Kurt Pribil
Executive Director
Oesterreichische Nationalbank



Introductory Statement: Social Cohesion – The Role of Labor Mobility

Ladies and Gentlemen,

welcome to our session. We have a burning issue on our agenda: labor mobility and migration and social cohesion — it is a hot topic because it evokes emotions and also fear in people. However, polls suggest that a lot of people overestimate how many migrants are actually living in their societies. A few people even say the debate on migration is characterized by two polarized positions: the heartless and the headless. But maybe both are wrong. Our discussion, I hope will shed some light on this matter.

Standard economic theory says that migration benefits the native population. The economic argument is the following: the quantity of labor increases and this will increase profits; the increase in profits leads to more investment, which will increase demand for labor; the result is a clear improvement in total welfare.

However, the social and political consequences of open national borders sometimes suggest the opposite. There may be hostility to large-scale immigration resulting from a protest against job losses, depressed wages, and growing inequality. Economic welfare not always seems to be the same as social wellbeing.

Therefore, the crux of the matter is the social impact of migration. The risk is a loss of social cohesion. According to the British economic historian Lord Robert Skidelsky, large-scale immigration can weaken bonds of solidarity.

Of course, these are just some ideas about a very complex and important issue that we are going to discuss today. And I now have the great pleasure to introduce our panel:

A very warm welcome to Angela Pfister, who is a trade specialist at the Austrian Trade Union Federation (ÖGB). She works at the economics department of the ÖGB, where she is responsible for European economic policy and trade

policy issues. She holds a master's degree of Commercial Sciences and International Business Administration from the Vienna University of Economics and Business. Before joining the Austrian Trade Union in 1997, Ms. Pfister worked for the Department of European Integration at the Federal Chancellery.

A warm welcome to Klaus F. Zimmermann who is president of the Global Labor Organization (GLO), Co-director of the Centre for Population, Development and Labour Economics at UNU - MERIT in Maastricht, and Editor-in-Chief of the Journal of Population Economics. He is honorary professor at Maastricht University, the Free University of Berlin, and the Renmin University of China in Beijing, and research fellow of various renowned research institutions. In his research, Mr. Zimmermann works in the areas of labor economics, migration and development.

Last but not least, a warm welcome to Thomas Liebig who is a senior migration specialist in the International Migration Division of the OECD's Directorate for Employment, Labour and Social Affairs in Paris. He holds a doctorate and a master's degree in Economics from the University of St. Gallen, a master's degree of International Affairs, and a CEMS Master in International Business Management. Mr. Liebig's research focuses on the integration of immigrants and their children, on the analysis of migration trends and on the economic impact of migration.

The very interesting and lively debate clearly showed that there are two distinct sides to this very pressing issue. Many questions remain open. Is migration simply about economics? Can we ignore social and cultural pressure? Whether we see it in economic or social terms, I think we can all agree that — whatever level of migration — integration is essential.