



# STRATEGIC FILE

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## Schengen's Future in Light of the Refugee Crisis

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*The EU actions to secure the border between Greece and Turkey in order to restrain the flow of migrants face several limitations. In this light, the increased and uncontrolled flow of immigrants into the EU has prompted some Member States to call for restoring EU internal borders up to two years. This solution does not mean dismantling the Schengen zone, but modification of Schengen for security reasons, which would not threaten the European project.*

In 2015, around a million migrants, many of whom qualify for refugee status but also some who came for economic reasons, arrived in the EU across the Italian and Greek maritime borders.<sup>2</sup> This led to the uncontrolled movement of migrants within the EU and has shaken the foundations of the Schengen zone. Many Member States have tried to secure their territories by introducing temporary border controls and building fences. Six countries, Norway, Denmark, Sweden, Austria, Germany and France, have so far introduced such controls, while Hungary, Slovenia and Malta have also done so in the recent past.

Yet, no solution to the refugee crisis has been found. Increased monitoring of Mediterranean maritime borders by Frontex has not hampered the inflow of people. Due to negative public sentiment towards migrants within the EU, which increased in the aftermath of the November terrorist attacks in Paris and numerous assaults on women in Cologne, the agreement to relocate 160,000 refugees remains a paper deal, and as of February 2016, only 497 people had been relocated.<sup>3</sup> The long-term measures being debated, such as the creation of EU border guards, a revision of asylum law and legislation on countering smuggling are for the future, and will not provide a swift solution. And the situation is difficult, as the pace of arrivals is still extremely high. In January, around 65,000 migrants reached the EU, mainly via Greek islands, meaning almost 12 times more arrivals than in January 2014.<sup>4</sup>

Therefore, fast-track measures to rapidly reduce the inflow of people are urgently needed. In this respect, the EU is attempting to secure the border between Greece and Turkey by the enhanced registration of migrants in hotspots and the implementation of a deal with Turkey, concluded in November 2015. This is not only because Greece is said to be inefficient in applying EU asylum rules, which has led to the general fall of this system, but also because the EC blames Greece for serious deficiencies in the application of

<sup>1</sup> The author would like to thank Aigerim Fazylova, who contributed extensively to the research to the paper.

<sup>2</sup> "Managing the refugee crisis. State of play," the European Commission, 16 January 2016, <http://bitly.pl/ub6w1>.

<sup>3</sup> "Relocation—State of Play Table," European Commission, Brussels, 10 February 2016, COM(2016) 85 final, <http://bitly.pl/C145F>.

<sup>4</sup> "Refugees/Migrants Emergency Response—Mediterranean," UNHCR, 3 February 2016, <http://data.unhcr.org/mediterranean/regional.php>.

Schengen rules in regard to external border management.<sup>5</sup> In parallel, some Member States, aiming to protect themselves if EC actions fail, want to extend temporary internal border controls up to two years. This creates an atmosphere of uncertainty and fears that Schengen could fall apart.

## Hotspots

From the EU perspective, the argument for temporary suspension of Schengen rules in many Member States is that southern border countries do not manage to register migrants at their borders. This hampers the distinction between economic migrants and refugees, and leads to the uncontrolled movement of migrants to and within the EU, enhancing security threats related to terrorism. Indeed, due to excessive migrant flows, Greek and Italian border guards fail to register refugees (in compliance with EU asylum law) and detain economic migrants (for which they are responsible under the Schengen code).<sup>6</sup> At the peak of the crisis, between July and November 2015, Greece registered only 25% of migrants, while Italy fingerprinted 45% of them.<sup>7</sup> To address this issue, the EU introduced “hotspots”<sup>8</sup> in May 2015. These are the points at which most migrants enter the Union, and where EU experts (mainly selected by Frontex, the European Asylum Support Office and Europol) help with the identification, registration and fingerprinting of individuals. Migrants admitted as refugees should be sent to regional hubs, and irregular migrants deported. Early experience suggests that the hotspots face numerous organisational obstacles, but even if fully implemented, they would have only a partial impact on stemming migrant flows.

