

IMMIGRATION AND POLICY: NEW CHALLENGES AFTER THE ECONOMIC CRISIS IN PORTUGAL

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Introduction

Until relatively recently, like other Southern European countries, Portugal was a country of emigration. Political and economic hardship and lack of opportunities acted as motivating factors compelling people to search for prospects in more advanced European economies or across the Atlantic. However, at the end of the 1980s following the entry of Portugal into the EEC, the economic tide began to turn, leading to the civil construction boom in the 1990s. As a result, from that point through the turn of the century, Portugal became a destination for international labor migrants. Labor migrants arriving through both formal and informal networks from Eastern Europe and Asia and a new wave from Brazil added to the migrants that had arrived earlier from the former colonies, namely Portuguese-speaking African countries.

The sudden change in Portugal's migration balance meant the country was ill-prepared in policy and legislative terms for the incorporation of the new and diverse migrant groups. As such, immigration policy developed retrospectively. Despite this, the subsequent development in immigration and integration policy as well as nationality law has attracted attention as a frequently cited example of best-practice across Europe. At present, however, Portugal finds itself in a severe financial crisis. As a consequence, a growing body of evidence suggests not only that the inflow of migrants into Portugal has slowed, but that return migration is occurring to some countries, particularly Brazil and Eastern Europe.

The current economic climate poses major questions about how immigrants will react and be impacted by the economic downturn. This article explores these processes, illustrating the link between national economic growth and the rise in immigration in the 1990s through the turn of the century. It considers the same relationship, albeit with the inverse direction, in the post-crisis period in Portugal. In addition to changes in flows, stock, and policy, attitudes toward immigrants and

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inter-group trust in Portugal compared with Greece and Spain are examined using recent survey data from the GEITONIES project.¹

The Dynamics of International Migration and Economic Growth in Portugal over the Last Two Decades

In the 1990s, Portugal underwent a migratory transition process that transformed a traditional country of emigration into one of immigration.² In the time between the 1981 and 1991 population censuses, net migration reached 404 747, becoming the main factor in demographic growth.

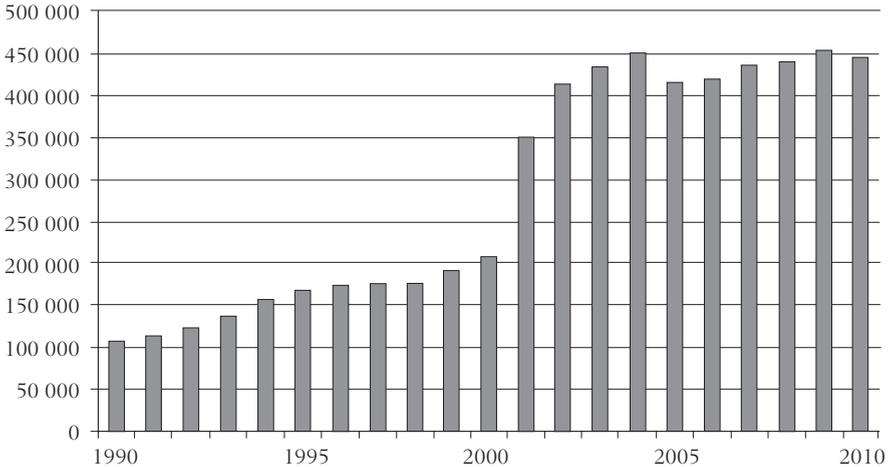
This is mainly due to the significant increase in the number of foreigners settling in Portugal after 1998 and especially after 2000 (see Figure 1). This phenomenon, which cannot be dissociated from the favorable economic conditions in Portugal during this period, has also been linked to other more structural causes, namely the Portuguese population's increasing skill levels, which contributed to rising labor market expectations, the maintenance of low-cost and labor-intensive sectors, the relevance of highly seasonal economic sectors (e.g., tourism-related activities, construction, etc.), the consolidation of the heavily segmented labor market, the size of the informal economy, and also the perception of Portugal as an "easy country of entry and stay" in the EU context (Fonseca 2008; Baganha, Marques, and Góis 2004). This process started somewhat earlier in other Southern European countries like Spain and Greece and has been explained by various factors such as joining the EEC in the 1980s and the demographic and economic transition, namely the coexistence of labor- and capital-intensive activity sectors in the context of a modernizing service economy (King, Fielding, and Black 1997).

The increase in foreigners registered in 2001 (Figure 1) is the statistical consequence of the implementation of the stay permits scheme under the changes that were introduced in the 1998 *Foreigners Law by Decree Law No. 4/2001*. This enabled the regularization of the status of more than 180 000 foreigners between 2001 and 2004, the majority from Eastern European countries (in particular, the Ukraine, Russia, Moldova, and Romania) and Brazil. From 2004 onward, at the end of an extended period of public works, in the context of economic recession and more efficient mechanisms for controlling irregular migration and the employment of undocumented workers, the trend observed in previous years reversed, with a

¹ The authors gathered data in the framework of the GEITONIES project (Generating Interethnic Tolerance and Neighbourhood Integration in European Urban Spaces), which lasted from May 1, 2008 to April 30, 2011, and was funded by the European Union's Seventh framework Programme.

² More than 3.5 million Portuguese nationals are currently living abroad (Observatório da Emigração 2008).

FIGURE 1
EVOLUTION OF THE NUMBER OF LEGAL FOREIGNERS
(ALL CATEGORIES) SETTLED IN PORTUGAL (1990-2010)*



* Until 2000, only foreigners with residence permits. From 2001 to 2004, foreigners with residence permits and stay permits (title introduced in 2001). In 2005, 2006, and 2007, foreigners with residence permits, renewed stay permits, and long-term visas. In 2008, 2009, and 2010, foreigners with residence permits and long-term visas.

SOURCE: SEF (n.d.a).

reduction in the number of legally documented foreign citizens. The decline mainly affected the Ukrainian community. However, between 2005 and 2009, the number of foreign citizens still grew due mostly to the inflows of Chinese, Brazilian, Moldovan, and Romanian immigrants and the regularization of the status of some undocumented immigrants (Malheiros and Fonseca 2011).

