

THE IMPLICATION OF THE EU MEMBERSHIP ON IMMIGRATION TRENDS AND IMMIGRANT INTEGRATION POLICIES FOR THE BULGARIAN LABOR MARKET*

Book review by **Ivanka Petkova**

Bulgaria has a long history of migration, which has dramatically changed in the last half century. From the beginning of the transition period, Bulgaria had faced the problem of emigration, of the rising „brain drain”, as educated and skilled Bulgarians found opportunities to move and work abroad. After the EU membership Bulgaria is on the way of becoming a country of net immigration due to the flows of Bulgarian origin people from Southeast Europe and due to the Middle East and North Africa emigrants.

A publication of the **Economic Policy Institute**, Sofia, the book presents the outcomes of a series of contributions discussing the implication of immigration on the Bulgarian labour market. The international project is organized by the **Economic Policy Institute**, Sofia, in cooperation with the **Council on Social Work Education**, Alexandria, VA, **Katherine A. Kendall Institute** and the **Institute for World Economics** of the Hungarian Academy of Sciences, Budapest, with the kind support of the **German Marshall Fund** of the United States. This project is also concerned with the integration of documented immigrants to the host country, while also discussing the issue in a comparative context in Europe and the USA.

The book contains detailed

descriptions of best practices in integrating immigrants into the labour market in France, Germany, the Netherlands, Spain and the United Kingdom, which can be considered as the hot spots of migration inflows in the last two decades. The main trends are outlined by presenting a typology of integration strategies and policies, focusing on the scope and the nature of the programs while the book also suggests recommendations. Main immigration and immigrant policies of the USA are highlighted, focusing on health policies and programs, education and social welfare policies. The book discusses major immigration trends to Hungary with special regard to labour migration and illegal foreign employment. The contributors point out, that the migrants to Hungary are mostly ethnic Hungarians, and their integration does not pose a challenge to the migration policy. Comparing to the distribution of all employees the, workers coming from Romania to Hungary are over-represented in the economic sectors where illegal employment is typically concentrated, most of them being employed in low paid jobs. The role of foreign labour force seems to fill in certain labour market niches or shortages than to compete with the domestic labour force in Hungary. At the same time complicated bureaucratic procedures and too restrictive rules seem

* *The Implication of the EU membership on Immigration Trends and Immigrant Integration Policies for the Bulgarian Labor Market* is the result of an international project (2007-2008) organised by the Economic Policy Institute, Sofia, 2008, ISBN: 978-954-9359-35-0

to make legal employment difficult and fuel the illegal foreign work.

The immigration issue in the EU is discussed in the framework of the decision of the EU15 to introduce a 7-year transitional period for the complete opening of the enlarged market for one of the four freedoms of the single market (free circulation of labour.) Some of the new member countries have already started to experience the negative side of migration. On the one hand, several sectors are facing serious labour shortage, such as agriculture, retail trade, personal and social service activities, and the construction sector. Another adverse effect is that labour shortage has become rapidly accompanied by higher wages, since wage increases used to have a so called „demonstration effect“.

Thus authors seek ways to improve the active policy responses towards emigration of skilled persons because of the negative implications for the local labour market. It is argued that the loss of such workers can reach the level of a critical mass that is a key precondition of a sustainable modernization. The origin country loses part or totality of its long term investment in human resource building. Here the age of the returnees is an important element which cannot be separated from the given economic and socio-political environment. The higher the unpredictability and the lack of transparency of the latter, the lower the level of business activities expected to be taken by returnees.

One of the substantial negative impacts of immigrants' remittances is the creation of the transfer dependency, similar to the experience of EU farmers enjoying direct payments. As a result, such a situation leads to a rent seeking mentality of a growing hare of the population with clear

negative consequences for the labour market in general, and domestic labour mobility in particular. On the other hand, remittances directed to investments may be given special incentives. Migration has generally different impacts on selected regions of the given country and can generate intra-country migration flows from surplus labour towards regions suffering labour shortage due to migration.

Decision makers in Bulgaria are facing the challenge of the fact that Bulgaria is becoming more and more attractive both as a target country and as a transit country for the immigrants (a kind of a gateway to Europe). Bulgaria's green card system giving the right to foreigners to live and work in the country expected to be introduced in 2008, is only a part of the policy responds.

The book discusses the national migration and integration strategy of Bulgaria, including the admission foreigners to the domestic labour market, their integration into the society, mechanisms for returning migrants efficient control of the external borders, combating illegal immigration and trafficking, regulation of the migration process.

The analysis of the Bulgarian state asylum policy, on refugees and the national program for the integration of refugees shows that the program is aimed at providing the refugees with the opportunity to learn Bulgarian language, to acquire a profession, to get acquainted with the structure of the state, the state institutions in order for them to find realization in the society, financial independence and a self-reliant life. The book argues that active labour market measures have to be applied to improve the refugees' integration into the society.

The coordination of the government institutions in connection with granting a specific protection of aliens on the territory of Bulgaria is considered of crucial importance.

A contextual analysis of the legal dimensions of immigrant access to employment in Bulgaria is among the contributions. The rights that immigrants, refugees, and asylum seekers currently enjoy in the country are discussed. It is recommended, that the detention of immigrants needs to be reconsidered or substantially regulated. Detention costs present an economic drain and the social and economic potential of detainees (if regularized) is considerable, if temporary. Support for and the utilization of the private sector, independent assistance organizations, and Bulgarian and immigrant community input are absolutely fundamental to the success of immigration policy in Bulgaria.

In the part on immigration in the context of gender and labour four types of labour migration, the issue of feminization and the issue why Bulgaria is chosen are pointed out.

The contribution on the EU Common Basic Principles for Integration of Middle East Immigrants in Bulgaria brings to discussion some policy-relevant conclusions: An immigrant community, which does not create a self sufficiency problem, should not be automatically excluded from the policy for the immigrants. A differentiated approach to the various migrant communities with specific attention to their needs would increase the effectiveness of policies applied.

Immigration in Bulgaria began later and it is smaller by size than immigration

in the EU15 countries. Immigrants are coming from different geographic regions and countries: Russia, the Ukraine, the Arab World, China, neighbouring countries etc. The immigration pressure intensifies gradually and smoothly. It has visibly increased since the beginning of 2007 when Bulgaria became EU member as the immigrants are moving in from low developed countries. There was no tension between the local people and the immigrants on the labour market. The increasing importance of this issue for the country, as it is an external border of the EU, demands that Bulgaria should not wait until the immigrant flows could create tensions at the local labour market and thus it must create an immigration policy.

The book also presents the outcomes of field trips in Bulgaria during the course of the four day international workshop.

The Implication of the EU membership on Immigration Trends and Immigrant Integration Policies for the Bulgarian Labor Market will appeal to a wide audience including researchers and scholars of labour economics, sociology and political science. Policymakers within ministries and other public organizations and NGO's dealing with labour market issues and partners, will also find much to engage them within the book.

Contributors include: Yassen Georgiev, Kalin Marinov, Plamena Spasova, Hristo Simeonov, Ivelina Novakova, Neli Filipova, Diana Daskalova, Themba Lewis, Anna Krasteva, Tihomira Trifonova, Rositsa Rangelova, András Inotai, Klára Fóti, András Majoros, Julia A. Watkins, Uma A. Segal.