

STATE OF THE ART CONCERNING THE SPECIFIC RESEARCH TOPICS OF THE PROJECT.

Research Project

Scientific and Technological Objectives

The migration flows play an important role for European integration and EU enlargement will probably reinforce it. Given the principle of free movement of citizens across the EU, the geographical proximity and the large income differentials between the current EU members and the Central and Eastern European countries, the accession of those countries to the EU will likely lead to substantial migration of labour from East to West. During the last fifteen years a dramatic change occurred in European international migration. New destinations, new regions of origin and new flows have emerged. During the 1980s, the former labour sending countries of southern Europe, especially those newly admitted to the EU, became key destinations for international migrants seeking employment. In addition, East-West migration flows increased with the collapse of Soviet block. The rehabilitation of post communist countries contributed to enhanced people's mobility driven in part by the melting pot of different nationalities as certain ethnic groups sought to return to their republics of origin. International migration in post-war Europe was highly influenced by these historical developments.

Europe now matches North America in its significance as a region of immigration. Net immigration in Europe in 2001 stood at 3.0 per 1,000 inhabitants, compared to 3.1 in the United States [OECD, 2004].

Did EU enlargements and the removal of barriers to international (labour) migration between the member states exert a considerable impact on the volume and composition of international labour migration within, to and from the EU? In an econometric study commissioned by the German Ministry of Labour, the Ifo Institute projected that about 4% to 5% of the population of the countries joining the EU in 2004 will immigrate into the old EU countries within the next 15 years if immigration is not restricted.

In 2001 the following source countries featured significantly in flows to European states: Moroccans in Belgium; Iraqis and Afghanis in Denmark; Russians in Finland; Moroccans and Algerians in France; Poles and Turks in Germany; Romanians and Ukrainians in Hungary; Albanians, Romanians and Moroccans in Italy; Angolans and Cape Verde nationals in Portugal; Iraqis in Sweden; and Indians in the UK (OECD 2004).

The evergreen attention put on migration flows testify the consciousness of policy makers on the power of migration as a crucial resource for upgrading long term growth in the EU, but which can lead to dangerous tensions if it isn't kept under control. The recent urban war broken out in Paris, the crescent flows from North Africa and Asia, together with the tensions linked to the threat of cheap labour flows into the old EU countries (as highlighted in the EU Constitution debate in France) are the more evident manifestation of an emergence. Ten years after the Barcelona Conference the Euro-Med celebrated the anniversary organizing a working session in Barcelona (November 2005) on the role of territorial co-operation in the Euro-Mediterranean area, economic reform and regional competitiveness and migration. European leaders confirmed their intentions to create a communitarian program to promote legal migration recognizing it as an opportunity for economic development.

It is necessary to have a complete and clear knowledge of the phenomenon "migration" to manage

successfully this resource. Examining the existing framework we have found out several controversial issues and gaps present in the literature. We propose to solve the following questions referring to migration flows to and from EU with a particular attention on Bulgaria, and Romania.

We'll proceed step by step analyzing the economic determinants of migration flows and their effects both on sending and receiving countries. Concerning the state of the art, the current economic and social research underlines some main determinants of migration flows; one of the goal of this project is to identify and quantify the macro-economic determinants of international migration in Europe.

1. Political and social determinants: the determinants of international migration can be divided into:

1.1) Political: political situation in sending countries and migration policies in receiving countries [Hamilton, 1997; Martin, 1994]

1.2) Social: the attitude of the population towards foreigners; the degree of inequality in a society; the ethnic composition of the population; the cohesion in the sending country. Stark and Bloom (1985) argue that the decision to become a labour migrant cannot only be explained at the level of individual workers; wider social entities have to be taken into account as well;

1.3) Spatial: geographic proximity, level of development of infrastructure, costs of moving; **1.4) Cultural:** language and cultural linkages between countries [De Swaan, 1995; Lakeman, 1999].