The worsening of the country's economic and financial situation is reflected in decreased immigration to Portugal, the increased emigration of Portuguese citizens, as well as in return flows to sending countries or re-emigration to other destinations of a growing number of foreigners (Pires, Machado, Peixoto, and Vaz 2010). Thus, in 2010, the number of immigrants decreased by 1.97 percent, going against the growth trend observed over the previous two decades. However, it is important to stress that part of this decline can also be explained by the acquisition of Portuguese nationality by a considerable number of foreigners residing in the country (SEF 2011).

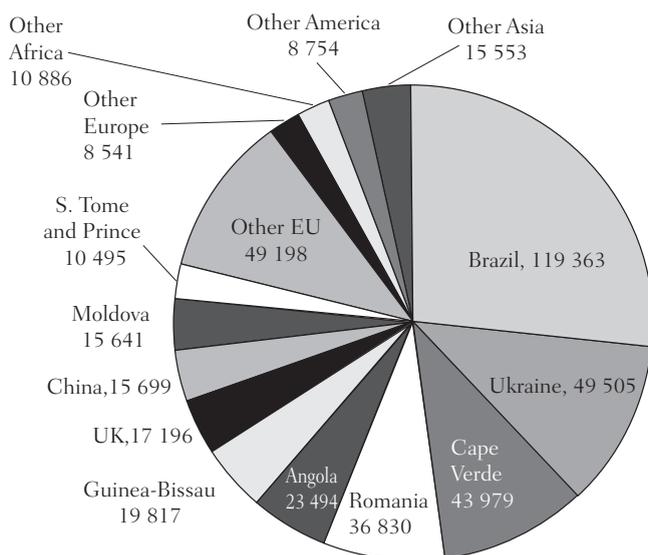
As far as emigration is concerned, Malheiros (2011, 135) contends that some migratory flows to traditional destinations such as Switzerland, Germany, and Luxemburg were reactivated and new destinations such as the UK, Spain, and Angola

have emerged. It is estimated that in the second half of the last decade, there were approximately 70 000 annual departures.

The growth of immigration to Portugal during the last two decades was accompanied by the diversification of sending areas. As is the case in other Southern European countries, like Spain and Italy, the dynamics of immigration to Portugal are characterized by a growing diversity in migrants' countries of origin, including migratory flows of workers and family members from Brazil, Portuguese-speaking African countries (PALOP), Eastern and Central Europe, and Romania, as well as highly skilled migrants, retirees, and lifestyle migrants from other European Union member states.

At the end of 2010, the largest groups of foreigners in Portugal were Brazilians (119 363), Ukrainians (49 505), and Cape Verdeans (43 979). Among the EU member states, the Romanians and the British were the largest groups (36 830 and 17 196, respectively). In addition, as Figure 2 shows, Guinea-Bissau, China, Moldova, and Saint Tome and Prince are also included in the top 10 nationalities of documented foreign citizens settled in Portugal.

FIGURE 2
DOCUMENTED FOREIGN CITIZENS RESIDING IN PORTUGAL
(MAIN NATIONALITIES) (2010)



SOURCE: Developed by the authors with information from SEF (n.d.b).

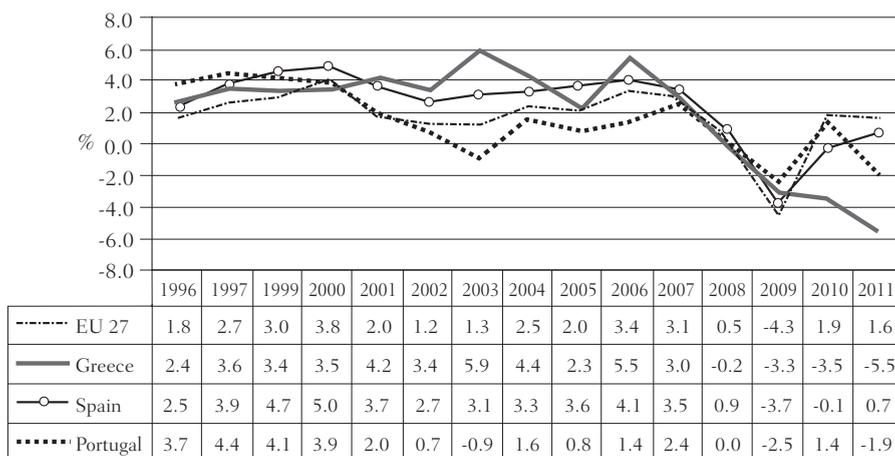
Concomitant to the growing diversity of sending countries, changes also occurred in the migratory processes and in migrants' social and professional profiles. The development of the migratory chain from Eastern Europe represents a turning point in the traditional processes of immigration to Portugal. The organizational strategies based on social networks that characterized immigration from PALOP have been replaced by a system organized by international labor recruiting networks. Another new element brought about by the rising flow of immigrants from Eastern Europe is related to their relatively high educational and professional skill levels. A large proportion has intermediate-level technical training or higher education. Despite this, like immigrants of African origin, they work predominantly in socially devalued and low-paid activities such as civil construction (men) and cleaning and domestic services (women). However, a considerable proportion of immigrants work in agriculture, specifically in the regions of Alentejo, Ribatejo, and Oeste, and in some industrial activities, particularly labor-intensive ones in the Littoral North and Center (Fonseca, Ormond et al. 2005; Fonseca 2008).

A recent study by Reis, Serra, Tolda, and Pereira (2010) clearly demonstrates the relationship between economic growth and the expansion of the labor force (extensive growth model), where in a context of a specific economic growth cycle (1996-2002), Portugal became a country of immigration (Figure 3). This labor-intensive model results in low levels of innovation and a lack of articulation with the European economic context. As a consequence, there was a divergence in comparison with the EU average and stagnant economic growth, aggravated by the effects of the international economic and financial crisis.

The Spanish and Greek economies have also profoundly contracted since 2008. In the case of Greece, due to the external debt crisis, the recession has become more serious and GDP decreased by 2 percent in 2009, 4.5 percent in 2010, and, according to Eurostat estimates, the decline will reach 5.5 percent in 2011. Spain, contrary to Greece and Portugal, began to show signs of recovery in 2011, although the most recent Eurostat estimates (0.7 percent) point toward a much lower figure than that defined by the government at the beginning of the year. Moreover, Spain has one of the highest unemployment rates in the EU: 22.8 percent in October 2011.

