

Determinants of the Migration Decision from Romania

ANDREEA-OANA ENACHE
PhD, Institute of National Economy
Romanian Academy
enache_oanaa@yahoo.com

Abstract: The economic and social changes in the world have brought significant changes to the demographic phenomena of the last 40 years, the countries most affected by these changes being the ex-communist countries. Forms of migration are often perceived as a measure of the weighting of large-scale demographic effects, reducing the rate of aging worldwide. However, the idea of cultural diversity is not easy to manage, as migrants may not be able to adapt to living conditions in their destination countries. Globally, the illegal migration phenomenon is discouraged by the provision of multiple accommodation facilities in the host country, for immigrants, attracting highly qualified people, who can be easily integrated into the labor market and local communities in the destination country. As a result of these developments, the demographic outlook for Romania is not the most optimistic, so several experts estimate dramatic future developments for the country's population. The determinants of migration can be of several types, and in this paper will be considered the individual actions of analysis of migrants.

Key-Words: migration, emigrants, immigrants, earning, registered unemployed, econometric estimation, hypothesis testing

JEL Classification: F₂₀, F₂₂, F₂₄, B₂₂, B₂₃.

1 Introduction

The origin of the word migration comes from the Latin language, where it had several meanings. In the past, migration was defined as a form of mass movement of tribes from one territory to another, based on economic, social, political or natural considerations.

Currently, migration has many aspects related to moving or changing the place of residence of an individual or group of people, by changing their domicile and place of work, all of which are determined by social, political, economic or natural factors.

According to the International Organization for Migration's annual report for 2010, the number of people who decide to migrate has been estimated at 220 million by 2013 and 405 million by 2050, respectively.

Although the modern migration phenomenon is based on political and social connotations, such as wars and political conflicts or natural and environmental disasters, most of the time, economic aspects are the trigger for global migration.

These financial inequalities are due to large differences in people's incomes for similar extra paid work in other parts of the world.

Another factor that contributes to the decision to emigrate is the lack of specialists in the fields sought. Thus, developed countries are recipients of highly qualified people for areas less accessed by the internal population.

This aspect of migration leads to a deficit in the market of the country of origin of the migrant, where material opportunities, those of affirmation in the career, or of the standard of living, are not as great as in the country of destination.

Another type of migration that attracts a large number of researchers is that of the domestic environment. This occurs between the areas of origin of the population, from the rural area to the urban area, in the case of the states in the industrialization phase. The phenomenon can occur vice versa, the migration of the population being registered from the urban area to the rural area, in the case of developed countries. This paper aims to analyze the migration phenomenon and the migration decision as a result of several individual analysis actions, by verifying the significance of the specific individual effects (β_i), by the Hausman test and the fixed effects by redundancy tests.

2 Literature review

In the literature, the migratory phenomenon is defined in several ways, but several specialists believe that it is a form of mobility of individuals, from one territory to another, crossing administrative boundaries to settle for a period delimited by time or for an indefinite period, in order to have access to economic, social and environmental resources in the destination area (Roman, 2010).

At the same time, the effects of migration help to create a dynamic balance on the natural increase of a country's population, so that the demographic balance is restored by slowing down the aging rate and increasing the birth rate (Newell, 1988).

The migratory phenomenon contributes to the cultural changes generated in correlation with the effects of globalization felt worldwide (Zelinsky, 1966), which involves in its dynamics and social and political economic factors, through the differences between the two types of population structures. Social, linguistic, political, environmental, and religious aspects create differences between cultures, but with the magnitude of the migration phenomenon, these differences tend to diminish (Trewartha, 1969). The idea of restricting socio-cultural barriers can create both advantages and disadvantages for the population. The positive effects are observed by attracting highly trained migrants in areas that require a large number of specialists, the term brain drain is met, but they can also create problems by eliminating the national heritage values specific to the host country.

Viewed from another perspective, the migration decision may be based on Maslow's needs pyramid theory. An individual may migrate out of a desire to solve certain problems, such as physiological (food, water and environment), security, social, development and self-sufficiency.