2. Economic determinants:

2.1) Wage and unemployment differences between regions: according to neo-classical theory of migration it is the main reason for labour migration. Such wage differences are due to geographic differences in labour demand and labour supply, although other factors might play an important role such as labour productivity, or the degree of organization of workers [Borjas, 1989; Massey *et al.*, 1993, 1998; Bauer and Zimmermann, 1995].

Eastern enlargement of the EU has created substantial pressures for migration, as wage differences are still immense at present. In 2003, the average labour cost per hour in the accession countries was only 14% or one seventh of the West German labour cost per hour [Sinn, 2004].

2.2) GDP per capita differences between regions: it is the main precondition in order that migration began and it is connected with the possibility for migrants to be able to obtain a higher wage in the receiving countries.

2.3) Trade relationship between the receiving and the sending countries and complementary or substitution relationship between trade and migration: it is widely recognized that in the standard Heckscher-Ohlin-Samuelson (H.O.S.) model, trade and migration are perfect substitutes. According to modern economic thinking, international free trade can reduce international migration between developing and developed countries decreasing income and employment differences [Gosh, 1992; Mouhoud, 1997]. Thus trade liberalization will decrease and then nullify migratory pressures, both in sending and host countries.

But there are some kinds of distortions which make the analysis more complex. Free trade might not be a substitute for migration because of the presence of effects connected with technological knowledge and spill over and with increasing returns to scale. Economies of scale external and internal and sector specific technological differences can generate complementarities between movements of goods and movements of people [Lopez and Schiff, 1998; Razin and Sadka, 2000]. Moreover empirical studies suggest that trade liberalization determines a reduction in the provision of public good and an increase in emigration [Gatsios *et al.*, 1999]

2.4) Possibility to increase human capital endowment of the sending countries: alongside the conventional view according to which outward labour flows reduce the human capital level of the sending countries, migration may also be viewed as an investment in human capital, when a return flow

of abroad trained workers occurs [Sjaastad, 1962; Massey *et al.*, 1993]. Borjas (1989) defined a function that reflects when migration is a sufficient investment in human capital to induce employees to migrate.

2.5) Demand for skilled and unskilled labour in receiving countries, according with the dual labour market theory [Böhning, 1998; Piore, 1979]

2.6) Presence of a migrant networks in the receiving countries let the costs of migration decrease: according to the network theory, it helps potential migrants, for instance, to find a job or appropriate accommodation, or by reducing information asymmetries [Esveldt *et al.*, 1995].

In order to complete the description of migration phenomenon we analyze the economical and social consequences of migrations flows both in sending and receiving countries underlining several lacks of the present literature.

A) ECONOMICAL CONSEQUENCES:

1) Consequences for sending countries

1.1) Remittances issue: positive effects.

According to the recent conventional theory recently expressed also in the annual Global Economic Prospects report for 2006, titled *The Economic Implications of Remittances and Migration*, remittances may increase the household income. Moreover, the theory of the new economics of labour migration states that remittances have a positive effect on macro-economic development in sending countries.

This perspective on the impact of remittances upon sending economies is called the “developmentalist” perspective (Taylor, 1999). In the literature, however, there is no consensus whether remittances have a positive or a negative influence on the sending economy.

1.2) Remittances issue: negative effects. In literature also negative aspects of these phenomena are analyzed, for example the “migrant syndrome” [Taylor, 1999], the “dutch disease” [Knerr, 1993; O’Toole, 1998]. There is a debate over the extent to which remittances boost the economy of the source country more when income has been used for consumption and not for investment [Glytsos, 1993]. On the contrary Macmillen (1982) outlines that if they are used in this way the results is an increase in the price level as well as in imports and a dependence on remittances.

Remittances can also have influence on inequality in the sending society. There isn’t consensus in literature also on this aspect but the pessimistic vision prevails: in the short run remittances may increase inequality [Stark *et al.*, 1988; Docquier and Rapoport, 2003].

