

wiiw Spring Seminar

4 April 2019

East-West migration trends in Europe: Running out of steam

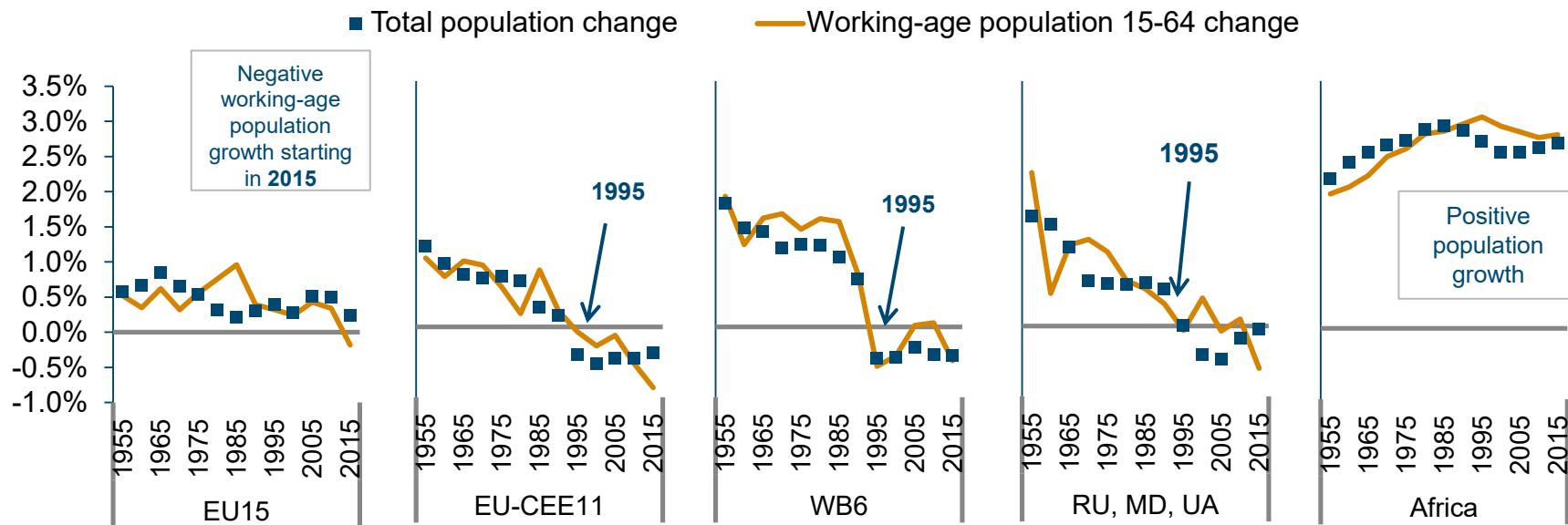
Isilda Mara

Part I

Migration and demography

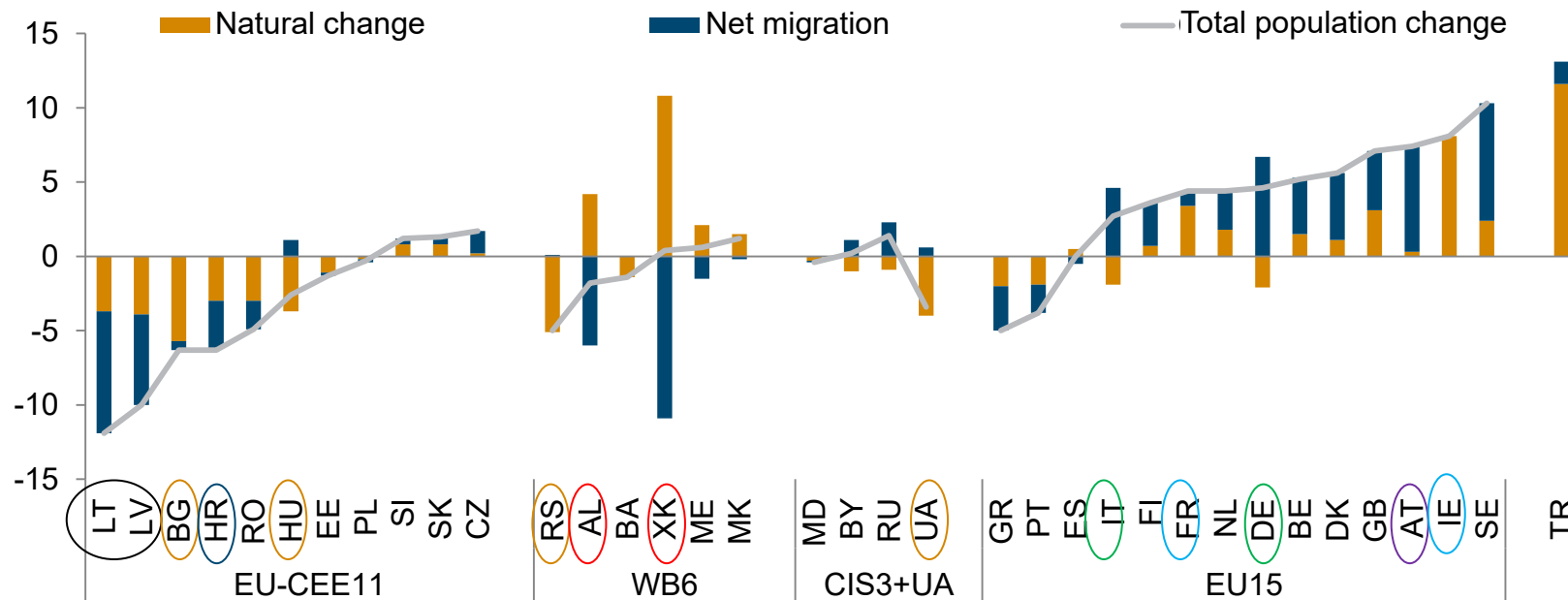
Strong decline in total and working-age population growth