Above all, there are logistic constraints. The establishment of hotspots has been slow, with just three (Lampedusa, Pozallo, Lesbos) of a planned 11 (five in Greece and six in Italy) currently operational.<sup>9</sup> Even though the EC promises that all hotspots will be ready from March 2016, with a reception capacity of 7,000 in Greece and 2,100 in Italy, this goal might not be achieved. First, the EU institutions face problems with appointing staff, who must be sent by the Member States.<sup>10</sup> Out of 1,117 requested experts, only 648 have been pledged and only 504 deployed.<sup>11</sup> Second, migrants are not checked against EU databases, as hotspots’ IT systems have not yet been connected to systems such as the Schengen Information System (SIS) II and the Interpol Stolen and Lost Travel Documents (SLTD) database.<sup>12</sup> The establishment of such connections is crucial for security reasons because only the SIS allows verification of whether individuals are on the “suspected persons” list, therefore making it possible to trace potential terrorists or other criminals. The improvement of IT systems will take time. Third, the current reception conditions in refugee centres are poor, and Greece, in particular, has been slow in preparing new places and still lacks around 40% of the 30,000 pledged places.<sup>13</sup> Last but not least, even fully operational hotspots might not manage excessive flows of people. Even though the number of registered migrants increased in January 2016 to 78% in Greece and 87% in Italy, this occurred during a time of lower migrant inflows than in the second half of 2015.<sup>14</sup> Even if these centres achieve full capacity, estimated for peak times at 11,000 registrations per day in Greece and 2,160 in Italy, it is doubtful whether the hotspots can process all of the incoming migrants if the numbers in 2016 are higher than in 2015. The process of medical screening, interviewing, identification and registration of one person is not a five-minute exercise but might last several hours (at the Lesbos

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<sup>5</sup> “Commission adopts Schengen Evaluation Report on Greece and proposes recommendations to address deficiencies in external border management,” the European Commission, 2 February 2016, <http://bitly.pl/nVtXx>; C. Kroet, “Greece ‘failing on border controls’,” *Politico*, 2 February 2016, <http://bitly.pl/ZO0aN>.

<sup>6</sup> For more information, see: S. Peers, “Can Schengen be suspended because of Greece? Should it be?,” 2 December 2015, <http://bitly.pl/FL7Qu>.

<sup>7</sup> “Progress Report on the Implementation of the hotspots in Greece and Italy,” European Commission, Strasbourg, 15 December 2015, COM(2015) 678, COM(2015) 679, <http://bitly.pl/HKOuJ>; <http://bitly.pl/YrcST>.

<sup>8</sup> “Annex to Communication Managing the refugee crisis: immediate operational, budgetary and legal measures under the European Agenda on Migration,” European Commission, Brussels, 29 September 2015 COM(2015) 490 final/2.

<sup>9</sup> “State of Play of Hotspot capacity,” the European Commission, 1 February 2016, <http://bitly.pl/GljIR>; <http://bitly.pl/GljIR>.

<sup>10</sup> The EU agencies (Frontex and EASO) are responsible for staffing hotspots according to various profiles (border guards, translators, etc.). Officials are either pledged by Member States (the countries have already declared the number of officials to be sent) or drawn from the EU’s own staff, see “Annex to Communication Managing the refugee crisis ...,” *op. cit.*

<sup>11</sup> *Ibidem*.

<sup>12</sup> “Progress Report on the Implementation ...,” *op. cit.*

<sup>13</sup> “Implementing the European Agenda on Migration: Commission reports on progress in Greece, Italy and the Western Balkans,” European Commission Press Release, 10 February 2016, <http://bitly.pl/1OObc>.

