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**INTERNATIONAL MIGRANT FLOWS AND NATIONAL
MIGRATION POLICY: QUALITY CORRELATION
AND SCENARIOS OF INTERDEPENDENCE
(THE CASE OF EUROPEAN UNION)**

Based on the existing methodologies of assessing labor migration economic significance and migration regimes' adequacy to the requirements of pan-European labor market development, the correlation between economic importance of labor immigration and national macroeconomic indicators (in particular, the rate of GDP of the EU countries) was evaluated. According to the survey, the EU member states were classified depending on the adequacy of their immigration policy to the dynamics of economic progress, as well as the main strategies on national migration regimes modernization in the analyzed countries, taking into account both national and pan-European priorities.

Keywords: labor migration; immigration; migration policy; the European Union.

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**МІЖНАРОДНА МІГРАЦІЯ ТА НАЦІОНАЛЬНА МІГРАЦІЙНА
ПОЛІТИКА: ЯКІСНА КОРЕЛЯЦІЯ ТА СЦЕНАРІЇ ВЗАЄМОДІЇ
(НА ПРИКЛАДІ ЄВРОПЕЙСЬКОГО СОЮЗУ)**

У статті, виходячи з наявних методик оцінювання економічного значення трудової міграції та адекватності міграційного режиму вимогам розвитку загальноєвропейського ринку праці, визначено кореляцію економічного значення трудової імміграції до країн ЄС та їх макроекономічних показників (зокрема, темпів росту ВВП). За результатами дослідження проведено класифікацію країн – членів ЄС в залежності від адекватності їх міграційних політик динаміці економічного прогресу, а також описано основні стратегії модернізації національних міграційних режимів проаналізованих держав з урахуванням як національних, так і загальноєвропейських пріоритетів.

Ключові слова: трудова міграція; імміграція; міграційна політика; Європейський Союз.

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**МЕЖДУНАРОДНАЯ МИГРАЦИЯ И НАЦИОНАЛЬНАЯ
МИГРАЦИОННАЯ ПОЛИТИКА: КАЧЕСТВЕННАЯ
КОРРЕЛЯЦИЯ И СЦЕНАРИИ ВЗАИМОДЕЙСТВИЯ
(НА ПРИМЕРЕ ЕВРОПЕЙСКОГО СОЮЗА)**

В статье, исходя из существующих методик оценки экономического значения трудовой миграции и адекватности миграционного режима требованиям развития общеевропейского рынка труда, дана оценка корреляции экономического значения трудовой иммиграции в странах ЕС и их макроэкономических показателей (в частности, темп роста ВВП). По результатам исследования проведена классификация стран-членов ЕС в зависимости от адекватности их миграционной политики динамике экономического прогресса, а также описаны основные стратегии модернизации национальных миграционных режимов проанализированных государств с учетом как национальных, так и общеевропейских приоритетов.

Ключевые слова: трудовая миграция; иммиграция; миграционная политика; Европейский Союз.

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Introduction. Migration policy within the globalizing labor market and internal socioeconomic problems aggravation are the major problems for the EU progress. National labor markets' disproportionality (Papademetriou, 2008) within the European Union, their social and economic diversity, asynchronous dynamics of their development together with global economic challenges actualize the problems of interdependence between migration policies' in European countries and economic significance of labor immigration and national macroeconomic dynamics.

The purpose of the study: basing on correlations between national migration policy adequacy and dynamics of labor immigration's economic significance and economic growth of the EU states to identify trends and scenarios for modernization of national and international regulation of migration processes in the EU.

The subobjectives of the study:

- to determine the adequacy of the EU members' migration policies to the requirements of the globalizing world economy and local socioeconomic priorities;
- to identify the relationship between national migration policies' adequacy and labor migration economic significance in the EU;
- to analyze the correlation between migration policy adequacy and economic growth dynamics in the European Union;
- to classify the EU countries depending on their national migration policies' adequacy and labor migration economic importance for their economic progress;
- to identify strategies and threats of national economies' long-term development under the dynamics of globalization.

Hypotheses of the study:

H₁: Direct dependence between labor immigration's economic role and rates of national GDP growth is not peculiar for all countries of Europe. In some countries a positive correlation will be considered, in others – negative one.

H₂: Simultaneously with the growth of national migration policies adequacy in the EU a reasonability of labor immigration economic importance by GDP dynamics will decline.

H₃: Reduction of national migration policies adequacy stimulates the growth of reasonability of labor immigration economic significance by GDP rates change.