Total and working-age population growth, 1955-2015, %



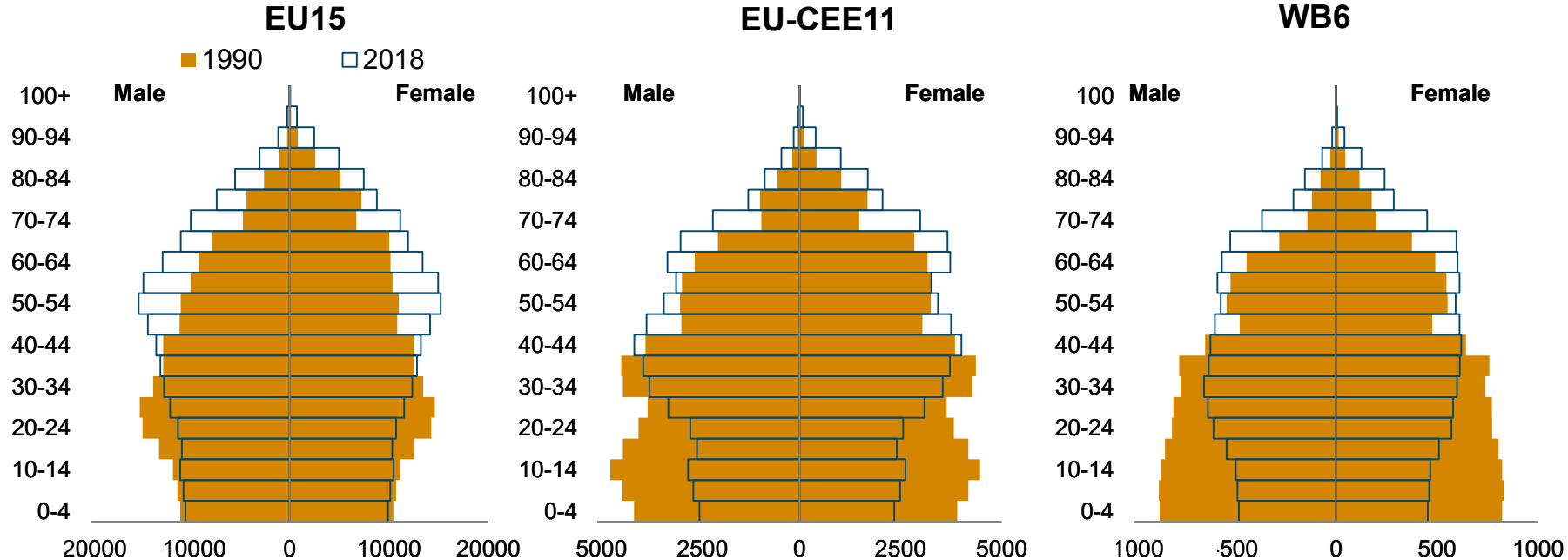
Winning and losing countries in demographic terms due to emigration