Therefore, the migratory phenomenon sums up a multitude of influencing factors, resources and effects, which contribute to the increase of migratory flows, with changes in meaning and intensity. The implications of migration in this conglomeration of forces must be carefully managed by the states involved, as they can lead to socio-economic problems. The countries of origin, through the loss of brains, can slow down the pace of economic growth and technological advancement, but also the natural increase of life and the birth rate will be decreasing. The benefits observed due to migration in the countries of origin mainly refer to the amount of remittances sent by them as external capital flows.

3 Methodology

In order to analyze the problem of migration in Romania, data will be used on the number of emigrants and permanent immigrants, the average monthly nominal earnings and the number of registered unemployed; all these data are collected from the website of the National Institute of Statistics of Romania, as follows:

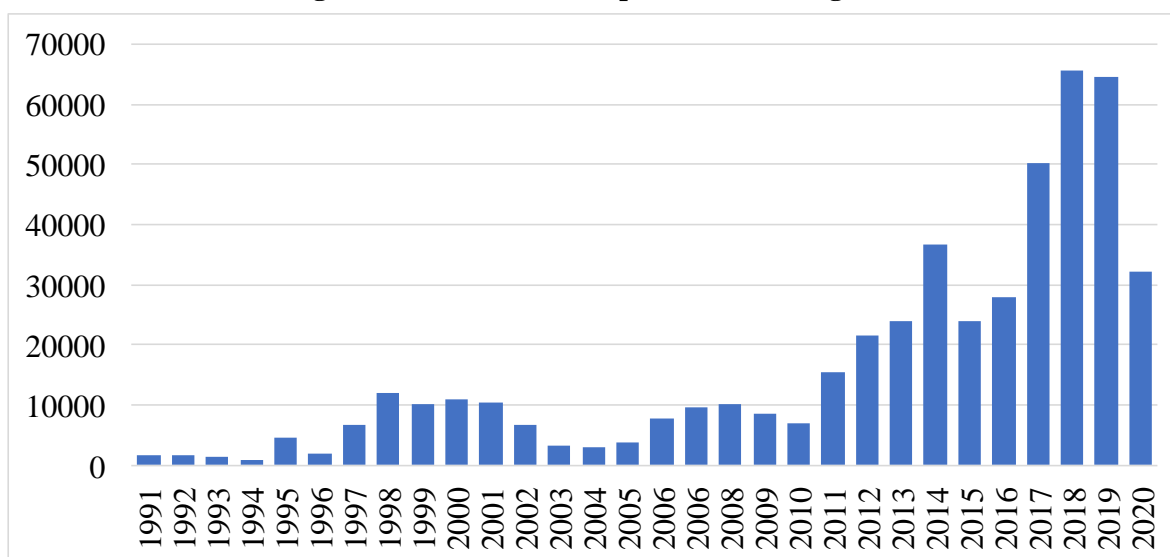
- Permanent immigrants by sex, macro-regions, development regions and counties of arrival, number of persons, 1991-2020;
- Definitive emigrants by sex, macro-regions, development regions and counties of departure, number of persons, 1990-2020;
- Average monthly net nominal earnings per activity of the national economy at the level of CANE Rev.1 section, categories of employees, macro-regions, development regions and counties (1990-2008) and CANE-Rev. 2 (2008-2020);
- Unemployed registered at the end of the month, by categories of unemployed, sex, macro-regions, regions and counties of development, total registered unemployed (compensated and unpaid), number of persons.

The number of unemployed is calculated and taken into account at the end of the year, because the data on the number of migrants and income are also presented annually.

3.1. Definitive immigrants

Are immigrants with change of residence analysed by sex, macro-regions, development regions and counties of arrival areas, according to the definition of the National Institute of Statistics, persons (of Romanian citizenship) who immigrate to Romania. Immigration is the act by which a person renounces his domicile on the territory of another state and establishes his domicile in Romania.