H₄: Harmonization of immigration rules in all EU member states will not be an effective tool for regional migration policy modernization, will not level the differences between European countries, and will not resolve regional problems related to migration efficient regulation.

Main focus of the study. The central issue of any migration policy is to maximize economic benefits, economic impact of foreign labor migration and to reduce its potential economic and social damages. Taking into account the dynamics and trends of labor migration in the European Union, an analysis of regional migration policy allows identifying the following trends of modernization of immigration processes state regulation (Papademetriou, 2008: 17): stimulation of intellectual and highly skilled workers immigration, encouraging business and investment immigration, development of seasonal labor immigration, streamlining the migrant workers' families reunification, as well as restrictions on asylum and combating illegal migrants' employment (Papademetriou and Sumption, 2011: 21; Migration Policy Institute, 2008).

Assessment of national migration regimes' adequacy in today's EU (in the format of the EU-28 + Turkey) was carried out by testing the migration regime of each country by some fundamental issues (Table 1).

Table 1. Adequacy of national migration policy in the EU countries, authors'

No.	Countries	Index of national migration policy adequacy	No.	Countries	Index of national migration policy adequacy	No.	Countries	Index of national migration policy adequacy
1	Germany	92	11	Netherlands	56	21	Slovakia	43
2	France	80	12	Bulgaria	55	22	Austria	41
3	Poland	67	13	Denmark	52	23	Estonia	40
4	Czech Rep.	66	14	Norway	52	24	Lithuania	37
5	Ireland	66	15	Italy	47	25	Hungary	33
6	UK	62	16	Turkey	51	26	Croatia	32
7	Latvia	59	17	Malta	49	27	Cyprus	32
8	Portugal	58	18	Greece	46	28	Belgium	29
9	Finland	56	19	Slovenia	46	29	Romania	28
10	Luxemburg	56	20	Spain	46		Average	51

At the next stage of the study we compare the indicators of labor immigration economic value and identify the criteria of migration policy adequacy. Table 2 shows the details on labor immigration economic importance and the dynamics of GDP annual growth (as a major criterion of the states' economic progress) in the period from 2002 to 2013.

Using the correlation we can define how growth (declining) of labor migration economic role in the EU was justified by growth (declining) of national GDP (Table 3).

As can be seen from Table 3, the situation with migration policy and migration dynamics in the EU countries varies. Only in 10 countries (Group 1) a positive correlation (growth of the labor immigration economic significance was predetermined by economic growth) observed. And in most of the EU countries labor immigration economic importance increased in the periods of slow economic growth or GDP fall.

Figure 1 is divided into 3 conventional zones of the EU states location. The smallest share of them (4 states) is located in Sector 1 which is characterized by a high degree of migration policy adequacy to continental economic dynamics and (at the same time) by weak (close to zero) degree of predetermination of labor migration economic role by country's GDP dynamics.

Sector 3 includes 5 states with low degree of migration policy adequacy. All these countries are characterized by high (more than 0.6) negative correlation of labor immigration economic importance by the dynamics of gross domestic product.

It's possible to define a pattern that characterizes the behavior of the indicators of labor immigration economic significance in the EU, depending on trends and achievements of their national migration policies (the correlation between these two indices is -0.79).

Table 2. Labor migration economic importance (A) and rates of GDP annual growth (B) in the EU (+ Turkey) in 2002–2013

