

Does Romanian Emigration Influence Labour Force?

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ABSTRACT: The present paper contributes to the studies on Romanian emigration by assessing the link between emigration and labour force. After the elimination of Schengen visa and adherence to the European Union, the low incomes and the competition on the European Union market influenced and intensified the Romanian emigration, which reached 3 mil. in 2020. However, the number of available jobs followed a similar trend like emigration, being on an increasing trend starting with 2010.

In light of this, the first questions that arises are: There is any connection between migration and labour force? and What is the impact of migration on the labour force? The purpose of this paper is to assess the influence of migration on the labour force in Romania using the main four dimensions of migration: emigration, remittances, return migration and immigration.

KEYWORDS: labor force, migration, Romanian emigration

JEL Classification: F22 International Migration

1. INTRODUCTION

In recent years, the several shifts that have been observed in the migratory population together with the magnitude of the phenomenon have placed the topic as an important one on the European agenda. The characteristics of the migration flow forced the countries to adapt to new migratory trends and change their policies so as to incorporate the increasing trend of transient migration, especially of highly skilled workers (Bauer et al, 2004). Still, when we talk about the country from which they emigrate, the high incomes of migrants put pressure on incomes in the country of residence that in turn can negatively influence the foreign direct investments, slowing the country's economic growth. In some sectors of activity is difficult to find skilled workers, the main triggers being the increased salaries and remittances that raised demand (Drew, 2007).

The differences in terms of education, training and incomes on labour market play a crucial role in explaining the decision of emigration in economically developed countries, mainly in case of young people (Gangl, M., 2006). The high average unemployment rate, especially among people with higher education, has drawn the attention of the authorities to an active recruitment policy for highly qualified migrants. In addition, European societies are aging and Social Security systems are putting increasing pressure. The vast majority of migration experts say that a regulation that attracts young immigrants with higher education can alleviate part of the demographic burden, the aging population. (Bonin et al., 2000).

As far as our country is concerned, Romania is known as a net emigration country. Even though the communist regime tried to limit the migration of people, this movement was common even before 1989, but in a different form (Iordache & Matei, 2020). The available and publicly data is showing a modest but steady growing trend which is highly influenced by the free mobility of people to travel and work abroad. In the last years, more and more people chose to spend the spare time, to work or to study abroad, in this way managing to get in touch with other cultures and broaden their spectrum of knowledge. This trend in combination with the accentuated demographic aging in our country make their mark and accentuate the problems on the Romanian labor market (Serban, 2012). On the other hand, emigration can have a positive influence on the workforce when migrants decide to return to the country and use the knowledge developed during their stay abroad (OECD, 2017).

Concerning the structure of the work, after the introductory part, we present the literature review of this topic and then we focus to assess the impact of migration on labor force in Romania using the main four dimensions of migration: emigration, remittances, return migration and immigration. The last part of the article is for conclusions and recommendations.

The paper contributes to the studies on identifying the impact of Romanian emigration on labour force, based on the main dimensions of migration process. We consider that the analysis can provide valuable information for the decision-makers related

Does Romanian Emigration Influence Labour Force?

to the elaboration and implementation of labor policies that can stimulate and offer more appealing offers on the Romanian labor market.

2. LITERATURE REVIEW

After 1990, Europe faced the largest migratory wave in terms of both permanent migration and temporary labor migration, the main trigger being the high demand for labor in areas such as agriculture, services and construction (Mitrica et al., 2019). This migratory movement highlighted especially in times of crisis such as the economic crisis of 2008 influences relations between Member States in terms of internal mobility (Lafleur and Stanek, 2017; Fischer-Souan, 2019; Della Puppa et al., 2021).

The migration process in the European Union puts pressure on both the country of emigration and the country of immigration due to differences in income and opportunities (Kahanec and Zimmermann, 2010). The deeper the differences between the countries, the stronger the effects of migration on the economies of the countries are felt on the level of treatment (Kahanec et al., 2008) and on the structure and performance of the labor force (Noja et al., 2018).

In general, migration can have positive or negative effects on the development of an economy (Nyberg-Sørensen et al., 2002), but with direct effects on the development and living standards of people who decide to emigrate and their families (Murrugarra et al., 2011; Siddiqui, 2012).

The literature has focused mainly on the impact of emigration in destination countries and the well-being of the family left in the country of origin, analyzed through remittances (R Römhild, 2017, Saha et al., 2018; Mehedintu et al., 2020; Saha and Goswami, 2020), and less on the impact of emigration on the labor force or on the social conditions in the country of emigration.

A person's decision to emigrate is generally influenced by a combination of social, economic, or political factors that come from either the country of immigration or the country of emigration. According to (EUROSTAT, 2009) the emigration decision was influenced by the economic stability and the economic development of the immigration countries. Migration, treated as a stand-alone event, cannot reverse the aging trend of the EU population, but certainly migration flows have an influence on the labor market in both countries involved in the emigration process.

The current situation of the labor market on the territory of the EU highlights a rather high unemployment rate, deficit. Thus, policies aimed at emigration are increasingly aimed at attracting emigrants. Attracting people from other countries is an important topic analyzed by specialists, especially in view of the fact that this process influences and can economically alleviate to some extent the demographic burden that most European countries face, namely demographic aging. (Bonin et al., 2000). Even if the temporary migration of people has only a short-term impact on the labor market in the country of emigration, this impact can be transformed into a long-term one if the emigration decision changes to a permanent one.

