

Migration in CESEE.
Socio-demographic profiles of prospective
emigrants and their motives to move
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Discussion by Enrica Di Stefano

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What drives migration intentions in CESEE countries?

- Focus is on drivers of the migration choice.
- Assessment of relative importance of individual characteristics, social and economic environment **in the country of origin**.
- It sheds light on very important issues:
 - which economic conditions favor migration?
 - what type of people/workers are more likely to migrate?
- Issues important not only for destination countries, but also for countries of origin where migration may induce drop in the labor force and changes in its composition.

Migration intentions in CESEE countries are found to be:

- More common among young and men.
- Lower in EU countries than in non-EU countries.
- More likely for unemployed individuals, especially in economically depressed regions.
- Decreasing with trust in domestic institutions.
- Increasing with trust in EU institutions.
- Persistent as historic destination country patterns prevail.
- Unclear relation with (log-equalized) household income.
- Not significantly related to education level.

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- Increasing with trust in EU institutions.
- Persistent as historic destination country patterns prevail.
- **Unclear relation with (log-equalized) household income.**
- **Not significantly related to education level.**

Result: *“The relationship between (log-equalized household) income and migration intentions is not robust.”*

Comments:

- Log-equalized household income could influence differently the migration choice depending of whether the the individual is/isn't an income earner.
- Does it not increase?

Suggestions:

- Log income versus binary
- Control for sex, region, illiteracy, population

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- Gross or net income? [Tax Regimes in CESEE](#)

Suggestions:

- Log Income versus dummy
- Control for tax regimes (Tax regime indicator)

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Suggestions:

- Log-equalized household income
- Expected household size
- Migration intentions

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Suggestions:

- Use income earner dummy
- Expand to net income? (tax regimes)

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- Control for tax regimes (flat vs. progressive)

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Result: *“The education of individuals is **not** significantly related to migration intentions.”*

Comment: Unusual as most literature finds evidence of a selection-bias. What drives it?

- Proposed explanation: Migration intentions could be a non-monotonic function of the variables motivating actual behavior.
- Did you control for individual status?
- Higher vs. Unemployed is not the same as High vs. Low education.
- Data issues? (e.g., missing values)

Suggestions:

- Do you control for duration of unemployment?
- Do you control for the type of unemployment?
- Do you control for the type of migration?

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- Proposed explanation: Migration intentions could be a non-monotonic function of the variables motivating actual behavior.
- Not controlled for 'student' status.
- Skilled vs. Unskilled is not the same as High vs. Low education
- Data issues? [Discussion](#)

Suggestions:

- The student's status as a control variable
- Skills vs. Education
- Data issues

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Suggestions:

- Use 'student' dummy or focus on 29-and-older.
- Restrict to: High vs. Medium-Low education.
- Adjust educational attainments with PISA results.

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Thank you for your attention

Key message: Tax regimes differ a lot in CESEE countries

Table: Tax regimes in selected CESEE countries: key features

Country	Type	Tax rates
<i>EU countries:</i>		
Bulgaria	Flat	10%
Croatia	Progressive	24% (up to EUR 28,000) to 36% (above EUR 28,000)
Czech Republic	Flat	15%
Hungary	Flat	15%
Poland	Progressive	0% (up to EUR 1,525), increasing progressively up to 32% (above EUR 29,330)
Romania	Flat	16%
<i>Non-EU countries:</i>		
Albania	Progressive	0% (up to EUR 240), 13% (on next EUR 800), to 23% (above EUR 1,040)
FYR Macedonia	Flat	10%
Serbia	Flat	Different rate by income source

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Figure: Share of individuals aged 25-39 with migration intentions from OeNB Surveys

Country	Education		
	Low	Medium	High
Albania	34.84	14.89	16.18
Bulgaria	25.33	14.12	13.25
FYR Macedonia	27.94	13.80	11.89
Hungary	12.28	10.07	17.71
Bosnia and Herzegovina	25.83	13.05	0.00
Croatia	0.00	9.85	7.25
Serbia	6.10	8.40	9.02
Romania	0.00	9.80	6.09
Czech Republic	32.10	9.58	1.98
Poland	0.00	9.82	2.16

Source: OeNB Euro Survey (2014).

(a) 2014

Country	Education		
	Low	Medium	High
Czech Republic	0.0%	3.3%	3.9%
Poland	8.2%	8.1%	6.9%
Romania	0.0%	12.0%	8.8%
Hungary	0.0%	8.0%	23.1%
Bosnia and Herzegovina	0.0%	11.9%	22.2%
Croatia	12.3%	12.1%	18.9%
Bulgaria	17.5%	19.7%	4.7%
Albania	0.0%	19.4%	15.7%
Serbia	31.6%	16.0%	20.4%
FYR Macedonia	28.8%	22.0%	20.0%

Source: OeNB Euro Survey (2017).

(b) 2017

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