

THE EFFECTS OF TEMPORARY MIGRATION AT THE SOCIO-DEMOGRAPHIC LEVEL

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ABSTRACT

The consequences of migration are both temporary and permanent, from a demographic point of view. In the destination countries, the tendency to remain permanently is well known and results in major losses among the population. A reduction in the rate of economic growth or even a decrease in economic activity is the result of this loss. Recent studies have shown that international mobility among working-age individuals is greater. As a result, migrant countries are facing an increased aging process for their own populations. Human influences are the most critical source of economic growth, and if they stay in their home world, growth rates are expected to be lower. The majority of emigrants are young and their proportion is constantly increasing, making it possible to claim that migration affects high fertility age classes, thus reducing the potential of newborns in Romania. When displacement becomes permanent, this is all the more worrying. In the background of gender migration, there are many changes, so that immigrant women have been more and more numerous in recent years. Owing to multiple interactions at the level of macroeconomic factors, the consequences of money flows at the macroeconomic level are difficult to calculate. These transfers have visible investment and savings effects. The object of this article is also the presentation of these results.

KEYWORDS: *migration, demography, economic growth*

JEL CLASSIFICATION: *F22, O15*

1. INTRODUCTION

It has been stated in one of the studies published by the National Institute of Statistics of Romania that the decrease in the resident population of Romania between 1990 and 2012 is dependent on three key factors, namely:

1. Internal migration has resulted in an average annual decrease of almost 104,2 thousand people in the population of Romania.
2. A gradual decline in the annual number of births over the transition era has been calculated by family planning in its different forms. 2012, where the number of births was 51 percent lower than in 1989, is a notable example.
3. Large rates of mortality in the time after 1990.

There are various effects of the migration process at the family level, both in terms of positive and negative impacts (Ionita & Burlacu, 2009). The money that migrants send to their communities helps boost the quality of their lives, with beneficial effects for family relations (Costache et al., 2015). In the other hand, owing to the absence of one or more parents, however briefly, we face the family's

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pain. In addition, the longer the length, the greater the effect on the family (Radulescu et al. 2018). The reorganization of positions within the family shall be agreed upon by the removal of one of the parents. In this case, the roles/functions of the related migrant are taken over by family members, which can lead to a lack of well-being within the family and to imbalances in the relationship between the pair. All of this will lead to a family break-up easily (divorces). The offspring of migrants who stay (in the happiest case) with just one of their parents appear to be one of the most important negative effects of labor migration (Burlacu et al., 2019). There are also cases where both parents move to work and so the kids are taken care of by grandparents, other families or friends. Migrants often leave their children, who inevitably end up in state care. As a result, children are affected to a very significant extent by their parents (in some situations these conditions become traumatic), because the individuals they care about may not play the role of parent adequately (Pricop et al., 2016).

2. BACKGROUND

From a demographic point of view, the effects of migration are both transient and permanent. The propensity to live permanently in the destination countries is well established and results in significant losses among the population. The effect of this loss is a decrease in the rate of economic growth or even a decline in economic activity. Recent studies show that international mobility among people of working age is higher (Bran et al., 2020). As a result, emigration countries are faced with an accelerated process of ageing their own population. Human factor is the most significant source of economic growth, and growth rates are projected to be lower if they remain in their home country (Ionita et al., 2009). The majority of emigrants are young and their proportion is constantly rising, thus being able to argue that migration affects age groups with high fertility rates, thus reducing the ability of newborns in Romania. In 2014, 62 per cent of migrants were women in the 26-40 age group, i.e. 58 per cent of the immigrant population, and the proportion is gradually rising. The adverse effects on birth rate and fertility are starting to become more and more prominent, as shown by the fact that a growing number of children are born abroad (Ionita et al., 2009).