According to the literature, migration can affect the labour market through four different dimensions (Ciupureanu and Roman, 2016; Epstein and Radu, 2007; Roman, 2013; Botezat and Pfeiffer, 2014; OECD, 2017):

1. **Emigration** is a channel that affect unemployment rate by reducing the number of available people willing to work in the home country (reducing labour supply) and also affect the wage levels. On the other hand, it also means a reduction of personal not only at national level, but also at household level which can affect productivity and development of labor force;
2. **Remittances** can generally influence family members who have remained in the country by increasing the lowest rate they would be willing to accept. The amount of money received from abroad can cover the basic needs of the family, so the remaining members in the country can try to start a business or at the same time can give up the job.
3. **Return migration** can influence in a positive way labor market by bringing financial, social and human capital accumulated abroad back to their home countries. Emigrants that return home can start new businesses using the knowledge accumulated abroad which in turn create new available jobs; The substantial savings as well as knowledge gained abroad allow emigrants to return to the country and have a much better and more prosperous future.
4. **Immigration** is a channel that can affect the level of wages and national workers by providing jobs available to immigrants, but in the same time could have a positive impact by covering labour gaps in certain fields.

3. CASE STUDY OF ROMANIA

Data and estimation method

Regardless of the number of articles that studies the impact of migration on labour market, the impact on in the country of residence is studied in a limited way due to the difficulty of measuring granular emigration and its implications. This paper aims to assess the impact of migration on Romanian labour force, following the main four dimensions: emigration, remittances, return migration and immigration. To do so, we used the following variables:

Does Romanian Emigration Influence Labour Force?

- **Inflow Migration** (OECD) – Number of migrants from Romania to other countries, in the form of inflow on foreign population;
- **Stock Migration** (OECD) – The stock of migrants from Romania to other countries;
- **Number of job vacancies** (INSSE) - The number of vacancies includes the number of paid, newly created, vacant, or vacant positions
- **Number of unemployed** (INSSE) - the number of people who do not have a job at the end of the month
- **Income per household** (INSSE) - Average total monthly income per household
- **Remittances** (World Bank) - Personal remittances comprise personal transfers and compensation of employees.
- **Income per household** (Eurostat) - The total disposable income of a household
- **Permanent immigration** (INSSE) - Immigrants with a change of address are persons (of Romanian citizenship) who immigrate to Romania.
- **Temporary immigration** (INSSE) - Temporary immigrants are people who emigrate to Romania for a period of at least 12 months

Based on the literature review emphasized above, we use in our paper 2 statistical methods that analyze the link between emigration and labor market:

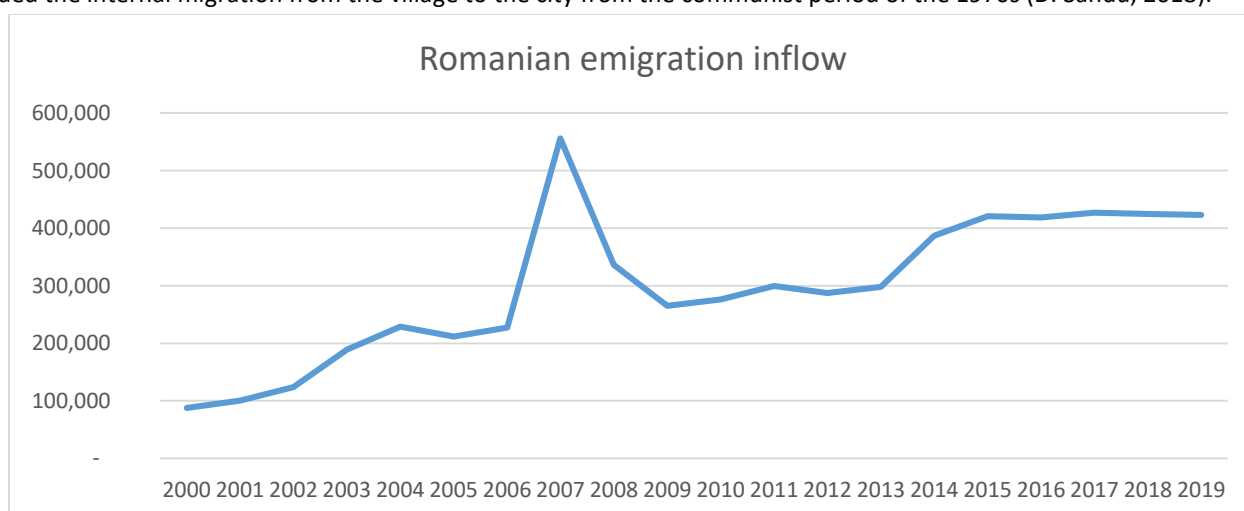
1. **Pearson correlation** - indicates the intensity of the relationship between the variables. The value range is between [-1;1], and the sign indicates the direction and the value indicates the intensity of the relationship;
2. **Simple linear regression** - Regression is very much related to the concept of correlation. A strong association between two elements leads to an increase in the accuracy of predicting one variable over another. If we had a perfect correlation (+1 or -1) the estimation would be extremely accurate;

The four different dimensions of emigration are:

a) Emigration

Emigration influences and reduces the population of a country. If migrants are active in the labor market and had a job before emigrating, then this also reduces labor supply. In general, a significant decrease in labor supply can relax competition in the labor market, positively influence the wage level and also reduce the unemployment rate, depending on the level of skills of people who replace people who emigrate.

