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Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe

Executive Summary

Bulgaria

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During the 1990s Bulgaria experienced a very difficult and painful transition from a state-planned to a market economy. The cumulative decline in GDP, industrial production and real wages led unemployment and poverty soared. Political instability, slow implementation of reforms and inconsistencies in economic policy were fundamental to the severe economic downturn which has induced massive migration from Bulgaria. After a first wave of mainly ethnic migration of Bulgarians of Turkish origin to Turkey in 1989, the unstable economic and political situation reinforced the economic nature of emigration. It is estimated that between 600,000 and 700,000 people left the country until the beginning of the 2000s, moving to Germany, the USA and other Western European countries. Labour migration at that time took place either in the frame of labour agreements concluded with European countries or remained irregular.

Macro-economic stabilisation in Bulgaria started at the end of the 1990s, and in the years preceding the current global crisis, the country experienced steady and significant GDP growth and most socio-economic indicators improved significantly. Under these conditions and in the context of visa-free travel to countries of the Schengen area as from 2001, the structure of emigration shifted from long-term towards temporary and circular migration and the share of young and low-educated migrants increased. Outflows from the country slowed down (but still outnumbering inflows) and the directions of migration changed towards destination of Southern Europe (Greece, Spain, etc.). Irregular migration was partly legalised by regularisations in destination countries. Interestingly, male-dominated migration until 2003 was more and more replaced by migration of women making Bulgaria one of few countries with mostly female migration. After EU accession student mobility and migration for the purpose of professional career development was on the rise.

Today, Bulgaria remains among the main migrant sending countries in the EU. The global crisis has also affected Bulgaria and data seems to indicate that this has led to a sharp increase in numbers of emigrants since 2008 while there is no clear evidence of return migration. At the same time, there are no signs that the volume of remittances sent home by migrants - which has been steadily rising since 2004 (from 1.77% up to 4.3% of GDP in 2010) - has been tangibly affected by the crisis. Remittances have had a positive impact on the households' well-being in Bulgaria as they have increased consumption and living standards. There is also some evidence that investment of remittances in housing has boosted the real estate market in the whole country.

Emigration from Bulgaria has a strong negative impact on the demographic composition of the population and has exacerbated the already advanced process of population ageing. Large-scale emigration of mainly young and active people led to a decline of the labour force in Bulgaria and has the potential for significant effects on the future economic and social development of the country. Migration affects individual sectors of the Bulgarian economy differently; imbalances are noticeable in the health sector, in university education and selected high-tech sectors. Out-migration of health professionals, especially of nurses, is a key challenge for the country. The ratio of nurses to the population has significantly dropped as compared to the situation beginning of the 1990s and it remains far below EU average. Unfinished reforms in the healthcare sector have kept the migration pressure on health professionals high in times where the ageing of the medical personnel remains a problem, thus making further acute shortages very likely. The sharp increase of student mobility after 2000 also points to a risk for the future availability of human capital resources in Bulgaria as the effective return of these students remains an open question.

Internal migration data shows that large-scale urbanization during the second half of the 20th century was already terminated at the end of the 1980s in Bulgaria, and since the beginning of the 1990s, a comparatively stable structure of migration flows between urban and rural areas has been observed. However, the combined process of external and internal migration, induced by lacking employment opportunities and high unemployment in villages and small towns in particular, has been the main driver or, at least, has exacerbated a process of depopulation reaching up to 80% within the last two decades in the North-West region (as well as North-Central region). The socio-economic analysis of regions shows that

not only disparities between the regions in Bulgaria in terms of socio-economic development are very important and have increased over the period studied, but that the areas mostly affected by out-migration and depopulation are also the most disadvantaged ones and turn to be excluded places for living in Bulgaria. A look at the most relevant indicators show that in particular the North-West region can be considered as the most affected one in this respect. The main social and economic problems of this region and, more generally, of rural areas of Bulgaria, are both a cause and a consequence of migration and can be characterized as follows: low birth rate and high mortality, out-migration of young people, low educational status combined to an above average (long-term) unemployment, poor and deteriorating infrastructure, fragmentation of land's ownership and low levels of agricultural productivity. The implications of migration and depopulation (in these areas) are felt mostly by families of migrant workers, especially children and elderly left behind. In some locations of Bulgaria children left by migrating parents make up the majority of children and are confronted with higher rates of school drop-outs and behavioural problems. Educational attainment is also problematic among Roma children and children of Turkish origin who migrate with their parents for some periods of time and do not attend school regularly. As regards the elderly, migration of family members usually worsens their already difficult situation, characterized by high poverty and lacking access to health and social services, in particular in rural areas. The Roma and members of the Turkish ethnic minority are also specifically affected as they often inhabit such areas of depopulation and deprivation.

In order to address the (negative) impacts of out-migration, Bulgarian public authorities have developed policies, strategies and measures aimed principally at reducing emigration flows and stimulating the return of Bulgarian nationals. The objective is to improve the demographic balance, increase labour supply and national human capital. Measures envisaged include encouraging return migration, creating the conditions for competition and motivation of graduating specialists and providing a promising career in the country; they thus focus on the (highly)-qualified and young people in particular. Another specific feature of current Bulgarian migration policy is its orientation mostly towards persons of Bulgarian origin who are citizens of other countries.

In order to respond properly to the challenges of migration and design adequate and effective policies on migration and cross-border mobility of Bulgarians, the State should improve information and research about as well as monitoring of migration processes in the country. The success of future policies does not lie in the retention of human capital in Bulgaria, but rather in promoting its development via or during migration abroad and taking advantage of it in the country. In spite of the efforts undertaken by the national authorities, there are still no specific and sufficient services in place for supporting people who return from migration to their homes. A common feature of the current Bulgarian migration policy remains the substantial number of strategies, action plans, programs, etc. often criticized because of their pure declarative character and the lack of concrete goals with specified indicators of achievements. Further, they do not focus enough on promoting circular migration. Having in mind the flexibility and mobility of migrants, this is a crucial point when designing policies, especially policies trying to support net migration loss regions.

To overcome the negative effects of migration, there is a need to achieve further significant economic progress and higher living standards of people in Bulgaria. For this purpose the development of a stable and predictable business environment, the establishment of an efficient Judiciary and implementation of reforms in the public sectors of healthcare, education and social services are necessary. Social protection and social inclusion policies towards the vulnerable groups must be improved, and in order to support these, available EU funding should be used more effectively through a decentralised system of EU fund management. This shall focus on ensuring employment of vulnerable groups, in particular of the Roma community in Bulgaria.