1.3) Brain drain: another consequence of migration which may have, in turn, an impact on inequality is connected with the human capital formation and with the possible “brain drain” from the sending countries through the migration flows of high skilled workers [Mountford, 1997; Vidal, 1998; Blau and Duncan, 1967; Van Eijck, 1996]. Empirical evidence suggests that the traditional brain-drain argument is not as important as it looks in the theoretical literature due to the important role of emigrants’ remittances. According to the IMF, financial transfers by migrants residing permanently in foreign countries are the second largest source of income to developing and newly industrialized countries, after foreign direct investment (FDI) [Bruecker *et al.*, 2003].

2) Consequences for receiving countries in the literature

2.1) Population ageing process and the “replacement migration”: on the one hand, migration is blamed for reducing job opportunities for the residents in a period of unemployment and for increasing inequality in the host countries. On the other hand, it is hoped that international migration can alleviate

the burden of Europe's rapidly ageing population. Population ageing is caused by two interrelated components: the fertility decline and the increased expectancy of human life [Coleman, 2002]. It became a very important issue because the ageing process implies decreasing relative number of person in the working age and the related increasing public expenditure on pensions, social security and health services; increasing risk of failure of pension systems, changing public health patterns (more chronic and degenerative diseases); increasing gender bias among the elderly population [UN, 2002].

One reason for policy prudence towards foreign workers is that immigration can raise social costs, in education and healthcare, for instance. But can migrants alleviate these costs, too? One of the most debated issues is whether a large increase in immigration flows would help OECD countries pay for their future social spending, especially on pensions. The argument is that more young immigrants mean more young workers and so more revenue for social services and pension funds. The issue of "replacement migration", with immigration considered as a solving measure, comes back to the mathematical demographic model of Pollard (1973) who showed that under certain conditions immigration can lead to stationary population, with a stable age structure. But the efficiency of such measure is largely controversial. The most obvious is that immigrants are frequently not temporary and may wish to settle and retire in the host country themselves. And their population is ageing too, to become tomorrow's pensioners. Furthermore, not all legal immigrants join the workforce. Another limit is whether the immigrants actually find work. The unemployment rate among foreigners in some European OECD countries is twice that of their percentage in the total labour force [OECD, 2003].

According to a study of the United Nations, an average annual net immigration of 1.4 million people will be needed to keep the proportion of the working-age population in the European Union stable until 2050 [UN, 2000]. International migration can mitigate, but not solve the demographic problem in the receiving countries. In the short run international migration could create a fiscal gain for receiving countries. In the long run, however, the idea of replacing the ageing generations with ever bigger waves of immigrants would be neither plausible, nor efficient [Korcelli, 2003].

Hans-Werner Sinn (Financial Times, July 12th, 2004) puts this issue succinctly: "There will be more migration in Europe, but it will be "bad" migration as well as "good". Good migration is driven by wage and productivity difference. Bad migration is driven by the generosity of the welfare state". We have seen already that immigration increases the pension benefit but the last sentence underlines that migration has not only a positive effect on fiscal resources of receiving countries but it produces also a cost for the welfare. The net contributions of migrants to the public finances vary with the age: while net tax payments are positive over the remaining life-cycle of migrants who immigrate at an age between 11 and 48 years; those of the younger and older are negative [Bonin et al., 2000; Bonin, 2001]. However Razin and Sadka (1999) show that unskilled immigration is beneficial to all income and all age groups in society, even if immigrants are net beneficiaries of the welfare system. Among other things, this result rests on the assumptions that immigrants have the same reproduction rate as the native population and that the immigrants' offspring has the same distribution of skills as the natives'. When there is a strong positive effect on future pension benefits through very high fertility rates of the immigrants or a high skill level, then even a hypothetical negative impact of immigration on wages may be compensated [Krieger, 2002].

Thus we can summarize the issue as follows: although migrants are more than proportionally affected by unemployment and social assistance, they tend to contribute on average more to public finances and social security systems than they receive. In our work we underline that increasing the population through migration increases the number of future tax-payers who will contribute to the financing of public goods. Immigration thus reduces the individual debt burden in future generations.