Average population change by individual countries, cumulative in %, 2011-2017



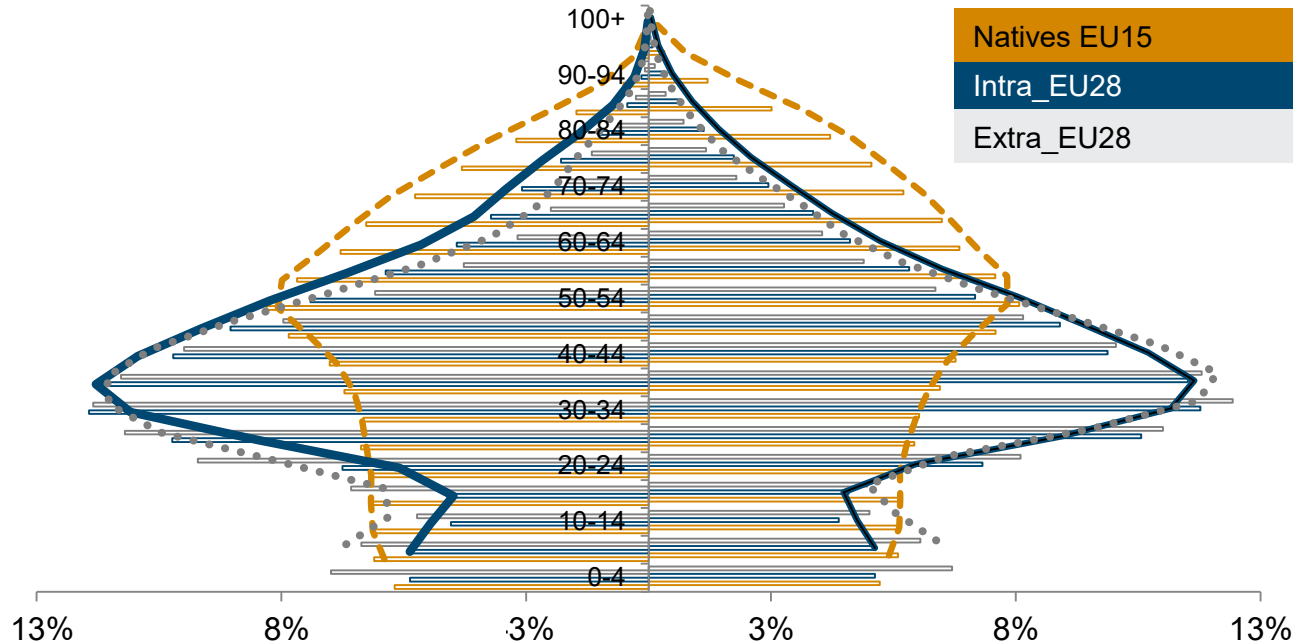
Source: Eurostat.

Significant change in age structure



In EU-15 migrants tend to be younger than natives and fall mainly in working-age group

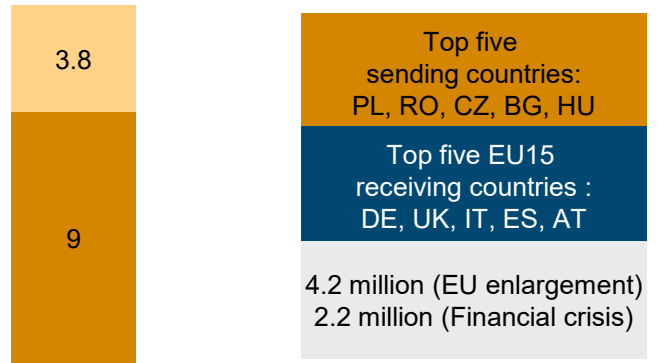
Age structure,
EU-15,
natives vs
migrants,
2018, in %