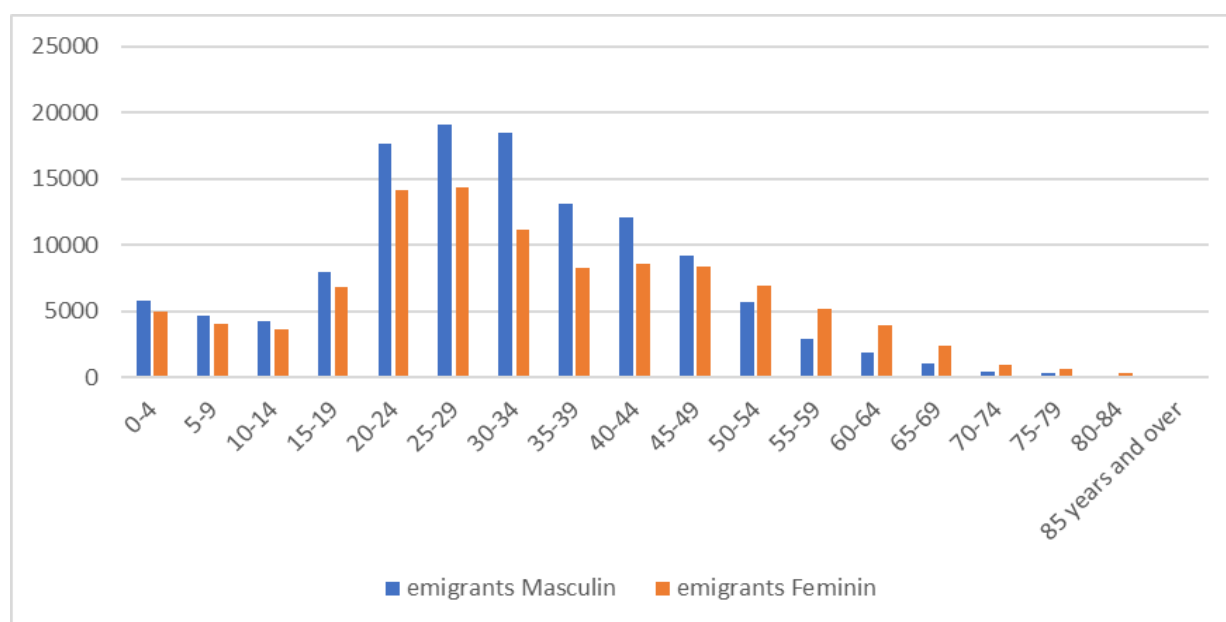


Fig. 1. Temporary long-term international migration by sex and age groups, in 2019
 Source: authors based on INS data, 2020

Elderly people are another social group that could be adversely affected, particularly in communities with a high level of migration (Alpopi et al., 2018). In circumstances where children leave the country with their parents, they have to undergo a time of transition, learn a new language and learn to live in a different social setting, which also includes a certain amount of stress (Rădulescu et al., 2018).

3. MATERIALS AND METHODOLOGIES

From the perspective of this paper, it is important to present the economic effect of labor migration. There is a general consensus that temporary migration will help to develop the skills of a migrant as a result of experience gained from working abroad (Jianu et al., 2019). In this context, the objective is to test the following hypothesis: whether the experience of migration abroad affects the income gained since returning to the country of origin (Bodislav et al., 2019). Thus, income was considered to be the dependent variable and the following set of independent variables: education, which was valued by the last school graduate; knowledge of computer use; work experience and work experience abroad. Using data from the FSD study, we applied multiple linear regression to a group of 1,032 people with or without work experience abroad.

Table 1. Multiple linear regression results

Factors	Non-standardized coefficients		Standardized coefficients	t	Sig
	B	Std. Erros	Beta		
Education (last level completed)	0.194	0.012	0.474	15.94	0.000
Work experience	0.410	0.023	0.208	7.02	0.000
Working abroad	0.169	0.024	0.078	3.024	0.003
Digital skills	0.410	0.067	0.206	6.14	0.000

Source: own computation

Table 1 displays the effects of a multiple linear regression in which income was introduced as a normal logarithm. For $p = 0.05$, all coefficients are significant.

The ANOVA analysis shows that the model is statistically important and that the determination ratio is 0.336. The four variables taken into account therefore describe, in proportion to 33.6 per cent, the variability of the population income as a result of the experience acquired by migrants.

Following the experiment, we drew the following conclusions from the regression model on the effect of experience gained from working abroad on the income received by migrants on their return to the country of origin:

1. Temporary employment abroad has a positive impact on the income of migrants returning to their country of origin (positive correlation);
2. Education, as predicted, is the most important factor influencing income levels. The higher the level of education of the individual, the higher the income (positive correlation);
3. Income is directly affected by work experience and computer-related skills (positive correlation);
4. In the present model, we also tested the impact of language knowledge on income, but this aspect did not have a major influence, which is why it was omitted from the initial form of the model.