Figure 1. Total number of permanent immigrants



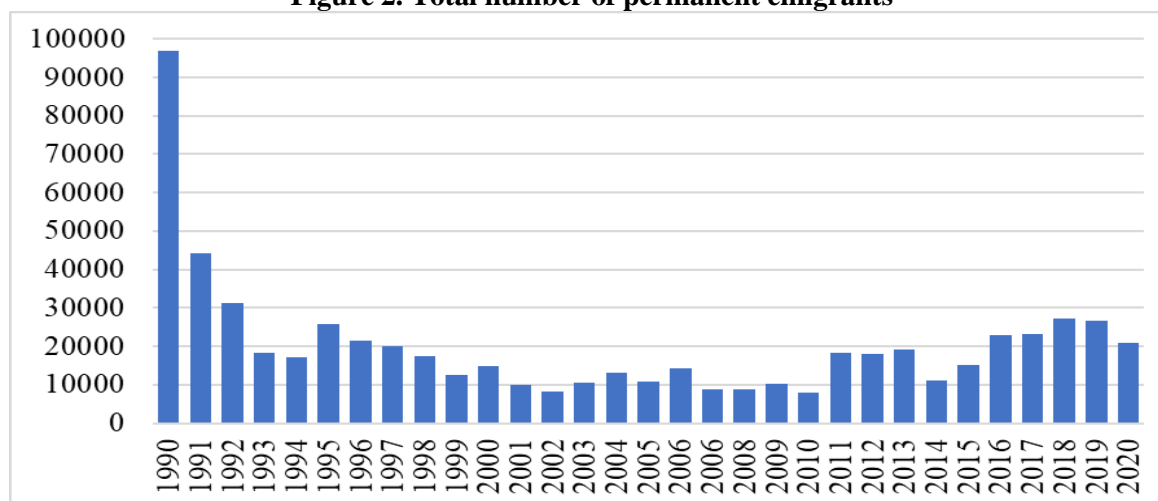
Source: National Institute of Statistics, TempoOnline, table POP310A

At the national level, the total number of permanent immigrants has increased especially after 2011, reaching over 65,000 people in 2018 (Figure 1).

3.2. Definitive emigrants

They are analyzed by sex, macro-regions, development regions and counties of departure represent, according to the INS definition, persons (of Romanian citizenship) who emigrate abroad. Emigration is the act by which a person renounces his domicile in Romania and establishes his domicile on the territory of another state.

Figure 2. Total number of permanent emigrants



Source: National Institute of Statistics, Tempo Online, table POP309A

The number of permanent emigrants reached a maximum (of almost 100 thousand people) in 1990, then, after 1992, it stabilizes at values between 20-30 thousand people per year (Figure 2).

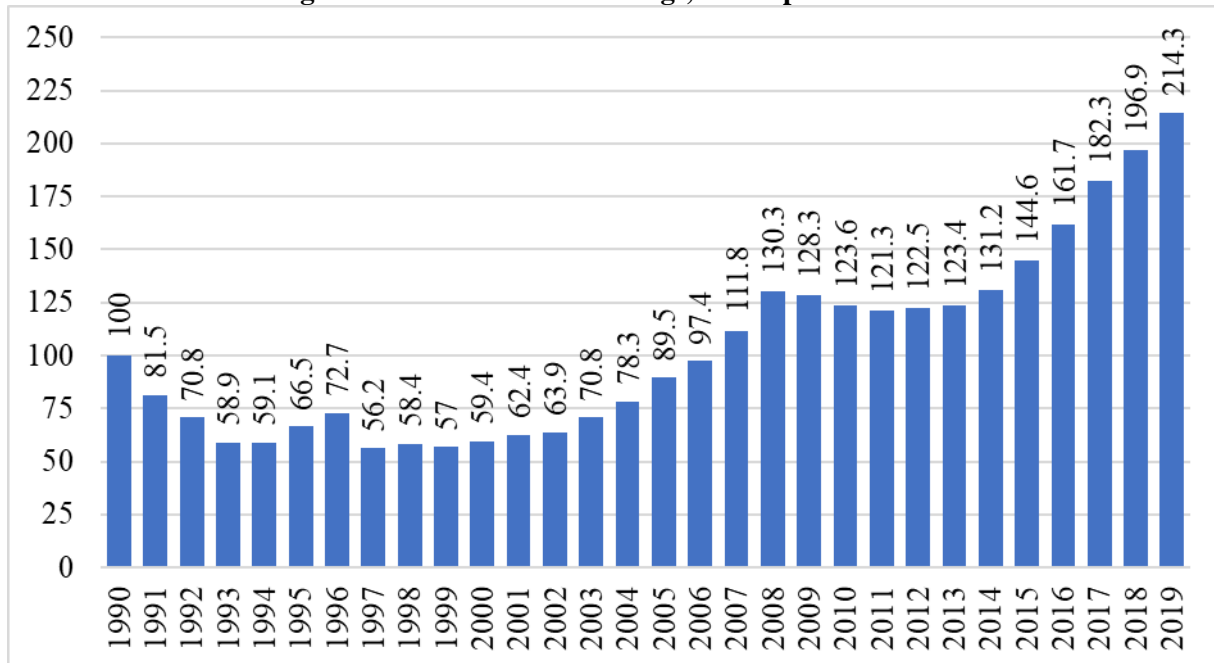
3.3. Average monthly net nominal earnings