Migration in numbers

**Emigrants from EU-CEE11:
12.8 million in 2017**

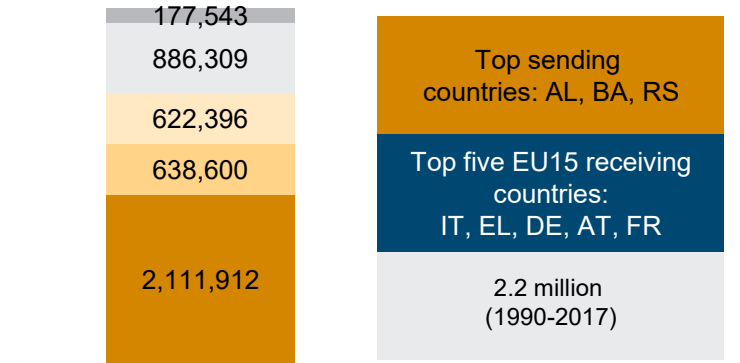
■ EU15 ■ Other



Main residing regions

**Emigrants from WB:
4.4 million in 2017**

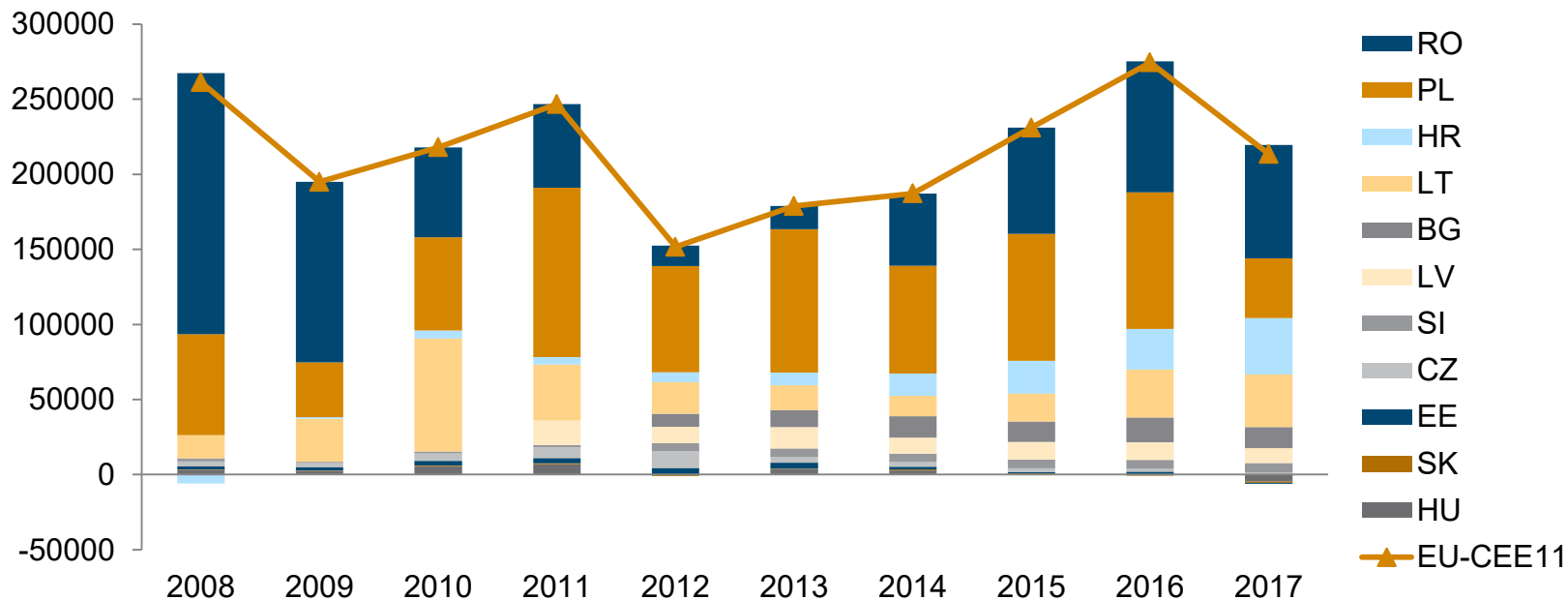
■ EU15 ■ CEE ■ WB6 ■ Other ■ Turkey



Main residing regions

