

## **THE CAUSES AND CONSEQUENCES OF EMIGRATION AND EMIGRATION PROCESSES IN THE VISEGRAD GROUP COUNTRIES: A CROSS-REGIONAL COMPARATIVE ANALYSIS**

The article deals with the causes and consequences of emigration and emigration processes in the Visegrad Group countries at different stages of their development after the collapse of the Warsaw Pact, in particular on the basis of a cross-regional comparative analysis. The author stated that the causes and consequences of emigration in the Visegrad Group countries are interrelated. The researcher argued that emigration from the Visegrad Group countries is socio-economically determined, as the movement of emigrants from the region is mainly directed to the countries of Western Europe and North America. At the same time, it was found that emigration from the Visegrad Group countries is socio-economically advantageous for the countries of Western Europe, but not for the analyzed region. Thus, it was generally argued that the causes and consequences of emigration from Visegrad Group countries are predominantly internal and socio-economic.

*Keywords: migration, emigration, socio-economic development, region, the Visegrad group.*

## **ПРИЧИНИ І НАСЛІДКИ ЕМІГРАЦІЇ ТА ЕМІГРАЦІЙНИХ ПРОЦЕСІВ У КРАЇНАХ ВИШЕГРАДСЬКОЇ ГРУПИ: КРОС-РЕГІОНАЛЬНИЙ ПОРІВНЯЛЬНИЙ АНАЛІЗ**

Виявлено та проаналізовано причини і наслідки еміграції та еміграційних процесів у країнах Вишеградської групи на різних етапах розвитку після колапсу системи Варшавського договору, зокрема на підставі здійснення крос-регіонального порівняльного аналізу. Констатовано, що причини і наслідки еміграції в країнах Вишеградської групи є взаємозумовленими. Встановлено, що еміграція з країн Вишеградської групи є соціально-економічно детермінованою, оскільки рух емігрантів з регіону головно спрямований до країн Західної Європи і Північної Америки. Водночас виявлено, що еміграція з країн Вишеградської групи соціально-економічно вигідна передусім для країн Західної Європи, а не аналізованого регіону. Загалом аргументовано, що причини і наслідки еміграції з країн Вишеградської групи є переважно внутрішніми та соціально-економічними.

**Ключові слова:** міграція, еміграція, соціально-економічний розвиток, регіон, Вишеградська група.

The main peculiarity of emigration processes in the modern Visegrad countries lies in the fact that defined themselves only in the early 1990. Instead, historically, they were dramatically diversified and fragmented. In particular, in the late 19th - early 20th century the countries of the region were characterized by quite a significant emigration level and spatial mobility, however, in the mid-twentieth century the situation has changed, because within «closed societies» and regimes of totalitarian and authoritarian types, emigration processes have become rather an exception and the violation of the law. Therefore, east-west migration became a major problem for the Visegrad countries upon the crucial political and socio-economic changes in the late 1980s and early 1990s. Following the first signs of significant emigration from the former communist region, Western European countries have adopted restrictive rules. At the same time, and simultaneously with the rise of emigration processes from the Visegrad countries, they themselves became destinations for immigration flows from the east. Yet, most interestingly the EU's rigorous prescriptions in regard of the Visegrad countries (especially before their accession to the EU) soon became an example of the intended rules for regulating migration from novel democratic states, and therefore affected their migration policy development<sup>1</sup>. As a consequence, emigration from the Visegrad countries (especially in the early 1990s) proved to be much lower than the estimated numbers, as migration processes began occur in different directions, not just in the «east-west vector», as well as being both short and long term, legal and illegal<sup>2</sup>. All of the abovementioned factors have determined the need for scientific (theoretical and empirical) identification of the causes and consequences of emigration / emigration processes in the Visegrad countries.

The stated issues have been in the scientific focus of many a scientist, such as: Alvarez-Plata, H. Brücker and B. Silverstovs<sup>3</sup>, T. Bauer and K. Zimmermann<sup>4</sup>, Bodnar K. and L. Szabo<sup>5</sup>, T. Boeri and H. Brücker<sup>6</sup>, G. Borjas<sup>7</sup>, C. Dustmann<sup>8</sup>, M. Fertig i C Schmidt<sup>9</sup>, T. Hatton i J. Williamson<sup>10</sup>,

<sup>1</sup> Wallace C., Stola D., *Patterns of migration in Central Europe*, Wyd. Macmillan 2001.

<sup>2</sup> Jazwinska E., Okolski M., *Causes and consequences of migration in central and eastern Europe*, Wyd. University of Warsaw 1996.

<sup>3</sup> Alvarez-Plata P., Brücker H., Silverstovs B., *Potential Migration from Central and Eastern Europe into the EU-15 – An Update*, Wyd. DIW Berlin 2003.

<sup>4</sup> Bauer T., Zimmermann K., An Assessment of Possible Migration Pressure Following EU Enlargement to Central and Eastern Europe, *IZA Research Report* 1999, vol 3.

<sup>5</sup> Bodnar K., Szabo L., The Effect of Emigration on the Hungarian Labour Market, *MNB Occasional Paper* 2014, vol 114.