2.2) Improves the efficiency of resource allocation: the productivity of the migrant's human capital is higher in the host country than in the source country. This gain results from the relocation of human resources from where their productivity is relatively low to where their productivity is relatively

high. This simple insight is often ignored in the public debate on the economic and social effects of migration [Brucker, 2003]. Another important remark: generally speaking migrants save more than natives and higher savings are associated with higher levels of total factor productivity [Mankiw *et al.*, 1992]

2.3) Creation of a completely unified labour market in Europe: globalization and intensification of telecommunication and transportation networks and flows of money, technology and goods has encouraged people to seek better opportunities abroad remaining involved in the economic, cultural, social and political life of their sending country. One of the great dreams of European integration since the Treaty of Rome has been to create a completely unified labour market, though this is hard to achieve in reality. The mobility of worker through EU, joined to appropriate salary flexibility, could contribute to reduce the risk of asymmetric shock. But, although free movement of people and labour market access for workers would be granted, among the EU 15 obstacles continue to exist. In addition, there are obvious language barriers which slow down mobility, as well as the progressive reduction of wage differentials between immigrants and nationals.

2.4) Wages change: most studies have found that immigrants have only a small negative impact on the wages and employment of natives. Possible explanations for these findings are that immigrants are sometimes complements to natives in the production process, thereby increasing the productivity of natives, that immigration creates extra demand for goods and services increasing the general level of wages and the labour demand [Zimmermann, 1995]. Generally speaking, while in the country of origin wages rise because labour is getting scarcer, in Western Europe they fall as the supply of labour increases. All those occupational groups that offer similar services as the immigrants lose salary. In contrast high skilled workers and capital owner don't suffer for the migrants pressure and they therefore benefit from higher wages and prices. The total effect on the natives' income is positive. Thus, in the absence of remittances and other transfers, the receiving countries benefit from immigration while the sending countries loose [Bruecker *et al*, 2003]. This mechanism leads to the reduction in wage differentials between the country of origin and the country of destination. The starting hypothesis is the completely flexibility of wages [Sinn, 2004].

2.5) Opportunities of employment increase for native worker. According to a received view, international migration can increase unemployment in the host countries and reduce unemployment in the source countries. Nevertheless, the association of immigration and unemployment among native is very complex to study. Empirical evidence suggests that the impact of migration on unemployment rates and displacement risks of natives is small if the immigrants are employed in expanding, labour-intensive sectors of the economy [Bruecker *et al*, 2003; Card, 1990; Friedberg and Hunt, 1995].

The effect of immigrants on employment of receiving countries may be different according to their human capital endowments (for example, schooling and job experience). Some recent studies find that migrants complement native workers, i.e. that the wages and employment opportunities of natives tend to increase with the number of migrants if they are complements to some native category of workers rather than substitutes [Gang and Rivera-Batiz, 1994; Ortega, 2000]. It is more frequent to find negative effects of immigration inflows for younger and less educated native workers.

Another important approach exists studying migrations consequences on unemployment rate: a spatial approach suggests that native may respond to migration by relocating. It may then happen that immigration into one local labour market leads to unemployment in other labour markets, as native workers emigrate from the labour market into which the immigrants are flowing in [Friedberg and Hunt, 1995]. If the association between immigration and unemployment in the receiving country is not so strong, as some empirical models suggest, then a major reason why the anti-foreigner attitudes have increased in Western countries is unfounded.

2.6) The effects of migration on the growth rate of the host economy: these problems are studied and reported in Barro and Sala-i-Martin (1992) which conclude there are "insignificant" effects

of migration on growth. The survey emphasis is placed on the role of human capital of migrants in determining the growth rate of the host economy. There is a tendency to migrate of individuals with higher ability. This generates a permanent decrease of the growth rate in the home, sending, country which is proportional to the fraction of population that has migrated, while the effects in the host country depend on the evolution of the ratio of average human capital of the two countries [Waltz, 1995].