The economic benefits of immigration to Portugal have been identified by several research studies (Ferreira, Rato, and Mortágua 2004; Corrêa d'Almeida 2003, Corrêa d'Almeida and Duarte Silva 2007; Reis, Serra, Tolda, and Pereira 2010; Carvalho 2004; Faustino, Peixoto, and Baptista 2009), in particular its positive impact on GDP and public finance. The Portuguese labor market has also benefited from immigration. Migrants have occupied low-paying jobs that were difficult to fill, thus avoiding any negative impact on the employment of Portuguese citizens (Ferreira, Rato, and Mortágua 2004; Peixoto 2007). So, the negative impacts of immigration on the labor market are mainly felt by immigrants themselves through

FIGURE 3
GDP GROWTH: PERCENTAGE CHANGE IN PREVIOUS PERIOD
(1996-2011) (MARKET PRICES)



SOURCE: Eurostat (n.d.a).

continued low wages and high precariousness. Therefore, there is little competition between immigrant and native workers or between immigrants from the more recent migratory waves and those from previous flows (Pereira 2010).

Over the last two decades, the activity/employment rates of both foreign-born men and women are above those of the native-born. According to data from the Employment Survey conducted by the Instituto Nacional de Estatística (INE, or Statistics Portugal) in 2009, the foreign population residing in Portugal accounted for 4.5 percent of the total active population, whereas their global activity rate was 77.1 percent, 15 points higher than that of the Portuguese (61.9 percent). In an analysis by gender, one can observe higher differences among men with an activity rate of 84.4 percent among immigrants and 68.2 percent among Portuguese nationals. The equivalent proportions for women are lower than those for men, but foreign female workers also have a higher activity rate than their Portuguese counterparts: 70.5 percent and 56 percent, respectively. Despite the fact that this is partly explained by the younger age structure of foreigners, it is worth mentioning that the difference still persists when the activity rate is controlled for age (OECD 2008). In addition, it should be noted that the number of immigrant workers is most likely underestimated, due to the fact that a considerable number labor in the informal sector, namely in construction and domestic work.³ Therefore, according

³ Several authors estimate that Portugal's informal economy may contribute more than 20 percent to GNP (Schneider and Klingmair 2004; MTSS/DGEEP 2006; Abreu and Peixoto 2008).

to some estimates, the proportion of immigrants in the total active population may reach 6 percent (Ferreira, Rato, and Mortágua 2004; Peixoto 2008).

The Evolution of Policy and Legislation In Response to Immigration

Until the mid-1990s, immigration policy in Portugal was rudimentary, focusing to a large extent on the regulation of flows and responding primarily to the process of post-colonial transition. While it has been retrospectively and gradually integrated into the legislative framework, it can be said to have developed rapidly and quite uniformly. This is due to an assortment of factors including the very fast growth in the number of foreigners in the country, their relative and visible disadvantage, and the expansion of lobbies and the influence of the European Union. In addition, the lack of a strong extreme-right party has meant that immigration has not been politicized to the extent that it has in other EU states.

Regardless of political awareness of the illegal character of migration to Portugal from Portuguese-speaking Africa after decolonization and entry into the EU, little was done to regulate this flow (Baganha 2005; Peixoto and Sabino 2009) until the two processes of extraordinary regularization in the 1990s. In 1992/1993, the papers of around 40 000 undocumented migrants were regularized and of approximately 35 000 more in 1996.

The policy focus broadened in scope under the Socialists (1995-2002) to tackle issues of integration (Peixoto and Sabino 2009, 36). To this end, a less restrictive immigration law (244/98) was enforced in 1998, which strengthened the principle of equality of rights and made provision for family reunion and regularization (Fonseca, Caldeira, and Esteves 2002; Baganha and Malheiros 2000; Pires 2003). Despite these advances, some authors argue that immigration policy only really developed after the turn of the century in response to the increasing visibility of illegal migrants and claims of labor shortages (Fonseca, Malheiros et al. 2002; Peixoto and Sabino 2009). For the first time, economic issues became central in the immigration debate (Fonseca, Malheiros, and Silva 2005). Decree Law no. 4 was enforced in 2001, under which the circumstances of 185 000 migrant workers were regularized (Fonseca and Goracci 2007). “Stay permits” allowed legal residence for one year, renewable for up to five years (Fonseca, Malheiros, and Silva 2005), after which immigrants could apply for a residence permit (Peixoto and Sabino 2009) and provisions for family members were made. A quasi-quota system was also implemented to respond to the demand for labor. Fonseca, Caldeira, and Esteves (2002) assert that this was the first step toward bringing immigration policy in line with EC regulations. In practice, however, this system served to regularize the circumstances of existing migrants as opposed to recruiting new ones (Fonseca, Malheiros,

and Silva 2005). The Social Democrats passed the more restrictive Decree Law no. 34 in February 2003, restricting entries and family reunion, strengthening the mechanisms to control irregular migration, and reinforcing the quota system as the principal mechanism of control (Peixoto and Sabino 2009). This law has been criticized as having overlooked human rights in favor of the labor market, though it proved largely unsuccessful in curbing illegal migration and in meeting short-term labor demands. Following this, two consecutive regularization processes took place.

In 2007, a new immigration law (no. 23/2007, July 4), still in effect today, was approved under the Socialist government. In short, previous legal admission titles were simplified and reduced in number and include the short-term, transit, and stopover visas and the two main visas, the temporary permit and the residence permit. Preconditions for acquiring the latter include residence for five years, means of subsistence, no criminal record, and Portuguese language skills. Family reunification provisions were widened and a less cumbersome quota system implemented (Peixoto and Sabino 2009). Harsher disincentives were introduced to counter illegal immigration and combat trafficking, while treatment of illegal migrants was made more favorable. The law also enables minors born in Portugal (and their parents) who attend school to obtain residence permits without a prior visa. Recently, in response to the current economic crisis, a joint decree of the Ministries of Interior and Labor and Social Solidarity (Decree no. 760/2009, July 16) relaxed means of subsistence as a precondition to remain in the country for involuntarily unemployed immigrants.