<sup>6</sup> Boeri T., Brücker H., Eastern Enlargement and EU-Labour-Markets: Perceptions, Challenges and Opportunities, *IZA Discussion Papers* 2001, vol 256.

<sup>7</sup> Borjas G., Immigration and Welfare Magnets, *Journal of Labor Economics* 1999, vol 17, nr. 4, s. 607–637.

<sup>8</sup> Dustmann C., Casanova M., Fertig M., Preston I., Schmidt C., *The Impact of EU Enlargement on Migration Flows*, Wyd. Home Office Online Report Research Development and Statistics Directorate 2003; Dustmann C., Frattini T., Rosso A., The Effect of Emigration from Poland on Polish Wages, *CREAM Discussion Paper* 2012, vol 29/12.

<sup>9</sup> Fertig M., Schmidt C., Aggregate-Level Migration Studies as a Tool for Forecasting Future Migration Streams, *IZA Discussion Paper* 2000, vol 183.

<sup>10</sup> Hatton T., Williamson J., What Fundamentals Drive World Migration?, *NBER Working Paper* 2002, vol 9159.

A. Hars<sup>11</sup>, G. Epstein<sup>12</sup>, S. Haug<sup>13</sup>, E. Jazwinska and M. Okolski<sup>14</sup>, M. Leon-Ledesma and M. Piracha<sup>15</sup>, F. Ortega and G. Peri<sup>16</sup>, P. Pedersen, M. Pytlikova and N. Smith<sup>17</sup>, R. Stefancik<sup>18</sup>, A. Zaicева<sup>19</sup>, and many others, analyzing both general theoretical empiric, socio-economic, legal, political, psychological, ecologic, cultural, religious and other short-term and long-term emigration factors and consequences. However, they have insufficiently elucidated the very Visegrad region (especially against other European countries), which presents a sample of the this study, its first part dealing primarily with the causes of emigration in the region, with its second part focusing mainly on the effects of emigration in the region.

Accounting for the determination and causality of emigration processes in the countries of the Visegrad Group (Poland, Slovakia, Hungary and the Czech Republic), we start with the fact that following more than forty years of the communist regime, having brought emigration to a halt, the «iron curtain» has fallen, enabling people to move abroad. possibility of moving abroad<sup>20</sup>. A decade following the collapse of the USSR and post-communist changes led to a further weakening of migration pressure on the countries of the Visegrad Group. However, the issue of migration flux from the countries of the region occurred mostly due to the EU eastward enlargement, for it was differently associated with the free movement of citizens of the new EU Member States, which could have caused and eventually led to a large-scale emigration<sup>21</sup>. Therefore, the emigration processes in the Visegrad countries, mainly through the prism of assessing their causes, should be discussed in three stages, namely: pre-accession to the EU accession, while accession to the EUn, and post-accession to the EU. Although, it is worth remembering that emigrants from the Visegrad countries are moving not only towards the EU, but also to other countries, such as Australia, Canada and the USA, as well as to the countries of the Middle East or Southeast, etc.

<sup>11</sup> Hárs Á., The alien population and its presence in the workforce, *“Europa Forum”* 1995, s. 84–97.

<sup>12</sup> Epstein G., Informational Cascades and Decision to Migrate, *“IZA Discussion Paper”* 2002, vol 445.

<sup>13</sup> Haug S., Klassische und neuere Theorien der Migration, *“Arbeitspapiere Working Paper”* 2000, vol 30.

<sup>14</sup> Jazwinska E., Okolski M., *Causes and consequences of migration in central and eastern Europe*, Wyd. University of Warsaw 1996.

<sup>15</sup> Leon-Ledesma M., Piracha M., International Migration and the Role of Remittances in Eastern Europe, *“International Migration”* 2004, vol 42, nr. 4, s. 65–83.

<sup>16</sup> Ortega F., Peri G., Openness and Income: The Roles of Trade and Migration, *“Journal of International Economics”* 2014, vol 92, nr. 2, s. 231–251.

<sup>17</sup> Pedersen P., Pytlikova M., Smith N., Selection or Network Effects? Migration Flows into 27 OECD Countries, 1990–2000, *“IZA Discussion Paper”* 2004, vol 1104; Pytlikova M., *Where Did Central and Eastern European Emigrants Go and Why?*, SOLE/EALE world conference, San Francisco 2005, s. 77–114.

<sup>18</sup> Stefancik R., Ekonomicke a socialne priciny medzinarodnej migracie v teoretickej reflexii, *“Slovenska politologicka revue”* 2010, vol 4, nr. 10, s. 51–72.

<sup>19</sup> Zaicева A., Implications of EU accession for international migration: and assessment of potential migration pressure, *“CESIFO Working paper”* 2004, vol 1184; Zaicева A., Zimmermann K., Returning home at times of trouble? Return migration of EU enlargement migrants during the crisis, *“IZA Discussion Paper”* 2012, vol 7111.

<sup>20</sup> Pytlikova M., *Where Did Central and Eastern European Emigrants Go and Why?*, SOLE/EALE world conference, San Francisco 2005, s. 77–114.