Romanian migration is divided into three major periods in the last half century. Thus, the first period is represented by the years 1971 - 1981, when we encounter internal migration. During this period we encounter the migration from the village to the city, when about two million people moved to the city (on average about 180,000 changes of residence). The second period is recorded after 1989 when approximately 100,000 Saxons and Swabians emigrated from Romania to Germany, and the last period is represented by the post-December emigration abroad. This last period is represented by the temporary emigration abroad, intensified especially after the elimination of the visa requirement for Romanians in the Schengen area. According to the estimates of the National Institute of Statistics, between 2003 and 2016 there are approximately three million departures abroad. This period exceeded the internal migration from the village to the city from the communist period of the 1970s (D. Sandu, 2018).

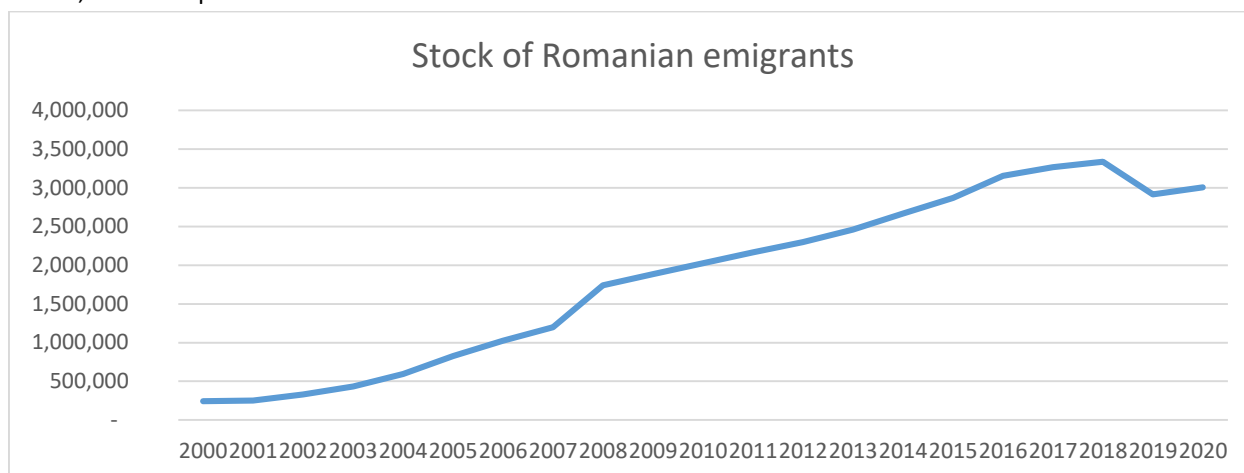


Graph no. 1. Inflow of Romanian population on other countries

Source of data: OECD database

Does Romanian Emigration Influence Labour Force?

Romanian emigration is on an increasing trend between 2000 - 2019, Romania experienced the highest increase in emigration among the EU countries since 1990. Between 2002 - 2007 is the stage in which Schengen visas were eliminated so that a rapid increase in circular migration was promoted. In addition, the possibility of legal residence for a period of 3 months as a tourist has led to the development of circular migration, the focus being mainly on Italy and Spain (IOM, 2005). As a main implication, this rule led to the evasion of control over the labor market, so that emigrants ended up working for 3 months illegally. In 2007, the boom in Romanian emigration coincides with Romania's accession to the European Union, an accession that gives Romanians greater freedom of movement within the member states. The dramatic decline of 2008, followed by 2009 is explained by the economic crisis that followed immediately after Romania's accession to the EU, and then from 2009 until now is the period of free migration, with free access to the European labor market. Between 2000 and 2020, Romania registered the highest increase in migration stock, at 1240% percent.



Graph no. 2. Stock of Romanian population on other countries

Source of data: OECD database

The stock of Romanian emigrants follows the same trend as the flow of Romanian emigrants, so that in the analyzed period 2000-2020 a continuous increasing trend is observed, with the highest growth rate being registered in 2008, exactly after Romania's accession to the European Union.

Further, in order to test the correlation between number of Romanian emigrants and Romanian labour force and to determine if emigration has any influence on the labor force, we used the following variables that characterize the labour market (IOM, 2021).

