1996) came to the same conclusion concerning illegal immigration in the United States.

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