<sup>14</sup> *Ibidem*.

hotspot)<sup>15</sup> and up to a day at Lampedusa.<sup>16</sup> More importantly, in some cases registrations did not take place in secure areas, allowing migrants to flee despite a police presence.<sup>17</sup>

Another problem relates to what is happening with registered migrants. Fingerprinted refugees will most probably head from open reception centres towards other EU countries, risking being returned under the Dublin Regulation. This has happened with refugees from the Lesbos hotspot, confirming that, despite the rise in the number of people applying for asylum there, nationals from countries with a high rate of asylum recognition prefer to apply in other EU countries.<sup>18</sup> Economic migrants whose applications are turned down may not be deported successfully. The level of effective returns from Greece and Italy is very low. For instance, in relation to the border between Greece and Turkey, currently the most popular migrant route, Greece sent back just 162 of the 42,623 migrants that it had requested be readmitted to Turkey during the period 2012–2015. Of the total number, Turkey had agreed to receive 4,058.<sup>19</sup> The major obstacles for Greece and Italy relate to migrants lacking valid documents, the lengthy identification process, and the lack of readmission agreements that would enable them to return unsuccessful applicants successfully. At the moment, Italy has readmission agreements only with Egypt and Tunisia and is working on others with Nigeria, Senegal and the Ivory Coast). There is also a problem with readmission agreements not being implemented properly, as in the case of Greek agreements with Turkey and Pakistan.

## An Uncertain Deal with Turkey

While the EU has very limited means to stop migrants at its external border, Turkey could help the situation by better controlling its border with Greece. Indeed, Ankara's reluctance to stop migrants is one of the major factors contributing to the increased flows of people. Due to the close proximity of the Turkish mainland and some Greek islands (for example, it is around 15 km to Lesbos), this migration route is less risky than another through Libya to Italy (it is around 290 km from Zuwara in Libya to Lampedusa). This is reflected in the numbers, as in 2015 Greece had around 880,000 arrivals while Italy only received 157,000.<sup>20</sup> In addition, despite the fact that Turkey signed the readmission agreement with Greece in 2002, it does not function properly,<sup>21</sup> while the readmission agreement with the EU, signed in 2013, has not yet been implemented.

In order to persuade Turkey to control its border, the EU concluded a deal with Ankara<sup>22</sup> in November 2015. It foresees Turkey tightening controls of irregular migrants in no need of international protection, fully activating the readmission agreement, providing refugees with a sustainable life in Turkey, and addressing the reasons that make migrants flee to the EU, for example by giving them wider access to the Turkish labour market. In return, the EU will unfreeze the enlargement negotiations, implement a visa-free regime for Turkish nationals, and release €3 billion of humanitarian assistance to Syrian refugees in Turkey. The deal has not yet been implemented, because the EC has been slow in gathering the €2 billion in contributions from Member States (the rest will come from the EU budget).<sup>23</sup> Meanwhile, Turkey insists on more concessions<sup>24</sup> and the final outcomes of the deal remain uncertain.

On one hand, the Turkish government has good arguments not to control its border with the EU. If it agrees to stop the migrants it will become a buffer zone. Turkey is not only the country that hosts the biggest number of Syrian refugees, but also one of the major routes for migrants from Afghanistan, Iraq, Somalia. It also receives an increasing number of migrants from sub-Saharan Africa, arriving at Turkish

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<sup>15</sup> K. Tagaris, "First Greek 'hotspot' struggles to manage migrant flow to Europe," *Reuters*, 10 December 2015, <http://bitly.pl/kjsds>.

<sup>16</sup> "Lampedusa, aperto il 1° degli hotspot. La posizione del CIR," *CIR*, 23 September 2015, available in Italian at: <http://bit.ly/1PcnMnl>.

<sup>17</sup> C. Kroet, "Greece 'failing on border controls,'" *Politico*, 2 February 2016, <http://bitly.pl/ZO0aN>.

<sup>18</sup> Tagaris K., *op. cit.*

<sup>19</sup> "The devil in the detail – EU-Turkey refugee summit in November 2015," the European Stability Initiative, 29 November 2015, <http://bitly.pl/pUHdh>.