- number of unemployed
- number of job vacancies
- average total monthly income per household

Table no. 1. Pearson correlation

2000-2020	emigration stock	number of unemployed	number of unemployed_lag1	number of job vacancies	monthly income per household
emigration stock	100,00%				
number of unemployed	-74,67%	100,00%			
number of unemployed_lag1	-75,20%	84,59%	100,00%		
number of job vacancies	-41,62%	-37,07%	-26,02%	100,00%	
monthly income per household	88,84%	-78,23%	-80,65%	-28,54%	100,00%

Source of data: OECD and INSSE

Table no. 2. Pearson correlation

2008-2020	emigration stock	number of unemployed	number of unemployed_lag1	number of job vacancies	monthly income per household
emigration stock	100,00%				
number of unemployed	-70,91%	100,00%			

Does Romanian Emigration Influence Labour Force?

number of unemployed_lag1	-42,96%	63,24%	100,00%		
number of job vacancies	17,85%	-48,25%	-53,50%	100,00%	
monthly income per household	69,12%	-77,37%	-70,87%	12,83%	100,00%

Source of data: OECD and INSSE

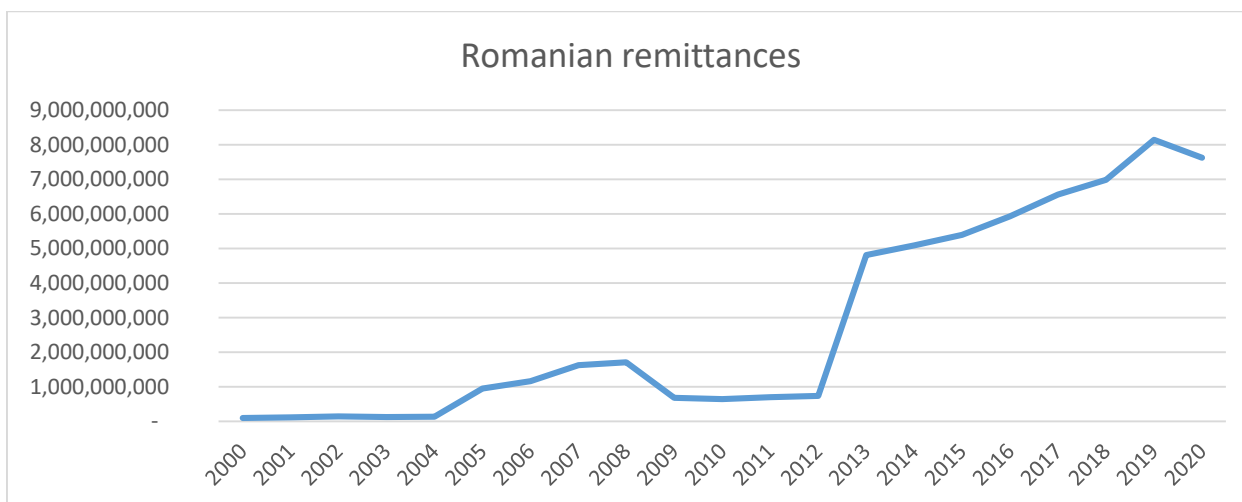
Regardless of the period included in the analysis (2000-2020 or the period after Romania's accession to the EU) there is a strong and negative correlation between the number of unemployed and the number of Romanian emigrants which confirms that the free movement of Romanians helped reduce the pressure work by reducing unemployment. However, recent migration also had negative effects on the workforce, reducing job demand, which has significant demographic effects. (Ghetau, 2018).

The correlation of the number of emigrants with the number of vacancies is insignificant, but emigration is closely correlated with the average income per household (89% correlation between 2000-2020; 69% correlation 2008-2020). If we focus on the average income at the level of households, we notice a stronger correlation with the Romanian emigration, which confirms the hypotheses intensely analyzed and confirmed by specialists in the field, namely the fact that Romanian emigrants choose to emigrate not due to lack of places but because of the low incomes that do not allow them to ensure a decent living for both their staff and family (Iordache & Matei, 2020, Akexe et al, 2012, Todaro and Maruzco, 1987).

b) Remittances

In general, a person's decision to emigrate affects the work decision of other members of the household. Thus, this impact can be analyzed from 2 separate points of view: if the person who decides to emigrate is the main source of income, then it is possible that these decisions will force other people in the family to look for a job (this situation is more common in rural areas). On the other hand, migrants usually send family remittances, so these incomes improve the standard of living and family incomes that reduce the need for family members to go to work. The literature suggests that remittances have a significant effect on the workforce in that the remaining family members in the country do not want to be employed, being satisfied with the standard of living provided by the remittances received (Kim, 2007; Acosta, 2006; Hanson, 2007).

Despite the communist regime's efforts to control the number of emigrants, Romania has seen a steady upward trend in emigration. This increasing flow is also captured in the chart below that shows the evolution of remittances in the period 2000 - 2020.



Graph no. 3. Romanian remittances 2000 - 2020

Source of data: World Bank

According to the chart, remittances are on an upward trend starting in 2020, with a recession period between 2009-2012. This decline is a consequence of the economic crisis of 2008, but in 2013 there is a boom in remittances that is directly influenced by the evolution of emigration. After 2013, emigration continues the positive trend registered before economic crisis. Also, the remittances are closely correlated and follow the same trend with the Romanians' income (the correlation coefficient being 79%).

