

Contents

List of Tables	XI
List of Figures	XII
<i>Chapter 1: Motivation and general introduction</i>	3
1.1 The debate on irregular immigration in the EU: Between burden-sharing and burden-shifting	3
1.2 Intergovernmentalism vs. Supranationalism in the presence of individual mobility: The perspective of Fiscal Federalism	7
1.3 Purpose and limits of the thesis	11
1.4 Outline of the thesis	13
<i>Chapter 2: Basic facts on regular and irregular immigration to the EU</i>	17
2.1 The ambiguity of terminology: Illegal, irregular or undocumented immigration?	18
2.2 The EU as a destination region of regular immigrants	20
2.3 The external EU border and its enforcement	24
2.3.1 Characteristic	24
2.3.2 Current situation concerning irregular entries	26
2.3.3 Enforcement efforts	31
2.4 Evidence and estimates on irregular immigrants in the EU	34
2.4.1 Estimation methods	35
2.4.2 An overview on numbers of irregular immigrants	36
2.5 Immigration Amnesties – facts and figures on the regularization of immigrants	40
2.6 Chapter summary	41
<i>Chapter 3: The legal and institutional development of immigration policy in the EU</i>	45
3.1 The Schengen acquis and internal free mobility	45
3.2 The “Securitization” of immigration policy as a driver for integration	48

3.3	The introduction of the Frontex Agency	51
3.4	The Lisbon Treaty and the road ahead with the Stockholm Programme	55
3.5	The (missing) legal framework concerning Immigration Amnesties	58
3.6	Chapter summary	60

Chapter 4: The welfare effects of regular and irregular immigration

in the host country	63	
4.1	A glimpse on the literature on international migration	63
4.2	Introducing a theoretical framework	66
4.3	A scenario of regular immigration	68
4.3.1	How immigration affects native income – the immigration surplus	68
4.3.2	The impact of immigration on the public transfer system	71
4.3.3	Total effect of immigration on native welfare	72
4.4	A scenario including irregular immigrants	73
4.4.1	The Labor Segmentation Hypothesis concerning irregular immigration	74
4.4.2	How irregular immigration affects the public transfer	76
4.5	Immigration and native welfare from an empirical perspective	76
4.5.1	The labor market effects	77
4.5.1.1	Spatial correlation approach	78
4.5.1.2	Production function approach	80
4.5.2	Immigration and public finances	81
4.6	Chapter summary	83

Chapter 5: Border enforcement and Immigration Amnesties

in a federal setting	87	
5.1	The model	89
5.1.1	The economic environment	89
5.1.2	Timing of events	91
5.2	The decision on amnesty and enforcement spending	92
5.2.1	Migration patterns	93
5.2.2	Production	94
5.2.3	Country A: The decision on amnesty	94
5.2.4	Country A: The decision on enforcement spending	96
5.2.5	Country B: The enforcement subsidy	98
5.2.6	Non-cooperative equilibrium	100
5.3	Social optimum	103

5.4 Extensions	105
5.4.1 Endogenous onward migration	105
5.4.1.1 The migration decision	106
5.4.1.2 Equilibrium	107
5.4.2 The policy choice on onward migration	108
5.5 Chapter summary	109
 <i>Chapter 6: Burden sharing in border enforcement – An application of the “expected externality mechanism”</i> 113	
6.1 A three-country model with irregular immigration	114
6.2 Socially optimal border enforcement	118
6.3 The outcomes of decentralized decision-making	119
6.4 Mechanism design and the expected externality mechanism	121
6.5 Numerical example	124
6.5.1 Scenario 1: Small border country	127
6.5.1.1 Welfare optimum	127
6.5.1.2 Decentral choice of enforcement	128
6.5.1.3 Structure of payments	129
6.5.2 Scenario 2: Large border country	130
6.5.2.1 Welfare optimum	130
6.5.2.2 Decentralized choice of enforcement	131
6.5.2.3 Structure of payments	131
6.6 Chapter summary	133
 <i>Chapter 7: Current developments and reform proposals: The road ahead from a normative perspective</i> 135	
7.1 The Europeanization of immigration policy: The current state of play	136
7.2 A look on official reform proposals towards a common European immigration policy	140
7.2.1 Prospects for a common EU border force	140
7.2.2 Cooperation with source and transit countries	142
7.2.3 Reintroduction of internal border controls	146
7.3 Chapter summary	150
 <i>Chapter 8: Conclusion</i> 153	
Appendix A	159
Appendix B	167
References	171
Index	187