TOPICS WITHIN THE LABOR ECONOMICS and INDUSTRIAL RELATIONS FIELD

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Kateřina Šmídkova Award
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CNB Research Open Day, CNB, Prague, May 18th, 2015
A. Causes and consequences of international migration and ethnic labor diversity

1. Trends in international migration – a new international migration dataset
2. Why do people migrate? Determinants of migration - contributions
3. Impacts of immigration and ethnic diversity - contributions

B. Wage structures and labour market dynamics

1. Wage differentials - contributions
   1. gender
   2. firm ownership
2. Income inequality; minimum wages - contributions
Trends in international migration using a new dataset on international migration

- A problem with no comprehensive migration dataset available.
- Compile a new dataset on immigration flows and foreign population stock into 42 OECD countries from all world countries.
- Collected by writing to national statistical offices (for 30 OECD countries), for 12 countries from OECD source migration or Eurostat.
- Period: 1980 to 2010, unbalanced panel, i.e. missing observations for some countries and some years
- Improvement w.r.t. to other sets (e.g. Docquier and Marfouk (2006), OECD, WB):
  - Both flows and stock annually
  - Comprehensive in destinations, origins and time, annual data

This new dataset may serve a great source for analyses of international migration behavior.
Trends in international migration—2 phenomena driving migration flows over the last decades:

1. Growing migration from *less developed countries*

   lower social mobility, skill transferability and skill acquisition

   immigrants have difficulties entering the destinations’ labor markets and integrate
Trends in international migration—2 phenomena driving migration flows over the last decades:

2. Emigration from *Central and Eastern Europe*

After the fall of Iron Curtain, 1989, CEECs became a new source of emigration EU enlargements towards Central and Eastern Europe, 2004 and 2007

Given geographical and cultural proximity, large economic differences and “feelings of freedom” after the Fall of Iron Curtain in 1989

=> *Western Europe fears a mass migration*

EU enlargements towards the East – “transition periods” on the Acquis related to the Free Movement of Workers in the EU.
Division of immigration flows to 42 destinations by regions of origin

- North America + Oceania
- South and Central America
- Asia
- Africa
- EU15/EEA
- EU10+ other European countries
Foreign-born population as a percentage of destination country population

Luxembourg: 41.4% in 2010

1980 vs. 2010
TRENDS IN INTERNATIONAL MIGRATION

Migration pressures will continue in the future

- Growing globalization – improvements in communication, Internet – media, transportations
- Political conflicts and wars
- Demographic projections:
  - Aging of the populations in highly developed countries (fiscal burdens).
  - Young populations in LDCs.
Demographic projections – European Union

2000
(Population: 451.4 million)

2050
(Population: 401 million)

Demographic projections – North Africa and West Asia

2000
(Population: 587.3 million)

2050
(Population: 1,298 million)

TRENDS IN INTERNATIONAL MIGRATION

Migration pressures will continue in the future

Immigration policy must adjust to the migration pressures and to the aging populations.

ANALYSES OF MIGRATION DETERMINANTS and CONSEQUENCES OF IMMIGRATION ON ECONOMY and SOCIETY IMPORTANT FOR POLICY MAKERS
CONTRIBUTIONS ON WHY DO PEOPLE MIGRATE – determinants of migration

Journal Articles:


Q: what is the role of language in explaining international migration flows?

*We study the role* from multiple angles:

- linguistic proximity,
- widely spoken languages,
- linguistic enclaves,
- language-based immigration policy requirements.

Migration flows between countries with the same 1st official language compared to those with no similarity at any level of the linguistic family tree are around 20% larger, ceteris paribus. In the context of traditional migration determinants, the impact of linguistic proximity is lower than that of ethnic networks or destination GDP per capita level, but stronger than that of unemployment rates.
CONTRIBUTIONS ON WHY DO PEOPLE MIGRATE – determinants of migration

Journal Articles:


**Q: How does law influence migration**

We study CEE migration - whether

- (1) migrants are attracted to destinations that give them greater formal labor market access,
- (2) migration flows to any given destination are influenced by the labor market policies of competing destinations,
- (3) the effects of labor market laws varies with the size of social networks, knowledge of language, and education.

*Ceteris paribus, migration is positively associated with the loosening of destination labor market restrictions, and negatively with the loosening of competing destinations’ labor market restrictions. Effects weaker for destinations with larger existing co-national networks, and for migrants from countries with more similar languages.*
CONTRIBUTIONS ON WHY DO PEOPLE MIGRATE – determinants of migration

Journal Articles:


Q: what are the determinants of migration to OECD countries?
We focus on effects of migration networks on consequent migration.

We find large network effects on migration, ceteris paribus. The network effects seem to be more important for migrants from less developed countries and from countries with lower level of education.
CONTRIBUTIONS ON WHY DO PEOPLE MIGRATE – determinants of migration

*Books/Book Chapters:*


CONTRIBUTIONS ON WHY DO PEOPLE MIGRATE – determinants of migration

UNDER REVISION AND SUBMITTED:

- “Do Natives’ Attitudes Influence International Migration?” (with Cedric Gorinas), 2nd Revise and Resubmit request from the International Migration Review (IF 0.812).

- “Climate and International Migration: The Importance of the Agricultural Linkage” (with Cai, R., Feng, S. and M. Oppenheimer). Revised version resubmitted to the Journal of Environmental Economics and Management (IF 2.522) upon the Revise and Resubmit request.

...a number of wok in progress papers on determinants of migration: the role of EU enlargement and labor market openings, crisis and business cycle, welfare benefits, bilingualism, political conflicts, relative deprivations etc....
CONTRIBUTIONS ON IMPACTS OF MIGRATION AND ETHNIC DIVERSITY on firms and economies

Journal Articles:


Books/Book Chapters:


...a number of wok in progress papers within the research area: effects of immigrants and ethnic diversity on FDI and trade, effects of CEE migration on economies, etc.
CONTRIBUTIONS ON WAGES AND LABOR MARKET DYNAMICS

Journal Articles:


Books/Book Chapters:


...a number of wok in progress papers on gender differentials.
More on:

https://sites.google.com/site/pytlikovaweb/

THANK YOU ! 😊