Table no. 3. European Union Remittances 2000 - 2020

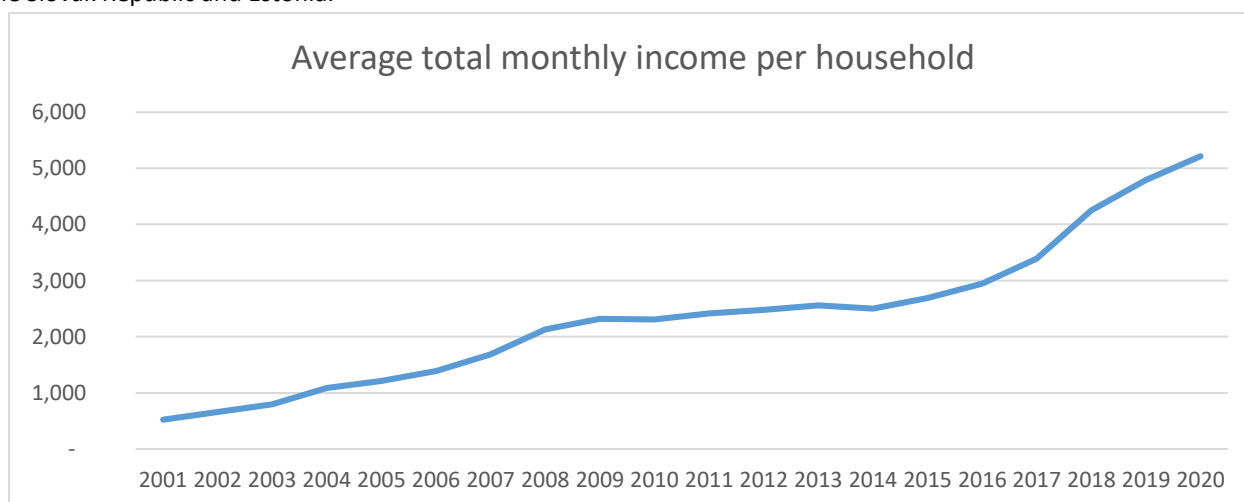
Country Name	2000	2020	Growth rate between 2020 and 2000
European Union	0,41	0,76	86,3%

Does Romanian Emigration Influence Labour Force?

Croatia	3,74	7,35	96,4%
Latvia	3,17	3,23	1,9%
Romania	0,26	3,07	1089,8%
Luxembourg	2,73	2,92	6,7%
Hungary	0,77	2,45	218,8%
Belgium	1,70	2,43	43,5%
Slovak Republic	0,06	2,34	3739,7%
Cyprus	0,45	2,17	381,4%
Malta	0,43	1,91	344,6%
Czech Republic	0,48	1,71	258,7%
Estonia	0,07	1,65	2219,3%
Lithuania	0,43	1,40	222,6%
Bulgaria	0,44	1,37	210,8%
Slovenia	1,00	1,20	20,1%
Poland	0,87	1,13	29,8%
France	0,65	0,96	46,8%
Austria	0,92	0,69	-24,5%
Sweden	0,17	0,57	242,9%
Italy	0,16	0,51	228,7%
Germany	0,19	0,47	150,9%
Denmark	0,41	0,42	2,9%
Greece	1,69	0,32	-80,8%
Finland	0,38	0,30	-19,8%
Portugal	0,22	0,26	18,2%
Netherlands	0,10	0,26	152,5%
Spain	0,11	0,23	115,2%
Ireland	0,25	0,06	-74,3%

Source of data: World Bank

Compared to other European Union countries, Romania ranks 3rd in 2020 (3.07% of GDP) if we analyze remittances as a percentage of the country's GDP, after Croatia and Latvia, at a statistically significant distance from the European Union average. (0.76%). As a percentage of growth, Romania registers an increase of 1090 p.p. in 2020 compared to 2000, being also ranked 3rd after the Slovak Republic and Estonia.



Graph no. 4. Average total monthly income per household 2001 - 2020

Source of data: INSSE

Does Romanian Emigration Influence Labour Force?

The total monthly income per household has been increasing since 2001. On average, the annual growth rate is 13%, the best periods of growth being recorded in the pre-crisis period of 2008 (average annual growth rate 23%) and after 2014 (average annual growth rate 13%). Between 2009 and 2014, the growth rate was 2% per year.

Table no. 4. European Union mean income by household type 2010 - 2020

	2010	2020
European Union - 27 countries (from 2020)	16.635	20.159
Luxembourg	36.410	43.688
Denmark	26.912	34.346
Ireland	23.965	30.672
Austria	23.576	29.503
Netherlands	22.692	29.311
Finland	23.528	28.683
Belgium	21.376	27.641
Germany	21.466	27.520
Sweden	20.085	26.654
France	23.426	24.850
Italy	18.221	20.449
Cyprus	18.929	19.430
Malta	11.794	19.048
Spain	16.924	18.119
Slovenia	12.653	15.836
Estonia	6.782	13.701
Portugal	10.546	12.696
Czechia	7.981	11.885
Lithuania	4.975	10.491
Latvia	5.466	10.404
Greece	13.955	10.044
Slovakia	6.785	9.003
Poland	5.116	8.923
Croatia	6.622	8.643
Hungary	4.631	7.289
Bulgaria	3.498	5.928
Romania	2.372	4.846

Source of data: Eurostat

Comparing Romania's income with that of other European Union countries, we notice that Romania ranks last in 2020, with a gross household income 4 times lower than the European Union average. In 2010, Romania was also on the last place in the ranking of European Union countries, with an average gross household income 7 times lower than the European Union average. To assess the influence of remittances on average income we used simple linear regression with which we obtained the following results:

Table no. 5. Linear regression

Remittances	Model I
Income	818,931*** (151,758)
Constant	1147,350*** (292,186)
R-squared	61,80%
Observations	20

Does Romanian Emigration Influence Labour Force?