Since 2008 between 150 and 250 thousand migrants left EU-CEE11 every year

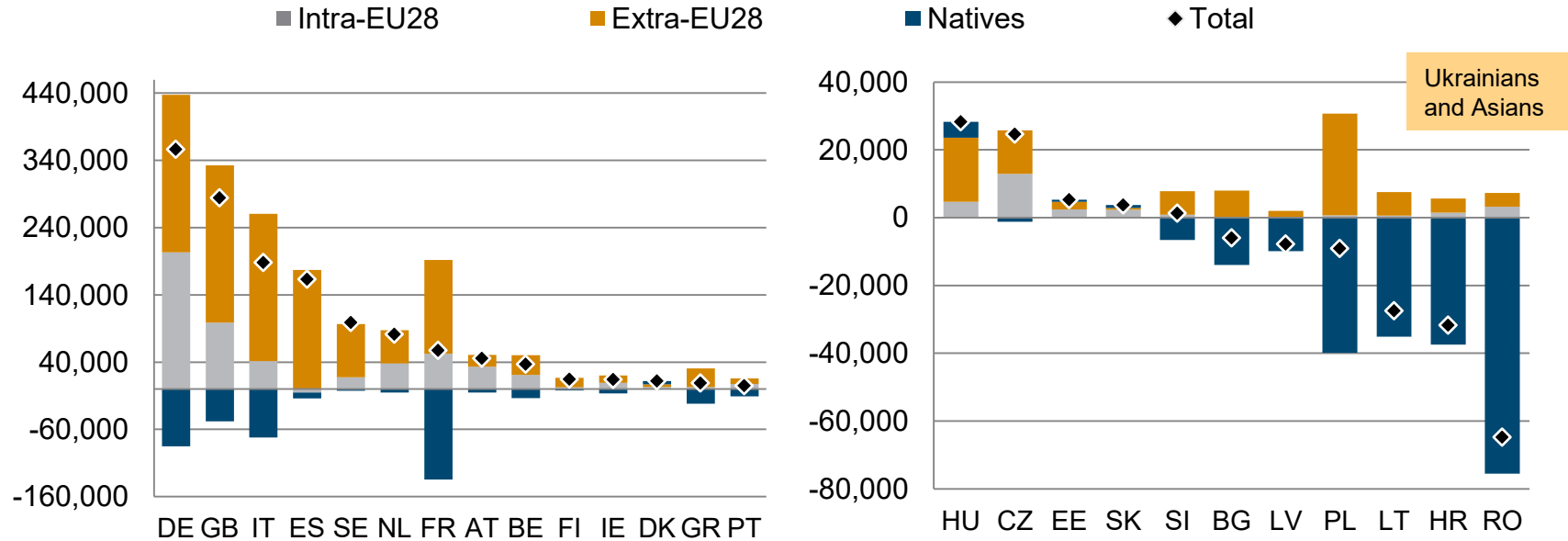
Net migration from EU-CEE11, 2008-2017



Source: Eurostat.

Positive net migration to some of EU-CEE11 countries in 2017

Net migration by nationals, EU28 and extra-EU28 migrants



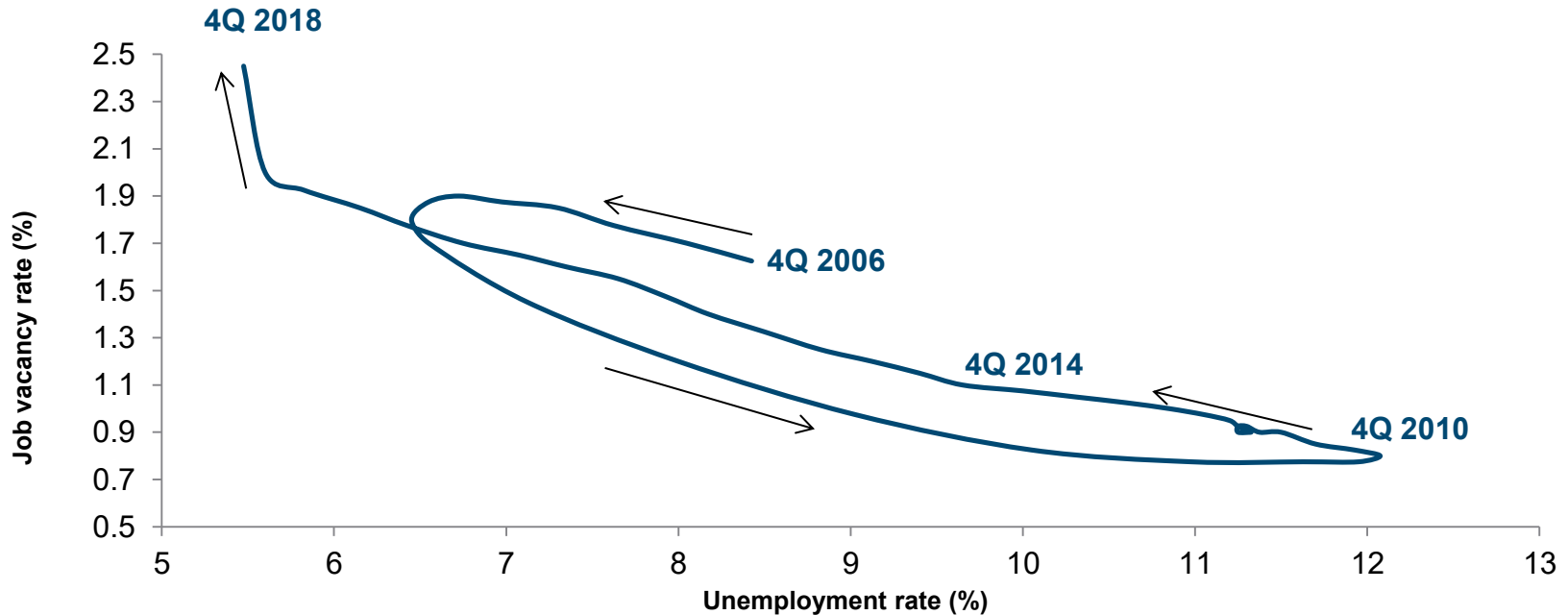
Source: Eurostat.

