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

Executive Summary

Greece¹

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¹ In addition to the 23 Central and Eastern European Countries with a state planned economy past, Greece and Turkey were included as reference countries in the study with the aim to draw lessons learnt from their rather extensive migration waves in the past.

Greek post-war II emigration forms part of a broader population movement from the agricultural economies of the Mediterranean to transoceanic and European countries with a strong and expanding secondary sector. Migration to Western Europe was intended to be a temporary import of cheap labour and was subject to a policy of organised labour importation drafted by the host country governments and employers. Extensive unemployment and underemployment as well as unequal distribution of income are considered to be the main push factors of the Greek massive post-war II emigration. As a result, the population in the poorer rural areas declined severely, especially in the smaller islands and in the mountainous areas where the local economies collapsed causing more outmigration and desolation. The growing urban centres of Athens and Thessaloniki and the receiving countries in Europe and overseas were the main migration gain areas, the former often operating as buffer zones before the final movement of rural population abroad.

The number of Greek emigrants between 1946 and 1977 reached approximately 1,300,000. Of the estimated 638,000 emigrants to European countries, the largest percentage - 83% - moved to West Germany. The majority of Greek emigrants were young and of working age. As a result in the 1960s, the economically active age group of the Greek population declined by 11%. By the mid-1960s acute seasonal shortages of labour were apparent in some areas, and agricultural wages rose steeply. Scarcity of people with technological, technical and managerial skills, particularly in the growing manufacturing industry, was evident. The result was an increase of wages in both the secondary and the primary sector.

Greek post war II emigration had a positive impact in reducing unemployment and in increasing capital transfers in the form of remittances, which contributed positively in alleviating the deficit in the balance of payments. In the period 1955-1982 Greek remittances represented 4-5% of the annual Gross National Income and approximately 1/3 of the invisible receipts. Yet, Greek governments failed to offer the incentives essential for channeling remittance capital towards productive sectors and activities.

After the oil crisis of 1973, restrictive migration policies adopted in Western Europe restrained further emigration and contributed to repatriation. This fact, along with the fall of dictatorship (1974) and the rising economic prospects in Greece have been more effective determinants of repatriation than the measures adopted by the Greek state for encouraging it. Between 1968 and 1977, 237,500 emigrants returned, half of whom came from Germany. By 1980, the number of returnees had reached 390,000. Returnees did not contribute substantially towards economic development, neither through the utilization of their savings for investment purposes nor through the utilization of their skills and experience. In rural areas the most pronounced impact of repatriation was in agricultural mechanization, housing the proliferation of small service establishments, and the growth of tourist-related infrastructure.

The Greek state's policies towards returnees remained largely inconsistent, ineffective and devoid of long-term strategy. Moreover, public administration deficiencies, administrative complexity, insufficient information and excessive bureaucratic procedures all played a negative role in the reintegration process of the returnees. The main exception was the establishment of a General Secretariat for Greeks Abroad (GSGA) in 1982 which constituted a turning point in government policy on emigrants and returnees. One of the priorities of the GSGA was to create bodies, in which the expatriates would be represented, and which would advise the state on relevant issues. Particular emphasis was also given to Greek language education for the children of emigrant families.

During the emigration period, the Greek governments signed labour migration agreements with most host countries. Specific social security bilateral agreements were also signed with the aim to ensure social security and pension rights for the Greek migrants and the transfer of those rights upon their return to Greece. After the accession of Greece to the EEC in 1981, Greek emigrants and returnees from countries of the EEC had their social security and pension benefits secured by the relevant regulations of the EEC, which replaced all bilateral agreements with member states, leading to an overall improvement of the Greek migrants' position. For those who were not covered by EEC regulations or bilateral agreements, or for

those who did not qualify for a pension in Greece, specific provisions gave (in certain cases) Greek returnees the option of enrolling into a special voluntary scheme (social insurance and medical care coverage for them and their families) of the Greek Social Insurance Foundation.

Available aggregate information on the impact of emigration on women, children and the elderly, is very limited. Data based on case studies reveal that there were serious difficulties in the re-integration of returnees. In particular, women were faced with serious difficulties in their occupational reintegration, as well as in the social field, while children encountered difficulties mainly with learning the language and with adapting to the Greek educational system. The elderly left behind were faced with a lack of health and social care services, especially in rural areas. In general, the Greek welfare system lacked a universal approach and was characterised by a limited capacity in providing social protection and care services for the vulnerable population groups. This has been more than evident in the case of Greek emigrants who returned home, let alone their families who had been left behind.

Although the state provided incentives for settlement in rural areas from 1982 onwards, this target was not met with success. On the contrary, the number of returnees in urban areas - and especially in Athens - increased.

Regional Policy plans provided incentives for new investment, the establishment of industrial estates and other infrastructure (transport etc.), the improvement of social infrastructure (education, health) and finally organizational and institutional measures. Among the measures addressed to disadvantaged net migration loss regions, were the establishment and support of cooperatives, where priority was given to attracting returnees and their savings in regions of high emigration. Unfortunately, these measures proved to be inadequate.

Most of the rural development policies still keep a marked sectoral connotation. Agricultural policies have been considered as the main tool for the development of rural areas. The main interventions have been incentives for farm households, while other important groups such as women, young people, Roma etc., have only marginally benefited from such policies.

It is thus evident that integrated regional development plans and policy interventions should be given high priority in order to: develop infrastructure programmes to support economic growth and regional integration, create an appropriate environment for private investments, develop strong public sector institutions and good governance, strengthen trade integration in the region, reduce social exclusion and poverty, build environment programmes at a regional level, strengthen the region's interaction with other regions. In other words, a holistic approach to regional development is needed, an important component of which should be a comprehensive and pro-active migration strategy. The responsibility for the implementation of such a strategy could be accorded to a central public body which will be also responsible for the coordination of the various measures taken by the different competent ministries. Among other things, such a body should put in place the necessary instruments (including monitoring and evaluation) and establish appropriate links with regional and local level administration, ensuring at the same time effective horizontal administrative and institutional arrangements at both national (inter-departmental coordination) and local level (i.e. partnership and institutional coordination), so as to integrate the efforts of all actors at the point of delivery.