Moreover, international migrations can contribute to economic growth in receiving countries alleviating labour shortages present in certain branches of industry [Gieseck *et al.*, 1995].

B) SOCIAL CONSEQUENCES:

1. Consequences for sending countries

International migration can influence lifestyles in sending countries. If large outflows occur over a prolonged period, migration may become part of the values of sending societies. As a result, a so-called 'culture of migration' may develop [Massey *et al.*, 1993]. In addition, specific consequences of migration for sending countries may be singled out as follows:

1.1) Labour force outflow: social distortions. Even if, in many cases, emigrant-sending countries confront spontaneous or received-induced organized migration with unrealistic expectations (an opportunity for their unemployed and underemployed workers to find employment abroad), the labour flow-out can provide significant social and demographic structural damage to the home country. It should be taken into account that emigration might deplete the sending country's already meager supplies of skilled manpower, while tapping the healthiest and most dynamic and productive members of their populations; that the age and sex selectivity of emigration might lead to the demographic deterioration of rural sending communities, leaving them with disproportionate numbers of children, women and the elderly-thus impeding the communities' social and economic progress.

1.2) Remittance use and new social stratification. Research on remittance use in a number of countries shows investment in housing and land purchases leading the way among migrant expenditures often accounting for as much as three-quarters of total funds. As for the Papademetriou (1998) research the remaining funds tend to go toward purchasing consumer goods, the retirement of debts and other familycentered activities. Usually, only a small fraction of the total goes into financial instruments or toward investments in such productive activities as the purchase of agriculture equipment and the financing of service-sector activities. Spending patterns make clear that individual and societal goals often diverge. Migrants use their earnings in ways essentially consistent with their goals for emigration. Yet such spending behaviour may result in unintended adverse economic and social consequences, such as price distortions or the creation of a new system of social stratification along the lines of migrant and nonmigrant households

1.3) Social and psychological family tensions. Families left behind have to adjust to the sharply restricted interactions and the social and psychological problems attendant to the breadwinner's prolonged and repeated absence. As a result, family bonds and solidarity come under pressure, the implications of which range from changes in social norms and the terms of decision-making and control to new gender differentiated economic roles and child-rearing practices. Although not all of

these changes are undesirable, many of them create serious readjustment problems for the returning migrant.

1.4) Social aid. Against the negative effects of emigration one must balance the undisputed social and economic gains which most migrant households realize. Whether their families emigrate with them, come to join them at a later time, or stay behind and receive the remittances from the household member who is abroad, the social benefits are substantial. The largest portion of the social gain accrues to the immigrant and those family members that remain at home. One important mechanism by which these private gains are shared with the sending country is via remittances. Estimates of such flows suggest that they are substantial. For example, in 2000 it is estimated that aggregate transfers from the United States were almost twice that of official foreign US assistance for development [USAID, 2002]. According to the Rosenzweig's [2005] approach transfers from immigrants are distinctly different from governmental development aid in two major ways. First, the recipients are private households, not government agencies. Thus there is no deadweight loss associated with corruption. Second, however, remittances are not targeted to initiatives designed to spur development or to projects that have high social returns, rather they can be used by recipients to maximize their own private welfare, which may or may not contribute to sustainable economic growth.

1.5) Mobility for work – application of new life and work standards. A relatively small portion of migration flows, linked with work and study mobility (with necessary return to the country of origin) goes hand in hand with serious socio-cultural consequences for the sending country. Trips for work and study combine with the influx of highly-skilled professionals to accelerate the diffusion of technologies, more effective means of organising work and new models of consumption and the organisation of time [Romaniszyn 1999]. Such migration raises the standard of living and prestige of households involved in it, though it at the same time encourages stratification and relative deprivation among household members that do not have access to income from abroad. They thus become a push factor generating a further stream of migrants.

2. Consequences for receiving countries

The presence of large migrant populations may give rise to considerable social consequences which should not be underestimated

2.1) Cultural changes: the culture in receiving countries is influenced by a changing ethnic composition engendered by international migration.