<sup>20</sup> "Managing the refugee crisis. State of play," the European Commission 16 January 2015, <http://bitly.pl/ub6w1>.

<sup>21</sup> "The devil in the detail ...," *op. cit.*

<sup>22</sup> "Meeting of heads of state or government with Turkey—EU-Turkey statement," European Council, Brussels, 29 November 2015, <http://bitly.pl/tYpqg>.

<sup>23</sup> J. Barigazzi, "EU approves €3 billion payment to Turkey," *Politico*, 3 February 2016, <http://bitly.pl/je8PZ>.

<sup>24</sup> E. Zalan and A. Rettman, "Turkish PM in Berlin to ask for more EU money," *EU Observer*, 22 January 2016, <https://euobserver.com/migration/131952>.

airports.<sup>25</sup> Because Turkey has readmission agreements with very few of the countries that are the source of migration, and because its readmission clauses in border agreements with neighbours are not working,<sup>26</sup> it does not have any instrument to deport migrants from its territory. In addition, Ankara is not keen on exiting the visa-free agreements with Sub-Saharan African countries and others (nearly 80 in all) that are on the EU Schengen blacklist, because Turkey would lose the economic benefits of tourism and trade that it enjoys through contacts with those states.<sup>27</sup>

On the other hand, political recognition by the EU, visa-free travel for Turkish nationals, and the promise of funding mean much to Ankara. The fact that German Chancellor Angela Merkel has held frequent meetings with Turkish government representatives in the past several months and has declared some concessions has probably strengthened the Turkish ruling party in domestic politics. Visa-free travel for the almost 800,000 citizens who apply to travel to the EU annually would be good news for Turkish society.<sup>28</sup> The money is also important, as Turkey has recently asked for €5 billion of aid. Even though the Turkish government is playing hardball, it seems to be at least partially interested in a deal, as Ankara has fulfilled some of the EU's conditions. Turkey's government implemented a regulation in January 2015 granting Syrian refugees access to work permits.<sup>29</sup> It has decided to enact legal measures to hamper human trafficking<sup>30</sup> and Turkey and Greece have agreed to a NATO mission to monitor refugee flows in the Aegean Sea and to combat people smugglers.<sup>31</sup> Last but not least, Turkey has tightened visa requirements for Iraqis.<sup>32</sup>

In the search for a deal, it seems that, besides political rapprochement between the EU and Turkey,<sup>33</sup> the speed of disbursing money will be key in the short term. And offers of financial resources in return for better migration management by third countries has proved to work in some cases. After the Arab Spring in 2011, the EU and Italy offered Tunisia €600 million in aid and credit, which resulted in a 75% drop in the flow of Tunisian migrants.<sup>34</sup> In the case of Turkey, the problem is one of poor and insufficiently tough tactics used by the EU during negotiations, which offers concessions and money while obtaining only vague declarations on stricter border controls with no extensive conditionality in relation to refugees.<sup>35</sup>

## The Usefulness of Temporary Border Controls

Because of the failure to date of EU actions to secure the external Schengen border, Member States have been applying temporary border controls on a massive scale. In most cases there has been a domino effect, for example with Austria introducing controls after Germany, and Denmark imposing checks immediately after Sweden.

In reinstating border controls, the countries acted legally and in accordance with the provisions of the Schengen code. The majority of them implemented controls for the longest periods possible, conforming to articles 23 and 24 (1), enabling controls for a maximum of six months and Article 25, foreseeing checks up to two months.<sup>36</sup> The justification used in most cases was that the uncontrolled influx of people seeking asylum was causing serious threats to public order and internal security. In exceptional cases, as in France and Malta, the threat of terrorism was used as an argument. In May, Austria and Germany will run out of

<sup>25</sup> "Eastern Mediterranean Route," Frontex, 3 February 2016, <http://bitly.pl/kBsVe>.

<sup>26</sup> "Report on progress by Turkey in fulfilling the requirements of its visa liberalisation roadmap," COM/2014/0646, European Commission, 2014, <http://bitly.pl/XYBnj>.