<sup>21</sup> Dustmann C., Casanova M., Fertig M., Preston I., Schmidt C., *The Impact of EU Enlargement on Migration Flows*, Wyd. Home Office Online Report Research Development and Statistics Directorate 2003; Boenigk T., Brücker H., Eastern Enlargement and EU-Labour-Markets: Perceptions, Challenges and Opportunities, *“IZA Discussion Papers”* 2001, vol 256; Zaicева A., Implications of EU accession for international migration: and assessment of potential migration pressure, *“CESIFO Working paper”* 2004, vol 1184; Burda M., The consequences of EU enlargement for central and east European labour markets, *“CEPR Discussion Papers”* 1998, vol 1881.

Analyzing the causes of emigration / emigration processes from the Visegrad countries prior to and during their integration into the EU (in particular until the early 2000s), it is worth mentioning that they were caused primarily by socio-economic differences (particularly, GDP per capita) in the region and the EU (Western Europe). According to the data, presented in Tables 1 and 2 it is apparent that Hungary, Poland, Slovakia and the Czech Republic were still less socio-economically advanced than their counterparts out of the «old» EU Member States and Western Europe.

**Table 1.** Annual GDP per capita by purchasing power in the Visegrad countries and Western Europe (1990–2016), in dollars

Country	GDP per capita (\$), 1990	GDP per capita (\$), 2000	GDP per capita (\$), 2010	GDP per capita (\$), 2016
<b>Countries of the Visegrad Group</b>				
Hungary	8283,03037 (1991 p.)	11843,462	21466,5742	26680,5941
Poland	6175,230105	10644,71385	21089,01108	27810,51663
Slovakia	7131,25198 (1992 p.)	11347,91207	25010,54458	30631,95391
Czech Republic	12608,51034	16132,36975	27659,26524	34711,28294
Average	8549,505699	12492,11442	23806,34878	29958,5869
<b>Countries of Western Europe</b>				
Austria	19394,23375	29301,08698	41906,72959	50077,83261
Belgium	18757,80522	27966,9388	40129,42633	46383,23696
Greece	13290,18183	19503,87943	28202,83336	26783,02457
Denmark	18214,33344	28640,06243	43082,75554	49695,96751
Ireland	13734,53487	30155,26932	43221,45984	68882,87834
Iceland	22129,16802	29497,91123	38410,6693	51398,92651
Spain	13626,44585	21517,32964	31984,15525	36309,8443
Italy	18546,22739	27006,39772	35075,7532	38160,67359
Luxembourg	30955,18371	55306,30735	85779,0824	105881,7605
Malta	9337,889418	19410,77635	27862,85075	37899,21063
Netherlands	18899,8206	31572,67803	44585,52623	50898,08869
Norway	18431,31229	36927,96013	57995,86019	59301,67024
Portugal	11762,11007	18872,37901	27360,96112	30624,17469
United Kingdom	16739,14676	26030,72882	35740,7372	42608,91939
Finland	18148,28541	26732,30607	38812,31889	43052,7268
France	17640,66127	26192,6532	36026,98256	41466,26571
Germany	19421,76614	27277,11033	39263,18779	48729,59042
Switzerland	27523,7644	35675,09453	52935,80414	62881,46051
Sweden	20096,18657	29257,98526	41667,83209	49174,86379
Average	18244,68721	28781,30814	41581,31188	49484,79557

Źródło: *GDP per capita, PPP (current international \$)*, World Bank, Źródło: <http://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD> [odczyt: 01.11.2019].

The only exception is the situation in Greece (and only after 2010), which has never been the destination-country for immigrants from the Visegrad countries. This can be accounted for both by annual GDP per capita (purchasing power) and to annual GDP growth in the analyzed countries (except for the financial and economic crisis period that began in 2008). Even despite the fact that some countries, e.g. the Czech Republic, which by the year 2000 had reached 50-60 percent of socio-economic development in Western Europe, at present nearly all Visegrad countries account for 60 percent of GDP per capita in Western Europe, with its growth rates even higher in the former (especially after their accession to the EU) than in the latter. Thus, even upon the collapse of the USSR and drastic changes in the labour markets of the post-communist countries of the Visegrad Group, they tend to remain economically and socially dependent on the countries of Western Europe, and therefore key emigration processes have been directed specifically to them<sup>22</sup>. Initially, this was caused by the restructuring of the economies of the countries of the region, and subsequently by the socio-economic problems of their population. Later this came as a result of their labour markets reorientation to Western Europe, and consequently the need to adjust the salaries of different strata of the population (especially blue-collar workers).