Changing lifestyles can have impact on economic developments in receiving countries as they may involve change in saving and consumer habits or forms of investment [Frey and Mammey, 1996; MaCurdy *et al.*, 1998].

2.2) Cultural conflicts: migrants, especially those from non-Western countries, often belong to the lower socioeconomic strata of society. In the long term, migrants may form the majority in the city centres of Western Europe. It may lead to cultural conflicts and ghettoisation under the least favourable circumstances [SCP, 1994].

2.3) cultural and religion heterogeneity and integration: maintaining cultural heterogeneity created by migration means that immigrants would not be fully assimilated in the mainstream of society. Critics of multicultural policy, however, claim that it helps to preserve the isolation and segregation of immigrant populations and the emphasis of new social divisions in society with the potential for serious conflicts. Cultural identity and the defence of identities tend to become more important for both native majorities and immigrant minorities. Most EU member countries do not have coherent policies dealing with this cultural and religious heterogeneity created by migration; many of them are at times not fully equipped for dealing with such issues and problems.

2.4) access to social services and benefits: promoting cultural integration and mutual tolerance is not enough to integrate migrants in the host society. The access of migrant workers to social services as health care and education, and the transferability of such social benefits as health insurance and pension were a necessary step for the building of an integrated and multiethnic society.

2.5) impact on the welfare state: the OECD study by Tapinos [1993] finds that there is no conclusive evidence regarding the impact of the presence of immigrants on the welfare systems of receiving countries. Other studies, however, mention that immigrants in many cases represent a benefit contributing to the social security system in the receiving country. This conclusion was approved by the recent study performed by the US National Academy of Sciences, which found that, although in the initial years in the country immigrants caused the welfare costs pushing up, particularly in education, in the long term (20 years) these people become net contributors through the taxes they pay [Edmonton, 1997; United Nations Population Division, 2000.].

2.6) impact of migration on the public spending: the receiving country has to cope with the new needs of migrants: improvement of the housing situation for foreigners, teaching migrants the language of the receiving country, solving the unemployment problem of unskilled migrants, improvement of educational qualifications of 2nd generation migrants, encouraging migrants to maintain their cultural identity and assisting them with reintegration if they return to their original country, solving the problems of illegal migration.

2.7) political consequences: Migration modifies also the equilibrium and political dynamic of receiving country. The presence of migrants in receiving countries could be exploited by political party which support migration and propose favourable migration policy to obtain consensus. Moreover, the opposite party can possibly use the presence of migrants as scapegoat and means to strengthen nationalist and racist movement.

The novel character of the research proposed.

Migration is a highly contentious issue. It involves many conflicting interests and raises difficult moral, social, political and practical questions, especially for the inhabitants of rich countries such as ours. Up to now immigration policy has been ambivalent. While permitting and stimulating the international migration which is perceived to be desirable, at the same time it mobilizes numerous resources to prevent undesirable immigration. As Massey (2003) points out, immigration policy is often presented as a choice between closed and opened borders. The discrepancy between these two needs to be resolved managing migration. In any case, this state of affairs reflects in an ambiguous stance of the EU at the Community level. A common EU-wide migration policy is asked by many, but effective plans and programs to treat migration as a common European policy are only in very initial stages. The novel character of our research is to fill these gaps of scientific knowledge, both from the economic and social-political standpoints, with aim of contributing to set-up more efficient and social sustainable public policies to deal with migration issues in both the countries of origin and destination. The debate has focused on the role of institutions and governments as mechanisms which can first regulate migration flows and their composition and second mitigate the potential negative impact of immigration in the host countries of immigrants, upgrading their positive impact. The best possible policies will be studied both at the national, regional and EU levels.

Highlighted gaps in the established state-of-the-art.