Citizenship, like immigration policy, was given little political consideration until after decolonization. Fears of mass migration culminated in the 1975 *Nationality Law* (Decree-Law no. 308-A/75, June 24), which to a large extent restricted nationality to those born in European Portugal or the descendants of emigrants. By definition, many African immigrants residing in Portugal became foreigners. Upheld by similar principles, the 1981 *Nationality Law* (Law no. 37/81, October 3) transferred the criteria of *ius soli* (right of territory/soil) to *ius sanguinis* (Fonseca, Malheiros et al. 2002). The law became even more restrictive with its 1994 amendment (Law no. 25/94, August 19).

With the increase in the immigrant population, it became clear over time that the legislative framework needed to adapt to the new reality. Yet, the legislature only embraced the question of citizenship in 2005. Finally, in 2006, a new nationality law was approved (Law no. 2/2006, April 17, regulated by Decree Law no. 237-A/2006, December 14). The new law updated the legislative framework in line with the European Convention on Nationality (Healy 2011a). It strengthened once again the principle of *ius soli* (right of territory). The Portuguese-born descendants of immigrants who had either been stateless or inherited their parent's nationality now had a subjective right to Portuguese nationality, the right to apply

for it. The new law also extended the right of nationality to a much wider group of immigrants and their descendants (Healy 2011b).

Thus presently, Portuguese nationality may be obtained by way of attribution (nationality of origin), by effect of law or will, which corresponds to cases of citizens who are Portuguese by origin, or by the acquisition of nationality (derived nationality). This last case can result from three situations: by the effect of will, by adoption, or by naturalization.

The new law reduced the requirements and residence can now be proved by any type of valid residence title. Language proficiency remains a requirement and individuals cannot have been sentenced to three years or more in prison under Portuguese law. However, moral and civil rectitude and means of subsistence have been eliminated, eradicating socio-economic discrimination from the procedure (Healy 2011a, 20).

A six-year legal residence requirement is applicable to first-generation immigrants. For Portuguese-born children or grandchildren of immigrants the principle of *ius soli* was reinstated in specific cases. The new law also recognizes *de facto* unions between heterosexual or homosexual couples. The acquisition of Portuguese nationality only implies the loss of nationality of origin if the law of the country of origin determines it (for example in Ukrainian law).

While the policy and legislative measures outlined above have had undeniable impacts on integrating immigrants, integration grew into a policy goal in its own right. The main institutional body currently responsible for implementing integration policy and coordinating intercultural dialogue is the High Commission for Integration and Intercultural Dialogue (ACIDI). The ACIDI has been instrumental in developing the currently existing infrastructure to promote immigrant integration including the National Information Network for Immigrants; the National Immigrant Support Centers (CNIA); a national network of local centers (CLAI), which are “one-stop shops” for relevant state departments and services; and the Immigration Observatory to promote research. ACIDI has been responsible for the implementation of the Plans for the Integration of Immigrants (2007-2009; 2010-2012) (Fonseca and Goracci 2007) and an array of other initiatives such as the Promotion of Immigrant Entrepreneurship, now in its third term (2011-2012).

Other initiatives responding to particular needs have been implemented over the course of the last decade or so, such as the Schools Program targeting social exclusion among descendants of immigrants and minority ethnic groups living in problematic neighborhoods.

Access to social services is granted in legislation, albeit problems are sometimes encountered in practice. All legal immigrants have access to the Social Insertion Income, a minimum income guarantee, though take-up rates are very low (OECD 2007, in Peixoto and Sabino 2009). The children of immigrants have access to the

educational system and all immigrants, regardless of legal status, have access to the Portuguese National Health Service.

It is difficult to measure the degree to which government funding will be restricted in the domain of immigrant integration in the context of the current economic crisis. However, a critical reading of the budget justifications for 2012 provides some insight into the changing reality:

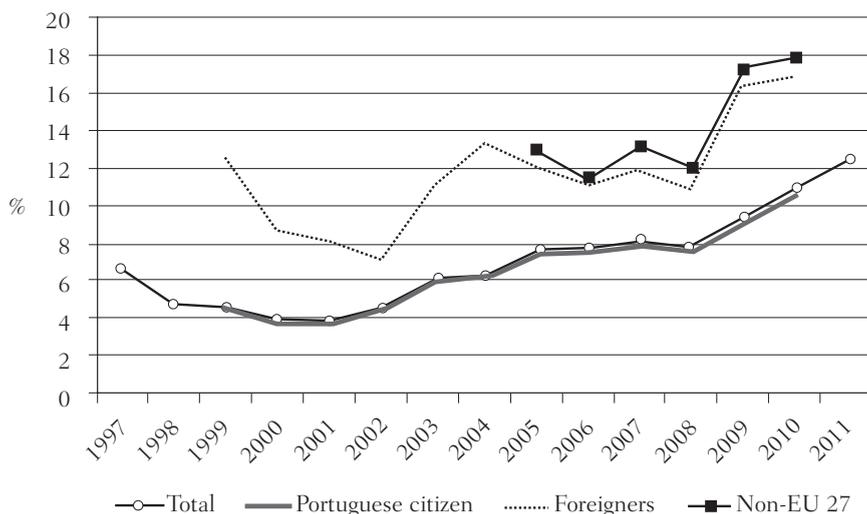
“Despite the cuts presented, the government wants to ensure the overall measures of the II Plan for the Integration of Immigrants (2010-2012). . . . In a context of fiscal restraint, we intend to continue the work so far...with the support of Community funding (Ministério das Finanças e da Administração Pública 2011, 155).

The Impact of the Economic and Financial Crisis On Immigrants Living in Portugal

LABOR MARKET

The economic and financial crisis has been very hard on the Portuguese economy. In 2009, GDP decreased by 2.5 percent compared to 2008. In 2010, a slight recovery produced 1.4-percent growth, but the Eurostat projections for 2011 point toward a contraction of 1.9 percent, whereas for EU27, it is estimated that GDP will grow by

FIGURE 4
UNEMPLOYMENT RATES (1997-2011)



SOURCE: Eurostat (n.d.b) and INE (2009).