Significance F	0,00%
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Source of data: Authors' analysis based on INSSE and World Bank database

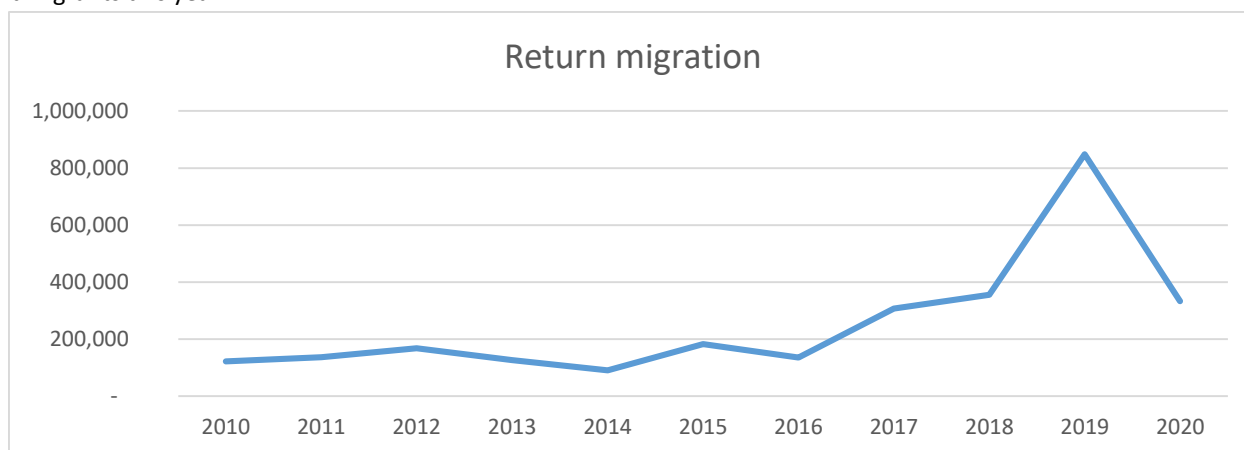
According to the results, the remittances directly influence the incomes, and when the increase of the remittances relative to the GDP by one unit, the average incomes per household increase by 819 units. The variation of incomes is explained in proportion of 62%, the rest of the variation being explained by other factors that were not included in the analysis. The results obtained are in line with those obtained by IMF (1999), Ratha (2007) and Anghelache et al (2016).

c) Return migration

Romania's accession to the EU has made return migration easier but more difficult to measure. After accession, the free movement of Romanians facilitated both emigration and return to the country, which attracted both more temporary stays and more long-term stays. Free movement of workers has made it easier to work abroad as well as in other EU Member States, which means more complex mobility models (Ciobanu, 2015).

Return migration is a fairly common phenomenon in Romania. According to surveys conducted on this topic (Ambrosini et al.2015) return migration represents 7% of the population 24-65. The study was conducted between 2002 and 2004. 4 years later, Martin and Radu, 2012 obtained a percentage of 8% of emigrants who returned to the country from the population aged 24-65 years. Even if the difference in percentage points is quite small, return migration registered an increase of about 10% in about 5 years. Return migration can be measured in two ways: census and labor force databases with a focus on migration. Analyzing the results of the two sources, the number of migrants who returned to the country is very small (3200 based on census results and 385000 in 2015 according to Eurostat database) which confirms that it is almost impossible to measure the exact number of returning emigrants in Romania.

Considering the lack of official data on the number of emigrants returning to the country, we calculated an annual estimate using the stock of emigrants and the annual flow, data series provided by the OECD database. Thus, the number of migrants returning to the country was calculated as the difference between this year's migrant stock and last year's migrant stock and the number of migrant migrants this year.



Graph no. 5. Return migration 2010 - 2020

Source of data: Authors' analysis based on OECD database

In general, the number of Romanian emigrants returning home was approximately constant between 2010 and 2016, with an upward trend starting with 2016. In 2019 there was a significantly higher number of emigrants returning to Romania, 850,000 compared with 180,000 (the average return migration before 2019).

The return of Romanian emigrants in the country can contribute in many ways to the improvement and economic development of the country: the provision of skilled labor, the transfer of knowledge gained abroad during emigration, and entrepreneurship developed based on knowledge gained abroad have an impact positive on the Romanian workforce and business environment. On the one hand, these mechanisms cause emigrants to return to the country for at least a certain period of time, but on the other hand, emigrants can also have a significant contribution from abroad through remittances, trade and business networks. The latter is not necessarily a positive impact on the Romanian workforce but it does impact the well-being and standard of living of the family left in the country.

Reintegration in the country of origin is a topic quite debated in the literature, being a process that can be analyzed from several perspectives. First of all, the economic situation of the country of origin is an impactful factor that helps the emigrant to make the decision to return or not. If we also analyze the age of emigrants, those in the workforce will also be attracted to a well-paid job

Does Romanian Emigration Influence Labour Force?