Nevertheless, not all the issues have been highlighted, in terms both of economic and social possible impacts of migration flows. In particular, a point that has remained out of consideration is the role of the foreign remittance in the reduction of poverty in the countries of origin. Another point, that needs to

be focused on, is the social impact of migration in receiving countries in terms both of social tensions and policies aimed at integrating the immigrants. Our future research proposes to identify and quantify the macro-economic determinants of international migration in Europe and to solve the following questions referring particularly to migration flows to the EU core from the new and prospective Eastern member countries and neighbourhood states.

Are migrations flows more intensive between countries with a consolidated trade partnership? Does a direct **relationship between trade and migration flows** exist between the receiving and the sending countries?

- In literature there is no consensus whether **remittances** have a positive or a negative influence on the sending economy: what happens in the new and prospective Eastern member countries and neighbourhood states?
- Can migration alleviate the burden of Europe's rapidly **ageing population**? Which are the positive and negative effects of migration on the fiscal system and welfare state of the receiving countries? Do migrants tend to contribute on average more to public finances and social security systems than they receive, or not?
- Can migration improve the **efficiency of resource allocation**?
- Which is the real effect of migration flows **on wages and employment opportunities** both in receiving and sending countries? Are there available data supporting the theory on positive effect of migration flows on these two economic variables in Western countries? Does migration improve employment rate in the host country? How the segmentation in labour market and high labour mobility cost in European market influence the employment choice of migrants? What is the effect of migrant workers on the labour market structure? In the first stage of migration, foreign workers accede to the second tier of the European labour market (unofficial employment): with the second generation flows, probably they will be able to accede to the first tier of the more qualified and protected work: which effects are to be expected on the labour market? Which effects on the welfare system? Will they continue producing a fiscal gain for receiving countries?
- What about the sending countries? The impact of migration on wages and employment depends on the collective wage setting: we will analyze this issue on the basis of the wage setting of such countries.
- What are the main social and political impacts in the sending and receiving countries in terms of changes in the political system and cultural background and last but not least of possible new contents of Europe-wide migration policy?
- How can receiving countries cope with the needs of migrants?
- How is the impact of migration on the public spending?
- How can the EU policy makers both maintain cultural heterogeneity and defend cultural identity of native and migrants?

The multidisciplinary character of the project.

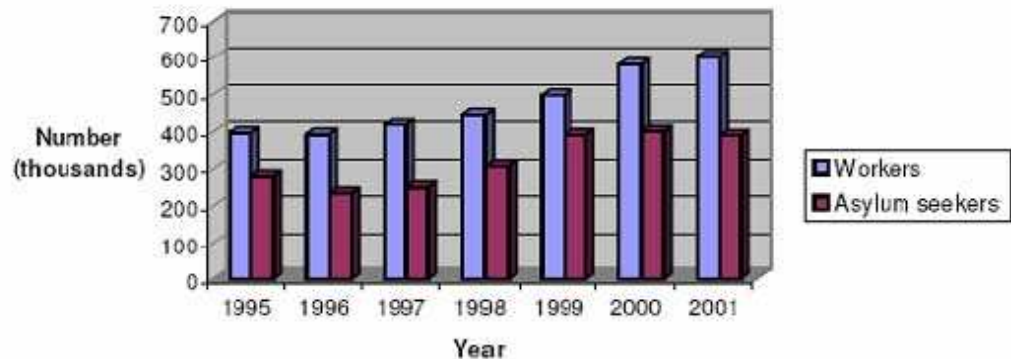
By definition migration is a multidisciplinary issue which involves above all legal disciplines, economics, sociology and political studies. Our activities propose to analyse migration flows on the basis of the current social and economic literature giving useful indications for the economic and sociological interpretation, as well as policy and legal solutions to control and exploit migration resources.

Concrete applications in terms of economic and societal impact.

Up to now immigration policy has been ambivalent. While permitting and stimulating the international migration which is perceived to be desirable, at the same time it mobilizes numerous resources to prevent undesirable immigration. Our project resume and set up the existence literature about migration flows giving a complete view, in addition, a long list of new insights will be studied, ranging from the role of remittances in the sending and receiving economies, to the effect of migration on the ageing population in the core EU countries, to the impact of migration flows in terms of wage and employment opportunities, to the effect of migration on the political system and cultural background of the EU countries. In addition, the relevance and the concrete application of the research are connected with our final aspiration: our study aims to give some indications and to suggest some solutions to the regional, national and European political authorities concerning migration issue.