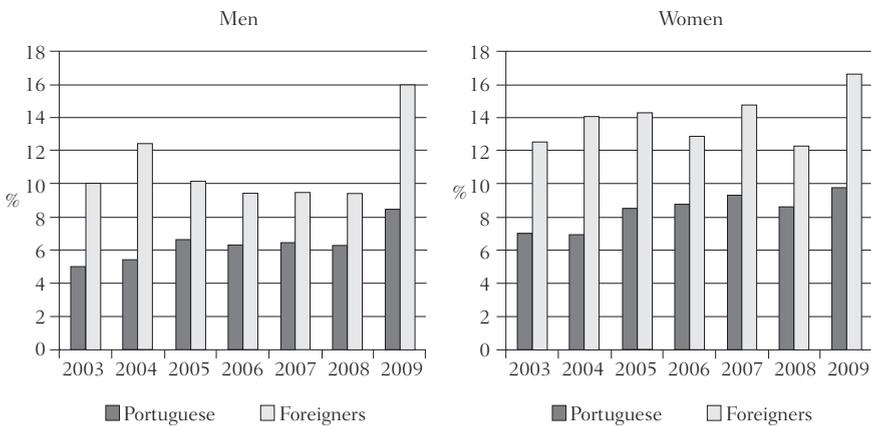
1.6 percent. In addition, both Eurostat and the Bank of Portugal indicate a greater contraction in economic activity in 2012 than that anticipated for 2011 (Banco de Portugal 2011).

The unfavorable evolution of the economy is clearly visible in the fast growth of unemployment. According to the Labor Force Survey (INE 2009), the unemployment rate grew from 7.6 percent in 2008 to 9.5 percent in 2009, 10.8 percent in 2010, and 12.4 percent in the third quarter of 2011. The severe job losses over this period affected the immigrant population more seriously than non-immigrant workers, increasing the gap between the percentage of the two groups that is unemployed (Figure 4). In 2009, the unemployment rate among Portuguese citizens was 9.1 percent, while for foreigners it was 7.3 points higher, reaching 16.4 percent and 17.3 percent in the case of non-EU27 nationals (Peixoto and Iorio 2011). In 2010, the difference between both groups was more or less the same.

Unemployment affects women more than men, both for nationals and immigrants (Figure 5). However, it must be stressed that for the foreign population, the differences between male and female unemployment tend to be smaller in the two periods of greater economic slowdown, 2003-2004 and 2008-2009. This is primarily due to the fact that the sector most seriously harmed by the recession, namely civil construction, employs mostly males.

Portuguese law guarantees equal conditions of access to unemployment benefits and to other social support schemes for documented foreign workers. After 2007, the number of foreign workers registered in Ministry of Labor Employment

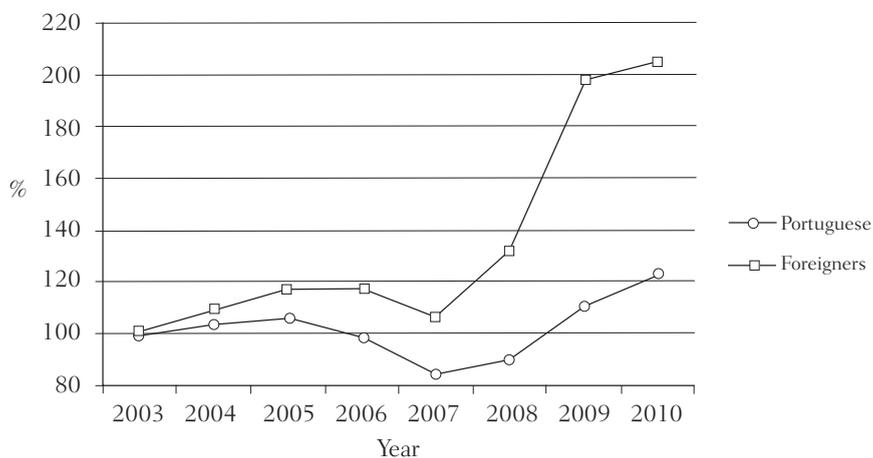
FIGURE 5
UNEMPLOYMENT RATE BY GENDER AND NATIONALITY (2003-2009)
(PERCENT)



SOURCE: INE (2009).

Centers increased at a much faster rate than that of the Portuguese (Figure 6). Peixoto and Iorio (2011) argue that while this increase is in part a result of the higher number of regularized immigrants, who are thus protected by social security, this explanation alone cannot account for the evolution observed. Therefore, it is legitimate to infer that the likelihood that foreign workers will become unemployed has increased, particularly after the 2008 financial crisis.

FIGURE 6
UNEMPLOYMENT REGISTERED IN EMPLOYMENT CENTERS: PORTUGUESE
AND FOREIGN CITIZENS (2003-2010) (2003=100)



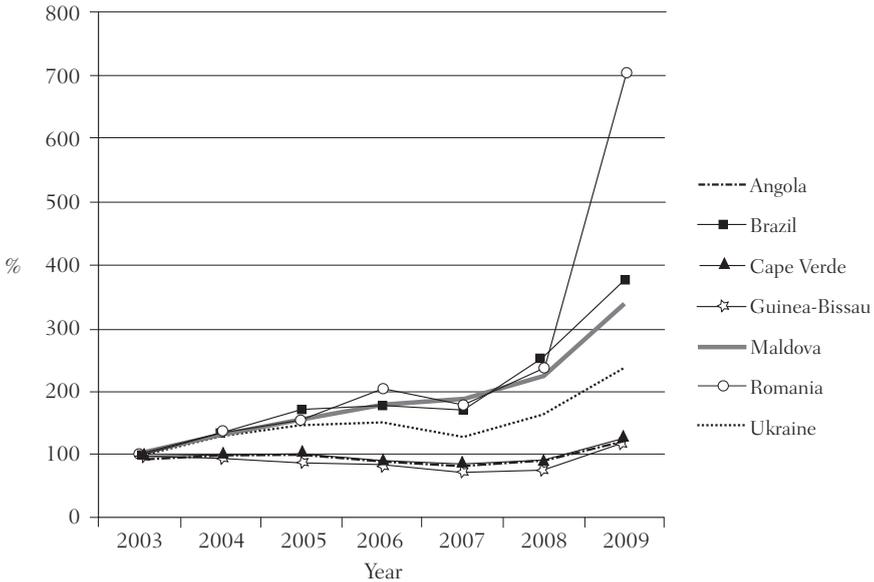
SOURCE: Authors' research at the Ministério do Trabalho e da Solidariedade Social, Instituto de Emprego e Formação Profissional.