<sup>27</sup> P. Elman, "The EU-Turkey Deal on Refugees: How to Move Forward," PISM Bulletin, no. 3 (144), January 2016, [https://www.pism.pl/files/?id\\_plik=21269](https://www.pism.pl/files/?id_plik=21269).

<sup>28</sup> 770,342 Schengen visas were issued in 2014 to Turkish citizens, <http://www.schengenvisa.info.com/schengenvisa-statistics2014/>.

<sup>29</sup> "High Commissioner welcomes Turkish work permits for Syrian refugees," UNHCR, 18 January 2016, <http://www.unhcr.org/569ca19c6.html>.

<sup>30</sup> "Human trafficking to be regarded as terror crime: Turkish Deputy PM," *Anadolu Agency*, 1 February 2016, <http://bitly.pl/f39DE>.

<sup>31</sup> The details of the mission are under negotiations. See: "Turkey, Greece seek NATO mission in Aegean: German official," *Reuters*, Brussels, 10 February 2016, <http://bitly.pl/vJrV1>; F. Ender, "72 hours to launch NATO's migrant mission," *Politico*, 11 February 2016, <http://bitly.pl/b1O6u>.

<sup>32</sup> "Turcja zaostrza wymogi wizowe dla Irakijczyków," *PAP*, 6 February 2016, <http://bitly.pl/xKViw>.

<sup>33</sup> For more, see P. Elman, "The EU-Turkey Deal ...," *op. cit.*

<sup>34</sup> S. Carrera, L. Hertog, J. Parkin, "EU Migration Policy in the wake of the Arab Spring. what prospects for EU-Southern Mediterranean Relations?," *CEPS*, Brussels, 2012, pp. 5-6, <http://bitly.pl/zgOq5>.

<sup>35</sup> "Meeting of heads of state or government with Turkey ...," *op. cit.*

<sup>36</sup> "Temporary Reintroduction of Border Control," The Directorate-General for Migration and Home Affairs of the European Commission, <http://bitly.pl/21OIL> and <http://bitly.pl/9lv8l>.

legal opportunities to prolong existing controls, and seek instead to use Article 26 to impose new controls of up to two years. Indeed, this is a credible scenario, as the Dutch presidency of the European Council has asked the EC to prepare a legal and practical basis for the continuation of temporary border measures for up to two years, and for the broader use of Article 26 in this respect.<sup>37</sup>

Despite the legal options enabling full controls, most Member States opted to reintroduce partial border controls, meaning mostly ad hoc controls on all borders but with a special focus on some parts of them. The lack of border infrastructure and economic costs related to restoring borders were probably factors taken into account. For instance, Germany put particular emphasis on its border with Austria, while Austria concentrated on the border with Slovenia and Sweden focused on ports linking it to Denmark and Germany. Only Austria has recently introduced full border controls, designating authorised border crossing points and even using troops to guard the border.<sup>38</sup>

Such partial controls have had no impact on limiting the inflow and, in fact, have led to migrants' movements becoming better organised. According to Frontex<sup>39</sup> and EC assessments,<sup>40</sup> the major consequence was better management of secondary movements of migrants at the internal borders, which helped them to speed up travel to their final destinations, mostly in Germany. Both institutions conclude that checks have no influence on the total number of migrants or asylum seekers arriving in the Schengen area or moving through internal borders. However, it is worth noting that even partial EU database checks on suspect migrants at internal Schengen borders contributes to increased security, as it enables the detection of smugglers, falsified documents, terrorists and other criminals. Such temporary controls, therefore, represent a measure that can be used by governments to reassure societies that a response to the crisis is possible on the national level.