Fig.1

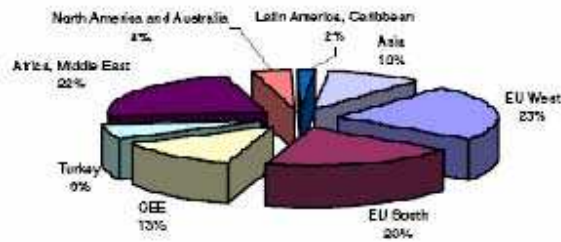
Figure 1. Inflows of foreign workers and asylum seekers into the EU-15, 1995-2002



Source: OECD, 2004

Fig.2

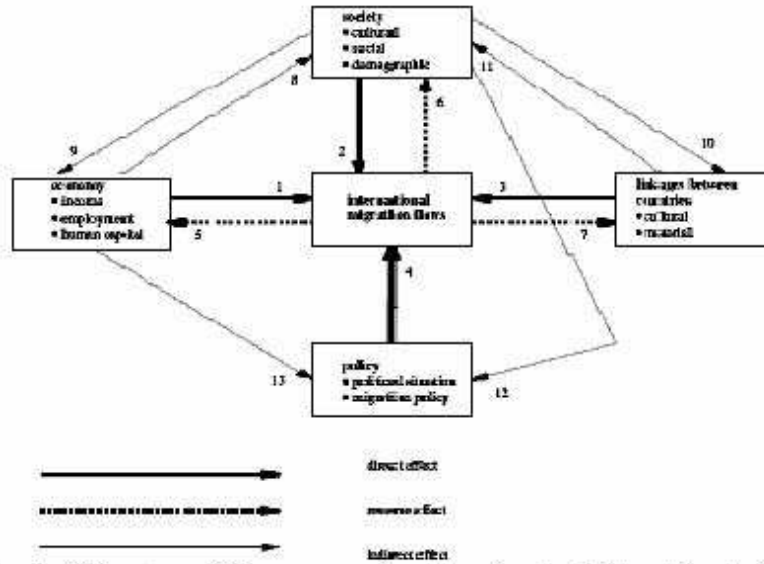
Figure 2. Immigration population in the EU-15 by origin



Source: Munz and Fassmann, 2004

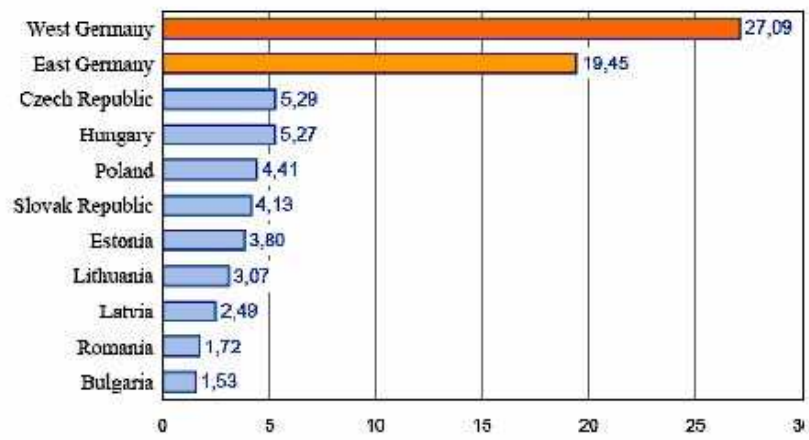
Fig.3 Fig.4

Figure 3. Determinants of migrations flows



Source: Rijksuniversiteit Groningen; "Macro-economic determinants of international migration in Europe", 2004

Figure 4. Average labour costs in industry in 2003 (hourly costs, euro)



Source: Eurostat press release no. 112 of September 15, 2004.