By using a geographically disaggregated analysis by nationality, increasing unemployment can be observed across groups. However, it is more intense among those who arrived in the more recent migratory waves, namely Romanians, followed by Brazilians, Moldovans, and Ukrainians. Migrants from Cape Verde, Angola, and Guinea Bissau present lower growth rates, with the first two nationalities showing almost identical trajectories (see Figure 7).

The number of foreigners receiving unemployment benefits reached 16 592 in October 2011. Paradoxically, it is important to stress, however, that compared to the same period in the previous year, this was a 13.5 percent decline, even though the number of unemployed foreign workers registered in the Unemployment Centers continued to increase.

The economic crisis and the subsequent growth in unemployment have, in general, significantly worsened the living conditions of many foreign residents. This

FIGURE 7
UNEMPLOYMENT OF FOREIGN CITIZENS REGISTERED IN THE EMPLOYMENT CENTERS
BY MAIN NATIONALITIES (2003-2010) (2003=100)



SOURCE: Authors' research at the Ministério do Trabalho e da Solidariedade Social, Instituto de Emprego e Formação Profissional.

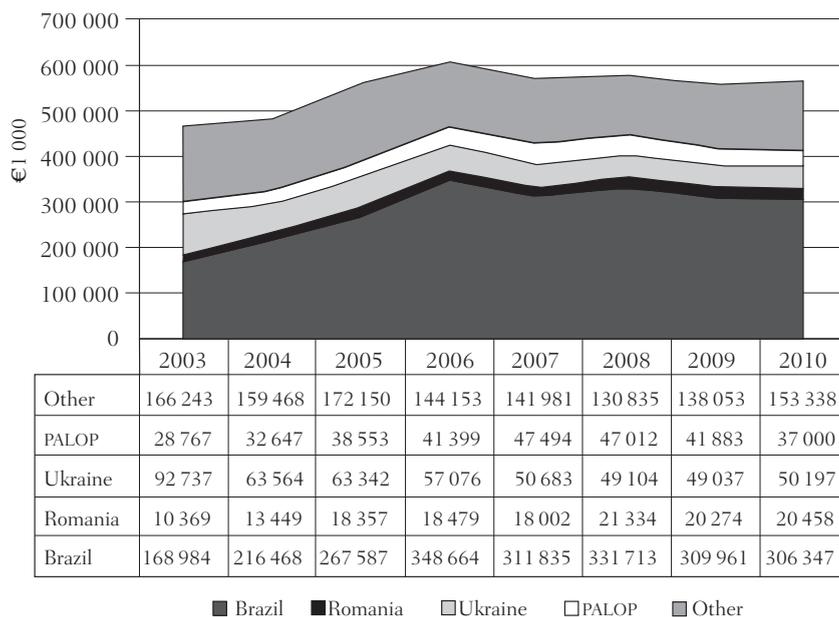
is exacerbated by the fact that many immigrants have surpassed the maximum period for receiving unemployment benefits. Consequently, besides reduced immigration to Portugal, in the last three years the flow of return to countries of origin or re-emigration to other destinations has been growing. Moreover, the number of people asking for financial help through the Assisted Volunteer Return Program sponsored by the International Organization for Migration has increased. Between January and October 2011, 1 790 people applied, a monthly average of 179, compared to 149 in 2010, 84 in 2009, 53 in 2008 and 27 in 2007. This represents a six-fold increase in the average monthly number of candidates between 2007 and 2011.

REMITTANCES

The effects of the economic and financial crisis are also visible in the levels of foreign workers' savings. According to Central Bank of Portugal data, in the last three years, remittances sent to countries of origin decreased. Between 2003 and 2006, a remarkable increase in the remittances sent by immigrants, mostly to Brazil, was

observed. Since then, the figures have contracted, falling from €609 771 in 2006 to €567 340 in 2010 (Figure 8).

FIGURE 8
REMITTANCES OF IMMIGRANTS (2003-2010) (€1 000)



SOURCE: Central Bank of Portugal (n.d.).

Figure 8 also shows that despite the overall reduction over the past two years, in 2010 more than half of the remittances (54 percent) were sent to Brazil, 8.8 percent to the Ukraine, 6.5 percent to the PALOP, 3.6 percent to Romania, and 27 percent to other countries (of which 6.4 percent went to Asia).

In addition to the economic crisis, this drop in remittances may also be the result of the reduction in migratory flows to Portugal, given that more recently arrived migrants usually send proportionally more money. Taking into account the size of the respective groups, this explains why Brazilians and Eastern Europeans send proportionally more remittances than PALOP citizens.

ATTITUDES TOWARD IMMIGRATION

As the opening lines of the recent World Migration Report concisely state, “Few areas of public policy are subject to greater misrepresentation in public and politi-

cal discourse, yet more influenced by public opinion, than international migration” (IOM 2011, 15). Economic concerns and the prominence given to the issue in the media (German Marshall Fund 2011) are well-known evidence of negative public sentiment toward immigration. Public opinion polls on immigration conducted in Portugal have tended to show quite mixed results: nevertheless, there seems to be a trend of improving attitudes over time. The question is, however, if this trend continues in the current context of increasing unemployment and decreasing state welfare in the wake of the global recession. On the one hand, according to 2006 Eurobarometer data (European Commission 2006), the proportion of residents in Portugal who agreed that immigrants “contribute a lot to the country,” at 66 percent, was well above the European average, and second only to Sweden—Greece was also above the average with 43 percent, and Spain represented the EU-25 average with 40 percent (IOM 2011, 11). Likewise, results from the Migrant Integration Policy Index (Mipex) reveal a positive attitude toward immigration among the Portuguese: 69.3 percent support the idea that immigrants should have equal social rights; 72.2 percent defend the right to family reunification; and 45.2 percent think that foreigners should be able to acquire Portuguese nationality easily (Niessen et al. 2007, cited in Fonseca and Goracci 2007). On the other hand, data collected three years earlier in the European Social Survey (EUMC 2005, 33) revealed that 62.5 percent of respondents were “resistant to immigrants,” compared to 50 percent in Spain and 87 percent in Greece. Yet, in the same report only a relatively small percentage of respondents (26 percent) opposed civil rights for legal migrants (EUMC 2005, 31).