In terms of the impact of controls on the movement of EU citizens and goods, there have been economic costs related mainly to administration<sup>41</sup> but these have not impacted the integrity of the internal market. Most of the controls are targeted at migrants and carried out on an ad hoc basis, meaning they do not involve huge traffic jams at borders. Sweden, for example, has reintroduced ID checks of on the Oresund bridge and tunnel link for people coming from Denmark, but only transport operators were checked (buses, trains, ferries) while private vehicles were exempt.<sup>42</sup> This resulted in public transport delays of around 30 minutes.<sup>43</sup> Germany increased patrols at road crossing points with Austria, and checks of trains.<sup>44</sup> Denmark restored temporary controls to a few harbours and the land border with Germany, but such actions are based on ongoing observation of border traffic, meaning mainly risk groups are stopped.<sup>45</sup> Therefore, the impact of such targeted controls on flows of EU citizens and goods is limited. The EC opinion on the use of temporary controls in Germany and Austria confirms that targeted controls affect normal traffic flows only to the extent necessary, and in the case of Germany they do not seem to impede freedom of movement in the areas concerned.<sup>46</sup>

Bearing in mind that partial border controls are not a tool for decreasing the inflow of migrants, Member States opt for securitisation of the external Schengen border by putting pressure on Greece to execute stricter border controls and stop migrants before they enter its territory. In addition to this naming and shaming, Greece has been threatened with suspension of its Schengen membership.<sup>47</sup> Similar expulsion

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<sup>37</sup> J. Barigazzi, "EU pushes 'worst-case scenario' to stem migrant crisis," *Politico*, 25 January 2016.

<sup>38</sup> There is a list of the checkpoints at <http://bitly.pl/jfXPU> and <http://bitly.pl/03Gt6>.

<sup>39</sup> "July-September 2015," *FRAN Quarterly*, Frontex, Warsaw, January 2016, <http://bitly.pl/SSV3M>.

<sup>40</sup> "Eighth biannual report on the functioning of the Schengen area 1 May -10 December 2015," European Commission, Strasbourg, 15 December 2015 COM(2015) 675 final.

<sup>41</sup> For instance, the costs related to controlling the border between Denmark and Sweden. See: "ID checks between Denmark and Sweden costing millions," *The Local*, 22 January 2016, <http://bitly.pl/2ELun>.

<sup>42</sup> Sweden introduced the obligation on carriers to check the IDs of passengers, meaning their ID papers are to be checked before boarding trains, buses and ferries from Denmark to Sweden. See: "Questions and answers: Act and Ordinance on identity checks in the event of serious danger to public order or domestic security in the country," Government Office of Sweden, 8 February 2016 <http://bitly.pl/ltXBm>.

<sup>43</sup> "ID checks ...," *op. cit.*

<sup>44</sup> L. Harding, "Refugee crisis: Germany reinstates controls at Austrian border," *The Guardian*, 13 September 2015, <http://bitly.pl/Bol8g>.

<sup>45</sup> "Information about the Danish border control," accessed 8 February 2016, at <http://bitly.pl/C6dPa>.

<sup>46</sup> "Commission opinion of 23 October 2015 on the necessity and proportionality of the controls at internal borders reintroduced by Germany and Austria," Brussels, 23 October 2015 C(2015) 7100, <http://bitly.pl/WMYBX>.

<sup>47</sup> I. Traynor, "EU migration crisis: Greece threatened with Schengen area expulsion," *The Guardian*, 25 January 2016, <http://bitly.pl/ECQIB>.

threats were employed last November to persuade the Greek government to agree to EU operation on its borders.<sup>48</sup> Such a move, however, would not effectively help to “secure Schengen,” because Greece does not have any land border with other Schengen area states, and migrants could still take the much more risky Central Mediterranean route and enter the EU across the Italian border.