	Country	2002		2004		2006		2008		2010		2013	
		A	B	A	B	A	B	A	B	A	B	A	B
1	Denmark	40	3.53	20	0.47	30	2.3	75	3.39	45	-0.78	65	1.39
2	Austria	45	3.67	30	1.69	45	2.59	80	3.67	30	1.44	40	1.77
3	Ireland	35	10.65	15	5.42	35	4.2	65	5.51	50	-2.1	55	-1
4	Italy	65	0.45	40	1.73	10	2.2	35	-1.15	10	1.72	45	-2.36
5	Finland	25	5.32	25	1.83	10	4.12	30	4.41	20	0.29	90	3.36
6	Cyprus	40	2.09	10	4.22	10	4.13	35	3.63	35	1.3	65	-2.4
7	Greece	35	4.48	10	3.44	0	4.37	40	5.51	35	-0.25	75	-4.95
8	Croatia	30	3.75	10	4.88	20	4.13	0	4.94	65	2.08	60	-2.27
9	Spain	35	5.05	10	2.71	30	3.26	10	4.08	55	0.89	45	-0.21
10	Germany	60	3.06	55	0.01	10	1.16	35	3.7	10	1.08	10	4.01
11	Netherlands	60	3.94	0	0.08	25	2.24	15	3.39	20	1.8	55	1.53
12	Norway	0	3.25	10	1.5	25	3.96	65	2.3	25	0.07	45	0.48
13	Czech	30	4.19	30	2.15	20	4.74	40	7.02	20	3.1	65	2.47
14	Luxemburg	10	8.44	15	4.09	15	4.37	50	4.94	20	-0.73	55	3.1
15	Portugal	35	3.92	15	2.5	0	2.2	35	1.45	10	0.1	45	1.67
16	Malta	5	2.81	45	-0.5	0	2.22	10	4.36	0	2.71	65	1
17	France	40	1.3	0	2.23	0	2.21	35	0.1	15	1.72	30	0.01
18	Slovenia	25	3.83	0	4.4	20	5.85	20	3.59	10	1.38	45	-2.5
19	Hungary	25	4.51	0	4.8	10	3.9	25	0.89	5	1.26	35	-1.7
20	Estonia	30	9.7	10	6.56	0	6.34	35	10.1	10	-4.15	10	2.56
21	Romania	10	5.03	10	9.12	20	8.72	5	7.86	30	-0.94	20	0.35
22	Bulgaria	0	4.7	15	6.7	20	6.5	10	6.2	25	0.4	20	0.6
23	Slovakia	10	4.58	0	5.06	30	8.35	20	5.75	5	4.18	20	1.8
24	Belgium	10	1.36	0	3.27	0	2.67	0	0.99	0	2.34	75	-0.14
25	UK	0	4.36	10	2.3	0	3.17	35	2.76	10	-0.76	10	1.66
26	Turkey	5	6.77	10	6.16	0	9.36	10	6.89	0	0.66	20	9.16
27	Latvia	0	6.47	20	8.68	0	12.23	0	-4.24	10	-0.34	0	5
28	Lithuania	20	6.86	0	7.35	10	7.84	0	2.93	0	1.33	0	3.7
29	Poland	10	4.26	0	1.44	0	5.34	0	6.23	0	5.13	10	3.88

Source: International Labor Organization. European Migration Network, 2013; International Migration Outlook, SOPEMI, 2013; International Organization for Migration, 2013.

Thus, with high probability (0.79) we can assume that:

- together with the growth of national migration policies adequacy in the EU countries a predetermination of labor immigration economic significance by GDP dynamics will decline;

- reduction of the EU national migration policy adequacy leads to the growth of predetermination of labor immigration economic importance by national GDP dynamics.

Statistically proved pattern allows us:

- Practically justify cost-effectiveness of adequate migration policy in Europe. Effective national migration policy weakens the dependence of labor immigration economic importance on country's macroeconomic performance, and respectively, represents the effectiveness and impact of migration policy as a tool of economic and social regulation.

Table 3. Correlation of GDP dynamics and labor immigration economic significance in the EU, authors'

No.	Positive correlation		No.	Negative correlation	
	Countries	Index of correlation		Countries	Index of correlation
1	Austria	0.784026	11	Germany	-0.07637
2	Lithuania	0.77129	12	Czech Rep.	-0.13414
3	Estonia	0.570459	13	UK	-0.13552
4	Turkey	0.458614	14	Poland	-0.1455
5	Slovakia	0.40552	15	Luxemburg	-0.17691
6	Denmark	0.324341	16	Norway	-0.22081
7	Netherlands	0.258408	17	France	-0.29272
8	Portugal	0.233983	18	Ireland	-0.39402
9	Latvia	0.135021	19	Bulgaria	-0.48583
10	Finland	0.060657	20	Italy	-0.49804
			21	Spain	-0.58006
			22	Hungary	-0.60733
			23	Slovenia	-0.652
			24	Malta	-0.71216
			25	Romania	-0.71328
			26	Greece	-0.72605
			27	Belgium	-0.77152
			28	Croatia	-0.8159
			29	Cyprus	-0.91219

Table 4. Correlation between the dynamics of national economic growth and labor immigration economic significance (A) and national migration policy adequacy (B) in the EU, 2013, authors'