NGOs, and most notably ACIDI, have been working to create a positive image of immigrants in society. In particular, ACIDI has supported the production of documentaries and television programs portraying the realities of immigrants’ lives. They established the Immigration and Ethnic Minority Journalism for Tolerance Award, which recognizes journalism that has served to combat racism (Fonseca, Malheiros, and Silva 2005). Furthermore, several authors contend that positive change has occurred in the representation of immigrants in the media related with an increase in more objective reporting (Cádima 2003; Ferin Cunha, Almeida Santos, Silveirinha, and Peixoto 2004).

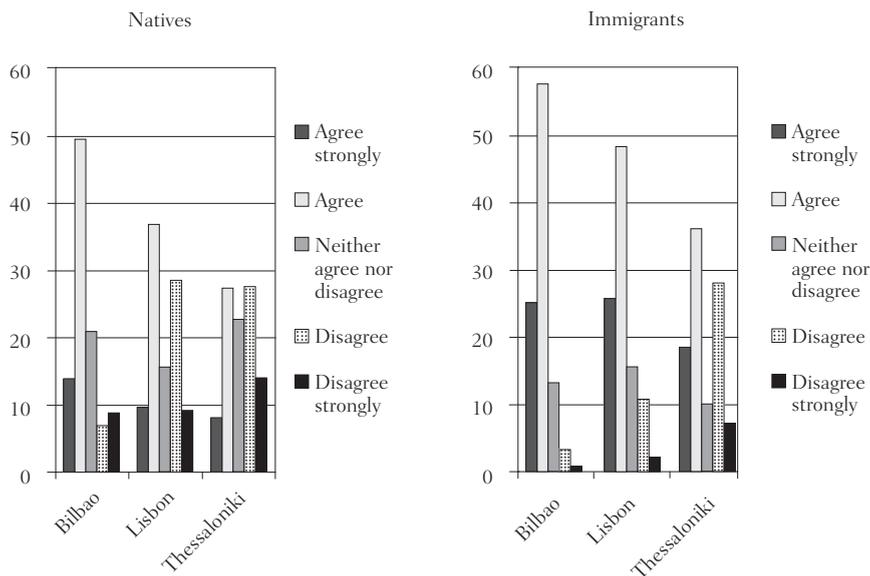
A recent survey implemented in three immigrant neighborhoods in Lisbon, Bilbao, and Thessaloniki, as part of the GEITONIES project, explored the attitudes of both native and immigrant residents toward immigration.⁴ Residents were asked if

⁴ The survey was applied to 1 800 residents (900 natives and 900 people with an immigrant background) in nine multi-ethnic neighborhoods (three per city). The questionnaire was the same in all cities in order to ensure comparability to the largest degree possible. A random sampling method was used. The sample size was 200 in each neighborhood (100 natives and 100 immigrants), that is, 600 interviews per city. The target population was comprised of inhabitants who had resided in the neighborhood for at least one year and the sampling unit was the household.

they agreed or disagreed that “immigrants are good for the economy” (see Figure 9). The survey was conducted between June 2009 and May 2010 precisely when GDP growth dropped to its lowest (see Figure 3). Interestingly, the relative positioning of the countries is the same regardless of migration background. Considering natives, the Spanish respondents show the most favorable attitudes, with the vast majority either agreeing or strongly agreeing that immigrants are good for the economy (63 percent), followed by Portugal (46 percent), with Greece in last place (35 percent). Unsurprisingly, however, migrants consistently reveal more positive attitudes than natives. Almost 83 percent of immigrants interviewed in Bilbao believed immigrants to be good for the economy, almost three-quarters of respondents in Lisbon, and over half in Thessaloniki. The Greek case is interesting as almost 30 percent of migrants disagree. This is likely related with the large percentage of Soviet Greeks in the sample, a group that shares cultural affinities with the native population and thus may not consider themselves immigrants. Furthermore, it may be evidence of tension between “old” and “new” migrants.

The relative positioning of the three cities compared to each other can be verified at the national level with European Social Survey data (Figure 10). When asked

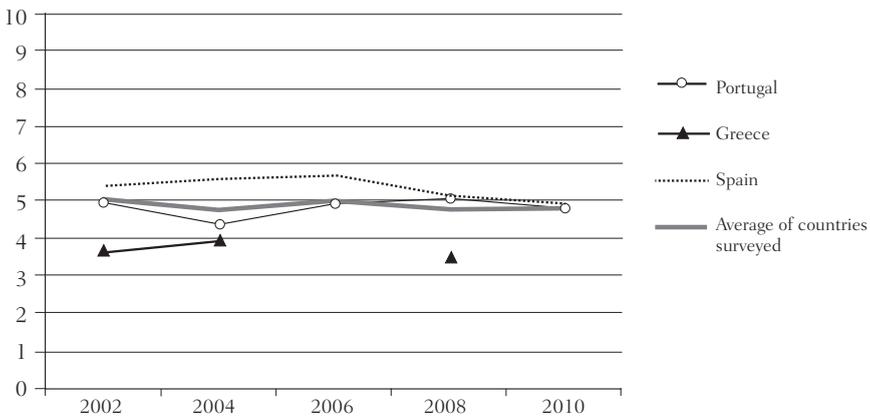
FIGURE 9
 “IMMIGRANTS ARE GOOD FOR THE ECONOMY” (PERCENT)



SOURCE: GEITONIES Survey (2009-2010), unpublished data. Natives: Bilbao, 287; Lisbon, 282; Thessaloniki, 287. Immigrants: Bilbao, 286; Lisbon, 287; Thessaloniki, 275.

if immigration is bad or good for the country's economy, on a scale of 0 to 10 with the latter being positive, the mean score on average across all the countries surveyed has consistently fallen below five on the negative end of the scale. Still, Spain has constantly remained above the average of all countries surveyed over the five rounds of the survey, albeit the mean score has been falling closer to the average over time. In 2010, for the first time the mean score fell below five, that is, below the threshold of neutrality. Portugal has sided on the negative end of the scale close to the average across countries or slightly below it, only peaking above it in 2008 and falling again, in line with the worsening economy, in 2010. The lowest mean score (4.39 on a scale of 0 to 10) was in 2004 after the lowest GDP growth in almost a decade (see Figure 3). Despite this, it is important to note that fluctuations have been very slight and that relative consistency is the rule. This is evidence, perhaps, that the economic crisis has not deeply affected attitudes toward immigrants. Greece demonstrates an extremely negative sentiment, and sits clearly below the average.

