

Terms of reference

2. Five years of an enlarged EU – Migration in an enlarged EU: solution or problem for labour market woes and cash-strapped social security systems?

Background

Most of the new Member States joined the EU with considerably lower income levels than the incumbent countries. As borders are disappearing, this set into motion migratory flows, which some countries welcomed while other countries kept controls. Migration is a sensitive issue with not only economic but also social, cultural and political consequences affecting the public at large.

Aims of the essay and key questions to be tackled

The aim of the essay is to study the impact of migration both in countries of origin and destination, broadly corresponding to the new and old Member States, respectively, and shed light on the benefits and costs. The point of interest are the economic aspects of migration, with particular attention for the effects on labour markets, social security systems and growth. With respect to country coverage, Romania and Bulgaria should be included where possible. The focus of the assessment is the 5 year period between 2004 and 2009, but often it will be necessary to have a broader time frame to understand developments. Indeed, the perspective of EU accession had been a driver in the economic transition of new Member States. As far as method is concerned, in addition to a macroeconomic approach with a relevant empirical dimension, also case studies of a particular sector, market or country will be highly welcome as they are concrete and potentially very effective in passing a message or illustrating a point. However, also with case studies the cross-country perspective may not be forgotten.

The essay may zoom in on a particular aspect of the issue or cover more domains, reflecting the state of the art in the literature on the topic:

- Descriptive characteristics of migration: size, type, duration, skill level, age structure, gender balance, geographical patterns;
- Determinants of migration;
- Migration inside the EU and with third countries: differences, similarities and links;
- Impact of migration on new and old Member States; effect on wages, labour markets, sustainability of social security systems, productivity, growth; adjustment capacity;
- Brain drain versus brain gain; brain recirculation;
- What is the effect of emigrant remittances?