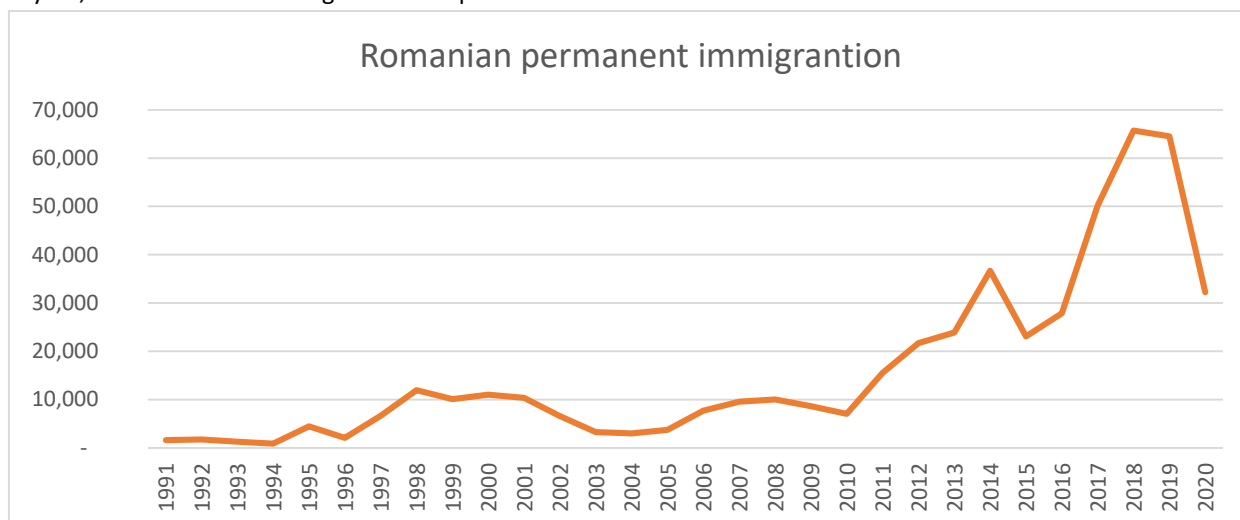
that will provide them with a necessary livelihood and the well-being of their family (OECD, 2008). The economic situation of the country of origin is an important factor that stimulates emigration (countries with a good economic situation attract emigrants from countries with weaker economies), this being also the case of Romania.

According to Eurostat survey between 2015 and 2017, the employment rate was higher among those returning from abroad than those remaining in the country, which leads to the idea that Romanian emigrants returned to the country with new knowledge that can increase business in the country. For example, in 2014, the employment rate of professionally active people (15-64 years) was 69% among migrants, as opposed to 61% among people residing in the country. This difference of approximately 10 percentage points is maintained in the following years. (EU labor force survey, 2015 - 2017).

Entrepreneurship among return migration is a topic carefully analyzed by specialists in the literature (Marchetta, 2012; Piracha and Vadean, 2010; Dustmann and Kirchkamp, 2002). The results of surveys conducted on migrants' returns are different depending on the year and the source of the information. Thus, Martin and Radu (2012) find that returned migrants are not more likely to become independent than non-migrants, while the results of the OECD survey (2015-2017) show that they are more likely to be active migrants in terms of to open a business and generate new jobs.

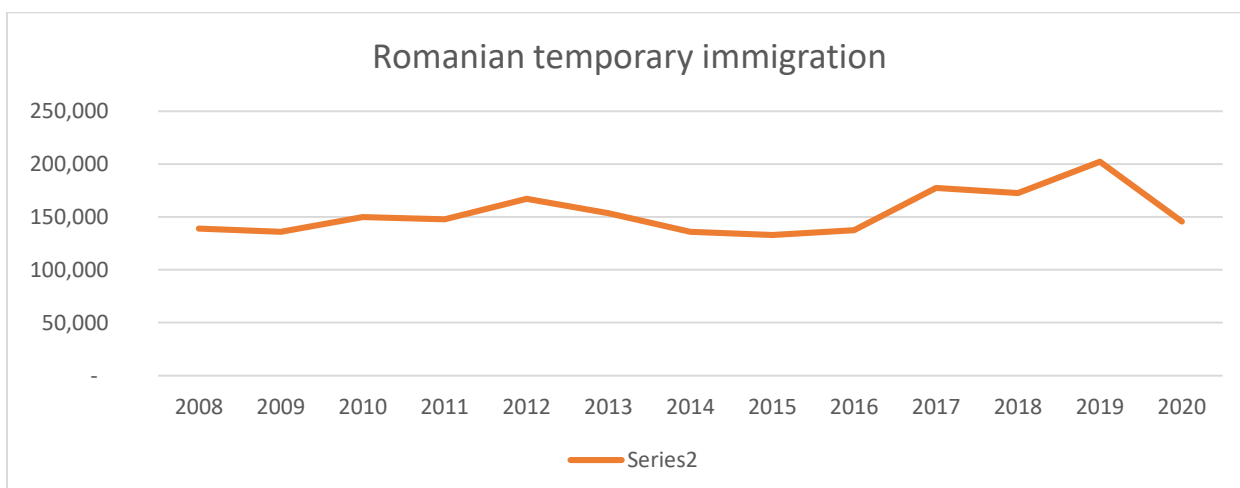
d) Immigration

Although Romania is considered a net emigration country, in recent years it has become a transition, an important destination for immigrants. The number of emigrants is still significantly higher than the number of immigrants, but the gap has begun to narrow in recent years. According to the chart below, permanent immigration to Romania was relatively low before 1998 and relatively stable between 1998 and 2010 (on average ~ 8000 immigrants annually). After 2010, permanent immigration registered an increasing trend reaching a maximum of ~ 65000 immigrants in 2018 - 2019. In 2020, immigration was at half the values of the previous year, the main reason being the COVID pandemic 19.