## **Atmosphere of Uncertainty**

At this stage, there is no risk that Schengen will collapse. The European Commission still struggles to implement the hotspots and deal with Turkey and is seeking the backing of Member States for its long-term proposals to solve the crisis. For this reason, the potential disintegration of Schengen is touted by some Member States in order not only to put pressure on Greece but also to mobilise countries reluctant to implement refugee relocation programmes and agree on EC proposals to create a Union border guard and reform the asylum system. It is not the first time that the “end of Schengen” has been used to persuade the Member States to act together in the face of a migration crisis. For example, the mass movement of people after the Arab Spring led to the Schengen code being revised in 2013 to introduce various options for temporary border controls. In the current crisis, however, such an approach may be counterproductive. Because of increasing support for right-wing parties within the EU, and unfavourable social attitudes towards migrants, any attempts to impose an EU solution to the refugee crisis under threat of the collapse of Schengen will only strengthen the position of such parties and lead to open resistance.

However, the situation on the southern Schengen border is very difficult. EU actions to secure the border between Greece and Turkey have not yet brought any results, and it is unlikely that the current approach will bear fruit, meaning that the EU will face high inflows of migrants this year. The hotspots, even fully operational, will not stop migrants from arriving in Greece, although they may enable better crisis management by decreasing the number of undocumented migrants moving towards other EU countries. Turkey, supported by the EU’s €3 billion aid package (an amount as yet unsatisfactory for the Turkish government), is likely to limit migrant flows to the EU only partially.

Therefore, Member States have well-reasoned arguments to restore temporary borders. In the light of the great uncertainty about the effectiveness of the EU response to the refugee crisis, the introduction of temporary border controls for up to two years seems to be a fair modification of Schengen for security reasons, rather than being a reason for its collapse. Temporary controls have so far been used more to allay fears, through the use of increased security checks on migrants, than to influence migration flows in real terms. In addition, such temporary controls do not hamper the integrity of the internal market. Indeed, such modification to Schengen could even help it survive through difficult times. To illustrate, the European Central Bank was given increased supervisory powers over national banks because of the financial crisis in 2008, but this did not hamper flows of capital within the EU. However, it is clear that even longer temporary border controls will not limit migrant flows and thus, they are only treating the symptoms of the crisis, not its cause.

Irrespective of reinstating border controls, the EU must urgently invest all its capacities to stem the flow of immigrants to Europe. The key issue is to secure the border between Greece and Turkey, as this is the easiest gateway to the EU. Two things might be done in this respect. First, the Member States should speed up the creation of a Union border guard to help Greece secure its maritime border using EU functionaries. Second, the current EU actions should be improved. The EU should more efficiently assist Greece in making the hotspots operational as soon as possible while also increasing its capacities significantly and adding to the number of hotspots. The EU should take a tougher stance in diplomatic talks with Turkey, making the control of migrant flows a condition of releasing financial aid quickly and demanding that Turkey implements the readmission agreement before granting visa-free travel to Turkish nationals. If the Turkish government does manage to halt the flow of migrants, the EU might discuss a further aid package. Finally, states such as Germany and Sweden, which have been the most generous in accepting migrants to date, need to make clear that they are unable to take any more, as this could have an impact on the choices of individual migrants to depart to the EU.

The worst case scenario is that the EU remains insufficiently responsive and fails to bring the crisis under control. In such a situation, the gradual disintegration of Schengen could be easier to imagine in the long

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<sup>48</sup> E. Maurice, “Report: Greece threatened with Schengen suspension,” *EU Observer*, 2 December 2015, <http://bitly.pl/wwU1y>.

term. If the crisis continues, some governments might opt for such a solution in order to satisfy their electorates. It should be remembered that it is possible to be in the EU but out of Schengen (for example, the UK and Ireland), and thus to participate fully in the EU internal market and other policies. Such a move by existing Schengen members would, however, incur significant costs as border infrastructure would have to be restored. In the long run, bilateral trade between Schengen countries could drop by more than 10%, inducing a 0.8% drop in the zone's overall GDP and a loss of more than €100 billion.<sup>49</sup> The political costs would also be high due to decreasing confidence in the EU project among societies and Member States, and the deterioration of the EU's image globally.

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<sup>49</sup> V. Aussilloux, B. Le Hir, "The Economic Cost of Rolling Back Schengen," *France Stratégie*, 5 February 2016, <http://bitly.pl/bhrja>.