FIGURE 10
"IMMIGRATION BAD OR GOOD FOR COUNTRY'S ECONOMY" (2002-2010) (MEANS)

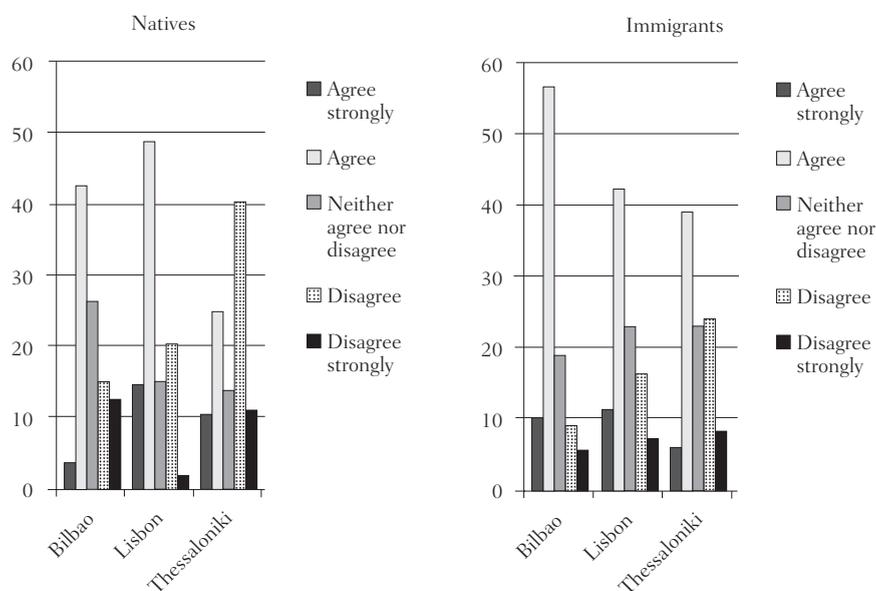


SOURCE: Authors' calculations using European Social Survey (Round 1-5) data.

More general opinions gathered in the GEITONIES survey on natives' openness toward immigrants reveal different patterns compared to the perceived contribution of immigrants to the economy. The Portuguese respondents' evaluations are the most positive, with over 63 percent of natives agreeing or strongly agreeing that natives are open to migrants. Greek native respondents contrast starkly, with only 35 percent affirming the statement and over half disagreeing. While Spain is intermediate, it is more closely aligned with Portugal. The result for Portugal

reflects well the popular perception that Portuguese culture is tolerant in its acceptance of others both at home and abroad. Furthermore, the experience that Portugal has had with emigration must be noted here as a potential explanatory factor. The difference in the opinions of immigrants when compared to natives in all three cities is very interesting. Only immigrants in Lisbon have more negative opinions than natives; in the other two cities the contrary is true, with immigrants expressing more positive opinions than the indigenous population. Immigrants in Bilbao have the most positive opinions, with almost 67 percent agreeing that natives are open to immigrants, followed by 54 percent in Lisbon and 45 percent in Thessaloniki.

FIGURE 11
“NATIVES ARE OPEN TO IMMIGRANTS” (PERCENT)



SOURCE: GEITONIES Survey (2009-2010), unpublished data. Natives: Bilbao, 296; Lisbon, 282; Thessaloniki, 291. Immigrants: Bilbao, 293; Lisbon, 295; Thessaloniki, 292.

Conclusions

During the last two decades, the dynamics of international migration have been closely associated with economic cycles, whereby since the mid-1990s new migratory waves have coincided with periods of high economic growth. On the other

hand, during periods of economic recession, the inflows of foreign workers have declined; return migration to sending regions has increased, as has re-emigration to other countries; and emigration of Portuguese nationals has grown noticeably.

These changes clearly show that the recent evolution of immigration to Portugal was steered by labor-market demand and the Portuguese model of economic growth. During the last two decades, this has been characterized by a strong segmentation of the labor market and deep social disparities, where more modern, highly productive sectors coexist with traditional ones, mostly maintained by the immigrant labor force.

Immigration policies were completely inefficient in regulating migratory flows and only intervened reactively through mechanisms to regularize undocumented migrants' status. Thus, most immigrants are confined to the secondary labor market, with insecure working conditions, low wages, and low levels of professional mobility. Besides the inefficiency of the mechanisms regulating the labor market, visible in the informal economy, undocumented work, and precariousness of labor, there is also a remarkably high level of brain waste among highly-skilled migrants.

An original feature of international migration to Portugal, resulting from the free circulation of workers within the EU and low wages paid in the low-skilled segments of the Portuguese labor market, is the coexistence of immigration and emigration. The process of "ethnicization" of some activities such as civil construction, industrial and domestic cleaning services, and work in hotels and restaurants was accompanied by the persistence of emigration among Portuguese workers to other European countries where they performed the same kind of activities foreign workers do in Portugal. More recently, with rising youth unemployment, there has been a steady growth of emigration among young highly-skilled professionals, namely to the United Kingdom, Spain, and Angola.

Despite the economic recession and unemployment growth in Portugal, and unlike other European countries, such as Greece, there have not been major social tensions or anti-immigration attitudes expressed in political discourse, public opinion, or in conflicts between national and foreign workers. This can be explained, on the one hand, by the integration policies, internationally recognized by the Mipex and the United Nations, and, on the other hand, by the fact that much of the tension that could result from the competition between national and foreign workers in the less-skilled segments of the labor market is dissipated by persisting emigration. Another possible explanation is the belief that immigrants in Portugal have made a highly positive contribution to economic growth, and immigration also has a positive role in Portuguese population dynamics. Both ideas have been supported by a number of studies promoted by the National Observatory of Immigration (Ferreira, Rato, and Mortágua 2004; Corrêa d'Almeida and Duarte Silva 2007; Valente Rosa, Seabra, and Santos 2004; Abreu and Peixoto 2009).

Despite this, there is a clear need to respond to current levels of unemployment through policies designed to make the economy more dynamic and promote job creation. Beyond economic policy, social policies have an obvious role to play in safeguarding equality of opportunity among all citizens.

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