Graph no. 6. Permanent immigration - Romania

Source of data: Authors' analysis based on INSSE data



Graph no. 7. Temporary immigration - Romania

Source of data: Authors' analysis based on INSSE data

Does Romanian Emigration Influence Labour Force?

Unlike permanent immigration, temporary immigration is relatively stable in the analyzed period (2008 - 2020). On average, ~ 150,000 immigrants are registered annually in Romania, with values higher than almost 200,000 registered migrants between 2017 and 2019 and with the same significant decrease at the beginning of the COVID pandemic 19.

The literature shows that immigration has a significant economic impact and is associated with improved living standards and economic growth (Epstein and Radu, 2007). This positive impact complements the demographic decline, Romania being the third country in the EU with the largest population deficit according to Eurostat.

Regarding the puncture market, immigration can have a positive impact if we analyze the deficit in recent years correlated with demographic aging and emigration. In this way, Romania could attract and encourage the settlement of immigrants in the country, which would compensate for the demographic problems accentuated more and more lately. The main objective of emigration policies is to facilitate access to the internal labor market, especially in sectors where there is a shortage of staff due to emigration. However, the impact of emigration on the labor force depends on the skills of existing migrants and workers as well as the socio-economic characteristics of the country of immigration. Thus, immigration increases the number of workers in certain sectors of the economy, but may also increase the demand for jobs by consuming goods and services offered in the economy Ruhs & Vargas-Silva (2017).

In the case of Romania, immigration and potential changes in labor market participation cannot fully compensate for the alarming decline in the labor force. Estimates of the labor shortage show that the situation will worsen in the future, but we cannot estimate with certainty what the impact of immigration will be and to what extent it will be able to cover part of the labor market deficit in Romania. The main problem is the granularity of the data, so for an exact impact on the labor force we need data that can shape the demographic and economic profile of immigrants, data that later correlated with labor market information can provide consistent information to help policy immigration.

4. CONCLUSIONS

The Romanian emigration of the last 20 years has reached huge thresholds, which made the subject to be carefully analyzed and debated by the specialist. Free movement and Romania's accession to the European Union were two important thresholds that significantly influenced the emigration process in Romania, the emigrant stock exceeding the threshold of 3,000,000 starting with 2016. The more carefully it is analyzed by specialists, the more difficult it is to measure phenomenon as well as the effects on the Romanian labor market.

The emigration process in Romania influences the labor market in a negative way through the large number of emigrants which reduces the number of people who are willing to work in the country and to fill vacancies, but still contributes in a positive way through remittances sent periodically in the country that increase the standard of living of the remaining family in the country which in turn influences the demand for goods and services. On the other hand, return emigration stimulates the labor market through the knowledge gained abroad that can improve the country's work processes and also through the income with which emigrants return to the country and can be invested in a productive and beneficial way for the family. Another pillar of the emigration process that influences the Romanian labor market is immigration, which has a relatively low percentage of the country's population (<1%), but has the potential to cover staff shortages in certain sectors of the economy caused by so much emigration, as well as demographic aging.

Based on the analysis performed above, we summarized the main influences of emigration on the Romanian labor market, using SWOT analysis:

Table no. 6. SWOT analysis

<p>STRENGTH</p> <ul style="list-style-type: none"> - Increasing the job offer - Increasing labor productivity - Increasing competitiveness - Increasing the occupancy rate 	<p>WESKNESS</p> <ul style="list-style-type: none"> - Reducing wages - Increasing unemployment among existing workers in favor of immigrants
<p>OPPORTUNITY</p> <ul style="list-style-type: none"> - Stimulating economic growth - Increasing innovation 	<p>THREAT</p> <ul style="list-style-type: none"> - Increasing unemployment and social assistance expenditures - Increasing the competitiveness between immigrants and workers in the country

Source of data: Authors' analysis

Does Romanian Emigration Influence Labour Force?

Briefly, the migration process can positively and negatively influence the Romanian labor market, but the lack of granular data makes it almost impossible to accurately measure the impact that can confirm whether remittances, return migration and immigration can cover the gap caused by Roman emigration. However, the results presented in the article offer some perspectives on the subject that confirm the efficient management of migratory flows is becoming a priority for decision makers in Romania and in the European Union. It is very important for Romania to develop effective migration policies that attract labor either through immigration or return migration or at the same time to reduce emigration, processes that could reduce the impact of demographic aging frequently encountered in European countries.

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Does Romanian Emigration Influence Labour Force?

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