



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

Executive Summary

Croatia

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Prior to independence, Croatia had a significant part of its population working abroad and, during modernisation and industrialisation (1951-1971), experienced high levels of rural-urban and out migration. More than half a million people left rural areas between 1961 and 1971. Of the 264,334 who resided or worked abroad according to the 1971 census, over 78% were from rural settlements. Since independence in 1991, a period of conflict and post-conflict related migration has been followed by a normalisation and reduction in migration flows. From 1991 to 1996, large migration flows, mainly out-migration, but also in some periods in-migration, occurred as a result of the wars. The overall Croatian population declined by over 7% between 1991 and 2001. From 2001 onwards, net migration has been mainly positive, but never above 2.7 per 1,000 population. The impact of EU membership, likely in July 2013, is not expected to change the situation dramatically. Emigration from Croatia has clustered into two groupings – economic migration to Western Europe, particularly Germany; and 'ethnicised' migration, including forced migration, to other post-Yugoslav countries. The peak of rural out-migration was in the 1960s, followed by a wave of out-migration from war-affected rural areas in the 1990s. Whilst 18 out of 21 counties lost population between 1991 and 2001, the most disadvantaged rural areas can be found in war-affected parts of Croatia, particularly Ličko-Senjska, Sisačko-Moslavačka, Šibensko-Kninska, and Karlovačko counties. Regional inequalities between these four counties, other war-affected counties, and the rest of Croatia are significant with a 'vicious circle' operating in terms of out-migration of the most skilled and able; an ageing population with lower human capital; a reduction in local markets through a reduction in purchasing power; and decreased access to and quality of local services.

Croatia has a rather inflexible labour market marked by a general lack of mobility. Some labour market shortages, particularly in shipbuilding, construction and tourism, may be linked to economic out-migration. There are also some trends in terms of the out-migration of highly qualified persons although the extent of this is subject to much debate. There is an emerging flexibility of young women, moving from rural to urban areas. In addition, many disadvantaged areas, including the Croatian islands, experience out-migration of young people seeking to maximise their educational opportunities and subsequent returns to education. Net migration loss counties have experienced decline in industrial production, the loss of a replacement population in key sectors, and a growth in subsistence-related agriculture. By regional standards, remittances from abroad are low, at around 3% of GDP, but they are significant in terms of reducing the depth and severity of poverty. As a future EU member state, Croatia has social security agreements in place with all relevant countries although, in practice, the regulation of bilateral agreements with Serbia and Bosnia-Herzegovina are complex in the context of disagreements over contributions' records.

The problems of emigration and rural-urban migration are faced by older people, particularly those living alone in isolated rural areas who lack both family, neighbourly, and formal support services. Older people who are members of the Serbian minority, particularly those who returned to war-affected areas after forced migration, also have to cope with poverty and social exclusion as well as discrimination. Many working age Serbs have found it impossible to sustain their return to Croatia and have either left again or operate in a transnational space. Whilst we await the proportion of the population who declared themselves as Serb in 2011, the proportion dropped from 12.2% in 1991 to only 4.5% in 2001. Whilst Roma are, in general terms, the most disadvantaged minority in Croatia, the impact of migration has not been studied systematically. The extent of the problem of children left behind by parents who work abroad, or who move between schooling in Croatia and schooling abroad, is not known, although it is probably less than in the past. At the same time, the issue of returning older guest workers from abroad has not yet become a policy issue.

Croatia has been slow to introduce an holistic migration policy and strategy although a new Law concerning the Croatian Diaspora was passed in October 2011. Similarly, beyond some bilateral agreements, the issue of labour migration tends to be dealt with through stand alone projects, although one of these, the establishment of Migration Information Centres, has now become integrated into the Croatian Employment Service. A Unity Through Knowledge fund also seeks to promote links between researchers in Croatia and Croatian researchers

abroad. The recognition of qualifications gained abroad is being regulated as Croatia prepares for EU accession but this, still, remains a slow, costly and difficult process. The new Law and Strategy establishes the return of key groups of Croatians from abroad, notably scientists and students, partly through a mentorship programme, as a priority. In recent years, most of the formal discriminatory provisions hindering the return of ethnic Serbs who had fled during or after the war were removed although structural conditions for sustainable return of the working age population are not yet fully in place. Similarly, whilst a number of Laws and programmes, many linked to EU accession, have sought to target disadvantaged and rural areas in Croatia, the scale of their structural decline is too great for these initiatives to have had a significant impact. In terms of unemployment, the economic and financial crisis has hit the relatively more advantaged areas harder. The modernisation of agriculture, whilst delivering benefits to all in the longer-term, appears to be increasing rural inequalities in the short-term.

Key challenges and recommendations relate to the following issues:

1. Developing an effective and credible evidence-based migration policy, including bilateral, European and regional elements. The creation of a central co-ordinating body, tasked with drawing up a clear medium-term Action Plan on migration, is recommended strongly.
2. Promoting circular migration within efficient and flexible labour markets and social protection systems. Targeting those likely to benefit from enhanced mobility, through a range of schemes, combined with improved labour market planning processes, is needed. As well as programmes targeting the return of the most highly skilled, there is a need for mentoring to be available for all who need advice prior to a decision to migrate or return. Any remaining impediments to flexible social security systems, including the lack of enforcement of legal mechanisms, need to be removed.
3. Creating conditions for the sustainable return of ethnic Serbs who left as a result of the war, particularly younger and able-bodied people and families, as well as working more intensively on re-integration and trust-building.
4. Establishing effective and accessible support services to minimise the social exclusion of those left behind, including isolated older people, ethnic minorities, including Roma, and children, not least through the provision of community-based, mobile and flexible social services, health and education services.
5. Limiting and, wherever possible, stemming the flow of out-migration of working age, educated and skilled population from war-affected, rural areas and the Croatian islands through incentives and promotion of new employment opportunities.
6. Ensuring that strategies on employment, social inclusion, and regional development, with the support of well-targetted EU programmes, focus much more on the issue of migration and on minimising its negative social impacts.
7. Promoting stronger links and involvement of Croatians abroad in equitable and sustainable development in Croatia, as well as seeking ways of maximising the use of remittances for investment, savings, and development.