Part II

Migration and labour market implications

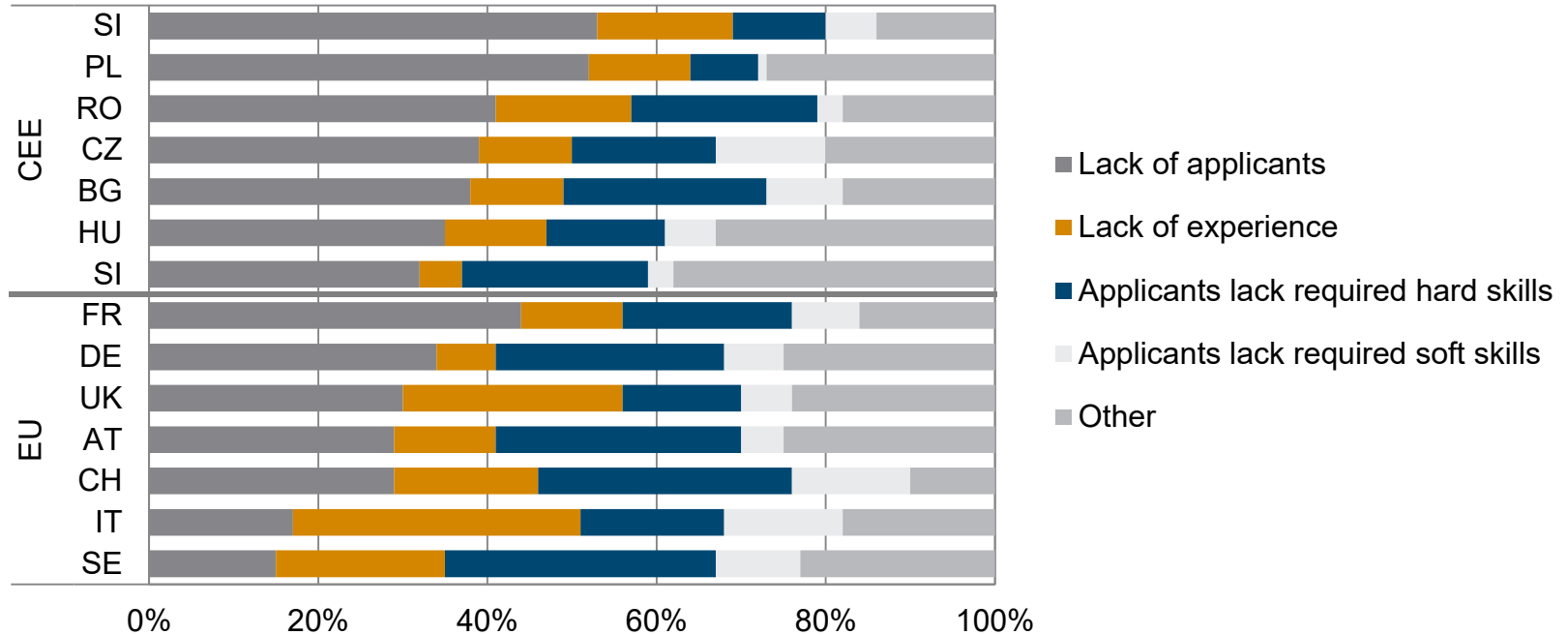
Strong drop in unemployment rate combined with rise in vacancy rates in EU-CEE11

Beveridge curve, 4Q 2006 - 4Q 2018 (four-quarter average rates)

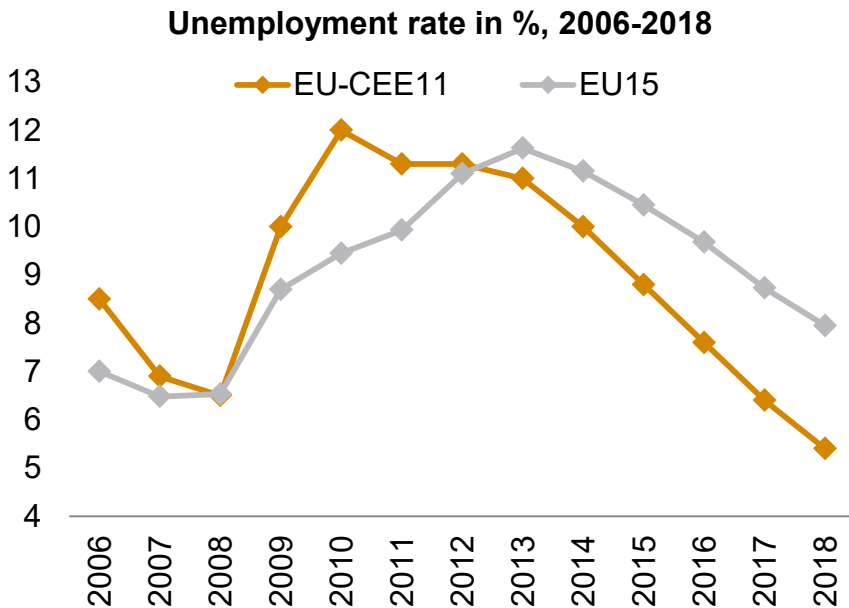


Source: Eurostat.