The direct effect of international migration can easily be calculated by evaluating investments made from money earned abroad (Bodislav et al., 2019). The investment analysis also enables one to observe the degree to which households invest these sums or on the contrary, only spend them on the purchase of consumer goods (Radulescu et al. 2018)..

National data reveals that over the last five years, a large proportion of the Romanian population has bought durable goods: 50% of Romanians buy household goods, 37% opt for the extension/modernisation of their homes, and 16% buy vehicles, etc. In either case regardless of the goods purchased, roughly 10% of the sums expended are recovered from migration activities. If we limit the study to the level of individuals who buy goods on account of money from foreign migration, we can see that more than 50 per cent of them invest in order to expand/modernize their homes and that a comparable amount is allocated to the purchase of household goods. A large proportion (approximately 21 percent) of households have invested money on purchasing one or more cars in the last five years.

3. FINDINGS

We found the fact that someone in your home had been abroad for a while and the degree to which this had-for you-effects on children to be a variable. As a result, we found that only 11 per cent of respondents said they had issues with their children in this regard. Although the percentage of respondents who claim that they are affected is low, there are variations between the various groups of respondents. Thus, we will find that people with work experience abroad respond in a higher percentage than others that their experience has contributed to some changes in family relationships.

Migrants prefer to believe that their experience abroad has a positive effect on family relationships, taking into account that the money received by working abroad contributes to improving the quality of life in immigrant households and thus to improving family ties. They do not recognize the effect on the lives of their children, thereby neglecting their future growth (Bran et al., 2018).

Labor migration and entrepreneurship are two closely related components of life (Profiroiu et al., 2019). Work experience gained abroad, together with entrepreneurship, is correlated when a person wants to grow a business (Burlacu et al., 2019). As a migrant accumulates economical, human and relational resources and meets his basic needs, he continues to invest in productive activities, becoming an entrepreneur. For a significant part of Romanian migrants, cross-border work is an intermediate strategy for an entrepreneurial strategy, linked to a clear correlation between experience gained abroad and entrepreneurial orientation, both behavioral and deliberate (Negescu Oancea, et al., 2020). For other areas/regions, migration to better jobs has led to labor shortages that have an effect on the prospects for local and social economic growth. In fact the biggest labor shortage is shown by the regions of Romania, which have high migration flows. Another beneficial impact of migration is foreign exchange, with clear consequences for both microeconomics and macro-economics.

The effects of money transfer at the macro-economic level are difficult to quantify due to various interactions at the level of macro-economic variables. These transfers have visible impacts on investment and savings. The most noticeable effect of these transfers on household consumption, which is so critical at the macro-economic level, is the aggregate domestic demand portion of GDP. Transfers of money to households are direct sources of income growth, which contributes to increased consumption and thus to a temporary reduction in poverty.

4. CONCLUSIONS

The above conclusions give rise to a range of economic impacts of external migration. The most significant consequences are the extreme slippage and the multitude of dysfunctions in the labor market, among which we mention:

- the potential for employment;
- the unemployment rate and its characteristics;
- mass movement of skilled labor-loss of "brain" capable of producing greater added value;
- salary distortions and segmentation of labor;
- amplifying the underground economy ('unreported' work);
- decreasing the capacity of local labor force;
- the use of immigrants to compensate for the shortage of local labor power.

In addition to these dimensions of migration, there are a variety of positive regional impacts. The most significant short-term effect is the reduction of unemployment in most of the major migration countries, such as Romania, as well as Poland, Slovakia and Bulgaria. If migration involves unemployed people in particular, the budgetary effect is also positive (because fewer people will apply for unemployment benefits).

Nor should the favorable socio-political effect be overlooked, given that high levels of unemployment are often correlated with social tensions, which require massive budgetary expenditure to restore the social balance (especially in areas with a very high unemployment rate). Another beneficial effect is that we consider it necessary to reduce the burden on the reform of the Romanian Government. In certain areas/regions, labor migration abroad has eased local labor markets as well as the burden of social assistance. However, studies published by DG Jobs, Social Affairs and Inclusion of the European Commission consider that social and human capital gained during migration is another positive impact of migration. It has brought Romanian (re)migrants back to the community: it contributes expertise, information, entrepreneurial and inventive spirit, attitudes and links to different cultures. Studies, however, recognize that the entrepreneurial activity of those returning home is not as planned, but can still contribute to the growth of their hometowns by starting small businesses and creating local employment.

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