**Table 2.** Annual GDP growth in the Visegrad Group and Western Europe (1990–2016), in per cent

Country	Annual GDP growth (%) (1990)	Annual GDP growth BBП (%) (2000)	Annual GDP growth BBП (%) (2010)	Annual GDP growth (%) (2016)
<b>Countries of the Visegrad Group</b>				
Hungary	-3,06418035 (1992 p.)	4,202333971	0,677098149	1,95436933
Poland	-7,0155788 (1991 p.)	4,559571179	3,606960459	2,678677124
Slovakia	1,901327059 (1993 p.)	1,210173376	5,041716665	3,285149716
Czech Republic	-11,6149424 (1991 p.)	4,294136059	2,295089687	2,426033011
Average	-4,948343623	3,566553646	2,90521624	2,586057295
<b>Countries of Western Europe</b>				
Austria	4,345641565	3,368407715	1,928673056	1,480730721
Belgium	3,137402456	3,633841364	2,695144611	1,19297884
Greece	0	3,919770772	-5,47903711	0,011752059
Denmark	1,475244726	3,746900212	1,870992639	1,287563494
Ireland	8,466527969	9,912390825	2,033546407	5,213744704
Iceland	1,16937033	4,680514158	-3,55986488	7,199684474
Spain	3,781393447	5,289093179	0,013786544	3,235753073
Italy	1,985774909	3,710107987	1,686523279	0,879890549
Luxembourg	5,319932182	8,239799112	4,86496856	4,180493009
Malta	6,291390958	6,770193911	3,542683214	5,041457164
Netherlands	4,183222799	4,238763069	1,402662177	2,141808733
Norway	1,932438873	3,205285075	0,601886135	1,077979021

<sup>22</sup> Bauer T., Zimmermann K., An Assessment of Possible Migration Pressure Following EU Enlargement to Central and Eastern Europe, "IZA Research Report" 1999, vol 3.

Portugal	3,950523301	3,787494022	1,898691753	1,398561546
United Kingdom	0,716882963	3,744962443	1,915161833	1,80601839
Finland	0,675783494	5,634847452	2,992337502	1,387299924
France	2,914009701	3,875162259	1,965657375	1,187650382
Germany	5,255006086	2,962045368	4,079933305	1,8672582
Switzerland	3,674625648	3,946102508	2,953816768	1,287450828
Sweden	0,754674751	4,735287133	5,988926547	3,177734937
Average	3,159465587	4,705314135	1,757709985	2,371358424

Źródło: *GDP per capita growth*, World Bank, Źródło: <http://data.worldbank.org/indicator/NY.GDP.PCAP.KD.ZG> [odczyt: 01.11.2019].

The current socio-economic indicators, such as unemployment and fertility rates in the Visegrad countries and in Western Europe (see Tables 3 and 4) illustrate and exemplify the situation of the 1990s, but to a much lesser extent. Therefore, on the whole it comes as no surprise that the above socio-economic incentives / factors of influence in the form of higher GDP and sharply rising unemployment rates in the EU Member States (in Western Europe up to 2004), are simultaneously with the sudden international mobility freedom (compared to that up to 1989) offered a strong inducement for the emigration from the Visegrad countries, where unemployment rates were also high, yet wages were considerably lower.

**Table 3.** Annual unemployment rate in the countries of the Visegrad Group and the countries of Western Europe (1991-2016), in per cent

Country	Annual unemployment rate (%), 1991	Annual unemployment rate (%), 2000	Annual unemployment rate (%), 2010	Annual unemployment rate (%), 2016
<b>Countries of the Visegrad Group</b>				
Hungary	10,1350002	6,5630002	11,1719999	5,16800022
Poland	11,9659996	16,3129997	9,63700008	6,18300009
Slovakia	12,3290005	19,0620003	14,3789997	9,99100018
Czech Republic	2,26999998	8,76200008	7,27899981	4,04500008
Average	9,17500007	12,67500007	10,61674987	6,346750143
<b>Countries of Western Europe</b>				
Austria	3,4000001	4,6869998	4,82000017	6,10900021
Belgium	6,98600006	6,58599997	8,29199982	8,25599957
Greece	7,65600014	11,2480001	12,7130003	23,9090004
Denmark	9,09899998	4,47599983	7,46400023	6,05100012
Ireland	15,7749996	4,31799984	13,8540001	8,08899975
Iceland	2,5480001	1,93599999	7,56400013	3,75999999
Spain	15,9280005	13,7849998	19,8600006	19,4470005
Italy	10,1029997	10,8420000	8,36200047	11,5410004
Luxembourg	1,48199999	2,34500003	4,36100006	5,94199991
Malta	7,64300013	6,32299995	6,84700012	5,31699991
Netherlands	7,28399992	2,7249999	4,44999981	6,16599989

Norway	5,40700006	3,45799994	3,52099991	4,80600023
Portugal	3,91899991	3,81999993	10,7700005	11,1599998
United Kingdom	8,55200005	5,5619998	7,78700018	4,84899998
Finland	6,50299978	11,1350002	8,39400005	8,99699974
France	9,13399982	10,7430000	9,3039999	9,96500015
Germany	5,31699991	7,91699982	6,96600008	4,31099987
Switzerland	1,77699995	2,66599989	4,54400015	4,58300018
Sweedeen	3,24300003	5,46600008	8,60999966	7,09299994
Average	6,934526302	6,317789414	8,341210644	8,439526344

Źródło: *Unemployment, total (% of total labor force)*, World Bank, źródło: <http://data.worldbank.org/indicator/SL.UEM.TOTL.ZS> [odczyt: 01.11.2019].

In turn, it was also noted that in the Visegrad countries, except for Slovakia, in 1990–2016 (see Table 4) there was a peculiar socio-demographic structure of the population, manifested in the reduction of fertility levels and therefore played an important role from the perspective of emigration potential. Thus, it is mentioned that the reduction of the birth rate to a level lower than that of Western Europe, led to an additional outflow of population from the Visegrad countries. As a consequence, the anticipation that emigration processes from countries in the region over the next decades will or may lead to a labour shortage<sup>23</sup>.