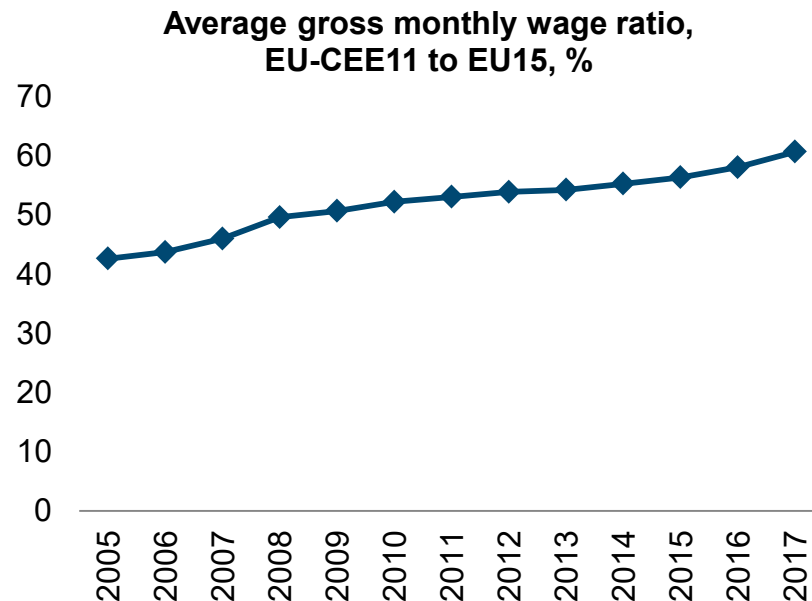
Main difficulties faced by employers to find workers, 2018