No.	Positive correlation			No.	Negative correlation		
	Country	A	B		Country	A	B
1	Austria	0.784026	41	11	Germany	-0.07637	92
2	Lithuania	0.77129	37	12	Czech Rep.	-0.13414	66
3	Estonia	0.570459	40	13	UK	-0.13552	62
4	Turkey	0.458614	51	14	Poland	-0.1455	67
5	Slovakia	0.40552	43	15	Luxemburg	-0.17691	56
6	Denmark	0.324341	52	16	Norway	-0.22081	52
7	Netherlands	0.258408	56	17	France	-0.29272	80
8	Portugal	0.233983	58	18	Ireland	-0.39402	66
9	Latvia	0.135021	59	19	Bulgaria	-0.48583	55
10	Finland	0.060657	56	20	Italy	-0.49804	51
				21	Spain	-0.58006	46
				22	Hungary	-0.60733	33
				23	Slovenia	-0.652	46
				24	Malta	-0.71216	49
				25	Romania	-0.71328	28
				26	Greece	-0.72605	46
				27	Belgium	-0.77152	29
				28	Croatia	-0.8159	32
				29	Cyprus	-0.91219	32

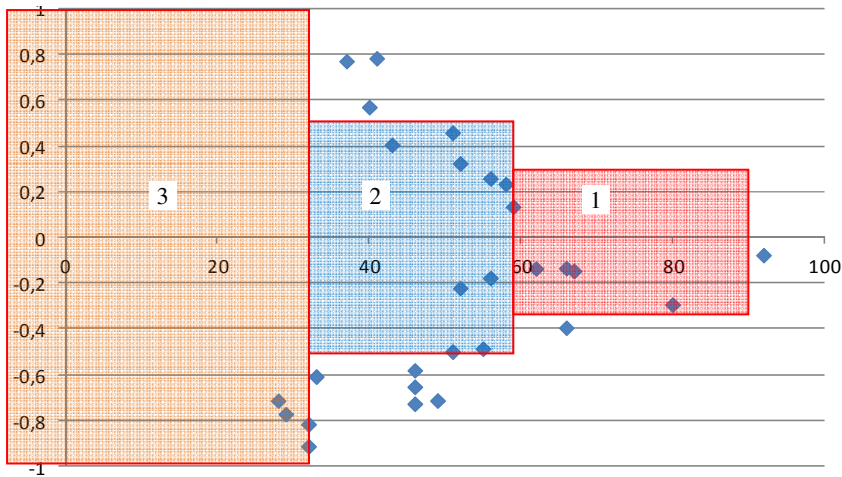


Figure 1. EU countries positioning depending on the determinance of their labor immigration significance by national economic growth and national migration policy's adequacy, authors'

- Share adequate migration policy, reducing the predetermination of labor migration economic importance by macroeconomic indicators' dynamics, at the same time making it more predictable and controllable.

Based on the combination of different levels of national migration policies adequacy and labor immigration economic importance in the analyzed countries, we can demonstrate possible scenarios of national migration policy's multidirectional development (Figure 2).

As can be seen in Figure 2, it is possible to distinguish two groups of scenarios – soft (1.1, 2.1, 3.1, 4.1) and radical (1.2, 2.2, 3.2, 4.2).

Obviously, scenarios of the first group are characterized by relatively low manifestation of migration policy adequacy and labor immigration economic role.

Thus, the first quadrant – scenario "Beneficial alliance" – is possible with an appropriate degree of national migration policy adequacy to the natural value of labor immigration in the national economic system.

With the growth of labor immigration economic significance (while maintaining the previous level of national migration policy rigidity) a transition to the scenario of quadrant 2 – "Wasteful mistress" – is possible. This scenario will lead to distribution of most of prosperous consequences between only foreign workers, spraying of economic progress effects between the countries which are the donors of migrant workers.

Reducing the labor immigration economic importance (as a natural market response to wastefulness and inefficiency) is leading us to the third scenario – "Saving economy", where the national economic system must adapt to new patterns of production and productive forces use (of both national and foreign origin).

Finally, tightening of national migration policy (as a natural consequence of national labor market restructuring) will contribute to the development of a new scenario – "Labor market nationalization" (increasing of labor migration state regulation rigidity while maintaining low level of labor immigration economic value).