**Table 4.** Birth rates in the Visegrad countries and Western Europe (1990-2015), number of children

Country	Birth rate (№), 1990	Birth rate (№), 2000	Birth rate (№), 2010	Birth rate (№), 2015
<b>Countries of the Visegrad Group</b>				
Hungary	1,87	1,32	1,25	1,44
Poland	2,06	1,37	1,41	1,32
Slovakia	2,09	1,30	1,43	1,37
Czech Republic	1,90	1,15	1,51	1,53
Average	1,98	1,29	1,40	1,42
<b>Countries of Western Europe</b>				
Austria	1,46	1,36	1,44	1,47
Belgium	1,62	1,67	1,86	1,74
Greece	1,39	1,25	1,48	1,30
Denmark	1,67	1,77	1,87	1,69
Ireland	2,11	1,89	2,05	1,94
Iceland	2,30	2,08	2,20	1,93
Spain	1,36	1,22	1,37	1,32
Italy	1,33	1,26	1,46	1,37
Luxembourg	1,60	1,76	1,63	1,50
Malta	2,04	1,70	1,36	1,42
Netherlands	1,62	1,72	1,79	1,71

<sup>23</sup> Pytlikova M., *Where Did Central and Eastern European Emigrants Go and Why?*, SOLE/EALE world conference, San Francisco 2005, s. 77–114.

Norway	1,93	1,85	1,95	1,75
Portugal	1,56	1,55	1,39	1,23
United Kingdom	1,83	1,64	1,92	1,81
Finland	1,78	1,73	1,87	1,71
France	1,77	1,89	2,03	2,01
Germany	1,45	1,38	1,39	1,50
Switzerland	1,58	1,50	1,52	1,54
Sweedden	2,13	1,54	1,98	1,88
Average	1,71	1,62	1,71	1,62

Źródło: Fertility rate, total (births per woman), World Bank, źródło: <http://data.worldbank.org/indicator/SP.DYN.TFRT.IN> [odczyt: 01.11.2019].

Such a situation seems threatening, especially given the fact that immigrants from the Visegrad countries are traditionally highly-skilled and well-trained professionals with a culture and traditions close to those of Western European population. Moreover, apt to emigration are mostly young and educated people, earning a significantly higher income from emigration than from permanent residence in their homeland. This is compounded by the fact that most young people from the Visegrad countries are fluent in foreign languages. This further helps them make emigration decisions. Language fluency is one of the key factors in transferring human capital to another country and therefore helps immigrants (in the destination country) to be successful in the labour market<sup>24</sup>. Since the key foreign languages spoken by the inhabitants of the Visegrad countries are English and German (especially in the countries that are geographically close to Germany and Austria, primarily in Slovakia and the Czech Republic). This corresponds to the statistics, showing that more than 80 percent of young people in the Central and Eastern European countries consider foreign language skills to be an important skill that contributes to finding a proper job in their own countries. The percentage of such people exceeds 40 percent of youngsters in «old» Europe. Therefore, foreign language proficiency is regarded as an important part of human capital in the Visegrad Group labour markets, due to this fact potential expatriates prefer to choose a destination country with a multilanguage environment. The ability to speak certain foreign languages increases the chances of a potential expatriate's success in the foreign labour market and reduces the cost of emigration. Consequently, learning, practicing, and improving «spoken» language in «home» countries is a key factor for temporary immigrants, complemented by the factor expansion of emigration networks, created by educated professionals, which considerably simplifies the emigration processes from the countries of the region.

Summarizing the socio-economic conditionality of the emigration processes from the Visegrad countries, it is worth mentioning that it largely corresponds to the Roy model or the

<sup>24</sup> Chiswick B., Miller P., Immigrant Earnings: Language Skills, Linguistic Concentrations, and the Business Cycle, *Journal of Population Economics* 2002, vol 15, nr 1, s. 31–57; Chiswick B., Miller P., Language Skills and Immigrant Adjustment: What Immigration Policy Can Do!, *TZA Discussion Paper* 2004, vol 1419; Dustmann C., Casanova M., Fertig M., Preston L., Schmidt C., *The Impact of EU Enlargement on Migration Flows*, Wyd. Home Office Online Report Research Development and Statistics Directorate 2003.



Borjas welfare magnet hypothesis<sup>25</sup>, i.e. being generally caused by welfare-oriented and attractive factors. The situation is attended by considerably higher unemployment rates in the Visegrad countries, it posing difficulties in financing the cost of emigration<sup>26</sup>, and hence partly corresponding to the so-called «wage curve»<sup>27</sup>. This presupposes that the more educated the population of a country is, the higher the emigration flow, which correlates with the theoretical expectations of human capital growth. This identifies with the migrant networks impact and the foreign language / languages proficiency factor and is exemplified above all by the US and Canada, with fewer immigrants from the Visegrad countries, yet more socialized and integrated into their respective societies. Therefore, this leads to the conclusion that when it comes to emigration, the Visegrad countries are very similar, if not identical, and therefore may constitute a unified pattern against the background of other countries of Central and Eastern Europe.