It is registered on activities of the national economy at the level of CANE Rev.1 section, categories of employees, macro-regions, development regions and counties, is obtained, according to the INS methodology by subtracting from the gross nominal earnings of: tax, employees' contribution social security contributions, individual state social insurance contributions and employees' contributions to the unemployment insurance

budget. Starting with 2018, the net nominal earnings are obtained by deducting from the gross nominal earnings of: tax, social security contribution due by employees and social health insurance contribution due by employees.

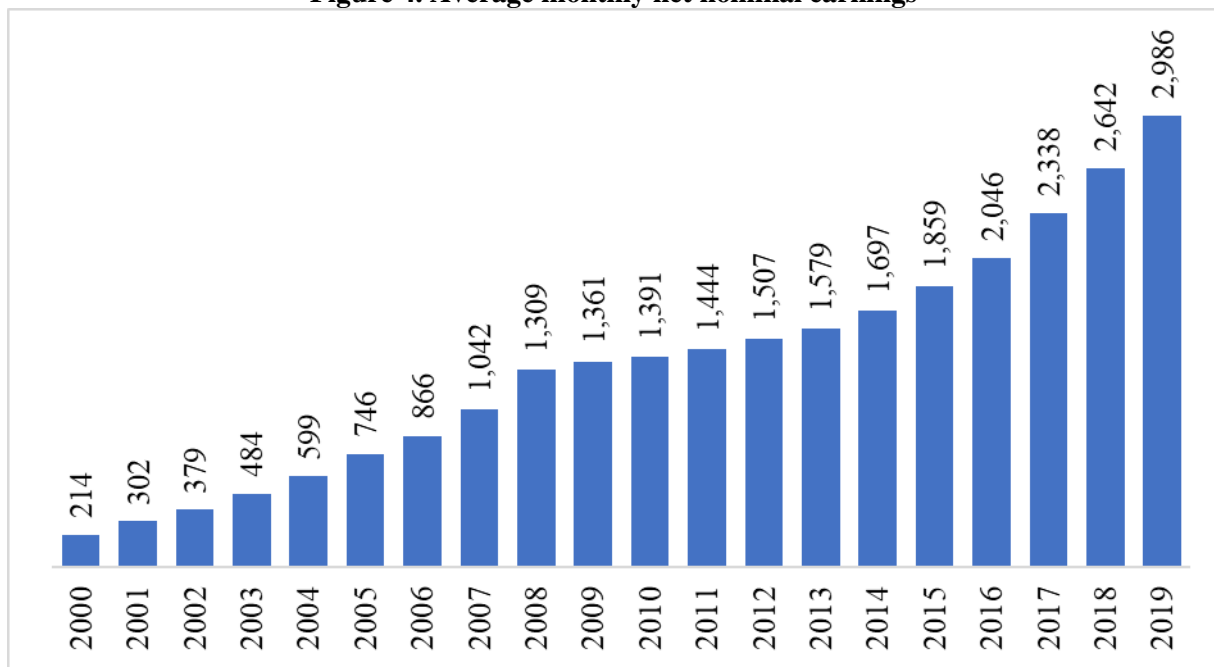
The average net monthly earnings are the ratio between the net amounts paid to employees by economic agents in the reference month, regardless of the period for which they are due, and the average number of employees. The average number of employees is a simple arithmetic average calculated based on the daily staff of employees in that month.