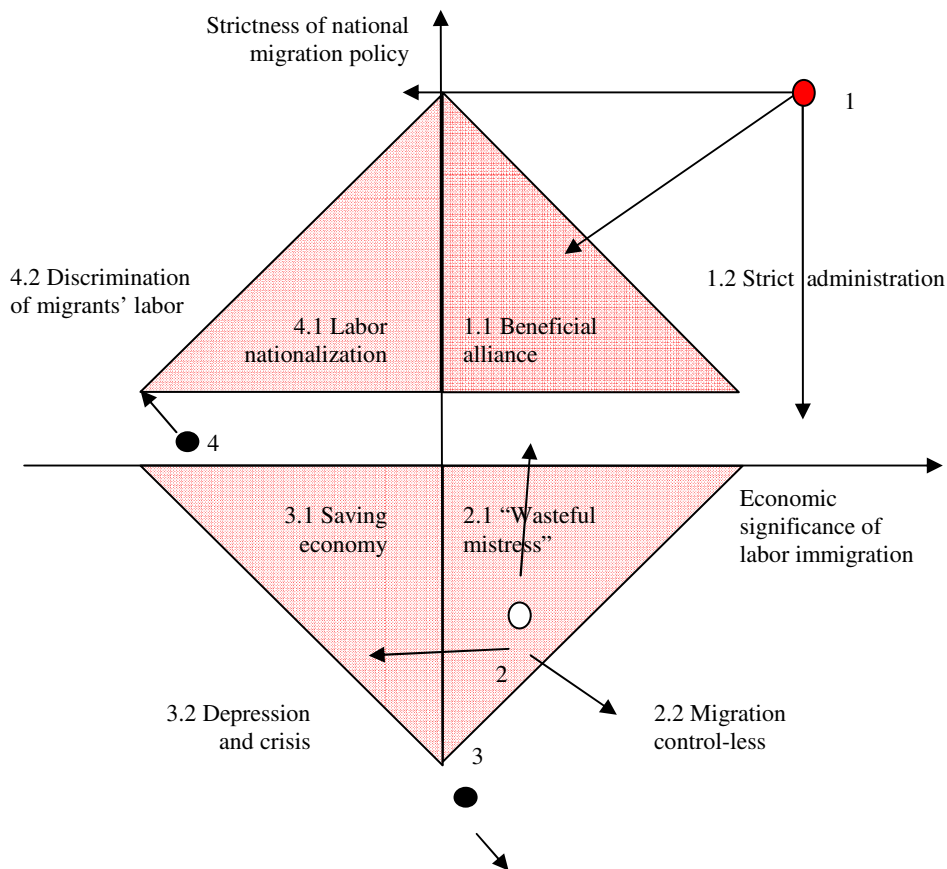


Figure 2. Scenarios of national migration policy realization in the EU countries, authors'

Based on the fundamental principle that only the state (government) determines political transformations, and only the market determines labor migration economic significance in the society (Economist Intelligence Unit, 2009), it can be noted that:

- Under the conditions of state regulation dynamics absence the independent changes of scenarios "Labor market nationalization" and "Beneficial Union" (in both directions together with growth/reduction of the labor migration economic role), as well as scenarios "Saving economy" and "Wasteful mistress" are possible.
- Vertical dynamics is only possible when national migration policy is activating.
- In order to maintain the country's position in the zone of soft scenarios under the conditions of significant labor immigration economic role dynamics, the government needs to adapt a national migration policy as quickly as possible. Otherwise, there is a risk of country's transition to more radical scenarios of labor immigration development and regulation (e.g. country 2 in Figure 2).
- Countries where national migration policy effectiveness is inadequate to labor immigration economic role have greater risk to transit to radical scenario of labor migration development and regulation. For example, the state 3 in Figure 2 is char-

acterized by low efficiency of migration processes that is inappropriate to average labor immigration economic significance. This state can easily go to a radical scenario "Non-controlled migration" in the case of a slight increase of immigrant labor's economic importance!

A similar problem is obvious in the state 4, where the level of national migration policy efficiency and stiffness exceeds the economic role of migrants. In this state, further reduction of migration economic role (e.g. due to external economic reasons) or activation of government migration initiatives can lead to a radical scenario of immigrant labor discrimination.

- Finally, countries that are already in the zones of radical scenarios implementation (for example, the country 1 in Figure 2) can be recommended only simultaneous (together with changes of economic conditions of immigrant labor use) change of national migration policy adequacy.

Otherwise, the state will continue its movement to the radical scenarios zone. For example, state 1 in response to changing labor migration economic role can move to the radical scenario of immigrant labor discrimination. If authorities in the state 1 begin to reform the national system of migration control without economic conditions consideration, one radical strategy of the country can simply change for another – "Non-controlled migration".

Conclusions. Considering the EU situation it is clear that migration rules unification will not be a panacea for regional migration policy modernization and will not resolve all regional problems related to the efficiency of migration processes regulation.