In their entirety the abovementioned factors confirm the previous theoretical assumptions and empirically illustrate the causes of emigration from the Visegrad countries should be differentiated as cyclical and structural ones. Among the cyclical ones it is necessary to mention unemployment rates and differences in employment opportunities in countries of origin and destination. The point is that job opportunities play a key role in emigration decisions, for unemployment rises during an economic crisis, which, as a repulsive factor, increases the likelihood of emigration. The distribution of emigrants by employment sector may or may not coincide with the distribution inherent in the indigenous population of the destination country<sup>28</sup>. In their turn structural reasons are as follows: a) wage differentials (reflecting differences between the relative amount of capital and labour and hence their productivity in home and destination countries; b) the similarity of languages and the number of persons of identical origin in the destination country of (yet to a certain level of «saturation»<sup>29</sup>); c) administrative obstacles; d) differences in the social security and education systems costs in home and destination countries (affecting the length and type of emigration - short or long terme) cultural environment, political climate and socialization. If most of the reasons live up to immigrants' expectations, they stay in destination countries for as long as possible. Otherwise, which is typical of Hungary and Poland within the entire region, they are more likely to return to their homeland as re-immigrants<sup>30</sup>. Interestingly, such a trend has been observable prior to and upon the accession of the Visegrad countries to the EU (recently

<sup>25</sup> Borjas G., Self-Selection and the Earnings of Immigrants, "American Economic Review" 1987, vol 77, s. 531–553.; Borjas G., Immigration and Welfare Magnets, "Journal of Labor Economics" 1999, vol 17, nr. 4, s. 607–637.

<sup>26</sup> Hatton T., Williamson J., What Fundamentals Drive World Migration?, "NBER Working Paper" 2002, vol 9159.; Pedersen P., Pydikova M., Smith N., Selection or Network Effects? Migration Flows into 27 OECD Countries, 1990–2000, "IZA Discussion Paper" 2004, vol 1104.

<sup>27</sup> Blanchflower D., Oswald A., *The Wage Curve*, Wyd. MIT Press 1994.

<sup>28</sup> Alcobendas M., Rodriguez-Planas N., Immigrants' Assimilation Process in a Segmented Labor Market, "IZA Discussion Paper" 2009, vol 4394.; Bratsberg B., Raaum O., Røed K., Immigrants, Labor Market Performance and Social Insurance, "IZA Discussion Paper" 2014, vol 8292.; Kahanec M., Kureková L., Did Post-Enlargement Labor Mobility Help the EU to Adjust During the Great Recession? The Case of Slovakia, "IZA Discussion Paper" 2014, vol 8249.

<sup>29</sup> Massey D., Arango J., Hugo G., Kouaouci A., Pellegrino A., Taylor J., Theories of International Migration: A Review and Appraisal, "Population and development review" 1993, vol 19, nr. 3, s. 431–466.

<sup>30</sup> *Coping with Emigration in Baltic and East European Countries*, Wyd. OECD 2013.

this is especially noticeable in Hungary and Slovakia).<sup>31</sup> In addition, re-emigrants returning with more professional expertise still face employment problems<sup>32</sup>. Finally, this conclusion is further elaborated by researchers, believing that immigrants returning to the Visegrad countries are more likely to emigrate again than the rest of the population<sup>33</sup>.

In this light, it is important to assess and compare the emigration processes effects in the Visegrad countries, they being the reverse of their causality and attesting to the fact that emigration has traditionally been economic and personal choice-driven<sup>34</sup>. The point is that, moving abroad, expatriates seek to improve their own well-being and the well-being of their families<sup>35</sup>. However, emigration, especially of highly-skilled people, has traditionally been beneficial to the main destination countries (being, as noted above, mostly Western European country), since greater economic integration leads to higher incomes, although there are some negative effects on the growth and income growth rates of the Visegrad countries групи<sup>36</sup> (however, it can facilitate the flow of money transfers and investments to countries in the region<sup>37</sup>). To sum up, this means that emigration has both positive and negative effects on the socio-economic development indicators of the investigated region (see Table 5). This is determined by the fact that emigration affects socio-economic processes in two ways: on the one hand, it changes the size and composition of the population in terms of activity and education, experience, age, productivity and consumer behaviour, in its turn making an impact upon the size and structure of the available labour force, productivity and aggregate consumption, and hence budget revenues; on the other hand, it can change the behaviour of non-immigrant population and businesses, etc.

It is also noteworthy that due to emigration processes in the Visegrad countries the following phenomena occur: a) decrease in the unemployment rate (thus the unemployment rate will be higher and respectively the employment rate lower than that without emigration); b) reduction in the amount of aggregate savings (in particular, due to the emigration of highly productive and therefore highly paid workers); c) intensifying the problem of stability of social security systems (especially in case of emigration of young population); d) reduction of social expenditures (in particular, against the background of lower unemployment and higher

<sup>31</sup> Kahanec M., Kureková L., Did Post-Enlargement Labor Mobility Help the EU to Adjust During the Great Recession? The Case of Slovakia, "IZA Discussion Paper" 2014, vol 8249.