Figure 3. Indices of real earnings,% compared to 1990



Source: National Institute of Statistics, Tempo Online, table FOM110A

Figure 4. Average monthly net nominal earnings



Source: National Institute of Statistics, Tempo Online, tables FOM106A and FOM106E

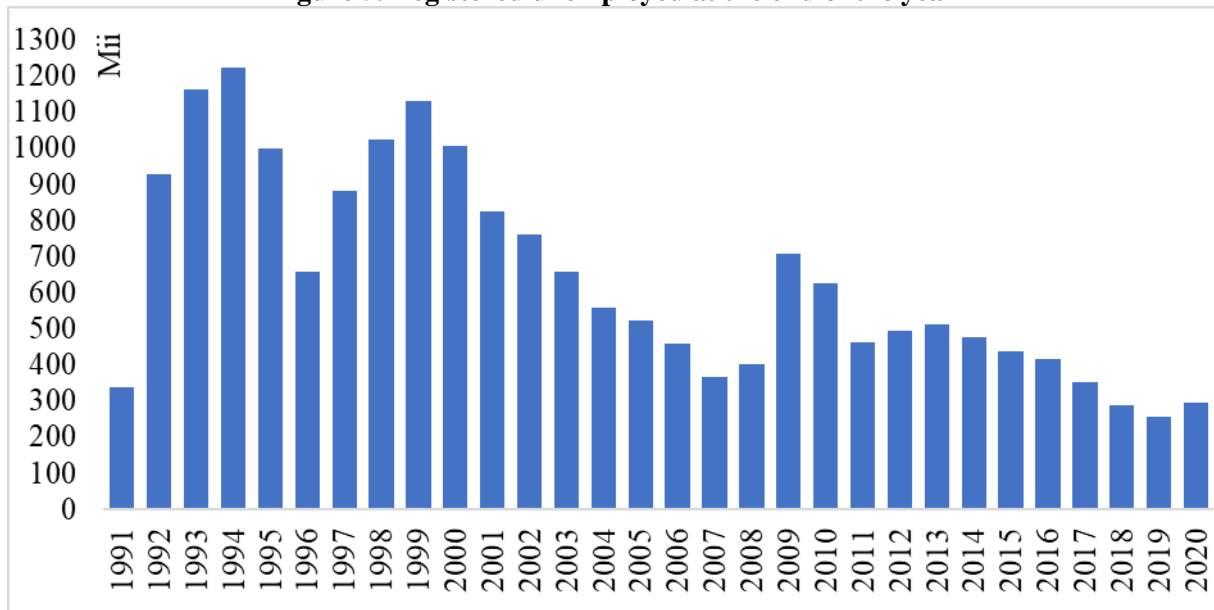
Employees who are not full-time employees are included in the average number in proportion to the working time provided for in the employment contract. Only the persons who have been paid for that month are

included in the number of employees taken into account. Not taken into account: employees on unpaid leave, on strike, posted to work abroad and those whose employment contract / employment relationship has been suspended.

3.4. Registered unemployed

They are by categories of unemployed, sex, macro-regions, development regions and counties refer to the total number of unemployed registered with the National Agency for Employment, according to law no. 76/2002 on unemployment insurance systems and employment stimulation.

Figure 5. Registered unemployed at the end of the year



Source: National Institute of Statistics, Tempo Online, table SOM101B

For the purposes of the new law, the registered unemployed person is the person who cumulatively meets the following conditions:

- is looking for a job from the age of at least 16 and until the retirement conditions are met;
- the state of health and the physical and mental capacities make her fit to perform a job;
- does not have a job, does not earn income or earns from activities authorized by law, income lower than the value of the reference social indicator of unemployment insurance and employment stimulation, in force;
- is available to start work in the next period if a job is found;
- is registered with the National Agency for Employment.

They are assimilated to the unemployed and graduates of educational institutions and graduates of special schools for people with disabilities, aged at least 16 years, who, in a period of 60 days after graduation, failed to get a job according to professional training.

4 Conclusion

Migration is the meeting of early times, which accompanied the development of human societies, and its size, shape and intensity, as well as other characteristics being quantified by a multitude of indicators.

Migration, as well as temporary migration, is a definitive response to the evolution of society, economies and the social environment. People have always migrated across borders, making intercultural exchanges and better living conditions.

As disadvantages of migration, we can consider the depopulation of some areas / regions, the uprooting of families and the psychological problems that can affect children left at home.

Migration is a phenomenon specific to the process of globalization. Global migration falls into several categories: low-skilled labor migration, illegal migration, international business travel, human trafficking and smuggling, political asylum and refugee protection, and so on. a.m.d, the most irregular indicator being labor migration.

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