

IZA Press Statement – November 25, 2013

Migrants from new Member States an asset for Europe

International Handbook on the Economics of Migration launched in Bucharest

Anti-immigration sentiment is on the rise in Europe, as countries such as Germany, Spain or the UK have reverted to a reserved position when it comes to access of immigrants, including those from new member states, to their labor markets and welfare systems. The “*International Handbook on the Economics of Migration*” (co-edited by IZA Program Director **Amelie F. Constant** and IZA Director **Klaus F. Zimmermann**) launched at the Bucharest University of Economic Studies on November 25, 2013 shows that these sentiments are unfounded.

The handbook chapter on welfare migration claims that “fears about immigrant abuse of welfare systems are unfounded or at least exaggerated.” Robust evidence shows that even if some relationship between immigration and welfare generosity is found, it is rather exiguous.

According to a research paper by an IZA team that came out in *International Journal of Manpower* earlier this year, the economic situation or presence of relatives or other contacts in receiving countries are among much more important pull factors.

The main purpose of migrants from new member states coming to old member states is employment, according to the Handbook. Another study, also presented on Monday in Bucharest, shows, that migrants from the new member states have contributed to receiving countries GDP, GDP per capita, as well as employment rate. “They may have also helped to keep inflation down,” adds **Martin Kahanec** (Central European University, Budapest), co-author of the study.

Immigrants have been scapegoated, and not only by rising anti-immigrant parties in countries such as France or the Netherlands, also for their alleged abuse of social benefits. An earlier study by IZA and the Irish Economic and Social Research Institute (ESRI) shows that in most EU member states immigrants are in fact less likely to use the welfare system than the natives.

“Analysis of hard data reveals that even for unemployment benefits immigrants are equally and in several countries less likely recipients than comparable natives,” asserts Kahanec. “We need a

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paradigm shift, from the debate about abuse to a debate about lack of access to social benefits and services,” he adds.

Aging and crisis stricken Europe needs to tap on all available resources. Mobile workers can provide the much-needed flexibility and skills where they are needed. “The role of migration is ever more, and not less, important in times of economic crisis. Mobility can not only absorb some of the negative shocks, but by increased efficiency provide for recovery, and migrants from the new member states are crucial in this process,” concludes Klaus F. Zimmermann.

Program of the workshop and book launch at the Bucharest University of Economic Studies:
http://www.iza.org/conference_files/EUEnlargement_2013/

Sources:

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For further information on the new handbook:
<http://newsroom.iza.org/en/2013/10/30/migration-handbook/>