<sup>32</sup> *Coping with Emigration in Baltic and East European Countries*, Wyd. OECD 2013.; Kahanec M., Kureková L., Did Post-Enlargement Labor Mobility Help the EU to Adjust During the Great Recession? The Case of Slovakia, "IZA Discussion Paper" 2014, vol 8249.

<sup>33</sup> Zaiceva A., Zimmermann K., Returning home at times of trouble? Return migration of EU enlargement migrants during the crisis, "IZA Discussion Paper" 2012, vol 7111.

<sup>34</sup> Atoyan R., Christiansen L., Dizioli A., Ebeke C., Ilahi N., Ilyina A., Mehrez G., Qu H., Raci F., Rhee A., Zakharova D., *Emigration and Its Economic Impact on Eastern Europe*, Wyd. IMF Staff Discussion Note 2016.

<sup>35</sup> Aiyar S., Barkbu B., Batini N., Berger H., Detragiache E., Dizioli A., Ebeke C., Lin H., Kaltani L., Sosa S., Spilimbergo A., Topalova P., *The Refugee Surge in Europe: Economic Challenges*, Wyd. International Monetary Fund 2016, źródło: <https://www.imf.org/external/pubs/ft/sdn/2016/sdn1602.pdf> [odczyt 01.11.2019].

<sup>36</sup> Giovanni J., Levchenko A., Ortega F., A Global View of Cross-Border Migration, "Journal of the European Economic Association" 2015, vol 13, nr. 1, s. 68–202.; Ozgen C., Nijkamp P., Poot J., The Effect of Migration on Income Growth and Convergence: Meta-Analytical Evidence, "IZA Discussion Paper" 2009, vol 4522.

<sup>37</sup> Leon-Ledesma M., Piracha M., International Migration and the Role of Remittances in Eastern Europe, "International Migration" 2004, vol 42, nr. 4, s. 65–83.; Chami R., Fullenkamp C., Jahjah S., Are Immigrant Remittance Flows a Source of Capital for Development?, "IMF Working Paper" 2003, nr. WP/03/189.

employment rates)<sup>38</sup>; e) increase in economic processes competitiveness; (e) change in trade relations (on the one hand, expatriates contribute to the elimination of linguistic, cultural, institutional and other obstacles to international trade, but on the other hand, producers or suppliers of goods and services may, through their mobility, replace or reduce foreign trade). In contrast, emigration alone can restrict the competitiveness of the economies of the Visegrad countries, in particular as a result of: shortage of the labour force and a low level of interchange between skilled and unskilled workers; b) workers' remittances that might increase reserved wages and reduce labour supply; c) workers' remittances that can lead to a real appreciation of the destination country's currency, which has a negative impact on the trading sector<sup>39</sup>.

**Table 5.** Positive and negative socio-economic consequences and effects of emigration processes in the Visegrad countries

Consequences and effects indicators	Positive effects and consequences	Negative effects and consequences
Decrease in the total population and the share of active population	1) Lower unemployment due to labour demand and reduced labour supply through emigration; 2) Reduction of social expenditures	1) Negative demographic consequences (emigration of young people, lack of regional unity); 2) A threat to the sustainability of social security systems; 3) Wage pressures due to tougher labour market conditions; 4) Reduced tax revenues
Selective emigration	1) Average labour productivity improves when the least productive workers seek work abroad; 2) Labour disparity is improved if overtime workers leave the country in light of significant labour supply	1) Average labour productivity deteriorates if the most productive workers seek work abroad; 2) Labour disparity is exacerbated if workers leave the country in conditions of excess labour demand
Money transfers/ Workers' remittances	Money transfers can improve the domestic life standard and can be used to finance investment projects and educational development	Money transfers can impair internal productivity
The human capital movement	Workers Abroad Can Transfer Their Experience and Knowledge ("Brain Revenue")	"Brain drain" (loss of resources invested in education and training, reducing competitiveness)
Other factors	Strengthening trade relations	1) Movement of people can replace the movement of goods; 2) Emigration can lead to a decrease in foreign trade

Źródło: Le T., Trade, Remittances, Institutions, and Economic Growth, *"International Economic Journal"* 2009, vol 23, nr. 3, s. 391–408.; Ziesemer T., Worker remittances, migration, accumulation and growth in poor developing countries: Survey and analysis of direct and indirect effects, *"Economic Modelling"* 2012, vol 29, nr. 2, s. 103–118.; Budnik K., Do those who stay work less? On the impact of emigration on the measured TFP in Poland, *"NBP Working Paper"* 2012, vol 113.; Dustmann C., Frattini T., Rosso A., The Effect of Emigration from Poland on Polish Wages, *"CREAM Discussion Paper"* 2012, vol 29/12.

<sup>38</sup> Burns A., Mohapatra S., International Migration and Technological Progress, *"Migration and Development Brief"* 2008, vol 4.; Amuedo-Dorantes C., Pozo S., Worker's Remittances and the Real Exchange Rate: A Paradox of Gifts, *"World Development"* 2004, vol 32, nr. 8, s. 1407–1417.; Demirgüç-Kunt A., Córdova E. L., Martínez Peria M. S., Woodruff C., Remittances and Banking Sector Breadth and Depth: Evidence from Mexico, *"Journal of Development Economics"* 2011, vol 95, nr. 2, s. 229–241.; Aggarwal R., Demirgüç-Kunt A., Martínez Peria M., Do Remittances Promote Financial Development?, *"Journal of Development Economics"* 2011, vol 11, s. 255–264.