Figure 3 marks the positions in coordinate system of 4 possible migration dynamics scenarios for all 28 EU member states (+Turkey). For graphical presentation we used the results of European migration policy adequacy evaluation and the indices of labor migration economic role in the EU countries.

Thus, from Figure 3 it is clear that there is absolutely no homogeneity among the EU member states on this. All 8 possible scenarios are present.

Unification of labor immigration economic importance, even within the EU-28 is not possible in the view of conservation of significant differences in the level and structure of national economic systems, labor productivity and other macroeconomic criteria.

We can conclude that the EU members should (as much as possible) correlate trends, tools and dynamics of national migration control modernization with the dynamics of labor immigration (emigration) economic importance in their economic systems to prevent countries' transition to the zone of labor migration radical scenarios.

As can be seen in Figure 3, France, UK and Poland have the risk to fall into the radical scenario of migrant labor discrimination. Germany, Ireland and Denmark are almost in the scenario of total administration. Austria and Cyprus are really close to less controlled immigration, and Belgium, Latvia and Romania have moved to the phase of depression.

Countries of South and Northern Europe as well as some "newcomers" of the European Union (Malta, Slovenia, Slovakia, and Estonia) are keeping quite an equilibrium position.

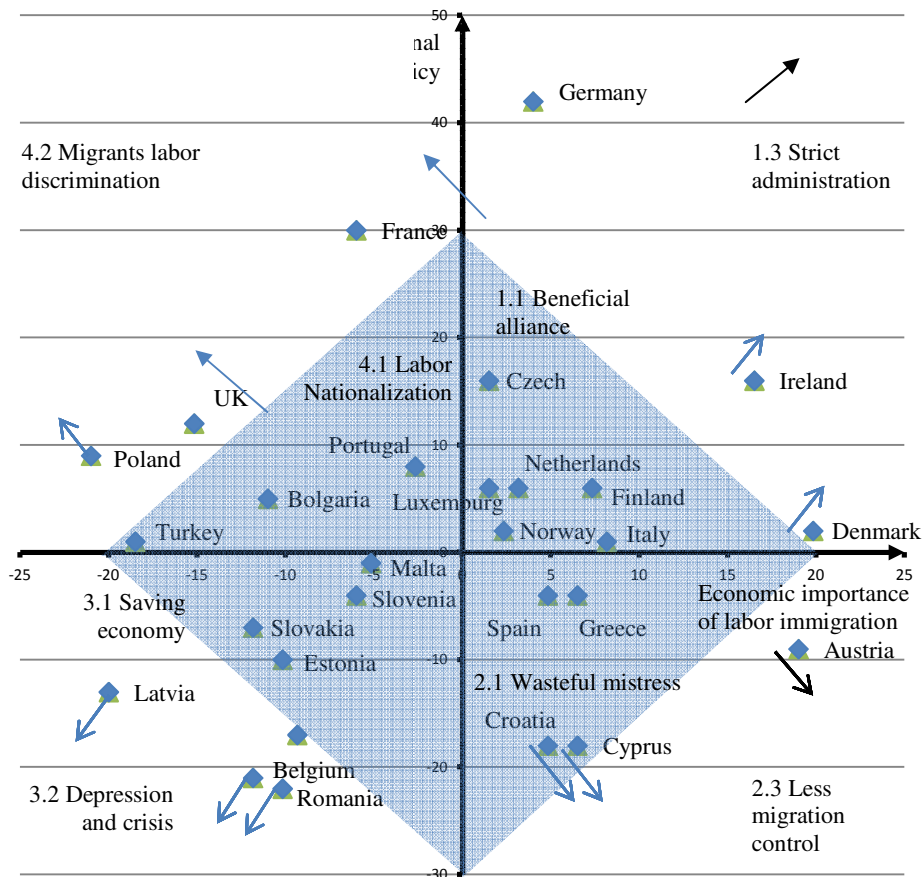


Figure 3. Scenarios of national migration policy realization in the EU countries, authors'

The study of migration dynamics and migration policy implementation in the European Union has demonstrated not only heterogeneity of the latter that actualizes the problems of intra-regional labor migration and increases scientific and practical significance of the studies in the fields of formation and development of infrastructure for supranational migration regulation (Platonova and Urso, 2013), but also the complexity of linkages between political and purely economic instruments for regulating migration dynamics, reorientation in the system of modern coordinates and priorities (such as national or regional self-sufficiency, economic security, cultural identity).

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