Drop in unemployment weakens the push factor to emigrate

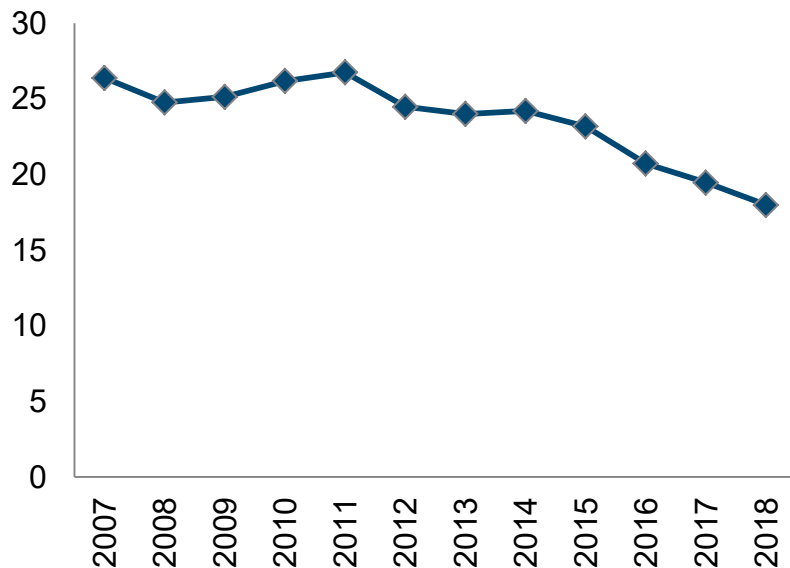


Closing of wage gap weakens the pull factor to emigrate

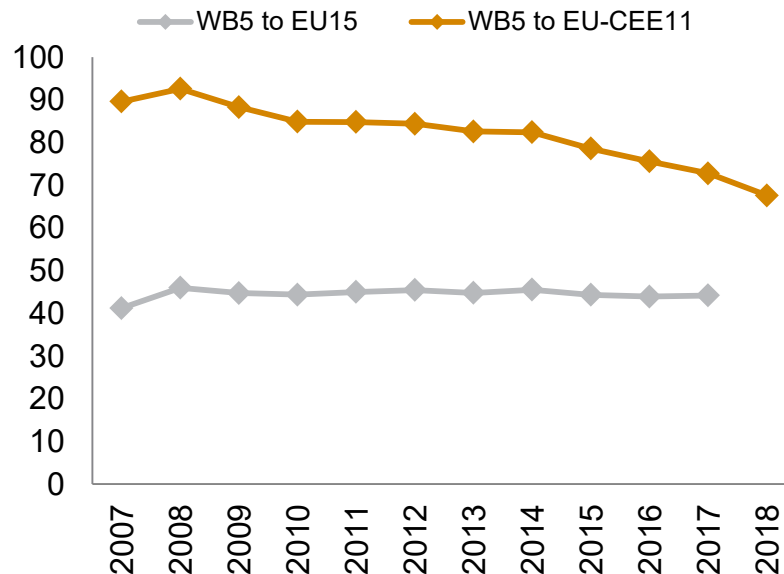


Push and pull drivers of emigration remain strong in WB6

Unemployment rate in %, WB6

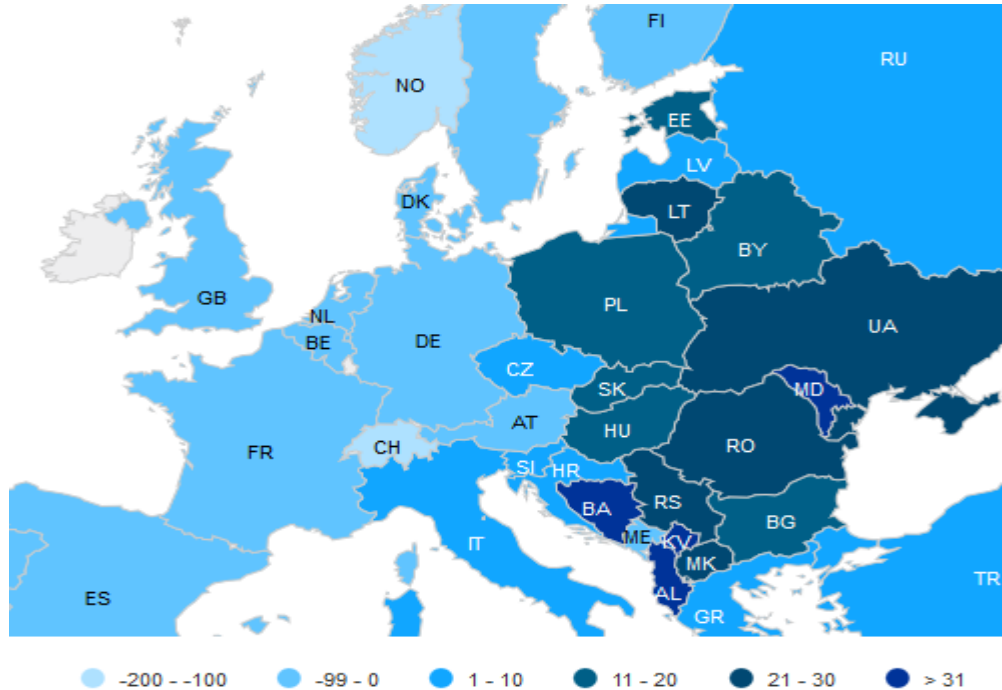


Average gross monthly wage ratio, %



Intentions to emigrate remain high especially from WB6

Potential Net Emigration Index, 2017



Source: World Gallup (2018), Potential Net Migration Index. *'Ideally, if you had the opportunity, would you like to move permanently to another country, or would you prefer to continue living in this country?'*

Summary: Running out of steam

■ EU-CEE running out of steam

- Outward migration **will slow down** due to:
 - strong drop in working-age population
 - rise in wages
 - drop in unemployment
- **Labour shortages** in EU-CEE and EU15 are likely to be **tackled** via **extra-EU** rather than intra-EU mobility
- Rise in **birth rate** is an option, but in the **long run**

■ Potential migration from WB6 remains high

- Similar to EU-CEE11, WB6 has lost and will continue to lose the youngest and its best people
- Drop in total and working-age population and continued emigration puts at **risk**:
 - demographic structure
 - human capital
 - economic prospects of the sending countries
- Reducing migration pressure from WB6:
 - involvement of **diaspora**
 - allocation of **remittances** into investment should be encouraged

Country codes

AL	Albania	KZ	Kazakhstan	RS	Serbia
BY	Belarus	LT	Lithuania	RU	Russia
BA	Bosnia and Herzegovina	LV	Latvia	SI	Slovenia
BG	Bulgaria	MD	Moldova	SK	Slovakia
CZ	Czech Republic	ME	Montenegro	TR	Turkey
EE	Estonia	MK	North Macedonia	UA	Ukraine
HR	Croatia	PL	Poland	XK	Kosovo
HU	Hungary	RO	Romania		

CESEE23	Central, East and Southeast Europe
CIS4+UA	Commonwealth of Independent States-4 and Ukraine
EA19	Euro area
EU-CEE11	European Union – Central and Eastern Europe
WB6	Western Balkans

Thank you for your attention!

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