<sup>39</sup> Barajas A., Chami R., Hakura D., Montiel P., Workers' Remittances and the Equilibrium Real Exchange Rate: Theory and Evidence, *"Economía"* 2001, vol 11, nr. 2, s. 45–94.; Acosta P., Lartey E., Mandelman F., Remittances and the Dutch Disease, *"Journal of International Economics"* 2009, vol 79, nr. 1, s. 102–116.

At the same time, Visegrad countries emigration processes normally: a) promote further emigration (especially if they reduce production growth); b) help increase wages, despite worsening labour productivity; c) slow down economic growth, albeit slowing down income convergence<sup>40</sup>; d) making indirect and a short term effect on the fiscal processes and positions in the region, albeit adjusting the structure of national budgets and social security systems<sup>41</sup>. Each of the stated factors determines that emigration from the Visegrad countries primarily influences and in the near future will affect the per capita GDP growth of the recipient countries rather than the emigrants' countries of origin.<sup>42</sup> In this regard, policies of both the countries of the region and the EU need adjustments, capable of cumulatively changing the structure of economic and emigration processes, both at the level of individual countries and at the level of the European Union.

Therefore, given the lack of a coordinated and coherent migration policy in the Visegrad countries and in the EU as a whole, there is a risk that emigration and slow income convergence may prove to be complementary<sup>43</sup>. Therefore, migration policies in the Visegrad countries should primarily focus on: a) strengthening institutions and socio-economic policies to create a stimulating environment that encourages people to stay (rather than migrate), facilitate the return of migrants and attract highly-skilled professionals from other countries; b) making better use of excessive labour force by increasing its participation and productivity; c) making better use of workers' remittances to encourage investment rather than consumption; d) mitigating the adverse financial effects of emigration. On the other hand, the EU migration policy must identify with the adjustment of the Structural Funds allocation method to take into account the negative effects of emigration on economic growth and convergence, as well as the sustainable development needs. In turn, tools to improve the emigration situation in the Visegrad Group countries could be as follows: 1) creating a more attractive environment (in particular by improving institutions, maintaining socio-economic stability, increasing employment rates, modernizing the education and science system); 2) establishing closer ties with the Diaspora, facilitating the return of immigrants and attracting highly-skilled immigrants; 3) more efficient use of emigrants' remittances (in particular by creating a more competitive and less taxable business environment); 4) better use of excess labour (in particular by improving labour quality and mitigating adverse fiscal impact); 5) generation and continuous improvement of a pan-European migration initiative that would benefit both the individual countries and the EU as a whole<sup>44</sup>.

<sup>40</sup> Amuedo-Dorantes C., Pozo S., Worker's Remittances and the Real Exchange Rate: A Paradox of Gifts, *World Development* 2004, vol 32, nr. 8, s. 1407–1417.

<sup>41</sup> Arnold J., Do Tax Structures Affect Aggregate Economic Growth? Empirical Evidence from a Panel of OCED Countries, *OECD Economics Department Working Paper* 2008, vol 643.

<sup>42</sup> Ortega F., Peri G., Openness and Income: The Roles of Trade and Migration, *Journal of International Economics* 2014, vol 92, nr. 2, s. 231–251.

<sup>43</sup> Atoyán R., Christiansen L., Dizioli A., Ebeke C., Ilahi N., Ilyina A., Mehrez G., Qu H., Raci F., Rhee A., Zakharova D., *Emigration and Its Economic Impact on Eastern Europe*, Wyd. IMF Staff Discussion Note 2016.

<sup>44</sup> Banerji A., Saksonovs S., Lin H., Blavy R., *Youth Unemployment in Advanced Economies in Europe: Searching for Solutions*, Wyd. IMF Staff Discussion Note 2014.

In general, the present study argues that emigration from the Visegrad countries, since 1990 (upon the collapse of «real socialism» regimes), has been unique in several respects. Firstly, it has been determined and by the fact that the emigrants from the Visegrad countries are mostly composed of young and highly-skilled people (their average age is lower and their education level is higher than that of the population, staying in their home country<sup>45</sup>). Thus, the so-called «brain drain» coincided with the aging of the population in the Visegrad countries, which had a far-reaching impact on their efficiency and productivity. Secondly, emigration from the countries of the region seems more permanent than emigration from the other world countries<sup>46</sup>. On the one hand, this was mainly caused by economic emigration that is peculiar for the Visegrad region, whereas on the other hand immigrant movement from the Visegrad countries is traditionally directed to Western Europe and North America. It occurs for various reasons, namely the difference in per capita income levels, the quality of institutions, and employment prospects. Thirdly, emigration from the Visegrad countries is socio-economically advantageous for the countries of Western Europe, not for Hungary, Poland, Slovakia and the Czech Republic themselves, thus requiring a comprehensive and holistic response at national and regional political levels.

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